

AUDITOR'S REPORT

To the members of
White Diamond Construction and Equipments Private Limited

We have audited the attached Balance Sheet of White Diamond Construction and Equipments 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) (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:

- 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 accounting policies and notes 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 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. 001596
By the hand of

Rakesh Jain

Rakesh Jain
Partner
Membership No. 086501

May 12, 2010

WHITE DIAMOND CONSTRUCTION AND EQUIPMENTS 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	49,004,026	48,854,026
		<u>49,504,026</u>	<u>49,354,026</u>
APPLICATION OF FUNDS			
Fixed assets	3	48,977,660	48,975,000
Preoperative expenditure pending capitalisation	4	427,015	265,304
Current assets			
Cash and bank balance	5	73,017	49,116
Less: Current liabilities	6	9,278	6,618
Net current assets		<u>63,739</u>	<u>42,498</u>
Miscellaneous expenditure (to the extent not written off or adjusted)	7	35,612	71,224
		<u>49,504,026</u>	<u>49,354,026</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 White Diamond Construction and Equipments Pvt. Limited.

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

Rakesh

Rakesh Jain
Partner
Membership no. 086501
May 12, 2010
New Delhi



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

Directors

Ashok Sarin
Ashok Sarin

Pankaj Nakra
Pankaj Nakra

WHITE DIAMOND CONSTRUCTION AND EQUIPMENTS 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		1,000	8,020
Printing & stationary		-	1,933
Salary & wages		117,931	104,026
Preliminary expenditure written off		35,612	35,612
		161,711	156,759
 Expenses incurred during the year transferred to Preoperative expenditure pending capitalisation		161,711	156,759

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 White Diamond Construction and Equipments Pvt. Limited.

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

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

Rakesh Jain

Rakesh Jain
Partner
Membership no. 086501
May 12, 2010
New Delhi



Directors

Ashok Sarin

Ashok 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 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	<u>49,004,026</u>	<u>48,854,026</u>
3 FIXED ASSETS		
Land	<u>48,977,660</u>	<u>48,975,000</u>
4 PREOPERATIVE EXPENDITURE PENDING CAPITALISATION		
Opening Balance	265,304	108,546
Addition during the year	<u>161,711</u>	<u>156,759</u>
	<u>427,015</u>	<u>265,304</u>
5 CASH AND BANK BALANCES		
Cash in hand	4,420	3,980
Bank balance in current account maintained with schedule bank	<u>68,597</u>	<u>45,136</u>
	<u>73,017</u>	<u>49,116</u>
6 CURRENT LIABILITIES		
Expenses payable	<u>9,278</u>	<u>6,618</u>
7 MISCELLANEOUS EXPENDITURE (to the extent not written off or adjusted)		
Preliminary expenses	71,224	106,835
Less: Amount written off during the year	<u>35,612</u>	<u>35,612</u>
	<u>35,612</u>	<u>71,224</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 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. MISCELLANEOUS EXPENDITURE

Preliminary expenses are amortised over a period of five years.

F. 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.



9 NOTES TO ACCOUNTS

- i) In the opinion of the management, the current assets, if realised, in the ordinary course of business, would realise a sum equal to that stated in the Balance Sheet.
- ii) The Company had acquired land for the 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 transferred to 'Preoperative Expenditure Pending Capitalisation' to constitute cost of respective project and the same shall be apportioned over the fixed assets to be created on completion of development in progress

iii) 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.	Kalinga Realtors Pvt. Ltd.
Ankur Buildcon Pvt. Ltd.	Krishna Buildtech Pvt. Ltd.
A-Plus Estates Pvt. Ltd.	Lucky Meadows Pvt. Ltd.
Blossom Buildtech Pvt. Ltd.	Monarch Buildtech Pvt. Ltd.
Capital Buildcon Pvt. Ltd.	Novel Buildmart Pvt. Ltd.
Capital Buildtech Pvt. Ltd.	Novel Housing Pvt. Ltd.
Carnation Buildtech Pvt. Ltd.	One Star Realty Pvt. Ltd.
Century Promoters Pvt. Ltd.	Oriental Meadows Ltd.
Echo Buildtech Pvt. Ltd.	Oriental Promoters Pvt. Ltd.
Echo Properties 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.	Sand Storm 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.
Green Retreat and Motels Pvt. Ltd.
Green View Buildwell Pvt. Ltd.
Green Way Promoters Pvt. Ltd.
Green Wood Properties Pvt. Ltd.

Townsend Cons. & Equipments Pvt. Ltd.
Twenty First Developers Pvt. Ltd.
Vibrant Buildmart Pvt. Ltd.
West Land Buildcon Pvt. Ltd.
Woodland Promoters Pvt. Ltd.

Partnership firm in which holding company is partner

Ganga Bishan & Company

Key management Personnel

Ashok Sarin
Pankaj Nakra
Sunaini Sarin

Chairman & Director
Director
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.	150,000	154,026
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.	49,004,026	48,854,026

iv) Figures and words in brackets relates to the previous year unless otherwise indicated.

v) Previous year figures have been regrouped/recast, wherever necessary, to confirm with this year's presentation.




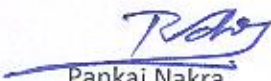
vi) Additional information under Part IV of Schedule VI of the Companies Act, 1956:

I. Registration details	
Registration No.	U70109DL2006PTC153097
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	49,504
Total liabilities	49,504
Sources of funds	
Paid up capital	500
Unsecured loans	49,004
Application of funds	
Fixed assets	48,977
Preoperative expenditure pending capitalisation	427
Net current assets	64
Miscellaneous expenditure	36
	For the year ended March 31, 2010
	Rs. (in '000)
III. Performance of the Company	
Turnover	-
Total expenditure	162
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


Ashok Sarin


Pankaj Nakra



New Delhi.
May 12, 2010

WHITE DIAMOND CONSTRUCTION AND EQUIPMENTS 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		-	-
Preoperative expenditure pending capitalisation		(161,711)	(156,759)
Miscellaneous expenditure		35,612	35,612
Operating profit before working capital changes		(126,099)	(121,147)
Adjustment for:			
- Other liabilities		2,660	1,562
Net cash from operating activities	(A)	(123,439)	(119,585)
B. CASH FLOW FROM INVESTING ACTIVITIES			
Addition in fixed asset		(2,660)	-
Net cash from investing activities	(B)	(2,660)	-
C. CASH FLOW FROM FINANCING ACTIVITIES			
Issuance of equity share capital		-	400,000
Increase/(Decrease) in unsecured loans		150,000	(245,974)
Net cash from financing activities	(C)	150,000	154,026
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(A+B+C)	23,901	34,441
Cash and cash equivalents - Opening balance		49,116	14,675
Cash and cash equivalents - Closing balance		73,017	49,116

Note: Figures in brackets indicate cash outflow

Auditor's report

We have examined the Cash Flow Statement of White Diamond Construction & Equipments 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

Rakesh Jain
Partner
Membership no. 086501
May 12, 2010
New Delhi



Directors

Ashok Sarin

Pankaj Nakra