

## AUDITOR'S REPORT

---

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

We have audited the attached Balance Sheet of Elevator Properties Private Limited as at March 31, 2012, the related Statement of Profit and Loss and 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) (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.

Further, 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) 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.
- iii) 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.
- iv) 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 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:
- a) in case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2012;
  - b) in the case of Statement of Profit and Loss, of the profit earned by the Company for the year ended on that date; and
  - c) 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 12, 2012

B. Bhushan & Co.  
Chartered Accountants  
Firm Registration No. 001596N  
By the hand of  
  
Rakesh Jain  
Partner  
Membership No. 086501

## ELEVATOR PROPERTIES 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	1,463,209	519,585
		<u>1,963,209</u>	<u>1,019,585</u>
<b>Non current liabilities</b>			
a) Long term borrowings	4	192,443,788	185,773,788
<b>Current liabilities</b>			
a) Other current liabilities	5	204,180	50,657
b) Short term provision	6	436,209	254,705
		<u>640,389</u>	<u>305,362</u>
	<b>TOTAL</b>	<u><b>195,047,386</b></u>	<u><b>187,098,735</b></u>
<b>II. ASSETS</b>			
<b>Non current assets</b>			
a) Fixed assets			
i) Tangible assets	7	161,779,640	161,779,640
ii) Capital work in progress	8	11,621,870	4,023,020
b) Long term loans and advances	9	-	808,000
		<u>173,401,510</u>	<u>166,610,660</u>
<b>Current assets</b>			
a) Cash and bank balances	10	19,033,444	19,083,388
b) Other current assets	11	2,612,432	1,404,687
		<u>21,645,876</u>	<u>20,488,075</u>
	<b>TOTAL</b>	<u><b>195,047,386</b></u>	<u><b>187,098,735</b></u>
<b>SIGNIFICANT ACCOUNTING POLICIES</b>	<b>1</b>		

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

B. Bhushan & Co.  
Chartered Accountants  
By the hand of  
*Rakesh*  
Rakesh Jain  
Partner  
Membership no. 086501  
May 12, 2012  
New Delhi



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

Directors

Anil Sarin

Monica Sarin

*Anil Sarin*  
*Monica Sarin*

ELEVATOR PROPERTIES PRIVATE LIMITED

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.
<b>I INCOME</b>			
Other income	12	1,432,272	839,409
<b>Total revenue</b>		<u>1,432,272</u>	<u>839,409</u>
<b>II EXPENSES</b>			
Finance costs	13	20,655	12,039
Other expenses	14	31,784	15,118
<b>Total expenses</b>		<u>52,439</u>	<u>27,157</u>
<b>III Profit before tax (I - II)</b>		<b>1,379,833</b>	<b>812,252</b>
<b>IV Tax expense</b>			
Current tax		436,209	254,705
<b>V Profit for the year from continuing operations (III - IV)</b>		<u><b>943,624</b></u>	<u><b>557,547</b></u>
<b>VI Earnings per share [equity share, par value of Rs. 10 (Rs. 10) each]</b>			
1) Basic		18.87	11.15
2) Diluted		18.87	11.15

SIGNIFICANT ACCOUNTING POLICIES

1

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

*Rakesh Jain*

Rakesh Jain  
Partner  
Membership no. 086501  
May 12, 2012  
New Delhi



Directors

Anil Sarin

Monica Sarin

*Anil Sarin*  
*Monica Sarin*

**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 AND CAPITAL WORK IN PROGRESS**

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.

Capital work-in-progress comprises construction work-in-progress, direct expenditure and the cost of fixed assets that are not yet ready for their intended use at the balance sheet date.

**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) 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.



## g) CASH AND CASH EQUIVALENTS

In the Cash Flow Statement, cash and cash equivalents includes cash in hand, demand deposits with banks, other short term highly liquid investments with original maturity of three months or less.

