

# Anand Mehta & Associates

CHARTERED ACCOUNTANTS

Mulratna, 1st Floor,
334, Narshi Natha Street, Mumbai 400 009

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INDEPENDENT AUDITOR'S REPORT

To the Members of It Citi Infopark Private Limited

#### Report on the Financial Statements

1. We have audited the accompanying financial statements of It Citi Infopark Private Limited (the "Company"), which Comprises the Balance Sheet as at 31st March, 2013 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 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). 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 financial misstatements, whether due to fraud and error.

#### Auditor's 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. These 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 misstatements.
- 4. An audit involves performing procedures to obtain the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risk of material misstatements of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and 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.

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## Opinion

- 6. In our opinion, and to the best of our information and according to the explanation 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 March 31st, 2013;
  - b) In the case of the Statement of Profit and Loss, 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.

## 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 explanation given to us, we give in the Annexure a statement on the matters specified in paragraph 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 explanation which, to the best of our knowledge and belief, were necessary for the purpose of our audit;
- b. In our opinion, proper books of accounts as required by laws 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, Statement of Profit and Loss and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Act;
- e. On the basis of written representation received from the directors as on March 31st, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31st, 2013, from being appointed as a director in terms of clause (g) of sub section (1) of section 274 of the Act.

For Anand Mehta & Associates

MUMBAI

CHARTERED ACCOUNTANTS

F.R No. 127305W

Kulin V. Mehta

Partner

Membership No. 38840

Pune: 0 2 MAY 2013



## Anand Mehta & Associates

## Chartered Accountants

## ANNEXURE TO AUDITOR'S REPORT

Annexure referred to in Paragraph 7 of the Independent Auditor's report to the members of It Citi Infopark Private Limited for the year ended 31st March, 2013

1.

- a. The Company did not have any fixed asset at any time during the year and therefore, the clauses (a), (b) and (c) of Paragraph 4 (i) of the Order are not applicable to the Company.
- 2. The Company did not have purchases or inventory during the year and therefore, the clauses (a), (b) and (c) of Paragraph 4 (ii) of the Order are not applicable to the Company.

3.

- a. The Company has granted loan to a Company listed in the Register maintained under section 301 of the Companies Act, 1956. The maximum amount outstanding during the year and the year end balance was Rs. 10,12,62,999/-.
- b. The rate of Interest and other terms and conditions of such loan is, in our opinion, prima facie, not prejudicial to the interests of the Company.
- c. According to information and explanation given to us, no amount of principal and interest in excess of Rupees One lac is overdue for repayment.
- d. The Company has not taken loans from parties listed in Register maintained under section 301 Of the Companies Act, 1956, and hence the clauses (e) to (g) of Paragraph 4 (iii) of the Order are not applicable.

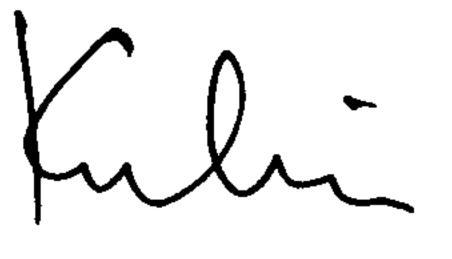
Mumbai:334, Mulratna Narshi Natha Street, Masjid(W), Mumbai 400009 Ph.022-42133124 email: amcon.mumbai@amcount.com Pune: B/5, Shardaram Park, 34 Sasson Road, Near Jahangir Hospital, Pune-411001 Ph. 020-64013124 email: `amcon.pune@amcount.com

- 4. The Company did not have any purchases of inventories or fixed assets and sale of goods or services during the year and hence reporting regarding internal control system relating thereto is not applicable.
- 5. According to the information and explanation given to us, the Company has not entered into any contract or arrangement, for purchases of goods and materials and/or sales of goods, materials and services, with the parties referred under section 301 of the Companies Act, 1956 and therefore, the clauses (a) and (b) of the paragraph 4 (v) of the Order are not applicable.
- 6. The Company has not accepted any deposits from the public within the meaning of the section 58A and 58AA and rules framed there under.
- 7. The Company does not have formal internal audit system.
- 8. According to the information and explanation given to us, the Central Government has not prescribed the maintenance of cost records under section 209(1)(d) of the Companies Act, 1956 for any of the products of the Company.

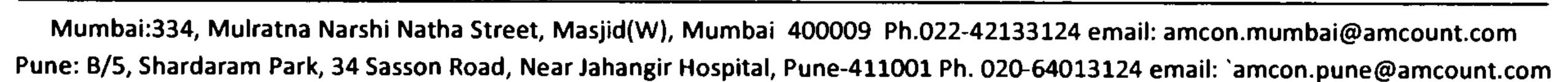
9.

