

Greystome Premises Pvt. Ltd.

ANNUAL REPORT F.Y. 2013-14



Anand Mehta & Associates CHARTERED ACCOUNTANTS

MUMBAI

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Gram: MASTERPLAN ↔ MATSERPLAY



INDEPENDENT AUDITORS 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, 2014 and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information, which we have signed under reference to this report.

Management's Responsibility for the Financial Statements

2. The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial performance and cash flows of the company in accordance with the accounting standard notified under the Companies (Accounting Standards) Rules, 2006 as per sub-section (3C) of section 211 of the Companies Act, 1956 of India (the Act) read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from financial misstatements, whether due to fraud or 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 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 audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risks assessments, the auditors consider internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also include 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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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 and in accordance with the accounting standards referred to in section 211(3C) of the said Act:
- In the case of the Balance Sheet , of the state of affairs of the company as at 31st March, 2014;
 - In the case of the Statement of Profit and Loss , loss for the year ended on that date; and
 - In 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 read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013;
 - On the basis of written representation received from the directors as on 31st March, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2014, from being appointed as a director in terms of clause (g) of sub section (1) of section 274 of the Act.

For *Anand Mehta & Associates*

CHARTERED ACCOUNTANTS

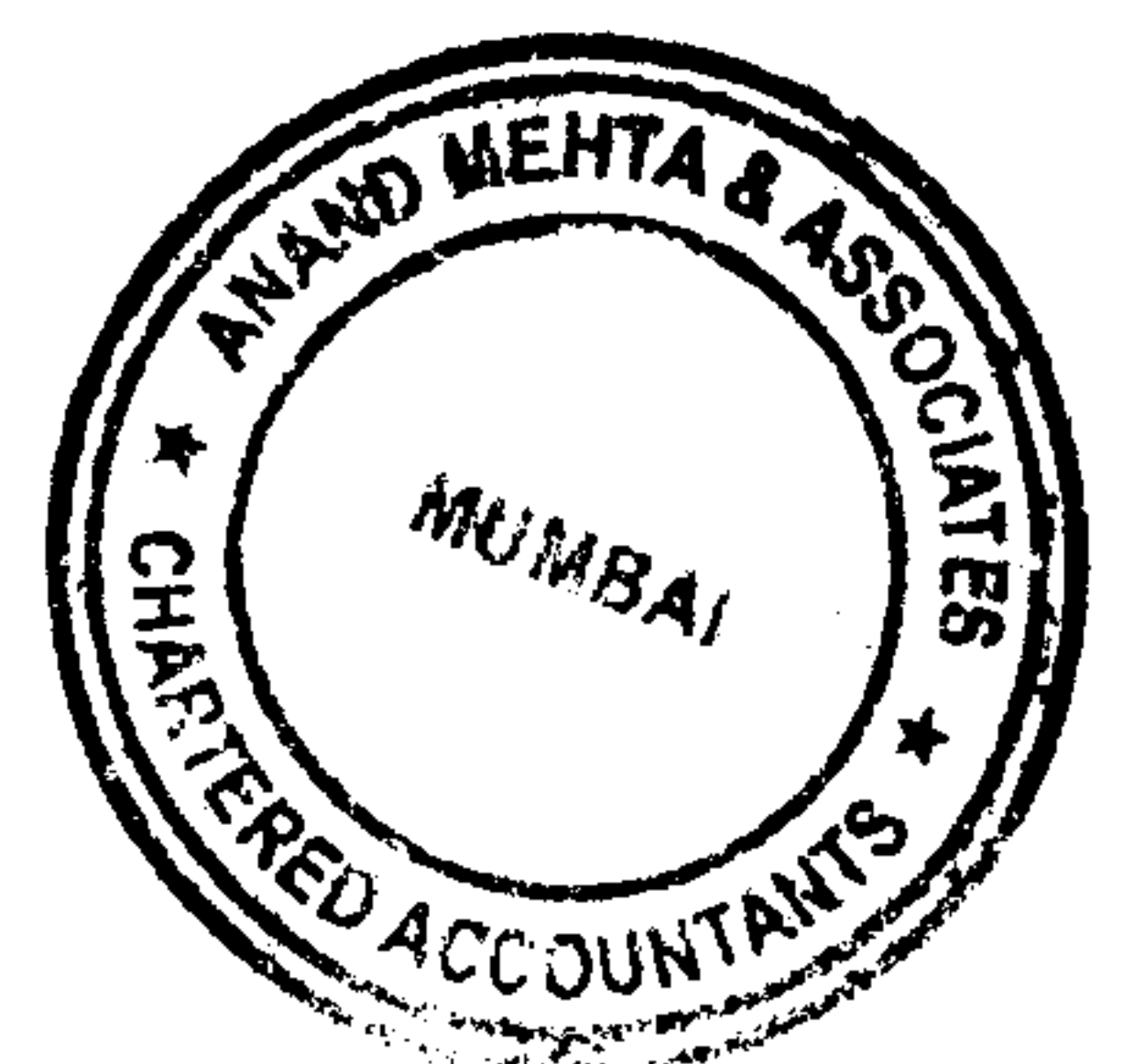
F.R No. 127305W

Kulin V. Mehta

Kulin V. Mehta

Partner

M. No. 38440



Pune; 16th May, 2014

GREYSTONE PREMISES PRIVATE LIMITED
Balance Sheet as at March 31, 2014

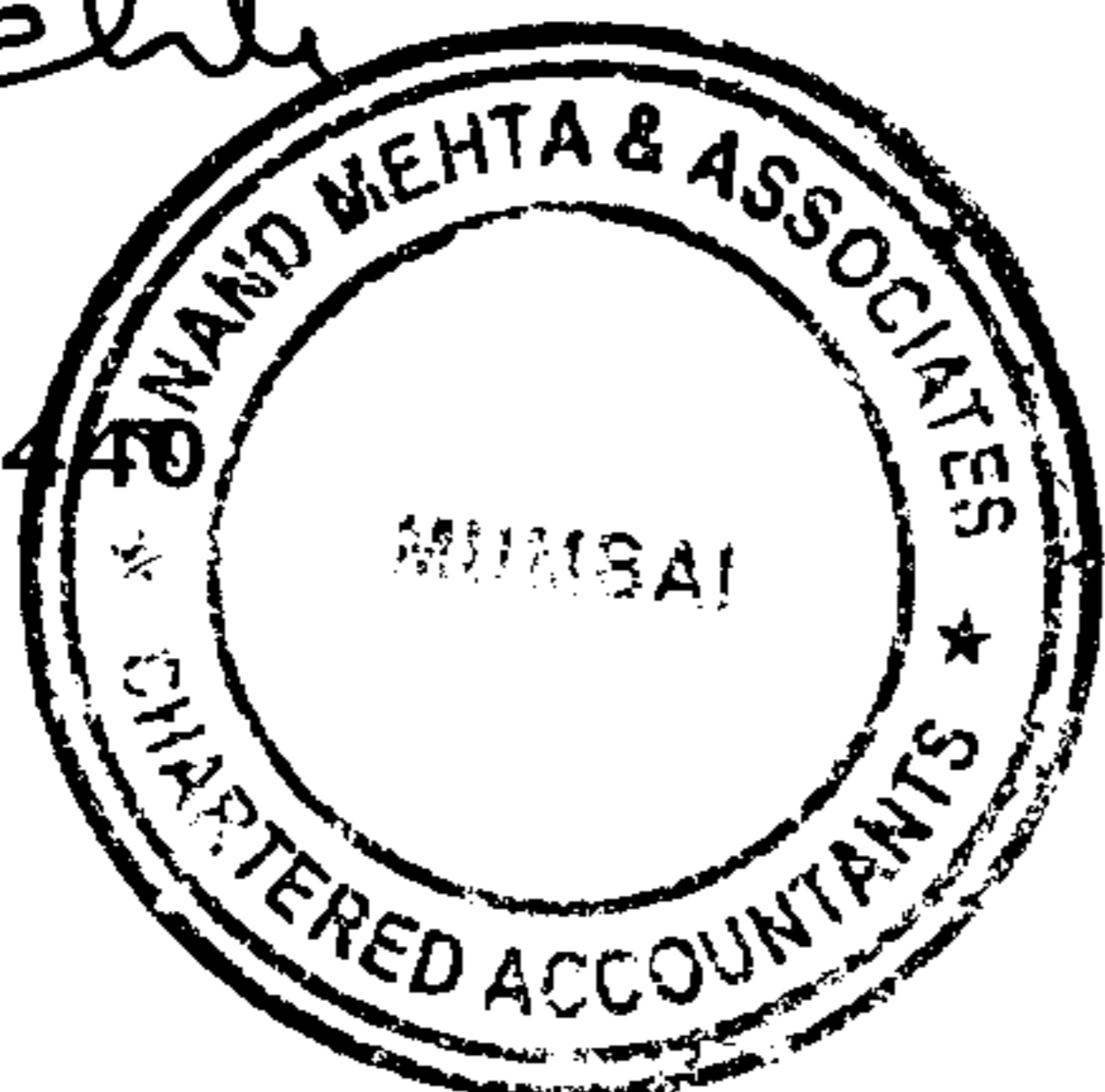
Currency Indian Rupees

| Particulars | Note | March 31, 2014 | March 31, 2013 |
|--|------|----------------|----------------|
| Equity and Liabilities | | | |
| Shareholder's Funds | | | |
