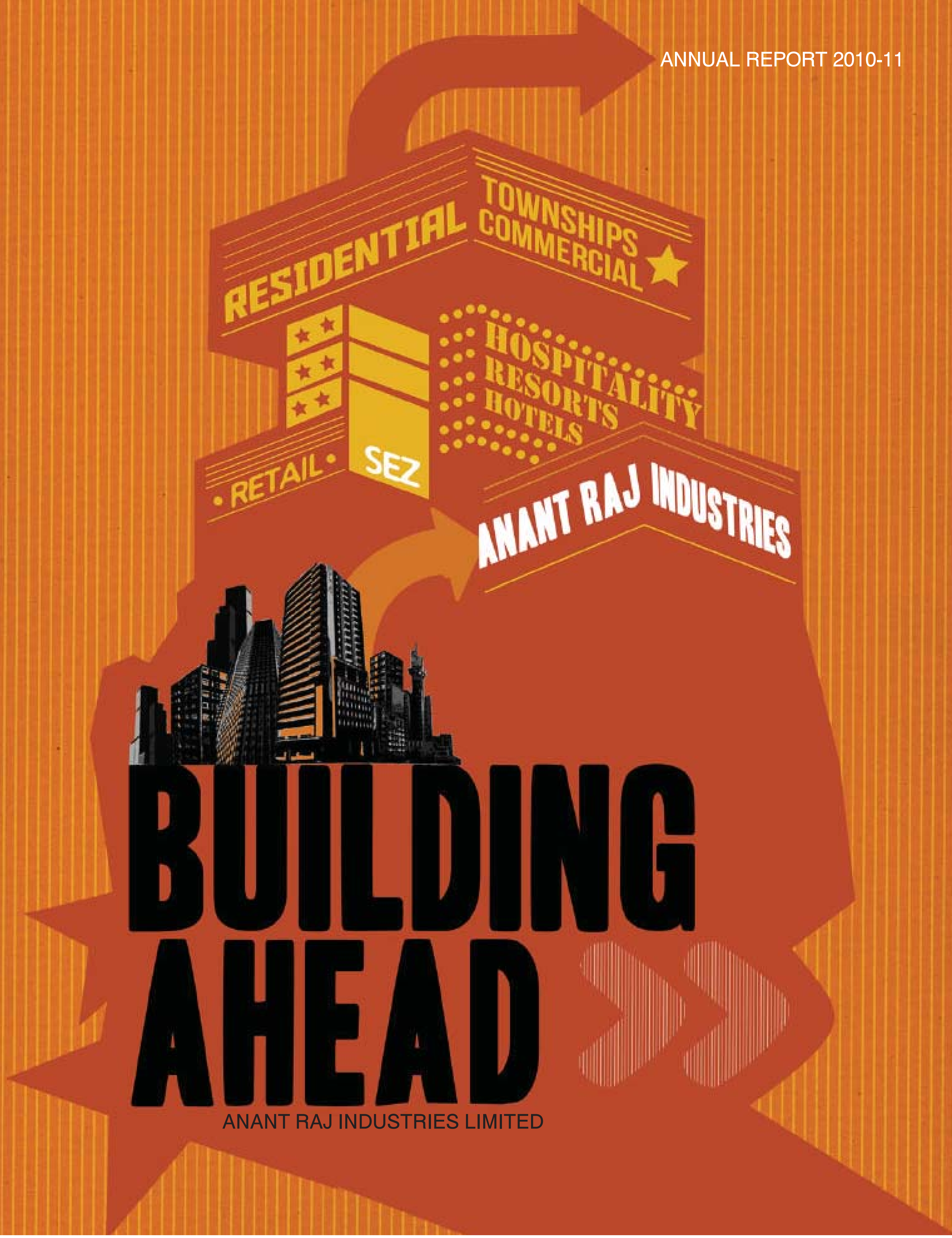
ANNUAL REPORT 2010-11



ANANT RAJ INDUSTRIES LIMITED

ANANT RAJ HAS ENTERED TOMORROW. IT'S A DEFINING MOMENT AT ANANT RAJ. THE DECISIONS OF 2010-11 HAS USHERED ANANT RAJ INTO THE NEXT PHASE. ANANT RAJ IS BUILDING AHEAD FOR STRONGER, SUSTAINABLE AND SUPERIOR GROWTH. WE BELIEVE WE HAVE CHANGED GEARS.

BUILD ON THIS:

ADDING LAND BANK

After a gap of 3 years, we have made a significant addition of 218 acres land in 2010-11. Building ahead on our power of focus, we did not move beyond the NCR. The entire new land bank is in Gurgaon, Manesar, Sonepat, Neemrana and Delhi.

RENEWED FOCUS-RESIDENTIAL

We are bullish on NCR residential. Of the 10.7 million sq. ft. and 2.8 lac sq. yards for plotted development we added in 2010-11, 9.7 million sq.ft. and 2.80 lac sq. yard for plotted development was residential. We bought great ready-to-develop residential land bank at the trough of real estate cycle. We will build across luxury (Hauz Khas and Bhagwan Das Road), mid-income (Kapashera and Gurgaon) and affordable segments (Manesar, Sonepat and Neemrana).

STRONG EXECUTION

We are building aggressively ahead. We will execute over 3 million sq. ft. of commercial real estate in the next 36 months and 1.35 lac sq. yards for Industrial Plots Development.

We are also building ahead 10 million sq. ft. of residential real estate in the next 48 months and 2.80 lac sq. yards for plotted development. Expect superior and sustainable revenue growth in the next 48 months.

HIGH ANNUITY INCOME

We lease our commercial real estate. We expect our lease income to double in the next 24 months. Besides, as we execute more commercial expect strong annuity cash flows hereon.

STRONGER CASH FLOW

As we build more, lease more and sell more, we are building the foundation for the next phase of growth in free cash flow. Expect stronger balance sheet.

AND AN EVEN STRONGER ANANT RAJ.

BUILDING AHEAD

The largest and most prominent land bank in NCR. The power of focus.

AFTER A GAP OF 3 YEARS, WE HAVE MADE A SIGNIFICANT ADDITION OF 218 ACRES IN 2010-11. BUILDING AHEAD ON OUR POWER OF FOCUS, WE DID NOT MOVE BEYOND THE NCR. THE ENTIRE NEW LAND BANK IS IN GURGAON, MANESAR, SONEPAT, NEEMRANA AND DELHI.


RAI, SONEPAT
Narela
Tikri Khurd
Khera Khurd
Alipur
Yamuna River
GHAZIABAD
Samarpur
Badli
Wazirabad
Pitampura
Ashok Vihar
Shahdra
Rly. St
New Delhi Rly. St.
Delhi
Karol Bagh
Darya Ganj
Trilokpuri
Connaught Place
Patparganj
Kirti Nagar
Najafgarh
Khera
Chhawla
Dhansa
Hasanpur
NOIDA
GREATER NOIDA
Palam
Lajpat Nagar
Dehi Airport
Kalkaji
Chiragh Delhi
Badarpur
Tughlakabad
Qutub Minar
Mehrauli
Chattarpur
Ghitorni
Aya Nagar
GURGAON
MANESAR
Fatehpur
Mandi
FARIDABAD
Hotels / Resorts / Entertainment
Residential
Commercial / Retail
IT / SEZ / Logistic Park

NEW LAND BANK ACQUIRED IN 2010-11

Location	Area in Acres	Developable Area (in Million Sq. Ft.)
Gurgaon -Sector-91	15.50	1.50
Gurgaon		
TOWNSHIP		
Residential Plotted Development	106.60	2.52
(saleable area 2,80,000 sq. yards - plotted development)		
Commercial	11.35	1.00
Residential	43.00	3.93
Manesar	12.45	1.20
Rai- Sonepat	10.00	1.00
Neemrana	18.00	1.80
1/2 portion at Bhagwan Das Road, New Delhi	1.50	0.26
	218.40	13.21

The new land bank takes Anant Raj into the next orbit. On execution, this has a revenue potential of Rs. 60 - Rs. 70 billion in five years.

In our business, land bank is equivalent of visibility. Visibility of revenues, visibility of profits and most importantly, visibility of cash flows. Caveat for shareholders though - the land bank has to be prime, bought at the right price, and should be ready for development.

That's where our essence lies.

We resisted the temptation to buy land when everyone was buying. Infact, we sold some. We believe that land should be bought at the right price, else you may still build what you want to, but it may not generate superior cash flow. Buying land at right location is also important. We take our time. And because we are focused only on NCR, we believe we have not made expensive mistakes on land acquisition.

In 2010-11, we bought 218 acres of land totalling 13 million sq. ft. and invested Rs. 837 cr. We believe we have bought very prime land. This land will be executed in the next five years.

BUILDING AHEAD

With a renewed focus, residential is leading the next phase of growth at Anant Raj

WE ARE BULLISH ON NCR RESIDENTIAL. OF THE 10.7 MILLION SQ. FT. AND 2.80 LAC SQ. YARDS FOR PLOTTED DEVELOPMENT WE ADDED IN 2010-11, 9.7 MILLION SQ. FT. AND 2.80 LAC SQ. YARDS FOR PLOTTED DEVELOPMENT WAS RESIDENTIAL. WE BOUGHT GREAT READY-TO-DEVELOP RESIDENTIAL LAND BANK AT THE TROUGH OF REAL ESTATE CYCLE. WE WILL BUILD ACROSS LUXURY (HAUZ KHAS AND BHAGWAN DAS ROAD), MID-INCOME (KAPASHERA AND GURGAON) AND AFFORDABLE SEGMENTS (MANESAR, SONEPAT AND NEEMRANA).

We stayed away from residential for the last few years. We had our reasons. One, the land prices for ready developable had risen so high that it did not make ROI sense. Two, where land prices were attractive, either we did not believe in the location or the land was under litigation.

2010-11 was the right time to re-enter residential. Land prices had corrected significantly to ensure we could price the developments right which allowed us to pre-sell and sell fast. All land we bought is approved for development and we enter execution immediately. In the next five years, this investment of Rs. 8 billion, if markets remain steady (which we believe so), will yield between Rs. 60 - Rs. 70 billion as sales with 40% plus EBDITA margins, ensuring 40% plus ROI.

We bought land across the best NCR location. This makes us a complete residential player. We are building luxury high-end residences at Hauz Khas and Bhagwan Das Road, mid-end lifestyle residences in Gurgaon and Kapashera and affordable residences at Manesar, Sonepat and Neemrana.

BUILDING AHEAD

**Execution is in full swing.
Superior execution,
faster cash flow.**

WE ARE BUILDING AGGRESSIVELY AHEAD. WE WILL EXECUTE OVER 3 MILLION SQ. FT. OF COMMERCIAL REAL ESTATE IN THE NEXT 36 MONTHS AND 1.35 LAC SQ. YARDS FOR INDUSTRIAL PLOTS DEVELOPMENT. WE ARE ALSO BUILDING AHEAD 10 MILLION SQ. FT. OF RESIDENTIAL REAL ESTATE IN THE NEXT 48 MONTHS AND 2.80 LAC SQ. YARDS FOR PLOTTED DEVELOPMENT. EXPECT SUPERIOR AND SUSTAINABLE REVENUE GROWTH IN THE NEXT 48MONTHS.