- a. According to the information and explanation given to us, the Company was regular in depositing with appropriate authority undisputed statutory dues in respect of Investor Education and protection fund, Wealth tax, service tax, cess and other statutory dues as may be applicable. There were no arrears of any statutory dues which were outstanding as at year end for a period of more than 6 months from the date they became payable.
- b. According to the information and explanation given to us, there was no dues in respect of Income tax, Sales tax, Custom duty, Wealth tax, Service Tax, Excise Duty which have not been deposited on account of any dispute.
- 10. The Company does not have any accumulated losses at the end of the year. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

Mumbai:334, Mulratna Narshi Natha Street, Masjid(W), Mumbai 400009 Ph.022-42133124 email: amcon.mumbai@amcount.com Pune: B/5, Shardaram Park, 34 Sasson Road, Near Jahangir Hospital, Pune-411001 Ph. 020-64013124 email: `amcon.pune@amcount.com



- 11. The Company has not availed any loans from financial institutions, banks or issued any debentures and therefore, the clause (xi) of paragraph 4 of the Order is not applicable.
- 12. According to the and information and explanation given to us, the Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures and other securities.
- 13. In our opinion the Company is not a Chit fund or nidhi or mutual benefit fund/society and therefore, the clause (xiii) of paragraph 4 of the Order is not applicable.
- 14. According to the information and explanation given to us, the Company is neither dealing nor trading in shares, securities, debentures and other investments and therefore, the clause (xiv) of paragraph 4 of the Order is not applicable.
- 15. According to the information and explanation given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
- 16. The Company has not taken any term loan and therefore, the clause (xvi) of paragraph 4 of the Order is not applicable.
- 17. The Company has not raised any short funds and therefore, the clause (xvii) of paragraph 4 of the Order is not applicable.
- 18. According to the information and explanation given to us, the Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956.
- 19. The Company has not issued any debentures and therefore, the clause (xix) of paragraph 4 of the Order is not applicable.



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- 20. The Company has not made any issue of shares, debentures or any other securities to the public during the year under review and therefore, the clause (xx) of paragraph 4 of the Order is not applicable.
- 21. According to the information and explanation given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

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For Anand Mehta & Associates

Chartered Accountants
Firm Registration No. 127305W

Kulin V Mehta

Partner

Membership No. 38440

# IT CITI INFOPARK PRIVATE LIMITED Statement of Profit and Loss for the year ended March 31, 2013

Currency Indian Rupees

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Particulars	Note	March 31, 2013	March 31,2012
Revenue from operations Other income	12	- 8,131,080	7,137,030
Total revenue		8,131,080	7,137,030
Finance costs	13	21,188	2,323,361
Other expenses	14	59,881	34,624
Total expenses		81,069	2,357,985
Profit/(Loss) before tax		8,050,011	4,779,045
Tax expense Current tax Excess / short provision for tax of ealier years	15	2,555,000 (1,235,716)	1,480,000
Profit /(loss) for the Year		6,730,727	3,299,045
Earnings per equity share: (Nominal Value Rs 10/- each) Basic Diluted Summany of Significant Accounting Policies	16	673 673	330 330
Summary of Significant Accounting Policies  Notes to the financial statements	3-20		

The notes referred to above form an integral part of these financial statements.

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FRED ACCOUNT

As per our report of even date

For Anand Mehta & Associates
Chartered Accountants
Firm Registration No. 127305W

July.

Kulin V Mehta

Partner Membership No. 38440

Pune; Dated

For and on behalf of Board of Directors

D Santhanam Director

M Krishnamurthy Director

Pune; Dated

0 2 MAY 2013

## IT CITI INFOPARK PRIVATE LIMITED Cash flow statement for the year ended March 31, 2013

		Currency Indian Rupees	
	Particulars	March 31, 2013	March 31, 2012
	CASH FLOWS FROM OPERATING ACTIVITIES		
	Profit before Taxation Adjustments:	8,050,011	4,779,046
	Add /( Less) : - Finance cost - Interest income in respect of financing activities	21,188 (8,131,080)	2,323,361 (7,137,030)
	<ul> <li>Excess Provision written off</li> <li>Operating Profit before working capital changes</li> </ul>	(59,881)	(34,623)
	Income tax paid during the year	(2,267,524)	(2,583,753)
	Changes in Working Capital Increase / (Decrease) in Other Current Liabilities & Provisions	1,051,868	(701,698)
A	NET CASH GENERATED FROM OPERATING ACTIVITIES	(1,275,537)	(3,320,074)
	CASH FLOWS FROM INVESTING ACTIVITIES	_	-
В	NET CASH GENERATED/(USED) IN INVESTING ACTIVITIES		
	CASH FLOWS FROM FINANCING ACTIVITIES Increase / (Decrease) in Unsecured Loans Decrease / (Increase) in Loans and Advances Decrease / (Increase) in other current assetS Interest Income Finance Cost	39,291,853 (50,321,374) 4,186,549 8,131,080 (21,188)	(17,447,755) 13,576,673 2,370,049 7,137,030 (2,323,361)
С	NET CASH GENERATED /(USED) IN FINANCING ACTIVITIES	1,266,920	3,312,636
D	NET CASH INFLOW (OUTFLOW) (A+B+C)	(8,617)	(7,438)
	Cash and cash equivalents at the beginning of the year a) Balances with banks in current accounts b) Cash on hand	38,051 600	46,089
	Sub-total Cash and each caulivalents at the and of the vers	38,651	46,089
	Cash and cash equivalents at the end of the year  a) Balances with banks in current accounts	29,758	38,051
	b) Cash on hand	276	600
	Sub-total	30,034	38,651
	Net (decrease) / increase in cash and cash equivalents during the year	(8,617)	(7,438)

As per our report of even date For Anand Mehta & Associates Chartered Accountants

Firm Registration No. 127305W

Kulin V Mehta **Partner**\*

Membership No. 38440

Pune; Dated

0 2 MAY 2013

For and on behalf of Board of Directors

D Santhanam Director

M Krishnamurthy Director

#### IT CITI INFOPARK PRIVATE LIMITED

#### Notes to the financial statements for the year ended March 31, 2013

#### 1. The Company overview

IT Citi Infopark Private Limited (Company) was incorporated on Octomber 18, 2001. The Company is engaged in the business of Real Estate Development.

