

AUDITOR'S REPORT

To the members of
Elegant Buildcon Private Limited

We have audited the attached Balance Sheet of Elegant Buildcon Private Limited as at March 31, 2010, and the related Profit and Loss Account and 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;
- (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- 110001

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




Sandeep Kumar Gupta
Partner
Membership No. 073457

May 11, 2010

ELEGANT BUILDCON 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
Unsecured loans	2	42,822,691	42,777,728
		<u>43,322,691</u>	<u>43,277,728</u>
APPLICATION OF FUNDS			
Fixed assets	3	43,028,716	43,028,716
Preoperative expenditure pending capitalisation	4	229,576	161,688
Current assets and advances			
Cash and bank balance	5	33,178	21,166
Less: Current liabilities	6	6,618	6,618
Net current assets		<u>26,560</u>	<u>14,548</u>
Miscellaneous expenditure (to the extent not written off or adjusted)	7	34,938	69,875
Profit and loss account		<u>2,901</u>	<u>2,901</u>
		<u>43,322,691</u>	<u>43,277,728</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 Elegant Buildcon 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

Jayanti Sarin
Jayanti Sarin

Pankaj Nakra
Pankaj Nakra

ELEGANT BUILDCON 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	1,550	550
Filing fees	2,010	7,000
Miscellaneous expenses	-	32
Salary and wages	22,613	27,728
Legal and professional	160	-
Preliminary expenditure written off	34,938	34,938
	<u>67,889</u>	<u>76,866</u>
 Expenses incurred during the year transferred to Preoperative expenditure pending capitalisation	 67,889	 76,866

ACCOUNTING POLICIES
NOTES TO ACCOUNTS

8
9

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

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

Directors

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



Jayanti Sarin
Jayanti Sarin

Pankaj Nakra
Pankaj Nakra

SCHEDULES

	As at March 31, 2010 Rs.	As at March 31, 2009 Rs.
1. SHARE CAPITAL		
Authorised 1,000,000 (1,000,000) equity shares of Rs.10.00 (Rs.10.00) each	<u>10,000,000</u>	<u>10,000,000</u>
Issued, subscribed and paid up *50,000 (*50,000) equity shares of Rs.10.00 (Rs.10.00) each fully paid up	<u>500,000</u>	<u>500,000</u>
*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 LOANS		
From holding company	<u>42,822,691</u>	<u>42,777,728</u>
3. FIXED ASSETS		
Land	<u>43,028,716</u>	<u>43,028,716</u>
4. PREOPERATIVE EXPENDITURE PENDING CAPITALISATION		
Opening balance	161,688	84,822
Addition during the year	<u>67,889</u>	<u>76,866</u>
	<u>229,576</u>	<u>161,688</u>
5. CASH AND BANK BALANCES		
Cash in hand	3,850	3,500
Bank balance in current account maintained with scheduled bank	<u>29,328</u>	<u>17,666</u>
	<u>33,178</u>	<u>21,166</u>
6. CURRENT LIABILITIES		
Expenses payable	<u>6,618</u>	<u>6,618</u>
7. MISCELLANEOUS EXPENDITURE (to the extent not written off or adjusted)		
Preliminary expenses	69,875	104,813
Less: Amount written off during the year	<u>34,938</u>	<u>34,938</u>
	<u>34,938</u>	<u>69,875</u>



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 had 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, are being capitalised under the head 'Preoperative Expenditure Pending Capitalisation' and the same shall be apportioned over 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:

a) Name of related parties and description of relationships :

Holding Company

Anant Raj Industries Limited

Fellow Subsidiaries

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



Partnership firm in which Holding company is partner

Ganga Bishan & Company

Key Management Personnel

Pankaj Nakra

Chairman

Jayanti Sarin

Director

Rajiv Gopalani

Director

Note: The above parties have been identified by the management.

b) 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 received from holding company	Anant Raj Industries Ltd.	44,963	27,728
3	Loans repaid to holding company	Anant Raj Industries Ltd.	-	400,000

c) 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.	42,822,691	42,777,728

- 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) Previous year figures have been regrouped or 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.

136851

State code

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Balance Sheet Date

March 31, 2010

As at March

31, 2010

Rs.(in '000)

II. Position of mobilisation and deployment of funds

Total assets

43,323

Total liabilities

43,323

Sources of funds

Paid up capital

500

Unsecured loans

42,823

Application of funds

43,029

Fixed assets

230

Preoperative expenditure pending capitalisation

26

Net current assets

35

Miscellaneous expenditure

3

Profit and loss account

For the year ended

March 31, 2010

Rs.(in '000)

III. Performance of the Company

Turnover

68

Total expenditure

Nil

Profit after tax

Nil

Earning per share (Rs.)

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

Directors



Jayanti Sarin
Jayanti Sarin

Pankaj Nakra
Pankaj Nakra

New Delhi,
May 11, 2010

ELEGANT BUILDCON 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			-
Miscellaneous expenditure written off		34,938	34,938
Adjustments for other liabilities		-	1,562
Net cash from operating activities	(A)	<u>34,938</u>	<u>36,500</u>
B. CASH FLOW FROM INVESTING ACTIVITIES			
Changes in preoperative expenditure pending capitalisation		(67,889)	(76,866)
Net cash used in investing activities	(B)	<u>(67,889)</u>	<u>(76,866)</u>
C. CASH FLOW FROM FINANCING ACTIVITIES			
Issuance of equity share capital		-	400,000
Increase/(Decrease) in unsecured loans		44,963	(372,272)
Net cash used in financing activities	(C)	<u>44,963</u>	<u>27,728</u>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(A+B+C)	12,012	(12,638)
Cash and cash equivalents - Opening balance		21,166	33,804
Cash and cash equivalents - Closing balance		33,178	21,166

Note: Figures in brackets indicate cash outflow

Auditor's report

We have examined the Cash Flow Statement of Elegant Buildcon 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

Jayanti Sarin
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