Art Nirman Pvt. Ltd.

14, JBR Arcade, 2nd Floor, R.K. Royal Hall,
Science City Road, Sola, Ahmedabad
STATUTORY AUDIT REPORT FOR THE YEAR ENDED ON 31ST MARCH, 2012

<u>Auditors</u>

V.V.Patel & Co. Chartered Accountants

H.O.:101, Shanti Arcade, Nr. Akash-III, 132 FT. Ring Road, Naranpura, Ahmedabad. Tele-Fax-27430594/95, 9925171083 E-mail: vvp@yvpatelcompany.com

Branches: Gandhidham, Rajkot, Surat, Visnagar

For, Art Nirman Limited

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For, Art Mirman Lines of

V.V.Patel & Co. Chartered Accountants

101, Shanti Arcade, Nr. Akash-III.

132 Ft. Ring Road.

Naranpura, Ahmedabd- 380013

AUDITORS REPORT

REMINIANEVELED

Traversudated the Balance Sheet of M.S. ART NIRMAN PVT LTD as at 31 March, 2012 and Profit & Loss Account for the year ended

nese financial statements are the responsibility of the Company management. Our responsibility is to express an opinion on these nancial statements based on our audit.

rechave conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and record the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit according to a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In view of the exemptions listed in para 2(iv) of the Companies (Auditors Report) Order, 2003 issued by the Company Law Board in terms of Sec. 227 (4A) of the Companies Act. 1956, the order does not apply to the company and as such, the same is not being reported upon.

- (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
- 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 (and proper returns adequate for the purposes of our audit have been received from the branches not visited by us. The Branch Auditors Report(s) have been forwarded to us and have been appropriately dealt with);
- The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account (and the audited returns from the branches);
- is in our opinion, the Balance Sheet and Profit and Loss Account dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
- On the basis of written representations received from the directors and taken on record by the Board of Directors, we report that none of the directors is disqualified as on that date from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
- (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act. 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India.
- (1) insofar as it relates to the Balance Sheet, of the state of affairs of the Company as at 31, March 2012, and
- (2) insofar as it relates to the Profit & Loss Account, of the Profit/(Loss) of the Company for the period ended on that date.

lace Ahmedabad

For V.V.Patel & Co. FRN - 118124W Chartered Accountants

Swapnil K. Bhatt Partner M.No - 128864

FOR ART WHEN BYT ATO. A 107 rotoetio Decetor

14, JBR Arcade, 2nd Floor, R.K. Royal Hall Science City Road, Sola Ahmedabad-380060

BALANCE SHEET AS at 31-03-2012

		(Amount In Rupees)
Particulars	Note. No.	As at 31st March,2012
I. Equity and Liabilities	and the state of the control of the	
(1) Shareholders Funds		
(a) Share Capital	1	100000.00
(b) Reserve and Surplus	2	98291.00
(2) Non-Current Liabilities		54012002.00
a) Long-Term Borrowings b) Deffered Tax Liabilities	3	54813803.00 13555.00
(3) Current Liabilities		
(a) Trade Payables	4	295214.00
b) Other Current Liabilities	5	13527982.00
© Short-Term Provisions	6	46360.00
TOTAL		68895205.00
II.Assets		
(1) Non-Current Assets		
(a) Fixed Asset		3461405.00
i) Tangible Assets		3461405.00
(2) Current Assets		1057170.05
a) Inventories	8	4967178.86
(b) Cash and cash equivalents	9	707245.14
c) Short-term loans and advances	10	57748191.00
d) Other Current Assets	11	11185.00
TOTAL		66895205.00

The accompanying Notes 1 to 16 attached there to form an integral part of Financial Statement As per our Report of even date.

For V.V.Patel & CO. FRN No:11812W **Chartered Accountants**

For, Art Nirman Pvt. Ltd.

CA Swapnil K. Bhatt

Partner

Membership No.: 128864 04/09/2012, Ahmedabad Director

Director

FOR, ART NIRMAN PVT. LTD.