#### 2. Summary of Significant Accounting Policies

#### 2.1 Basis of Preparation of Financial Statements

The financial statements are prepared under historical cost convention, in accordance with the Indian Generally Accepted Accounting Principles ("GAAP") comprising the mandatory Accounting Standards issued by the Institute of Chartered Accountants of India (ICAI) and the provisions of the Companies Act, 1956, on accrual basis, as adopted consistently by the Company.

#### 2.2 Use of Estimates

The preparation of financial statements in conformity with Indian Generally GAAP requires Management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosures of contingent liabilities on the date of financial statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

#### 2.3 Recognition of Revenue

**Interest Income** – Interest income is recognized on time proportion basis taking into account the amounts invested and the rate of interest.

#### 2.4 Contingent Liabilities and Assets

Contingent liabilities, if any, have been disclosed by way of note to balance sheet. Provision has been made in respect of those, which have materialised after the period-end but before finalisation of accounts and have material effect on balance sheet date.

Contingent assets as on the balance sheet, if any, are neither recognised nor disclosed in the financial statements.

#### 2.5 Taxes on Income

#### 2.5.1

Taxes on Income are accounted in accordance with AS -22 " Accounting for Taxes on Income". Taxes on Income comprise both current tax and deferred tax.

- 2.5.2 Provision for current tax for the period is determined considering the disallowance, exemptions and deductions and/or liabilities / credits and set off available as laid down by the tax law and interpreted by various authorities.
- 2.5.3 Deferred tax is the tax effect of timing difference representing the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent period (s). This is measured using substantively enacted tax rate and tax regulation.

## 2.6 Segment Reporting

The Company's operation predominantly consist of project activities. Hence there are no reportable segments under Accounting Standard - 17. During the period under the report, the Company has engaged in its business only within India and not in any other country. The conditions prevailing in India being uniform, no separate geographical disclosures are considered necessary.

#### 2.7 Earning Per Share

The Company reports basic and diluted Earnings per share in accordance with accounting standard 20 "Earning per Share". Basic earnings per share are computed by dividing the net profit or loss after tax for the period by the weighted average number of equity shares outstanding during the period. Diluted earnings per shares outstanding during the period by the weighted average number of equity shares outstanding during the period as adjusted for the effects of all dilutive potential equity shares except where the result are anti - dilutive.

		March 31, 2013	March 31,2012
	NOTE NO. 3 Share Capital	Amount	Amount
A	Authorised 10,000 (10,000) equity shares of Rs. 10/- each	100,000	100,000
	Issued, subscribed and fully paid up	100,000	100,000
	10,000 (10,000) equity shares of Rs. 10/- each fully paid up	100,000	100,000
	Total	100,000	100,000

The Company has only one class of shares referred to as equity shares having a par value of Rs. 10/-. Each holder of the equity share, as reflected in the records of the Company as of the date of the shareholder meeting, is entitled to one vote in respect of each share held for all matters submitted to vote by ballot in the shareholder meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the company, after discharge of liabilities and distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to their Shareholding.

## B Reconciliation of the number of shares

Particulars	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year Share issued during the year	10,000	100,000	10,000	100,000
Shares bought back during the year		-	_	_
Shares outstanding at the end of the year	10,000	100,000	10,000	100,000

C Disclosure for share holding more than 5 %

Name of the shareholder	Marc	March 31, 2013		h 31, 2012
	Number of shares held	I % of holding		% of holding
Vascon Engineers Limited - Holding Company	10,000	100	10,000	100

#### NOTE NO. 4 Reserves and Surplus

a. Surplus i	n the	statement (	of Profit	and Loss
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At the commencement of the Year	89,763,865	86,464,820
Add:Net Profit for the year	6,730,727	3,299,045
Net Surplus in statement of Profit and Loss	96,494,592	89,763,865

#### NOTE NO. 5 Lona Term Borrowinas

Unsecured

Holding Company	
(Vascon Engineers Limited)	39,291,853

	39,291,853	
NOTE NO. 6 Short term borrowings		
Unsecured		

	2,552,245	2,552,245
From Weikfield Products Corporation LLP	2,552,245	2,552,245

## IT CITI INFOPARK PRIVATE LIMITED Statement of Profit and Loss for the year ended March 31, 2013

	<del></del>	Currer	icy Indian Rupees
Particulars	Note	March 31, 2013	March 31,2012
Revenue from operations		_	
Other income	12	8,131,080	7,137,030
Total revenue		8,131,080	7,137,030
Finance costs	13	21,188	2,323,361
Other expenses	14	59,881	34,624
Total expenses		81,069	2,357,985
Profit/(Loss) before tax		8,050,011	4,779,045
Tax expense Current tax Excess / short provision for tax of ealier years	15	2,555,000 (1,235,716)	1,480,000
Profit /(loss) for the Year		6,730,727	3,299,045
Earnings per equity share: (Nominal Value Rs 10/- each) Basic Diluted	16	673 673	330 330
Summary of Significant Accounting Policies  Notes to the financial statements	2 3-20		330

The notes referred to above form an integral part of these financial statements.

