

## AUDITOR'S REPORT

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To the members of  
**Elegant Buildcon Private Limited**

We have audited the attached Balance Sheet of Elegant Buildcon Private Limited as at March 31, 2012, and the related Statement of Profit and Loss and also the 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.

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.

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:

- (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 so far as appears from our examination of those books.
- (c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account.
- (d) In our opinion, the Balance Sheet, Statement of Profit and Loss 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 state of affairs of the Company as at March 31, 2012;
  - (ii) in the case of Statement of Profit and Loss, of the expenditure incurred by the Company for the 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.

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

May 24, 2012

B. Bhushan & Co.  
Chartered Accountants  
Firm Registration No. 001596N  
By the hand of

  
Abhishek Aneja  
Partner

Membership No. 520224



## ELEGANT BUILDCON PRIVATE LIMITED

## BALANCE SHEET AS AT MARCH 31, 2012

	Notes	As at March 31, 2012 Rs.	As at March 31, 2011 Rs.
<b>I. EQUITY AND LIABILITIES</b>			
<b>Shareholders' fund</b>			
a) Share capital	2	500,000	500,000
b) Reserves and surplus	3	(2,901)	(2,901)
		<u>497,099</u>	<u>497,099</u>
<b>Non current liabilities</b>			
a) Long term borrowings	4	42,832,691	42,832,691
<b>Current liabilities</b>			
a) Other current liabilities	5	8,427	6,618
<b>TOTAL</b>		<u><b>43,338,217</b></u>	<u><b>43,336,408</b></u>
<b>II. ASSETS</b>			
<b>Non current assets</b>			
a) Fixed assets			
i) Tangible assets	6	43,028,716	43,028,716
ii) Capital work in progress	7	290,090	276,061
		<u>43,318,806</u>	<u>43,304,777</u>
<b>Current assets</b>			
a) Cash and cash equivalents	8	19,411	31,631
<b>TOTAL</b>		<u><b>43,338,217</b></u>	<u><b>43,336,408</b></u>
<b>SIGNIFICANT ACCOUNTING POLICIES</b>	1		

This is the Balance Sheet referred in our report of even date addressed to the members of Elegant Buildcon Private Limited.

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

  
Abhishek Aneja  
Partner  
Membership no. 520224  
May 24, 2012  
New Delhi



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

Directors

  
Pankaj Nakra  
  
Omi Chand Rajput



## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2012

	Notes	For the year ended March 31, 2012 Rs.	For the year ended March 31, 2011 Rs.
I INCOME		-	-
II EXPENSES			
Other expenses	9	14,029	46,484
		14,029	46,484
Expenses incurred during the year transferred to Preoperative Expenditures Pending Capitalisation		14,029	46,484
Total expenses		-	-
III Profit before tax (II - III)		-	-
IV Tax expense		-	-
V Profit for the year from continuing operations (III - IV)		-	-

## SIGNIFICANT ACCOUNTING POLICIES

1

This is the Statement of Profit and Loss referred in our report of even date addressed to the members of Elegant Buildcon Private Limited.


The notes referred above form an integral part of the Statement of Profit and Loss.

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

  
Abhishek Aneja  
Partner  
Membership no. 520224  
May 24, 2012  
New Delhi



Directors

  
Pankaj Nakra

  
Omi Chand Rajput

**1 SIGNIFICANT ACCOUNTING POLICIES****a) BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The financial statements of the Company have been prepared in accordance with the Indian Generally Accepted Accounting Principles ("Indian GAAP"). The Company has prepared these financial statements to comply in all material aspects with the accounting standard notified under the Companies (Accounting Standard) Rules, 2006 as amended and the relevant provision of the Companies Act, 1956. The financial statement have been prepared under the historical cost convention and on accrual basis.

The accounting policies adopted in the preparation and presentation of financial statements are consistent with those of previous year. The management evaluates all recently issued or revised accounting standards on a ongoing basis.

During the year ended March 31, 2012, the revised Schedule VI notified under the Companies Act, 1956, has become applicable to the Company, for preparation and presentation of its financial statement. The adoption of revised Schedule VI does not impact recognition and measurement principles followed for preparation of financial statements. However, it has significant impact on presentation and disclosures made in the financial statements. The Company has also reclassified previous year figures in accordance with the requirements applicable in the current year.

**b) RECOGNITION OF REVENUE AND EXPENDITURE**

Income and expenditure are accounted for on accrual basis.

**c) TANGIBLE ASSETS**

Tangible 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 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) 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 anti-dilutive.





