

A.K. Jindal & Associates
Chartered Accountants

201, Suchet Chambers, 1224/5, Naiwala, Bank Street, Karol Bagh, Delhi 110005, Tel : 28750239, 41548454

INDEPENDENT AUDITOR'S REPORT

To
The Members of
Green Retreat and Motels Private Limited

Report of the Financial Statement

We have audited the accompanying financial statements of "**Green Retreat and Motels Private Limited**" ("the Company"), which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit & Loss Account and Cash Flow Statement for the year ended, and a summary of significant accounting policies and other explanatory information.

Management Responsibility for the Financial Statement

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain a reasonable assurance about whether the financial statements are free from material misstatement.

An audit includes performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



(e). On the basis of representations received from the directors as on 31st March, 2013 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2013 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies act, 1956;

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

- I] In the case of the Balance Sheet, of the state of affairs of the Company as at 31st march 2013; and
- II] In case of the statement of Profit and Loss Account, of the Expenditure incurred for the year ended on that date.
- III] In case of the Cash Flow Statement, of the cash flows of the company for the year ended on that date.

Place: Delhi
Dated: 20.05.2013

For A. K. Jindal & Associates
Chartered Accountants
Firm Registration No. 006659N
By the hand of




(Ashok Gupta)
Partner
Membership No. 085175

**Annexure to the Auditor's Report of Green Retreat and Motels Pvt Ltd
for the year ended 31st March 2013**

Referred to in Paragraph 1 of our Report of even date.

1. (a) The Company maintained proper record showing full particulars Quantity details and situation of the Fixed Assets.
 - (b) During the year the management has physically verified the fixed assets in the phased programme which, in our opinion is reasonable having regard to the size and nature of the company. Discrepancies noticed on such verification were not material and have been properly dealt with in books of accounts.
 - (c) During the year no part of the Fixed Assets was disposed off by the Company.
- 2 As the Company does not carry any inventory the provisions of clause 4(ii) of the Order are not applicable.
- 3 (a) In our opinion and according to information and explanations given to us the company had taken unsecured loan from parties covered in the register maintained under Section 301 of the Companies Act 1956. The maximum amount involved during the year was Rs.368432470/- and year end balance of loans taken from such parties was Rs. 338562470/- The rate of interest and other terms and conditions of loan taken by the company are prima facie not prejudicial to the interest of the company. There is no overdue amount.
- (b) According to information and explanations given to us the company had not granted any loans secured or unsecured to/from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.
4. In our opening and according to the information and explanation given to us, there are adequate internal control procedures, commensurate with the size of the company and the nature of its business .
5. Based on the audit procedure applied by us and according to the information and explanations provided by the management, we are of the opinion that all the transactions that need to be entered in the register in pursuance of Section 301 of the Act have been so entered.
These transactions have been made at a prices which are reasonable having regard to the prevailing market prices at the relevant time.



6. The company has not accepted any deposits from the public during the year.
7. In our opinion, the company has an internal audit system commensurate with the size of the company and nature of the business.
8. The Central Government has not prescribed the maintenance of cost records by the company under section 209(1)(d) of the companies Act.1956.
9. According to information and explanations given to us, in respect of statutory dues and other dues:
 - a. According to records examined by us the company is regular in depositing undisputed statutory dues. There is no arrear of any of the statutory dues at the last day of financial year for a period of more than six months from the date they become payable.
 - b. According to the information and explanation given to us, there are no undisputed amounts outstanding on 31-3-2013 in respect of sales tax/custom duty/wealth tax/excise duty/cess.
10. The Company does not have accumulated losses at the end of the financial year
The company has not incurred any Cash loss during the financial year covered by our audit and in the immediately preceding financial year .
11. Based on our audit procedure and on the information and explanation given by the management, the company had not taken any loan from any of the financial institution, bank or through debentures.
12. The company has not granted loans and advances, on the basis of security by way of pledge of shares, debentures and other securities.
13. The Company is not a chit fund, nidhi or mutual benefit fund/society. Therefore the provisions of clause 4 (xiii) of the order are not applicable to the company.
14. On the basis of our examination it is reported that the company has maintained records of its dealing in other investments. These investments have been hold by the company in its own name.
15. According to the information and explanation given to us, the company has not given any guarantec during the year, for loans taken by others from banks or financial institutions.
16. The company has neither raised any term loan during the year nor any unutilized amount was left on this account, as at the beginning of the year. Therefore the provisions of clause 4(xvi) of the order are not applicable to the company.



17. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the company, we report that the funds raised on short term basis have not been utilized for long term investment and *vice-versa*
18. The Company had not made any preferential allotment of shares to the parties or companies covered in the register maintained under section 301 of the Companies Act, 1956.
19. The Company did not issue any debentures during the year.
20. The Company had not raised any money through a public issue during the year.
21. Based on the Audit procedures performed and information and explanations given by the management, we report that no fraud on or by the company has been noticed or reported during the year.

Place: Delhi
Dated: 20.05.2013

For A. K. Jindal & Associates
Chartered Accountants
Firm Registration No. 006659N
By the hand of



(Ashok Gupta)
Partner
Membership No. 085175

GREEN RETREAT AND MOTELS PVT. LTD.
19, Sai Sadan, Liberty Garden, Road No.2, Malad (W), Mumbai-400064
Balance Sheet As At March 31, 2013

Particulars	Note No.	As at March 31st March 2013	As at March 31st March 2012
I EQUITY AND LIABILITIES			
(1) Shareholders Funds			
(a) Share capital	1	64,160,290.00	64,160,290.00
(b) Reserves and surplus	2	51,670,429.83	51,670,429.83
(3) Non-current liabilities			
(a) Long term borrowings	3	338,562,470.00	287,132,470.00
(4) Current Liabilities			
(a) Other Current liabilities	4	258,044.00	282,130.00
TOTAL		454,651,233.83	403,245,319.83
II ASSETS			
(1) Non-Current assets			
(1) (a) Fixed Asses			
(i) Tangible assets	5	103,513,059.83	102,062,531.83
(b) Non Current Investment	6	253,579,500.00	253,579,500.00
(c) Long Term Loans and Advances	7	47,510,131.00	47,510,131.00
(2) Current Assets			
(a) Cash and cash equivalents	8	48,543.00	93,157.00
(b) Other Current Assets	9	50,000,000.00	-
TOTAL		454,651,233.83	403,245,319.83
Significant accounting Policies and Notes on Accounts	12		

As per our Report of even date attached

For and on behalf of the Board of Directors

For A.K. Jindal & Associates
 Firm Registration No. 006659N
 Chartered Accountants

Place: Delhi
 Dated: 20.05.2013

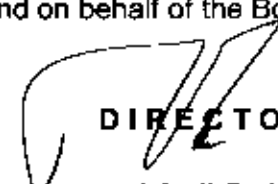

 (Ashok Gupta)

Partner


Membership No. 085175



DIRECTORS


 (Amit Sarin)


 (Pankaj Nakra)


 (Heera Lal)
 Company Secretary

GREEN RETREAT AND MOTELS PVT. LTD.
19, Sai Sadan, Liberty Garden, Road No.2, Malad (W), Mumbai-400064
Statement of Profit And Loss Account For the Year Ended March 31, 2013

Particulars	Note No.	For the year Ended 31.3.2013	For the year Ended 31.3.2012
I Revenue from operations		-	-
II Other Income		-	-
III Total Revenue (I+II)		-	-
IV Expenses :			
Employee Benefit Expenses	10	309,589.00	363,039.00
Other Expenses	11	1,134,189.00	1,181,724.40
Less: Expenditure Capitalised during the year		(1,443,778.00)	(1,544,763.40)
Total Expenses		-	-
V Profit before exceptional and extraordinary item and tax (III-IV)		-	-
VI Exceptional Items			
VII Profit before Extraordinary Items and tax (V-VI)		-	-
VIII Extraordinary Items			
IX Profit before tax (VII-VIII)		-	-
X Tax expense			
current tax			-
XI Profit /(Loss) for the period from Continuing operations(IX-X)		-	-
XII Profit /(Loss) from discontinuing operations			
XIII Tax Expenses of discontinuing operations			
XIV Profit /(Loss) from discontinuing operations (after tax XII-XIII)			
XV Profit/(Loss) for the period (XII-XIV)		-	-
XVI Earning per equity share:			
(1) Basic		-	-
(2) Diluted		-	-
Significant accounting Policies and Notes on Accounts	12		
As per our Report of even date attached			

For and on behalf of the Board of Directors

For A.K. Jindal & Associates
 Firm Registration No. 006659N
 Chartered Accountants

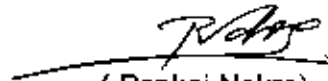
Place: Delhi
 Dated: 20.05.2013

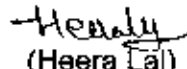

(Ashok Gupta)
 Partner
 Membership No. 085175



DIRECTORS


 (Amit Sarin)


