

AUDITOR'S REPORT

To the members of
Echo Properties Private Limited

We have audited the attached Balance Sheet of Echo Properties Private Limited as at March 31, 2010, and the related Profit and Loss Account and also the Cash Flow statement for the year ended on that date annexed thereto, which we have signed under reference 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 have 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.

The Companies (Auditors Report) Order, 2003, as amended by the Companies (Auditors' Report) (Amended) Order 2004, [Order] issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, does not apply to the Company in terms of section 1(2)(iv) of the said Order.

We report that:

- (a) We have 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 appears from our examination of those books.
- (c) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account.
- (d) In our opinion, the Balance Sheet, Profit and Loss Account 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.
- (e) On the basis of written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2010 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Act.
- (f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with accounting policies and notes to accounts thereon, 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.




- (i) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2010; and
- (ii) in the case of Profit and Loss Account, of the expenditure incurred by the Company for the financial year ended on that date; and
- (iii) in the case of Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

608, New Delhi House,
27, Barakhamba Road,
New Delhi- 11000

B. Bhushan & Co.
Chartered Accountants
Firm Registration No. 001596N
By the hand of




Sandeep Kumar Gupta
Partner
Membership No. 073457

May 11, 2010

ECHO PROPERTIES PRIVATE LIMITED

BALANCE SHEET AS AT MARCH 31, 2010

	Schedules	As at March 31, 2010 Rs.	As at March 31, 2009 Rs.
SOURCES OF FUNDS			
Share capital	1	500,000	500,000
Reserves and surplus		42,496	42,496
Unsecured loans	2	48,571,874	48,571,974
		<u>49,114,370</u>	<u>49,114,470</u>
APPLICATION OF FUNDS			
Fixed assets	3	49,051,872	49,051,872
Preoperative expenditure pending capitalisation	4	42,629	33,714
Current assets			
Cash and bank balance	5	25,796	34,120
Less: Current liabilities	6	6,618	6,618
Net current assets		<u>19,178</u>	<u>27,502</u>
Miscellaneous expenditure (to the extent not written off or adjusted)	7	691	1,382
		<u>49,114,370</u>	<u>49,114,470</u>
ACCOUNTING POLICIES	8		
NOTES TO ACCOUNTS	9		

This is the Balance Sheet referred in our report of even date addressed to the members of Echo Properties Private Limited.

The schedules referred above form an integral part of the Balance Sheet.

B.Bhushan & Co.
Chartered Accountants
By the hand of

Sandeep Kumar Gupta
Partner
Membership no. 073457
May 11, 2010
New Delhi



Directors

Amit Sarin

Jayanti Sarin

ECHO PROPERTIES PRIVATE LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2010

	Schedules	For the year ended March 31, 2010 Rs.	For the year ended March 31, 2009 Rs.
INCOME		-	-
EXPENDITURE			
Audit fees		6,618	6,618
Bank charges		550	550
Filing fees		900	10,800
Expenditure written off		691	691
Printing and stationery		-	964
Legal and professional		156	-
		<u>8,915</u>	<u>19,623</u>
Expenditure incurred during the year transferred to Preoperative expenditure pending capitalisation		8,915	19,623
Credit balance in Profit and Loss Account brought forward		42,496	42,496
Surplus of Profit and Loss Account carried over to Balance Sheet		42,496	42,496
ACCOUNTING POLICIES	8		
NOTES TO ACCOUNTS	9		

This is the Profit and Loss Account referred in our report of even date addressed to the members of Echo Properties Private Limited.

The schedules referred above form an integral part of the Profit and Loss Account.

B.Bhushan & Co.
Chartered Accountants
By the hand of
Sandeep Kumar Gupta
Partner
Membership no. 073457
May 11, 2010
New Delhi



Directors

Amit Sarin

Jayanti Sarin

SCHEDULES

	As at March 31, 2010 Rs.	As at March 31, 2009 Rs.
1 SHARE CAPITAL		
Authorised 5,000 (5,000) equity shares of Rs.100.00 (Rs. 100.00) each	500,000	500,000
Issued, subscribed and paid up *5,000 (*5,000) equity shares of Rs.100.00 (Rs. 100.00) each fully paid up	500,000	500,000
*Entire share capital is held by holding Company, Anant Raj Industries Ltd. including 6 (6) shares registered in the name of nominees of the holding Company.		
2 UNSECURED LOAN		
From holding company	48,571,874	48,571,974
3 FIXED ASSETS		
Land	49,051,872	49,051,872
4 PREOPERATIVE EXPENDITURE PENDING CAPITALISATION		
Opening balance	33,714	14,091
Addition during the year	8,915	19,623
	42,629	33,714
5 CASH AND BANK BALANCES		
Cash in hand	4,696	4,696
Bank balance in current account maintained with scheduled bank	21,100	29,424
	25,796	34,120
6 CURRENT LIABILITIES		
Expenses payable	6,618	6,618
7 MISCELLANEOUS EXPENDITURE (to the extent not written off or adjusted)		
Preliminary expenses	1,382	2,073
Less: Written off during the year	691	691
	691	1,382



