

INDEPENDENT AUDITOR'S REPORT

To the members of
Purva Star Properties Private Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Purva Star Properties Private Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

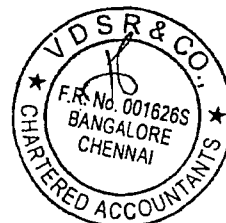
Our responsibility is to express an opinion on these Financial Statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the 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 risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls systems over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.



Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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, of the state of affairs of the Company as at 31st March, 2015, and its profit and its cash flows for the year ended on that date.

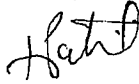
Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, 2013, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

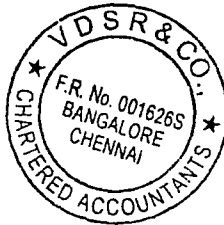
2. As required by Section 143 (3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

for V D S R & Co.,
Chartered Accountants
FRN No.: 001626S



Patil Narahari Laxmanrao
Partner M No: 222219



Place: Bengaluru
Date: 13 May 2015

Annexure to the Independent Auditor's Report

1. Fixed Assets:

- a. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- b. These fixed assets have been physically verified by the management at reasonable intervals having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

2. Inventories:

- a. The inventory has been physically verified during the year by the management. In our opinion frequency of verification is reasonable.
- b. The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- c. The Company is maintaining proper records of inventory.

3. Loans and advances:

- a. The company has granted demand loan to the fellow subsidiaries covered in the register maintained under section 189 of the Companies Act, 2013. The maximum amount involved during the year is Rs. 5,37,55,782/- and the year-end balance of the loan granted to the Holding Company is Rs. 5,07,55,757/-.
- b. In the case of the loans granted to the bodies corporate listed in the register maintained under section 189 of the Act, the borrowers have been regular in the payment of the interest as stipulated. The terms of arrangements do not stipulate any repayment schedule and the loans are repayable on demand. Accordingly, paragraph 3(iii)(b) of the Order is not applicable to the Company in respect of repayment of the principal amount.
- c. There are no overdue amounts of more than rupees one lakh in respect of the loans granted to the bodies corporate listed in the register maintained under section 189 of the Act.

4. Internal control:

In our opinion and according to the information and explanations given to us, there are generally adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchase of fixed assets and with regard to the sale of services. Further, on the basis of our examination of the books and records of the Company, and according to the information and explanation given to us, we have neither come across nor have been informed of any continuing failure to correct major weakness in the aforesaid internal control system.

5. Deposits from public:

The Company has not accepted any deposits from the public during the period under review. Accordingly, clause 3 (v) of the Order is not applicable.

6. Cost records:

According to the information and explanation given to us, for the activities carried out by the Company, Central Government has prescribed the maintenance of cost records, under Section 148 (1) of the Act as per the Companies (cost records and audit) Rules, 2014. The Company believes that the current records available with the Company provide the information required under the rules. We have broadly reviewed the books of accounts maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under section 148 of the Act, in respect of the activities carried out by the Company and are of the opinion that, prima facie, the prescribed accounts and records have been maintained. However, we have not made a detailed examination of the cost records.

7. Statutory dues:

- a. According to the information and explanation given to us and records of the Company examined by us, in our opinion, the Company has been generally regular in depositing the undisputed statutory dues if any, including provident fund, employee's state insurance, income tax, value added tax, service tax, cess and any other applicable statutory dues with the appropriate authorities. No undisputed amounts payable in respect thereof were outstanding at the last day of the financial year for a period of more than six months from the date they become payable.
- b. According to the information and explanation given to us and records of the Company examined by us, there are no dues in respect of income tax, value added tax, service tax, customs duty and cess that have not been deposited with the appropriate authorities on account of any dispute.
- c. According to the information and explanation given to us and records of the Company examined by us, there are no amount required to be transferred to investor education and protection fund in accordance with the relevant provisions of Companies Act, 2013 and rules made there under has been transferred to such fund within time.



8. Accumulated losses:

The Company does not have accumulated losses at the end of the financial year and has not incurred cash losses during the period under review and in the immediately preceding financial year.

9. Dues to Financial institutions etc;

The Company has not availed any credit facilities from financial institution or bank or debenture holders. Accordingly, clause 3 (ix) of the Order is not applicable.

10. Guarantees for others:

According to the information and explanation given to us, the Company has not given any guarantees for loans taken by others from banks or financial institutions. Accordingly, clause 3 (x) of the Order is not applicable.

11. Term loans:

Based on our verification of records and financial statements and according to the information and explanation given to us, the Company has not obtained any term loan during the year. Accordingly, clause 3 (xi) of the Order is not applicable.

12. Frauds etc.,

As per the information and explanation given to us and based on our examination, of the books of account and records of the Company, carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instances of fraud on or by the Company, nor have we been informed of such cases by the management during the year.

for V D S R & Co.,
Chartered Accountants
FRN No.: 001626S

Patil

Patil Narahari Laxmanrao
Partner M No: 222219



Place: Bengaluru
Date: 13 May 2015