Residential Project at Kapashera, New Delhi – 0.30 million sqf.

IT Park at Panchkula – 0.60 million sq.ft.

IT Park at Rai – 2.10 million sq.ft.

Residential Project at Neemrana,
– 1.80 million sq.ft.

IT Park, Manesar
– 1.80 million sq.ft.

BUILDING AHEAD

We prefer lease model to sell

WE LEASE OUR COMMERCIAL REAL ESTATE. WE EXPECT OUR LEASE INCOME TO DOUBLE IN THE NEXT 24 MONTHS. BESIDES, AS WE EXECUTE MORE COMMERCIAL EXPECT STRONG ANNUITY CASH FLOWS HEREON.

We believe in holding our commercial assets like office and retail. We believe that they represent strong underlying cash flow and provide sustainability and stability to our business. Since a large part of our land bank was acquired at historically attractive prices, and because we did not have a pressing need for capital, thanks to our strong balance sheet, we have been able to continue to hold our lease portfolio.

The total lease income during the year increased from Rs. 49 cr in 2009-10 to Rs. 76 cr in 2010-11. More importantly, as more commercial properties get delivered and existing properties enhance their occupancy, we expect to double this in the next 24 months.

This will keep increasing as we keep building more commercial. We want to take this to USD 65 million in the next three to five years.

PRESENT LEASE/ RENTAL PROJECTS

	Area in Acres	Area in Million Sq. Ft.
Hotels		
Hotel Mapple	4.73	0.06
Hotel Mapple	2.88	0.04
Park Land Retreat	7.37	0.10
Park Land Exotica	5.75	0.10
Commercial		
Commercial Complexes at Faiz Road, Rani Jhansi Road and Jhandewalan Extn.	1.00	0.20
IT Park Manesar	10.00	1.80
	31.73	2.30

BUILDING AHEAD

Our new projects

Royal Resort, Dhumaspur, Gurgaon
– 0.65 million sq. ft.

Housing at Rai – 1.00 million sq. ft.

Moments Shopping Mall at Kirti Nagar,
New Delhi – 0.75 million sq. ft.

Residential Project at Hauz Khas,
New Delhi – 0.28 million sq. ft.

Residential Project at Bhagwan Das Road,
New Delhi – 0.28 million sq. ft.

BUILDING AHEAD

BUILDING AHEAD

Financial discipline is at the core of business decisions at Anant Raj

AS WE BUILD MORE, LEASE MORE AND SELL MORE, WE ARE BUILDING THE FOUNDATION FOR THE NEXT PHASE OF GROWTH IN FREE CASH FLOW. EXPECT STRONGER BALANCE SHEET.

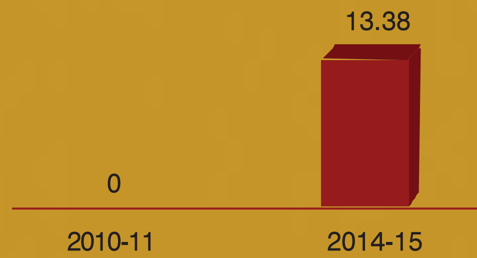
	By the end of 2015 (in Million Sq. Ft.)	By the end of 2011 (in Million Sq. Ft.)
Residential		
Kapashera-New Delhi	0.30	-
Manesar-Haryana	1.20	-
Sec-91 Gurgaon,Haryana	1.50	-
Rai ,Sonipat-Haryana	1.00	-
Hauz Khas,New Delhi	0.28	-
Bhagwan Das Road, New Delhi	0.28	-
Industrial Township-Manesar,Haryana	0.57	-
Neemrana-Rajasthan	1.80	-
Gurgaon		
Residential Plotted Development	2.52 (2,80,000 sq. yards)	-
Group Housing	3.93	-
	13.38	-

	By the end of 2015 (in Million Sq. Ft.)	By the end of 2011 (in Million Sq. Ft.)
Commercial		
Shopping mall at kirti nagar	0.75	0.75
Commercial complex at Jhandewalan, Faiz Road and Rani Jhansi Road	0.20	0.20
IT Part at Manesar	1.80	1.80
IT SEZ at Rai, Haryana	2.10	-
IT Park at Panchkula	0.60	-
Gurgaon	1.00	-
Industrial Park-Manesar		
Commercial	0.23	-
Industrial plotted sale	1.22 (1.35 lac sq. yards)	-
	7.90	2.75
Hotel		
Hotel-Mapple	0.06	0.06
Hotel-Mapple	0.04	0.04
Hotel Parkland Exotica	0.10	0.10
Hotel Parkland Retreat	0.10	0.10
Hotel Tricolor	0.15	0.15
Hotel at Manesar	0.10	0.10
Dhumaspur Resorts	0.65	-
Hotel Green Retreat	0.15	-
Hotel AAA Realty	0.15	-
	1.50	0.55
Grand Total	22.78	3.30

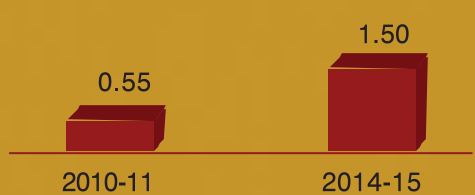
BUILDING AHEAD

Faster execution - Stronger Balance Sheet

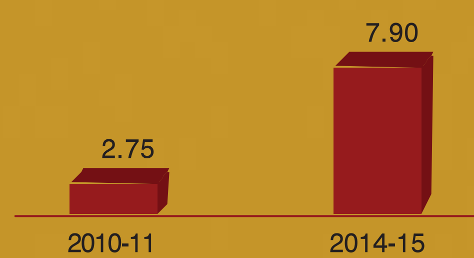
Residential (mn. sq. ft.)



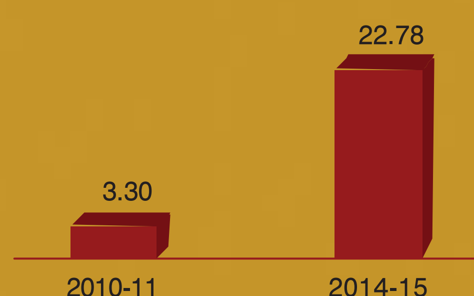
Hotel (mn. sq. ft.)

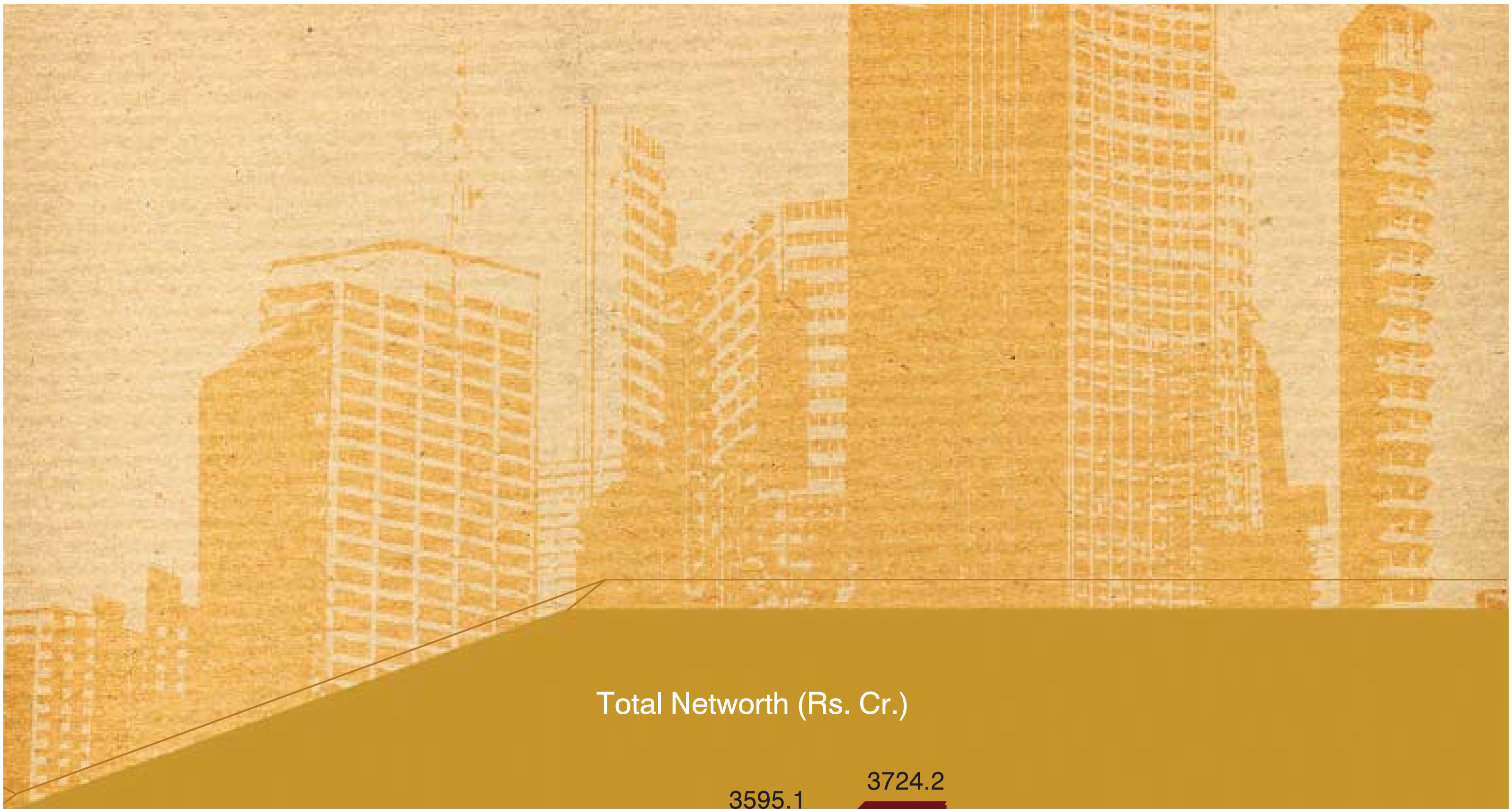


Commercial (mn. sq. ft.)

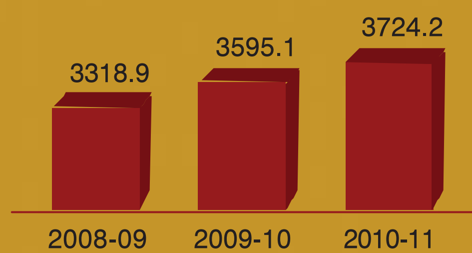


Total Execution (mn. sq. ft.)

