

AUDITORS' REPORT

TO THE MEMBERS OF JUBILANT AGRI AND RETAIL PRIVATE LIMITED

We have audited the attached Balance Sheet of as **JUBILANT AGRI AND RETAIL PRIVATE LIMITED** (Formerly known as Canonical Infotech solution Private Limited) at 31st March, 2011 and the related Profit & Loss Account for the year ended on that date annexed thereto which we have signed under refer to this Report. 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.

We conducted our audit in accordance with 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 amount 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.

This Report does not include a statement on the matters specified in Paragraph 4 of the Companies (Auditors' 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.

Further to our comments as above,

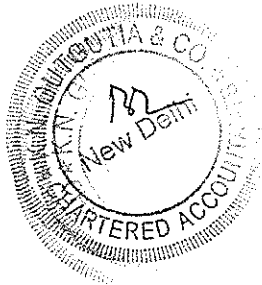
We report that:

1. 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.
2. 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 the books.
3. The Balance Sheet and the Profit & Loss Account dealt with by this report are in agreement with the books of account




- 4 In our opinion the Balance Sheet and Profit & Loss Account complies with the mandatory Accounting Standards (AS) referred in section 211(3c) of the Companies Act, 1956.
- 5 In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with accounting policies and notes thereon and together with Schedules annexed thereto, 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 Standards 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 Profit & Loss Account, of the Loss of the Company for the year ended on that date.

Place: New Delhi
Date: 27th April, 2011



For K.N.GUTGUTIA & COMPANY
CHARTERED ACCOUNTANTS


(B.R.GOYAL)
PARTNER
M.NO.12172
ICAI'S FRN 304153E

BALANCE SHEET
As at 31st March

(In Rupees)

Particulars	Schedule	2011	2010
SOURCES OF FUNDS			
Shareholder's Funds			
Share Capital	1	500,000.00	100,000.00
Total		500,000.00	100,000.00
APPLICATION OF FUNDS			
Current Assets, Loans & Advances			
Cash & Bank Balances	2	480,035.00	89,030.00
		480,035.00	89,030.00
Less: Current Liabilities & Provisions			
Liabilities	3	11,030.00	-
		11,030.00	-
Net Current Assets		469,005.00	89,030.00
Miscellaneous Expenditure	4	-	10,970.00
Profit & Loss Account (Debit Balance)	5	30,995.00	-
Total		500,000.00	100,000.00

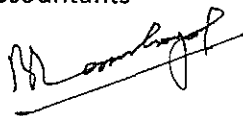
Notes to Accounts & Significant Accounting Policies 6

Schedule 1 to 6 referred above form an integral part of the Balance Sheet.

In terms of our report of even date attached.

for K.N. Gutgutia & Co.
Chartered Accountants

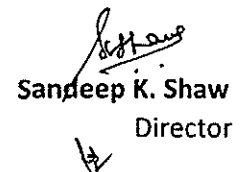
for and on behalf of Board



B.R. Goyal
Partner
Membership No.12172
Firm Registration Number : 304153E




Ananda Mukherjee
Director



Sandeep K. Shaw
Director

Place : Noida

Date : 27th April, 2011

JUBILANT AGRI AND RETAIL PRIVATE LIMITED
(Formerly known as Canonical Infotech Solutions (P) Limited)

PROFIT & LOSS ACCOUNT
For the year ended 31st March

(In Rupees)

Particulars	Schedule	2011	2010
Income		-	-
		-	-
Expenditure			
Professional & Consultancy Charges		4,965.00	-
General Expenses		4,030.00	-
Preliminary Expenses Written Off		10,970.00	-
Audit Fee		11,030.00	-
		30,995.00	-
Profit Before Tax		(30,995.00)	-
Provision for Tax		-	-
Profit After Tax		(30,995.00)	-
Balance Brought Forward from Previous Period		-	-
Balance Carried to Balance Sheet		(30,995.00)	-
Basic & Diluted Earning Per Share		(3.10)	-

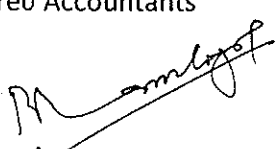
Notes to Accounts & Significant Accounting Policies 6


Schedule 6 referred above form an integral part of the Balance Sheet.


In terms of of our report of even date attached.

for K.N. Gutgutia & Co.
Chartered Accountants

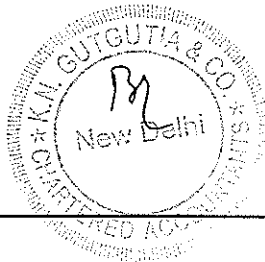
for and on behalf of Board


B.R. Goyal
Partner
Membership No.12172
Firm Registration Number : 304153E


Ananda Mukherjee
Director


Sandeep K. Shaw
Director

Place : Noida
Date : 27th April, 2011



CASH FLOW STATEMENT
For the year ended 31st March

(In Rupees)

Particulars	2011	2010
A. Cash Flow arising from Operating Activities:		
Net Profit/(Loss) before tax	(30,995.00)	-
Adjustment for : i) Preliminary Expenses Written Off	10,970.00	-
Operating Profit/(Loss) before Working Capital Changes	(20,025.00)	-
Adjustment for : i) Miscellaneous Expenditure		(10,970.00)
ii) Current Liabilities & Provision	11,030.00	-
Cash Flow from Operations	(8,995.00)	(10,970.00)
Net Cash Flow in course of Operating Activities	(8,995.00)	(10,970.00)
B. Cash Flow arising from Financing Activities:		
Proceeds from issue of Share Capital	400,000.00	100,000.00
Net Cash Flow in course of Financing Activities	400,000.00	100,000.00
Net Increase in Cash & Cash Equivalents (A+B)	391,005.00	89,030.00
Add : Cash & Cash Equivalents at the beginning of the Year	89,030.00	-
Cash & Cash Equivalents at the Close of the Year	480,035.00	89,030.00

Notes:

- 1) Cash Flow Statement has been prepared under the indirect method as set out in the Accounting Standard 3 (AS-3) - "Cash Flow Statements", notified by the Central Government under the companies (Accounting Standard) Rules, 2006.
- 2) Amounts in brackets are for cash outflows.
- 3) Previous Year's figures have been regrouped/rearranged wherever found necessary to confirm to this year's classification.