 (Pankaj Nakra)


 (Heera Lal)
 Company Secretary

NOTE NO.**31.03.2013**
Rupees**31.03.2012**
Rupees**1 SHARE CAPITAL****a) Authorised**7000000 (7000000) Equity Shares of Rs.10 (Rs. 10) each 70,000,000.00 70,000,000.00**b) Issued,Subscribed & paid up**6416029 (6416029) Equity Shares of Rs.10/- each fully paid-up 64,160,290.00 64,160,290.00**c) Reconciliation of equity share capital**

	As at March 31, 2013		As at March 31, 2012	
	Number	Amount	Number	Amount
Number of shares outstanding at the beginning of the year	6416029	64160290	6416029	64160290
Number of shares outstanding at the end of the year	6416029	64160290	6416029	64160290

1) Shares held by holding Company, Anant Raj Ltd.i) 6416029 (6416029) Equity Shares 64160290 64160290**e) Shares in the company held by each share holder holding more than 5% shares**Name of Shareholders

1) Anant Raj Ltd.

a) Number of equity shares held 6416029 6416029
% of shareholding 100% 100%**2 RESERVES & SURPLUS****Profit & Loss Account**Opening Balance 51,670,429.83 51,670,429.83
Add: Profit during the year - -
Closing Balance 51,670,429.83 51,670,429.83**3 LONG TERM BORROWINGS****1) Loans & advances from Related Parties****Unsecured From Holding Company**

- The Above loan is not guaranteed by Directors/Others
- Term of Repayment Interest Free
- Long Term Loan
- As on Balance Sheet Date there is no default in payment of loans & interest .

338,562,470.00 287,132,470.00

4 OTHER CURRENT LIABILITIES**Other Payable**

Advance for which value to be given	110,959.00	110,959.00
Sundry Creditors for Capital Goods & Services	108,252.00	135,060.00
Statutory Dues Payable	11,393.00	1,151.00
Expenses Payable	27,440.00	34,960.00
	<u>258,044.00</u>	<u>282,130.00</u>

5 FIXED ASSETS**Tangible Assets**

Land (Free Hold)	62,248,200.00	62,248,200.00
	<u>(a) 62,248,200.00</u>	<u>62,248,200.00</u>
Hotel Building	39,814,331.83	38,269,568.43
Add: Addition during the year	<u>(b) 1,450,528.00</u>	<u>1,544,763.40</u>
	<u>41,264,859.83</u>	<u>39,814,331.83</u>
	<u>(a) + (b) 103,513,059.83</u>	<u>102,062,531.83</u>

Addition to Hotel Building Current Year Rs. 14,50,528.00 (Previous year Rs.15,44,763.40)

6 NON-CURRENT INVESTMENT**(1) Madras Stock Exchange Limited**

1360210 Equity Shares of Rs. 1.00 each fully paid up	3,579,500.00	3,579,500.00
(2) Edge to Edge Buildrop Pvt. Ltd.		
2500000 Pref. Shares of Rs. 10.00 each fully paid up	<u>250,000,000.00</u>	<u>250,000,000.00</u>
	<u>253,579,500.00</u>	<u>253,579,500.00</u>

7 LONG TERM LOANS & ADVANCES**Other Loans & Advances**

Unsecured Considered Goods		
Capital Advance	40,000,000.00	40,000,000.00
Others		
MAT Credit Entitlement	<u>7,510,131.00</u>	<u>7,510,131.00</u>
	<u>47,510,131.00</u>	<u>47,510,131.00</u>

8 Cash and Cash Equivalents

Bank balance in current account with State Bank of India	40,615.00	85,105.00
Cash in Hand	<u>2,928.00</u>	<u>3,052.00</u>
Total Cash and Cash Equivalents	<u>43,543.00</u>	<u>88,157.00</u>
Other Bank Balances		
with Federal Bank (FDR)	5,000.00	5,000.00
Deposits with original Maturity of More than 12 Months	<u>5,000.00</u>	<u>5,000.00</u>
Total Bank Balances	<u>10,000.00</u>	<u>10,000.00</u>
Total Cash and Bank Balances	<u>53,543.00</u>	<u>98,157.00</u>