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As per our report of even date

For Anand Mehta & Associates Chartered Accountants

Firm Registration No. 127305W

Kulin V Mehta

Partner

Membership No. 38440 | Opension of the Pune; Dated

For and on behalf of Board of Directors

D Santhanam Director

M Krishnamurthy Director

Pune; Dated

0 2 MAY 2013

## IT CITI INFOPARK PRIVATE LIMITED Cash flow statement for the year ended March 31, 2013

CASH FLOWS FROM INVESTING ACTIVITIES  B NET CASH GENERATED/(USED) IN INVESTING ACTIVITIES  CASH FLOWS FROM FINANCING ACTIVITIES  Increase / (Decrease) in Unsecured Loans Decrease / (Increase) in Loans and Advances Decrease / (Increase) in other current assetS Decrease / (Increase) in other current assetS Interest Income Finance Cost  C NET CASH GENERATED /(USED) IN FINANCING ACTIVITIES  1,266,920 3,312,636		Currenc	Currency Indian Rupees		
Profit before Taxation	Particulars	March 31, 2013	March 31, 2012		
Adjustments: Add / (Less): - Finance cost - Interest income in respect of financing activities - Excess Provision written off Operating Profit before working capital changes  Income tax paid during the year  Changes in Working Capital Increase / (Decrease) in Other Current Liabilities & Provisions  A NET CASH GENERATED FROM OPERATING ACTIVITIES  CASH FLOWS FROM INVESTING ACTIVITIES  NET CASH GENERATED/(USED) IN INVESTING ACTIVITIES  CASH FLOWS FROM FINANCING ACTIVITIES  CASH FLOWS FROM FINANCING ACTIVITIES  Increase / (Decrease) in Junsecured Loans Decrease / (Increase) in Loans and Advances Decrease / (Increase) in Loans and Advances Decrease / (Increase) in Loans and Advances Entered (Increase) in Loans and Advances Decrease / (Increase) in Insecured Loans Decrease / (Increase) in Loans and Advances Entered (Increase) in Loans and Advances Decrease / (Increase) in Loans and Advances Decr	CASH FLOWS FROM OPERATING ACTIVITIES				
- Finance cost - Interest income in respect of financing activities - Interest income in respect of financing activities - Excess Provision written off Operating Profit before working capital changes  Income tax paid during the year  Changes in Working Capital Increase / (Decrease) in Other Current Liabilities & Provisions  A NET CASH GENERATED FROM OPERATING ACTIVITIES  CASH FLOWS FROM INVESTING ACTIVITIES  NET CASH GENERATED/(USED) IN INVESTING ACTIVITIES  CASH FLOWS FROM FINANCING ACTIVITIES  Increase / (Decrease) in Lons and Advances Increase / (Increase) in Lons and Advances Decrease / (Increase) in Lons and Advances Interest income Finance Cost  Cash Generated / (USED) IN FINANCING ACTIVITIES  Decrease / (Increase) in Lons and Advances Increase / (2.323,361)  C NET CASH GENERATED / (USED) IN FINANCING ACTIVITIES  Decrease / (Increase) in Lons and Advances  D NET CASH INFLOW (OUTFLOW) (A+B+C)  Cash and cash equivalents at the beginning of the year a) Balances with banks in current accounts b) Cash on hand  Cash and cash equivalents at the end of the year a) Balances with banks in current accounts b) Cash on hand  Sub-total  Cash on hand  27.6 6.00  Sub-total  Net (decrease) / Increase in cash and cash equivalents	Adjustments :	8,050,011	4,779,046		
- Excess Provision written off Operating Profit before working capital changes  Income tax paid during the year  Changes in Working Capital Increase / (Decrease) in Other Current Liabilities & Provisions  A NET CASH GENERATED FROM OPERATING ACTIVITIES  CASH FLOWS FROM INVESTING ACTIVITIES  NET CASH GENERATED/(USED) IN INVESTING ACTIVITIES  CASH FLOWS FROM FINANCING ACTIVITIES  Increase / (Decrease) in Unsecured Loans Decrease / (Increase) in Loans and Advances Decrease / (Increase) in Increase In Loans and Advances Decrease / (Increase) in other current assetS Interest Income Finance Cost  CNET CASH GENERATED / (USED) IN FINANCING ACTIVITIES  DECREASE / (Increase) in Other current assetS Decrease / (Inc	- Finance cost	<b>,</b>	, ,		
Operating Profit before working capital changes  Income tax paid during the year  Changes in Working Capital Increase / (Decrease) in Other Current Liabilities & Provisions  A NET CASH GENERATED FROM OPERATING ACTIVITIES  CASH FLOWS FROM INVESTING ACTIVITIES  NET CASH GENERATED/(USED) IN INVESTING ACTIVITIES  CASH FLOWS FROM FINANCING ACTIVITIES  Increase / (Decrease) in Unsecured Loans Decrease / (Increase) in Loans and Advances Decrease / (Increase) in other current assetS Interest Income Finance Cost  CENTRALED / (USED) IN FINANCING ACTIVITIES  NET CASH GENERATED / (USED) IN FINANCING ACTIVITIES  Increase / (Decrease) in Unsecured Loans Decrease / (Increase) in Other current assetS Interest Income 8,131,080 7,137,030 Finance Cost  CENTRALED / (USED) IN FINANCING ACTIVITIES  DECREASE OF THE CASH GENERATED / (USED) IN FINANCING ACTIVITIES  DECREASE OF THE CASH INFLOW (OUTFLOW) (A+B+C)  Cash and cash