



T. N. Gala & Associates

CHARTERED ACCOUNTANTS

30, Hazi Habib Bldg., A - Wing, 2nd Floor, Naigaon Cross Road,
Dadar, Mumbai - 400 014. Tel.: 2411 4369, 24121057

AUDITORS REPORT

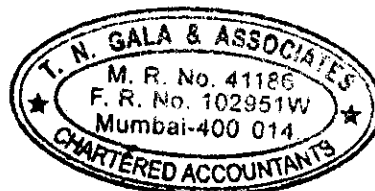
To
The Shareholders,
Arihant Vatika Realty Pvt Ltd.

We have audited the attached Balance Sheet of **Arihant Vatika Realty Pvt Ltd.** as on 31st March 2012 and also the annexed Statement of Profit & Loss and Cash Flow Statement for the year ended on that date (hereinafter referred to as 'Financial Statements'). 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 have conducted our audit in accordance with Auditing Standards generally accepted in India. These Standards require that we plan and perform the audit to obtain responsible assurance about whether the Financial Statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the Financial Statement. 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 responsible basis for our opinion.

1. The Companies (Auditors' Report) Order, 2003 issued by the Central Government in terms of Sub Section (4A) of Section 227 of The Companies Act 1956 is applicable to the Company and annexed herewith.
2. Further to our comments in the Annexure referred to in paragraph 1 above, we state 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 books.
 - c) The Balance Sheet, Statement of Profit & Loss and Cash Flow Statement dealt with by this report are in agreement with the Books of Accounts
 - d) In our opinion the Balance Sheet, Statement of Profit & Loss and Cash Flow Statement complies with the mandatory Accounting Standards referred in Section 211(3C) of the Companies Act, 1956.
 - e) On the basis of the written representations received from the Directors and taken on record by the Board of Directors, and according to the information and explanation given to us, none of the Directors are prima facie disqualified as on March 31st, 2012 from being appointed as Director in terms of clause (g) of sub-section (1) of Section 274 of Act.
 - f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the Significant Accounting Policies and Notes thereon give the information required by the Companies Act, 1956 in the manner so required and give true and fair view:-
 - a. In the case of Balance Sheet of the State of Affairs of the Company as at 31st March, 2012;
 - b. In the case of the Statement of Profit and Loss of the Profit for the year ended on that date; and,
 - c. In the case of the Cash flow statement, of the Cash Flows for the year ended on that date.

Place: Navi Mumbai
Date: 03.08.2012



For T N Gala & Associates
Chartered Accountants
FRN: 102951W

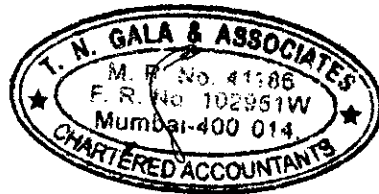

Talakchand N. Gala
Proprietor
MRN: 41186

Annexure to the Auditors' Report of
ARIHANT VATIKA REALTY PVT LTD,

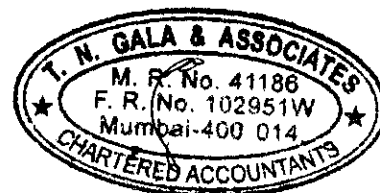
on the Financial Statements for the year ended March 31, 2012.

Based on the audit procedures performed for the purpose of reporting a true and fair view on the Financial Statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, we report that:

1. a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of Fixed Assets;
- b) The Fixed Asset have been physically verified by the Management as per phased program of verification. In our opinion, the frequency of verification of the Fixed Assets is reasonable having regards to the size of the Company and nature of its Assets. No material discrepancies were noticed on such verification.
- c) In our opinion, a substantial part of Fixed Assets has not been disposed off during the year.
2. a) The management has conducted physical verification of inventory at reasonable intervals.
- b) The procedures of physical verification of Inventory followed by the Management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- c) The Company is maintaining proper records of Inventory. The discrepancies noticed on verification between physical inventories and book records were not material in relation to the operation of the company and the same have been properly dealt with in the accounts.
3. a) Company has not granted any loans to parties covered under register maintained under Section 301 of the Act. Accordingly, paragraphs 4 (iii) (a) to (d) of the order are not applicable to the Company.
- b) The Company has taken loans from five entities covered in the register maintained under Section 301 of the Act. The maximum amount outstanding was Rs. 989.32 Lakhs and year-end balance is Rs. 785.10 Lakhs.
- c) In our opinion, the rate of interest and other terms and conditions for such loans are not, prima facie, prejudicial to the interest of the Company.
- d) In respect of loans taken, the principal amount and interest amount are payable on demand in accordance with the terms and conditions, and payment of interest has been regular in accordance with such terms and conditions.