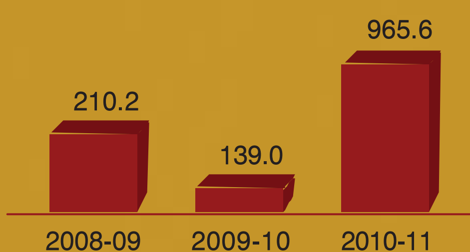




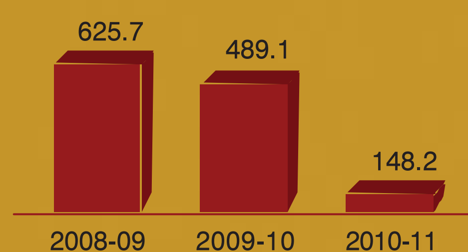
Total Networth (Rs. Cr.)



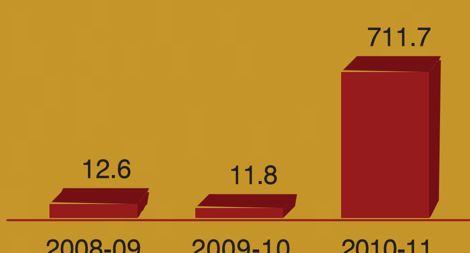
Total Debt (Rs. Cr.)



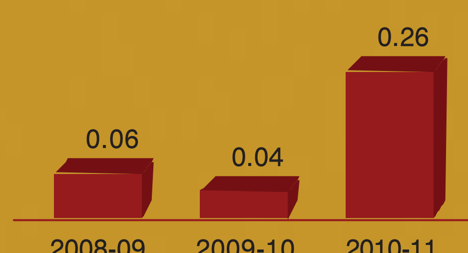
Cash Balance (Rs. Cr.)



Inventory (Rs. Cr.)



Debt Equity (Rs. Cr.)



CHAIRMAN'S MESSAGE

Dear Shareholders,

2010-11 was a watershed year at Anant Raj.

We believe that with the decisions and strategic moves made by Anant Raj in 2010-11, we are all set to enter into the next orbit in Indian real estate. In many ways 2010-11 was a tipping point.

For those who have been our shareholders for some time and know, Anant Raj, since inception resisted the temptation of going pan-India. We decided to remain core to our strength and focused on NCR. A discipline that we never broke and a discipline that ensured we did not stretch in the downtrend. Infact this discipline, coupled with a few more, ensured we emerged stronger than before.

Another discipline we remained committed to was not to buy land expensive. During the peak on 2006 and 2007, it appeared that we were not aggressive as we sold land parcels when others were accumulating. We rather have stronger balance sheet was our ideal. The result : through the downtrend and upto 2009-10 we had no debt on our books and were generating surplus cash.

We used the downtrend to execute and build commercial real estate that we believe will keep delivering strong cash flow. In the current year itself, our lease income was Rs. 76 crores. We expect this to double by 2012-13 due to additional shopping mall at Kirti Nagar, New Delhi and Hotel Tricolor at NH - 8. But that's not all. Currently, of the completed IT Park at Manesar, only 50% is occupied. We are seeing a recovery in commercial real estate. Our commercial assets are in prime NCR locations like Jhandewalan, Kirti Nagar, Hotels at NH-8, and near Mehrauli in Delhi as well as at Manesar and Rai in Haryana. As our occupancy goes up, the entire effect is on the bottomline since we have already spent the capital to build this real estate. We are confident that we will surprise investors on the upside.

2010-11 also saw the renewed focus by Anant Raj on the NCR residential segment. If you would recall, over the last few years we executed mostly commercial, including, hospitality, retail and office space. This year, the focus on land acquisition was residential. This is why:

One, we see strong demand for good locations and good projects priced attractively within NCR.

Two, the land prices have corrected significantly to make residential investment ROI attractive.

Three, there is far less competition to acquire land bank as most have their balance sheets stretched.

Four, land banks are available at prime locations which ensure faster pre-sales and cash recovery cycle.

Considering the above, Anant Raj re-entered residential and the aggression and confidence can be gauged from the fact that Anant Raj used leverage of Rs. 10 billion and invested in this land bank. We invested Rs. 837 cr in building a prime land bank that will deliver between Rs. 60 and Rs. 70 billion in

"2010-11 WAS A WATERSHED YEAR. ANANT RAJ INVESTED RS. 837 CR. IN BUILDING A PRIME LAND BANK THAT WILL DELIVER BETWEEN RS. 60 - RS. 70 BILLION IN REVENUES IN THE NEXT FIVE YEARS. ITS TIME."

revenues in the next five years.

More importantly, there is inherent de-risking within the land bank. We are building luxury high premium residences at Hauz Khas in South Delhi and Bhagwan Das Road near Connaught Place. We are also building mid-income residences at Kapashere in Delhi and at Gurgaon and affordable residences in Sonepat, Haryana and Neemrana, Rajasthan . With this, we are present across the value chain of residential and yet committed to our focus on NCR.

We are feeling confident that we used the downtrend to acquire prime residential land bank. We feel that with this land bank and it's execution, Anant Raj has entered the next orbit of growth. Our business has a started the virtuous cycle. Cash from commercial and cash from residential will generate enough surplus for us to multiply our growth as we move ahead.

2010-11, on the one hand was a year when we leveraged to acquire and grow, and on the other hand, the quality of land bank and residential foray has built the foundation for the next phase of growth through higher predictable cash.

Its time.

Thank you very much for being with us in tough times and believing in the Anant Raj way of building a strong, stable and powerful real estate business through cash flows generated within and moderate leverage.

Thank you.

Yours sincerely,

Ashok Sarin, Chairman

Anil Sarin, Managing Director

CORPORATE INFORMATION

BOARD OF DIRECTORS
Sh. Ashok Sarin, Chairman

Sh. Anil Sarin, Managing Director

Sh. Brajindar Mohan Singh, Director

Sh. Ambarish Chatterjee, Director

Sh. Maneesh Gupta, Director

Sh. Amit Sarin, Director & CEO

EXECUTIVE DIRECTORS
Sh. Aman Sarin

Sh. Ashim Sarin

Sh. Amar Sarin

Sh. Baldev Raj Sikka

PRESIDENT (Infrastructure & Power)
Sh. J. K. Ahuja

PRESIDENT (Finance)
Sh. Yogesh Sharma

PRESIDENT (Construction)
Sh. H. D. Sharma

SENIOR VICE PRESIDENT (Admin. & Marketing)
Sh. Navneet Singh

VICE PRESIDENT (Land)
Sh. Anil Mahindra

GM (Accounts)
Sh. S. P. Sethi

GM (Accounts & Finance)
Sh. Omi Chand

COMPANY SECRETARY
Sh. Manoj Pahwa

AUDITORS
B. Bhushan & Co.
Chartered Accountants
117, New Delhi House,
27, Barakhamba Road,
New Delhi 110001.

BANKERS
State Bank of India
Yes Bank Limited
Allahabad Bank
ICICI Bank
Oriental Bank of Commerce
Central Bank of India
Axis Bank Limited

HEAD OFFICE
H-65, Connaught Circus,
New Delhi 110001.

CORPORATE OFFICE
ARA Centre,
E-2, Jhandewalan Extension,
New Delhi 110055.

REGISTERED OFFICE
85.2 Km. Stone, Delhi-Jaipur Highway
Village Bhudla, P.O. Sangwari, Distt. Rewari, Haryana.

NOTICE

Notice is hereby given that the Twenty Sixth Annual General Meeting of the members of the Company will be held on Thursday, 25th day of August, 2011 at 9.30 A.M. at the Registered Office of the Company at 85.2 K.M. Stone, Delhi-Jaipur Highway, Village Bhudla, P.O. Sangwari, District Rewari (Haryana), to transact the following business:

Ordinary Business

1. To receive, consider and adopt the audited Balance Sheet of the Company as at March 31, 2011, the Profit and Loss Account of the Company for the year ended on that date together with the Reports of the Auditors and the Directors thereon.
2. To declare a dividend on Equity Shares for the year 2010-11.
3. To appoint a Director in place of Shri Amit Sarin, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Shri Brajindar Mohan Singh, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint M/s B. Bhushan & Co, Chartered Accountants, (Registration No. 001596N), as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting of the Company and to authorize the Board of Directors to fix their remuneration.

Special Business

6. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

   “RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309 and 310, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, (including any amendment and/or re-enactment thereof) and the Articles of Association of the Company, the consent of the members be and is hereby accorded for revision in remuneration of Sh. Amit Sarin, Director & CEO, from Rs. 4,00,000/- per month (Rupees Four Lacs only) upto Rs. 7,50,000/- per month (Rupees Seven Lacs Fifty Thousand only) with effect from September 01, 2011 whether paid as salary, allowance(s), perquisites or a combination thereof provided that the following perquisites will not be included in the aforesaid remuneration:

a. Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961;

b. Gratuity payable at a rate not exceeding half a month’s salary for each completed year of service;

c. Encashment of leave as per the policy of the Company; and

d. Medical reimbursement as per actual

RESOLVED FURTHER THAT payment/ re-imbursement of telephone and/ or mobile phone(s) bills, conveyance, fuel expenses or other out of pocket expenses incurred in the course of official duties will not be included in the aforesaid remuneration.

RESOLVED FURTHER THAT in the absence of or inadequacy of profits in any financial year the remuneration payable to Sh. Amit Sarin shall not exceed the maximum limits prescribed under Section 1 of Part II of Schedule XIII of the Companies Act, 1956.

RESOLVED FURTHER THAT the Board of Directors of the Company (including any committee/ sub-committee of the Board) be and is hereby authorized to assign and delegate, from time to time, such work, duties, power and authorities to Sh. Amit Sarin as it may deem fit and proper.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to fix such remuneration and to work out various components of the remuneration package as it may deem fit and proper within the overall limits of the remuneration as approved above.

RESOLVED FURTHER THAT the Board of Directors of the Company (including any committee/ sub-committee of the Board) be and is hereby authorized to take all necessary steps to give effect to the aforesaid resolution."

7. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309 and 310, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, (including any amendment and/or re-enactment thereof) and the Articles of Association of the Company, the consent of the members be and is hereby accorded for revision in remuneration of Sh. Anil Sarin, Managing Director, from Rs. 9,80,000/- per month (Rupees Nine Lacs Eighty Thousand only) upto Rs. 22,00,000/- per month (Rupees Twenty Two Lacs only) with effect from September 01, 2011 whether paid as salary, allowance(s), perquisites or a combination thereof provided that the following perquisites will not be included in the aforesaid remuneration:

a. Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961;

b. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service;

c. Encashment of leave as per the policy of the Company; and

d. Medical reimbursement as per actual

RESOLVED FURTHER THAT payment/ re-imbursement of telephone and/ or mobile phone(s) bills, conveyance, fuel expenses or other out of pocket expenses incurred in the course of official duties will not be included in the aforesaid remuneration.