In terms of our report of even date attached.

for K.N. Gutgutia & Co.
Chartered Accountants



B.R. Goyal
Partner
Membership No.12172
Firm Registration Number : 304153E

for and on behalf of Board


Ananda Mukherjee
Director


Sandeep K. Shaw
Director

Place : Noida
Date : 27th April, 2011

JUBILANT AGRI AND RETAIL PRIVATE LIMITED
(Formerly known as Canonical Infotech Solutions (P) Limited)

SCHEDULES FORMING PART OF THE BALANCE SHEET

As at 31st March

Schedule-1 "Share Capital"

(In Rupees)		
Particulars	2011	2010
Authorised Share Capital		
50000 Equity Shares (Previous Year 10000 Equity Shares) of Rs.10/- each	5,00,000.00	1,00,000.00
Issued, Subscribed & Paid-up Share Capital		
50000 Equity Shares (Previous Year 10000 Equity Shares) of Rs.10/- each	5,00,000.00 *	1,00,000.00
Total	5,00,000.00	1,00,000.00

* The entire capital is held by its Holding Company, namely, Jubilant Industries Limited and its nominees.

Schedule-2 "Current Assets, Loans & Advances"

(In Rupees)		
Particulars	2011	2010
Cash & Bank Balance		
Cash in hand	-	89,030.00
Balance with ICICI Bank, Noida	4,80,035.00	-
Total	4,80,035.00	89,030.00

Schedule-3 "Current Liabilities & Provisions"

(In Rupees)		
Particulars	2011	2010
Current Liabilities		
Audit Fee Payable	11,030.00	-
Total	11,030.00	-

Schedule-4 "Miscellaneous Expenditure"
(to the extent not written off or adjusted)

(In Rupees)

Particulars	2011	2010
Preliminary & Preincorporation Expenses	0	10,970.00
Total	-	10,970.00

Schedule-5 "Profit & Loss Account"

(In Rupees)

Particulars	2011	2010
Balance as per Profit & Loss Account	30,995.00	-
Total	30,995.00	-



Schedule-6 "NOTES TO THE ACCOUNTS AND SIGNIFICANT ACCOUNTING POLICIES"

Notes to the Balance sheet as at 31st March, 2011 and Profit & Loss Account for the year ended on that date

1) STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES:

A. Basis of Accounting/ Preparation

The financial statements of Jubilant Agri And Retail (P) Limited (formerly, known as Canonical Infotech Solutions (P) Limited) (the Company) have been prepared and presented under the historical cost convention on the accrual basis of accounting in accordance with the accounting principles generally accepted in India ("GAAP") and comply with the mandatory accounting standards notified by the Central Government of India and with the relevant provisions of The companies Act, 1956. The Financial Statements are presented in Indian Rupees.

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of financial statements and the results of operations during the reporting periods. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Actual results could vary from these estimates. Any revision to accounting estimates is recognized in the period in which such results are known/materialised.

B. Inome Tax

Current Tax

Current Tax expense is based on the provisions of Income Tax Act, 1961 and judicial interpretations thereof as at the Balance Sheet date and takes in to consideration various deductions and exemptions to which the Company is entitled to as well as the reliance placed by the Company on the legal advices received by it.

Deferred Tax

Deferred tax charge or credit reflects the tax effects of timing differences between accounting income and taxable income for the period. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantially enacted by the Balance Sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in future; however, where there is unabsorbed depreciation or carry forward of losses, deferred tax assets are recognized only if there is a virtual certainty of realization of such assets. Deferred tax assets are reviewed at each Balance Sheet date and is written-down or written-up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realized.

C. Provisions, Contingent Liability and Contingent Assets

The Company recognizes a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a



possible obligation or a present obligation that may, but probably will not require an outflow of resource. Contingent assets are not recognized/ disclosed. Provisions, Contingent Liabilities and Contingent Assets are reviewed at each Balance Sheet date.

- 2) During the year, the company was acquired by Jubilant Industries Limited, Noida as wholly owned subsidiary. Further the Company raised its equity share capital by Rs. 4 Lacs by issue of 40000 Equity shares of Rs.10/- each to its holding company Jubilant Industries Limited.
- 3) Related Party Transactions
Holding Company : Jubilant Industries Limited. The Company has allotted 40000 Equity shares of Rs.10/- each on 31.03.2011.
- 4) The company has not started its commercial operations as at 31.03.2011.
- 5) Miscellaneous Expenses in the Balance Sheet as at 31.03.2010 represents Preliminary expenses to the extent not written off. Total Preliminary Expenses have been written off during the year to comply with AS-26.

In terms of our report of even date attached.

For K.N. Gutgutia & Co.
Chartered Accountants

for and on behalf of the Board


(B.R. Goyal)

Partner

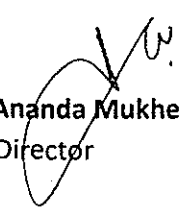
Membership No.12172

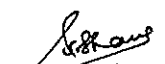
Firm Registration No.304153E

Place : Noida

Date : 27th April, 2011




(Ananda Mukherjee)
Director


(Sandeep K. Shaw)
Director