

A.K. Jindal & Associates
Chartered Accountants

201, Suchet Chambers, 1224/5, Naiwala, Bank Street, Karol Bagh, Delhi 110005, Tel : 28750239, 41548454

AUDITOR'S REPORT

To the members of
One Star Realty Private Limited

We have audited the attached Balance Sheet of One Star Realty Private Limited as at March 31, 2011, and the Profit and Loss Account and also the 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, 2011 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:
- In case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2011;
 - In the case of Profit and Loss Account, of the profit earned by the Company for the financial year ended on that date; and
 - In the case of Cash Flow Statement, of the cash flows of the Company for the financial year ended on that date.

Place: Delhi
Dated: 20.04.2011



Firm Name: A.K. Jindal & Associates
Chartered Accountants
Firm Registration No.: 006659N
By the hand of


Partner Name: Ashok Gupta
Partner Membership No. : 085175

ONE STAR REALTY PRIVATE LIMITED

BALANCE SHEET AS AT MARCH 31, 2011


	Schedules	As at March 31, 2011 Rs.	As at March 31, 2010 Rs.
SOURCES OF FUNDS			
Share capital	1	500,000	500,000
Unsecured loan	2	148,000,000	-
Profit and loss account		8,769	1,642
		<u>148,508,769</u>	<u>501,642</u>
APPLICATION OF FUNDS			
Current assets and loan and advances			
Cash and bank balances	3	356,297	498,125
Advances	4	148,154,946	8,496
		<u>148,511,243</u>	<u>506,621</u>
Less: Current liabilities & provisions	5	10,083	12,588
Net current assets		<u>148,501,160</u>	<u>494,033</u>
Miscellaneous expenditure (to the extent not written off or adjusted)			
	6	7,609	7,609
		<u>148,508,769</u>	<u>501,642</u>
ACCOUNTING POLICIES	7		
NOTES TO ACCOUNTS	8		

This is the Balance Sheet referred in our report of even date addressed to the members of One Star Realty Private Limited

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

A. K. Jindal & Associates
Chartered Accountants
By the hand of


Directors


Ashok Gupta
Partner




Ashim Sarin

Membership no. 085175
Dated: 'April 20, 2011
New Delhi


Roma Sarin

Roma Sarin

ONE STAR REALTY 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.
INCOME			
Interest on fixed deposit		20,220	27,054
EXPENDITURE			
Audit fees		6,618	6,618
Bank charges		100	
Filing fees		1,806	900
Legal and professional		1,380	216
		<u>9,904</u>	<u>7,734</u>
Profit during the year		10,316	19,320
Provision for tax		(3,189)	(5,970)
Profit after tax		<u>7,127</u>	<u>13,350</u>
Profit/(Loss) brought forward from previous year		1,642	(11,708)
Profit carried forward to Balance Sheet		<u>8,769</u>	<u>1,642</u>
Earning per share (equity share, par value of Rs. 10 each)			
- Basic and diluted earning per share		0.14	0.27

ACCOUNTING POLICIES

7

NOTES TO ACCOUNTS

8

This is the Profit and Loss Account referred in our report of even date addressed to the members of One Star Realty Private Limited

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

A. K. Jindal & Associates
Chartered Accountants
By the hand of

Directors


Ashok Gupta
Partner




Ashim Sarin

Membership no. 085175
Dated: April 20, 2011
New Delhi


Roma Sarin

SCHEDULES

	As at March 31, 2011 Rs.	As at March 31, 2010 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 holding Company, Anant Raj Industries Limited, including 6 (Nil) shares registered in the name of nominees of the holding Company.		
2 UNSECURED LOANS		
From holding company	148,000,000	-
3 CASH AND BANK BALANCES		
Cash in hand	2,865	2,865
Bank balance with scheduled bank		
- in current account	353,432	60,548
- in deposit account	-	434,712
	356,297	498,125
4 LOANS AND ADVANCES		
(Unsecured and considered good)		
Advances recoverable in cash or in kind or for which value to be received	148,151,003	-
Accrued interest	-	2,609
Income tax receivable	3,943	5,887
	148,154,946	8,496
5 CURRENT LIABILITIES & PROVISIONS		
Expenses payable	6,894	6,618
Provision for tax	3,189	5,970
	10,083	12,588
6 MISCELLANEOUS EXPENDITURE		
(to the extent not written off or adjusted)		
Preliminary expenses	7,609	7,609



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. 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.

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.