8 ACCOUNTING POLICIES

a) BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared under the historical cost convention and on going concern concept in accordance with applicable accounting standards in India and also in accordance with the requirements of the Companies Act, 1956.

b) RECOGNITION OF REVENUE AND EXPENDITURE

Income and expenditure are accounted for on accrual basis.

c) FIXED ASSETS

Fixed assets are accounted for at cost of acquisition including directly attributable costs incurred for purchase of the assets and putting the same to use.

d) IMPAIRMENT OF ASSETS

Consideration is given at each Balance Sheet to determine whether there is any indication of impairment of the carrying amount of the Company's fixed assets. If any indication exists, the recoverable value of assets is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount, the latter being greater of net selling price and value in use.

e) CASH FLOW STATEMENT

Cash flows are reported using indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, investing and financing activities of the Company are segregated.

f) MISCELLANEOUS EXPENDITURE

Preliminary expenses are amortised over a period of five years.



9 NOTES TO ACCOUNTS

- i) The Company purchased land for development of real estate project in Delhi. Expenses incurred by the Company during the year considered to enhance the value of the development project, have been accounted under the head 'Preoperative Expenditure Pending Capitalisation' and the same shall be capitalised by way of apportionment over the fixed assets to be created on completion of development in progress.

ii) Related Party Disclosures

Pursuant to Accounting Standard (AS18) - "Related Party Disclosure" issued by Institute of Chartered Accountants of India, following parties are to be treated as related parties along with their relationships:

Holding Company

Anant Raj Industries Limited

Fellow Subsidiaries

Advance Buildcon Pvt. Ltd.	Hemkunt Promoters Pvt. Ltd.
Anant Raj const. & Dev. Pvt. Ltd.	Highland Meadows Pvt. Ltd.
Anant Raj Hotels Ltd.	Kalinga Buildtech Pvt. Ltd.
Anant Raj International FZE	Kalinga Realtors Pvt. Ltd.
Anant Raj Projects Ltd.	Krishna Buildtech Pvt. Ltd.
Ankur Buildcon Pvt. Ltd.	Lucky Meadows Pvt. Ltd.
A-Plus Estates Pvt. Ltd.	Monarch Buildtech Pvt. Ltd.
Blossom Buildtech Pvt. Ltd.	Novel Buildmart Pvt. Ltd.
Capital Buildcon Pvt. Ltd.	Novel Housing Pvt. Ltd.
Capital Buildtech Pvt. Ltd.	One Star Realty Pvt. Ltd.
Carnation Buildtech Pvt. Ltd.	Oriental Meadows Ltd.
Century Promoters Pvt. Ltd.	Oriental Promoters Pvt. Ltd.
Echo Buildtech Pvt. Ltd.	Papillon Buildcon Pvt. Ltd.
Elegant Buildcon Pvt. Ltd.	Papillon Buildtech Pvt. Ltd.
Elegant Estates Pvt. Ltd.	Parkland Developers Pvt. Ltd.
Elevator Builders Pvt. Ltd.	Parkview Promoters Pvt. Ltd.
Elevator Buildtech Pvt. Ltd.	Pasupati Aluminium Ltd.
Elevator Promoters Pvt. Ltd.	Pelikan Estates Pvt. Ltd.
Elevator Properties Pvt. Ltd.	Pioneer Promoters Pvt. Ltd.
Empire Promoters Pvt. Ltd.	Rapid Realtors Pvt. Ltd.
Fabulous Builders Pvt. Ltd.	Rising Realty Pvt. Ltd.
Gadget Builders Pvt. Ltd.	Rolling Construction Pvt. Ltd.
Gagan Buildtech Pvt. Ltd.	Romano Tiles Pvt. Ltd.
Good Luck Buildtech Pvt. Ltd.	Roseview Buildtech Pvt. Ltd.
Grand Buildtech Pvt. Ltd.	Roseview Properties Pvt. Ltd.
Grand Park Buildtech Pvt. Ltd.	Sandstorm Buildtech Pvt. Ltd.
Grand Park Estates Pvt. Ltd.	Sovereign Buildwell Pvt. Ltd.
Greatway Estates Ltd.	Spring View Developers Pvt. Ltd.
Greatways Buildtech Pvt. Ltd.	Spring view Properties Pvt. Ltd.
Green Line Buildcon Pvt. Ltd.	Suburban Farms Pvt. Ltd.
Green Line Promoters Pvt. Ltd.	Townsend Cons. & Equipments Pvt. Ltd.
Green Retreat and Motels Pvt. Ltd.	Twenty First Developers Pvt. Ltd.
Green View Buildwell Pvt. Ltd.	Vibrant Buildmart Pvt. Ltd.
Green Way Promoters Pvt. Ltd.	West Land Buildcon Pvt. Ltd.
Green Wood Properties Pvt. Ltd.	White Diamond Cons. & Equipment Pvt. Ltd.
Gujarat Anant Raj Vidhyanagar Ltd.	Woodland Promoters Pvt. Ltd.



