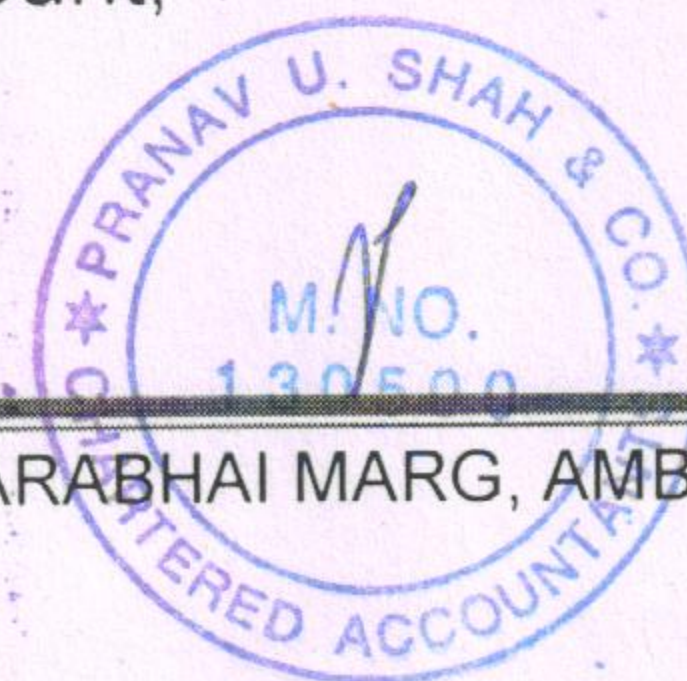
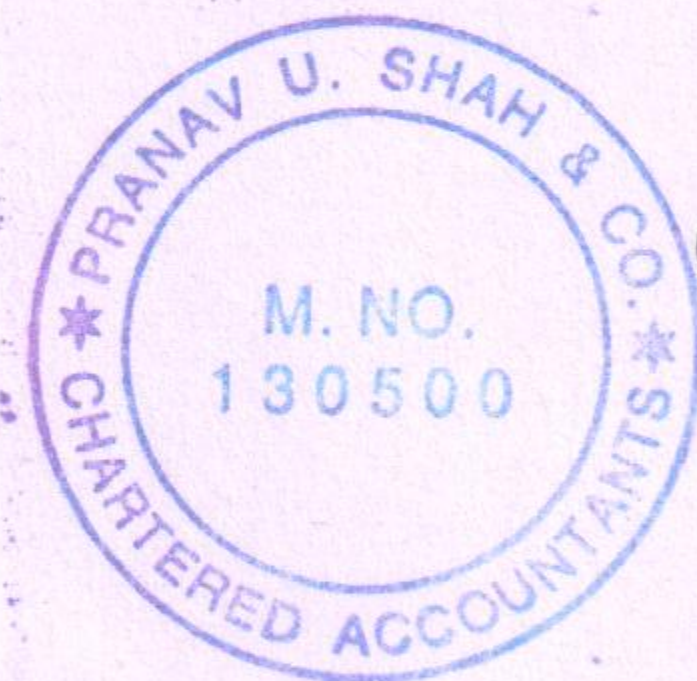

AUDITORS' REPORT

To
The Members
GALA PRINT CITY PRIVATE LTD.
AHMEDABAD.

1. We have audited the attached Balance Sheet of **GALA PRINT CITY PRIVATE LTD.** as at 31st March, 2011 and also the Profit and Loss Account for the period ended on that date annexed thereto. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on 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.
3. "This report does not include a statement on the matters specified in paragraph 4 of the Companies (Auditor's Report) Order, 2003, issued by the Department of Company Affairs, in terms of section 227(4A) of the Companies Act, 1956, since in our opinion and according to the information and explanations given to us, the said order is not applicable to the company".
4. Further to our comments in the Annexure referred to above, we report that;
 - i. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - ii. 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;
 - iii. The Balance Sheet ,Profit and Loss Account dealt with by this Report are in agreement with the books of account;



- iv. In our opinion, the Balance Sheet and Profit and Loss Account dealt with this Report comply with the Accounting Standards referred to in Sub-section (3C) of section 211 of the Companies Act, 1956.
- v. On the basis of written representations received from the Directors, as on 31st March, 2011 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March, 2011 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;
- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2011.
- (b) In the case of the Profit and Loss Account, of the profit of the company for the year end on that date.



