

## **AUDITOR'S REPORT**

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To the members of  
**Elevator Promoters Private Limited**

We have audited the attached Balance Sheet of Elevator Promoters Private Limited as at March 31, 2011, 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) None of the directors of the Company would be disqualified under the provisions of section 274 (1) (g) of the Companies Act, 1956, from being appointed as a director of the Company, as the Company is a private company and the said



section only provides for Ineligibility from being appointed as a director of any other public company.

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, 2011;

(ii) in the case of Profit and Loss Account, of the loss 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 financial year ended on that date.

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

B.Bhushan & Co.  
Chartered Accountants  
Firm Registration No. 001596N



By the hand of

Rakesh Jain  
Partner

Membership No. 086501

May 11, 2011



**ELEVATOR PROMOTERS PRIVATE LIMITED**

**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2011**

	Schedules	For the year ended March 31, 2011 Rs.	For the year ended March 31, 2010 Rs.
<b>INCOME</b>			
Interest income		86	11,518
<b>EXPENDITURE</b>			
Audit fees		6,618	6,618
Bank charges		550	600
Filing fees		1,260	1,800
Legal and professional		1,612	156
		<u>10,040</u>	<u>9,174</u>
Profit/(Loss) during the year		(9,954)	2,344
Provision for tax		-	(723)
Profit/(Loss) after tax		(9,954)	1,621
Profit/(Loss) brought forward from previous year		(9,075)	(10,696)
Profit/(Loss) carried over to Balance Sheet		<u>(19,029)</u>	<u>(9,075)</u>
Earning per share( equity share, par value of Rs. 10 each) - Basic and diluted earning per share		-0.20	0.03

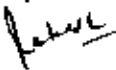
ACCOUNTING POLICIES  
NOTES TO ACCOUNTS

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This is the Profit and Loss Account referred in our report of even date addressed to the members of Elevator Promoters 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

  
Rakesh Jain  
Partner  
Membership No. 0889  
May 11, 2011  
New Delhi



Directors

  
Ashok Sarin

  
Monica Sarin

**SCHEDULES**

	As at March 31, 2011 Rs.	As at March 31, 2010 Rs.
<b>1. SHARE CAPITAL</b>		
Authorized 50,000 (50,000) equity shares of Rs. 10 (Rs. 10) each	<u>500,000</u>	<u>500,000</u>
Issued, subscribed and paid up *50,000 (*50,000) equity shares of Rs. 10 (Rs. 10) 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.		
<b>2. UNSECURED LOAN</b>		
From holding company	<u>606,713,000</u>	<u>606,763,000</u>
<b>3. FIXED ASSET</b>		
Land	<u>107,159,750</u>	<u>107,093,750</u>
<b>4. INVESTMENT</b>		
Long Term (Unquoted and Non Trade) 500,000 (500,000) 9% Non Cumulative Redeemable Preference shares of Rs. 10 each fully paid up - In Mahalaxmi Designs Private Limited	<u>500,000,000</u>	<u>500,000,000</u>
Book value of unquoted and non trade investment	<u>500,000,000</u>	<u>500,000,000</u>
<b>5. CASH AND BANK BALANCES</b>		
Cash in hand	4,413	4,533
Bank balance with scheduled bank - In current account	26,791	149,321
- In deposit account	-	-
	<u>31,204</u>	<u>153,854</u>
<b>6. ADVANCES</b>		
Income tax receivable	<u>1,375</u>	<u>3,752</u>
<b>7. CURRENT LIABILITIES &amp; PROVISIONS</b>		
Expenses payable	6,618	6,618
Tax deducted at source payable	1,650	-
Provision for tax	-	723
	<u>8,268</u>	<u>7,341</u>
<b>8. MISCELLANEOUS EXPENDITURE</b> (to the extent not written off or adjusted)		
Preliminary expenses	<u>9,910</u>	<u>9,910</u>



## **9. 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. USE OF ESTIMATES**

The presentation of financial statements in conformity with Indian generally accepted accounting principles requires estimates and assumptions to be made which affect the reported amount of assets and liabilities and disclosures of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting year. Differences between the actual results and estimates are recognized in the reporting year in which the results are known or materialized.

### **C. RECOGNITION OF REVENUE AND EXPENDITURE**

Income and expenditure are accounted for on accrual basis.

### **D. 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.

### **E. 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.

### **F. INVESTMENT**

Investment classified as long term is stated at cost including other expenses directly attributable to the acquisition thereof and provision is made to recognize any decline, other than temporary, in the value of such investment.