	As at March 31, 2012 Rs.	As at March 31, 2011 Rs.
<b>2 SHARE CAPITAL</b>		
<b>Authorized</b>		
50,000 (50,000) equity shares of Rs. 10 (Rs. 10) each	500,000	500,000
<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

\*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
<b>Equity Shares of Rs. 10 (Rs. 10) each fully paid up</b>				
- Anant Raj Industries Limited	50,000	100%	50,000	100%

## 3 RESERVES AND SURPLUS

## a) Profit and Loss Account

Opening balance		519,585	(37,962)
Addition during the year		943,624	557,547
		1,463,209	519,585



	As at March 31, 2012 Rs.	As at March 31, 2011 Rs.
<b>4 LONG TERM BORROWINGS</b>		
(Unsecured)		
a) Loan from related party	<u>192,443,788</u>	<u>185,773,788</u>
<p>Loan 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 payable		
i) Expenses payable	9,551	6,618
ii) Statutory dues payable	-	32,000
iii) Security deposit	173,974	-
iv) Interest payable	20,655	12,039
	<u>204,180</u>	<u>50,657</u>
<b>6 SHORT TERM PROVISION</b>		
a) Provision for income tax	<u>436,209</u>	<u>254,705</u>
<b>7 TANGIBLE ASSETS</b>		
a) Land		
Opening balance	161,779,640	-
Additions during the year	-	161,779,640
	<u>161,779,640</u>	<u>161,779,640</u>
<b>8 CAPITAL WORK IN PROGRESS</b>		
Opening balance	4,023,020	-
Additions during the year	7,598,850	4,023,020
	<u>11,621,870</u>	<u>4,023,020</u>
<b>9 LONG TERM LOANS AND ADVANCES</b>		
(Unsecured, considered good)		
a) Capital advance	<u>-</u>	<u>808,000</u>
<b>10 CASH AND BANK BALANCES</b>		
a) Cash and cash equivalents		
i) Balance with bank in current account	28,711	78,565
ii) Cash on hand	4,733	4,823
	<u>33,444</u>	<u>83,388</u>
b) Other bank balances		
i) Fixed deposit against margin money*	19,000,000	19,000,000
	<u>19,033,444</u>	<u>19,083,388</u>

\*Pledged with the bank as margin against bank guarantee issued by the bank.



	As at March 31, 2012 Rs.	As at March 31, 2011 Rs.
<b>11 OTHER CURRENT ASSETS</b>		
a) Unamortised expenditure		
Opening balance	9,910	9,910
Less: Written off during the year	9,910	-
	<u>-</u>	<u>9,910</u>
b) Interest accrued but not due	2,044,512	755,467
c) Income tax receivable	143,227	83,942
d) Prepaid expenses	424,693	555,368
	<u>2,612,432</u>	<u>1,404,687</u>
	For the year ended March 31, 2012 Rs.	For the year ended March 31, 2011 Rs.
<b>12 OTHER INCOME</b>		
a) Interest income	<u>1,432,272</u>	<u>839,409</u>
<b>13 FINANCE COSTS</b>		
a) Interest on income tax	<u>20,655</u>	<u>12,039</u>
<b>14 OTHER EXPENSES</b>		
a) Payment to auditors as audit fees	9,551	6,618
b) Bank charges	550	3,648
c) Filing fees	696	3,300
d) Legal and professional	9,791	1,552
e) Interest paid	1,286	-
f) Unamortised expenditure written off	9,910	-
	<u>31,784</u>	<u>15,118</u>

**15 CONTINGENT LIABILITIES (to the extent not provided for):****a) In respect of guarantee given:**

Contingent liabilities in respect of bank guarantee provided to Greater Noida Industrial Development Authority of Rs. 1.90 crores (Rs. 1.90 crores) towards the differential value of the stamp duty chargeable on the lease deed in respect of the plot allotted to the Company.

**16** The Company had identified development of IT park in Noida and had acquired plot under lease deed executed with the Greater Noida Industrial Development Authority. The Company is in the process of developing the said IT park.

**17** In the opinion of the management, the other current assets, if realized, in the ordinary course of business, would realize a sum at least equal to that stated in the Balance Sheet.





**ELEVATOR PROPERTIES PRIVATE LIMITED****Notes to financial statement for the year ended March 31, 2012**

- 18 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.