For, PRANAV U. SHAH & CO.
CHARTERED ACCOUNTANTS

P. U. Shah

PLACE: AHMEDABAD

DATE: 5/9/2011

(PRANAV SHAH)

PROPRIETOR

Mem.No. 130500

FRN: 129513w

GALA PRINT CITY PRIVATE LIMITED

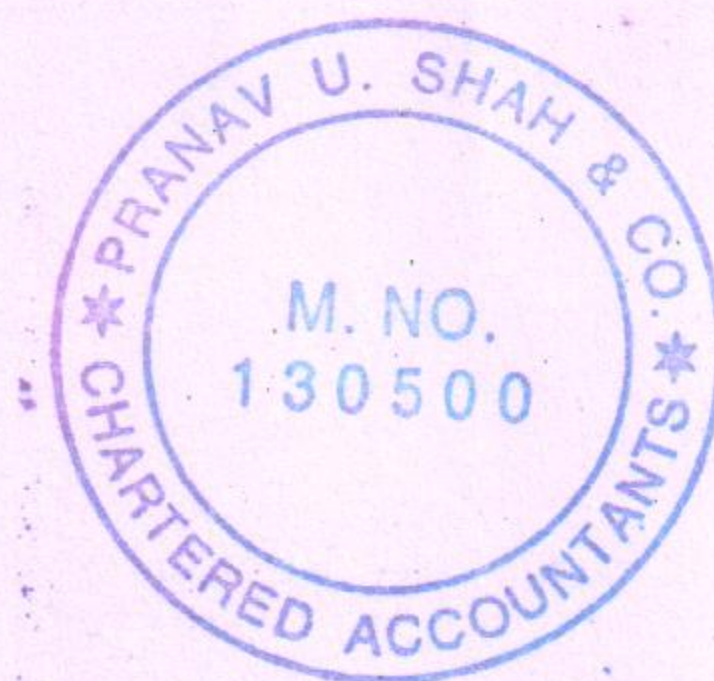
BALANCE SHEET AS AT 31.03.2011

PARTICULARS	SCHEDULE	AS AT 31/03/2011 Rs.
A) SOURCES OF FUNDS:		
1. Shareholders Fund:		
Share Capital	1	500,000
Reserve & Surplus	2	13,080
2. Unsecured Loan		
	3	211,000
3. Deferred Tax Liability (net)		
		3,877
TOTAL		727,957
B) APPLICATION OF FUNDS:		
Fixed Assets		
Gross Block	4	279,169
Less: Accumulated Depreciation		6,048
Net Block		273,121
Investment in NSC		
		15,000
Current Assets Loans & Advances		
Inventories	5	19,511
Sundry Debtors	6	633,750
Cash And Bank Balances	7	2,805
Loans and Advances	8	18,552
Less: Current Liabilities & Provisions		
	9	267,582
Net Current Assets		407,036
5. Miscellaneous Expenditure		
Preliminary Expenditure (To the extent not written off)	10	32,800
TOTAL		727,957
Notes Forming parts of Accounts	13	

AS PER OUR REPORT OF EVEN DATE ATTACHED
FOR PRANAV U. SHAH & CO.
CHARTERED ACCOUNTANTS

P. U. Shah

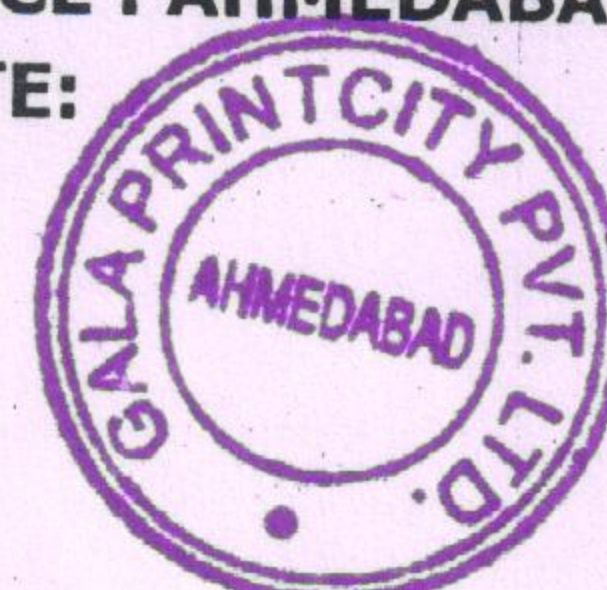
(PRANAV SHAH)
PROPRIETOR
MEM.NO.: 130500
FRN : 129513W
PLACE : AHMEDABAD
DATE: 05/09/2011