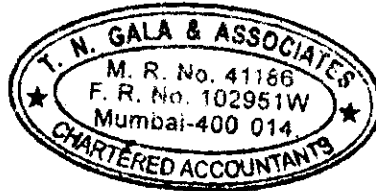


- 4 In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business, for the purchase of inventory, fixed assets and for the sale of property. During the course of our audit, no major weakness has been noticed in the internal controls
- 5
 - a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, we are of the opinion that the transactions that need to be entered into the register maintained under Section 301 of the Companies Act, 1956 have been so entered.
 - b) Such transactions have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- 6 In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit from the public within the meaning of Section 58A and 58AA of the Companies Act, 1956 and the rules framed there under.
- 7 In our opinion, the Company has an adequate Internal Audit System commensurate with its size and the nature of its business.
- 8 According to information and explanations offered to us, Central Government has not prescribed any maintenance of cost records under clause (d) of sub-section (1) of section 209 of the Act.
- 9 According to the information and explanations given to us in respect of statutory dues:
 - a) Undisputed statutory dues including Provident Fund, Investor Education and Protection fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty Excise Duty, cess and other material statutory dues, as applicable, have generally been regularly deposited with the appropriate authorities. No undisputed amounts payable in respect thereof were outstanding at the year end for a period of more than six months from the date they became payable.
 - b) There are no amounts in respect of Sales Tax, Income Tax, Customs Duty, Wealth Tax, Service Tax, Excise Duty and cess that have not been deposited with the appropriate authorities on account of any dispute.
- 10 The Company has no accumulated losses at the end of the financial year and it has not incurred cash losses in the current and the immediately preceding financial year.
- 11 The Company has not defaulted in repayment of dues to a Financial Institution or a Bank or Debenture holders during the year.
- 12 The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Accordingly, the provisions of clause 4 (xii) of the Order are not applicable.

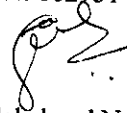


- 13 In our opinion, the Company is not a Chit Fund or a Nidhi / Mutual Benefit Fund/ Society. Accordingly, the provisions of clause 4(xiii) of the Order are not applicable.
- 14 In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Order are not applicable.
- 15 The Company has not obtained loans from Banks or Financial Institutions. Accordingly the provisions of clause 4 (xv) of the order is not applicable.
- 16 According to the information and explanations given to us, the Company has not borrowed any term loans from banks and financial institutions during the year.
- 17 On the Overall examination of the Balance Sheet, in our opinion no funds raised on short-term basis have been used for long-term investment.
- 18 The Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under Section 301 of the Act. Accordingly, the provisions of clause 4(xviii) of the Order are not applicable.
- 19 No debentures have been issued during the year. Accordingly the provisions of clause 4 (xix) of the order is not applicable.
- 20 The Company has not raised any money through the public issue during the year.
- 21 No fraud on or by the Company has been noticed or reported during the period covered by our audit.

Place: Navi Mumbai
Date: 03.08.2012



For T N Gala & Associates
Chartered Accountants
FRN: 102951W


Talakchand N. Gala
Proprietor
MRN: 41186

ARIHANT VATIKA REALTY PVT LTD

BALANCE SHEET AS AT 31 MARCH 2012

(Amount in Rs.)