| Share Capital | 3 | 100,000 | 100,000 |
| Reserves and Surplus | 4 | (34,824,120) | (33,767,814) |
| | | (34,724,120) | (33,667,814) |
| Non-Current Liabilities | | | |
| Long-term borrowings | 5 | 12,175,798 | 11,286,951 |
| Other Long term liabilities | 6 | 22,670,664 | 22,624,770 |
| | | 34,846,462 | 33,911,721 |
| Current Liabilities | | | |
| Trade payables | 7 | 55,957 | 35,394 |
| Other current liabilities | 8 | 290,003 | 188,742 |
| | | 345,960 | 224,136 |
| | | 468,302 | 468,043 |
| Assets | | | |
| Non-current assets | | | |
| Long term loans and advances | 9 | 460,000 | 460,000 |
| | | 460,000 | 460,000 |
| Current assets | | | |
| Cash and Bank Balances | 10 | 8,302 | 8,043 |
| | | 8,302 | 8,043 |
| | | 468,302 | 468,043 |
| Summary of Significant Accounting Policies | 2 | | |
| Notes to the financial statements | 3-19 | | |

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



For and on behalf of Board of Directors

Dr. Santosh Sundararajan
Dr. Santosh Sundararajan
Director

M. Krishnamurthi
M. Krishnamurthi
Director

Pune; Dated 6 MAY 2014

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GREYSTONE PREMISES PRIVATE LIMITED
Statement of Profit and Loss for the year ended March 31, 2014