FOR AND ON BEHALF
OF THE BOARD

Vishal Galra *Neha V. Galra*
DIRECTOR DIRECTOR

PLACE : AHMEDABAD
DATE:



GALA PRINT CITY PRIVATE LIMITED

PROFIT AND LOSS ACCOUNT FOR THE PERIOD 14.12.2010 to 31.03.2011

PARTICULARS	SCHEDULE	FOR THE PERIOD 14.12.2010 TO 31.03.2011
<u>INCOME</u>		
Sales		639,910
Increase/ (Decrease) in Stock		19,511
Total Income		659,421
<u>EXPENDITURE</u>		
Trading Purchases		130,943
Direct Expenses	11	314,637
Administrative and Other Expenses	12	178,777
Depreciation		6,048
Preliminary exp. Written off		8,200
Total Expenditure		638,605
Profit Before Tax		20,816
Less: Provision For Tax		
Current Tax		3,859
Deferred Tax		3,877
Profit After Tax		13,080
Balance brought forward from previous year		-
Balance Carried To Balance Sheet		13,080
Basic And Diluted Earning Per Share		0.262
Notes Forming Part Of Accounts	13	

AS PER OUR REPORT OF EVEN DATE ATTACHED
FOR PRANAV U. SHAH & Co.
CHARTERED ACCOUNTANTS

P. U. Shah

(PRANAV SHAH)
PROPRIETOR
MEM.NO.: 130500
FRN : 129513W
PLACE : AHMEDABAD
DATE: 05/09/2011



FOR AND ON BEHALF
OF THE BOARD

Vishal Gala *Reha V. Gala*

DIRECTOR DIRECTOR

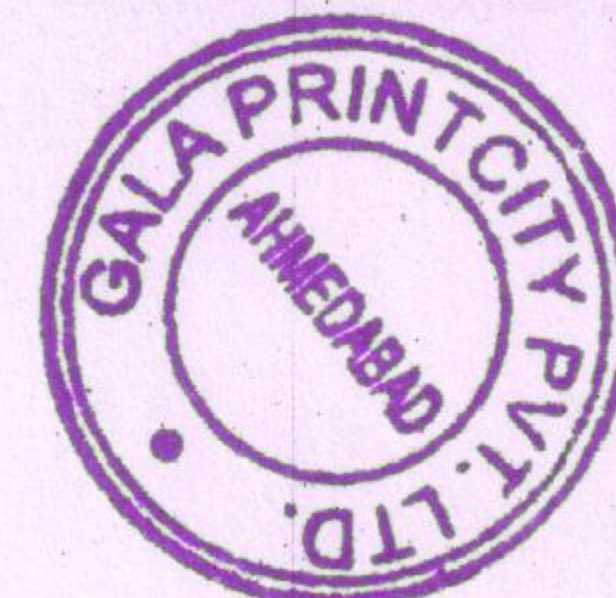
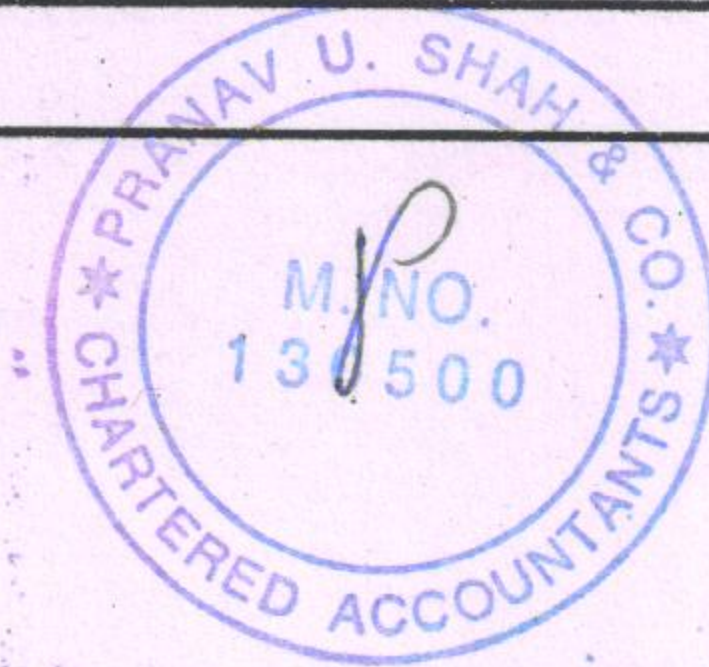
PLACE : AHMEDABAD
DATE:



