

AUDITOR'S REPORT

To the members of
Twenty First Developers Private Limited

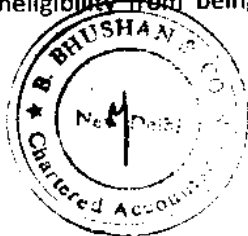
We have audited the attached Balance Sheet of Twenty First Developers Private Limited as at March 31, 2012, and the related Statement of Profit and Loss and also the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the accounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

The Companies (Auditors Report) Order, 2003, as amended by the Companies (Auditors' Report) (Amended) Order 2004, [Order] issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, does not apply to the Company in terms of section 1(2)(iv) of the said Order.

We report that:

- i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
- ii) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
- iii) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account.
- iv) In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report comply with the accounting standards referred in sub section (3C) of section 211 of the Companies Act, 1956.
- v) None of the directors of the Company would be disqualified under the provisions of section 274 (1) (g) of the Companies Act, 1956, from being appointed as a director of the Company, as the Company is a private company and the said section only provides for ineligibility from being appointed as a director of any other public company.



vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts, read together with accounting policies and notes thereto, give the information required by the Companies Act, 1956, in the manner so required and gives a true and fair view in conformity with the accounting principles generally accepted in India:

- a) in case of the Balance Sheet, of the statement of affairs of the Company as at March 31, 2012;
- b) in the case of Statement of Profit and Loss, of the expenditure incurred by the Company for the year ended on that date; and
- c) in the case of Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

117, New Delhi House,
27, Barakhamba Road,
New Delhi- 110001



B. Bhushan & Co.
Chartered Accountants
Firm Registration No. 001596N
By the hand of

Rakesh Jain

Rakesh Jain
Partner
Membership No. 086501

May 11, 2012

TWENTY FIRST DEVELOPERS PRIVATE LIMITED

BALANCE SHEET AS AT MARCH 31, 2012

	Notes	As at March 31, 2012 Rs.	As at March 31, 2011 Rs.
I. EQUITY AND LIABILITIES			
Shareholders' fund			
a) Share capital	2	500,000	500,000
b) Reserves and surplus	3	<u>(5,856)</u>	<u>(5,856)</u>
		<u>494,144</u>	<u>494,144</u>
Non current liabilities			
a) Long term borrowings	4	23,328,050	23,228,050
Current liabilities			
a) Other current liabilities	5	8,427	6,618
TOTAL		<u>23,830,621</u>	<u>23,728,812</u>
II. ASSETS			
Non current assets			
a) Fixed assets			
i) Tangible assets	6	23,396,500	23,396,500
ii) Capital work in progress	7	<u>413,294</u>	<u>285,700</u>
		<u>23,809,794</u>	<u>23,682,200</u>
Current assets			
a) Cash and cash equivalents	8	20,827	11,001
b) Other current assets	9	<u>-</u>	<u>35,611</u>
		<u>20,827</u>	<u>46,612</u>
TOTAL		<u>23,830,621</u>	<u>23,728,812</u>

SIGNIFICANT ACCOUNTING POLICIES

1

This is the Balance Sheet referred in our report of even date addressed to the members of Twenty First Developers Pvt. Ltd.

B. Bhushan & Co.
Chartered Accountants
By the hand of

Rakesh Jain

Rakesh Jain
Partner
Membership no. 086501
May 11, 2012
New Delhi



The notes referred above form an integral part of the Balance Sheet.