Particulars		For the year ended March 31, 2012	For the year ended March 31, 2011
Profit attributable to equity shareholders	Rs.	943,624	557,547
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.	18.87	11.15

**19 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 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.	Red Sea Realty Pvt. Ltd.
Empire Promoters Pvt. Ltd.	Rising Realty Pvt. Ltd.
Excellent Inframart Pvt. Ltd.	Rolling Construction Pvt. Ltd.



**ELEVATOR PROPERTIES PRIVATE LIMITED**

Notes to financial statement for the year ended March 31, 2012

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.	Townsend Cons. & Equipments Pvt. Ltd.
Green Wood Properties Pvt. Ltd.	Tumhareliye Realty Pvt. Ltd.
Gujarat Anant Raj Vidhyanagar Ltd.	Twenty First Developers Pvt. Ltd.
Hamara Realty Pvt. Ltd.	Vibrant Buildmart Pvt. Ltd.
Hemkunt Promoters Pvt. Ltd.	West Land Buildcon Pvt. Ltd.
High Land Meadows Pvt. Ltd.	Woodland Promoters Pvt. Ltd.

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

Ganga Bishan & Company

**Key management Personnel**

Anil Sarin

Chairman & Director

Saloni Sarin

Director

Monica Sarin

Director

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

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

Sl. No.	Nature of Transactions	Related Party	For the year ended March 31, 2012 Rs.	For the year ended March 31, 2011 Rs.
1	Long term borrowings received from holding company	Anant Raj Industries Ltd.	6,670,000	26,200,000
2	Long term borrowings repaid to holding company	Anant Raj Industries Ltd.	-	650,000

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

Sl. No.	Account Head	Related Party	As at March 31, 2012 Rs.	As at March 31, 2011 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.	192,443,788	185,773,788



20 The Company has written off entire unamortised expenditure during the year.

21 Details of capital work in progress as at March 31, 2012:

Particulars	2011-12 Rs.	2010-11 Rs.
a) Construction and development expenses	11,621,870	4,023,020
	11,621,870	4,023,020

22 Figures in brackets pertain to the previous year, unless otherwise indicated.

23 Previous year figures have been regrouped/recast, where ever necessary to confirm with 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

Anil Sarin

Monica Sarin



May 12, 2012  
New Delhi

## ELEVATOR PROPERTIES PRIVATE LIMITED

## 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		1,379,833	812,252
Interest received		(1,432,272)	(839,409)
Unamortised expenditure written off		9,910	-
<b>Adjustment for working capital changes:</b>			
- Decrease/(Increase) in other current assets		(1,158,370)	(1,310,835)
- Increase/(Decrease) in other current liabilities		153,523	44,039
<b>Cash generated from operation</b>		<u>(1,047,376)</u>	<u>(1,293,953)</u>
Tax paid during the year		(313,990)	(83,942)
<b>Net cash from operating activities</b>	<b>(A)</b>	<u><b>(1,361,366)</b></u>	<u><b>(1,377,895)</b></u>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>			
Interest received		1,432,272	839,409
Addition to Fixed assets		-	(161,779,640)
Addition to capital work in progress		(7,598,850)	(4,023,020)
Decrease/(Increase) in long term loans and advances		808,000	159,827,120
Investment in bank deposits (having original maturity of more than 3 months)		-	(19,000,000)
<b>Net cash used in investing activities</b>	<b>(B)</b>	<u><b>(5,358,578)</b></u>	<u><b>(24,136,131)</b></u>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>			
Increase/(Decrease) in long term borrowings		6,670,000	25,550,000
<b>Net cash from financing activities</b>	<b>(C)</b>	<u><b>6,670,000</b></u>	<u><b>25,550,000</b></u>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(A+B+C)</b>	<b>(49,944)</b>	<b>35,974</b>
Cash and cash equivalents - Opening balance		83,388	47,414
Cash and cash equivalents - Closing balance		33,444	83,388

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

*Rakesh*

Rakesh Jain  
Partner  
Membership no. 086501  
May 12, 2012  
New Delhi



Directors

Anil Sarin

Monica Sarin

*Anil Sarin*  
*Monica Sarin*