### **G. EARNINGS PER SHARE**

The company reports basic and diluted earnings per share (EPS) in accordance with Accounting Standard 20 on Earnings Per Share. Basic EPS is computed by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted EPS is computed by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares, except where the results are ant-dilutive.

### **H. 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.

### **I. MISCELLANEOUS EXPENDITURE**

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



- i) The Company has purchased land for development of a real estate project in Delhi. The sale deed of the land executed by the Vendor was not registered by the Sub Registrar of Assurances for reason that certain clearances alleged to be necessary are not obtained. The Company is of the view that there are no clearances to be obtained and has since filed an appeal before the jurisdictional appellate authority seeking, interalia, direction to the office of Sub Registrar of Assurances to register and release the sale deed, which appeal is yet to be disposed. The Company is in possession of the land.
- ii) As per the best estimates and opinion of the Board of Directors of the Company, no provision is required to be made towards diminution in the value of investment during the year.
- iii) The earning considered in ascertaining the Company's EPS is the net profit after tax. The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the period. The weighted diluted earnings per equity share are computed using the weighted average number of equity shares and dilutive potential equity shares outstanding during the period.

		For the year ended March 31, 2011	For the year ended March 31, 2010
Net profit attributable to equity shareholders	Rs.	(9,954)	1,621
Nominal value of equity share	Rs.	10	10
Weighted average number of equity shares outstanding during the year	No.	50,000	50,000
Basic and diluted earnings per share	Rs.	(0.20)	0.03

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 relationship are as under:-

**Holding Company**

Anant Raj Industries Limited

**Fellow Subsidiaries**

Aarkarshak Realtors Pvt. Ltd.

Advance Buildcon Pvt. Ltd.

Anant Raj construction & Dev. Pvt. Ltd.

Anant Raj Hotels Ltd.

Anant Raj Housing Ltd.

Anant Raj Projects Ltd.

Ankur Buildcon Pvt. Ltd.

A-Plus Estates Pvt. Ltd.

BBB Realty Pvt. Ltd.

Blossom Buildtech Pvt. Ltd.

Bolt Properties Pvt. Ltd.

Capital Buildcon Pvt. Ltd.

Capital Buildtech Pvt. Ltd.

Jubilant Software Services Pvt. Ltd.

Kalinga Buildtech Pvt. Ltd.

Kalinga Realtors Pvt. Ltd.

Krishna Buildtech Pvt. Ltd.

Lucky Meadows Pvt. Ltd.

Monarch Buildtech Pvt. Ltd.

North South Properties 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.



Carnation Buildtech Pvt. Ltd.  
 CCC Realty Pvt. Ltd.  
 Century Promoters Pvt. Ltd.  
 Echo Buildtech Pvt. Ltd.  
 Echo Properties Pvt. Ltd.  
 Elegant Buildcon Pvt. Ltd.  
 Elegant Estates Pvt. Ltd.  
 Elevator Buildtech Pvt. Ltd.  
 Elevator Properties Pvt. Ltd.  
 Empire Promoters Pvt. Ltd.  
 Excellent Inframart Pvt. Ltd.  
 Fabulous Builders Pvt. Ltd.  
 Four Construction Pvt. Ltd.  
 Gadget Builders Pvt. Ltd.  
 Gagan Buildtech Pvt. Ltd.  
 Glaze Properties 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.  
 Hamara Realty Pvt. Ltd.  
 High Land Meadows Pvt. Ltd.  
 Hemkunt Promoters Pvt. Ltd.  
 Jasmine Buildwell Pvt. Ltd.

Papillon Buildtech Pvt. Ltd.  
 Park Land Const. & Equipment Pvt. Ltd.  
 Parkland Developers Pvt. Ltd.  
 Parkview Promoters Pvt. Ltd.  
 Pasupati Aluminium Ltd.  
 Pelikan Estates Pvt. Ltd.  
 Pioneer Promoters Pvt. Ltd.  
 Rapld Realtors Pvt. Ltd.  
 Rising Realty Pvt. Ltd.  
 Rolling Construction Pvt. Ltd.  
 Romano Estate Pvt. Ltd.  
 Romano Infrastructure Pvt. Ltd.  
 Romano Projects Pvt. Ltd.  
 Romano Tiles Pvt. Ltd.  
 Rose Realty Pvt. Ltd.  
 Roseview Buildtech Pvt. Ltd.  
 Roseview Properties Pvt. Ltd.  
 Saffron View Properties Pvt. Ltd.  
 Sand Storm Buildtech Pvt. Ltd.  
 Sartaj Developers & Promoters Pvt. Ltd.  
 Sovereign Buildwell Pvt. Ltd.  
 Spring View Developers Pvt. Ltd.  
 Spring view Properties Pvt. Ltd.  
 Suburban Farms Pvt. Ltd.  
 Three Star Realty Pvt. Ltd.  
 Townsend Cons. & Equipments Pvt. Ltd.  
 Tumhareliye Realty 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**