	Notes	31-Mar-12	31-Mar-11
I EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	3	100,000	100,000
(b) Reserves and surplus	4	60,788	23,500
		<u>160,788</u>	<u>123,500</u>
2 Current liabilities			
(a) Short-term borrowings	5	78,510,053	44,947,945
(b) Trade payables	6	14,374,280	22,336
(c) Other current liabilities	6	360,043	164,911
		<u>93,244,376</u>	<u>45,135,192</u>
TOTAL		<u>93,405,164</u>	<u>45,258,692</u>
II ASSETS			
1 Non-current assets			
(a) Fixed assets			
(i) Tangible assets	7	69,433	77,576
(b) Deferred tax assets (net)	8	135	(1,457)
		<u>69,568</u>	<u>76,119</u>
2 Current assets			
(a) Inventories	11	27,108,721	15,119,944
(b) Cash and cash equivalents	12	538,815	1,121,232
(c) Short-term loans and advances	9	128,480	253,197
(d) Other current assets	10	65,559,580	28,688,200
		<u>93,335,596</u>	<u>45,182,573</u>
TOTAL		<u>93,405,164</u>	<u>45,258,692</u>

See accompanying notes to the financial statements

As per our report of even date

For T N Gala & Associates

Chartered Accountants

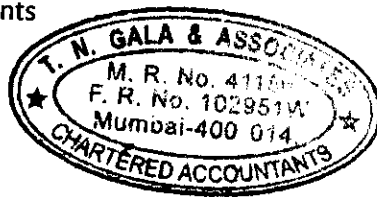
FRN: 102951W



Talakchand N. Gala

Proprietor

MRN: 41186



For & on behalf of the board



Director



Director

Place: Navi Mumbai

Date: 03.08.2012

Place: Navi Mumbai

Date: 03.08.2012

ARIHANT VATIKA REALTY PVT LTD

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31 MARCH 2012

	Notes	(Amount in Rs.)	
		31-Mar-12	31-Mar-11
Income			
Revenue from operations	13	123,500	60,000
Other income	14	893	181
Total Revenue		<u>124,393</u>	<u>60,181</u>
Expenses			
Cost of construction, land and development expenses	15	11,165,974	14,764,350
(Increase)/ Decrease in inventories of finished goods work-in-progress and Stock-in-Trade	16	(11,988,777)	(15,119,944)
Employee benefits expense	17	452,982	214,940
Finance costs	18	14,888	1,911
Depreciation and amortization expense	19	8,143	8,144
Other expenses	20	417,220	177,000
Total expenses		<u>70,430</u>	<u>46,401</u>
Profit / (Loss) before exceptional and extraordinary items and tax		<u>53,963</u>	<u>13,780</u>
Exceptional items		-	-
Profit / (Loss) before extraordinary items and tax		<u>53,963</u>	<u>13,780</u>
Extraordinary Items		-	-
Profit / (Loss) before tax		<u>53,963</u>	<u>13,780</u>
Tax expense:			
Current tax		18,267	2,803
Deferred tax		(1,592)	1,457
Profit / (Loss) for the period		<u>37,288</u>	<u>9,520</u>
Earnings per equity share:	21		
(1) Basic		3.73	0.95
(2) Diluted		3.73	0.95
See accompanying notes to the financial statements			