RESOLVED FURTHER THAT in the absence of or inadequacy of profits in any financial year during the currency of tenure of the Managing Director, the remuneration payable to Sh. Anil Sarin shall not exceed the maximum limits prescribed under Section 1 of Part II of Schedule XIII of the Companies Act, 1956.

RESOLVED FURTHER THAT the Board of Directors of the Company (including any committee/ sub-committee of the Board) be and is hereby authorized to assign and delegate, from time to time, such work, duties, power and authorities to Sh. Anil Sarin as it may deem fit and proper.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to fix such remuneration and to work out various components of the remuneration package as it may deem fit and proper within the overall limits of the remuneration as approved above.

RESOLVED FURTHER THAT the Board of Directors of the Company (including any committee/ sub-committee of the Board) be and is hereby authorized to take all necessary steps to give effect to the aforesaid resolution."

8. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 314 and all other applicable rules/ guidelines and provisions, if any, of the Companies Act, 1956 (including any amendment and/or re-enactment thereof) and all applicable approvals and consents, if any, consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company to increase the remuneration of Shri Aman Sarin, Executive Director of the Company, a relative of the Director of the Company upto Rs. 2,00,000/- per month with effect from September 01, 2011.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such further acts and deeds and to take all such actions as required necessary to give effect to the above resolution."

9. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

   "RESOLVED THAT pursuant to the provisions of Section 314 and all other applicable rules/ guidelines and provisions, if any, of the Companies Act, 1956 (including any amendment and/or re-enactment thereof) and all applicable approvals and consents, if any, consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company to increase the remuneration of Shri Ashim Sarin, Executive Director of the Company, a relative of the Director of the Company upto Rs. 2,00,000/- per month with effect from September 01, 2011.

   RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such further acts and deeds and to take all such actions as required necessary to give effect to the above resolution."

10. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

   "RESOLVED THAT pursuant to the provisions of Section 314 and all other applicable rules/ guidelines and provisions, if any, of the Companies Act, 1956 (including any amendment and/or re-enactment thereof) and all applicable approvals and consents, if any, consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company to increase the remuneration of Shri Amar Sarin, Executive Director of the Company, a relative of the Director of the Company upto Rs. 1,50,000/- per month with effect from September 01, 2011.

   RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such further acts and deeds and to take all such actions as required necessary to give effect to the above resolution."

By Order of the Board of Directors

For Anant Raj Industries Limited

Place: New Delhi
Date: July 11, 2011

Ashok Sarin
Chairman

NOTES:

1. The Explanatory Statement pursuant to Section 173(2) of Companies Act, 1956, in respect of Special Businesses as set out above to be transacted at the Meeting is annexed hereto and forms part of this Notice.

2. A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote instead of himself on a poll only and a proxy need not be a member. Proxies, in order to be effective, must be addressed to the Company Secretary and received at the Registered Office not less than 48 (Forty Eight) hours before the scheduled start of the meeting. A blank Proxy Form is attached with the Annual report.

3. Corporate Members intending to send their authorized representatives to attend the Meeting are requested to send a certified true copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.

4. All documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company, during the office hours, on all working days between 9.30 A.M. to 1.00 P.M., upto the date of Annual General Meeting.

5. The Register of Members and Share Transfer Books of the Company shall remain closed during the Book Closure Period i.e. from August 11, 2011 to August 25, 2011 (both days inclusive). The dividend as recommended by the Board of Directors, if declared at the meeting, will be paid to those Members whose names appear in the Company's Register of Members as on August 25, 2011, for shares held in physical form and the list of beneficial owners as furnished by the Depositories (NSDL and CDSL) as of the close of business hours on August 10, 2011.

   The dividend on Equity Shares, if declared at the Annual General Meeting, shall be paid on or before 15.09.2011.

6. Those members who have not encashed/received their Dividend Warrants for the financial years 2005-06, 2006-07, 2007-08, 2008-09 & 2009-10 may approach the Company's Registrar and Share Transfer Agent or Corporate Office of the Company for revalidation of Dividend Warrants or for obtaining duplicate Dividend Warrants.

7. Members are requested to send their queries at least 10 days before the date of meeting so that information can be made available at the meeting.

8. In respect of shares held in physical mode, all shareholders are requested to intimate changes, if any, in their registered address immediately to the Registrar and Share Transfer Agent of the Company and correspond with them directly regarding share transfer/transmission /transposition, demat / remat, change of address, issue of duplicate shares certificates, ECS and nomination facility. Further, they are requested to submit old share certificate for exchange with splitted share certificates.

9. Members holding shares in multiple folios in identical names or joint accounts in the same order of names are requested to consolidate their shareholdings into one folio.

10. Members holding shares in physical form and desirous of making/changing Nomination in respect of their shareholdings in the Company, as permitted under Section 109A of the Companies Act, 1956 are requested to submit the prescribed Form 2B for this purpose to the Company's Registrar and Share Transfer Agent.

11. Members are requested to bring their Attendance Slips together with their copies of the Annual Reports to the meeting.

12. The Ministry of Corporate Affairs (“MCA”) has taken a “Green Initiative in the Corporate Governance” by allowing paperless compliances by companies vide its Circular Nos. 17/2011 dated April 21, 2011 and 18/2011 dated April 29, 2011 stating that the service of official documents by the companies to its members can be made through electronic mode.

    Considering the move taken by the MCA as a welcome step for the society at large, the Company henceforth proposes to send various notices/documents like Notices for General Meetings, Audited Financial Statements, Auditor’s Report, Directors’ Report, Financial Results etc. in electronic form to the e-mail IDs provided by the Member with their depository participants.

    All the official documents including Annual Report of the Company, circulated to the Members of the Company through electronic mode, will be made available on the Company’s website www.anantraj.com.

    The members holding shares in electronic mode may update their e-mail IDs with their depository participants to ensure that the Annual Reports and other documents reach at their preferred email IDs and where the shares are held in physical form, please get your email IDs updated in the records of the Company.

13. Particulars of Directors seeking re-appointment in the Annual General Meeting

Name of the Director	Shri Amit Sarin	Sh. Brajindar Mohan Singh
Date of Birth	September 05, 1971	October 26, 1947
Date of Appointment	10-07-2009	29-05-2009
Qualification	B.Com	Post Graduate
Experience in Specific Functional Area	More than 17 years in Business of Construction, Infrastructure Development, real estate, finance & administration	Has vast experience of four decades in the field of Finance and Taxation
Member of Audit Committee	No	Yes
Member of Investor Grievance Committee	No	No
Member of Share Transfer Committee	No	Yes
Member of Remuneration Committee	No	No
Number of shares held in the Company	4097680	Nil
Relation with other Directors of the Company	Sh. Amit Sarin is son of Sh. Ashok Sarin, Chairman of the Company and also related to Sh. Anil Sarin, Managing Director of the Company.	Not related to any other Director of the Company
Directorship in other Companies	1. Anant Raj Agencies Private Limited 2. Anant Raj Projects Limited 3. Anant Raj Power Limited 4. Carnation Promoters Private Limited 5. Delhi Motels Private Limited 6. Echo Properties Private Limited 7. Green Retreat and Motels Private Limited 8. Gujarat Anant Raj Vidhyanagar Limited 9. High Land Meadows Private Limited 10. Lucky Meadows Private Limited 11. Olympia Builders Private Limited 12. Pasupati Aluminium Limited 13. Roseview Promoters Private Limited 14. Spring View Properties Private Limited 15. Townsend Promoters Private Limited 16. Town End Properties Private Limited 17. Woodland Promoters Private Limited	1. Infocom and Security Systems India Private Limited 2. Metro Tyres Limited

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

Item No. 06:

Sh. Amit Sarin was appointed as Director & CEO of the Company w.e.f July 10, 2009. Since then he has been in the whole time employment of the Company. The shareholders of the Company, at the Annual General Meeting held on July 22, 2010, had approved the payment of remuneration of Rs. 4,00,000/- p.m. to Sh. Amit Sarin.

Sh. Amit Sarin, Commerce Graduate, has to his credit over one and a half decade of experience in finance, administration, construction, infrastructure development and real estate business. He has been instrumental in Company's development and diversification to I.T. Parks/SEZs, Commercial, Retail and Hospitality business.

Keeping in view of his involvement in the expansion and diversification program and also increasing responsibility to meet the challenges of competitions, the Board of Directors has decided to recommend the revision in remuneration of upto Rs. 7,50,000/- per month with effect from September 01, 2011 as per the details given hereunder.

Basic Salary : Rs. 4,00,000/- per month.

House Rent Allowance : Rs. 2,00,000 per month (50% of basic salary).

Bonus and other benefits as per Company's rule.

The overall remuneration of Sh. Amit Sarin in any one financial year shall not exceed the limits prescribed by Section 198, 309, read with Section I of Part II of Schedule XIII and other applicable provisions of the Act or any amendment thereof from time to time.

The Remuneration and Selection Committees of the Company have approved the terms of appointments and payments of remuneration to be paid to Sh. Amit Sarin.

None of the Directors except Sh. Amit Sarin, Director & CEO, Sh. Ashok Sarin, Chairman and Sh. Anil Sarin, Managing Director, is concerned or interested in the resolution.

The resolution and explanatory statement may also be treated as an abstract of the terms of revision in remuneration of Sh. Amit Sarin as required under Section 302 of the Companies Act, 1956.

The Board of Directors recommends the resolution for your approval.

Item No. 07:

Sh. Anil Sarin aged 59, has been acting as Managing Director since March 04, 1992. The remuneration and terms of appointment of the Managing Director was revised by the Members of the Company on various occasions and the last of such revisions was made in the year 2007, wherein he was reappointed for a period of 5 years at a remuneration of upto Rs. 9,80,000/- per month (excluding Provident Fund and Gratuity). His term of appointment are valid upto 30th December, 2012.

Sh. Anil Sarin has over three decades of experience in construction and development business. He has been instrumental in merging of construction and Real Estate business into the Company and thus enabling the Company to turn around it operations. The Company has achieved tremendous growth under his leadership and guidance.

Keeping in view of his involvement and his contribution in Company's growth, the Board of Directors has decided to recommend the revision in remuneration of upto Rs. 22,00,000/- per month with effect from September 01, 2011 as per the details given hereunder.

Basic Salary : Rs. 12,00,000/- per month.

House Rent Allowance : Rs. 6,00,000 per month (50% of basic salary).

Other Allowances : Rs. 1,50,000 per month

Bonus and other benefits as per Company's rule.

The overall remuneration of Sh. Anil Sarin in any one financial year shall not exceed the limits prescribed by Section 198, 309, read with Section I of Part II of Schedule XIII and other applicable provisions of the Act or any amendment thereof from time to time.

The Remuneration and Selection Committees of the Company have approved the terms of appointments and payments of remuneration to be paid to Sh. Anil Sarin.