For, Art Nirman Limited

14, JBR Arcade, 2nd Floor, R.K. Royal Hali Science City Road, Sola Ahmedabad-380060

PROFIT & LOSS STATEMENT FOR THE PERIOD ENDED ON 31ST MARCH, 2012

(Amount In Rupees)

Particulars	Note No.	As at 31st March, 2012
Other Income	12	140037.00
Changes in Stock (Work In Progress)	13	4967178.86
Total Revenue (A)		5107215.86
Expenses:		
Depreciation		36180.00
Employees benefit cost	14	1337953.00
Financial Costs	15	539221.86
Other Expenses	16	3040815.00
Total Expenses (B)		4954169.86
Profit before tax (A-B)		153046.00
Tax expense:		41200.00
(1) Current tax (2) Deferred tax		13555.00
Profit/(Loss) for the period		98291.00
Earning Per Share		9.83

The accompanying Notes 1 to 16 attached there to form an integral part of Financial Statement

For V.V.Patel & CO. FRN No:11812W

For, Art Nirman Pvt. Ltd.

Chartered Accountants

CA Swapnil K. Bhatt

Partner

Membership No.: 128864 04/09/2012, Ahmedabad

Director

Director

A ACREST TUKKES.

For, Art, Nirman Limited

Authorised Signatory

For, Art Nirman Limited

ART NIRMAN Pvt. Ltd. 14, JBR Arcade, 2nd Floor, R.K. Royal Hall Science City Road, Sola Ahmedabad-380060

Notes on Financial Statements for the year yended 31st March, 2012

Note No.1	Particulars	As at 31st March, 2012
	Share Capital	
	Authorised Share Capital	
	10000 equity shares of Rs. 10 - each	100001.00
	Issued, Subcribed and Paid up Capital	
	10000 equity shares of Rs. 10/- each fully paid.	100000000
	Total	100000.00

1.1 The company has only one class of issued shares par value of Rs10 /- Each holder of Equity shares is entitled to one vote per share.

Note	Particulars	As at 31st March,2012
No.2		The second state of the second
	Reserve & Suripus	
	Surplus in the statement of Profit & Loss	0.00
	Opening Balance	98291.00
	Add:Profit/ (loss) for the year	
	Total	98291.00
	10(a)	* Annual Control of the Control of t
W		As at 31st
Note	Particulars	March, 2012
No.3	Long-Term Borrowings	4 2 1 (100 100 100 100 100 100 100 100 100
	and a second sec	
	Unsecured Loans	
	Alpeshbhai Patel	300000.00
	Arun D. Patil	1000000.00
	Ashokbhai R.Thakkar	5673151.00
	Ashokbhai R.Thakkar (HUF)	140000.00
	Bhayinbhai S Thakkar	1000000.00
	Devchand Kantilal Panchiwala	9000000.00
	Harshaben S. Patel	1500000.00
	Javantiji Malaji	5000000.00
	Kirti Industries (Kirit R Thakkar)	470000.00
	Kirti Matches (Kirit R Thakkar)	1010652.00
	Manjulaben Rasiklai	500000.00
	Monantal Sukhram Krishnani	150000.00
	M S. Krishnani	50000.00
	Neetaben D.Patel	250000.00
	Pravinbhai Mangalbhai Pate'	2000000.00
	Raghurambhai V. Thakkar (HUF])	60000.00
	Rameshchandra Shitaldas	300000.00
	Rameshwar S.Khatri	500000.00
	Rasiklai Dayaramphai (HUF)	500000.00
	Riddhi Siddhi Enterprise	9500000.00
	Shirishbhai Gopalbhai Patel	8260000.00
	Shitalbhai Rameshbhai	1500000.00
	S.N.Krishnani	50000.00
		1250000.00
	S.R.Patel Sukhram N. Krishnani	150000.00
	Virambhai Rudabhai Gamara	2000000.00
200,000	Total	54813803.00

