



Anand Mehta & Associates

CHARTERED ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

To the Members of Greystone Premises Private Limited

Report on the Financial Statements

1. We have audited the accompanying financial statements of Greystone Premises 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.

Kulmi

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:
- In the case of the Balance Sheet, of the state of affairs of the Company as at March 31st, 2013;
 - In the case of the Statement of Profit and Loss, loss for the year ended on that date; and
 - 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"), the provisions of the said order are not applicable in case of the Company and hence the particulars thereof are not given.
8. **As required by section 227(3) of the Act, we report that:**
- 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;
 - 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;
 - 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;
 - 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;
 - 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*

CHARTERED ACCOUNTANTS

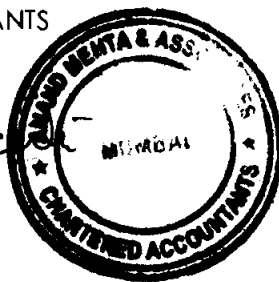
F.R No. 127305W

Kulin V. Mehta

Kulin V. Mehta

Partner

Membership No. 38840



Pune:

02 MAY 2013

GREYSTONE PREMISES PRIVATE LIMITED
Balance Sheet as at March 31, 2013

Currency Indian Rupees

Particulars	Note	March 31, 2013	March 31, 2012
Equity and Liabilities			
Shareholder's Funds			
Share Capital	3	100,000	100,000
Reserves and Surplus	4	(33,767,814)	(6,634,677)
		(33,667,814)	(6,534,677)
Non-Current Liabilities			
Long-term borrowings	5	11,286,951	102,695,236
Other Long term liabilities	6	22,624,770	0
		33,911,721	102,695,236
Current Liabilities			
Other current liabilities	7	224,136	175,644
		468,043	96,336,203
Assets			
Non-current assets			
Fixed Assets			
Capital work-in-progress	8	-	25,134,981
Long term loans and advances	9	460,000	70,460,000
		460,000	95,594,981
Current assets			
Cash and Bank Balances	10	8,043	67,110
Other current assets	11	-	674,112
		8,043	741,222
		468,043	96,336,203
Summary of Significant Accounting Policies	2		
Notes to the financial statements	3-21		

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

As per our report of even date
 For Anand Mehta & Associates
Chartered Accountants
 Firm Registration No. 127305W

Kulin V Mehta

Kulin V Mehta
 Partner
 Membership No. 38440
 Pune; Dated



02 MAY 2013

For and on behalf of Board of Directors

[Signature]

Director

[Signature]

Director

Pune; Dated

02 MAY 2013

GREYSTONE PREMISES PRIVATE LIMITED
Statement of Profit and Loss for the year ended March 31, 2013

Currency Indian Rupees

Particulars	Note	March 31, 2013	March 31, 2012
Revenue from operations		-	-
Other Income	12	-	37,236
Total Revenue		-	37,236
Finance costs	13	1,848,100	-
Depreciation and amortization expense	8	-	210,403
Other expenses	14	83,736	552,030
Total Expenses		1,931,836	762,434
Profit before exceptional and extraordinary items and tax		(1,931,836)	(725,198)
Exceptional Items	15	25,201,301	-
Profit before tax		(27,133,137)	(725,198)
Tax expense:		-	-
Profit/(Loss) for the Year		(27,133,137)	(725,198)
Earning per equity share:(Nominal value Rs. 10/- each)	16		
(1) Basic		(2,713.31)	(72.52)
(2) Diluted		(2,713.31)	(72.52)
Summary of Significant Accounting Policies	2		
Notes to the financial statements	3-21		

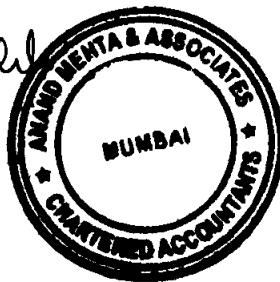
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As per our report of even date
 For Anand Mehta & Associates
Chartered Accountants
 Firm Registration No. 127305W

For and on behalf of Board of Directors

Kulin V. Mehta

Kulin V Mehta
 Partner
 Membership No. 38440
 Pune; Dated



S. J. Mehta

Director

Pune; Dated

[Signature]

