

AUDITOR'S REPORT

To the members of
Empire Promoters Private Limited

1. We have audited the attached Balance Sheet of Empire 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, which we have signed under reference to this report. 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.
2. We have 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 misstatement. An audit includes examining, on a test basis, evidence supporting the amounts 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.
3. We report that:

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.

4. Further to our comments in paragraph 3 above, we report that:
 - (a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the company in so far as appears from our examination of those books.
 - (c) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account.
 - (d) 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 to in sub-section (3C) of Section 211 of the Act.
 - (e) 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.
 - (f) 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 to accounts thereon, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (i) in the case of the Balance Sheet, of the statement of affairs of the Company as at March 31, 2011;
- (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 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



Kamal Ahluwalia

Kamal Ahluwalia
Partner

Membership No. 093812

April 28,, 2011

EMPIRE PROMOTERS PRIVATE LIMITED

BALANCE SHEET AS AT MARCH 31, 2011

	Schedule	As at March 31, 2011 Rs.	As at March 31, 2010 Rs.
SOURCES OF FUNDS			
Share capital	1	500,000	500,000
Reserve and surplus		542,559	542,559
Unsecured loan	2	<u>67,958,000</u>	<u>67,133,000</u>
		<u>69,000,559</u>	<u>68,175,559</u>
APPLICATION OF FUNDS			
Fixed assets	3	59,106,476	59,106,476
Capital work in progress including capital advance		9,920,472	9,226,643
Preoperative expenditure pending capitalization	4	49,192	38,141
Current assets, loans and advances			
Cash and bank balances	5	125,750	237,115
Advances	6	<u>16,500</u>	-
		142,250	237,115
Less: Current liabilities	7	<u>217,831</u>	<u>432,816</u>
Net current assets		<u>(75,581)</u>	<u>(195,701)</u>
		<u>69,000,559</u>	<u>68,175,559</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 Empire Promoters Private Limited.

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

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

Kamal Ahluwalia
Kamal Ahluwalia
Partner
Membership no. 093812
April 28, 2011
New Delhi



Directors

Pankaj Nakra
Pankaj Nakra

Suraj Parkash Sethi
Suraj Parkash Sethi

EMPIRE PROMOTERS PRIVATE LIMITED

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

	Schedule	For the year ended March 31, 2011 Rs.	For the year ended March 31, 2010 Rs.
INCOME		-	-
EXPENDITURE			
Audit fees		6,618	6,618
Bank charges		93	431
Filing fees		2,196	1,602
Legal and professional		2,103	150
Miscellaneous expenses		41	-
		<u>11,051</u>	<u>8,801</u>
Expenses incurred during the year transferred to Preoperative expenditure pending capitalization		11,051	8,801
Credit balance in Profit and Loss Account brought forward		542,559	542,559
Surplus of Profit and Loss Account carried over to Balance Sheet		542,559	542,559

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 Empire 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

Kamal Ahluwalia

Kamal Ahluwalia
Partner

Membership no. 093812

April 28, 2011

New Delhi



Directors

Pankaj Nakra
Pankaj Nakra

Suraj Parkash Sethi
Suraj Parkash Sethi

SCHEDULES

	As at March 31, 2011 Rs.	As at March 31, 2010 Rs.
1 SHARE CAPITAL		
Authorized 5,000 (5,000) equity shares of Rs. 100 (Rs. 100) each	<u>500,000</u>	<u>500,000</u>
Issued, subscribed and paid Up *5,000 (*5,000) equity shares of Rs.100 (Rs.100) each fully paid up	<u>500,000</u>	<u>500,000</u>
*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 LOAN		
From holding company	<u>67,958,000</u>	<u>67,133,000</u>
3 FIXED ASSETS		
Land	<u>59,106,476</u>	<u>59,106,476</u>
4 PREOPERATIVE EXPENDITURE PENDING CAPITALISATION		
Opening balance	38,141	29,340
Addition during the year	<u>11,051</u>	<u>8,801</u>
	<u>49,192</u>	<u>38,141</u>
5 CASH AND BANK BALANCES		
Cash in hand	2	92
Bank balance with schedule bank - in current account	<u>125,748</u>	<u>237,023</u>
	<u>125,750</u>	<u>237,115</u>
6 ADVANCES		
Security deposit	<u>16,500</u>	<u>-</u>
7 CURRENT LIABILITIES		
Sundry creditors for services	-	114,033
Security deposit received	200,000	306,197
Expenses payable	<u>17,831</u>	<u>12,586</u>
	<u>217,831</u>	<u>432,816</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 recognized whenever the carrying amount of an asset exceeds its recoverable amount; the latter being greater of net selling price and value in use.

e) 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 anti-dilutive.

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.



- i) The Company had acquired land for the development of motel 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 Capitalization' 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) The company does not have any operating profit during the year and therefore, earning per share has not been calculated.