E. MISCELLANEOUS EXPENDITURE

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



- i) The Company has identified development of real estate projects along with its associate partners and the same is currently under development.
- ii) The entire issued capital of the Company was purchased by Anant Raj Industries Limited on March 25, 2011 and the Company became a wholly owned subsidiary of the former.
- 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.	7,127	13,350
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.	0.14	0.27

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 relationships :

Holding Company

Anant Raj Industries Limited
High Land Meadows Pvt. Ltd.#

Fellow Subsidiaries

Aarkarshak Realtors Pvt. Ltd.	Jasmine Buildwell Pvt. Ltd.
Advance Buildcon Pvt. Ltd.	Jubilant Software Services Pvt. Ltd.
Anant Raj construction & Dev. Pvt. Ltd.	Kalinga Buildtech Pvt. Ltd.
Anant Raj Hotels Ltd.	Kalinga Realtors Pvt. Ltd.
Anant Raj Housing Ltd.	Krishna Buildtech Pvt. Ltd.
Anant Raj Projects Ltd.	Lucky Meadows Pvt. Ltd.
Ankur Buildcon Pvt. Ltd.	Monarch Buildtech Pvt. Ltd.
A-Plus Estates Pvt. Ltd.	North South Properties Pvt. Ltd.
BBB Realty Pvt. Ltd.	Novel Buildmart Pvt. Ltd.
Blossom Buildtech Pvt. Ltd.	Novel Housing 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.	Parkland 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.
 Elevator Buildtech Pvt. Ltd.
 Elevator Promoters 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 Vidhyanager Ltd.
 Hamara Realty Pvt. Ltd.
 Hemkunt Promoters Pvt. Ltd.

Pioneer Promoters Pvt. Ltd.
 Rapid 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

Ashim Sarin	Chairman
Roma Sarin	Director
Nutan Nakra	Director

#The Company ceases to be the wholly owned subsidiary of High Land Meadows Pvt. Ltd. during the year

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 Rs.	For the year ended March 31, 2010 Rs.
1	Share capital acquired by holding company	Anant Raj industries Ltd.	500,000	-
3	Loan received from holding company.	Anant Raj industries Ltd.	148,000,000	-
	Loan received from earlier holding company	High Land Meadows Pvt. Ltd.	42,500,000	
2	Loan repaid to earlier holding company	High Land Meadows Pvt. Ltd.	42,500,000	



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	-
2	Share capital held by earlier holding company	High Land Meadows Pvt. Ltd.	-	500,000
3	Unsecured loan repayable to holding company	Anant Raj industries Ltd.	148,000,000	-

- v) In the opinion of the management, the current assets, loans and advance, if realized, in the ordinary course of business, would realize a sum equal to that stated in the Balance Sheet.
- vi) Figures in brackets pertain to the 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.		U45400DL2007PTC164826
State code		55
Balance Sheet Date		March 31, 2011
		For the year ended, March 31, 2011
		Rs.(in '000)
II. Position of mobilization and deployment of funds		
Total assets		148,509
Total liabilities		148,509
Sources of funds		
Paid up capital		500
Unsecured loan		148,000
Profit and loss account		9
Application of funds		
Net current assets		148,501
Miscellaneous expenditure		8
		For the year ended March 31, 2011
		Rs.(in '000)
III. Performance of the Company		
Turnover		20
Total expenditure		10
Profit before tax		10
Profit after tax		7
Earning per share (Rs.)		0.14

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



Directors

 Ashim Sarin


 Roma Sarin

New Delhi.
 Dated: 'April 20, 2011

ONE STAR REALTY 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	10,316	19,320
Interest received	(20,220)	(27,054)
Operating profit before working capital changes	(9,904)	(7,734)
Adjustment for:		
- Loans and advances	(148,146,450)	(1,624)
- Other liabilities	(2,505)	3,810
Cash generated from operations	(148,158,859)	(5,548)
Provision for income tax	(3,189)	(5,970)
Net cash from operating activities	(A) (148,162,048)	(11,518)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Interest received	20,220	27,054
Net cash used in investing activities	(B) 20,220	27,054
C. CASH FLOW FROM FINANCING ACTIVITIES		
Unsecured loan received	148,000,000	-
Net cash used in financing activities	(C) 148,000,000	-
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	(141,828)	15,536
Cash and cash equivalents - Opening balance	498,125	482,589
Cash and cash equivalents - Closing balance	356,297	498,125

Note: Figures in brackets indicate cash outflow

Auditor's report

We have examined the Cash Flow Statement of One Star Realty 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.

A. K. Jindal & Associates
Chartered Accountants
By the hand of


Ashok Gupta

Partner
Membership no. 085175
Dated: 'April 20, 2011
New Delhi



Directors


Ashim Sarin


Roma Sarin