

AUDITOR'S REPORT

To the members of
Kalinga Buildtech Private Limited

We have audited the attached Balance Sheet of Kalinga Buildtech Private Limited as at March 31, 2010, and Profit and Loss Account and also the 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 loss suffered 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 15, 2010

KALINGA BUILDTECH 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	99,765,000	99,765,000
		<u>100,265,000</u>	<u>100,265,000</u>
APPLICATION OF FUNDS			
Investments	3	46,515,000	46,515,000
Current assets, loans and advances			
Cash and bank balances	4	30,129	38,919
Loans and advances	5	53,675,000	53,675,000
		<u>53,705,129</u>	<u>53,713,919</u>
Less: Current liabilities	6	6,618	6,618
Net current assets		<u>53,698,511</u>	<u>53,707,301</u>
Miscellaneous expenditure (to the extent not written off or adjusted)	7	9,910	9,910
Profit and Loss Account		<u>41,579</u>	<u>32,789</u>
		<u>100,265,000</u>	<u>100,265,000</u>
ACCOUNTING POLICIES	8		
NOTES TO ACCOUNTS	9		

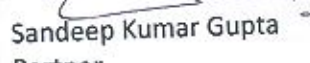
This is the Balance Sheet referred in our report of even date addressed to the members of Kalinga Buildtech Private Limited.

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

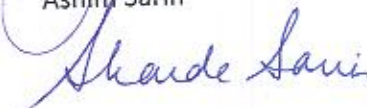
Directors

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


Ashim Sarin


Sandeep Kumar Gupta
Partner
Membership no. 073457
May 15, 2010
New Delhi




Sharda Sarin

KALINGA BUILDTECH 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	6,618	6,618
Audit fees	550	665
Bank charges	1,406	15,000
Filing fees	216	5,618
Legal and professional	<u>8,790</u>	<u>27,901</u>
	8,790	27,901
Loss incurred during the year		
Debit balance in Profit and Loss Account brought forward	32,789	4,888
Debit balance in Profit and Loss Account carried over to Balance Sheet	<u>41,579</u>	<u>32,789</u>
Earning per share(equity share, par value of Rs. 10 each)		
- Basic and diluted earning per share	-0.18	-0.80

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**ACCOUNTING POLICIES
NOTES TO ACCOUNTS**

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

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

Sandeep Kumar Gupta
Partner
Membership no. 073457
May 15, 2010
New Delhi



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

Directors

Ashim Sarin
Ashim Sarin

Sharda Sarin
Sharda Sarin

SCHEDULES	As at March 31, 2010 Rs.	As at March 31, 2009 Rs.
1 SHARE CAPITAL		
Authorized	500,000	500,000
50,000 (50,000) equity shares of Rs. 10 each		
Issued, subscribed and paid up	500,000	500,000
*50,000 (*50,000) equity shares of Rs. 10 each fully paid up		
*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	99,765,000	99,765,000
From holding Company		
3 INVESTMENTS		
(Non Quoted and non trade)		
50,000 (50,000) equity shares of Rs. 10 each fully paid up	46,515,000	46,515,000
- In A-Plus Estates Private Limited		
4 CASH AND BANK BALANCES		
Cash in hand	3,873	3,933
Bank balance with scheduled bank	26,256	34,986
	30,129	38,919
5 LOANS & ADVANCES	53,675,000	53,675,000
Loan given to subsidiary company		
6 CURRENT LIABILITIES	6,618	6,618
Expenses payable		
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. MISCELLANEOUS EXPENDITURE

Preliminary expenditure has not been amortised as the Company is yet to commence business.

D. 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.

E. INVESTMENTS

Investment in subsidiaries are stated at cost including cost directly attributable to the acquisition thereof and provision is made to recognize any decline, other than temporary, in the value of such investments.



9 NOTES TO ACCOUNTS

- i) 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.
- ii) The company proposes to undertake development of real estate projects and directors are identifying for suitable opportunities in this regard. The company had promoted fully owned subsidiary company which is undertaking real estate development projects in Delhi.

iii) **Payment to Auditors**

Particulars	As at March 31, 2010 Rs.	As at March 31, 2009 Rs.
Audit fees inclusive of service tax	6,618	6,618

iv) **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

Subsidiary

A-Plus Estates Pvt. Ltd.#

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.
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 Buildcon 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.

Hemkunt Promoters Pvt. Ltd.
Highland Meadows Pvt. Ltd .
Kalinga Realtors 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.
Romano Tiles Pvt. Ltd.
Rolling Construction 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.

Roseview Buildtech Pvt. Ltd.
 Roseview Properties Pvt. Ltd.
 Sand Storm 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

Ashim Sarin
 Sharda Sarin
 Sunaini Sarin

Chairman
 Director
 Director

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

The Company became a subsidiary of Kalinga Buildtech Pvt. Ltd. from May 2, 2008.

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	Shares capital issued to holding company	Anant Raj Industries Ltd.	-	400,000
2	Loans received from holding company	Anant Raj Industries Ltd.	-	100,515,000
3	Loans repaid to holding company	Anant Raj Industries Ltd.	-	750,000
4	Loans given to subsidiary	A-Plus Estates Pvt. Ltd.	-	53,675,000
5	Investment in subsidiary	A-Plus Estates Pvt. Ltd.	-	46,515,000

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.	99,765,000	99,765,000
3	Loans receivable from subsidiary company	A-Plus Estates Pvt. Ltd.	53,675,000	53,675,000
4	Investment in subsidiary	A-Plus Estates Pvt. Ltd.	46,515,000	46,515,000



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

I. Registration details

Registration No.

State code

Balance Sheet Date

U45400DL2007PTC162507

55

March 31, 2010

II. Position of mobilisation and deployment of funds

Total assets

Total liabilities

As at March
31, 2010

Rs.(in '000)

100,265

100,265

Sources of funds

Paid up capital

Unsecured loans

Application of funds

Investments

Net current assets

Miscellaneous expenditure

Profit and Loss Account

500

99,765

46,515

53,698

10

42

For the year
ended March

31, 2010

Rs.(in '000)

III. Performance of the Company

Turnover

Total expenditure

Loss after tax

Earning per share (Rs.)

-

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-0.18

vi) Previous year figures have been regrouped/recast, where ever necessary to confirm with this year's presentation.

vii) Figures in brackets pertain to the previous year, unless otherwise indicated.

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

Directors



Ashim Sarin

Sharda Sarin

New Delhi.
May 15, 2010

KALINGA BUILDTech 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	(8,790)	(27,901)
Profit before tax and extraordinary items		
Adjustment for:		
- Loans and advances	-	(53,675,000)
- Other liabilities	-	3,247
Net cash flow operating activities	(8,790)	(53,699,654)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Investment in Subsidiary company	-	(46,515,000)
Net cash used in investing activities	-	(46,515,000)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Issuance of equity share capital	-	400,000
Increase/(Decrease) in unsecured loans	-	99,765,000
Net cash used in financing activities	-	100,165,000
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(8,790)	(49,654)
Cash and cash equivalents - Opening balance	38,919	88,573
Cash and cash equivalents - Closing balance	30,129	38,919

Note: Figures in brackets indicate cash outflow

Auditor's report

We have examined the Cash Flow Statement of Kalinga Buildtech 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 15, 2010
New Delhi



Directors

Ashim Sarin

Sharda Sarin