GALA PRINT CITY PRIVATE LIMITED

SCHEDULES FORMING PART OF BALANCE SHEET

PARTICULARS	AS AT 31/03/2011 Rs.
SCHEDULE-1 SHARE CAPITAL	
Authorised: 50000 Equity Shares of Rs.10 Each	500,000
	500,000
Issued, Subscribed and Paid up Capital: 50000 Equity shares of Rs.10/- each fully paid up	500,000
Total	500,000
SCHEDULE-2 RESERVES & SURPLUS	
Profit and Loss Account	13,080
Total	13,080
SCHEDULE-3 UNSECURED LOANS	
From Directors	211,000
Total	211,000
SCHEDULE-5 INVENTORIES	
(As taken, valued and certified by Management) Finished Stock of Traded Goods	19,511
Total	19,511
SCHEDULE-6 SUNDRY DEBTORS	
(Unsecured Considered good) Debt outstanding for period Exceeding six months	-
Others	633,750
Total	633,750

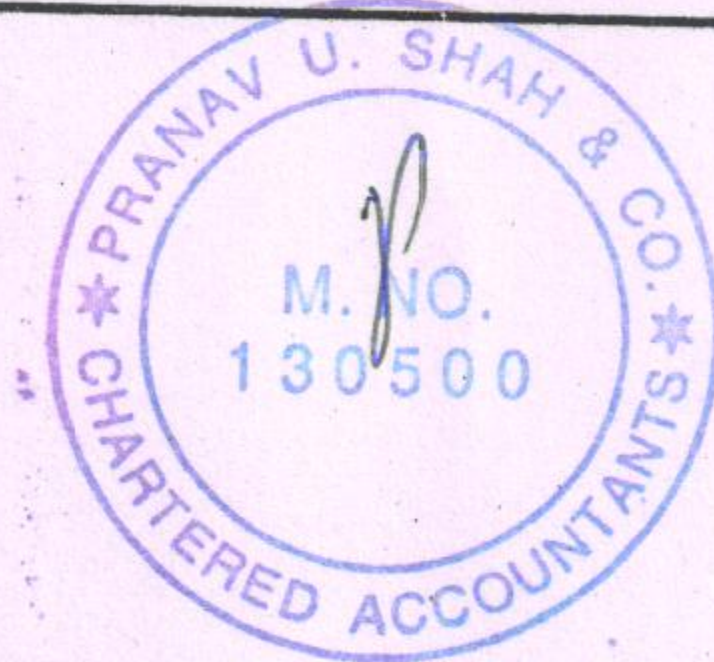


GALA PRINT CITY PRIVATE LIMITED

FIXED ASSETS										
SCHEDULE-4										
SR. NO.	BLOCK OF ASSETS	GROSS BLOCK				DEPRECIATION				NET BLOCK
		Opening Balance	Additions during the year	Deduction during the year	Balance as at 31-3-11	Opening Balance	Provided during the year	Dedu. During the year	Balance as at 31-3-11	Balance as at 31-3-11
1	Computer	-	6,500	-	6,500	-	217	-	217	6,283
2	Plant and Machinery	-	120,479	-	120,479	-	2,388	-	2,388	118,091
3	Furniture	-	152,190	-	152,190	-	3,443	-	3,443	148,747
	TOTAL	-	279,169	-	279,169	-	6,048	-	6,048	273,121



SCHEDULE-7 CASH AND BANK BALANCES	
Cash and Cash Equivalent Cash On hand	2,093
Balance with Schedule Bank In Current Account	711
Total	2,805
SCHEDULE-8 LOANS AND ADVANCES	
(Unsecured considered good otherwise stated)	
Advance VAT	10,343
TDS Recievable F.Y.-2010-11	8,209
Total	18,552
SCHEDULE-9 CURRENT LIABILITIES & PROVISIONS	
a. Current Liabilities:	
Sundry Creditors For Goods & Expense	263,723
b. Provisions:	
Income Tax F.Y. 2010-11 (MAT)	3,859
Total	267,582
SCHEDULE-10 MISCELLANEOUS EXPENDITURE	
Preliminary Expenditure	41,000
Less : 1/5th written off	8,200
Total	32,800