14, JBR Arcade, 2nd Floor, R.K. Royal Hall Science City Road, Sola Ahmedabad-380060

Note No.4	Particulars	As at 31st March,2012
	Trade Payable	
	Hiren Advertising	143577.00
	Jai Khodiyar Aluminium	41999.00
	Ratnasheel Enterprises	21732.00
	Shree Nidhiman Business Pvt Ltd	77761.00
1	Visat Traders	10145.00
	Total	295214.00

	March, 2012
No.5 Other Current Liabilities	
TDC Develope	155980.00
TDS Payable .	2000000.00
Pravinbhai Amrutial	ZAZARITA
Advance From Members	
A.R.Patel	700000.00
Bhagvanbhai Desai	7000.00
Bhavnaben V Prajapati	600000.00
Daxaberi D.Modi	900000.00
Gauray Ratilal	900000.00
Heenaben Sandeepbhai Pitroda	101000.00
Jankiben Sajalbhai Patel	800000.00
Jigabhai	25000.00
Kalpeshbhai K.Joshi	100000.00
Kantibhai B. Patel	100000,00
Kinithhai D.Patel	12000.00
Kishaniai Shankariai Mali	101000.00
Ligaten Dwarkeshbhai	100000 00
Manubhar Himatnagar	51000.00
Maulik Maneshbhai Patel	751000.00
Mitalben Jaydipsinh Sisodiya	944000,00
Niraybhai Shah	1001.00
Prayinbhai Khodidas Patel	300000.00
Rajeshphai S.Prajapati (Jitubhai Ganesh)	500000.00
S. B. Sisodiya	1203000 00
Sangitaben S.Modi	900000.00
Shankarlal Dalaji Prajapati	300000.00
Shilpaben K.Patel (Kamleshbhai Talati)	25000.00
Shiyabhar Ramabhar	500000.00
Shiyabhai Ramabhai	1350000.00
Sunikumar R. Patel	100000.00
Sureshbhai (S.G)	1001.00
Tourdonional (5.6)	1002.00
Total	13527982.00

Note No.6	Particulars	As at 31st March, 2012
	Short Term Provisions	
	Provision for Taxation	41200 00
	Professional tax	\$160.00
5-	Total	46360.00

Art Nirman Pyt Ltd Note: 7 Fixed Assets Amexure as per Companies Act, 1956

		GROSS BLOCK	40		DE PRECIATION	VOI.		NET BLOCK	Z
S.NO. PARTICLEARS	15.0N 01-04-2011	(DD.	DED. AS ON 31-03-2012	NS 0N 01-04-2011	FOR THE YEAR	DED. UPTO		W.D.V.	31.03-2011
Furniture Office Building Ar Conditioner Computer Softwares Plant & Machinery	000 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	0.000 46,25,069,00 0.00 0.00 0.00 0.00 0.341,500,00 0.00 0.3445,00 0.00 47,800,00	0.00 16,25,069 00 0.00 0.00 0.00 0.00 4,61,500.00 0.00 1,39,495 00 0.00 47,800.00	0000	0.00 0.00 25,324.00 9,797.06 1,185.00	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0		(6,25,069,0) 0.00 4,36,175,00 1,29,697.94 45,615.00	0000
NIO	0.00	22,73,864,00	0.00 22,73,864,00	111.0	36,306,116	0,09 16,06,06	6.06	22, 47, 857, 94	10.0
PREVIOUS YEAR			The second secon		And the second s	Control of the Contro			

For, Art Nirman Limited

Authorised Signatory

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14, JBR Arcade, 2nd Floor, R.K. Royal Hall Science City Road, Sola Ahmedabad-380060

Note No.8	Particulars	As at 31st March,2012
	Change in Inventories	The state of the s
	Closing stock (Work In Progres)	496/1/8.86
	Less: Opening stock (Work In Progress)	0.00
	Total	4967178.86