As per our report of even date

For T N Gala & Associates

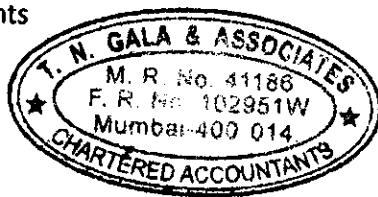
Chartered Accountants

FRN: 102951W

Talakchand N. Gala

Proprietor

MRN: 41186



For & on behalf of the board

Director

Director

Place: Navi Mumbai

Date: 03.08.2012

Place: Navi Mumbai

Date: 03.08.2012

ARIHANT VATIKA REALTY PVT LTD

CASH FLOW STATEMENT FOR THE YEAR 2011-2012

PARTICULARS	(Amount in Rs.)	
	2011 - 12	2010 - 11
CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax and Extraordinary Items	53,963	13,780
Add: Non Cash Items		
Depreciation	8,143	8,144
Preliminary Expenses W/off	15,880	7,940
Less: Non Operating Incomes		
Dividend Income	-	-
Other income	(153)	(181)
OPERATING PROFIT BEFORE WORKING CAPITAL	77,833	29,683
(Increase)/ Decrease in Trade & Other Receivable	(48,769,587)	(18,186,606)
Increase/ (Decrease) in Current Liabilities & Provision	14,547,076	(20,941,874)
CASH GENERATED FROM OPERATIONS (A)	(34,144,678)	(39,098,797)
CASH FLOW FROM INVESTING ACTIVITIES		
Sale of Fixed Assets	-	12,480
Interest Income	153	181
NET CASH USED FOR INVESTING ACTIVITIES (B)	153	12,661
CASH FLOW FROM FINANCING ACTIVITIES		
Increase/(Decrease) in Unsecured Loans	33,562,108	40,134,334
NET CASH FROM FINANCING ACTIVITIES (c)	33,562,108	40,134,334
NET INCREASE IN CASH AND CASH EQUIVALENTS	(A + B + C) (582,417)	1,048,198
CASH AND CASH EQUIVALENTS (OPENING BALANCE)	1,121,232	73,034
CASH AND CASH EQUIVALENTS (CLOSING BALANCE)	538,815	1,121,232
	(582,417)	1,048,198

As Per Report of Even Date

For T N Gala & Associates

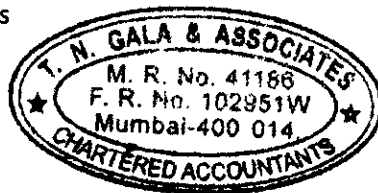
Chartered Accountants

FRN: 102951W

Talakchand N. Gala

Proprietor

MRN: 41186



For & on behalf of the Board

Director

Director

Place: Navi Mumbai

Date: 03.08.2012

Place: Navi Mumbai

Date: 03.08.2012

ARIHANT VATIKA REALTY PVT LTD

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2012

1 CORPORATE INFORMATION

Arihant Vatika Realty private limited (the company) is a private company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The company is engaged primarily in the business of Construction Contracts, Trading in Real Estate and Real Estate Development. The operations of the Company span all aspects of real estate development, from the identification and acquisition of land, planning, execution, construction and marketing of projects.

2 BASIS OF PREPARATION

The financial statements of the company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on an accrual basis and under the historical cost convention.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year, except for the change in accounting policy explained below.

2.1 Summary of significant accounting policies

a Change in presentation and disclosure of financial statements

During the year ended 31 March 2012, the revised Schedule VI notified under the Companies Act 1956, has become applicable to the company, for preparation and presentation of its financial statements. 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 the previous year figures in accordance with the requirements applicable in the current year.

b Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

c Revenue recognition

All revenue and expenditures are generally accounted on accrual basis as they are earned or incurred. Dividend income is recognized when the company's right to receive dividend is established by the reporting date.

d Tangible fixed asset

Fixed assets, are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs and directly attributable cost for bringing the asset to its working condition or the intended use.

Depreciation on tangible fixed assets

Depreciation on fixed assets is calculated on a Straight-Line basis using the rates arrived at based on the useful lives estimated by the management, or those prescribed under the Schedule XIV to the Companies Act, 1956, whichever is higher.



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ARIHANT VATIKA REALTY PVT LTD

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2012

e Impairment of tangible assets

The company assesses once in three years whether there is an indication that an asset may be impaired. If any indication exists, the company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's/cash-generating unit's (CGU) net selling price and its value in use. Where the carrying amount of an asset/CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life. Previously recognised impairment loss and assets are revived and if required such loss is reversed depending on the change in circumstances.

f Inventories

i. Construction materials and consumables

The construction materials and consumables are valued at lower of cost or net realisable value. The construction materials and consumables purchased for construction work issued to the construction work-in-progress are treated as consumed.

ii. Construction work-in-progress

The construction work-in-progress is valued at lower of cost or net realisable value. Cost includes cost of land, development rights, rates and taxes, construction costs, borrowing costs, other direct expenditures, allocated overheads and other incidental expenses.

iii. Finished stock of completed projects (ready units)

Finished stock of completed projects and stock in trade of units is valued at lower of cost or market value.

g Taxation

Tax expense comprises current and deferred tax. Current tax is measured on the basis of taxable income determined in accordance with the provisions of Income-tax Act, 1961.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

h Earnings Per Share

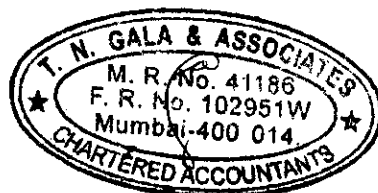
Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period.

i Provisions

A provision is recognized when the company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

j Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.