None of the Directors except Sh. Anil Sarin, Managing Director, Sh. Ashok Sarin, Chairman and Sh. Amit Sarin, Director & CEO, is concerned or interested in the resolution.

The resolution and explanatory statement may also be treated as an abstract of the terms of revision in remuneration of Sh. Anil Sarin as required under Section 302 of the Companies Act, 1956.

The Board of Directors recommends the resolution for your approval.

Item No. 08:

Shri Aman Sarin, aged 37, holds office of Executive Director – Operations, manages the Tile division and is also responsible for execution of Housing development projects and other administrative function as may be assigned to him. At present, the gross salary of Shri Aman Sarin is less than Rs. 20,000/- p.m. (Rupees Twenty Thousand only).

It is proposed to pay a gross monthly remuneration upto Rs. 2,00,000/- per month with effect from September 01, 2011, as per the detail given below:

Basic salary: Rs. 1,00,000/- per month

House rent allowance: Rs. 50,000 per month (50% of basic salary)

Bonus and other benefits as per Company's rule.

The Remuneration Committee and Selection Committee of the Company have approved the terms of appointment and payment of remuneration to be paid to Sh. Aman Sarin.

The aforesaid terms of appointment and payment of remuneration to Sh. Aman Sarin had also been approved by the shareholders of the Company at the Annual General Meeting held on July 22, 2010, but the resolution was not acted upon.

Shri Aman Sarin is related to Shri Ashok Sarin (Chairman), Shri Anil Sarin (Managing Director) and Shri Amit Sarin (Director &CEO) and his remuneration in the new pay scale would require the prior approval of the shareholders in terms of Section 314 of the Companies Act, 1956.

None of the Directors except Shri Ashok Sarin, Shri Anil Sarin and Shri Amit Sarin is concerned or interested in this resolution.

The Board of Directors, therefore, propose the resolution for your approval.

Item No. 09:

Shri Ashim Sarin, aged 35, manages the Construction & Development business, administration of IT parks, Hospitality & Development Projects. At present, the gross salary of Shri. Ashim Sarin is less than Rs. 20,000/- p.m. (Rupees Twenty Thousand only).

It is proposed to pay a gross monthly remuneration upto Rs. 2,00,000/- per month with effect from September 01, 2011, as per the detail given below:

Basic salary: Rs. 1,00,000/- per month

House rent allowance: Rs. 50,000 per month (50% of basic salary)

Bonus and other benefits as per Company's rule.

The Remuneration Committee and Selection Committee of the Company have approved the terms of appointment and payment of remuneration to be paid Sh. Ashim Sarin.

The aforesaid terms of appointment and payment of remuneration to Sh. Ashim Sarin had been approved by the shareholders of the Company at the Annual General Meeting held on July 22, 2010, but the resolution was not acted upon.

Sh. Ashim Sarin is related to Shri Ashok Sarin (Chairman), Shri Anil Sarin (Managing Director) and Shri Amit Sarin (Director & CEO) and his remuneration in the new pay scale would require the prior approval of the shareholders in terms of Section 314 of the Companies Act, 1956.

None of the Directors except Shri Ashok Sarin, Shri Anil Sarin and Shri Amit Sarin is concerned of interested in this resolution.

The Board of Directors, therefore, propose the resolution for your approval.

Item No. 10:

Shri Amar Sarin, aged 28, manages the Business Development & Marketing of Projects. At present, the gross salary of Shri Amar Sarin is less than Rs. 20,000/- p.m. (Rupees Twenty Thousand only).

It is proposed to pay a gross monthly remuneration upto Rs. 1,50,000/- per month with effect from September 01, 2011, as per details given below:

Basic salary: Rs. 80,000/- per month

House rent allowance: Rs. 40,000 per month (50%)

Bonus & other Benefits as per Company's rule.

The Remuneration Committee and Selection Committee of the Company have approved the terms of appointment and payment of remuneration to be paid to Sh. Amar Sarin.

The aforesaid terms of appointment and payment of remuneration to Sh. Amar Sarin had been approved by the shareholders of the Company at the Annual General Meeting held on July 22, 2010, but the resolution was not acted upon.

Shri Amar Sarin is a relative of Shri Ashok Sarin (Chairman), Shri Anil Sarin (Managing Director) and Shri Amit Sarin (Director & CEO) and his remuneration in the new pay scale would require the prior approval of the shareholders in terms of Section 314 of the Companies Act, 1956.

None of the Directors except Shri Ashok Sarin, Shri Anil Sarin and Shri Amit Sarin is concerned or interested in this resolution.

The Board of Directors, therefore, propose the resolution for your approval.

By Order of the Board of Directors

For Anant Raj Industries Limited

Place: New Delhi — Ashok Sarin

Date: July 11, 2011 — Chairman

DIRECTOR'S REPORT

To the Members,

The Directors take pleasure in presenting the Twenty Sixth Annual Report of the Company together with the Consolidated audited accounts for the year ended March 31, 2011.

Financial Results

Particulars	For the year ended March 31, 2011 (Rs. in lacs)	For the year ended March 31, 2010 (Rs. in lacs)
Sales and other income	45296.02	36299.14
Profit before depreciation	24344.45	30698.72
Depreciation	1346.62	1068.37
Profit after depreciation	22997.83	29630.35
Provision for taxation	6214.19	5805.44
Profit after tax	16783.65	23824.91
Appropriations		
Proposed dividend	1770.58	1770.58
Dividend Tax	287.23	294.07
Transfer to General Reserves	1674.69	2371.67
Balance carried over to Reserves and Surplus Account	93721.50	80850.68
Earning per Share [equity share of Rs.2]		
-Basic earning per share (in Rs.)	5.70	8.07
-Diluted earning per share(in Rs.)	5.70	7.89
Dividend per share (in Rs.)	0.60	0.60

Operations

As you are aware your Company had consolidated its various group companies carrying similar business activities by way of a series of mergers and acquisitions. After the said mergers your Company's main focus is on the development of IT Parks, hospitality and housing projects, shopping mall & commercial complexes.

Your Company is diligently deploying its resources and has executed certain Hospitality, IT Projects, Commercials and IT SEZ Projects. The Rents from these projects have increased significantly during the year under review.

Your Company during the year under review, has posted Consolidated Net Profit After tax of Rs. 16783.65 Lacs as compared to Rs. 23824.91 Lacs during the previous year.

Your Company during the year under review, has posted Standalone Net Profit After tax of Rs. 16746.93 Lacs as compared to Rs. 23716.70 Lacs during the previous year.

Tile Division

With the restructuring of the Group since 2005, your Company's main focus is on Infrastructure and Development such as IT Parks, Hospitality, Housing Projects & Commercials Complexes, etc. Tile manufacturing business has become insignificant. Your managment is exploring various possiblities for this business including re-establishing, re-location of tile manufacturing facility.

Rental Income

Rental Income of your Company has been increased from Rs. 49 Crores to Rs. 76 Crores this year

Land Acqusition

Your Company, during the year has purchased approximately 218 Acres of land in Gurgaon, Manesar, Sonepat in Haryana, Delhi, and Neemrana, Rajasthan with developable area 10.70 Mn. Sq. Feet and 2.80 lac Sq. Yards for plotted Development. Total acquisition cost of the land is around Rs. 837 Crores.

The new land acquisition has created strong pipeline for additional residential development for next 4 years.

Projects launched during the year

Residential

During the year under review your Company has launched the following residential projects :

Name of Project	Location	No. of Flats	Expected realization (Rs in Crores)	Land Area in Acres
DEL-37	Kapashera	112	175	2.95
Madelia	Manesar	670	360	12.45
Maceo	Gurgaon	770	400	15.50

Projects DEL-37 & Madelia have been fully sold out during the year.

Projects completed during the year

Retail

Your Company through its Subsidiary, M/s Anant Raj Projects Limited, has constructed and developed a commercial mall "Moments" at Kirti Nagar in West Delhi having leasable area 6 lac Sq.Ft. The project has been fully completed and operational and will generate rental incomes from the current financial year. Project is adjacent to Metro Station, Kirti Nagar, New Delhi.

Hospitality

Your Company's hospitality projects named "Park Land Exotica", "Park Land Retreat ", "Hotel Mapple" is already operational and generating revenues.

Your Company's hospitality project Hotel Tricolor is fully completed and leased out to Orchid Hotels Limited and will be generating revenues from current year.

Projects under development

Commercial

Your Company is developing IT SEZ with developable area 2.1 Mn.Sq.Feet at Rai, Sonepat which is expected to be completed by March, 2012

IT Park with developable area 0.6 Mn.Sq.Feet at Panchkula, Haryana expected to be completed by March 2013. The project is being developed through subsidiary of your Company, M/s Rolling Construction Pvt Ltd in joint venture with Monsoon Capital, USA.

Projects in pipeline

a) Residential -

Location	No. of Flats Saleable Area	Project to be launched	Project To be completed	Land Area in Acres
Neemrana	2840	July, 2011	September, 2013	18
Rai, Sonepat	500	January, 2012	March, 2014	10
Gurgaon				
Plotted Dev.	2,80,320 Sq. Yds	October, 2011	March, 2014	106
Group Housing	3.93 Mn. Sq. Feet	April, 2012	March, 2015	43
Manesar Industrial Park	0.57 Mn. Sq. Feet	April, 2013	March, 2015	7.40

b) Commercial -

Location	Land / Area	Saleable Area	Project To be completed
Resorts at Dhumaspur	10.00 Acres	0.65 Mn. Sq. Feet	March, 2015
Commercial at Gurgaon	11.35 Acres	1.00 Mn. Sq. Feet	March, 2015
Industrial Park Manesar	(75 Acres)		
Industrial Plots	33.50 Acres	135608 Sq. Yds.	March, 2015
Commercial	3 Acres	0.23 Mn. Sq. Feet	March, 2015

Dividend

The Board of Directors, subject to approval of shareholders at the ensuing Annual General Meeting, has recommended a dividend @ 30% (Rs. 0.60 per equity share of Rs. 2/- each) for the year ended March 31, 2011. The cash outflow on account of dividend will be Rs. 1770.58 lacs and Corporate dividend tax would be Rs. 287.23 lacs.

Issue of Securities

The Company, during the year under review, issued and allotted 1750 (One Thousand Seven Hundred Fifty) Secured Listed Redeemable Non-Convertible Debentures (NCDs) of Rs. 10,00,000/- each agreegating to Rs. 175 Crores on private placement basis.

Forfeiture of Warrants

The holder of 2,00,00,000 (Two Crores) Fully Convertible Warrants issued by the Company during the year ended March 31, 2010 had not exercised their option to convert the same into equity till last date of exercise of option i.e. January 9, 2011 and hence the amount received as application money on account of share warrants amounting to Rs. 43,50,00,000/- was forfeited in terms of SEBI (ICDR) Regulations.

