

KAILASH CHAND JAIN & CO. (Regd.)

CHARTERED ACCOUNTANTS

'Edena', 1st Floor,
97, Maharshi Karve Road,
Near Income Tax Office,
Mumbai - 400 020.

e-mail : mail@kcjainco.com & kcjainco@gmail.com

Phone : 022-22009131

022-22065373

Fax : 022-22089978

Independent Auditors' Report

To

The Members of

Arihant Vatika Reality Private Limited

Report on the Financial Statements

1. We have audited the accompanying financial statements of M/s **Arihant Vatika Reality Private Limited** ('the Company'), which comprise the Balance Sheet as at **31st March, 2014** and the Statement of Profit and Loss and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information, which we have signed under reference to this report.

Management's Responsibility for the Financial Statements

2. The Company's 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' of India (the "Act") read with the General Circular 15/2013 dated 13 September 2013 of Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013. 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.

Auditors' Responsibility

3. 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.

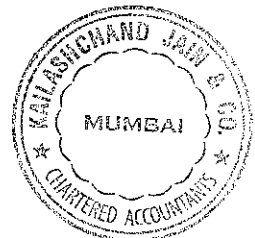
4. An audit involves performing procedures to obtain audit evidence, about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider 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.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion

Opinion

6. In our opinion, and to the best of our information and according to the explanations given to us, the accompanying 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 **31st March, 2014**
 - (b) In the case of the Statement of Profit and Loss, of the **profit** for the year ended on that date;
 - (c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

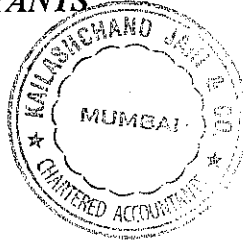
7. As required by 'the Companies (Auditor's Report) Order, 2003', as amended by 'the Companies (Auditor's Report) (Amendment) Order, 2004', issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.



8. 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 those 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 and Statement of Profit and Loss dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 read with General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013.; and
- (e) On the basis of written representations received from the directors as on 31st March, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

For and on behalf of
KAILASH CHAND JAIN & CO.
CHARTERED ACCOUNTANTS
Firm Reg. No. 112318W.



Dipesh Mehta
Partner
Mem. No. 134607

Place : Mumbai
Dated : 28/04/2014

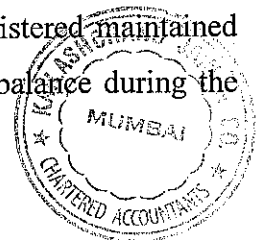
Annexure to the Auditors' Report of
Arihant Vatika Realty Private Limited

(Referred to in paragraph 1 of our Report of even date)

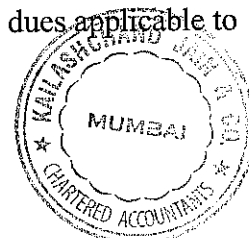
- 1
 - a) According to the information and explanation given to us the company has maintained proper records showing full particulars including quantitative details & situation of fixed assets.
 - b) All the assets have been physically verified by management during the year and no material discrepancies were noticed on such verification.
 - c) During the year the company has not disposed any substantial part of fixed assets affecting going concern of the company.
 - d) None of the fixed assets have been revalued during the year.

- 2
 - a) As per the information and explanation given to us, the inventory is physically verified during the year by the management of the company. In our opinion, the frequency of such verification is reasonable.
 - b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of company and nature of its business
 - c) As per explanation given to us the company is maintaining proper records of inventory and no discrepancies were noticed on verification between physical inventories and books records.

- 3
 - a) The company has granted unsecured loan to one party. The maximum balance outstanding during the year was Rs 500 Lakhs. And year-end balance of such loans amounted to Rs. 500 Lakhs.
 - b) In our opinion, the rate of interest and terms and conditions of such loans are prima facie not prejudicial to the interest of the company.
 - c) The receipt of principal amounts and interest has been as per stipulation.
 - d) There is no amount overdue in respect of loan granted to companies, firms or other parties listed in the register maintained under section 301 of the Act.
 - e) The Company has taken loan from five parties covered in the registered maintained under section 301 of the Act .The maximum amount outstanding balance during the year was Rs 10,79,69,518 /- and the year-end balance was Nil.



- f) In our opinion, the rate of interest and other terms and condition for such loan are prima facie not prejudicial to the interest of the company.
- g) In respect of loan taken, the company is regular in paying the principal amounts and interest as per terms and condition agreed.
- 4 In our opinion and according to the information and explanation given to us, there are adequate internal control procedures commensurate with the size of the company and its nature of its business with regard to purchase of inventory, fixed assets and with regards to sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.
- 5 According to the information and explanation given to us, In case of transaction exceeding the value of Rs. Five lacs in the financial year in respect of a party that the transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956:
- a) The transaction that needs to enter in the register maintained u/s 301 of the company Act, 1956 have been so entered.
- b) In our opinion, each of these transactions has been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- 6 In our opinion, and according to information and explanation given to us, the company has not taken any deposits in accordance with section 58A, 58AA of the companies' act 1956 during the year.
- 7 In our opinion the company has an internal audit system commensurate with its size and nature of its business.
- 8 The central government of India has not prescribed the maintenance of cost records under clause (d) of sub section (1) of section 209 of the Act for any of the product of the company.
- 9 a) According to the information and explanation given to us, the company is regular in depositing with appropriate authorities undisputed statutory dues including profession tax, tax deducted at sources, service tax, and other material statutory dues applicable to it.