Currency Indian Rupees

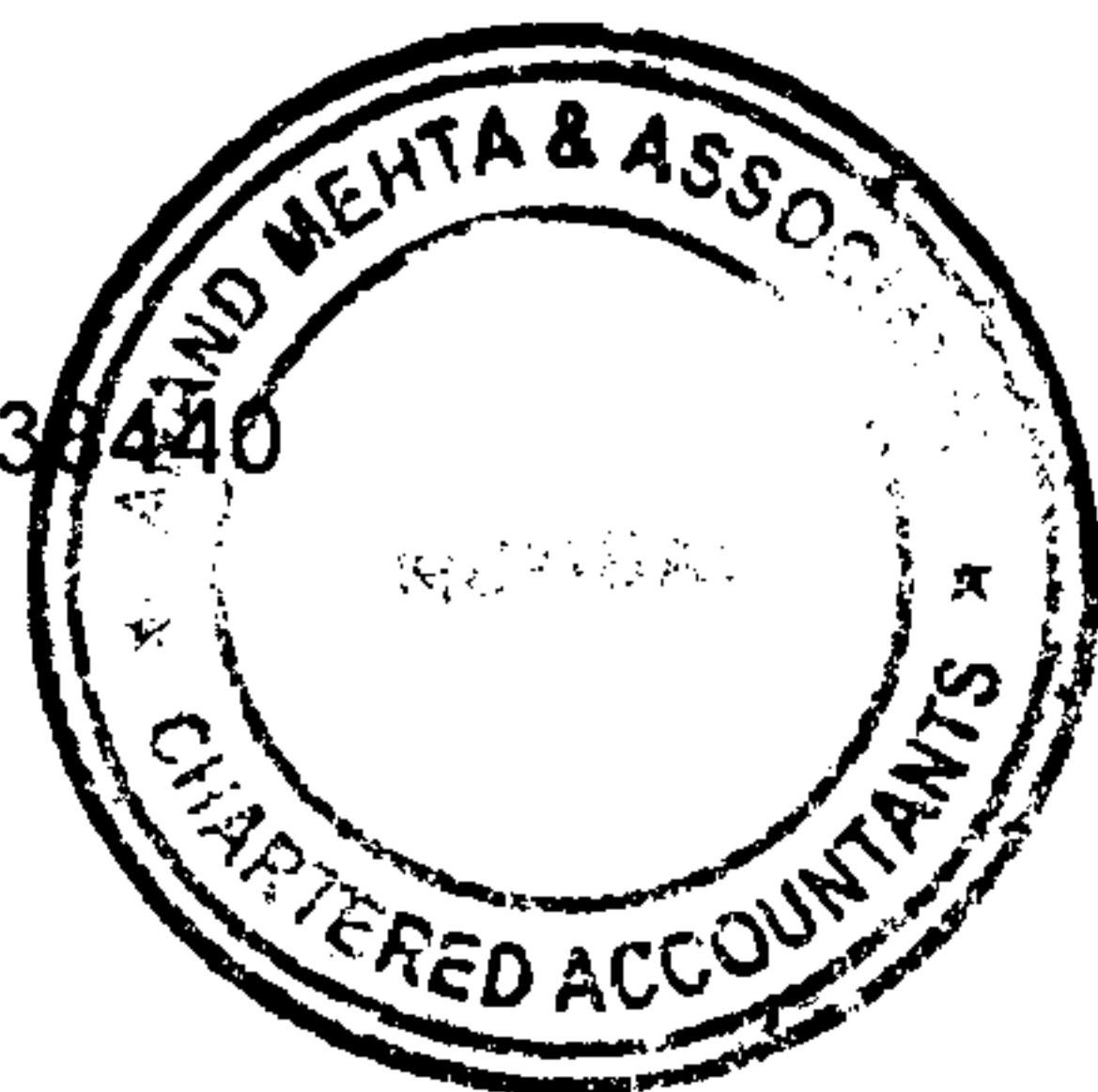
| Particulars | Note | March 31, 2014 | March 31, 2013 |
|--|------|--------------------|---------------------|
| Revenue from operations | | - | - |
| Total Revenue | | - | - |
| Finance costs | 11 | 987,608 | 1,848,100 |
| Other expenses | 12 | 68,698 | 83,736 |
| Total Expenses | | 1,056,306 | 1,931,836 |
| Profit before exceptional item | | (1,056,306) | (1,931,836) |
| Exceptional Items | 13 | - | 25,201,301 |
| Profit before tax | | (1,056,306) | (27,133,137) |
| Tax expense | | - | - |
| Profit/(Loss) for the Year | | (1,056,306) | (27,133,137) |
| Earning per equity share:(Nominal value Rs. 10/- each) | 14 | | |
| (1) Basic | | (105.63) | (2,713.31) |
| (2) Diluted | | (105.63) | (2,713.31) |
| Summary of Significant Accounting Policies | 2 | | |
| Notes to the financial statements | 3-19 | | |

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. 36440
Pune; Dated



For and on behalf of Board of Directors

[Signature]
Dr. Santosh Sundararajan
Director

[Signature]
M. Krishnamurthi
Director

Pune; Dated **16 MAY 2014**

GREYSTONE PREMISES PRIVATE LIMITED
Cash Flow Statement for the year ended March 31, 2014