Director

02 MAY 2013

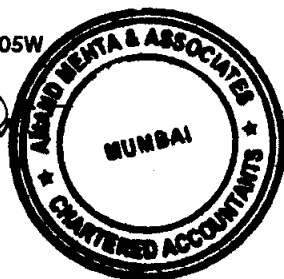
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GREYSTONE PREMISES PRIVATE LIMITED
Cash Flow Statement for the year ended On March 31, 2013

Particulars	March 31, 2013	Currency Indian Rupees March 31, 2012
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation and prior period adjustments	(27,133,137)	(725,198)
Adjustments:		
Add / (Less) :		
Depreciation	-	210,403
(Profit) Loss on Sale of Assets	-	410,163
* (Profit) Loss from Exceptional Items on write-off of Capital work-in-progress	25,201,301	-
	<hr/>	<hr/>
Operating Profit before working capital changes	(1,931,836)	(104,631)
Income Taxes paid during the Period		-
<u>Changes in working capital</u>		
Decrease / (Increase) in Other Current Assets	674,112	-
Decrease / (Increase) in Loans and Advances	70,000,000	-
Increase / (Decrease) in Current Liabilities and Provisions	48,492	25,495
A NET CASH GENERATED BY OPERATING ACTIVITIES	<hr/> 68,790,768 <hr/>	<hr/> (79,136) <hr/>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of fixed assets (CWIP)	(66,320)	(260,023)
B NET CASH (USED) IN INVESTING ACTIVITIES	<hr/> (66,320) <hr/>	<hr/> (260,023) <hr/>
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase / (Decrease) in Unsecured Loans	(91,408,285)	359,000
Increase / (Decrease) in Other long term liabilities	22,624,770	-
C NET CASH GENERATED (USED) IN FINANCING ACTIVITIES	<hr/> (68,783,515) <hr/>	<hr/> 359,000 <hr/>
D NET CASH INFLOW (OUTFLOW) (A+B+C)	<hr/> (59,067) <hr/>	<hr/> 19,841 <hr/>
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		
a) Balances with banks in current accounts	65,802	46,246
b) Cash on hand	1,308	1,023
sub-total	<hr/> 67,110 <hr/>	<hr/> 47,269 <hr/>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		
a) Balances with banks in current accounts	8,043	65,802
b) Cash on hand	-	1,308
sub-total	<hr/> 8,043 <hr/>	<hr/> 67,110 <hr/>
Net (decrease) / increase in cash and cash equivalents during the year	<hr/> (59,067) <hr/>	<hr/> 19,841 <hr/>

*The Company has written-off the Capital Work-in-progress as on 30.09.2012 in respect of cost incurred on SEZ project in Ahemdabad.

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
02 MAY 2013

For and on behalf of Board of Directors

Director

Director

Pune; Dated

02 MAY 2013

GREYSTONE PREMISES PRIVATE LIMITED

Notes to Financial Statements for the year ended March 31, 2013

1. The Company overview

Greystone Premises Pvt Ltd. (Company) was incorporated on 3rd January 2008. The Company is engaged in the business of Development of real estate project .

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 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 generally accepted accounting principles (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 Fixed Assets and Capital Work in Progress

Fixed assets are stated at cost of acquisition or construction, after reducing accumulated depreciation till the date of the Balance Sheet. The cost of an item of fixed asset comprises of its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use; any trade discounts and rebates are deducted in arriving at the purchase price and includes borrowing cost relating to any specific borrowing attributable to the acquisition of the fixed assets as per the provisions of Accounting Standard AS 16 "Borrowing Cost" issued by ICAI.

Assets under installation or under construction as at the Balance sheet date are shown as Capital work in progress.

2.4 Depreciation

Depreciation on fixed assets have been provided under written down value method and manner at the rates prescribed in schedule XIV to the Companies Act, 1956. In respect of lease assets, the cost is depreciated over the lease period.

2.5 Contingent Liabilities

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.

2.6 Taxes on Income

2.6.1 Taxes on Income are accounted in accordance with AS – 22 " Taxes on Income". Taxes on Income comprise both current tax and deferred tax.