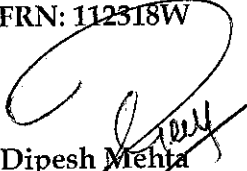
- b) According to information and explanation given to us there is no amount payable in respect of income tax, service tax that have not been deposited with appropriate authorities on account of any dispute.
- 10 The company has no accumulated losses. The company has not incurred any cash losses during the financial year ended on that date or in the immediately preceding financial year.
- 11 Based on our audit procedures and on the information and explanation given by management, we are of the opinion that the company has not defaulted in repayment of its due to any financial institution and bank during the year.
- 12 As informed, the Company has not granted loans and advances on the basis of securities by way of pledge of shares, debenture and other securities. Accordingly, the provision of clause 4 (xiii) of the order are not applicable.
- 13 In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund/society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditors Report) (Amendment) Order 2004 are not applicable to the Company.
- 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 Companies (Auditors Report) (Amendment) Order 2004 are not applicable to the Company.
- 15 The company has not given guarantee for loans taken by others from Bank / financial institution. In our opinion, the terms and conditions whereof are not prejudicial to the interest of the company.
- 16 According to the information and explanation given to us, term loan were applied for the purpose for which the loan were obtained.
- 17 According to the information and explanation given to us and on an overall examination of Balance Sheet of the Company, we report that the no funds raised on short-term basis have been used for long-term investment.
- 18 During the year, the company has not made preferential allotment of shares to parties & Companies covered in the Register maintained U/s 301 of the Companies Act, 1956.

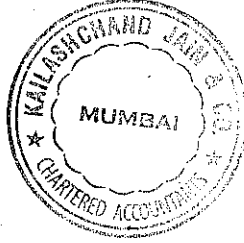


- 19 The Company has not issued any debentures during the year and does not have any debentures outstanding as at the beginning of the year and at the year end. Accordingly, the provisions of Clause 4(xix) of the Order are not applicable to the Company.
- 20 The Company has not raised any money by public issues during the year. Accordingly, the provisions of Clause 4(xx) of the Order are not applicable to the Company.
- 21 We have been informed that there is no fraud on or by the Company has been either noticed or reported during the financial year 2013-2014.

**FOR KAILASH CHAND JAIN & CO.
CHARTERED ACCOUNTANTS**

FRN: 112318W


Dipesh Mehta
Partner
Mem. No. : 134607



Place : Mumbai
Date : 28/04/2014

ARIHANT VATIKA REALTY PVT. LTD
Balance Sheet as at 31 March, 2014

Particulars		Note No.	As at 31 March, 2014	As at 31 March, 2013
			₹	₹
A	EQUITY AND LIABILITIES			
1	Shareholders' funds			
	(a) Share capital	3	100,000	100,000
	(b) Reserves and surplus	4	35,814,158	20,129
			35,914,158	120,129
2	Share application money pending allotment			
3	Non-current liabilities			
	(a) Long-term borrowings	5	304,919	576,907
	(b) Deferred tax liabilities (net)	25	118,155	40,524
			423,074	617,431
4	Current liabilities			
	(a) Short-term borrowings	6	1,697,431	101,232,536
	(b) Trade payables	7	11,626,256	5,342,196
	(c) Other current liabilities	8	167,927,698	127,530,014
	(d) Short term provisions	9	16,559,549	18,267
			197,810,934	234,123,013
	TOTAL		234,148,166	234,860,573
B	ASSETS			
1	Non-current assets			
	(a) Fixed assets			
	(i) Tangible assets	10.A	2,072,593	2,036,564
	(ii) Intangible assets	10.B	43,618	57,039
	(b) Non-current investments	11	44,559,422	-
			46,675,633	2,093,603
2	Current assets			
	(a) Inventories	12	89,070,607	129,991,580
	(b) Trade receivables	13	6,533,227	-
	(c) Cash and cash equivalents	14	7,965,380	24,809,787
	(d) Short-term loans and advances	15	61,655,515	1,413,823
	(e) Other Current Assets	16	22,247,804	76,551,780
			187,472,533	232,766,970
	TOTAL		234,148,166	234,860,573
	See accompanying notes forming part of the financial statements	1 & 2		

In terms of our report attached.

M/S KAILASH CHAND JAIN & CO.

CHARTERED ACCOUNTANTS

Firm Reg. No.: 112318W

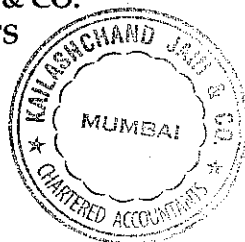
Dipesh Mehta

Partner

M.No.: 134607

Place : Mumbai

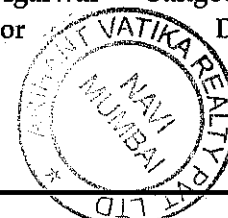
Date : 28/04/2014



For and on behalf of the Board of Directors

Akshay A. Agarwal
Director

Sangeeta A. Chhajer
Director



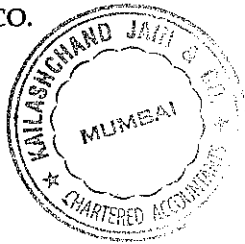
ARIHANT VATIKA REALTY PVT. LTD
Statement of Profit and Loss for the year ended