	As at March 31, 2012 Rs.	As at March 31, 2011 Rs.
<b>2 SHARE CAPITAL</b>		
<b>Authorized</b>		
1,000,000 (1,000,000) equity shares of Rs. 10 (Rs. 10) each	10,000,000	10,000,000
<b>Issued, subscribed, and fully paid up</b>		
50,000 (50,000) equity shares of Rs. 10 (Rs. 10) each fully paid up	500,000	500,000

a) Reconciliation of equity shares outstanding at the beginning and at the end of the reporting period:

	As at March 31, 2012		As at March 31, 2011	
	Number	Amount (Rs.)	Number	Amount (Rs.)
Number of shares outstanding at the beginning of the year	50,000	500,000	50,000	500,000
Number of shares outstanding at the end of the year	50,000	500,000	50,000	500,000

b) Terms/rights attached to equity shares

The Company has only one class of equity share having a par value of Rs. 10 per share. Each shareholder of equity shares is entitled to one vote per share. The Company declares and pays dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by each shareholders.

c) Shares held by holding Company, Anant Raj Industries Ltd.

*50,000 (*50,000) equity shares of Rs. 10 (Rs. 10) each fully paid up	500,000	500,000
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\*Includes 6 (6) equity shares held by nominees of the holding company, Anant Raj Industries Ltd.

d) Details of shareholders holding more than 5% shares in the Company

	As at March 31, 2012		As at March 31, 2011	
	Number	% holding	Number	% holding
Equity Shares of Rs. 10 (Rs. 10) each fully paid up				
- Anant Raj Industries Ltd.	50,000	100%	50,000	100%

**3 RESERVES AND SURPLUS**

a) Profit and Loss Account		
Opening balance	(2,901)	(2,901)
Addition during the year	-	-
	(2,901)	(2,901)



	As at March 31, 2012 Rs.	As at March 31, 2011 Rs.
<b>4 LONG TERM BORROWINGS</b>		
(Unsecured)		
a) Loans from related party	42,832,691	42,832,691
<p>Loans from related party represents non interest bearing unsecured loan obtained from holding company utilised for meeting developmental costs of a real estate project currently under development, which loan is repayable on divestment of the said project. There is no repayment of principal or payment of interest due by the Company as at the year end.</p>		
<b>5 OTHER CURRENT LIABILITIES</b>		
a) Other payables		
Expenses payable	8,427	6,618
<b>6 TANGIBLE ASSETS</b>		
a) Land		
Opening balance	43,028,716	43,028,716
Additions during the year	-	-
	43,028,716	43,028,716
<b>7 CAPITAL WORK IN PROGRESS</b>		
a) Preoperative expenditure pending capitalisation		
Opening balance	276,061	229,577
Addition during the year	14,029	46,484
	290,090	276,061
<b>8 CASH AND CASH EQUIVALENTS</b>		
a) Balance with bank in current account	15,561	27,781
b) Cash on hand	3,850	3,850
	19,411	31,631
	<b>For the year ended March 31, 2012 Rs.</b>	<b>For the year ended March 31, 2011 Rs.</b>
<b>9 OTHER EXPENSES</b>		
a) Payment to auditors as audit fees	8,427	6,618
b) Filing fee	1,500	3,000
c) Legal and professional	3,552	1,379
d) Preliminary expenses written off	-	34,937
e) Bank Charges	550	550
	14,029	46,484

- 10 The Company purchased land for development of a real estate project in Delhi. Expenses incurred by the Company during the year considered to enhance the value of the development project, have been accounted under the head 'Preoperative Expenditure Pending Capitalization' and the same shall be capitalized by way of apportionment over the fixed assets to be created on completion of development in progress.





- 11 The Company does not have any operating profit during the year and therefore, Earning per share has not been calculated.