equivalents at the beginning of the year a) Balances with banks in current accounts b) Cash on hand  Cash and cash equivalents at the end of the year a) Balances with banks in current accounts b) Cash on hand  Cash and cash equivalents at the end of the year a) Balances with banks in current accounts b) Cash on hand  Cash and cash equivalents at the end of the year a) Balances with banks in current accounts b) Cash on hand  Cash and cash equivalents at the end of the year a) Balances with banks in current accounts b) Cash on hand  Cash and cash equivalents at the end of the year a) Balances with banks in current accounts b) Cash on hand  Cash and cash equivalents at the end of the year a) Balances with banks in current accounts b) Cash on hand  Cash and cash equivalents at the end of the year a) Balances with banks in current accounts b) Cash on hand  Cash and cash equivalents at the end of the year a) Balances with banks in current accounts b) Cash on hand  Cash and cash equivalents at the end of the year a) Balances with banks in current accounts b) Cash on hand  Cash and Cash equivalents  Cash and Cash equivalen	·	(8,131,080)	(7,137,030)		
Changes in Working Capital Increase / (Decrease) in Other Current Liabilities & Provisions 1,051,868 (701,698)  A NET CASH GENERATED FROM OPERATING ACTIVITIES (1,275,537) (3,320,074)  CASH FLOWS FROM INVESTING ACTIVITIES (1,275,537) (3,320,074)  B NET CASH GENERATED/(USED) IN INVESTING ACTIVITIES (1,7447,755) Increase / (Decrease) in Unsecured Loans (1,051,321,374) (13,576,673) (13,576,673) (13,576,673) (13,576,673) (13,576,673) (13,576,673) (1,7447,755) (1,747,75) (1,7		(59,881)	(34,623)		
Increase / (Decrease) in Other Current Liabilities & Provisions  A NET CASH GENERATED FROM OPERATING ACTIVITIES  CASH FLOWS FROM INVESTING ACTIVITIES  B NET CASH GENERATED/(USED) IN INVESTING ACTIVITIES  CASH FLOWS FROM FINANCING ACTIVITIES  Increase / (Decrease) in Unsecured Loans Decrease / (Increase) in Loans and Advances Increase / (Increase) in other current assetS Interest Income Finance Cost  COST (Increase) In FINANCING ACTIVITIES  COST (Increase) In Other Current assetS Increase / (Increase In Cash and Cash equivalents	Income tax paid during the year	(2,267,524)	(2,583,753)		
CASH FLOWS FROM INVESTING ACTIVITIES  B NET CASH GENERATED/(USED) IN INVESTING ACTIVITIES  CASH FLOWS FROM FINANCING ACTIVITIES Increase / (Decrease) in Unsecured Loans Decrease / (Increase) in Loans and Advances Decrease / (Increase) in other current assetS Interest Income Interest Interest Income In		ions 1,051,868	(701,698)		
CASH FLOWS FROM FINANCING ACTIVITIES Increase / (Decrease) in Unsecured Loans Decrease / (Increase) in Loans and Advances Decrease / (Increase) in Loans and Advances Decrease / (Increase) in other current assetS Interest Income Finance Cost FLOWS FROM FINANCING ACTIVITIES  Increase / (Increase) in Loans and Advances Decrease / (Increase) in other current assetS Interest Income Finance Cost FLOWS FROM FINANCING ACTIVITIES Increase / (Increase) in Other current assetS Interest Income Finance Cost FLOWS FROM FINANCING ACTIVITIES Increase / (Increase) / (Increas	A NET CASH GENERATED FROM OPERATING ACTIVITIES	(1,275,537)	(3,320,074)		
CASH FLOWS FROM FINANCING ACTIVITIES Increase / (Decrease) in Unsecured Loans Decrease / (Increase) in Loans and Advances Decrease / (Increase) in other current assetS Interest Income Finance Cost Finance Cost RET CASH GENERATED /(USED) IN FINANCING ACTIVITIES Decrease / (Increase) in other current assetS Interest Income Finance Cost Finance Cost RET CASH GENERATED /(USED) IN FINANCING ACTIVITIES Increase / (21,188) Increase	CASH FLOWS FROM INVESTING ACTIVITIES	_	_		
Increase / (Decrease) in Unsecured Loans   39,291,853   (17,447,755)     Decrease / (Increase) in Loans and Advances   (50,321,374)   13,576,673     Decrease / (Increase) in other current assetS   4,186,549   2,370,049     Interest Income   8,131,080   7,137,030     Finance Cost   (21,188)   (2,323,361)     C NET CASH GENERATED / (USED) IN FINANCING ACTIVITIES   1,266,920   3,312,636     D NET CASH INFLOW (OUTFLOW) (A+B+C)   (8,617)   (7,438)     Cash and cash equivalents at the beginning of the year a) Balances with banks in current accounts   38,051   46,089     D D D D D D D D D D D D D D D D D D	B NET CASH GENERATED/(USED) IN INVESTING ACTIVITIES				