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ARIHANT VATIKA REALTY PVT LTD

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2012

3 SHARE CAPITAL

(Amount in Rs.)

Authorised Share Capital	<u>31-Mar-12</u>	<u>31-Mar-11</u>
1,00,000 (31 March 2011 : 1,00,000) Equity Shares of Rs. 10/- each	1,000,000	1,000,000
Issued, subscribed and fully paid-up shares		
10,000 (31 March 2011 : 10,000) Equity Shares of Rs. 10/- each	100,000	100,000
Total issued, subscribed and fully paid-up share capital	<u>100,000</u>	<u>100,000</u>

a. Reconciliation of the shares outstanding at the beginning and at the end of reporting period

Equity Shares	<u>31-Mar-12</u>		<u>31-Mar-11</u>	
	No.	Rs.	No.	Rs.
At the beginning of the period	10,000	100,000	10,000	100,000
Issued during the period - Bonus	-	-	-	-
Outstanding at the end of the period	<u>10,000</u>	<u>100,000</u>	<u>10,000</u>	<u>100,000</u>

b. Terms / rights attached to equity shares

The company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividend in INR. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

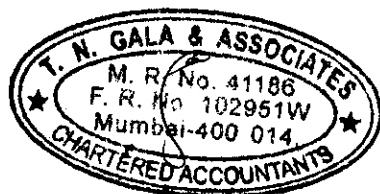
During the year ended 31 March 2012, the amount of per share dividend recognised as distributions to equity shareholders was Rs. NIL(31 March 2011 : Rs. NIL).

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 the shareholders.

d. Shares held by holding / ultimate holding company and / or their subsidiaries / associates

Out of equity and preference shares issued by the company, shares held by its holding company, ultimate holding company and their subsidiaries / associates are as below:

Arihant Superstructure Limited, the holding company	<u>31-Mar-12</u>	<u>31-Mar-11</u>
6,000 (31st March 2011: 6,000) equity shares of Rs. 10 each fully paid	60,000	60,000



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ARIHANT VATIKA REALTY PVT LTD

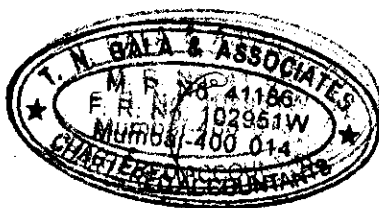
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2012

f. Details of shareholders holding more than 5% shares in the company

	<u>31-Mar-12</u>		<u>31-Mar-11</u>	
	<u>No.</u>	<u>% holding</u>	<u>No.</u>	<u>% holding</u>
Equity Shares of Rs. 10 each fully paid				
Sujata Agarwal	1,570	15.70%	1,570	15.70%
Akshay Agarwal	1,150	11.50%	1,150	11.50%

4 RESERVES & SURPLUS

	<u>31-Mar-12</u>	<u>31-Mar-11</u>
Surplus / (deficit) in the statement of profit and loss		
Balance as per last financial statements		
Profit for the Year	23,500	13,980
Less: Appropriations	37,288	9,520
Total reserves and surplus	<u>60,788</u>	<u>23,500</u>



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ARIHANT VATIKA REALTY PVT LTD

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2012

5 SHORT-TERM BORROWINGS

	<u>31-Mar-12</u>	<u>31-Mar-11</u>
Unsecured loan and advances from related parties repayable on demand (refer note 22)	78,510,053	44,947,945
	<u>78,510,053</u>	<u>44,947,945</u>

6 OTHER CURRENT LIABILITIES

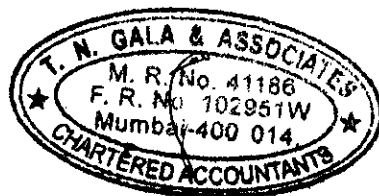
	<u>31-Mar-12</u>	<u>31-Mar-11</u>
Trade payables	14,374,280	22,336
Other liabilities		
Retention - Anmol	5,725	5,725
Others		
Salary payable	95,800	-
TDS payable	207,956	118,738
Audit fees payable	50,562	39,708
Deposit Towards Books	-	740
	<u>14,734,323</u>	<u>187,247</u>

