

AUDITOR'S REPORT

To the members of
Sand Storm Buildtech Private Limited

We have audited the attached Balance Sheet of Sand Storm Buildtech 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 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. 001596N
By the hand of



Vishwanand Keshri
Partner
Membership No. 505508

May 11, 2010



SAND STORM 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	3,812,170	3,776,620
		<u>4,312,170</u>	<u>4,276,620</u>
APPLICATION OF FUNDS			
Fixed asset	3	4,021,836	4,021,836
Preoperative expenditure pending capitalisation	4	220,959	159,292
Current assets			
Cash and bank balance	5	36,062	27,256
Less: Current liabilities	6	6,618	6,618
Net current assets		<u>29,444</u>	<u>20,638</u>
Miscellaneous expenditure (to the extent not written off or adjusted)	7	34,924	69,847
Profit and loss account		5,007	5,007
		<u>4,312,170</u>	<u>4,276,620</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 Sand Storm Buildtech 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


Ashok Sarin


Navneet Singh Bhatia

SAND STORM 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			
Audit fees		6,618	6,618
Salary and wages		15,660	26,620
Bank charges		1,000	-
Filing fees		3,020	6,000
Preliminary expenses written off		34,923	34,923
Printing and stationery		-	29
Legal and professional		446	-
		61,667	74,190
Expenses incurred during the year transferred to Preoperative expenditure pending capitalisation		61,667	74,190
Debit balance of Profit and Loss Account brought forward		5,007	5,007
Debit balance of Profit and Loss Account carried forward to Balance Sheet		5,007	5,007
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 Sand Storm Buildtech 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


Ashok Sarin


Navneet Singh Bhatia



SCHEDULES

	As at March 31, 2010 Rs.	As at March 31, 2009 Rs.
1. SHARE CAPITAL		
Authorised 10,00,000 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>
<p>*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.</p>		
2. UNSECURED LOANS		
From holding company	<u>3,812,170</u>	<u>3,776,620</u>
3. FIXED ASSETS		
Land	<u>4,021,836</u>	<u>4,021,836</u>
4. PREOPERATIVE EXPENDITURE PENDING CAPITALISATION		
Opening balance	159,292	85,102
Addition during the year	<u>61,667</u>	<u>74,190</u>
	<u>220,959</u>	<u>159,292</u>
5. CASH AND BANK BALANCES		
Cash in hand	4,380	4,490
Bank balance in current account maintained with scheduled bank	<u>31,682</u>	<u>22,766</u>
	<u>36,062</u>	<u>27,256</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	69,847	104,770
Less: Amount written off during the year	<u>34,923</u>	<u>34,923</u>
	<u>34,924</u>	<u>69,847</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 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 fixed assets to be created on completion of development in progress.
- ii) 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.
- 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:

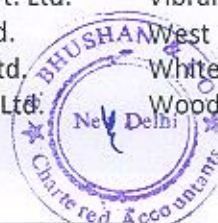
a) Name of related parties and description of relationships :

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.	Sovereign Buildwell Pvt. Ltd.
Grand Park Estates Pvt. Ltd.	Spring View Developers Pvt. Ltd.
Greatway Estates Ltd.	Spring view Properties Pvt. Ltd.
Greatways Buildtech Pvt. Ltd.	Suburban Farms Pvt. Ltd.
Green Line Buildcon Pvt. Ltd.	Townsend Cons. & Equipments Pvt. Ltd.
Green Line Promoters Pvt. Ltd.	Twenty First Developers Pvt. Ltd.
Green Retreat and Motels Pvt. Ltd.	Vibrant Buildmart Pvt. Ltd.
Green View Buildwell Pvt. Ltd.	West Land Buildcon Pvt. Ltd.
Green Way Promoters Pvt. Ltd.	White Diamond Cons. & Equipment Pvt. Ltd.
Green Wood Properties Pvt. Ltd.	Woodland Promoters Pvt. Ltd.



Partnership firm in which holding company is partner

Ganga Bishan & Company

Key management Personnel

Ashok Sarin

Chairman & Director

Sunaini Sarin

Director

Navneet Singh Bhatia

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	Loans received from holding company	Anant Raj Industries Ltd.	35,550	26,620
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.	3,812,170	3,776,620

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. U45201DL2005PTC138535
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 4,312
Total liabilities 4,312

Sources of funds

Paid up capital 500
Unsecured loans 3,812

Application of funds

Fixed assets 4,022
Preoperative expenditure pending capitalisation 221
Net current assets 29
Miscellaneous expenditure 35
Profit and Loss Account 5

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

III. Performance of the Company

Turnover -
Total expenditure 62
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



Navneet Singh Bhatia

New Delhi,
May 11, 2010



SAND STORM 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			
Profit before tax and extraordinary items			-
Miscellaneous expenditure written off		34,923	34,923
Adjustments for:			
- Preoperative expenditure pending capitalisation		(61,667)	(74,190)
- Other liabilities		-	1,562
Net cash from operating activities	(A)	(26,744)	(37,705)
B. CASH FLOW FROM INVESTING ACTIVITIES			
	(B)	-	-
C. CASH FLOW FROM FINANCING ACTIVITIES			
Issuance of equity share capital		-	400,000
Increase/(Decrease) in unsecured loans		35,550	(373,380)
Net cash used in financing activities	(C)	35,550	26,620
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(A+B+C)	8,806	(11,085)
Cash and cash equivalents - Opening balance		27,256	38,341
Cash and cash equivalents - Closing balance		36,062	27,256

Note: Figures in brackets indicate cash outflow

Auditor's report

We have examined the Cash Flow Statement of Sand Storm 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



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



Directors



Ashok Sarin



Navneet Singh Bhatia