SCHEDULE-11 DIRECT EXPENSE	
Electricity Expense	19,509
Freight	120
Labour Expense	271,080
Machinery and Tools Expense	21,093
Packing Material	2,835
Total	314,637
SCHEDULE-12 ADMINISTRATIVE AND OTHER EXPENSES	
Salary exp.	45,000
Rent Expense	40,000
Telephone & Internet Expenses	4,866
Audit Fees	4,000
Computer Expense	550
Director Remuneration	60,000
Bank Charges	1,173
Stationary and Printing Expenses	5,980
Fuel Expenses	6,360
Office Expenses	4,740
Vastav kasar	1,728
Transportation exp.	4,380
Total	178,777



GALA PRINT CITY PRIVATE LTD.

SCHEDULE-13

NOTES FORMING PART OF ACCOUNTS

1. Significant accounting Policies

(a) Basis of Accounting:

The financial statements are prepared under historical cost convention and to comply in all material respect with the notified accounting standards by the Companies Accounting standard Rules - 2006 and the relevant provision of Companies Act, 1956.

(b) Fixed Assets

Fixed Assets are stated at cost less accumulated depreciation. The cost of fixed asset comprise of its purchase price and any directly attributable cost of bringing the assets in an operational condition for its intended use.

(c) Depreciation

Depreciation has been provided at the rates and in the manner prescribed in Schedule XIV of the Companies act, 1956 on WDV Method. Depreciation on addition or on sale/ disposal of assets is calculated on pro-rata basis from the date of such addition or sale/ disposal as the case may be.

(d) Valuation of Inventories

Stock is valued at cost or net realizable value whichever is lower.

(e) Investment

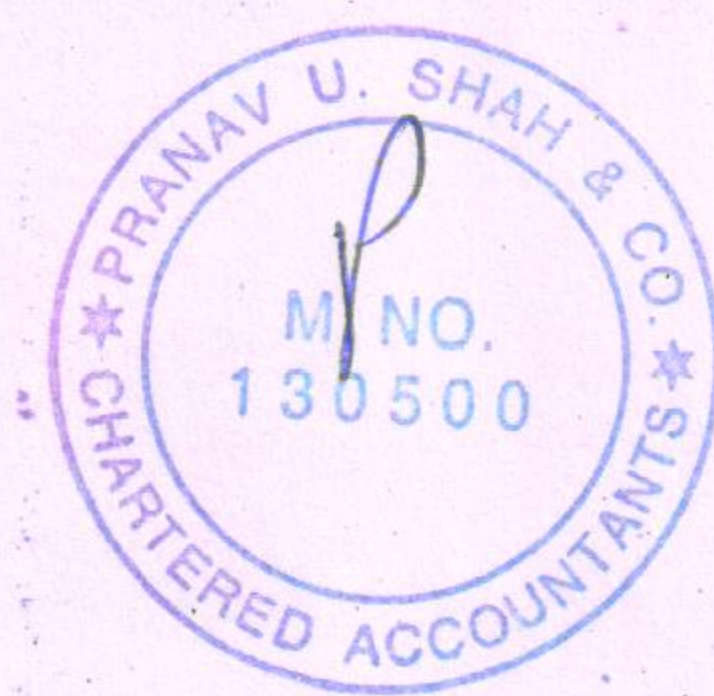
Long term investments are stated at cost. Provision of diminution in the value of Long term investments is made only if such decline is other than temporary in nature in the opinion of the Management.

(f) Revenue Recognition

All the income & expenses are accounted on accrual basis.

(g) Retirement/ Post retirement Benefits

The company has not made provision for gratuity and leave encashment as prescribed by the Accounting Standard (AS) – 15(Revised) on Employee Benefits.



(h) Taxation

Current tax is determined as the amount of tax payable in respect of taxable income for the period. Deferred tax is recognized subject to the consideration of prudence in respect of deferred tax assets on timing differences, being the difference between the taxable incomes and accounting income that originate in, one period and are capable of reversal in one or more subsequent period.

Deferred tax assets are recognized and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

(i) Provisions, Contingent Assets and Contingent Liabilities

A provision involving substantial degree of estimation are recognized when there is a present obligation as a result of past event and it is probable that there will be on outflow or resources.