7 TANGIBLE ASSET

	<u>31-Mar-12</u>	<u>31-Mar-11</u>
Vehicle Motor Bike		
Gross Block		
At the beginning	85,720	-
Additions	-	85,720
Sub Total	<u>85,720</u>	<u>85,720</u>
Less: Disposals	-	-
At the End	<u>85,720</u>	<u>85,720</u>
Less: Accumulated Depreciation		
Accumulated Depreciation as in the beginning	8,144	-
Depreciation for the year	8,143	8,144
Total Depreciation at the Year end	<u>16,287</u>	<u>8,144</u>
Net Carrying Value	<u>69,433</u>	<u>77,576</u>

8 DEFERRED TAX ASSETS (NET)

	<u>31-Mar-12</u>	<u>31-Mar-11</u>
Deferred tax liability		
Fixed assets: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	2,318	1,457
Gross deferred tax liability	<u>2,318</u>	<u>1,457</u>
Deferred tax asset		
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes in future	2,453	-
Gross deferred tax asset	<u>2,453</u>	<u>-</u>
Net deferred tax asset	<u>135</u>	<u>(1,457)</u>



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Speech

ARIHANT VATIKA REALTY PVT LTD

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2012

9 LOANS & ADVANCES

Short Term

	<u>31-Mar-12</u>	<u>31-Mar-11</u>
Deposit Kulgaon badlapur Muncipal Corporation	85,000	-
Advances recoverable in cash or kind		
Unsecured considered good - Dimension Architect	-	250,000
Other loans and advances		
Advance Income Tax (net of provision for tax)	43,480	3,197
	<u>128,480</u>	<u>253,197</u>

10 OTHER CURRENT ASSETS

Other Short Term Assets

Land - Juveli (Anmol)

Preliminary expenses (pending amortisation)

	<u>31-Mar-12</u>	<u>31-Mar-11</u>
Land - Juveli (Anmol)	65,559,580	28,672,320
Preliminary expenses (pending amortisation)	-	15,880
	<u>65,559,580</u>	<u>28,688,200</u>

11 INVENTORIES

Incomplete Projects (WIP) (valued at cost) of Arihant Anmol

	<u>31-Mar-12</u>	<u>31-Mar-11</u>
Incomplete Projects (WIP) (valued at cost) of Arihant Anmol	27,108,721	15,119,944
	<u>27,108,721</u>	<u>15,119,944</u>

12 CASH & BANK BALANCES

Current

Cash and cash equivalents

 Balance with banks in current accounts

 Cash on hand

	<u>31-Mar-12</u>	<u>31-Mar-11</u>
Cash and cash equivalents		
Balance with banks in current accounts	372,875	965,647
Cash on hand	165,940	155,585
	<u>538,815</u>	<u>1,121,232</u>



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ARIHANT VATIKA REALTY PVT LTD

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2012

(Amount in Rs.)

13 REVENUE FROM OPERATIONS

Brokerage income

31-Mar-1231-Mar-11

123,500

60,000

123,50060,000**14 OTHER INCOME**

Interest on Income Tax Refund

153

181

Sundry Balance W/off

740

-

893181**15 COST OF CONSTRUCTION, LAND AND DEVELOPMENT EXPENSES**

Purchases (Arihat Anmol)

10,061,924

14,420,174

Direct Expenses

1,104,050344,17611,165,97414,764,350

Details of Direct Expenses

Arihat Anmol

1,104,050

127,457

Arihat Konark

-

216,719

1,104,050344,176**16 (INCREASE) / DECREASE IN INVENTORIES**

Inventories at the end of the year

Work-in-progress (Arihat Anmol)

27,108,72115,119,944

Inventories at the beginning of the year

Work-in-progress (Arihat Anmol)

27,108,72115,119,94415,119,944

-

15,119,944

-

(11,988,777)(15,119,944)**17 EMPLOYEE BENEFIT EXPENSE**

Salaries, wages and bonus

452,015

214,940

Staff welfare expenses

967

452,982214,940**18 FINANCE COSTS**

Bank charges

14,888

1,911

14,8881,911**19 DEPRECIATION AND AMORTIZATION EXPENSE**

Depreciation of tangible assets

8,143

8,144

8,1438,144**20 OTHER EXPENSES**

Selling & Distribution

83,608

5,239

Professional & Legal Fees

235,770

107,629

Administrative Expenses

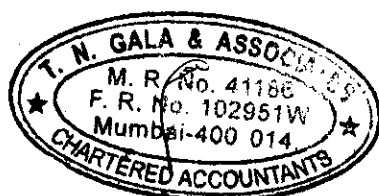
81,962

56,192

Preliminary Expenses

15,880

7,940

417,220177,000

14

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ARIHANT VATIKA REALTY PVT LTD

