

**A.K. Jindal & Associates**  
**Chartered Accountants**

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

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**INDEPENDENT AUDITOR'S REPORT**

To  
The Members of  
**One Star Realty Private Limited**

**Report of the Financial Statement**

We have audited the accompanying financial statements of **"One Star Realty 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.



**Opinion**

In our opinion, and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:


- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31,2013; and
- b) In case of the statement of Profit and Loss Account, of the Loss Incurred by the Company for the year ended on that date and,
- c) In case of the Cash Flow Statement, of the cash flows of the company for the year ended on that date.

**Report on other Legal and Regulatory Requirements**

1. As required by the companies (Auditor's Report) Order, 2003 ( "the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.
2. As required by section 227(3) of the Act, we report that :
  - (a). 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.
  - (b). 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 the books.
  - (c). 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.
  - (d). In our opinion, the Balance Sheet, Statement of Profit and Loss account and Cash Flow comply with the Accounting Standards referred to in Sub-section (3C) of Section 211 of the Companies Act, 1956.
  - (e). On the basis of written representations received from the directors as on March 31,2013 and taken on record by the Board of Directors , none of the directors is disqualified as on March 31, 2013 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies act, 1956;

Place: Delhi  
Dated:30.04.2013

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

  
(Ashok Gupta)  
Partner  
Membership No. 085175

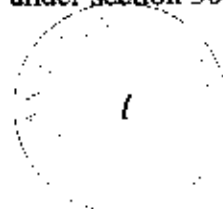
**Annexure to the Auditor's Report of One Star Realty Pvt Ltd  
for the year ended 31<sup>st</sup> March 2013**

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

1. As the Company had no fixed Assets during the year, the provisions of clause 4(i) of the Order are not applicable.
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. 48,63,30,000/- and year end balance of loans taken from such parties was Rs. 47,02,30,000/-. 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's paid up capital and average turnover does not exceed the prescribed limit, and therefore our comments on internal audit are not required.
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 have accumulated losses of Rs. 30,321/- at the end of the financial year The company has incurred a Cash loss of Rs. 16,038/- in the current financial year and Rs. 15,443/- in the financial year ( 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. The company has not dealt or traded in shares, Securities and other investments during the year.
15. According to the information and explanation given to us, the company has not given any guarantee 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: 30.04.2013

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

By the hand of



(Ashok Gupta)

Partner

Membership No. 085175

**ONE STAR REALTY PRIVATE LIMITED**  
**H-65, CONNAUGHT CIRCUS, NEW DELHI - 110001**

**Balance Sheet As At March 31, 2013**

Particulars	Note No.	As at March 31st March 2013	As at March 31st March 2012
<b>I EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders Funds</b>			
(a) Share capital	1	500,000.00	500,000.00
(b) Reserves and surplus	2	(30,321.00)	(14,283.00)
<b>(3) Non-current liabilities</b>			
(a) Long term borrowings	3	470,230,000.00	282,550,000.00
<b>(4) Current Liabilities</b>			
(a) Other Current liabilities	4	21,898,357.00	11,333,950.00
<b>TOTAL</b>		<b>492,598,036.00</b>	<b>294,369,667.00</b>
<b>II ASSETS</b>			
<b>(1) Non-Current assets</b>			
(a) Long-term loans and advances	5	408,100,000.00	294,210,084.00
<b>(2) Current Assets</b>			
(a) Cash and cash equivalents	6	183,856.00	159,583.00
(b) Short-term loans and advances	7	84,314,180.00	-
(B) Other current assets	8	-	-
<b>TOTAL</b>		<b>492,598,036.00</b>	<b>294,369,667.00</b>
<b>Significant accounting Policies and Notes on Accounts</b>	11		

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

**DIRECTORS**

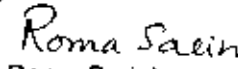
Place: Delhi  
 Dated: 30.04.2013

  
 (Ashok Gupta)

Partner  
 Membership No. 085175



  
 (Ashim Sarin)

  
 (Roma Sarin)