Increase / (Decrease) in Unsecured Loans   39,291,853   (17,447,755)     Decrease / (Increase) in Loans and Advances   (50,321,374)   13,576,673     Decrease / (Increase) in other current assetS   4,186,549   2,370,049     Interest Income   8,131,080   7,137,030     Finance Cost   (21,188)   (2,323,361)     C NET CASH GENERATED / (USED) IN FINANCING ACTIVITIES   1,266,920   3,312,636     D NET CASH INFLOW (OUTFLOW) (A+B+C)   (8,617)   (7,438)     Cash and cash equivalents at the beginning of the year a) Balances with banks in current accounts   38,051   46,089     D Cash on hand   500   - (3,672)   (3,672)     Cash and cash equivalents at the end of the year a) Balances with banks in current accounts   29,758   38,051     D Cash on hand   276   600     Sub-total   30,034   38,651     Net (decrease) / increase in cash and cash equivalents   40,084     Cash and cash equivalents   30,034   38,651     Cash and cash equivalents   30,034     Cash and cash equivalents   30,034   38,651     Cash and cash equivalents   30,034   38,651     Cash and cash equivalents   30,034   38,651     Cash and cash equivalents   30,034     Cash and cash equivalents   3	CASH FLOWS FROM FINANCING ACTIVITIES				
Decrease / (Increase) in Loans and Advances   (50,321,374)   13,576,673   Decrease / (Increase) in other current assetS   4,186,549   2,370,049   Interest Income   8,131,080   7,137,030   (21,188)   (23,23,361)		39,291,853	(17,447,755)		
Interest Income	Decrease / (Increase) in Loans and Advances	(50,321,374)	,		
Finance Cost  C NET CASH GENERATED / (USED) IN FINANCING ACTIVITIES  D NET CASH INFLOW (OUTFLOW) (A+B+C)  Cash and cash equivalents at the beginning of the year a) Balances with banks in current accounts b) Cash on hand  Sub-total  Cash and cash equivalents at the end of the year a) Balances with banks in current accounts b) Cash on hand  Sub-total  Cash and cash equivalents at the end of the year a) Balances with banks in current accounts b) Cash on hand  Sub-total  D NET CASH INFLOW (OUTFLOW) (A+B+C)  (8,617)  (7,438)  46,089  600  -  276  600  Sub-total  Net (decrease) / increase in cash and cash equivalents		4,186,549	2,370,049		
C NET CASH GENERATED /(USED) IN FINANCING ACTIVITIES  D NET CASH INFLOW (OUTFLOW) (A+B+C)  Cash and cash equivalents at the beginning of the year a) Balances with banks in current accounts b) Cash on hand 5ub-total  Cash and cash equivalents at the end of the year a) Balances with banks in current accounts 50 Cash and cash equivalents at the end of the year a) Balances with banks in current accounts 50 Cash on hand 5ub-total		8,131,080	7,137,030		
Cash and cash equivalents at the beginning of the year a) Balances with banks in current accounts b) Cash on hand Sub-total Cash and cash equivalents at the end of the year a) Balances with banks in current accounts 50 Cash on hand Cash and cash equivalents at the end of the year a) Balances with banks in current accounts b) Cash on hand Cas	Finance Cost	(21,188)	(2,323,361)		
Cash and cash equivalents at the beginning of the year a) Balances with banks in current accounts b) Cash on hand Sub-total Cash and cash equivalents at the end of the year a) Balances with banks in current accounts b) Cash on hand 29,758 38,051 46,089 29,758 38,051 b) Cash on hand 276 600 Sub-total Net (decrease) / increase in cash and cash equivalents	c NET CASH GENERATED /(USED) IN FINANCING ACTIVITIES	1,266,920	3,312,636		
a) Balances with banks in current accounts b) Cash on hand Sub-total Cash and cash equivalents at the end of the year a) Balances with banks in current accounts b) Cash on hand 29,758 b) Cash on hand 276 Sub-total Net (decrease) / increase in cash and cash equivalents	D NET CASH INFLOW (OUTFLOW) (A+B+C)	(8,617)	(7,438)		
a) Balances with banks in current accounts b) Cash on hand Sub-total Cash and cash equivalents at the end of the year a) Balances with banks in current accounts b) Cash on hand 29,758 b) Cash on hand 276 Sub-total Net (decrease) / increase in cash and cash equivalents	Cash and cash equivalents at the beginning of the year				
b) Cash on hand Sub-total  Cash and cash equivalents at the end of the year  a) Balances with banks in current accounts  b) Cash on hand  Sub-total  Net (decrease) / increase in cash and cash equivalents	a) Balances with banks in current accounts	38.051	46.089		
Cash and cash equivalents at the end of the year  a) Balances with banks in current accounts  b) Cash on hand  276  Sub-total  Net (decrease) / increase in cash and cash equivalents	b) Cash on hand	•	-		
a) Balances with banks in current accounts  b) Cash on hand  29,758  29,758  38,051  600  Sub-total  Net (decrease) / increase in cash and cash equivalents	Sub-total	· · · · · · · · · · · · · · · · · · ·	46,089		
b) Cash on hand  Sub-total Net (decrease) / increase in cash and cash equivalents	Cash and cash equivalents at the end of the year				
b) Cash on hand  Sub-total Net (decrease) / increase in cash and cash equivalents	a) Balances with banks in current accounts	29,758	38.051		
Sub-total Net (decrease) / increase in cash and cash equivalents		• –	• •		
Net (decrease) / increase in cash and cash equivalents	Sub-total	· · · · · · · · · · · · · · · · · · ·			
during the year	Net (decrease) / increase in cash and cash equivalents		,		
	<del>-</del>	(8,617)	(7,438)		

