

# INDEPENDENT AUDITOR'S REPORT

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To the Members of **Anant Raj Infrastructure Private Limited**

## **1) Report on the Financial Statements**

We have audited the accompanying financial statements of **Anant Raj Infrastructure Private Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2014, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

## **2) Management's Responsibility for the Financial Statements.**

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.

## **3) 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 reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves 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 but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by 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.

## **4) Unqualified 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, 2014;
- (b) In the case of the Statement of Profit and Loss, of the loss incurred by the Company for the year ended on that date; and
- (c) In the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.



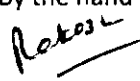
## 5) Report on Other Legal and Regulatory Requirements

- a) 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.
- b) As required by section 227(3) of the Act, 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, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - iv) In our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Act;
  - v) On the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

PU-53, Vishakha Enclave,  
Pitampura,  
New Delhi- 110088

Delhi  
May 24, 2014



K R & Co.  
Chartered Accountants  
Firm Registration No. 025217N  
By the hand of  
  
Rakesh Jain  
Partner  
Membership No. 086501

## ANNEXURE TO INDEPENDENT AUDITOR'S REPORT

(Annexure referred to in paragraph 5(a) of the Independent Auditor's report of even date to the members of Anant Raj Infrastructure Private Limited on the financial statements for the year ended March 31, 2014)

- I. The Company does not own any fixed assets. Accordingly, the provisions of clauses (i)(a) (i)(b) and (i)(c) of paragraph 4 of the Order are not applicable to the Company.
- II. The Company does not own any inventory. Accordingly, provisions of clauses (ii)(a), (ii)(b) and (ii)(c) of paragraph 4 of the Order are not applicable to the Company.
- III. The Company has not granted or taken any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 301 of the Act. Accordingly, provisions of clause 4(iii)(a) to 4(iii)(g) of the Order are not applicable to the Company.
- IV. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business. During the course of our audit, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in internal control systems.
- V. According to information and explanation given to us, there are no contracts or arrangements referred to in section 301 of the Act that need to be entered into the register maintained under section 301 of the Act.
- VI. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of sections 58A, 58AA or any other relevant provisions of the Act and the rules framed there under.
- VII. In our opinion and according to the information and explanation given to us, the Company is not subject to internal audit. However, the Company has an internal control system commensurate with its size and nature of its business.
- VIII. According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under clause (d) of sub-section (1) of section 209 of the Act in respect of activities carried out by the Company.
- IX. (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has been generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, sales tax, wealth-tax, service tax, customs duty, cess and other statutory dues applicable to it, and no undisputed amounts payable were outstanding as at March 31, 2014 for a period of more than six months from the date they became payable.  
  
(b) According to the information and explanations given to us, there are no dues of income tax, sales tax, wealth tax, service tax, customs duty, excise duty and cess that have not been deposited by the Company with appropriate authorities on account of dispute.



- X. *The Company has accumulated losses as at the end of the financial year which is more than fifty percent of its net worth. The Company has incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year. However, the accounts are continued to be prepared on a going concern basis.*
- XI. The Company did not have any outstanding dues to any banks, financial institutions or debenture holders.
- XII. The Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures and other securities.
- XIII. The Company is not a chit fund or a nidhi mutual benefit fund/society.
- XIV. The Company is not dealing or trading in shares, securities or debentures.
- XV. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- XVI. The Company has not obtained any term loans.
- XVII. According to the information and explanations given to us, the Company has not raised any funds on short term basis.
- XVIII. The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act during the year.
- XIX. The Company has not issued any debentures during the year.
- XX. The Company has not raised any money by way of public issue during the year
- XI. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of any such case by the management.

PU-53, Vishakha Enclave,  
Pitampura,  
New Delhi- 110088

Delhi  
May 24, 2014



K R & Co.  
Chartered Accountants  
Firm Registration No. 025217N  
By the hand of  
  
Rakesh Jain  
Partner  
Membership No. 086501

## ANANT RAJ INFRASTRUCTURE PRIVATE LIMITED

## BALANCE SHEET AS AT MARCH 31, 2014

	Notes	As at March 31, 2014 Rs.	As at March 31, 2013 Rs.
<b>I. EQUITY AND LIABILITIES</b>			
<b>Shareholders' fund</b>			
a) Share capital	2	500,000	500,000
b) Reserves and surplus	3	(256,458)	(246,573)
		<u>243,542</u>	<u>253,427</u>
<b>Current liabilities</b>			
b) Other current liabilities	4	12,742	6,000
		<u>12,742</u>	<u>6,000</u>
		<b>256,284</b>	<b>259,427</b>
<b>II. ASSETS</b>			
<b>Current assets</b>			
a) Cash and cash equivalents	5	256,284	259,427
		<u>256,284</u>	<u>259,427</u>
		<b>256,284</b>	<b>259,427</b>

SIGNIFICANT ACCOUNTING POLICIES

1

NOTES TO THE FINANCIAL STATEMENTS

2-13

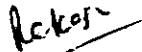
The accompanying notes are an integral part of the financial statements.