Particulars		Note No.	31st March 2014	31st March 2013
			₹	₹
1	Revenue from operations	17	340,527,052	-
2	Other income	18	1,047,900	2,046,966
3	Total revenue (1+2)		341,574,952	2,046,966
4	Expenses			
	(a) Cost of construction, land and development expenses	19.a	226,888,638	77,347,695
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	19.b	40,920,973	(102,882,859)
	(d) Employee benefits expense	20	9,873,686	6,017,073
	(e) Finance costs	21	4,271,068	12,886,870
	(f) Depreciation expense	10	261,322	212,031
	(g) Other expenses	22	6,928,055	8,466,156
	Total expenses		289,143,742	2,046,966
5	Profit / before tax (3 - 4)		52,431,210	-
6	Tax expense:			
	(a) Current tax expense		16,559,549	-
	(b) Deferred tax		77,632	40,659
			16,637,181	40,659
7	Profit / (Loss) from continuing operations (5-6)		35,794,029	(40,659)
8	Earnings per share (of Rs.10/- each):			
	(a) Basic	24	3,579.40	(4.07)
	See accompanying notes forming part of the financial statements	1 & 2		

In terms of our report attached.
M/S KAILASH CHAND JAIN & CO.
CHARTERED ACCOUNTANTS
Firm Reg. No.: 112318W

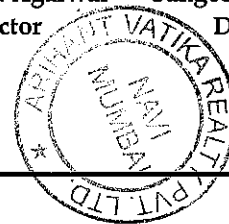
Dipesh Mehta
Partner
M.No.: 134607

Place : Mumbai
Date : 28/04/2014



For and on behalf of the Board of Directors

Akshay A. Agarwal Sangeeta A. Chhajer
Director Director



ARIHANT VATIKA REALTY PVT. LTD
CASH FLOW STATEMENT FOR THE YEAR ENDED

Particulars	31st March 2014	31st March 2013
	₹	₹
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax and before Extra ordinary Items :	52,431,210	-
Adjustment for :		
Depreciation	261,322	212,031
Provision for Gratuity	-	132,409
Adjustment for Non- Operating Income		
less: Interest Received	(1,044,859)	(2,046,966)
	51,647,673	(1,702,526)
Changes in Working Capital related to:		
(Increase)/ Decrease in Trade & Other Receivable	28,450,029	(115,142,135)
Increase/ (Decrease) in Current Liabilities & Provision	46,681,744	118,005,478
Income tax paid	(18,267)	-
Cash flow from operating activities before extraordinary & exceptional items	126,761,179	1,160,817
Exceptional Items :	-	-
Net Cash flow from operating activities	126,761,179	1,160,817
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets (Net)	(283,930)	(223,620)
Interest Received	1,044,859	2,046,966
Investments	(44,559,422)	-
Cash Generated from Investment Activities	(43,798,493)	(189,235)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Secured and unsecured Loan Repaid	(99,807,093)	23,299,390
Dividend Paid (Including dividend distribution tax)	-	-
Cash Generated from Financial Activities	(99,807,093)	23,299,390
Net Increase in Cash & Cash Equivalents	(16,844,407)	24,270,972
Opening Balance of Cash & Cash Equivalents	24,809,787	538,815
Closing Balance of Cash & Cash Equivalents	7965380	24,809,787

In terms of our report attached.

M/S KAILASH CHAND JAIN & CO.

CHARTERED ACCOUNTANTS

Firm Reg. No.: 112318W

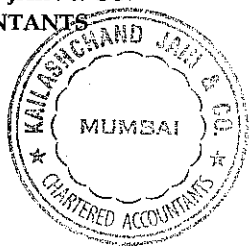
Dipesh Menta

Partner

M.No.: 134607

Place : Mumbai

Date : 28/04/2014



For and on behalf of the Board of Directors

(Signature)

Akshay A. Agarwal
Director

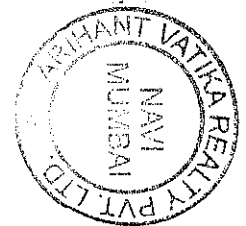
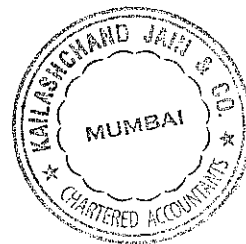
(Signature)

Sangeeta A. Chhajer
Director



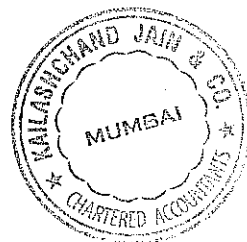
ARIHANT VATIKA REALTY PVT. LTD
Notes forming part of the financial statements

Note	Particulars
<p>1 Corporate information</p> <p>2 Significant accounting policies (Illustrative)</p> <p>2.1 Basis of accounting and preparation of financial statements</p> <p>2.2 Use of estimates</p>	<p>ARIHANT VATIKA REALTY PVT. LTD is registered under companies act, 1956 as private limited company. The company's registered office is located at 302, Persipolis Building Plot No. 74, Sector 17, Vahi, Navi Mumbai - 400703 and its registered office is situated in the state of Maharashtra, i.e. within the jurisdiction of the Registrar of Companies, Maharashtra, at Mumbai. The operation of the company span in all aspect of real estate development, from the identification and acquisition of land, planning, execution, construction and marketing of projects.</p> <p>The financial statements of the company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply 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 accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent.</p> <p>The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.</p>