2.6.2 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.

2.6.3 Deferred tax being 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.

2.7 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.

2.8 Segment Reporting

The Company's operation predominately consist of development and dealing in real estate. Hence there are no reportable segments under Accounting Standard - 17. During the year 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.

GREYSTONE PREMISES PRIVATE LIMITED
Notes to the financial statements for the year ended March 31, 2013

NOTE NO. 3 Share Capital	March 31, 2013	Currency Indian Rupees March 31, 2012
	Amount	Amount
A Authorised		
80,00,000 (80,00,000) Equity Shares of Rs. 10/- each	80,000,000	80,000,000
	<u>80,000,000</u>	<u>80,000,000</u>
Issued, Subscribed and Paid up		
10,000 (10,000) Equity Shares of Rs.10/-each fully paid up	100,000	100,000
Total	<u>100,000</u>	<u>100,000</u>

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 the number of equity shares held by the shareholders.

B Reconciliation of the Number of shares

Particulars	Number	Amount	Number	Amount
Equity Shares outstanding at the beginning of the year	10,000	100,000	10,000	100,000
Equity Shares Issued during the year	-	-	-	-
Equity Shares bought back during the year	-	-	-	-
Equity Shares outstanding at the end of the year	10,000	100,000	10,000	100,000

C The detail in respect of shares held by its holding company is as follows :

Name of Holding Company	March 31, 2013	March 31, 2012
	Number of shares held	
Vascon Engineers Limited	6,500	6,500

D Disclosure for shareholding more than 5%

Name of Shareholder	March 31, 2013		March 31, 2012	
	Number of shares held	% Holding	Number of shares held	% of Holding
Vascon Engineers Limited	6,500	65	6,500	65
Prestine Buildcon Private Limited	3,500	35	3,500	35

NOTE NO. 4

Reserves and Surplus

a. Surplus / (Deficit) in statement of Profit and Loss

At the commencement of the year	(6,634,677)	(5,909,479)
Add:Net Profit/(Loss) for the year	(27,133,137)	(725,198)
Net Surplus / (Deficit) in statement of Profit and Loss	<u>(33,767,814)</u>	<u>(6,634,677)</u>

NOTE NO. 5

Long Term Borrowings

Unsecured

From Shareholder (Prestine Buildcon Private Limited)	11,286,951	102,695,236
	<u>11,286,951</u>	<u>102,695,236</u>

NOTE NO. 6

Other Long term liabilities

Project Advances (IT City Infopark Private Limited :Fellow Subsidiary)	22,624,770	-
	<u>22,624,770</u>	<u>-</u>

GREYSTONE PREMISES PRIVATE LIMITED

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

	March 31, 2013	Currency Indian Rupees March 31, 2012
NOTE NO. 7		
Other Current Liabilities		
Duties And Taxes	188742	85,029
Payables for expenses	35394	90,615
	<u>224,136</u>	<u>175,644</u>
NOTE NO. 9		
Long Term Loans and Advances		
Unsecured, considered good		
Capital Advances	-	70,000,000
Security Deposits	460,000	460,000
	<u>460,000</u>	<u>70,460,000</u>
NOTE NO. 10		
Cash and Bank Balances		
Cash and Cash Equivalents		
Balances with banks in current accounts	8,043	65,802
Cash on hand	-	1,308
	<u>8,043</u>	<u>67,110</u>
NOTE NO. 11		
Other Current Assets		
Recoverable from Holding company	-	674,112
	<u>-</u>	<u>674,112</u>

GREYSTONE PREMISES PRIVATE LIMITED
Notes to the financial statements for the year ended March 31, 2013

Currency Indian Rupees

March 31, 2013 March 31, 2012

NOTE NO. 12
Other Income

Difference written off	-	37236
	<u>-</u>	<u>37,236</u>

NOTE NO. 13
Finance Cost

Interest expense	1,848,100	-
	<u>1,848,100</u>	<u>-</u>

NOTE NO. 14
Other Expenses

Auditor's Remuneration	6,742	6,618
Bank Charges	7655	2,423
Other Expenses	4,439	3,268
Rates and Taxes	624	1,590
Travelling Expenses	84	803
Professional Fees	64,192	127,165
Loss on Sale of Fixed Assets	-	410,163
	<u>83,736</u>	<u>552,030</u>