As per our report of even date.

K R &amp; Co.

Chartered Accountants

By the hand of



Rakesh Jain

Partner

Membership no. 086501

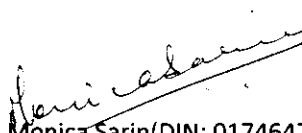


Directors



Ashim Sarin(DIN:00291515)

28, Sri Ram Road,Civil Lines, Delhi -54



Monica Sarin(DIN: 01746479)

28, Sri Ram Road,Civil Lines, Delhi -54

May 24, 2014

New Delhi.

## ANANT RAJ INFRASTRUCTURE PRIVATE LIMITED

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2014

	Notes	For the year ended March 31, 2014 Rs.	For the year ended March 31, 2013 Rs.
I INCOME		-	-
II EXPENSES			
Other expenses	6	9,885	18,017
<b>Total expenses</b>		<b>9,885</b>	<b>18,017</b>
III Loss before tax (I - II)		(9,885)	(18,017)
IV Tax expense		-	-
V Loss for the year (III - IV)		<b>(9,885)</b>	<b>(18,017)</b>
VI Earnings per share [equity share, par value of Rs. 10 (Rs. 10) each]			
Basic and Diluted		(0.20)	(0.41)

## SIGNIFICANT ACCOUNTING POLICIES

1

## NOTES TO THE FINANCIAL STATEMENTS

2-13

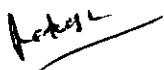
The accompanying notes are an integral part of the financial statements.

As per our report of even date.

K R & Co.

Chartered Accountants

By the hand of



Rakesh Jain

Partner

Membership no. 086501

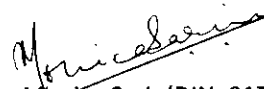


Directors



Ashim Sarin(DIN:00291515)

28, Sri Ram Road,Civil Lines, Delhi -54



Monica Sarin(DIN: 01746479)

28, Sri Ram Road,Civil Lines, Delhi -54

May 24, 2014

New Delhi.

**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.

**b) RECOGNITION OF REVENUE AND EXPENDITURE**

Income and expenditure are accounted for on accrual basis.

**c) 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.

**d) 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.

**e) CASH AND CASH EQUIVALENTS**

In the Cash Flow Statement, cash and cash equivalents includes cash in hand, demand deposits with banks, other short term highly liquid investments with original maturity of three months or less.



	As at March 31, 2014 Rs.	As at March 31, 2013 Rs.
<b>2 SHARE CAPITAL</b>		
<b>Authorized</b>		
10,00,000 (10,00,000) equity shares of Rs. 10 (Rs. 10) each	10,000,000	10,000,000
<b>Issued, subscribed, and fully paid up</b>		
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, 2014		As at March 31, 2013	
	Number	Amount (Rs.)	Number	Amount (Rs.)
Number of shares outstanding at the beginning of the year	50,000	500,000	10,000	100,000
Shares issued during the year	-	-	40,000	400,000
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 shareholder.

**c) Shares held by holding Company, Anant Raj Limited**

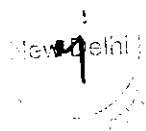
\*50,000 (50,000) equity shares of Rs. 10 (Rs. 10) each fully paid up

	500,000	500,000
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\*Includes 6 (6) equity shares held by nominees of the holding company, Anant Raj Limited.