**ONE STAR REALTY PRIVATE LIMITED**  
**H-65, CONNAUGHT CIRCUS, NEW DELHI - 110001**

**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	9	-	251.00
III Total Revenue (I+II)		<u>-</u>	<u>251.00</u>
<b>IV Expenses :</b>			
Other Expenses	10	16,038.00	23,303.00
Total Expenses		<u>16,038.00</u>	<u>23,303.00</u>
V. Profit before exceptional and extraordinary item and tax (III-IV)		(16,038.00)	(23,052.00)
VI. Exceptional Items			
VII Profit before Extraordinary Items and tax (V-VI)		(16,038.00)	(23,052.00)
VIII Extraordinary Items			
IX Profit before tax (VII-VIII)		(16,038.00)	(23,052.00)
X Tax expense			
XI Profit/( Loss) for the period from Continuing operations(IX-X)		(16,038.00)	(23,052.00)
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)		(16,038.00)	(23,052.00)
XVI Earning per equity share:			
(1) Basic		(0.32)	(0.46)
(2) Diluted		(0.32)	(0.46)
<b>Significant accounting Policies and Notes on Accounts</b>	<b>11</b>		
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: 30.04.2013

*(Ashok Gupta)*

Partner

Membership No. 085175

**DIRECTORS**

*(Ashim Sarin)*

*Roma Sarin*  
(Roma Sarin)

**NOTE NO.**

	<b>31.03.2013</b>		<b>31.03.2012</b>	
	<b>Rupees</b>		<b>Rupees</b>	
<b>1 SHARE CAPITAL</b>				
a) Authorised 50000 (50000) Equity Shares of Rs.10 (Rs. 10) each		<u>500,000.00</u>		<u>500,000.00</u>
b) Issued,Subscribed & paid up 50000 (50000) Equity Shares of Rs.10/- each fully paid-up		<u>500,000.00</u>		<u>500,000.00</u>
c) Reconciliation of equity share capital	<b>As at March 31, 2013</b>		<b>As at March 31, 2012</b>	
	<b>Number</b>	<b>Amount</b>	<b>Number</b>	<b>Amount</b>
Number of shares outstanding at the beginning of the year	50000	500000	50000	500000
Number of shares outstanding at the end of the year	<u>50000</u>	<u>500000</u>	<u>50000</u>	<u>500000</u>
d) Shares held by holding Company, Anant Raj Ltd. i) 50000 (50000) Equity Shares		500000		500000
e) Shares in the company held by each share holder holding more than 5% shares <u>Name of Shareholders</u> 1) Anant Raj Ltd. a) Number of equity shares held % of shareholding		50000 100%		50000 100%
<b>2 RESERVES &amp; SURPLUS</b>				
<b>Profit &amp; Loss Account</b>				
Opening Balance		(14,283.00)		8,769.00
Add: Profit during the year		<u>(16,038.00)</u>		<u>(23,052.00)</u>
Closing Balance ( Negative)		<u>(30,321.00)</u>		<u>(14,283.00)</u>
<b>3 LONG TERM BORROWINGS</b>				
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 .		<u>470,230,000.00</u>		<u>282,550,000.00</u>
<b>4 OTHER CURRENT LIABILITIES</b>				
<b>Other Payable</b>				
<b>Duties &amp; Taxes</b>				
WCT	537407			
TDS	<u>1074814</u>	1,612,221.00		1,356,477.00
Audit Fees		10,000.00		6,000.00
Capital Goods		<u>20,276,136.00</u>		<u>9,971,473.00</u>
		<u>21,898,357.00</u>		<u>11,333,950.00</u>
<b>5 LONG TERM LOANS &amp; ADVANCES</b>				
<b>Unsecured Considered Goods</b>				
<b>Other Loans &amp; Advances</b>				
Advance Recoverable in Cash or in Kind		<u>408,100,000.00</u>		<u>294,210,084.00</u>
		<u>408,100,000.00</u>		<u>294,210,084.00</u>





**6 CASH AND CASH EQUIVALENTS**

Cash in Hand	2,651.00	2,775.00
Bank balance in current account with State Bank of India	<u>181,205.00</u>	<u>156,808.00</u>
	<u>183,856.00</u>	<u>159,583.00</u>

**7 SHORT TERM LOANS AND ADVANCES**

(Unsecured Considered Good)

**Other**

Advance Recoverable in Cash or in Kind	<u>84,314,180.00</u>	<u>-</u>
	<u>84,314,180.00</u>	<u>-</u>