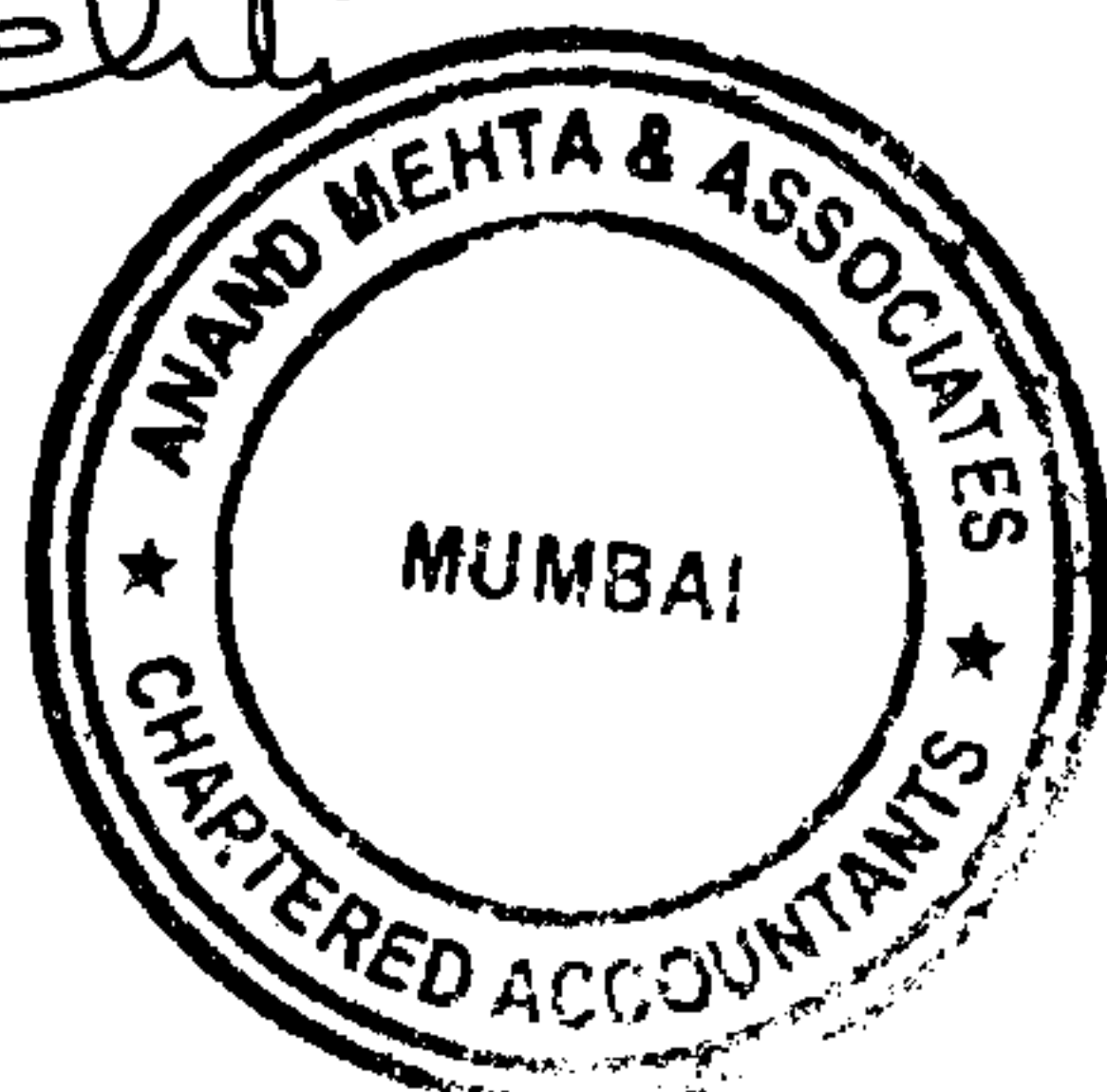
| Particulars | March 31, 2014 | Currency Indian Rupee March 31, 2013 |
|--|-------------------|---|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Profit before taxation and prior year adjustments | (1,056,306) | (27,133,100) |
| Adjustments: | | |
| Add / (Less) : | | |
| Interest paid | 987,608 | 1,848,100 |
| *(Profit) Loss from Exceptional Items on write-off of Capital work-in-progress | - | 25,201,300 |
| Operating Profit before working capital changes | (68,698) | (83,700) |
| Income Taxes paid during the year | | |
| <u>Changes in working capital</u> | | |
| Decrease / (Increase) in Other Current Assets | - | 674,100 |
| Decrease / (Increase) in Loans and Advances | - | 70,000,000 |
| Increase / (Decrease) in Current Liabilities and Provisions | 121,824 | 48,400 |
| A NET CASH GENERATED BY OPERATING ACTIVITIES | <u>53,126</u> | <u>70,638,800</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Purchase of fixed assets (CWIP) | - | (66,300) |
| B NET CASH (USED) IN INVESTING ACTIVITIES | <u>-</u> | <u>(66,300)</u> |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Increase / (Decrease) in Unsecured Loans | 888,847 | (91,408,200) |
| Interest paid | (987,608) | (1,848,100) |
| Increase / (Decrease) in Other long term liabilities | 45,894 | 22,624,700 |
| C NET CASH GENERATED (USED) IN FINANCING ACTIVITIES | <u>(52,867)</u> | <u>(70,631,600)</u> |
| D NET CASH INFLOW (OUTFLOW) (A+B+C) | <u><u>259</u></u> | <u><u>(59,000)</u></u> |
| CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR | | |
| a) Balances with banks in current accounts | 8,043 | 65,800 |
| b) Cash on hand | - | 1,300 |
| sub-total | <u>8,043</u> | <u>67,100</u> |
| CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR | | |
| a) Balances with banks in current accounts | 8,302 | 8,000 |
| b) Cash on hand | - | - |
| sub-total | <u>8,302</u> | <u>8,000</u> |
| Net (decrease) / increase in cash and cash equivalents during the year | <u><u>259</u></u> | <u><u>(59,000)</u></u> |