Note No.9	Particulars	As at 31st March, 2012
	Cash and Cash equivalents	The state of the s
	Cash-in-Hand	
	Cash Balance	75043.00
		75043.00
	Bank Balance	
	ICICI Bank	414921.00
	The Kalupur Co. Op.Bank sola	217281.14
		632202.14
	Total	707245.14

Note No.10	Particulars	As at 31st March, 2012
	Short Term Loans & Advances	
	(Unsecured & Considered good)	
	Arvindkumar Kantilal Bhagwanbhai Sartanbhai Desai Bharatbhai D.Dave Dhara Infrastructure Dharmisthaben A Thakkar	3500000.0 2500000.0 17000.0 1510430.0 50090231.0
	Mahek Designs Tripoly Ornate	10530.0 120000.0
	Total	57748191.00

Note No.11	Particulars	As at 31st March,2012
	Other Current Assets Advance income tax	11185.00
	Total	11185.00

For, Art Nirman Limited

Authorised Signatory

For Art Nirman Limited

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14, JBR Arcade, 2nd Floor, R.K. Royal Hall Science City Road, Sola Ahmedabad-380060

Notes on Financial Statements for the year yended 31st March, 2012

Note	Particulars	As at 31st March, 2012
NO.12	Other Income	15000.00
	Cancellation charges	111846 00
	Interest	13191.00
	Kasar & Vatav	140037.00
	Total	A CAMPACHE AND A CAMPACH AND A CA

Note	Particulars	As at 31st March, 2012
No.13	Change in work in progress	4967178.86
	Closing work in progress	0.00
	Less : Opening Work in progress	4967178.86
	Total	Annual Control of the

Note	Particulars	As at 31st March, 2012
No.14	Employees Cost	550775.00
	Salary	787178.00
	Labour Charges	1337953.00
	Total	And the second s

Note	Particulars	As at 31st March,2012
No.15	Financial Cost	2739.86
	Bank Charge	536482.00
	Interest On Sharafi	539221.86
	Total	The second secon

Note No.16	Particulars	As at 31st March, 2012
	Other Expenses	1348329.00
	Advertising Exp.	5000.00
	Donation Exp.	10650.00
	Late Payment Interest On TDS	587717.00
	Legal and Professional Charges	55150.00
	Membership Fees For CIHED	54560.00
	Miscellenous Expense	451950.00
	Office Expense	458900.00
	Site Expenses	68559.00
	Transportation Expenses	3040815.00
	Total	

For, Art Nirman Limited

Authorised Signatory

For, Art Nirman Limited

For Art Nirman Limited

Advances From Members

Advances From Members Name		Amount	
Sr No.	The state of the s	700000.00	
1	A.R.Patel	7000.00	
2 Bhagvanbhai Desai		600000.00	
3	Bhavnaben V.Prajapati	900000.00	
4	Daxaben D.Modi	900000.00	
5	Gaurav Ratılal	101000.00	
6	Heenaben Sandeepbhai Pitroda	800000.00	
7	Jankiben Sajalbhai Patel	25000.00	
8	Jigabhai	100000.00	
9	Kalpeshbhai K.Joshi	100000.00	
10	Kantibhai B.Patel	12000.00	
1.1	Kiritbhai O.Patel	101000.00	
1.2	Kishanlal Shankarlal Mali	100000.00	
1.3	Linaben Dwarkeshbhai	51000.00	
14	Manubhai Himatnagár	751000.00	
16	Maulik Maheshbhai Patel	944000.0	
	Mitalben Jaydipsinh Sisodiya	1001.0	
	Niraybhai Shah	300000.0	
18	Pravinbhai Khodidas Patel	500000.0	
19	Rajeshbhai S.Prajapati (Jitubhai Ganesh)	1203000.0	
20	S.B.Sisodiya	900000.0	
2.1	Sangitaben S.Modi	300000.0	
7.	Olchankarlal Dalaji Prajabati	25000.0	
2	Shilpaben K.Patel (Kamleshbhai Talati)	500000.0	
24	1 Shivabhar Ramabhar	1350000.0	
	Shivabhai Ramabhai	100000.0	
26	Sunilkumar R.Patel	10000.0	
27	7 Sureshbhai (S.G)	The second secon	
A COLUMN TO THE REAL PROPERTY OF	Total	11372002.0	

For, Art Nirman Limited
Authorised Signatory

For, Art Nikman Limited

Art Nirman Pvt. Ltd.

