

AUDITOR'S REPORT

To the members of
Gadget Builders Private Limited

We have audited the attached Balance Sheet of Gadget Builders Private Limited as at March 31, 2010, and Profit and Loss Account and Cash Flow statement for the year 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.

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 misstatements. An audit includes examining, on a test basis, evidence supporting the accounts 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) (Amendment) 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:

- 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) The Balance Sheet, Profit and Loss Account and Cash Flow statement dealt with by this report are in agreement with the books of account.
- iii) 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.
- iv) 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 in sub section (3C) of section 211 of the Companies Act, 1956.
- v) 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 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, read together with notes and accounting policies thereto, give the information required by the Companies Act, 1956, in the manner so required and gives a true and fair view in conformity with the accounting principles generally accepted in India:
- (i) In 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 profit earned by the Company for the financial year ended on that date; and
 - (iii) in case of Cash Flow Statement, of the cash flows of the Company during the year ended on that date.

608, New Delhi House,
27, Barakhamba Road,
New Delhi- 110001

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

May 11, 2010



Vishwanand Keshri


Vishwanand Keshri
Partner
Membership No. 505508

GADGET BUILDERS 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
Profit and loss account		1,751	-
Unsecured loan	2	49,216,000	-
		<u>49,717,751</u>	<u>500,000</u>
APPLICATION OF FUNDS			
Fixed asset	3	49,216,250	-
Current assets, loans and advances			
Cash and bank balances	4	495,890	481,694
Advances	5	7,952	6,872
		<u>503,842</u>	<u>488,566</u>
Less: Current liabilities & provisions	6	12,251	9,322
Net current assets		<u>491,591</u>	<u>479,244</u>
Miscellaneous expenditure (to the extent not written off or adjusted)	7	9,910	9,910
Profit and loss account		-	10,846
		<u>49,717,751</u>	<u>500,000</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 Gadget Builders Private Limited.

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


Vishwanand Keshri
Partner
Membership no. 505508
May 11, 2010
New Delhi



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

Directors


Sharda Sarin


Ashim Sarin

GADGET BUILDERS 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			
Interest on fixed deposit		27,054	18,314
EXPENDITURE			
Audit fees		6,618	6,618
Bank charges		550	550
Filing fees		1,200	14,400
Legal and professional		456	-
		<u>8,824</u>	<u>21,568</u>
Profit/(Loss) during the year		18,230	(3,254)
Provision for tax		(5,633)	(2,704)
Profit/(Loss) after tax		12,597	(5,958)
Loss brought forward from previous year		(10,846)	(4,888)
Profit/(Loss) carried over to Balance Sheet		<u>1,751</u>	<u>(10,846)</u>
Earning per share(equity share, par value of Rs. 10 each)			
- Basic and diluted earning per share		0.25	-0.17

ACCOUNTING POLICIES
NOTES TO ACCOUNTS

8
9

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

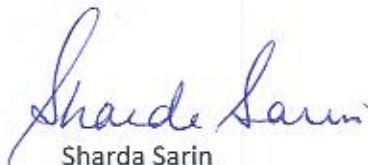
The schedules referred above form an integral part of the Profit and Loss Account.

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

Directors


Vishwanand Keshri
Partner
Membership no. 505508
May 11, 2010
New Delhi




Sharda Sarin

Ashim Sarin

SCHEDULES

	As at March 31, 2010 Rs.	As at March 31, 2009 Rs.
1 SHARE CAPITAL		
Authorised 50,000 (50,000) equity shares of Rs. 10 (Rs. 10.00) each	500,000	500,000
Issued, subscribed and paid up *50,000 (*50,000) equity shares of Rs. 10.00 each fully paid up	500,000	500,000
*Entire share capital is held by the holding company, Anant Raj Industries Limited, including 6 (6) shares registered in the name of the nominee of the holding company.		
2 UNSECURED LOAN		
From holding company	49,216,000	-
3 FIXED ASSET		
Land	49,216,250	-
4 CASH AND BANK BALANCES		
Cash in hand	4,403	4,533
Balances maintained with scheduled bank		
- in current account	56,775	65,719
- in deposit account	434,712	411,442
	495,890	481,694
5 ADVANCES		
Interest accrued on fixed deposit	2,609	2,793
Income tax receivable	5,343	4,079
	7,952	6,872
6 CURRENT LIABILITIES & PROVISIONS		
Expenses payable	6,618	6,618
Provision for tax	5,633	2,704
	12,251	9,322
7 MISCELLANEOUS EXPENDITURE (to the extent not written off or adjusted)		
Preliminary expenses	9,910	9,910



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 ASSET

Fixed Assets are stated at cost including incidental expenses, less impairment losses. Cost comprises the purchase price and any attributable cost incurred in bringing the asset to its working condition for its intended 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 recognized 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 expenditure has not been amortised as the Company is yet to commence business.