Auditors' Remuneration

Statutory Audit Fees	6,000	6,000
	<u>6,000</u>	<u>6,000</u>

(Fees mentioned above does not include service Tax and education cess thereon)

NOTE NO. 15
Exceptional Items

Capital WIP written off	25,201,301	-
	<u>25,201,301</u>	<u>-</u>

During the year the Management after taking into consideration the commercial viability of the joint development project of SEZ of Ahemadabad has discontinued the same on as is whereis basis without any further economic exposure. In view of the same the capital work in Progress up to date of discontinuation of the project has been written off and accordingly charged to Statement of Profit and loss as exceptional item. However, the management is of the view that the same will not impact the Going Concern of the Company as the management is in the process of comencing new business/venture in the said Company.

NOTE NO. 16
Earning Per Share

a Net Profit/(Loss) available for equity share holders	(27,133,137)	(725,198)
b Weighted average number of equity shares for Basic	10,000	10,000
c Face Value per share	10	10
d Basic EPS	(2,713.31)	(72.52)
e Weighted average number of shares outstanding for		
Diluted EPS	10,000	10,000
f Diluted EPS	(2,713.31)	(72.52)

GREYSTONE PREMISES PRIVATE LIMITED

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

- 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 related parties

1. Holding Company

-Vascon Engineers Limited

2. Fellow Subsidiaries

- Marvel Housing Private Limited
- Vascon Dwellings Private Limited
- It Citi Infopark Private Limited
- Caspia Hotels Private Limited
- Windflower Properties 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

3. Key Management Personnel

- Mr. D.Santhanam
- Mr. M.Krishnamurthy

Name of related party	Nature of relations	Type of transaction	Transaction Amount(Rs.)
Vascon Engineers Limited.	Holding Company	Loan repaid	69,222,037 (233,300)
Vascon Engineers Limited.	Holding Company	Sale of Fixed Assets	Nil (674,112)
Vascon Engineers Limited.	Holding Company	Interest Provided	1,848,100 (Nil)
IT Citi Infopark Private Limited	Fellow Subsidiary	Project Advances Taken	22,624,770 (Nil)
Pristine Buidcon Private Limited	Associated Company	Loan Repayment	23,797,394 (125,700)
Pristine Buidcon Private Limited	Associated Company	Loan Accepted	Nil (Nil)

Name of related party	Nature of relations	Due to Company	Due by Company
Vascon Engineers Limited.	Holding Company	NIL	Nil (67,619,536)
Vascon Engineers Limited.	Holding Company	Nil (674,112)	Nil
Vascon Engineers Limited.	Holding Company	Nil	Nil
IT Citi Infopark Private Limited	Fellow Subsidiary	NIL	22,624,770 (Nil)
Pristine Buidcon Private Limited	Associated Company	NIL	11,286,951 (35,075,700)
Pristine Buidcon Private Limited	Associated Company	NIL	25,000,000 (25,000,000)

18 In accordance with the provisions of AS 22 "Accounting for Taxation" in absence of virtual certainty of taxable income, no provision for deferred tax assets in respect of carried forward business loss, has been made for the year.

19 The disclosure pursuant to Micro, Small and Medium Enterprises Development Act, 2006,

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 appointed 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	-	-

20 Details of Earnings and Expenditure In Foreign Currency	March 31,2013	March 31,2012
Earnings	-	-
Expenditure	-	-

21 Corresponding figures of the previous year have been shown in bracket and regrouped, renamed or rearranged wherever necessary.

As per our report of even date
For Anand Mehta & Associates
Chartered Accountants
Firm Registration No. 127305W

For and on behalf of Board of Directors

Kuln V. Mehta
Kuln V Mehta
Partner
Membership No. 38440
Pune; Dated



J. J. Mehta *[Signature]*
Director Director

Pune; Dated

02 MAY 2013

02 MAY 2013