Directors

Ashok Sarin
Ashok Sarin

Sunaini Sarin
Sunaini Sarin

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2012

	Notes	For the year ended March 31, 2012 Rs.	For the year ended March 31, 2011 Rs.
I INCOME		-	-
II EXPENSES			
Employees benefits expenses	10	65,841	40,000
Other expenses	11	61,753	43,782
		<u>127,594</u>	<u>83,782</u>
Expenses incurred during the year transferred to preoperative expenditures pending capitalisation		127,594	83,782
Total expenses		<u>-</u>	<u>-</u>
III Profit before tax (I - II)		-	-
IV Tax expense		-	-
V Profit for the year from continuing operations (III - IV)		<u>-</u>	<u>-</u>

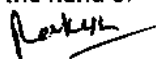
SIGNIFICANT ACCOUNTING POLICIES

1

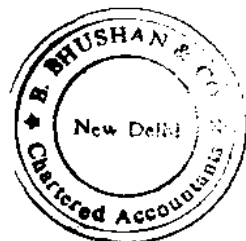
This is the Statement of Profit and Loss referred in our report of even date addressed to the members of Twenty First Developers Pvt. Ltd.

The notes referred above form an integral part of the Statement of Profit and Loss.

B. Bhushan & Co.
Chartered Accountants
By the hand of



Rakesh Jain
Partner
Membership no. 086501
May 11, 2012
New Delhi



Directors



Ashok Sarin



Sunaini Sarin

1 SIGNIFICANT ACCOUNTING POLICIES

a) BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements of the Company have been prepared in accordance with the Indian Generally Accepted Accounting Principles ("Indian GAAP"). The Company has prepared these financial statements to comply in all material aspects with the accounting standard notified under the Companies (Accounting Standard) Rules, 2006 as amended and the relevant provision of the Companies Act, 1956. The financial statement have been prepared under the historical cost convention and on accrual basis.

The accounting policies adopted in the preparation and presentation of financial statements are consistent with those of previous year. The management evaluates all recently issued or revised accounting standards on a ongoing basis.

During the year ended March 31, 2012, the revised Schedule VI notified under the Companies Act, 1956, has become applicable to the Company, for preparation and presentation of its financial statement. The adoption of revised Schedule VI does not impact recognition and measurement principles followed for preparation of financial statements. However, it has significant impact on presentation and disclosures made in the financial statements. The Company has also reclassified previous year figures in accordance with the requirements applicable in the current year.

b) RECOGNITION OF REVENUE AND EXPENDITURE

Income and expenditure are accounted for on accrual basis.

c) TANGIBLE ASSETS

Tangible assets are accounted for at cost of acquisition including directly attributable costs incurred for purchase of the assets and putting the same to use.

d) IMPAIRMENT OF ASSETS

Consideration is given at each Balance Sheet to determine whether there is any indication of impairment of the carrying amount of the Company's fixed assets. If any indication exists, the recoverable value of assets is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount, the latter being greater of net selling price and value in use.

e) CASH FLOW STATEMENT

Cash flows are reported using indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, investing and financing activities of the Company are segregated.

f) EARNINGS PER SHARE

The Company reports basic and diluted earnings per share (EPS) in accordance with Accounting Standard 20 on Earnings Per Share. Basic EPS is computed by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted EPS is computed by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares, except where the results are anti-dilutive.

g) UNAMORTISED EXPENDITURE

Unamortised expenditure is written off over a period of 5 years.



	As at March 31, 2012 Rs.	As at March 31, 2011 Rs.
2 SHARE CAPITAL		
Authorized		
1,000,000 (1,000,000) equity shares of Rs. 10 (Rs. 10) each	10,000,000	10,000,000
Issued, subscribed, and fully paid up		
50,000 (50,000) equity shares of Rs. 10 (Rs. 10) each fully paid up	500,000	500,000

a) Reconciliation of equity shares outstanding at the beginning and at the end of the reporting period:

	As at March 31, 2012		As at March 31, 2011	
	Number	Amount (Rs.)	Number	Amount (Rs.)
Number of shares outstanding at the beginning of the year	50,000	500,000	50,000	500,000
Number of shares outstanding at the end of the year	50,000	500,000	50,000	500,000

b) Terms/rights attached to equity shares

The Company has only one class of equity share having a par value of Rs. 10 per share. Each shareholder of equity shares is entitled to one vote per share. The Company declares and pays dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by each shareholders.

c) Shares held by holding Company, Anant Raj Industries Ltd.