2. NOTES FORMING PART OF ACCOUNTS

(a) This being the first year of incorporation previous years figures have not been disclosed

(b) The Company has not made any Provision regarding Gratuity liability as prescribed by the accounting standard 15 (Revised) on employee benefits ,as In the opinion of the management none of the employees are eligible for gratuity benefit.

(c) 1/5th of the Preliminary Expenses are written of during the year.

(d) Related Party Disclosure :

The transactions that has taken place during the year with related parties to be disclosed as required by Accounting Standard -18 " Related party Transaction" issued by the Institute of Chartered Accountants Of India and notified by the Companies Accounting standard Rules - 2006 are as under.

Sr. No	Related Party	Relation	Description Of Transaction	Receipts (Rs.)	Payments (Rs.)
1	Kaivan Bhadresh Shah	Director	Loan	200000	-
2	Vishal Gala	Director	Loan	11000	
3	Neha Gala	Director	Remuneration		60000



(d) The numerators and Denometers used in calculation of Basic and Diluted Earnings per Share are as under

Particulars	2010-11 (Amount in Rs.)
Net Profit/loss available To Equity Share Holders	13,080
Weighted Average No. of Equity Shares O/s at the end of the year	50,000
Basis and Diluted Earnings per Share (Rs.)	0.262

(e) Additional information pursuant to the provision of Para 3,4C & 4D of part III of Schedule-VI of the Companies Act, 1956. (To the extent applicable)

	<u>For the year ended on</u> <u>31.03.2011</u>
(1) Licensed Capacity	N.A
(2) Installed Capacity	N.A
(3) The company does not maintain quantitative details.	
(4) C.I.F. Value of Imports	Rs. Nil.
(5) Expenditure in foreign currency	Rs. Nil.
(6) Earnings in Foreign Exchange	Rs. Nil.
(7) Particulars of payment made to Auditors :	

(f) Particulars

Audit Fees	<u>For the year ended on</u> <u>31.03.2011</u> Amount (Rs.)
Audit Fees	4,000



(g) Particulars of payment made to Directors:

Particulars	<u>For the year ended on</u> <u>31.03.2011</u> Amount (Rs.)
(1.) Neha Gala. (Salary)	60,000

(h) The balances shown in the Balance sheet under the head of Creditors, Current Assets are subject to confirmation from respective parties and are subject to adjustment if any, on receipt of confirmation.

AS PER OUR REPORT OF EVE DATE ATTACHED
FOR, PRANAV U. SHAH & CO.
CHARTERED ACCOUNTANTS

P. U. Shah

(PRANAV SHAH)
PROPRIETOR
MEM. NO. : 130500
FRN: 129513W

PLACE: AHMEDABAD
DATE: 5/9/2011



FOR AND ON BEHALF OF BOARD

Vishal Gala *Nha v. gala*
DIRECTOR DIRECTOR

PLACE: AHMEDABAD
DATE:



INFORMATION PURSUANT TO PART IV OF SCHEDULE VI TO THE COMPANIES ACT, 1956

1. Registration Details

Registration no. **U22219GJ2010PTC063243** State Code **04**

Balance Sheet date **31-03-2011**

2. Capital raised during the year (Amount in Thousands.)

Public issue	NIL	Right Issue	NIL
Bonus Issue	NIL	Private Placement	500

3. Position of mobilization and deployment of funds (Amount in Thousand..)

Total Liabilities	727.96	Total Assets	727.96
<u>Sources of Fund</u>		<u>Application Of Funds</u>	
Share Capital	500.00	Net Fixed Assets	273.12
Reserves Surplus	13.08	Capital Work-In progress	NIL
Secured Loans	NIL	Investments	15.00
Unsecured Loans	211.00	Net Current Assets	407.04
Deferred Tax	3.88	Misc. Expenditure	32.80

4. Performance of Company (Amount in Thousand)

Turnover	659.42
Other income	NIL
Total Expenditure	638.61
Profit /(loss) Before tax	20.81
Profit /(loss) after tax	13.08
Earnings per share in Rs.	0.262
Dividend rate	-

5. Generic Name of Principal Products/Services of the company (as per monetary Terms)

Item Code. (ITC Code) **NA**

Production Description **NA**

PLACE: *Ahmedabad*

DATE: *05/09/2011*



Vishal Gala
Neha v. gala
DIRECTORS