Transfer to Reserves

In accordance, with the statutory provisions, your Company has transferred a sum of Rs. 1674.69 lacs to the General Revenue.

Credit Rating

Your Company has been granted “CARE A - (SINGLE A MINUS)” rating to the aforesaid issue of non-convertible Debentures by CARE (Credit Analysis Research Limited)

Share Capital

The paid-up share capital as on March 31, 2011 was Rs. 59,01,92,670 divided into 29,50,96,335 equity shares of Rs. 2/- each. There has been no increase in the paid-up share capital of the Company during the year.

Listing of Shares

The Company’s equity shares are listed at Bombay Stock Exchange & National Stock Exchange and GDRs are listed at Luxembourg Stock Exchange. The listing fee for the year under review has been paid to the Stock Exchanges.

Fixed Deposits

The Company has not invited or accepted any fixed deposits from the public in terms of provisions of Section 58A of the Companies Act, 1956 read with the Companies (Acceptance of Deposits) Rules, 1975.

Insurance

The Company's properties including Building, Plant and Machinery, Stocks, Stores, etc., have been adequately insured against major risks.

Organisation Structure

During the financial year ended 31st March 2011, there has not been any major change in the organization structure of the Company. Your Company continues to be governed by its Board of Directors under the day to day control and management being exercised by the Managing Director and the Chief Executive Officer of the Company.

Statement Pursuant to Section 217(1)e and Section 217(2A) of the Companies Act, 1956

A statement pursuant to Section 217(e) and Section 217(2A) of The Companies Act, 1956, read with

Companies (Disclosure of Particulars in report of Board of Directors) annexed hereto and forms part of the Director's Report.

Management Discussion & Analysis Report

Management Discussion & Analysis Report is given in Annexure forming part of this report.

Corporate Governance Report

As per the requirements of Clause-49 of the Listing Agreement a separate report on Corporate Governance is given in Annexure, which forms part of this report. The Auditors certificate on compliance under Corporate Governance is also annexed.

Directors Responsibility Statement

The Board of Directors hereby confirms and accepts the responsibility for the following in respect of the audited annual accounts for the financial year ended March 31, 2011:

(i) that in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(ii) that the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year ended on that date;

(iii) that the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(iv) that the directors have prepared the annual accounts on a going concern basis

Subsidiaries and Group Companies

The Ministry of Corporate Affairs vide its General circular No. 2/2011, dated February 08, 2011 has granted a general exemption under Section 212(8) of the Act to all the Companies from annexing the annual accounts and other statements of subsidiary companies with the annual report of the holding company.

A statement setting out important financials of the subsidiary companies is attached and forms a part of this Annual Report.

The Annual accounts of the subsidiaries are also available for inspection for any member/investor, during the business hours, at the Registered Office of the Company and the same can be accessed from the website of the Company i.e. www.anantraj.com.

Directors

Pursuant to Section 256 of the Companies Act, 1956 read with the Clause 86 of Articles of Association of the Company, Shri Amit Sarin and Shri Brajindar Mohan Singh, retire by rotation at the ensuing Annual General Meeting and being eligible have offered themselves for reappointment.

Brief resume of the Directors seeking appointment/ reappointment together with the nature of their expertise in specific functional areas and names of companies in which they hold directorships and membership of Board/ Committees and number of shares held as stipulated under Clause 49 of the Listing Agreement are stated in the notice forming part of this Annual Report.

Auditors

B. Bhushan & Co., Chartered Accountants, Auditors of the Company, retire at the conclusion of the ensuing Annual General Meeting and being eligible have offered themselves for re-appointment.

Acknowledgements

The Directors place on record their appreciation for the assistance, help and guidance provided to the Company by the Bankers and authorities of State Government from time to time. The Directors also place on record their gratitude to employees and shareholders of the Company for their continued support and confidence in the management of the Company.

By order of the Board of Directors

New Delhi — Ashok Sarin

July 11, 2011 — Chairman

ANNEXURE TO DIRECTOR'S REPORT

(Referred in report of even date)

Statement pursuant to Section 217(1)(e) of the Companies Act, 1956, read with Companies (Disclosure of Particulars in the Report of Board of Directors)

A. Energy Conservation (Tile Division)

(i) *Energy Conservation measures taken:*

The Company has a regular program for maintenance of machineries to ensure optimum utilization of energy resources. The management has developed measures, checks and systems to ensure economy in consumption of energy resources, especially power and fuel costs.

(ii) Additional investment and proposals, if any, being implemented for reduction of consumption of energy:

The Company has developed systems to identify areas for making investment and implementing proposals to reduce consumption of energy resources and for optimum utilization of limited energy resources.

(iii) Impact of measures taken at (i) and (ii) above for reduction of energy consumption and consequent impact on the cost of production of goods :

The reduction in consumption of energy resources has resulted in reducing the cost of production of finished goods.

B. Technology Absorption (Tile Division)

(i) Specific areas in which R&D carried out by the Company:

Consumption of indigenous raw materials and spares while continuing to maintain high quality of finished products.

(ii) Benefits derived as a result of above R&D:

Saving in foreign exchange outgo and indegenisation of the products.

(iii) Future plan of action:

Endeavor to manufacture finished products confirming to established Standards and quality.

(iv) Expenditure on R&D:

The expenditure incurred on research and development activities is intrinsic to the other costs of production and therefore it is not possible to quantify the expenditure separately.

Technology absorption, adaptation and innovation

(i) Efforts in brief, made towards technology absorption, adaptation and innovation:

The imported technological know-how for manufacture of ceramic tiles has been fully absorbed and adapted by the Company's personnel in the production process.

(ii) Benefits derived as a result of the above efforts:

Improved manpower resources and reduction of dependency on foreign technology and know-how.

In case of imported technology:

(i) Technology Imported:

Manufacture of ceramic glazed floor and wall tiles by use of single fast firing process.

(ii) Year of Import : 1988-89

(iii) Has technology been fully absorbed: Yes

C. Foreign Exchange Earning and Outgo

Your Company incurred an expenditure of Rs. 62.50 lacs during the year which resulted in outflow of foreign exchange.

Particulars of Employees

Pursuant to Companies (Particulars of Employees) Amendment Rules, 2011 dated 31st March, 2011 and Section 217(2A) of the Companies Act, 1956), the particulars of employees forming part of the Directors' Report for the year ended March 31, 2011:

Name	Age (In years)	Designation/ Nature of Duties	Date of joining	Qualification	Experience (In years)	Gross Remuneration (In Rs.)
Shri Anil Sarin	59	Managing Director	04.03.1992	B.A. (Hons)	35	1,27,68,000 p.a.

Note:

1. Gross Remuneration comprises salary, House Rent Allowance and Company's contribution to Provident Fund Account.
2. Shri Anil Sarin is a relative of Shri Ashok Sarin, Chairman of the Company and Shri Amit Sarin, Director & CEO of the Company.
3. Shri Anil Sarin holds 9.75% of the paid-up share capital of the Company.

MANAGEMENT DISCUSSION AND ANALYSIS

1. ECONOMIC OVERVIEW

India continued its momentum of growth in the year with impressive growth in its GDP. According to the Reserve Bank of India, the GDP growth in the 4Q 2010 stood at 8.7 % against 7.9% for the same period last year. This was driven by improved performance of the agricultural sector as well as buoyancy in the industrial and services sectors. Financial services, insurance, real estate and business services are expected to have maintained their momentum with a growth of 10%.

Manufacturing continued its strong growth, driving the Index of Industrial Production (IIP) by 8.7% in the first three quarters of the year, as per Centre for Monitoring Indian Economy (CMIE). Despite the steady growth in the economy, inflation continues to remain a prime concern for the government. The RBI has increased interest rates 6 times during the year in a sustained effort to curb inflation. This had an effect to taming inflation to a certain degree, as evidenced by a decline in the Wholesale Price Index by 7.4% in the last quarter on 2010 as against 8.6% in the same period.

The government continues its focus and spend on infrastructure. The government has set up an ambitious target of spending almost 9% of GDP on infrastructure by the terminal year of the Eleventh Five Year Plan (2007 – 11). Large and long term investments and new global players are expected to continue in this space, as government realises its importance and has allowed 100% FDI into the segment.

The Indian Rupee remained strong against the US Dollar and the Euro closing at 44.58 and 63.34 respective, primarily due to slow rate of recovery both in the US as well as Europe.

The flow of FDI into the real estate sector in India was moderate when compared to the previous year. This follows the general declining trend of the overall FDI in India. During the first 6 months of the year, FDI flow was down by 24% due to heighted risk aversion among global investors. The flow of FDI into the real estate in India stood at INR 37,000 million for the first half of the year compared to almost INR 98,000 million during the same period in the previous year, a decline of 62%. However, India still continues to remain a favourite destination for global investors due to its sustained and robust growth and strong consumer demand. India still ranks as the 5th favourite destination for investors as per United Nations Conference on Trade and Development (UNCTAD). As per Ernst & Young's 2010 European Attractiveness Survey, India ranked 4th attractive FDI destination in 2010. Due to the slowdown faced by the real estate sector in the past 2 years, the share of FDI into real estate is a 8%, but is expected to rise much higher with improvements in spending in infrastructure, customer confidence, and an overall betterment in the economy.

2. INDUSTRY OVERVIEW

After a slump and struggle in the previous year, the real estate industry in India saw a positive start to the year and continued to build and consolidate on this. Backed by increase in salaries by about 10.8% and a rise in hiring and job creation, there was a healthy revival of demand in all the asset classes, with the residential sector witnessing highest demand. Apart from the major asset classes (housing, hospitality, commercial office and retail spaces), the year also saw an emergence of new sub-sectors and niche markets in education and healthcare. New segments like amusement parks, sports facilities, although still at a very nascent stage, are also made their presence felt during the year.

Contrary to popular perception, absorption across the major segments improved visibly during the year. Residential sector saw the highest spike in demand based on stronger confidence levels and better affordability. A general all-round improvement in the economy also led to increased corporate spending as well as most retailers returning back to their expansion plans. In the commercial office and retail sector too there was an improvement in demand. With Improvement in absorption rates across segments and across key markets saw investors return and an increase in activity in residential, office and land markets.

On the funding side, the year saw much moderate inflows of FDI into the real estate sector. In the domestic funding, the year saw a renewed interest in the industry by both private equity and public equity markets, especially toward the end of the year. Special Purpose Vehicles (SPVs) continued to be the preferred investor option accounting for nearly 90% of all transactions since 2H 2009 indicating their cautious approach. The public equity market witnessed similar levels of activity and fund raising as compared to the previous year. During the first 3 quarters of 2010, nearly Rs. 23,000 million were raised through the QIP route by three players. Most of the funds raised in 2010 were to meet requirements of ongoing projects and land acquisitions, as compared to 2009 when it was used for repayment of debts.