ARIHANT VATIKA REALTY PVT. LTD
Notes forming part of the financial statements

Note	Particulars
2.3	<p>Inventories</p> <p>i) Construction materials and consumables : The construction materials and consumables purchased are treated as consumables and added in work-in-progress.</p> <p>ii) Incomplete Project / Construction Work-In-Progress : The Incomplete Project / construction work-in-progress is valued lower at cost or net realisable value.</p> <p>(a) For projects where revenue is recognised : "Cost includes cost of land, development rights, rates and taxes, construction cost, borrowing cost, other direct expenditure, allocated overheads and other incidental expenses as per the Guidance Note on Accounting for real estate transactions (Revised 2012) issued by The Institute of Chartered Accountants of India".</p> <p>(b) For projects where revenue is not recognised : "Cost includes direct expenses, construction cost, rates and taxes, borrowing cost, other direct expenditure, allocated overheads and other incidental expenses except land & development rights which is treated as other assets".</p>
2.4	<p>Cash flow statement</p> <p>Cash flows are reported using the indirect method as per AS-3, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.</p>
2.5	<p>Depreciation and amortisation</p> <p>Depreciation has been provided on straight line basis method as per the rates prescribed in Schedule XIV to the Companies Act, 1956 or on the basis of useful lives estimated by the management whichever is higher.</p> <p>Intangible assets are amortized on a straight line basis over the estimated useful economic life. The company uses a rebuttable presumption that the useful life of an intangible asset will not exceed five years from the date when the asset is available for use. If the persuasive evidence exists to the affect that useful life of an intangible asset exceeds five years, the company amortizes the intangible asset over the best estimate of its useful life.</p>



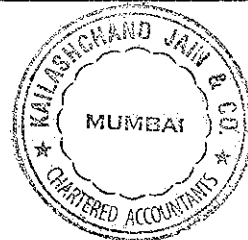
ARIHANT VATIKA REALTY PVT. LTD
Notes forming part of the financial statements

Note	Particulars
2.6	<p>Revenue recognition "Pursuant to issuance of revised Guidance Note on Accounting for Real Estate Transactions (Revised 2012), by The Institute of Chartered Accountants of India (ICAI), the Company revised its Accounting Policy of revenue recognition for all projects commencing on or after April 1, 2012 or project where the revenue is recognised for the first time on or after the above date. For project Arihant Anmol Phase I and II revenue is recognized during the year due to the fulfilment of conditions of recognizing of revenue as per revised Guidance Note. Whereas for remaining phases of project Arihant Anmol which came under the purview of the revised guidance note but as at March 31, 2014, the conditions for recognizing revenue for these phases were not met."</p>
2.7	<p>Other income Interest Income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head other income in the statement of profit and loss.</p>
2.8	<p>Tangible fixed assets Fixed assets, are carried at cost less accumulated depreciation and impairment losses, if any. The cost of fixed assets includes interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use and other incidental expenses incurred up to that date. Machinery spares which can be used only in connection with an item of fixed asset and whose use is expected to be irregular are capitalised and depreciated over the useful life of the principal item of the relevant assets. Subsequent expenditure relating to fixed assets is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.</p>
2.9	<p>Intangible fixed assets Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.</p>



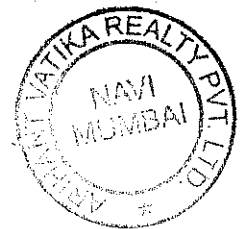
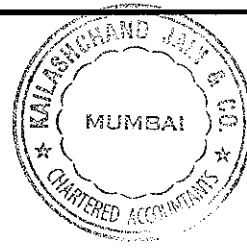
ARIHANT VATIKA REALTY PVT. LTD
Notes forming part of the financial statements

Note	Particulars
2.10	<p>Investments Long-term investments are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties.</p>
2.11	<p>Borrowing costs Borrowing costs as per AS-16 include interest, amortisation of ancillary costs incurred. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset is added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.</p>
2.12	<p>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. Deferred tax as per AS-22 is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.</p>



ARIHANT VATIKA REALTY PVT. LTD
Notes forming part of the financial statements

Note	Particulars
2.13	<p>Earning Per Share</p> <p>Basic earnings per share as per AS-20, 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.</p> <p>For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.</p>
2.14	<p>Provisions</p> <p>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.</p>
2.15	<p>Contingent Liabilities</p> <p>A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation.</p>



Note 3 Share capital

Particulars	As at 31 March, 2014		As at 31 March, 2013	
	Number of shares	₹	Number of shares	₹
(a) Authorised Equity shares of ₹10 each with voting rights	100,000	1,000,000	100,000	1,000,000
(b) Issued Equity shares of ₹10 each with voting rights	10,000	100,000	10,000	100,000
(c) Subscribed and fully paid up Equity shares of ₹10 each with voting rights	10,000	100,000	10,000	100,000
Total	10,000	100,000	10,000	100,000

Notes:

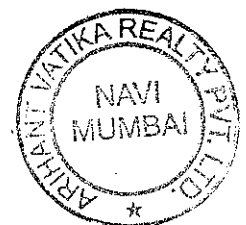
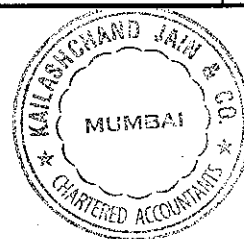
(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	Opening Balance	Other changes (give details)	Closing Balance
Equity shares with voting rights			
Year ended 31 March, 2014			
- Number of shares	10,000	-	10,000
- Amount (₹)	100,000	-	100,000
Year ended 31 March, 2013			
- Number of shares	10,000	-	10,000
- Amount (₹)	100,000	-	100,000

Class of shares / Name of shareholder (holding more than 5%)	As at 31 March, 2014		As at 31 March, 2013	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights				
Arihant Superstructures Ltd.	6,000	60.00	6,000	60.00
Sujata Agarwal	1,570	15.70	1,570	15.70
Akshay Agarwal	1,150	11.50	1,150	11.50