*50,000 (*50,000) equity shares of Rs. 10 (Rs. 10) each fully paid up 500,000 500,000

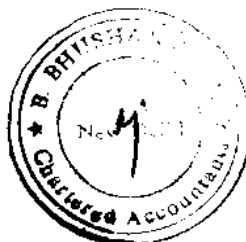
*Includes 6 (6) equity shares held by nominees of the holding company, Anant Raj Industries Ltd.

d) Details of shareholders holding more than 5% shares in the Company

	As at March 31, 2012		As at March 31, 2011	
	Number	% holding	Number	% holding
Equity Shares of Rs. 10 (Rs. 10) each fully paid up				
- Anant Raj Industries Limited	50,000	100%	50,000	100%

3 RESERVES AND SURPLUS

a) Profit and Loss Account		
Opening balance		(5,856) (5,856)
Addition during the year		- -
		<u>(5,856) (5,856)</u>



TWENTY FIRST DEVELOPERS PRIVATE LIMITED
Notes to financial statement for the year ended March 31, 2012

	As at March 31, 2012 Rs.	As at March 31, 2011 Rs.
4 LONG TERM BORROWINGS		
(Unsecured)		
a) Loan from related party	<u>23,328,050</u>	<u>23,228,050</u>
<p>Loan from related party represents non interest bearing unsecured loan obtained from holding company utilised for meeting developmental costs of a real estate project currently under development, which loan is repayable on divestment of the said project. There is no repayment of principal or payment of interest due by the Company as at the year end.</p>		
5 OTHER CURRENT LIABILITIES		
a) Other payables		
Expenses payable	<u>8,427</u>	<u>6,618</u>
6 TANGIBLE ASSETS		
a) Land		
Opening balance	23,396,500	23,396,500
Additions during the year	<u>-</u>	<u>-</u>
	<u>23,396,500</u>	<u>23,396,500</u>
7 CAPITAL WORK IN PROGRESS		
a) Preoperative expenditure pending capitalisation		
Opening balance	285,700	201,918
Additions during the year	<u>127,594</u>	<u>83,782</u>
	<u>413,294</u>	<u>285,700</u>
8 CASH AND CASH EQUIVALENTS		
a) Balance with bank		
- In current account	16,937	7,111
b) Cash on hand	<u>3,890</u>	<u>3,890</u>
	<u>20,827</u>	<u>11,001</u>
9 OTHER CURRENT ASSETS		
a) Unamortised expenditure		
Opening balance	35,611	71,223
Less: Written off during the year	<u>35,611</u>	<u>35,612</u>
	<u>-</u>	<u>35,611</u>



	For the year ended March 31, 2012 Rs.	For the year ended March 31, 2011 Rs.
10 EMPLOYEES BENEFIT EXPENSES		
a) Salary and wages	65,841	40,000
11 OTHER EXPENSES		
a) Payment to auditors as audit fees	8,427	6,618
b) Filing fees	1,010	1,000
c) Legal and professional	5,791	552
d) Bank charges	1,000	-
e) Electricity expenses	9,450	-
f) Interest paid	464	-
g) Unamortised expenditure written off	35,611	35,612
	61,753	43,782

12 The Company purchased land for the development of a real estate project in Delhi. Expenses incurred by the Company during the year considered to enhance the value of the development project, have been accounted under the head 'Preoperative Expenditure Pending Capitalization' and the same shall be capitalized by way of apportionment over fixed assets to be created on completion of development in progress.

13 The Company does not have any operating profit during the year and therefore, earning per share has not been calculated.

14 Related Party Disclosures

Pursuant to Accounting Standard (AS18) - "Related Party Disclosure" issued by Institute of Chartered Accountants of India following parties are to be treated as related parties along with their relationships:

a) Name of related parties and description of relationships :

Holding Company

Anant Raj Industries Limited

Fellow Subsidiaries

Aakashganga Realty Pvt. Ltd.