As per our report of even date

For Anand Mehta & Associates Chartered Accountants Firm Registration No. 127305W

Mittalia - wa

Kulin V Mehta Partner Membership No. 38440

Pune; Dated

0 2 MAY 2013

For and on behalf of Board of Directors

D Santhanam Director

M Krishnamurthy Director

#### IT CITI INFOPARK PRIVATE LIMITED

#### Notes to the financial statements for the year ended March 31, 2013

#### 1. The Company overview

IT Citi Infopark Private Limited (Company) was incorporated on Octomber 18, 2001. The Company is engaged in the business of Real Estate Development.

#### 2. Summary of Significant Accounting Policies

#### 2.1 Basis of Preparation of Financial Statements

The financial statements are prepared under historical cost convention, in accordance with the Indian Generally Accepted Accounting Principles ("GAAP") comprising the mandatory Accounting Standards issued by the Institute of Chartered Accountants of India (ICAI) and the provisions of the Companies Act, 1956, on accrual basis, as adopted consistently by the Company.

#### 2.2 Use of Estimates

The preparation of financial statements in conformity with Indian Generally GAAP requires Management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosures of contingent liabilities on the date of financial statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

#### 2.3 Recognition of Revenue

**Interest Income** – Interest income is recognized on time proportion basis taking into account the amounts invested and the rate of interest.

#### 2.4 Contingent Liabilities and Assets

Contingent liabilities, if any, have been disclosed by way of note to balance sheet. Provision has been made in respect of those, which have materialised after the period-end but before finalisation of accounts and have material effect on balance sheet date.

Contingent assets as on the balance sheet, if any, are neither recognised nor disclosed in the financial statements.

#### 2.5 Taxes on Income

## 2.5.1

Taxes on Income are accounted in accordance with AS - 22 " Accounting for Taxes on Income". Taxes on Income comprise both current tax and deferred tax.

- 2.5.2 Provision for current tax for the period is determined considering the disallowance, exemptions and deductions and/or liabilities / credits and set off available as laid down by the tax law and interpreted by various authorities.
- 2.5.3 Deferred tax is the tax effect of timing difference representing the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent period (s). This is measured using substantively enacted tax rate and tax regulation.

### 2.6 Segment Reporting

The Company's operation predominantly consist of project activities. Hence there are no reportable segments under Accounting Standard - 17. During the period under the report, the Company has engaged in its business only within India and not in any other country. The conditions prevailing in India being uniform, no separate geographical disclosures are considered necessary.

#### 2.7 Earning Per Share

The Company reports basic and diluted Earnings per share in accordance with accounting standard 20 "Earning per Share". Basic earnings per share are computed by dividing the net profit or loss after tax for the period by the weighted average number of equity shares outstanding during the period. Diluted earnings per shares outstanding during the period by the weighted average number of equity shares outstanding during the period as adjusted for the effects of all dilutive potential equity shares except where the result are anti - dilutive.

	March 31, 2013	Currency Indian Rupees March 31,2012	
NOTE NO. 3 Share Capital	Amount	Amount	
A Authorised 10,000 (10,000) equity shares of Rs. 10/- each	100,000	100,000	
Issued, subscribed and fully paid up 10,000 (10,000) equity shares of Rs. 10/- each fully paid up	100,000	100,000	
Total	100,000	100,000	

The Company has only one class of shares referred to as equity shares having a par value of Rs. 10/-. Each holder of the equity share, as reflected in the records of the Company as of the date of the shareholder meeting, is entitled to one vote in respect of each share held for all matters submitted to vote by ballot in the shareholder meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the company, after discharge of liabilities and distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to their Shareholding.

#### B Reconciliation of the number of shares

Number	Amount	Number	Amount
10,000	100,000	10,000	100,000
_	_	-	-
-	_	_	_
10,000	100,000	10,000	100,000
	10,000	10,000 100,000	10,000 100,000 10,000

## C Disclosure for share holding more than 5 %

Name of the shareholder	Marc	March 31, 2013		March 31, 2012	
	Number of shares held	% of holding	Number of shares held	% of holding	
Vascon Engineers Limited - Holding Company	10,000	100	10,000	100	

#### NOTE NO. 4 Reserves and Surplus

#### a. Surplus in the statement of Profit and Loss

At the commencement of the Year	89,763,865	86,464,820
Add:Net Profit for the year	6,730,727	3,299,045
Net Surplus in statement of Profit and Loss	96,494,592	89,763,865

#### NOTE NO. 5

## Lona Term Borrowings

Unsecured

(Vascon Engineers Limited)	39,291,853

NOTE NO.	6
Short term	borrowings

	2,552,245	2,552,245
From Weikfield Products Corporation LLP	2,552,245	2,552,245
Unsecured		