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

	As at March 31, 2014		As at March 31, 2013	
	Number	% holding	Number	% holding
<b>Equity Shares of Rs. 10 (Rs. 10) each fully paid up:</b>				
- Anant Raj Limited	50,000	100%	50,000	100%

  
 Anant Raj Limited



	As at March 31, 2014 Rs.	As at March 31, 2013 Rs.
<b>3 RESERVES AND SURPLUS</b>		
Deficit as per Statement of Profit and Loss		
Balance as at beginning of the year	(246,573)	(228,556)
Addition during the year	(9,885)	(18,017)
Balance at the end of the year	<u>(256,458)</u>	<u>(246,573)</u>
<b>4 OTHER CURRENT LIABILITIES</b>		
a) Other payables		
- Expenses payable	<u>12,742</u>	<u>6,000</u>
<b>5 CASH AND CASH EQUIVALENTS</b>		
a) Balance with bank in current account	249,344	252,487
b) Cash on hand	<u>6,940</u>	<u>6,940</u>
	<u>256,284</u>	<u>259,427</u>
<b>6 OTHER EXPENSES</b>		
a) Payment to auditors as audit fees	6,742	6,000
b) Legal and professional	1,405	1,967
c) Filing fees	1,000	9,500
d) Bank charges	<u>738</u>	<u>550</u>
	<u>9,885</u>	<u>18,017</u>

7 The Company proposes to undertake development of real estate projects and directors are identifying for suitable opportunities in this regard.

8 The earning considered in ascertaining the Company's EPS is the net profit after tax. The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the period. The weighted diluted earnings per equity share are computed using the weighted average number of equity shares and dilutive potential equity shares outstanding during the period.

Particulars		For the year ended March 31, 2014	For the year ended March 31, 2013
Loss attributable to equity shareholders	Rs.	(9,885)	(18,017)
Nominal value of equity share	Rs.	10	10
Weighted average number of equity shares outstanding	No.	50,000	43,534
Basic and diluted earnings per share	Rs.	(0.20)	(0.41)



**9 Related Party Disclosures:**

Pursuant to Accounting Standard (AS-18) on "Related Party Disclosures" issued by the Institute of Chartered Accountants of India, following parties are to be treated as related parties along with their relationships:

- a) List of related parties where control exists and other related parties with whom transactions have taken place and relationships:

**Holding Company**

Anant Raj Limited

**Fellow Subsidiaries**

Aakashganga Realty Private Limited	Empire Promoters Pvt. Ltd.
Advance Buildcon Private Limited	Excellent Inframart Private Limited
Anant Raj Cons. & Development Pvt. Ltd.	Fabulous Builders Pvt. Ltd.
Anant Raj Hotels Limited	Four Construction Pvt. Ltd.
Anant Raj Housing Limited	Gadget Builders Pvt. Ltd.
Anant Raj Projects Ltd.	Gagan Buildtech Private Limited
Ankur Buildcon Private Limited	Glaze Properties Pvt. Ltd.
A-Plus Estates Private Limited	Goodluck Buildtech Pvt. Ltd.
BBB Realty Pvt. Ltd.	Grand Buildtech Pvt. Ltd.
Blossom Buildtech Pvt. Ltd.	Grand Park Estates Pvt. Ltd.
Bolt Properties Pvt. Ltd.	GrandPark Buildtech Pvt. Ltd.
Capital Buildcon Private Limited	Grandstar Realty Private Limited
Capital Buildtech Private Limited	Greatway Estates Ltd.
Carnation Buildtech Private Limited	Greatways Buildtech Private Limited
Century Promoters Pvt. Ltd.	Green Retreat and Motels Pvt. Ltd.
Destination Properties Private Limited	Green Valley Builders Private Limited
Echo Buildtech Pvt. Ltd.	Green View Buildwell Pvt. Ltd.
Echo Properties Pvt. Ltd.	Green Way Promoters Pvt. Ltd.
Elegant Buildcon Pvt. Ltd.	Greenline Buildcon Pvt. Ltd.
Elegant Estates Pvt. Ltd.	Greenline Promoters Pvt. Ltd.
Elevator Buildtech Pvt. Ltd.	Greenwood Properties Pvt. Ltd.
Elevator Promoters Pvt. Ltd.	Gujarat Anant Raj Vidhyanagar Ltd.
Elevator Properties Pvt. Ltd.	Hamara Realty Pvt. Ltd.
Hemkunt Promoters Pvt. Ltd.	Rising Realty Private Limited
High Land Meadows Pvt. Ltd.	Rolling Construction Pvt. Ltd.
Jasmine Buildwell Pvt. Ltd.	Romano Estates Pvt. Ltd.
Jubilant Software Services Pvt. Ltd.	Romano Infrastructure Pvt. Ltd.
Kalinga Buildtech Pvt. Ltd.	Romano Projects Pvt. Ltd.
Kalinga Realtors Pvt. Ltd.	Romano Tiles Pvt. Ltd.
Krishna Buildtech Private Limited	Rose Realty Pvt. Ltd.
Lucky Meadows Pvt. Ltd.	Roseview Buildtech Pvt. Ltd.
Monarch Buildtech Private Limited	Roseview Properties Pvt. Ltd.
North South Properties Pvt. Ltd.	Saffron Views Properties Pvt. Ltd.
Novel Buildmart Pvt. Ltd.	Saiguru Buildmart Private Limited
Novel Housing Pvt. Ltd.	Sand Storm Buildtech Pvt. Ltd.
One Star Realty Pvt. Ltd.	Sartaj Developers & Promoters Pvt. Ltd.
Oriental Meadows Ltd.	Sovereign Buildwell Pvt. Ltd.
Oriental Promoters Private Limited	Spring View Developers Pvt. Ltd.
Papillion Buildtech Private Limited	Springview Properties Pvt. Ltd.
Papillon Buildcon Private Limited	Suburban Farms Pvt. Ltd.