9 **Short-term loans and Advances**

Advance Recoverable in Cash or Kind

50,000,000.00

10 **Employee Benefit Expenses**

Salary & Wages

309,589.00

363,039.00

309,589.00

363,039.00

11 **OTHER EXPENSES**

Interest

408.00

-

Security Charges

477,580.00

471,257.00

Bank Charges

227.00

63.00

Electricity Charges

89,670.00

111,180.00

Filing Fees

1,124.00

6,160.00

Legal & Professional

51,405.00

4,104.00

House Tax

487,722.00

487,722.00

Repair & Maintenance

12,000.00

Unamortised Expenditure Written off

-

71,738.40

Audit Fee

17,500.00

17,500.00

Rent

8,553.00

-

1,134,189.00

1,181,724.40

12 **Notes to Accounts**

Accounting Policies and Notes on accounts

(A) **Significant Accounting Policies**

1 **Conventions**

The Accounts have been prepared Primarily under the historical Cost Convention and on the accrual basis of accounting

2 **Fixed Assets**

Fixed assets are stated at cost including duties, taxes and all other incidental expenses to bring the assets to its intended purposes .

(B) **Notes Forming part of accounts:**

1 In the opinion of the Board of Directors all assets other than fixed assets and non current investments have a value on realization in the ordinary course of business at least equal to the amount at which they are stated

2 The company is a wholly owned subsidiary of Anant Raj Limited since all shares are held by Anant Raj Ltd. and its nominees.



3 Taxes on Income

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961. Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

3 Related Party Disclosures

i. Name of related parties and description of relationship:

1. Holding Company Anant Raj Ltd.

ii. Transactions with related parties Holding Company

Loan Received from holding company Rs. 81430000 (PY. 8850000)

Loan Repaid Rs. 30000000(PY.10000000)

iii Closing Balances with related parties: Rs. 338562470(PY.287132470)

4 Segment Reporting

The company has no reportable Business or Geographical segment

5 Earning per Shares

Particulars		2012-2013	2011-2012
Profit attributable in the Shareholders (A)		NIL	NIL
Basic/Weighted average number of Equity Shares outstanding during the year (B)		6416029	6416029
Nominal Value of Equity Shares		10	10
Basic Diluted Earnings per Shares (A/B)		N/A	N/A

6 Previous year figures have been regrouped wherever found necessary .

7 Signature to the above Schedules which form an integral Part of the Balance Sheet and Statement of Profit & Loss Account.

Place : Delhi

Dated:20.05.2013



DIRECTORS

(Amit Sarin)

(Pankaj Nakra)

GREEN RETREAT AND MOTELS PVT. LTD.
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2013

	For the year ended March 31, 2013 Rs.	For the year ended March 31, 2012 Rs.
A. CASH FLOW FROM OPERATIONS		
Profit before tax and extraordinary items	-	-
Interest received		
Unamortised Expenditure Written off	-	71,738
Dividend received		
Adjustment for:		
- Miscellaneous expenditure		
- Preoperative expenditure pending capitalisation	-	5,525
Operating profit before working capital changes	<u>-</u>	<u>77,263</u>
Adjustment for:		
- Loans and advances		
- Current liabilities	(24,086)	75,069
Cash generated from operations	<u>(24,086)</u>	<u>152,332</u>
Income Tax (Previous Year)	-	(7,510,131)
Net cash flow from operating activities	(A) (24,086)	(7,357,799)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Addition to fixed assets	(1,450,528)	(1,544,763)
Capital Advance	-	10,000,000
Advance Recoverable in Cash or in kind	(50,000,000)	
Investment in shares	-	-
Dividend received	-	-
Net cash flow from investing activities	(B) (51,450,528)	8,455,237
C. CASH FLOW FROM FINANCING ACTIVITIES		
Increase/(Decrease) in unsecured loans	51,430,000	(1,150,000)
Interest received	-	-
Net cash used in financing activities	(C) 51,430,000	(1,150,000)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(A+B+C) (44,614)	(52,562)
Cash and cash equivalents - Opening balance	93,157	145,719
Cash and cash equivalents - Closing balance	48,543	93,157

Note: Figures in brackets indicate cash outflow

This is the cash flow statement referred to in our report of even date.

A.K. Jindal & Associates

Chartered Accountants

By the hand of

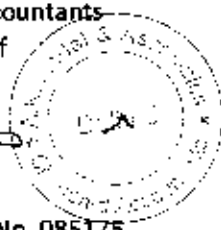

Ashok Gupta

Partner

Membership No. 085175

Date: 20.05.2013

Place: New Delhi



Directors



Amit Sarin



Pankaj Nakra


(Heera Lal)

Company Secretary