39,291,853

NOTE NO. 7 Other Current Liabilities		_
Duties and Taxes	0.500	
Payable for Expenses	2,509	307,189
· w/ww/o for Exportact	120,832	
	123,341	307,189
NOTE NO. 8		
Short Term Provisions		
Provision for Taxation (Net of Advance Taxes)	3,161,951	2,234,831
	<u>3,161,951</u>	<u>2,234,831</u>
NOTE NO. 9		
Long Term Loans and Advances		
Project Advances	39,291,853	
Intercorporate deposits	101,262,999	90,233,478
	<u>140,554,852</u>	90,233,478
NOTE NO. 10		
Cash and Bank balances		
Cash and Cash Equivalents		
Balances with banks in current accounts	29,758	38,051
Cash on hand	276	600
	30,034	38,651
NOTE NO. 11		
Other Current Assets		
Advance income tax (Net of Provisions for taxes)	3 120 007	
Other recoverables and receivables	1,139,096	499,452
	<del>-</del>	4,186,549
	1,139,096	A 494 001
		4,686,001

•

•

	Currei March 31, 2013	ncy Indian Rupees March 31,2012
NOTE NO. 12 Other income		
Interest income	8,131,080	7,137,030
	8,131,080	7,137,030
NOTE NO. 13 Finance costs Interest expense		2 222 24 1
Interest on Late payment of Statutory Dues	21,188	2,323,361
	21,188	2,323,361
NOTE NO. 14		
Other expenses Auditor's Remuneration Bank charges	20,787	20,406
Other expenses Printing and stationery	- 200	30
Rates and taxes	2,624	1,200 5,160
Service charges/professional fees/retainers	36,270	7,820
	59,881	34,624
Auditors Remuneration		
Statutory Audit Fees Others	12,950 5,550	6,000 12,500
	18,500	18,500
(Fees mentioned above does not includes service T	ax and education ce	ess thereon)
NOTE NO. 15 Tax expense		
Current tax Excess / short provision for tax of ealier years	2,555,000 (1,235,716)	1,480,000
	1,319,284	1,480,000
NOTE NO. 16 Earning per share		
Net profit/(loss) available for equity share holders b. Weightea average number of equity shares for	6,730,727	3,299,045
Basic EPS c. Face value per share	10,000	10,000
d. Basic EPS e. Weighted average number of shares	10 673	10 330
outstanding for Diluted EPS	10,000	10,000
f. Earning Per Share - Diluted	673	330

17 The related parties as defined by accounting standard 18 Related party disclosure issued by the institute of Chartered Accountants of India, in respect of which the disclosures have been made, have been identified on the basis of disclosures made by the key managerial persons taken on record by the Board.

### Name of Holding Company

Vascon Engineers Limited

#### Fellow Subsidiaries

Greystone Premises Private Limited
Marvel Housing Private Limited
Windflower Properties Private Limited
Vascon Dwellings Private Limited
GMP Technical Solutions Private Limited
Floriana Properties Private Limited
Vascon Pricol Infrastructure Limited
Vascon Renaissance EPC Limited Liability Partnership
Almet Corporation Limited
Marathawada Realtors Private Limited
Caspia Hotels Private Limited

#### Key Management Personnel

- M.Krishnamurthy
- D.Santhanam

Name of the related party	Nature of relations	Type of Transactions	Amount (Rs.)
Vascon Engineers Limited	Holding Company	Loan Taken	39,291,853 (4,186,549)
Greystone Premises Private Limited	Fellow Subsidiary	Project Advance Given	22,624,770 (NIL)
Marvel Housing Private Limited	Fellow Subsidiary	Project Advance Given	3,731,339 (NIL)
Windflower Properties Private Limited	Fellow Subsidiary	Project Advance Given	12,935,744 (NIL)

Name of the related party	Nature of relations	Due to Company	Due by Company
Vascon Engineers Limited	Holding Company	~	39,291,853 (4,186,549)
Greystone Premises Private Limited	Fellow Subsidiary	22,624,770 (NIL)	_
Marvel Housing Private Limited	Fellow Subsidiary	3,731,339 (NIL)	
Windflower Properties Properties Limited	Fellow Subsidiary	12,935,744 (NIL)	

18 The disclosure pursuant to Micro, Small and Medium Enterprises Development Act, 2006, [MSMED] Act]is as under:

#### **Particulars**

#### March 31, 2013 March 31,2012

Principal amount payable to suppliers at the year end Amount of interest paid by the Company in terms of Section 16 of the MSMED, along with the amount of the payment made to the supplier beyond the appinted day during the accounting year Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the specified under the MSMED Amount of interest accrued and remaining unpaid at the end of the accounting year

19 Details of Earnings and Expenditure In Foreign Currency

Earnings Expenditure

20 Corresponding figures for previous year have been shown in bracket and regrouped, renamed or rearranged wherever necessary

WEHTA & ASSO

As per our report of even date

For Anand Mehta & Associates Chartered Accountants

Firm Registration No. 127305

Kulin V Mehta Partner

Membership No. 38440

Pune: Dated 0 2 MAY 2013

For and on behalf of the Board of Directors

D **fanthanam** Director

M Krishnamurthy Director