**8 OTHER CURRENT ASSETS**

## a) Unamortised Expenditure

Opening Balance	-	7,609.00
Less: Amount written off during the year	<u>-</u>	<u>7,609.00</u>
	<u>-</u>	<u>-</u>

**9 OTHER INCOME**

Interest on FDR	-	-
Interest on Income Tax Refund	<u>-</u>	<u>251.00</u>
	<u>-</u>	<u>251.00</u>

**10 OTHER EXPENSES**

Filing Fees	724.00	1,116.00
Legal & Professional Charges	1,405.00	6,157.00
Bank Charges	3,909.00	698.00
Interest on Late Deposit of TDS		1,723.00
Misc. Expenses		
<u>Auditor's Remuneration</u>		
Audit Fee	10,000.00	6,000.00
Unamortised Expenditure Written off		<u>7,609.00</u>
	<u>16,038.00</u>	<u>23,303.00</u>



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 Tangible 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 Ltd. since all shares are held by Anant Raj Ltd. and its nominees.

**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.21,71,80,000.00 ( PY. 13,51,50,000.00 )  
Loan Repaid Rs. 2,95,00,000.00(PY. 6,00,000.00 )

**iii Closing Balances with related parties:** Rs. 47,02,30,000.00( PY.28,25,50,000.00 )

**5 Segment Reporting**

The company has no reportable Business or Geographical segment

**6 Earning per Shares**

Particulars		2012-2013	2011-2012
Profit attributable in the Shareholders	(A)	(16038)	(23052)
Basic/Weighted average number of Equity Shares outstanding during the year	(B)	50000	50000
Nominal Value of Equity Shares		10	10
Basic Diluted Earnings per Shares	(A/B)	(0.32)	(0.46)

7 Previous year figures have been regrouped wherever found necessary .

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

Place : Delhi

Dated:30.04.2013



**DIRECTORS**

(Ashim Sarin)

Roma Sarin  
(Roma Sarin)

**ONE STAR REALTY PRIVATE LIMITED**

**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.
<b>A. CASH FLOW FROM OPERATIONS</b>		
Profit before tax and extraordinary items	(16,038)	(23,052)
Interest received	-	(251)
Unamortised expenditure written off	-	7,609
<b>Operating profit before working capital changes</b>	<b>(16,038)</b>	<b>(15,694)</b>
Adjustment for:		
- Long term Loans and advances	(113,889,916)	(146,059,081)
- Short term Loans and advances	(84,314,180)	
- Other liabilities	10,564,407	11,327,056
<b>Cash generated from operations</b>	<b>(187,655,727)</b>	<b>(134,747,719)</b>
Tax Paid including TDS		754
<b>Net cash from operating activities</b>	<b>(A) (187,655,727)</b>	<b>(134,746,965)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Interest received		251
<b>Net cash used in investing activities</b>	<b>(B) -</b>	<b>251</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Unsecured loan received	187,680,000	134,550,000
<b>Net cash used in financing activities</b>	<b>(C) 187,680,000</b>	<b>134,550,000</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)</b>	<b>24,273</b>	<b>(196,714)</b>
Cash and cash equivalents - Opening balance	159,583	356,297
Cash and cash equivalents - Closing balance	183,856	159,583

**Note: Figures in brackets indicate cash outflow**

**Auditor's report**

We have examined the Cash Flow Statement of One Star Realty Private Limited for the year ended March 31, 2012. The statement prepared by the Company is in accordance with the requirement of Clause 32 of the Listing Agreement with the Stock Exchanges and is based on and in agreement with the corresponding Profit and Loss Account and Balance Sheet covered by our Report to the members of the Company in terms of our attached Report as of even date.

A.K. Jindal & Associates

Chartered Accountants

By the hand of

  
Ashok Gupta

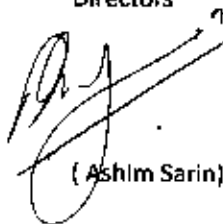
Partner

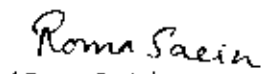
Membership No. 085175

Date: 30.04.2013



Directors

  
(Ashim Sarin)

  
(Roma Sarin)