

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, 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 in 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 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:

- a) in case of the Balance Sheet, of the statement of affairs of the Company as at March 31, 2011;
- b) in the case of Profit and Loss Account, of the expenditure incurred by the Company for the financial year ended on that date; and
- c) 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

ishwanand Keshri
Partner

Membership No. 505508

May 10, 2011

SAND STORM BUILTECH 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 loans	2	<u>3,812,170</u>	<u>3,812,170</u>
		<u>4,312,170</u>	<u>4,312,170</u>
APPLICATION OF FUNDS			
Fixed asset	3	4,021,836	4,021,836
Preoperative expenditure pending capitalization	4	264,977	220,959
Current assets			
Cash and bank balances	5	26,968	36,062
Less: Current liabilities	6	<u>6,618</u>	<u>6,618</u>
Net current assets		20,350	29,444
Miscellaneous expenditure (to the extent not written off or adjusted)	7	-	34,924
Profit and loss account		<u>5,007</u>	<u>5,007</u>
		<u>4,312,170</u>	<u>4,312,170</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.

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

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



Vishwanand Keshri
Partner
Membership no. 505508
May 10, 2011
New Delhi



Directors



Ashok Sarin



Navneet Singh Bhatia

SAND STORM BUILDTECH 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		-	
EXPENDITURE			
Audit fees		6,618	6,618
Salary and wages		-	15,660
Bank charges		-	1,000
Filing fees		1,648	3,020
Preliminary expenses written off		34,924	34,923
Legal and professional		828	446
		44,018	61,667
Expenses incurred during the year transferred to Preoperative expenditure pending capitalisation		44,018	61,667
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




Ashok Sarin

Vishwanand Keshri
Partner
Membership no. 505508
May 10, 2011
New Delhi




Navneet Singh Bhatia

SCHEDULES

	As at March 31, 2011 Rs.	As at March 31, 2010 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 holding Company, Anant Raj Industries Ltd. including 6 (6) shares registered in the name of nominees of the holding Company.		
2. UNSECURED LOANS		
From holding company	<u>3,812,170</u>	<u>3,812,170</u>
3. FIXED ASSETS		
Land	<u>4,021,836</u>	<u>4,021,836</u>
4. PREOPERATIVE EXPENDITURE PENDING CAPITALISATION		
Opening balance	220,959	159,292
Addition during the year	<u>44,018</u>	<u>61,667</u>
	<u>264,977</u>	<u>220,959</u>
5. CASH AND BANK BALANCES		
Cash in hand	4,380	4,380
Bank balance with scheduled bank - in current account	<u>22,588</u>	<u>31,682</u>
	<u>26,968</u>	<u>36,062</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	34,924	69,847
Less: Amount written off during the year	<u>34,924</u>	<u>34,923</u>
	<u>-</u>	<u>34,924</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. 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.

G. MISCELLANEOUS EXPENDITURE

Preliminary expenses are amortized 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 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) In the opinion of the management, the current assets, if realized in the ordinary course of business, would realize a sum equal to that stated in the Balance Sheet.
- iii) The company does not have any operating profit during the year and therefore, earning per share has not been calculated.
- 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

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 Pvt. 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.	One Star Realty Pvt. Ltd.
Capital Buildcon Pvt. Ltd.	Oriental Meadows Ltd.
Capital Buildtech Pvt. Ltd.	Oriental Promoters Pvt. Ltd.
Carnation Buildtech Pvt. Ltd.	Papillon Buildcon Pvt. Ltd.
CCC Realty Pvt. Ltd.	Papillon Buildtech Pvt. Ltd.
Century Promoters Pvt. Ltd.	Park Land Const. & Equipment Pvt. Ltd.
Echo Buildtech Pvt. Ltd.	Parkland Developers Pvt. Ltd.
Echo Properties Pvt. Ltd.	Parkview Promoters Pvt. Ltd.
Elegant Buildcon Pvt. Ltd.	Pasupati Aluminium Ltd.
Elegant Estates Pvt. Ltd.	Pelikan Estates Pvt. Ltd.
Elevator Buildtech Pvt. Ltd.	Pioneer Promoters Pvt. Ltd.
Elevator Promoters Pvt. Ltd.	Rapid Realtors Pvt. Ltd.
Elevator Properties Pvt. Ltd.	Rising Realty Pvt. Ltd.
Empire Promoters 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.
 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.
 Hemkunt Promoters Pvt. Ltd.
 High Land Meadows Pvt. Ltd.

Rose Realty Pvt. Ltd.
 Roseview Buildtech Pvt. Ltd.
 Roseview Properties Pvt. Ltd.
 Saffron View Properties 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 & Director
Sunaini Sarin	Director
Navneet Singh Bhatia	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 Rs.	For the year ended March 31, 2010 Rs.
2	Loans received from holding company	Anant Raj Industries Ltd.	-	35,550

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.	3,812,170	3,812,170

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

vi) Previous year figures have been regrouped or recast, wherever necessary, in order to confirm to this year's presentation.



vii) 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, 2011

As at March
31, 2011
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	265
Net current assets	20
Miscellaneous expenditure	-
Profit and Loss Account	5

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

III. Performance of the Company

Turnover	-
Total expenditure	44
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



Ashok Sarin

Navneet Singh Bhatia

New Delhi,
May 10, 2011

SAND STORM BUILDTECH 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 extra ordinary items	-	-
Adjustments for:		
- Miscellaneous expenditure written off	34,924	34,923
- Preoperative expenditure pending capitalisation	(44,018)	(61,667)
Net cash from operating activities	(A) (9,094)	(26,744)
B. CASH FLOW FROM INVESTING ACTIVITIES		
	(B) -	-
C. CASH FLOW FROM FINANCING ACTIVITIES		
Increase/(Decrease) in unsecured loans	-	35,550
Net cash used in financing activities	(C) -	35,550
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(A+B+C) (9,094)	8,806
Cash and cash equivalents - Opening balance	36,062	27,256
Cash and cash equivalents - Closing balance	26,968	36,062

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, 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



Vishwanand Keshri
Partner
Membership no. 505508
May 10, 2011
New Delhi



Directors


Ashok Sarin



Navneet Singh Bhatia