Aarkarshak Realators Pvt. Ltd.

Advance Buildcon Pvt. Ltd.

Anant Raj Cons. & Development Pvt. Ltd.

Anant Raj Hotels Ltd.

Anant Raj Housing Ltd.

Anant Raj Projects Ltd.

Ankur Buildcon Pvt. Ltd.

A-Plus Estates Pvt. Ltd.

BBB Realty Pvt. Ltd.

Blossom Buildtech Pvt. Ltd.

Bolt Properties Pvt. Ltd.

Capital Buildcon Pvt. Ltd.

Capital Buildtech Pvt. Ltd.

Carnation Buildtech Pvt. Ltd.

CCC Realty Pvt. Ltd.

High Land Meadows Pvt. Ltd.

Jasmine Buildwell Pvt. Ltd.

Jubilant Software Services Pvt. Ltd.

Kalinga Buildtech Pvt. Ltd.

Kalinga Realtors Pvt. Ltd.

Krishna Buildtech Pvt. Ltd.

Lucky Meadows Pvt. Ltd.

Monarch Buildtech Pvt. Ltd.

North South Properties Pvt. Ltd.

Novel Buildmart Pvt. Ltd.

Novel Housing Pvt. Ltd.

One Star Realty Pvt. Ltd.

Oriental Meadows Ltd.

Oriental Promoters Pvt. Ltd.

Papillon Buildcon Pvt. Ltd.

Papillon Buildtech Pvt. Ltd.



TWENTY FIRST DEVELOPERS PRIVATE LIMITED
Notes to financial statement for the year ended March 31, 2012

Century Promoters Pvt. Ltd.	Park Land Const. & Equipment Pvt. Ltd.
Echo Buildtech Pvt. Ltd.	Parkland Developers Pvt. Ltd.
Echo Properties Pvt. Ltd.	Parkview Promoters Pvt. Ltd.
Elegant Buildcon Pvt. Ltd.	Pasupati Aluminium Ltd.
Elegant Estates Pvt. Ltd.	Pelikan Estates Pvt. Ltd.
Elevator Buildtech Pvt. Ltd.	Pioneer Promoters Pvt. Ltd.
Elevator Promoters Pvt. Ltd.	Rapid Realtors Pvt. Ltd.
Elevator Properties Pvt. Ltd.	Red Sea Realty Pvt. Ltd.
Empire Promoters Pvt. Ltd.	Rising Realty Pvt. Ltd.
Excellent Inframart Pvt. Ltd.	Rolling Construction Pvt. Ltd.
Fabulous Builders Pvt. Ltd.	Romano Estate Pvt. Ltd.
Four Construction Pvt. Ltd.	Romano Infrastructure Pvt. Ltd.
Gadget Builders Pvt. Ltd.	Romano Projects Pvt. Ltd.
Gagan Buildtech Pvt. Ltd.	Romano Tiles Pvt. Ltd.
Glaze Properties Pvt. Ltd.	Rose Realty Pvt. Ltd.
Good Luck Buildtech Pvt. Ltd.	Roseview Buildtech Pvt. Ltd.
Grand Buildtech Pvt. Ltd.	Roseview Properties Pvt. Ltd.
Grand Park Buildtech Pvt. Ltd.	Saffron View Properties Pvt. Ltd.
Grand Park Estates Pvt. Ltd.	Sand Storm Buildtech Pvt. Ltd.
Greatway Estates Ltd.	Sartaj Developers & Promoters Pvt. Ltd.
Greatways Buildtech Pvt. Ltd.	Sovereign Buildwell Pvt. Ltd.
Green Line Buildcon Pvt. Ltd.	Spring View Developers Pvt. Ltd.
Green Line Promoters Pvt. Ltd.	Spring view Properties Pvt. Ltd.
Green Retreat and Motels Pvt. Ltd.	Suburban Farms Pvt. Ltd.
Green View Buildwell Pvt. Ltd.	Three Star Realty Pvt. Ltd.
Green Way Promoters Pvt. Ltd.	Townsend Cons. & Equipments Pvt. Ltd.
Green Wood Properties Pvt. Ltd.	Tumhareliye Realty Pvt. Ltd.
Gujarat Anant Raj Vidhyanager Ltd.	Vibrant Buildmart Pvt. Ltd.
Hamara Realty Pvt. Ltd.	West Land Buildcon Pvt. Ltd.
Hemkunt Promoters Pvt. Ltd.	Woodland Promoters Pvt. Ltd.