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2012

Payment to auditor

As auditor:

Audit fee

Limited review

56,180 44,120

55,409 52,393

111,589 96,513

21 EARNINGS PER SHARE (EPS)

The following reflects the profit and share data used in the basic and diluted EPS computations:

Total operations for the year

31-Mar-12

31-Mar-11

Net profit/(loss) for calculation of basic EPS & diluted EPS

37,288

9,520

Weighted average number of equity shares in calculating basic EPS & diluted EPS

No.
10,000

No.
10,000

22 RELATED PARTY DISCLOSURE

Names of related parties and related party relationship

a. Related parties where control exists

Sr Name of Related Party

Relationship

1 Ashok B Chhajer

Director and KMP

2 Sangeeta Ashok Chhajer

Director

3 Akshay Agarwal

Director and KMP

4 Arihant Superstructures Ltd

Holding Company

Related party transactions Taken Palce during year

a. Loans given/taken and repayment thereof

Sr	Name	Opening	Loans	Loans taken	Repayment	Interest	Amount
		Balance	given			accrued	payable to Related parties
1	Akshay Agarwal	7,564,356	-	25,000,000	-	1,174,045	11,120,997
2	Ashok Chhajer	8,170,755	-	26,500,000	25,518,552	989,128	10,042,418
3	Sangeeta Chhajerr	2,450,647	-	36,450,000	19,800,000	1,946,116	20,852,151
4	Arihant Superstructure Ltd	20,945,913	-	7,500,000	-	2,765,623	30,934,973

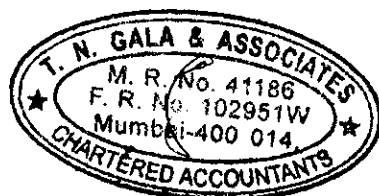
23 As per the information given by the Management, there are no suppliers who are registered as micro, small or medium enterprises under "The Micro, Small and Medium Enterprises Development Act, 2006" as at March 31, 2012.

24 SEGMENT INFORMATION

The Company operates in a single business and geographical segment i.e. "Construction and Allied Activities" within India. Accordingly, no separate disclosures for primary business and secondary geographical segment are required as per AS 17 issued by ICAI.

25 As per the information and explanations of the management there are no contingent liabilities as on year end.

26 As per the information and explanations of the management there are no commitments outstanding as on year end.



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ARIHANT VATIKA REALTY PVT LTD

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2012

- 27 In the opinion of the management; current assets, loans, advances and deposits are approximately of the value stated, if realised in the ordinary course of business. The provision of all known liabilities is adequate and not in excess of the amount reasonably necessary.
- 28 Balances of certain sundry debtors, sundry creditors, loans and advances are subject to confirmations / reconciliation and consequential adjustments, if any. The management does not expect any material difference affecting the current year's Financial Statements on such reconciliation / adjustments.
- 29 The financial statements for the year ended 31st March, 2011 had been prepared as per the then applicable, prerevised Schedule VI to the Companies Act, 1956. Consequent to the notification under the Companies Act, 1956, the financial statements for the year ended 31st March, 2012 are prepared under revised Schedule VI. Accordingly, the previous year figures have also been reclassified to confirm to this year's classification.

As per our report of even date

For T N Gala & Associates

Chartered Accountants

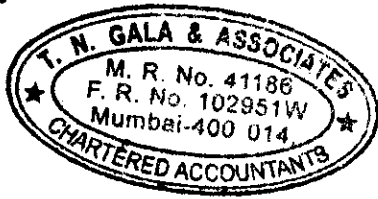
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Talakchand N. Gala

Proprietor

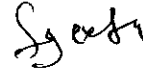
MRN: 41186



For & on behalf of the board



Director



Director

Place: Navi Mumbai

Date: 03.08.2012

Place: Navi Mumbai

Date: 03.08.2012