Note 4 Reserves and surplus

Particulars	As at 31 March, 2014	As at 31 March, 2013
	₹	₹
(a) Statement of Profit / (Loss)		
Opening balance	20,129.00	60,788
Add: Profit / (Loss) for the year	35,794,029	(40,659)
Closing balance	35,814,158	20,129
Total	35,814,158	20,129



ARIHANT VATIKA REALTY PVT. LTD
Notes forming part of the financial statements

Note 5 Long-term borrowings

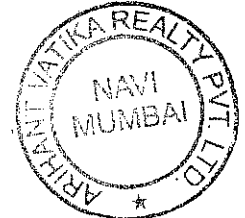
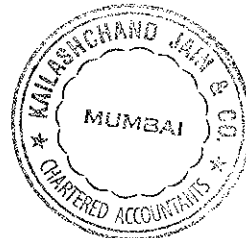
Particulars	As at 31 March, 2014	As at 31 March, 2013
	₹	₹
(a) Other loans and advances		
Secured		
Kotak Mahindra Prime Ltd - (Santro)	124,304	235,439
Sundaram Finance - (Tata Viger) (secured against motor car)	180,615	341,468
Total	304,919	576,907

Note 6 Short-term borrowings

Particulars	As at 31 March, 2014	As at 31 March, 2013
	₹	₹
(a) Loans repayable on demand		
(i) Unsecured Loans		
<u>From Directors</u>		
Akshay Agrawal	-	17,636,671
Ashok B Chhajer	-	17,644,381
Sangeeta A Chhajer	-	22,729,168
<u>From Others</u>		
Arihant Superstructures Ltd	-	36,999,829
Shree Bhairavnath Garment Pvt. Ltd	1,697,431	6,222,487
Total	1,697,431	101,232,536

Note 7 Trade payables

Particulars	As at 31 March, 2014	As at 31 March, 2013
	₹	₹
(a) Trade payables:		
Sundry Creditors	9,601,832	4,947,099
Retention	2,024,424	395,097
Total	11,626,256	5,342,196



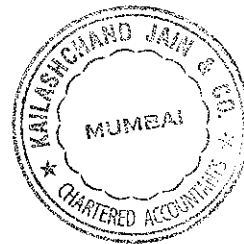
ARIHANT VATIKA REALTY PVT. LTD
Notes forming part of the financial statements

Note 8 Other current liabilities

Particulars	As at 31 March, 2014	As at 31 March, 2013
	₹	₹
(a) Other payables		
(i) Statutory remittances		
VAT Payable	1,260,096	1,098,515
Professional Tax Payable	43,900	-
TDS Payable	640,395	487,512
Service Tax Payable	2,733,615	591,660
(ii) Advances from customer - Booking	160,620,460	124,575,513
(iii) Others		
Gratuity Payable	81,452	132,409
Electricity Expenses payable	124,350	121,505
Telephone Expenses payable	581	-
Salary Payable	1,641,443	457,169
Audit fees payable	65,000	65,731
Provision for Expenses	716,405	-
Total	167,927,697	127,530,014

Note 9 Short term provisions

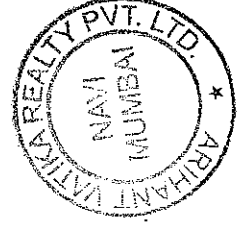
Particulars	As at 31 March, 2014	As at 31 March, 2013
	₹	₹
Provision for Income Tax	16,559,549	18,267
Total	16,559,549	18,267



Note 10: Fixed assets

A.	Tangible assets	Gross block				Accumulated depreciation and impairment				Net block	
		Balance as at 1 April, 2013	Additions	Disposals	Balance as at 31 March, 2014	Balance as at 1 April, 2013	Depreciation for the year	Eliminated on disposal of assets	Balance as at 31 March, 2014	Balance as at 31 March, 2014	Balance as at 31 March, 2013
	(a) Site Equipment Container	-	19,687	-	19,687	-	579.58	-	580	19,107	-
	(b) Furniture and Fixtures Owned	-	13,387	-	13,387	-	631.48	-	631	12,756	-
	(c) Vehicles Owned Motor Car	1,369,390	-	-	1,369,390	139,243	130,092.05	-	269,335	1,100,055	1,230,147
	(c) Computer Owned Printer	579,080 60,427	- -	- -	579,080 60,427	66,080 6,414	93,868.87 9,795.22	- -	159,949 16,209	419,131 44,218	513,000 54,013
	(e) Office equipment Owned Air Conditioner Mobile Phone Inverter Office Appliances	23,300 43,400 116,600 62,619	- - 240,000 10,856	- - -	23,300 43,400 356,600 73,475	1,049 158 3,217 2,091	1,106.75 2,061.50 6,662.88 3,102.96	- -	2,156 2,220 9,880 5,194	21,144 41,181 346,720 68,281	22,251 43,242 113,383 60,528
	Total	2,254,816	283,930	-	2,538,746	218,252	247,901	-	466,153	2,072,593	2,036,564
	Previous year	85,720	2,169,096	-	2,254,816	16,287	201,965	-	218,252	2,036,564	69,433

B.	Intangible assets	Gross block				Accumulated depreciation and impairment				Net block	
		Balance as at 1 April, 2013	Additions	Disposals	Balance as at 31 March, 2014	Balance as at 1 April, 2013	Depreciation for the year	Eliminated on disposal of assets	Balance as at 31 March, 2014	Balance as at 31 March, 2014	Balance as at 31 March, 2013
	Software	67,105	-	-	67,105	10,066	13,421.00	-	23,487	43,618	57,039
	Total	67,105	-	-	67,105	10,066	13,421.00	-	23,487	43,618	57,039