Partnership firm in which holding company is partner

Ganga Bishan & Company

Key management Personnel

Ashok Sarin

Sunaini Sarin

Jayanti Sarin

Chairman & Director

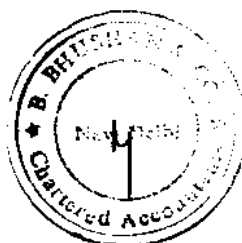
Director

Director

Note: Related party relationship is as identified by the management of the Company.

b) The Company has following transactions with the following related parties:

Sl. No.	Nature of Transactions	Related Party	For the year ended March 31, 2012	For the year ended March 31, 2011
			Rs.	Rs.
1	Long term borrowings received from holding company	Anant Raj Industries Ltd.	100,000	-



TWENTY FIRST DEVELOPERS PRIVATE LIMITED
Notes to financial statement for the year ended March 31, 2012

c) Amount outstanding as at March 31, 2012:

Sl. No.	Account head	Related Party	As at March 31, 2012 Rs.	As at March 31, 2011 Rs.
1	Equity share capital held by holding company	Anant Raj Industries Ltd.	500,000	500,000
2	Long term borrowings payable to holding company	Anant Raj Industries Ltd.	23,328,050	23,228,050

15 In the opinion of the management, the realisable value of current assets in the ordinary course of business will not be less than their value stated in the Balance Sheet.

16 Figures and words in brackets relate to previous year unless otherwise indicated.

17 Previous year figures have been regrouped or recast, wherever necessary, in order to confirm to this year's presentation.

Signatures to the above notes which form an integral part of the Balance Sheet and Statement of Profit and Loss.



Directors


Ashok Sarin


Sunaini Sarin

May 11, 2012
New Delhi

TWENTY FIRST DEVELOPERS PRIVATE LIMITED

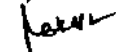
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2012

		For the year ended March 31, 2012 Rs.	For the year ended March 31, 2011 Rs.
A. CASH FLOW FROM OPERATIONS			
Profit before tax from continuing operations		-	-
Adjustment for:			
Unamortised expenditure written off		35,611	35,612
Operating profit before working capital changes		35,611	35,612
- Increase/(Decrease) in other current liabilities		1,809	(3,400)
Net cash from operating activities	(A)	37,420	32,212
B. CASH FLOW FROM INVESTING ACTIVITIES			
Addition to capital work in progress		(127,594)	(83,782)
Net cash used in Investing activities	(B)	(127,594)	(83,782)
C. CASH FLOW FROM FINANCING ACTIVITIES			
Increase/(Decrease) in long term borrowings		100,000	-
Net cash used in financing activities	(C)	100,000	-
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(A+B+C)	9,826	(51,570)
Cash and cash equivalents - Opening balance		11,001	62,571
Cash and cash equivalents - Closing balance		20,827	11,001

Note: Figures in brackets indicate cash outflow

This is the Cash Flow Statement referred to in our report of even date attached.

B. Bhushan & Co.
Chartered Accountants
By the hand of



Rakesh Jain
Partner
Membership no. 086501
May 11, 2012
New Delhi



Directors



Ashok Sarin



Sunaini Sarin