Notes on the account for the year ended on 31-03-2012

Company Information

Art Nirman Pvt. Ltd. (the company) is incorporated under the Companies Act, 1956 and the company is involved in the business of the 'Construction and property developer'

Accounting Policies

1. Basis of Accounting

The Financial Statements have been prepared in accordance with Generally Accepted Accounting Principles (GAAP) in India, the Accounting standards prescribed under the Companies (Accounting Standards) Rules 2006 and relevant provisions of the Companies Act,1956 and are based on the historical cost convention on accrual basis.

2. Use of Estimate:

The preparation of financial statement of the company is on conformity with Indian generally Accepted Accounting principles require management to make estimates that affect the reported amount assets and liabilities at the date of financial statement and the reported amounts revenue and expenses, during the reporting period , although theses estimate are based on management's best knowledge of current events and actions results may ultimately differ from these estimates, which are recognized in the period in which the results are materialized. All the expenses are generally recognized on accrual basis of accounting.

3. Revenue Recognition:

- Sales are recognized on the basis of percentage of completion method as per Accounting Standard – 7 prescribed by The Institute of Chartered Accountants of India.
- Work in progress are recognized at cost on the basis of percentage of completion of unit bears to total estimated cost of the unit as per value and progress certified by the architect if the unit is not sold by the company.

3. FIXED ASSETS:

Fixed Assets are stated at cost less depreciation. Cost includes taxes, duties, freight and other incidental expenses related to acquisition, improvements and installation of the said assets.

4. DEPRECIATION:

Depreciation is provided on Written Down Value Method on the basis of the useful life of the respective assets as determined by the management on the basis of the technological evaluation of the assets and depreciation thereon is provided accordingly

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Numberised Signatory

at the rates which are equal to or higher than the rates specified in the schedule XIV of the Companies Act,1956.

5. Investments are stated at Cost:

6. Inventories:

In case of Construction business, inventories comprises property under construction i.e. work in progress. Work in progress is valued at lower of cost or net realizable value. Cost comprises cost of land including development rights, materials, services, related overheads and borrowing cost.

7. Prepaid Expenses:

Expenses relating to the subsequent period are accounted as prepaid expenses.

8. PRELIMINERY & PRE-OPERATIVE EXPENSES:

Preliminary Expenses are amortized over a period of five years from the commencement of commercial operation.

9. Retirement Benefits:

- Short term employee benefits are recognized as expense in the profit and loss account of the year in which service is rendered.
- Contribution to define contribution scheme such as provident fund are changed to the profit and loss account.
- 10. Deferred Tax is recognized, subject to the consideration of prudence on timing difference representing between the taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

Amount In Rupees

Particulars	As on 31-03-2012
Deferred Tax Assets	-
Depreciation	
Total	
Deferred Tax Liabilities	
Depreciation	13555.00
Total	13555.00
Deferred tax Liability/ (Assets) (No	et) (13555.00)

Authorised Signatory

Director

Deferred Tax Assets and Liabilities are measured using tax rates and the tax laws that have been enacted or substantively enacted by the balance sheet date.

11. Borrowing Cost:

Net of borrowed funds for the projects till completion are capitalized and included in the cost of fixed assets. Other borrowing costs are recognized as expenses in the period in which they are incurred.

12. Earning per Share:

Basic earning per Share is computed by dividing the net profit attributable to equity shareholders for the year by weighted average number of equity shares outstanding during the year.

13. The Company has disclosed only such policies and notes from the individual financial statements, which fairly present the needed disclosures. Lack of homogeneity and other similar considerations made it desirable to exclude some of them, which in the management, could be better viewed, when referred from the individual financial statements.