RESIDENTIAL SECTOR

This sector continues to remain the mainstay of the Indian real estate sector. There were visible and positive improvements in key drivers like increase in disposable income, increase in the number of nuclear families/households, tax savings on mortgages products. These, coupled with correction in prices and better affordability led sustained end-user demand in the sector, especially the mid income segment. Apart from the end-user demand, there was also increase in investment from the non-resident Indians (NRI) and the High Net worth Individual (HNI) who are key buyers in the high-end and the premium end residential categories across India.

The demand supply gap in residential sector across key cities in India continues to be wide, with demand picking up in the last two to three quarters while supply remains constrained due to slow pace of construction activity in 2009. In the top seven cities of the country, demand is expected to be three times higher than the supply and this gap is expected to remain till 2014, as per Cushman & Wakefiled's Research report. Within the segment, the gap for mid income housing is expected to be three times supply, where in case of premium and luxury housing, this gap reduces to 1.5 times supply (Cushman & Wakefield Research).

In the second half of the year, many developers started enhancing their prices, especially in the key markets of Mumbai and Delhi, pushing the capital values by upto 30% - 40% in the premium locations in Mumbai. This has impacted sales and slowed down absorption in the last months of the year.

NCR Focus

Capital values have risen by more than 30-35% in Gurgaon and by 10%-15% in select pockets of Noida. Majority of the new projects being developed in Gurgaon are in the range of Rs. 3000-4000/ sq.ft., while those in Noida are between Rs. 2500-3000/sq.ft (CBRE Report 2010). However, in the Gurgaon market in particular, a disturbing trend that has emerged over the past 12-18 months is the entry of a lot of speculators, especially in new projects. New launch prices in areas such as Sector70-72 have seen prices touching Rs. 5000-6000 as compared to Rs. 2600-2800 in 2009. In the last quarter of 2010, a number of residential projects were launched in Gurgaon. These were launched in micro-markets like Sohna Road, Golf

Course Road Extension and Dwarka Express Way. Most of these projects are expected to get completed by 2013. The NCR market (mostly Gurgaon and Noida) registered more than 100,000 units being launched in 2010, as per The 2010 India Real Estate Review by CBRE. There has also been a significant demand in the affordable segment, and developers have rushed to position their projects in the low and mid income segment of the markets.

RETAIL SECTOR

Confidence and consumerism returned to cheer up the sluggish retail sector. Positive factors like rising income levels, rapid urbanisation and increased brand consciousness all contributed to a general uplifting of confidence in the Indian retail space, making both domestic and foreign retailers resume their expansion plans. Developers also became more accommodating in asking for rentals and lease terms. There was a marginal decline in vacancy levels with 15.5% from 17% in 2009. While supply remained much in excess of demand, an important point to note is that 2010 saw less than 40% of the initial estimated supply materialsing. Concentration of pre-lease commitments also witnessed a decline in 2010 due to lack of proper catchment areas and concentration of retail developments in certain pockets.

The year also saw a lot of international brands like Jack & Jones, Vero Moda, Timberland, Forever 21, Diesel, Ecko, Gloria Jean and many others setting up their flagship stores in India, and many more are considering entering the Indian retail space in the coming year. Large format retailers like Shoppers Shop, Funcity and Lifestyle opened their first outlets in South Delhi, while anchor hypermarket brands such as Big Bazaar, Bharti Easy Day and Shoppers Stop committed spaces in new completions.

NCR Focus

NCR accounts for almost 30% of total of 200 malls in India with a retail space of approximately 56 million sq.ft. NCR witnessed a supply of around 3.6 million sw. ft which is significantly higher than in 2009. The increase in supply has been somewhat balanced by increase in demand by new brands/retailers looking to establish/expand their presence. In the markets of west Delhi and other high street locations, rentals have started to appreciate, while in Noida and Gurgaon, rentals have remained largely stable. In Delhi, rentals across prime locations have been in the range of Rs. 300-350 per sq. ft., while in Noida and Gurgon these are in the range of Rs. 200-220 per sq.ft.

COMMERCIAL OFFICE SECTOR

The Indian commercial office sector is dominated by the IT and ITES. During the year 2010, this sector also saw entry of new segments like Pharmaceuticals, Biotech, Telecom and Manufacturing. Demand for commercial office space continued its revival in the beginning of 2010. As the year went on, the size and frequency of transactions in the sector also increased, helped by developers' flexibility to reduce prices and also offer better leasing terms and incentives like free parking and rental discounts. This lead to pre-commitment in various under-construction projects, which in turn led to developers launching new projects in suburban locations pan India. Absorption rates remained good with NCR (Gurgaon), Bangalore, Hyderabad and Mumbai leading absorption of more than 32 million sq. feet offered in 2010 across top 7 cities. Overall absorption stood at 33 million sq.ft. in 2010 as against 20million sq. ft. in 2009. In the last quarter of the year, there was an increase in vacancy levels due to sustained oversupply, particularly in suburban areas.

According to CBRE Report, almost 55 million sq.ft. of office space was added in the year 2010 across the 7 top cities. Rentals have declined by 30%-40% due to large supplies across key markets (IDBI sector report, 2010).

NCR Focus

In the NCR, 2010 saw a larger volume of transactions and increased demand for larger floor sizes based on sustained economic growth and stability during the year. However, this was matched with inflow of substantial supply, notably in Noida and Gurgaon with vacancy hovering around 25%-30% in these areas. NCR has also witnessed a cumulative supply of more than 45 million sq.ft. by the Q4 of 2010, as per CBRE Report.

Rentals in select micro-markets of Gurgaon like MG Road and Golf Course road have witnessed appreciation. Rentals for high quality office space in Delhi are in the range of Rs. 250-300/ sq. ft., while in the range of Rs.60-70/sq.ft. and Rs. 30-35/ sq. ft. in Gurgaon and Noida respectively.

HOSPITALITY

Compared to the previous year, this year has seen a marginal revival in this sector. Average Room Rates (ARR) continued to remain between 55% - 65% across key markets. The sector continues to attract new players both domestic and international on the back of tax incentives and additional FSI offered. In metropolitan cities of NCR and Mumbai, a new trend of luxurious serviced apartments is also emerging quite visibly. As economy continues to improve, niche segments like stand-alone meeting and event facilities are also driving this sector.

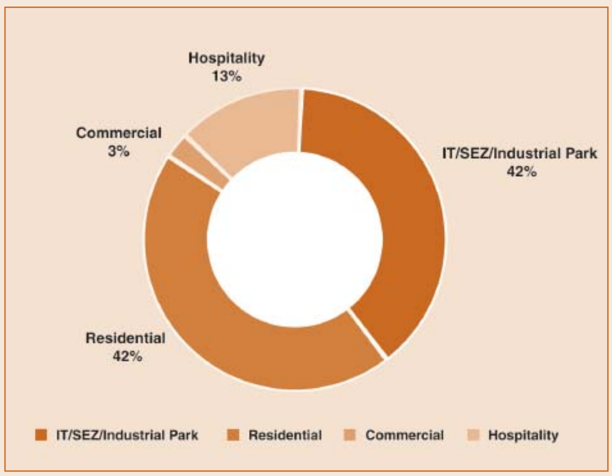
3. BUSINESS OVERVIEW

Anant Raj Industries Limited (Anant Raj) is today synonymous with high-quality development in construction and infrastructure. Based out of Delhi, it is one of the oldest and most experienced companies that has for almost four decades consciously followed a clear and well-thought strategy to focus and concentrate in NCR. The company has developed over 11.5 million sq.ft. of property and is well on its way to fulfil its vision of positioning itself as an “integrated development enterprise in NCR with high quality of construction, ethics, business standards and customer satisfaction on a continuous basis’.

The company continues to build and develop residential properties, commercial properties, hotels, IT parks and SEZs. The company continues to consolidate and strengthen its position in NCR. The company is among the largest land owner in Delhi with 500 acres.

Over the last 3 decades, the company has consciously and continuously focused on NCR. This clear geographic focus has allowed to company to gather substantial strength of both scale and scope, and as economic conditions keep improving, the company is positioned to reap high rewards and benefits. All sectors of the industry – from residential to retail and from office space to IT parks, are expected to see one of the highest growth rates in the country in NCR and the company is firmly placed to leverage this opportunity.

The company has a diversified portfolio with a pragmatic mix of developments in IT/SEZ, Residential, Hospitality and Commercial Retail. This enhances the company’s stability and insulates it against vagaries of market fluctuations.



LAND BANK

Of a total land-bank of 1200 acres (developable area of 75 million sq.ft), the company today is among the largest land owner in Delhi with 500 acres. The balance 90% of land is within 30 kms.of Delhi. Most of this land is paid for, and is acquired in prime locations at low cost. During the current year, the company acquired 218.40 acres of prime land with a developable area of 10.70 million sq.ft. and 2.80 Lac Sq. Yards for Plotted Development. The cost of this new land is Rs. 837.83 crores.

NEW LAND PURCHASED IN 2010

Location	Area in Acres	Land Cost
Gurgaon -Sector-91	15.50	70.00
Gurgaon		
TOWNSHIP		
Residential Plotted Development	106.60	369.60
Commercial	4.40	15.40
(Residential)	43.00	150.50
Commercial	6.95	24.33
Manesar	12.45	52.00
Rai- Sonipat	10.00	17.00
Neemrana	18.00	13.00
1/2 Portion at Bhagwan		
Das Road, New Delhi	1.50	126.00
Total	**218.40**	**837.83**

RESIDENTIAL

During the year the company launched three residential projects. These are under development and work is going on in full swing. The Del-37 residential project in Kapashera has 112 flats which have been already sold out. The project is expected to be completed in March 2013 on schedule. The 670 flat MADELIA project in Manesar is also fully sold out and is on schedule for completion in March 2014. The MACEO project in Sector 91-Gurgaon has also attracted a lot of interest having 770 flats. The flats are expected to be sold in the coming year and much before the scheduled date of completion of project.

The company also has residential projects in Neemrana and Rai (Sonepat) in the pipleline. The Neemrana project is scheduled to be launched in July 2011 and has 2840 flats, while the Rai (Sonepat) project of 500 flats is to be launched in January 2012.

Residential plotted development (over 106.6 acres land area) and residential (over 43 acres land area) projects in Gurgaon are also expected to be launched in October, 2011 and April 2012. For all these projects, land also already been acquired and is fully paid for.

The company also have ambitious plans for two ultra luxury residential projects in extremely prime locations in New Delhi – at Hauz Khas and Bhagwandas Road.

HOTELS/RESORTS/ENTERTAINMENT

During the year, the company successfully completed and delivered HOTEL TRICOLOR. HOTEL TRICOLOR is located on the main NH-8 (Delhi – Jaipur Highway) near the Delhi Airport and is also connected by the Delhi Metro. The 55 room hotel is spread over 8.3 acres of land. The hotel is leased out to Royal Orchids Hotels Limited from August 2011.