## 12 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

Aakashganga Realty Pvt. Ltd.	Jasmine Buildwell Pvt. Ltd.
Aarkarshak Realators Pvt. Ltd.	Jubilant Software Services Pvt. Ltd.
Advance Buildcon Pvt. Ltd.	Kalinga Buildtech Pvt. Ltd.
Anant Raj Cons. & Development 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.	Parkland Developers Pvt. Ltd.
Echo Buildtech Pvt. Ltd.	Parkview Promoters Pvt. Ltd.
Echo Properties 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.	Red Sea Realty Pvt. Ltd.
Empire Promoters Pvt. Ltd.	Rising Realty Pvt. Ltd.
Excellent Inframart Pvt. Ltd.	Rolling Construction Pvt. Ltd.
Fabulous Builders Pvt. Ltd.	Romano Estate Pvt. Ltd.
Four Construction Pvt. Ltd.	Romano Infrastructure Pvt. Ltd.
Gadget Builders Pvt. Ltd.	Romano Projects Pvt. Ltd.
Gagan Buildtech Pvt. Ltd.	Romano Tiles Pvt. Ltd.
Glaze Properties Pvt. Ltd.	Rose Realty Pvt. Ltd.
Good Luck Buildtech Pvt. Ltd.	Roseview Buildtech Pvt. Ltd.
Grand Buildtech Pvt. Ltd.	Roseview Properties Pvt. Ltd.
Grand Park Buildtech Pvt. Ltd.	Saffron View Properties Pvt. Ltd.
Grand Park Estates Pvt. Ltd.	Sand Storm Buildtech Pvt. Ltd.
Greatway Estates Ltd.	Sartaj Developers & Promoters Pvt. Ltd.
Greatways Buildtech Pvt. Ltd.	Sovereign Buildwell Pvt. Ltd.
Green Line Buildcon Pvt. Ltd.	Spring View Developers Pvt. Ltd.
Green Line Promoters Pvt. Ltd.	Spring view Properties Pvt. Ltd.
Green Retreat and Motels Pvt. Ltd.	Suburban Farms Pvt. Ltd.
Green View Buildwell Pvt. Ltd.	Three Star Realty 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.

Townsend Cons. & Equipments Pvt. Ltd.  
Tumhareliye Realty Pvt. Ltd.  
Twenty First Developers Pvt. Ltd.  
Vibrant Buildmart Pvt. Ltd.  
West Land Buildcon Pvt. Ltd.  
Woodland Promoters Pvt. Ltd.

**Partnership firm in which ultimate holding company is partner**

Ganga Bishan &amp; Company

**Key management Personnel**

Pankaj Nakra

Jayanti Sarin

Omi Chand Rajput

Chairman

Director

Director

**Note:** The related party relationship is as identified by the management.

**b) Following related parties transactions have taken place:**

Sl. No.	Nature of Transactions	Related Party	For the year ended March 31, 2012	For the year ended March 31, 2011
			Rs.	Rs.
1	Long term borrowings received from holding company	Anant Raj Industries Ltd.	-	10,000

**c) Amount outstanding as at March 31, 2012:**

Sl. No.	Account head	Related Party	As at March 31, 2012	As at March 31, 2011
			Rs.	Rs.
1	Equity share capital held by holding company	Anant Raj Industries Ltd.	500,000	500,000
2	Long term borrowings payable to holding company	Anant Raj Industries Ltd.	42,832,691	42,832,691

**13** In the opinion of the management, the realisable value of current assets in the ordinary course of business will not be less than their value stated in the Balance Sheet.

**14** Figures and words in brackets relate to previous year unless otherwise indicated.

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

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

Directors



*Pankaj Nakra*  
Pankaj Nakra

*Omi Chand Rajput*  
Omi Chand Rajput

May 24, 2012  
New Delhi

## CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2012

	For the year ended March 31, 2012 Rs.	For the year ended March 31, 2011 Rs.
<b>A. CASH FLOW FROM OPERATIONS</b>		
Profit before tax from continuing operations	-	-
Preliminary expenditure written off	-	34,937
<b>Operating profit before working capital changes</b>	-	<b>34,937</b>
- Increase/(Decrease) in other current liabilities	1,809	-
<b>Net cash from operating activities</b>	<b>(A) 1,809</b>	<b>34,937</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Addition to Capital work-in-progress	(14,029)	(46,484)
<b>Net cash used in investing activities</b>	<b>(B) (14,029)</b>	<b>(46,484)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Increase/(Decrease) in long term borrowings	-	10,000
<b>Net cash from financing activities</b>	<b>(C) -</b>	<b>10,000</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(A+B+C) (12,220)</b>	<b>(1,547)</b>
Cash and cash equivalents - Opening balance	31,631	33,178
Cash and cash equivalents - Closing balance	19,411	31,631

Note: Figures in brackets indicate cash outflow

This is the Cash Flow Statement referred to in our report of even date attached.

B. Bhushan & Co.  
Chartered Accountants  
By the hand of  
  
Abhishek Aneja  
Partner  
Membership no. 520224  
May 24, 2012  
New Delhi



Directors

  
Pankaj Nakra  
  
Omi Chand Rajput