14. Impairment of Assets:

An asset is treated as impaired when carrying cost of asset exceeds its recoverable value. During the period, company has applied the impairment tests to arrive at any possible Impairment. Accordingly in the opinion of management there is no impairment, which is required to be recognized in the books.

Notes on Accounts

- 1. Remuneration to Managerial and Executive Directors : Nil
- 2. Amount remitted in foreign under on account of dividend Rs. Nil Earning in foreign Exchange is Rs. Nil
- Quantitative details like opening stock, purchase, consumption, sales and closing stock are taken as certified by the management.
- 4. It is not possible for us to verify that whether all loans or deposit have been taken or accepted by an account payee cheque or an account payee bank draft as the necessary evidence is not in the possession of the assessee.

For Art Niman Limit

Authorise

norised Signatory

Director

- 5. Cash balances are subject to physical verification.
- 6. In the opinion of the Directors, the current assets, loans and advances are approximately of the value as stated in the balance sheet, if realized in the ordinary course of the business. The provision of all known liabilities is adequate and not in excess of the amount reasonably required.
- 7. Balances of Bank, Sundry Debtors, Creditors, Unsecured Loan, deposits, Loans & Advances are subject to confirmation / reconciliation.
- 8. Provisions, contingent Liabilities and contingent Assets

A Provision is recognized when the company has a present obligation as a result of past of past event and 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. Contingent Liabilities are not provided for unless a reliable estimate of probable outflow to the company exists as at the Balance Sheet date. Contingent Assets are not recognized.

- 9. Duties and taxes includes VAT, Professional tax, Municipal Tax.
- 10. Company was incorporated in the name of Vishnudhara Builders Pvt. Ltd. Vide certificated dated 19th February 2011, Further Company had made change in name as Vishnudhara Buildcon Pvt. Ltd.
- 11. Vishnudhara Buildcon Pvt. Ltd. Which was originally incorporated as Vishnudhara Builders Pvt. Ltd passed necessary resolution in terms of section 21 of the Companies Act 1956 and the approval of the central government signified in writing having been accorded thereto. Department of company affairs, New Delhi, dated 8th October 2011 the name of the said company from this day changed to ART NIRMAN PVT. LTD.
- 12. Company was incorporated as on 19th February 2011, hence accounts are prepared from 19-2-2011 to 31-3-12

For, V.V. Patel & Co. FRN No.118124W Chartered Accountants

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For, Art Nirman Pvt. Ltd.

AGAK/E. TILLEUS

Director

Director

CA. Swapnil K Bhatt Membership No.128864 04/09/2012, Ahmedabad.

Balance Sheet Abstract and Company's General Business Profile

Art Nirman Pvt Ltd - 2012-2013

			(Amo	unt in thousands)
1.	Registration Details Registration No.	64107	State Code	4
	Balance Sheet Date	31-03-2012		
11.	Capital raised during the year			
	Public Issue Bonus Issue	0	Right Issue Private Placement	100000
111.	Position of Mobilisation and Dep	loyment of Fund		
	Total Liabilities	6,88,95,205	Total Assets	6,88,95,205
	Source of Funds			
	Paid-Up Capital	1,00,000	Secured Loans	0
	Reserve & Surplus	98,291	Unsecured Loans	5,48,13,803
	Deferred Tax Liability	13,555		
	Application of Funds			
	Net Fixed Assets	34,61,405	Net Current Assets	6,34,33,800
	Investments	0	Misc. Expenditure	0
	Deferred Tay Asset	0		
	Accumulated Losses	0		
11	Performance of Company			
	Turnover	0	Total Expenditure	49,54,169
	Profit before Tax	1,53,046	Profit after ⊤ax	98,291
	Earning per share in Rs.	9.83	Dividend Rate	0.00

Generic Names of Three Principal Products/Services of Company Item Code No. Construction and Property Developers

For Art Nirman Pvt Ltd

Director Director

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