Ashok Sarin	Chairman
Monica Sarin	Director
Sunaini Sarin	Director

Note: Related party relationship is as Identified by the management of the Company.

**b). The Company has following transactions with the following related parties:**

S. No.	Nature of Transactions	Related Party	For the year ended March 31, 2011	For the year ended March 31, 2010
			Rs.	Rs.
1	Loan received from holding company	Anant Raj Industries Ltd.	-	657,363,000
2	Loan repaid to holding company	Anant Raj Industries Ltd.	50,000	50,600,000





c). Amount outstanding as at March 31, 2011:

S. No.	Account Head	Related Party	As at March 31, 2011 Rs.	As at March 31, 2010 Rs.
1	Share capital held by holding company	Anant Raj Industries Ltd.	500,000	500,000
2	Unsecured loan repayable to holding company	Anant Raj Industries Ltd.	606,713,000	606,763,000

- v) In the opinion of the management, the current assets, loans and advances, if realized, in the ordinary course of business, would realize a sum equal to that stated in the Balance Sheet.
- vi) Figures in bracket pertain to previous year, unless otherwise indicated.
- vii) Previous year figures have been regrouped/recast, where ever necessary to confirm with this year's presentation.



viii) Additional Information under Part IV of Schedule VI of the Companies Act, 1956:

**I. Registration details**

Registration No.	U45400DL2007PTC162492
State code	55
Balance Sheet Date	March 31, 2011

As at March  
31, 2011  
Rs. (in '000)

**II. Position of mobilization and deployment of funds**

Total assets	607,213
Total liabilities	607,213
<b>Sources of funds</b>	
Paid up capital	500
Unsecured loan	606,713
<b>Application of funds</b>	
Fixed asset	107,160
Investment	500,000
Net current assets	24
Miscellaneous expenditure	10
Profit and loss account	19


For the year  
ended March  
31, 2011  
Rs. (in '000)

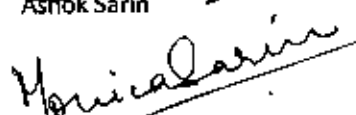
**III. Performance of the Company**

Turnover	0
Total expenditure	10
Profit/(Loss) before tax	(10)
Profit/(Loss) after tax	(10)
Earning per share (Rs.)	-0.20

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

Directors

  
Ashok Sarin

  
Monica Sarin



New Delhi.  
May 11, 2011

**ELEVATOR PROMOTERS PRIVATE LIMITED**

**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2011**

	For the year ended March 31, 2011 Rs.	For the year ended March 31, 2010 Rs.
<b>A. CASH FLOW FROM OPERATIONS</b>		
Profit before tax and extraordinary items	(9,954)	2,344
Adjustment for:		
- Advances	2,377	3,120
- Other liabilities	927	(1,981)
<b>Cash generated from operations</b>	<b>(6,650)</b>	<b>3,483</b>
Provision for income tax	-	(723)
<b>Net cash from operating activities</b>	<b>(A) (6,650)</b>	<b>2,760</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Addition in fixed assets	(66,000)	(107,093,750)
Investment made	-	(500,000,000)
	<b>(B) (66,000)</b>	<b>(607,093,750)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Increase/(Decrease) in unsecured loan	(50,000)	606,763,000
<b>Net cash used in financing activities</b>	<b>(C) (50,000)</b>	<b>606,763,000</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(A+B+C) (122,650)</b>	<b>(327,990)</b>
Cash and cash equivalents - Opening balance	153,854	481,844
Cash and cash equivalents - Closing balance	31,204	153,854

Note: Figures in brackets indicate cash outflow

**Auditor's report**

We have examined the Cash Flow Statement of Elevator Promoters Private Limited for the year ended March 31, 2011. 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*

Rakesh Jain  
Partner  
Membership No. 086501  
May 11, 2011  
New Delhi



Directors

*Ashok Sarin*  
Ashok Sarin

*Monica Sarin*  
Monica Sarin