ARIHANT VATIKA REALTY PVT. LTD
Notes forming part of the financial statements

Note 11 Non-current investments

Particulars	As at 31 March, 2014	As at 31 March, 2013
	Unquoted	Unquoted
	₹	₹
A. Investment in equity instruments (i) of companies 100 (As at 31 March, 2013: NIL) shares of ₹ 10 each fully paid up in Mahaveer Universal Homes Pvt. Ltd.	1,000	-
B. Investment in others Shops at Aura(Arihant Paradise Pvt. Ltd)	44,558,422	-
Total	44,559,422	-

Note 12 Inventories

(At lower of cost and net realisable value)

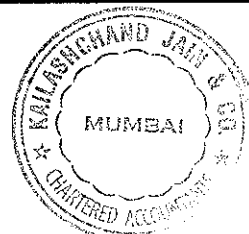
Particulars	As at 31 March, 2014	As at 31 March, 2013
	₹	₹
	(a) Work in Progress	89,070,607
Total	89,070,607	129,991,580

Note 13 Trade receivables

Particulars	As at 31 March, 2014	As at 31 March, 2013
	₹	₹
	Other Trade receivables Unsecured, considered good	6,533,227
Total	6,533,227	-

Note 14 Cash and cash equivalents

Particulars	As at 31 March, 2014	As at 31 March, 2013
	₹	₹
	(a) Cash on hand	835,424
(b) Balances with banks (i) In current accounts (ii) In deposit accounts Fixed deposit with Federal Bank (Auto Sweep) (maturity within 3 months)	(5,649,200) 12,779,156	(1,457,930) 25,370,233
Total	7,965,380	24,809,787



ARIHANT VATIKA REALTY PVT. LTD
Notes forming part of the financial statements

Note 15 Short-term loans and advances

Particulars	As at 31 March, 2014	As at 31 March, 2013
	₹	₹
(a) Loans and advances to related parties Mahaveer Universal Homes Pvt. Ltd	50,000,000	-
	50,000,000	-
(b) Security deposits		
Unsecured, considered good		
Deposits-Kulgaon Badlapur Municipal Council)	90,000	90,000
MSEDCL Security Deposit	172,383	87,883
Others Deposits	350,000	982,329
	612,383	1,160,212
(c) Loans and advances to employees	1,733,949	15,400
	1,733,949	15,400
(d) Balance due with government authorities		
Advance Income Tax F.Y 2013-14	9,000,000	-
TDS Receivable F.Y 2011-12	-	61,747
TDS Receivable F.Y 2012-13	176,464	176,464
TDS Receivable F.Y 2013-14	132,719	-
	9,309,183	238,211
Total	61,655,515	1,413,823

Note 16 Other Current Assets

Particulars	As at 31 March, 2014	As at 31 March, 2013
	₹	₹
(a) Land		
Land-Juveli(Anmol)	22,230,580	76,536,580
Prepaid expenses	17,224	15,200
	22,247,804	76,551,780



Note 17 Revenue from operations

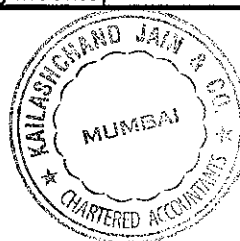
	Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
		₹	₹
(a)	Sale of products (Refer Note (i) below)	340,527,052	-
	Total	340,527,052	-

Note	Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
		₹	₹
(i)	Manufactured finished / unfinished goods sold Arihant Anmol	340,527,052	-
	Total - Sale of products	340,527,052	-

Note 18 Other income

	Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
		₹	₹
(a)	Interest income From Banks others	1,044,859	2,046,966
(b)	Other non-operating income	3,041	-
	Total	1,047,900	2,046,966

Note	Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
		₹	₹
(i)	Interest income comprises: Interest from banks on: Deposits Other balances	428,421 616,438	- 2,046,966
	Total - Interest income	1,044,859	2,046,966
(ii)	Other non-operating income comprises: Miscellaneous Income	3,041	-
	Total - Other non-operating income	3,041	-



ARIHANT VATIKA REALTY PVT. LTD

Notes forming part of the financial statements

Note 19.a Cost of construction, land and development expenses

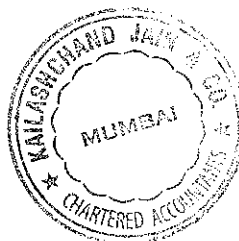
Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
	₹	₹
Purchases (Refer note (i) below)	83,673,623	44,324,538
Land Cost	54,306,000	-
Direct Expenses (Refer note (ii) below)	88,909,015	33,023,157
Total	226,888,638	77,347,695

Notes :

Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
	₹	₹
i) Purchases		
Arihant Anmol	83,673,623	44,324,538
	83,673,623	44,324,538
ii) Direct Expenses		
Arihant Anmol	88,909,015	33,023,157
	88,909,015	33,023,157

Note 19.b Changes in inventories of WIP

Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
	₹	₹
<u>Inventories at the end of the year:</u>		
Incomplete projects (WIP)		
Arihant Anmol	89,070,607	129,991,580
	89,070,607	129,991,580
<u>Inventories at the beginning of the year:</u>		
Incomplete projects (WIP)		
Arihant Anmol	129,991,580	27,108,721
	129,991,580	27,108,721
Net (increase) / decrease	40,920,973	(102,882,859)