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

Aarkarshak Realtors Pvt. Ltd.	Jubilant Software Services Pvt. Ltd.
Advance Buildcon Pvt. Ltd.	Kalinga Buildtech Pvt. Ltd.
Anant Raj construction & Dev. Pvt. Ltd.	Kalinga Realtors Pvt. Ltd.
Anant Raj Hotels Ltd.	Krishna Buildtech Pvt. Ltd.
Anant Raj Housing Ltd.	Lucky Meadows Pvt. Ltd.
Anant Raj Projects Ltd.	Monarch Buildtech Pvt. Ltd.
Ankur Buildcon Pvt. Ltd.	North South Properties Pvt. Ltd.
A-Plus Estates Pvt. Ltd.	Novel Buildmart Pvt. Ltd.
BBB Realty Pvt. Ltd.	Novel Housing Pvt. Ltd.
Blossom Buildtech Pvt. Ltd.	One Star Realty Pvt. Ltd.
Bolt Properties Pvt. Ltd.	Oriental Meadows Ltd.
Capital Buildcon Pvt. Ltd.	Oriental Promoters Pvt. Ltd.
Capital Buildtech Pvt. Ltd.	Papillon Buildcon Pvt. Ltd.
Carnation Buildtech Pvt. Ltd.	Papillon Buildtech Pvt. Ltd.
CCC Realty Pvt. Ltd.	Park Land Const. & Equipment Pvt. Ltd.
Century Promoters Pvt. Ltd.	Parkand Developers Pvt. Ltd.
Echo Buildtech Pvt. Ltd.	Parkview Promoters Pvt. Ltd.
Echo Properties Pvt. Ltd.	Pasupati Aluminium Ltd.
Elegant Buildcon Pvt. Ltd.	Pelikan Estates Pvt. Ltd.
Elegant Estates Pvt. Ltd.	Pioneer Promoters Pvt. Ltd.
Elevator Buildtech Pvt. Ltd.	Rapid Realtors Pvt. Ltd.
Elevator Promoters Pvt. Ltd.	Rising Realty Pvt. Ltd.
Elevator Properties Pvt. Ltd.	Rolling Construction Pvt. Ltd.
Excellent Inframart Pvt. Ltd.	Romano Estate Pvt. Ltd.
Fabulous Builders Pvt. Ltd.	Romano Infrastructure Pvt. Ltd.
Four Construction Pvt. Ltd.	Romano Projects Pvt. Ltd.
Gadget Builders Pvt. Ltd.	Romano Tiles Pvt. Ltd.
Gagan Buildtech Pvt. Ltd.	Rose Realty Pvt. Ltd.
Glaze Properties Pvt. Ltd.	Roseview Buildtech Pvt. Ltd.
Good Luck Buildtech Pvt. Ltd.	Roseview Properties Pvt. Ltd.
Grand Buildtech Pvt. Ltd.	Saffron View Properties Pvt. Ltd.
Grand Park Buildtech Pvt. Ltd.	Sand Storm Buildtech Pvt. Ltd.
Grand Park Estates Pvt. Ltd.	Sartaj Developers & Promoters Pvt. Ltd.
Greatway Estates Ltd.	Sovereign Buildwell Pvt. 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.

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.
 Woodland Promoters Pvt. Ltd.

Partnership firm in which holding company is partner

Ganga Bishan & Company

Key management Personnel

Pankaj Nakra

Chairman & Director

Monica Sarin

Director

Suraj Parkash Sethi

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, 2011 Rs.	For the year ended March 31, 2010 Rs.
1	Unsecured loans received from holding company	Anant Raj Industries Ltd.	900,000	1,550,000
2	Unsecured loans repaid to holding company	Anant Raj Industries Ltd.	75,000	-

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 loans payable to holding company	Anant Raj Industries Ltd.	67,958,000	67,133,000

iv) Details of capital work in progress as at March 31, 2011:

Particulars	2010-11 Rs.	2009-10 Rs.
a) Construction and development expenses	9,720,472	9,151,643
b) Capital advance	200,000	75,000
	<u>9,920,472</u>	<u>9,226,643</u>

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 and words in brackets relate to the previous year unless otherwise indicated.

vii) Previous year figures have been regrouped/re-cast, wherever necessary, to confirm to this year's presentation.



viii) Additional information under Part IV of Schedule VI of the Companies Act, 1956.

I. Registration details

Registration No.	U74899DL1994PTC061628
State Code	55
Balance Sheet Date	March 31, 2011

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

II. Position of mobilization and deployment of funds

Total assets	69,001
Total liabilities	69,001
Sources of funds	
Paid up capital	500
Reserves and surplus	543
Unsecured loans	67,958
Application of funds	
Fixed assets	59,107
Capital Work in progress including capital Advances	9,920
Preoperative expenditure pending capitalization	49
Net current assets	(76)

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

III. Performance of the Company

Turnover	-
Total expenditure	11
Profit before tax	Nil
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



Pankaj Nakra
Pankaj Nakra

Suraj Parkash Sethi
Suraj Parkash Sethi

New Delhi.
April 28, 2011

EMPIRE 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.
A. CASH FLOW FROM OPERATIONS			
Profit before tax and extraordinary items		-	-
Adjustments for:			
- Preoperative expenditure pending capitalization		(11,051)	(8,801)
- Advances		(16,500)	-
- Current liabilities		(214,985)	426,198
Net cash from operating activities	(A)	(242,536)	417,397
B. CASH FLOW FROM INVESTING ACTIVITIES			
Addition to capital work in progress		(693,829)	(1,818,543)
Net cash from investing activities	(B)	(693,829)	(1,818,543)
C. CASH FLOW FROM FINANCING ACTIVITIES			
Increase/(Decrease) in unsecured loans		825,000	1,550,000
Net cash from financing activities	(C)	825,000	1,550,000
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(A+B+C)	{111,365}	148,854
Cash and cash equivalents - Opening balance		237,115	88,261
Cash and cash equivalents - Closing balance		125,750	237,115

Note: Figures in brackets indicate cash outflow

Auditor's report

We have examined the Cash Flow Statement of Empire 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



Kamal Ahluwalia
Partner
Membership no. 093812
April 28, 2011
New Delhi

Directors


Pankaj Nakra


Sural Parkash Sethi