

AUDITOR'S REPORT

To the members of
Kalinga Realtors Private Limited

We have audited the attached Balance Sheet of Kalinga Realtors 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. 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:

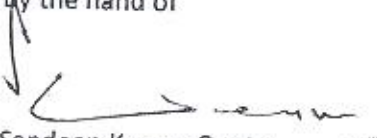


- (i) In case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2010;
- (ii) in the case of Profit and Loss Account, of the profit earned by the Company for the financial year ended on that date; and
- (iii) in the case of Cash Flow Statement, of the cash flows of the Company 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 12, 2010

KALINGA REALTORS 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 loan	2	369,849,900	-
Profit and loss account		1,043	-
		<u>370,350,943</u>	<u>500,000</u>
APPLICATION OF FUNDS			
Fixed asset			
Capital advances including capital work in progress		270,011,145	-
Current assets, loans and advances			
Cash and bank balances	3	100,372,668	481,844
Loans and advances	4	19,587	6,872
		<u>100,392,255</u>	<u>488,716</u>
Less: Current liabilities & provisions	5	62,367	9,322
Net current assets		<u>100,329,888</u>	<u>479,394</u>
Miscellaneous expenditure (to the extent not written off or adjusted)	6	9,910	9,910
Profit and loss account		-	10,696
		<u>370,350,943</u>	<u>500,000</u>
ACCOUNTING POLICIES	7		
NOTES TO ACCOUNTS	8		

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

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

Sandeep Kumar Gupta
Partner
Membership no. 073457
May 12, 2010
New Delhi



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

Directors

Roma Sarin
Roma Sarin

Rajeev Trehan
Rajeev Trehan

KALINGA REALTORS 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		27,353	18,314
EXPENDITURE			
Audit fees		6,618	6,618
Bank charges		550	550
Filing fees		2,700	14,400
Legal and professional		496	-
		<u>10,364</u>	<u>21,568</u>
Profit/(Loss) during the year		16,989	(3,254)
Provision for tax		(5,250)	(2,704)
Profit/(Loss) after tax		<u>11,739</u>	<u>(5,958)</u>
Profit/(Loss) brought forward from previous year		(10,696)	(4,738)
Profit/(Loss) carried over to Balance Sheet		<u>1,043</u>	<u>(10,696)</u>
Earning per share(equity share, par value of Rs. 10 each)			
- Basic and diluted earning per share		0.23	-0.17

ACCOUNTING POLICIES
NOTES TO ACCOUNTS

7
8

This is the Profit and Loss Account referred to in our report of even date addressed to the members of Kalinga Realtors 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 12, 2010
New Delhi

Directors

Roma Sarin
Roma Sarin


Rajeev Trehan

SCHEDULES

	As at March 31, 2010 Rs.	As at March 31, 2009 Rs.
1. SHARE CAPITAL		
Authorized		
50,000 (50,000) equity shares of Rs. 10 (Rs. 10) each	500,000	500,000
Issued, subscribed and paid up		
*50,000 (*50,000) equity shares of Rs. 10 (Rs. 10) 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 nominees of the holding company.		
2. UNSECURED LOAN		
From holding company	369,849,900	-
3. CASH AND BANK BALANCES		
Cash in hand	4,443	4,533
Balance with scheduled bank		
- in current account	368,225	65,869
- in deposit account*	100,000,000	411,442
	100,372,668	481,844
*Pledged with the bank as margin against guarantee issued by the bank.		
4. ADVANCES		
Accrued interest	14,204	2,793
Income tax receivable	5,383	4,079
	19,587	6,872
5. CURRENT LIABILITIES & PROVISIONS		
Expenses payable	57,117	6,618
Provision for income tax	5,250	2,704
	62,367	9,322
6. MISCELLANEOUS EXPENDITURE (to the extent not written off or adjusted)		
Preliminary expenses	9,910	9,910



7. 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.



8. NOTES TO ACCOUNTS

- i) Capital contract remaining to be executed in respect of purchase of land, including stamp duty payable on the said land, net of advances is Rs. 13,28,86,620 (Nil).
- ii) Contingent liability in respect of bank guarantee of Rs. 8,61,18,000 given by a bank on behalf of the Company in favour of Governor of Haryana acting through the Director, Town & Country Planning Department of Haryana against which the bank holds margin money in the form of fixed deposit. The bank guarantee has been given to secure the obligation of the Company in respect of Internal or External Development works to be carried out by the Company at the development site.
- iii) The Company entered into an agreement with certain parties for purchase of land approved by Town and Country Planning Department, Government of Haryana for setting up of Housing complex. The Company has advanced Rs. 26,57,35,780 to the aforesaid parties for purchase of land and balance payment of Rs. 11,38,89,620 will be made at the time of execution of conveyance deed in the name of the Company.
- iv) The Company commenced the basic preparatory work in connection with lay out plans for the development of Housing complex and expenses incurred thereon have been carried under "Capital work in progress" and will be capitalised on completion of the Project.

v) 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

vi) 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.	Gujarat Anant Raj Vidhyanagar Ltd.
Anant Raj const. & Dev. Pvt. Ltd.	Hemkunt Promoters Pvt. Ltd.
Anant Raj Hotels Ltd.	Highland Meadows Pvt. Ltd.
Anant Raj International FZE	Kalinga Buildtech 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.
 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.

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.
 Sand Storms 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

Rajeev Trehan	Chairman
Roma 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	Loan received from holding company	Anant Raj Industries Ltd.	372,350,000	-
3	Loan repaid to holding company	Anant Raj Industries Ltd.	2,500,100	-

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 issued to holding company	Anant Raj Industries Ltd.	500,000	500,000
2	Loans repayable to holding company	Anant Raj Industries Ltd.	369,849,900	-

vii) 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.

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



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

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

I. Registration details

Registration No.

U45400DL2007PTC162497

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

370,351

Total liabilities

370,351

Sources of funds

Paid up capital

500

Unsecured loan

369,850

Profit and loss account

1

Application of funds

Capital work in progress including capital advances

270,011

Net current assets

100,330

Miscellaneous expenditure

10

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

III. Performance of the Company

Turnover

27

Total expenditure

10

Profit before tax

17

Profit after tax

12

Earning per share (Rs.)

0.23

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

Directors

Roma Sarin

Roma Sarin

Rajeev Trehan

Rajeev Trehan



New Delhi.
May 12, 2010

KALINGA REALTORS 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	16,989	(3,254)
Adjustment for:		
- Loans and advances	(12,715)	(6,872)
- Other liabilities	53,045	5,951
Cash generated from operations	57,319	(4,175)
Provision for income tax	(5,250)	(2,704)
Net cash from operating activities	(A) 52,069	(6,879)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Capital advances including capital WIP	(270,011,145)	-
Net cash from investing activities	(B) (270,011,145)	-
C. CASH FLOW FROM FINANCING ACTIVITIES		
Issuance of equity share capital	-	400,000
Increase in unsecured loan	369,849,900	-
Net cash used in financing activities	(C) 369,849,900	400,000
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(A+B+C) 99,890,824	393,121
Cash and cash equivalents - Opening balance	481,844	88,723
Cash and cash equivalents - Closing balance	100,372,668	481,844

Note: Figures in brackets indicate cash outflow

Auditor's report

We have examined the Cash Flow Statement of Kalinga Realtors 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 12, 2010
New Delhi

Directors

Roma Sarin
Roma Sarin

Rajeev Trehan