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



For and on behalf of Board of Directors

[Signature]
Dr. Santosh Sundararajan
Director

[Signature]
M. Krishnamurthi
Director

Pune; Dated

16 MAY 2014

GREYSTONE PREMISES PRIVATE LIMITED

Notes to Financial Statements for the year ended March 31, 2014

1. The Company overview

Greystone Premises Pvt Ltd. (Company) was incorporated on 3rd January 2008 having CIN U70101PN2008PTC131237. 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 disclosure 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 Years.

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 Balance Sheet. The cost of an item of fixed asset comprises of its purchase price, including 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 Costs" 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 Year.

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 Year-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 and deferred tax.

2.6.2 Provision for current tax for the Year is determined considering the disallowance, exemptions and deductions and/or liability 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 Year and are capable of reversal in one or more subsequent Year (s). This is measured under 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 Year by the weighted average number of equity shares outstanding during the Year. Diluted earnings per share are computed by dividing the net profit or loss after tax for the Year by the weighted average number of equity shares outstanding during the Year as adjusted for the effects of all dilutive potential equity shares except where the result are anti - dilutive.

GREYSTONE PREMISES PRIVATE LIMITED
Notes to the financial statements for the year ended March 31, 2014

| Particulars | Currency Indian Rupee: | |
|--|------------------------|-------------------|
| | March 31, 2014 | March 31, 2013 |
| NOTE NO. 3 | | |
| Share Capital | Amount | Amount |
| 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/- per share. 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 per share.

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 amount. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

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 | <u>10,000</u> | <u>100,000</u> | <u>10,000</u> | <u>100,000</u> |

Disclosure for shareholding more than 5%

| Name of Shareholder | March 31, 2014 | | March 31, 2013 | |
|--|-----------------------|-----------|-----------------------|--------------|
| | Number of shares held | % Holding | Number of shares held | % of Holding |
| Vascon Engineers Limited - Holding Company | 6,500 | 65 | 6,500 | 65 |
| Pristine 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 | (33,767,814) | (6,634,67 |
| Add: Net Profit/(Loss) for the year | (1,056,306) | (27,133,13 |
| Net Surplus / (Deficit) in statement of Profit and Loss | <u>(34,824,120)</u> | <u>(33,767,81</u> |

GREYSTONE PREMISES PRIVATE LIMITED
Notes to the financial statements for the year ended March 31, 2014

| Particulars | March 31, 2014 | Currency Indian Rupees March 31, 2013 |
|--|-------------------|--|
| NOTE NO. 5 | | |
| Long Term Borrowings | | |
| Unsecured Loans | | |
| Prestine Buildcon Private Ltd (The loan is repayable 12 months after the date of call at the rate of interest of 8.75% p.a) | 12,175,798 | 11,286,951 |
| | <u>12,175,798</u> | <u>11,286,951</u> |
| NOTE NO. 6 | | |
| Other Long term liabilities | | |
| Project Advances from fellow Subsidiary (IT City Infopark Private Limited) | 22,670,664 | 22,624,770 |
| | <u>22,670,664</u> | <u>22,624,770</u> |
| NOTE NO. 7 | | |
| Trade Payables | | |
| Trade Payables (Refer Note No 17) | 55,957 | 35,394 |
| | <u>55,957</u> | <u>35,394</u> |
| NOTE NO. 8 | | |
| Other Current Liabilities | | |
| Duties And Taxes | 290,003 | 188,742 |
| | <u>290,003</u> | <u>188,742</u> |
| NOTE NO. 9 | | |
| Long Term Loans and Advances | | |
| Unsecured, considered good | | |
| Security Deposits | 460,000 | 460,000 |
| | <u>460,000</u> | <u>460,000</u> |
| NOTE NO. 10 | | |
| Cash and Bank Balances | | |
| Cash and Cash Equivalent | | |
| Balances with banks in current accounts | 8,302 | 8,043 |
| Cash on hand | - | - |
| | <u>8,302</u> | <u>8,043</u> |