ARIHANT VATIKA REALTY PVT. LTD
Notes forming part of the financial statements

Note 20 Employee benefits expense

Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
	₹	₹
Salaries, wages and bonus	8,543,983	5,360,265
Staff welfare expenses	1,329,703	524,399
Gratuity expenses	-	132,409
Total	9,873,686	6,017,073

Note 21 Finance costs

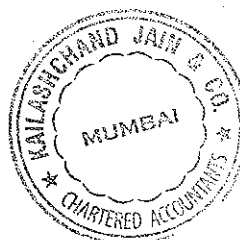
Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
	₹	₹
(a) Interest expense on:		
(i) Secured Loans	62,467	84,113
(ii) Unsecured Loans	4,208,601	12,802,757
Total	4,271,068	12,886,870

Note 22 Other expenses

Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
	₹	₹
Selling & Distribution (Refer Note 22.i))	5,065,607	6,267,619
Professional & Legal Fees (Refer Note 22.ii))	155,014	323,224
Rent, Rates & Taxes (Refer Note 22.iii))	160,269	731,068
Donation	51,000	25,000
Administrative Expenses (Refer Note 22.iv))	1,427,004	1,023,857
Audit Fee	56,966	73,034
ROC Fee	2,800	3,300
Others (Refer Note 22.v))	9,395	19,054
Total	6,928,055	8,466,156

Notes:

Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
	₹	₹
(i) Payments to the auditors comprises (net of service tax input credit, where applicable):		
Statutory audit	56,966	73,034
Total	56,966	73,034



ARIHANT VATIKA REALTY PVT. LTD
Notes forming part of the financial statements

Note 22.i) Selling and Distribution Expenses

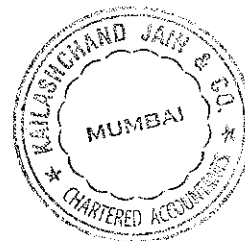
Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
	₹	₹
Advertisement	4,045,911	3,311,135
Branding Expenses	1,310	10,600
Brokerage	75,000	-
Business Promotion	195,309	422,989
Customer Delight	44,850	-
Exhibition Expenses	24,880	2,244,437
Registration Charges	37,620	157,560
Selling & Distribution	598,727	120,898
Software Rent	42,000	-
Total	5,065,607	6,267,619

Note 22.ii) Professional & Legal Fees

Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
	₹	₹
Legal Expenses	68,740	139,155
Professional fees	49,640	128,180
Stamping, Notarisation & Franking Charges	36,634	55,889
Total	155,014	323,224

Note 22.iii) Rent, Rates & Taxes

Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
	₹	₹
Office Rent	118,250	731,068
Society maintenance Charges	42,019	-
Total	160,269	731,068



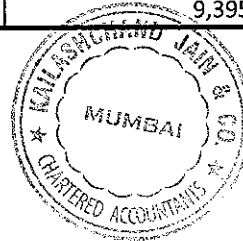
ARIHANT VATIKA REALTY PVT. LTD
Notes forming part of the financial statements

Note 22.iv) Administrative Expenses

Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
	₹	₹
Vehicle Expenses	692,502	339,265
AMC Charges	20,625	-
Bank Charges	3,801	(9,255)
Power & Fuel Expenses	37,590	39,009
General Expenses	53,958	60,543
Internet Expenses	-	7,578
Misc. Expenses	1,800	-
Office Expenses	56,495	46,808
Postage & Courier	25,409	4,740
Printing & Stationery	392,670	446,914
Repairs & Maintenance	20,304	52,725
Communication Expenses	66,355	9,916
Toll & Parking Charges	38,646	23,614
Computer Expenses	4,757	2,000
VAT (expenses)	12,092	-
Total	1,427,004	1,023,857

Note 22.v) Others

Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
	₹	₹
Interest on Service Tax	5,480	2,498
Interest on TDS	3,915	16,556
Total	9,395	19,054



Note 23 Disclosures under Accounting Standards 18

Related party transactions

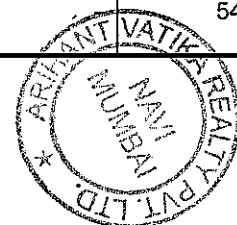
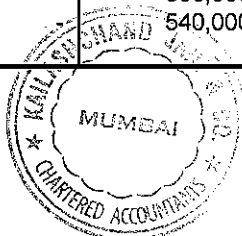
Details of related parties:

Description of relationship	Names of related parties
Holding	1. Arihant Superstructures Ltd.
Key Management Personnel (KMP)	1. Ashok B. Chhajer 2. Sangeeta A. Chhajer 3. Akshay Agarwal
Relatives of KMP	-
Company in which KMP / Relatives of KMP can exercise significant influence	1. Arihant Universal Realty Pvt. Ltd. 2. Arihant Paradise Realty Pvt. Ltd. 3. Mahaavir Universal Homes Pvt. Ltd.

Note: Related parties have been identified by the Management.