Partnership firm in which Holding company is partner

Ganga Bishan & Company

Key Management Personnel

Amit Sarin

Chairman

Jayanti Sarin

Director

Monica Sarin

Director

Note:- The above companies are identified by the management.

A. The Company has following transactions with the following related parties:

S. No.	Nature of Transactions	Related Party	For the year ended March 31, 2010 Rs.	For the year ended March 31, 2009 Rs.
1	Share capital issued to holding company	Anant Raj Industries Ltd.	-	400,000
2	Loans repaid to holding company	Anant Raj Industries Ltd.	100	400,000

B. Amount outstanding as at March 31, 2010:

S. No.	Nature of Transactions	Related Party	As at March 31, 2010 Rs.	As at March 31, 2009 Rs.
1	Share capital held by holding company	Anant Raj Industries Ltd.	500,000	500,000
2	Unsecured loans payable to holding company	Anant Raj Industries Ltd.	48,571,874	48,571,974

- iii) In the opinion of the management, the current assets, loans and advances, if realised in the ordinary course of business, would realise a sum equal to that stated in the Balance Sheet.
- iv) Figures and words in brackets relate to the previous year unless otherwise indicated.
- v) Figures of the previous year have been regrouped/ recast, wherever necessary, in order to confirm to this year's presentation.



vi) Additional information under Part IV of Schedule VI of the Companies Act, 1956:

I. Registration details

Registration No.	36398
State Code	55
Balance Sheet Date	March 31, 2010

As at March
31, 2010
(Rs. in '000)

II. Position of mobilisation and deployment of funds

Total assets	49,114
Total liabilities	49,114

Sources of funds

Paid up capital	500
Reserves and surplus	42
Unsecured loans	48,572

Application of funds

Fixed assets	49,052
Preoperative Expenditure pending capitalisation	43
Net current assets	18
Miscellaneous expenditure	1

For the year
ended March
31, 2010
(Rs. in '000)

III. Performance of the Company

Turnover	-
Total expenditure	9
Profit after tax	Nil
Earning per share (Rs.)	Nil

Signatures to the above schedules
which form an integral part of the
Balance Sheet and Profit and Loss
Account.

Directors


Amit Sarin


Jayanti Sarin



New Delhi.
May 11, 2010

ECHO PROPERTIES PRIVATE LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2010

	For the year ended March 31, 2010 Rs.	For the year ended March 31, 2009 Rs.
A. CASH FLOW FROM OPERATIONS		
Profit before tax and extraordinary items	691	691
Miscellaneous expenditure written off		
Adjustments for:		
- Preoperative expenditure pending capitalisation	(8,915)	(19,623)
- Other liabilities	-	1,562
Net cash from operating activities	(8,224)	(17,370)
B. CASH FLOW FROM INVESTING ACTIVITIES		
	-	-
C. CASH FLOW FROM FINANCING ACTIVITIES		
Issuance of equity share capital	-	400,000
Increase/(Decrease) in unsecured loans	(100)	(400,000)
Net cash used in financing activities	(100)	-
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(8,324)	(17,370)
Cash and cash equivalents - Opening balance	34,120	51,490
Cash and cash equivalents - Closing balance	25,796	34,120

Note: Figures in brackets indicate cash outflow

Auditor's report

We have examined the Cash Flow Statement of Echo Properties Private Limited for the year ended March 31, 2010. The statement prepared by the Company is in accordance with the requirement of Clause 32 of the Listing Agreement with the Stock Exchanges and is based on and in agreement with the corresponding Profit and Loss Account and Balance Sheet covered by our Report to the members of the Company in terms of our attached Report as of even date.

B. Bhushan & Co.
Chartered Accountants
By the hand of



Sandeep Kumar Gupta
Partner
Membership no. 073457
May 11, 2010
New Delhi

Directors

Amit Sarin

Jayanti Sarin