**ANANT RAJ INFRASTRUCTURE PRIVATE LIMITED****Notes to financial statements for the year ended March 31, 2014**

Park Land Construction & Equipment Pvt. Ltd.	Three Star Realty Pvt. Ltd.
Park Land Developers Pvt Ltd	Townsend Construction & Equipment Pvt. Ltd.
Park View Promoters Pvt Ltd.	Tumhare Liye Realty Pvt. Ltd.
Pasupati Aluminium Ltd.	Twenty First Developers Pvt. Ltd.
Pelikan Estates Pvt. Ltd.	Vibrant Buildmart Pvt. Ltd.
Pioneer Promoters Pvt Ltd.	West Land Buildcon Private Limited
Rapid Realtors Pvt. Ltd.	Woodland Promoters Pvt. Ltd.
Redsea Realty Private Limited	

**Partnership firm in which ultimate holding company is partner**

Ganga Bishan &amp; Co.

**Key management Personnel**

Ashim Sarin	Director
Monica Sarin	Director
Rajeev Trehan	Director

**Note:** The related party relationships are as identified by the management.

**b) Transaction during the year with related parties (excluding reimbursements):**

Sl. No.	Nature of Transactions	Related Party	For the year ended March 31, 2014	For the year ended March 31, 2013
			Rs.	Rs.
1	Equity shares allotted to holding company	Anant Raj Limited	-	400,000
2	Equity shares transferred	Ashim Sarin	-	50,000
3	Short term borrowing received from holding company	Anant Raj Limited	-	200,000
4	Short term borrowing repaid to holding company	Anant Raj Limited	-	200,000
5	Short term borrowing repaid to director	Amar Sarin	-	158,900


- 10** In the opinion of the management, the current assets, if realized, in the ordinary course of business, would realize a sum equal to that stated in the Balance Sheet.
- 11** In the opinion and the best estimates of the Board of Directors of the Company barring unforeseen circumstances, the Company will be continuing as going concern in spite of accumulated losses exceeding share capital and reserves of the Company as at the year end.
- 12** Previous year figures have been regrouped or recast, where ever necessary to confirm with this year's presentation.

  
 \_\_\_\_\_  
 Director

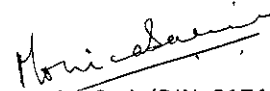
13 Figures in brackets pertain to previous year, unless otherwise indicated.

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

Directors



Ashim Sarin(DIN:00291515)  
28, Sri Ram Road,Civil Lines, Delhi -54



Monica Sarin(DIN: 01746479)  
28, Sri Ram Road,Civil Lines, Delhi -54

May 24, 2014  
New Delhi.



## ANANT RAJ INFRASTRUCTURE PRIVATE LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2014


		For the year ended March 31, 2014 Rs.	For the year ended March 31, 2013 Rs.
<b>A. CASH FLOW FROM OPERATIONS</b>			
Loss before tax		(9,885)	(18,017)
<b>Adjustment for working capital changes:</b>			
Increase/(decrease) in other current liabilities		6,742	(742)
<b>Net cash from operating activities</b>	<b>(A)</b>	<b>(3,143)</b>	<b>(18,759)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>			
	<b>(B)</b>	-	-
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>			
Proceeds from issue of equity share capital		-	400,000
Increase/(Decrease) in short term borrowings		-	(158,900)
<b>Net cash from financing activities</b>	<b>(C)</b>	<b>-</b>	<b>241,100</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(A+B+C)</b>	<b>(3,143)</b>	<b>222,341</b>
Cash and cash equivalents - Opening balance		259,427	37,086
Cash and cash equivalents - Closing balance		256,284	259,427

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


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

K R & Co.  
Chartered Accountants  
By the hand of  
  
Rakesh Jain  
Partner  
Membership no. 086501



Directors  
  
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