8 NOTES TO ACCOUNTS

- i) The Company has identified development of real estate project in Delhi and has acquired land for the development thereof during the year.
- 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 alongwith their relationships:

a.) Name of related parties and description of relationship:

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.
Echo Properties Pvt. Ltd.	Papillon Buildtech Pvt. Ltd.
Elegant Buildcon Pvt. Ltd.	Parkland Developers Pvt. Ltd.
Elegant Estates Pvt. Ltd.	Parkview Promoters Pvt. Ltd.
Elevator Builders Pvt. Ltd.	Pasupati Aluminium Ltd.
Elevator Buildtech Pvt. Ltd.	Pelikan Estates Pvt. Ltd.
Elevator Promoters Pvt. Ltd.	Pioneer Promoters Pvt. Ltd.
Elevator Properties Pvt. Ltd.	Rapid Realtors Pvt. Ltd.
Empire Promoters Pvt. Ltd.	Rising Realty Pvt. Ltd.
Fabulous 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

Ashim Sarin

Chairman & Director

Sharda Sarin

Director

Sunaini Sarin

Director

Note: Related party relationship is as identified by the Company on the basis of available information.

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	Unsecured loan received from holding company	Anant Raj Industries Ltd	49,216,000	-
3	Unsecured loan repaid to holding company	Anant Raj Industries Ltd	100	-

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 loan payable to holding company	Anant Raj Industries Ltd	49,216,000	-

- 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) Previous year figures have been regrouped/recast, where ever necessary, to confirm with this year's presentation.
- v) Figures in brackets pertain to previous year, unless otherwise indicated.



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

I. Registration details

Registration No.	U45400DL2007PTC162495
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	49,718
Total liabilities	49,718

Sources of funds

Paid up capital	500
Profit and loss account	2
Unsecured loan	49,216

Application of funds

Fixed asset	49,216
Net current assets	492
Miscellaneous expenditure	10

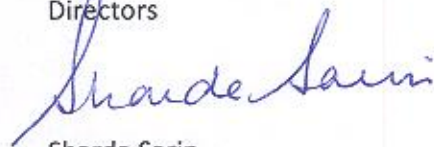
For the year
ended March
31, 2010
Rs.(in '000)

III. Performance of the Company

Turnover	27
Total expenditure	9
Loss after tax	13
Earning per share (Rs.)	0.25

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

Directors



Sharda Sarin



Ashim Sarin



New Delhi.
May 11, 2010

GADGET BUILDERS 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/(Loss) before tax and extraordinary items	18,230	(3,254)
Adjustment for:		
- Advances	(1,080)	(6,872)
- Other liabilities	2,929	5,951
Cash generated from operations	20,079	(4,175)
Provision for income tax	(5,633)	(2,704)
Net cash from operating activities	(A) 14,446	(6,879)
B. CASH FLOW FROM INVESTMENT		
Purchase of asset	(49,216,250)	-
Net cash from investing activities	(B) (49,216,250)	-
B. CASH FLOW FROM FINANCING		
Issuance of equity share capital	-	400,000
Increase in unsecured loan	49,216,000	-
Net cash from financing activities	(C) 49,216,000	400,000
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(A+B+C) 14,196	393,121
Cash and cash equivalents - Opening balance	481,694	88,573
Cash and cash equivalents - Closing balance	495,890	481,694

Note: Figures in brackets indicate cash outflow

Auditor's report

We have examined the Cash Flow Statement of Gadget Builders 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



Vishwanand Keshri
Partner
Membership no. 505508
May 11, 2010
New Delhi



Directors


Sharda Sarin


Ashim Sarin