GREYSTONE PREMISES PRIVATE LIMITED

Notes to the financial statements for the year ended March 31, 2014

Currency Indian Rupees

| Particulars | March 31, 2014 | March 31, 2013 |
|---------------------|----------------|------------------|
| NOTE NO. 11 | | |
| Finance Cost | | |
| Interest expense | 987,608 | 1,848,100 |
| | 987,608 | 1,848,100 |

NOTE NO. 12
Other Expenses

| | | |
|-----------------------------|---------------|---------------|
| Statutory Audit Fees | 22,472 | 6,742 |
| Bank Charges | 1,990 | 7,655 |
| Rates and Taxes | 3,500 | 624 |
| Other Expenses | 2,140 | 4,439 |
| Professional fees/retainers | 38,596 | 64,192 |
| Travelling Expenses | - | 84 |
| | 68,698 | 83,736 |

NOTE NO. 13
Exceptional Items

| | | |
|-------------------------|---|-------------------|
| Capital WIP written off | - | 25,201,301 |
| | - | 25,201,301 |

In the Previous 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. 14
Earning Per Share

| | | |
|--|-------------|--------------|
| a Net Profit/(Loss) available for equity share holders | (1,056,306) | (27,133,137) |
| b Weighted average number of equity shares for Basic | 10,000 | 10,000 |
| c Face Value per share | 10 | 10 |
| d Basic EPS | (105.63) | (2,713.31) |
| e Weighted average number of shares outstanding for | | |
| Diluted EPS | 10,000 | 10,000 |
| f Diluted EPS | (105.63) | (2,713.31) |

GREYSTONE PREMISES PRIVATE LIMITED

Notes to the financial statements for the year ended March 31, 2014

- 15 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
 - 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
 - Just Homes (I) Private Limited

3. Step Down Fellow Subsidiaries

- Caspia Hotels Pvt Ltd
 - GMP Technical Solutions Middle East (FZE)

4. Key Management Personnel

- Mr. D. Santhanam
 - Mr. M. Krishnamurthi

Currency Indian Rupees

| Name of related party | Nature of relations | Type of transaction | March 31, 2014 | March 31, 2013 |
|----------------------------------|---------------------|---------------------------|----------------|----------------|
| Vascon Engineers Limited. | Holding Company | Loan repaid | Nil | 692,222,037 |
| Vascon Engineers Limited. | Holding Company | Interest Provided | Nil | 1,848,100 |
| IT Citi Infopark Private Limited | Fellow Subsidiary | Project Advances received | 45,894 | 22,624,770 |
| Pristine Buidcon Private Limited | Associated Company | Loan Repayment | Nil | 23,797,394 |
| Pristine Buidcon Private Limited | Associated Company | interest Expenses | 987,608 | Nil |

| Name of related party | Nature of relations | Due to Company | Due by Company |
|----------------------------------|---------------------|----------------|--------------------------|
| IT Citi Infopark Private Limited | Fellow Subsidiary | Nil (Nil) | 22,670,664 (22,624,770) |
| Pristine Buidcon Private Limited | Associated Company | Nil (Nil) | 1,21,75,798 (11,286,951) |

- 16 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.

| | March 31, 2014 | March 31, 2013 |
|---|-------------------|------------------|
| Components of deferred tax assets are as follows: | | |
| On account of Accumulated business loss | 10,014,003 | 9,687,605 |
| Net deferred tax asset | 10,014,003 | 9,687,605 |

GREYSTONE PREMISES PRIVATE LIMITED
Notes to the financial statements for the year ended March 31, 2014

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

March 31, 2014 March 31, 2013

Particulars

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 Year 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