Details of related party transactions during the year ended 31 March, 2014 and balances outstanding as at 31 March, 2014:

	Holding	KMP	Entities in which KMP / relatives of KMP have significant influence	Total
I. Transactions During the year				
(a) Loan Taken				
1. Arihant Superstructures Ltd	8,800,000	-	-	8,800,000
2. Arihant Universal Realty Pvt. Ltd.	-	-	19,000,000	19,000,000
3. Ashok B. Chhajer	-	6,600,000	-	6,600,000
4. Sangeeta A. Chhajer	-	14,500,000	-	14,500,000
(b) Loan Repayment				
1. Arihant Superstructures Ltd	45,799,829	-	-	45,799,829
2. Arihant Universal Realty Pvt. Ltd.	-	-	19,000,000	19,000,000
3. Ashok B. Chhajer	-	24,244,381	-	24,244,381
4. Sangeeta A. Chhajer	-	37,229,168	-	37,229,168
5. Akshay Agarwal	-	17,636,671	-	17,636,671
(c) Interest Paid				
1. Arihant Superstructures Ltd	764,230	-	-	764,230
2. Arihant Universal Realty Pvt. Ltd.	-	-	98,921	98,921
3. Ashok B. Chhajer	-	322,106	-	322,106
4. Sangeeta A. Chhajer	-	1,286,026	-	1,286,026
5. Akshay Agarwal	-	1,209,602	-	1,209,602
(d) Loan Given				
1. Mahaavir universal Homes Pvt. Ltd.	-	-	50,000,000	50,000,000
(e) Investment in Shares				
1. Mahaavir universal Homes Pvt. Ltd.	-	-	1,000	1,000
(f) Interest Received				
1. Mahaavir universal Homes Pvt. Ltd.	-	-	616,438	616,438
(g) Director Remuneration				
1. Sangeeta A. Chhajer	-	360,000	-	360,000
2. Akshay Agarwal	-	540,000	-	540,000



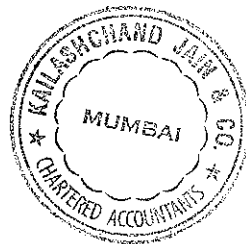
ARIHANT VATIKA REALTY PVT. LTD
Notes forming part of the financial statements

Note 23 Disclosures under Accounting Standards 18

Note: Related parties have been identified by the Management.

Details of related party transactions during the year ended 31 March, 2014 and balances outstanding as at 31 March, 2014:

	Holding	KMP	Entities in which KMP / relatives of KMP have significant influence	Total
II. Balances outstanding at the end of the year				
1. Arihant Superstructures Ltd				
Closing Balance	-	-	-	-
Opening Balance	(36,999,829)	-	-	(36,999,829)
2. Arihant Universal Realty Pvt. Ltd.				
Closing Balance	-	-	-	-
Opening Balance	-	-	-	-
3. Ashok B. Chhajaj				
Closing Balance	-	-	-	-
Opening Balance	-	(17,644,381)	-	(17,644,381)
4. Sangeeta A. Chhajaj - Loan				
Closing Balance	-	-	-	-
Opening Balance	-	(22,729,168)	-	(22,729,168)
5. Akshay Agarwal - Loan				
Closing Balance	-	-	-	-
Opening Balance	-	(17,636,671)	-	(17,636,671)
6. Sangeeta A. Chhajaj - Remuneration				
Closing Balance	-	285,500	-	285,500
Opening Balance	-	-	-	-
7. Akshay Agarwal - Remuneration				
Closing Balance	-	498,360	-	498,360
Opening Balance	-	-	-	-
8. Arihant Paradise Realty Pvt. Ltd. (Investment in Properties)				
Closing Balance	-	-	44,558,422	44,558,422
Opening Balance	-	-	-	-
9. Mahaavir universal Homes Pvt. Ltd.				
Closing Balance	-	-	50,000,000	50,000,000
Opening Balance	-	-	-	-
9. Mahaavir universal Homes Pvt. Ltd. (Investment)				
Closing Balance	-	-	1,000	1,000
Opening Balance	-	-	-	-



ARIHANT VATIKA REALTY PVT. LTD
Notes forming part of the financial statements

Note 24 Disclosures under Accounting Standards 20

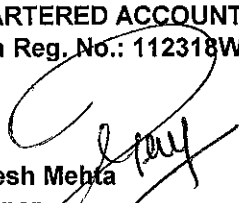
Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
	₹	₹
Earnings per share		
Basic		
<u>Continuing operations</u>		
Net profit / for the year from continuing operations attributable to the equity shareholders	35,794,029	(40,659)
Weighted average number of equity shares	10,000	10,000
Par value per share	10	10
Earnings per share from continuing operations - Basic	3,579.40	(4.07)

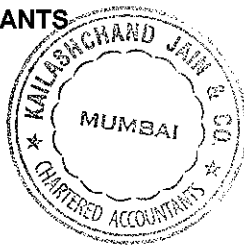
Note 25 Disclosures under Accounting Standards 22

Particulars	As at 31 March, 2014	As at 31 March, 2013
	₹	₹
Deferred tax (liability) / asset		
<u>Tax effect of items constituting deferred tax liability</u>		
On difference between book balance and tax balance of fixed assets	143,324	81,438
<u>Tax effect of items constituting deferred tax liability</u>	143,324	81,438
<u>Tax effect of items constituting deferred tax assets</u>		
Others	25,169	40,914
Tax effect of items constituting deferred tax assets	25,169	40,914
Net deferred tax (liability) / asset	(118,155)	(40,524)

In terms of our report attached.

M/S KAILASH CHAND JAIN & CO.
CHARTERED ACCOUNTANTS
Firm Reg. No.: 112318W

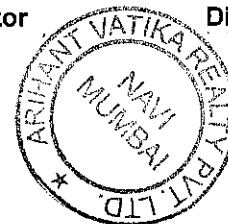

Dipesh Mehta
Partner
M.No.: 134607



For and on behalf of the Board of Directors


Akshay A. Agarwal
Director


Sangeeta A. Chhajer
Director



Place : Mumbai
Date : 28/04/2014