March 31, 2014 March 31, 2013

18 Details of Earnings and Expenditure In Foreign Currency

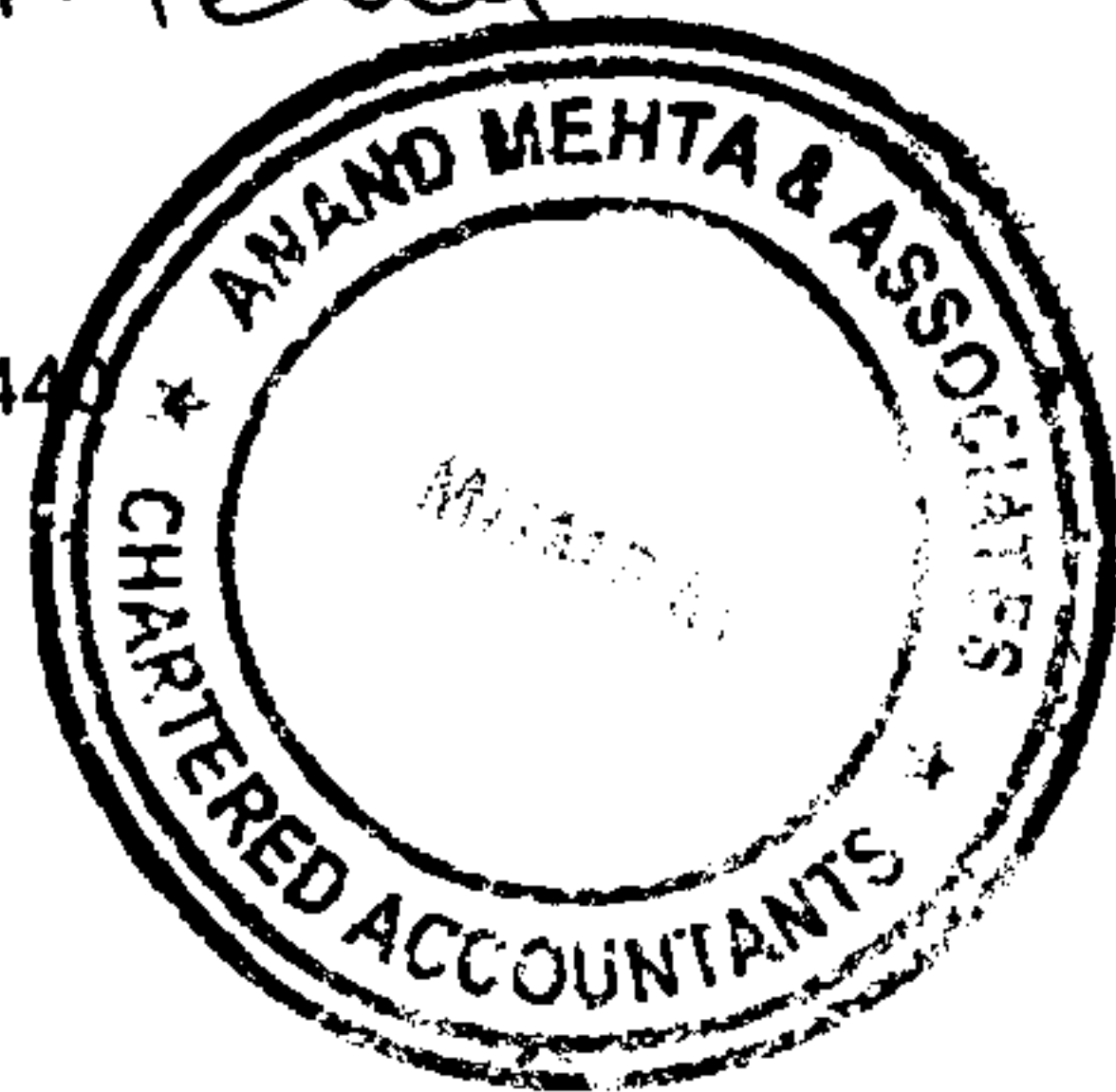
Earnings
 Expenditure

19 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

Kullin V Mehta

Kullin V Mehta
 Partner
 Membership No. 38440
 Pune; Dated



16 MAY 2014

For and on behalf of Board of Directors

Dr. Santosh Sundararajan

Dr. Santosh Sundararajan M. Krishnamurthi
 Director Director

M. Krishnamurthi

Pune; Dated

10 MAY 2014