Besides this, the company has the following hospitality projects on lease :

Property Name	Location	Area in Acres	Area in Million Sq.Ft.	Run by
1. Hotel Mapple	At NH-8 New Delhi	4.73	0.06	Mapple Emerald near Airport
2. Hotel Mapple	At NH-8 New Delhi	2.88	0.04	Mapple Emerald near Airport
3. Parkland Retreat	Near Mehrauli, Delhi	7.37	0.08	Parkland Hospitality Ltd.
4. Parkland Exotica	Near Mehrauli, Delhi	5.75	0.07	Parkland Hospitality Ltd.
Total		**20.73**	**0.25**	
New hospitality Project Dhumaspur (Resort)	Gurgaon, Haryana	10	0.65	(New Project)

COMMERCIAL / RETAIL

The MOMENTS Shopping Mall at Kirtinagar, New Delhi was completed during the year. 60% of the 0.6 million sq.ft. mall is already leased out and rents have already been started in June 2011. The company has significant plans in this segment. The township projects that are in the pipeline at Gurgaon and the industrial park project at Manesar both have commercial space. The project has 11.35 Acres of land with 1 mn. sq.ft. of saleable commercial area, while the industrial park at Manesar has 3 acres of land and 0.23 million sq.ft. area designated for commercial development. Both these projects are scheduled for completion in March 2015.

IT / SEZ / INDUSTRIAL PARK

Details of properties with ownership:

Property/ Location	Ownership %age	Area in acres	Area in Million Sq.ft
IT Park, Manesar	100%	10	1.8
IT SEZ, Rai	100%	25	2.1
IT Park, Panchkula	50.1%	10	0.54
IT Park, Jaipur	100%	10	1.0
IT Park, Noida	100%	25	3.3
Industrial Park, Manesar	100%	75	135608 Sq.Yards(plots) 0.57 Million Sq.Ft.(residential) 0.23 Million Sq.Ft.(Commercial)

With work in full swing, the company's two IT projects in Rai and Panchkula are expected to be completed in the next two years. IT SEZ at Rai is the nearest notified SEZ from Delhi with a distance of only 5 kms. Situated on NH 1, it is proposed to be connected by the Delhi Metro and the new KMP expressway connects it to Gurgaon, Manesar and the Delhi Airport. Phase I of this project is spread over 25 acres and has a leasable area of 1.4 million sq. ft. Phase I is expected to be ready by March, 2012.

The company's IT Park project is situated at Panchkula – the modern city developed by Haryana government close to Chandigarh. It is also just 10 kms. from Baddi, the new hotspot industrial area developed by the Himachal Pradesh government that has seen a phenomenal shift of manufacturing/production units by most large players. The project is spread over 10 acres of land and 0.54 million sq.ft. will be ready in Phase I, expected to complete by September, 2012.

4. FINANCIAL PERFORMANCE

1. **Turnover :** The company recorded a turnover of Rs. 452.96 crores against Rs. 362.99 crores in the previous year, an increase of 24.79%
2. **EBIDTA :** The company registered an EBIDTA of Rs. 264.43 crores as against Rs. 311.95 crores during the previous year, a decrease of 15.23%.
3. **Profit Before Tax :** For the current year, the company's Profit before Tax stood at Rs.229.98 crores against Rs. 296.30 crores in the previous year.
4. **Profit After Tax :** For the year, the company's Profit after Tax was Rs. 167.84 crores against a profit after tax of Rs. 238.25 crores last year.

5. SWOT ANALYSIS

Strengths

The company today has one of the most impressive land bank in the NCR region amounting to almost 1200 acres. In Delhi, the company has the largest land bank of over 500 acres. The company acquired 218 acres in the year 2010-11. The total developable area is about 75 million sq.ft. The company has consciously built its land bank even during the years of recession in the industry. Moreover, the land bank of the company has been acquired at a very low cost, thus allowing the company the flexibility to develop and deploy this land in an asset class which has highest returns as well as immediate monetisation. As the economic situation improves and there is a revival of demand, the company is in a very strong position to leverage its dominant land bank.

The company also has project that are on the anvil of completion in the near future providing strong monetisation opportunities and stronger cash flows. With the overall economic scenario looking positive, the company is favourably positioned to leverage this upswing in market condition.

The company also have a very strong in-house execution team that ensures that most of the projects are completed within set time frames. The company has a proven track-record of delivering projects in terms of committed time-frames as well quality in design and construction.

Opportunities

The company has entered into the residential space with renewed focus and vigour during the year. The growth in demand has been most pronounced in the residential space amongst all the traditional asset classes in the wider real estate space. Delhi and NCR are expected to have one of the highest rates of growth in residential demand. The company has acquired about 11 million sq.ft. of land that is ready for development and will be deployed for luxury residential projects in the heart of Delhi, mid-income residential projects in Kapashera and Gurgaon, and affordable homes in Manesar and Neemarana. With projects across market-segments, the company's confident to address growth opportunities in this space.

Weakness

Being a focussed player in the Delhi and NCR region, the company is dependent on the economic climate in the region.

Threats

The real estate business is correlated to the speed of execution. Some of our projects are long term, and take upto 3 years for completion. Any delays in execution of projects can expose the company to risks of higher costs as well as affect its profitability.

6. INTERNAL CONTROL SYSTEMS

The company has appropriate and sufficient internal control systems in line with its size and the industry it operates in. The company has a well-laid framework of systems, processes, procedures and policies that ensure compliance to statues and laws, as well as ensure optimum and efficient use of resources. The company monitors expenses on a regular basis to ensure that these are within the budgeted targets.The company also carries out regular internal audit through external agency to test the adequacy and effectiveness of its internal control processes and also suggest improvement and upgrades to the management.

7. HUMAN RESOURCES

At Anant Raj, we firmly believe that it is our people who are our most important valuable assets and resources. The company strives to ensure best working conditions for its people and that there are no compromises on the health and safety of its employees. The company has a professional and healthy work culture built around strong corporate value. The company also encourages and supports its employees to upgrade their skills on a continual basis through organising skill development programmes. Employees are also encouraged to participate on professional skills and training development courses.

8. RISK REVIEW

The company understands that risk recognition and its effective management is critical to deliver sustained shareholder value. The risks and uncertainties that the company is likely to face and how the company plans to address are as under :

Real estate business is exposed to cyclical fluctuations. These fluctuations occur due to complex interplay of external and macro-economic factors that affect demand and supply situation in the industry. A downturn in cycle can result in sluggish demand that will have a negative impact on the rentals as well as capital values, and therefore, have a similar affect on profitability.

CYCLICAL FLUCTUATIONS

The real estate industry actually experienced a difficult phase in 2008 and 2009 due to global economic downturn. The company has been resilient and managed this risk of due to

(A) focus on Delhi and NCR, where the effect of global downturn in demand was mitigated by a sustained demand for real estate. Delhi and NCR, as a pocket, have been experiencing high growth momentum. With the company's projects and land-bank in Delhi and NCR, the company was not as much affected due to the cyclical downturn. The company's in-house execution team is also one of the best in the industry.

(B) The company has a Strong In-house Team of professionals including highly skilled architects, engineers and designers. The company has not had any major labour problem. This ensures that there are no delays in execution and the company continues to deliver projects in time.

(C) The company has a strong balance sheet with comfortable cash flows, and therefore, does not need to engage in distress sales.

(D) The company has been judiciously avoiding acquiring land at high costs. The company does not usually participate in land auctions where prices tend to be high.

(E) The company has been pragmatic in balancing its revenue stream with incomes both from rentals as well as development income. With more commercial properties nearly completion, the company is expecting a more steady stream of annuity incomes from rentals, that will ensure a healthy cash flow to tide over cyclical fluctuations in the industry.

OVERALL MACRO ECONOMIC CONDITIONS

The company has its business focussed in the Delhi and NCR region, and is highly dependent on the economic situation in the region. This does make the company more vulnerable than if it were spread geographically.

However, the Delhi and NCR region is one of the fastest growing geographic markets in the country today. There is a big upswing in demand for all real estate asset classes, driven by overall improvement in confidence levels. This growth in demand is expected to sustain over the next few years as the Indian economy continues to surge ahead aggressively. Moreover, the company is well-diversified by having presence in all asset classes and hence, in spite of being geographically focussed, the company has mitigated this risk through diversification into all asset classes.

DEVELOPMENT AND EXECUTION

Execution is the key in real estate business and is crucial to customer satisfaction, profitability and value to shareholders. In case of any inordinate delays in execution, the company will be exposed to risks of market fluctuations, loss of reputation as well as customers moving to competition. To mitigate this risk, the company has one of the strongest execution teams in the industry. The strong in-house team ensures that all projects of the company are executed as per set time-frames. Being an in-house team gives the company a direct control over execution, and the company is not affected by issues relating to contracting execution to third party, and delays thereof.

COMPETING PROPERTIES

Presence of competitors' properties in the same vicinity as the company's properties may affect demand, and thereby, lead to unsold inventory.

At Anant Raj, we have always ensured that our projects deliver maximum value for money. We do this by judiciously acquiring land at rates that are reasonable and which therefore, result in more value for the customers. Besides low land rates, the company develops projects that are differentiated through their better designs and higher construction quality. The company's track-record of timely execution of projects have created an excellent reputation with the customers. The company believes that with a combination of better value, better design and construction quality added with timely delivery has put the company in an advantageous position compared to its competitors, and has thus largely mitigated this risk.

9. OUTLOOK

With the economy expected to continue its positive trend and grow at more than 8% in the coming year, all key drivers of growth like disposable incomes in middle class families, rapid urbanisation, retail spending are estimated to further drive demand in all sectors of real estate and further improvement in absorption and appreciation of values is expected.

The residential sector continues to attract highest demand in the industry. According to a Cushman and Wakefield Research report, housing demand is to register a Compounded Annual Growth Rate (CAGR) of 15% by 2014. India's cumulative demand for homes stands at 4.25 million units. 60% of this demand is expected to be from top 7 cities, with Tier I cities of Mumbai and NCR accounting for more than 40% of this demand. Mumbai is expected to witness the highest cumulative demand growth of 23%, followed by NCR at 20%.(Cushman and Wakefield Research report). Supply is expected to remain much less than demand, with a demand supply gap of 3 times in affordable and mid segment and 1.5 times in luxury and high-end segment. Mumbai and NCR are expected to have the highest demand supply gap over the next five years.

In the commercial office space sector, Cushman and Wakefield Research report estimates the Pan India demand for office space to be 240.7 million sq.ft. by 2014, of which 46% is expected from the top three cities. Bangalore and Mumbai are expected to have the highest cumulative demand owing to high interest from IT/ITES and commercial sectors. With supply in excess of demand, prices are expected to undergo a further correction. Mumbai is likely to witness the highest stock addition of almost 39.7 million sq.ft. by 2012, as per this report, followed by NCR and Bangalore.

The commercial retail market demand is expected to reach 55.26 million sq.ft. by 2014. Besides malls, demand for high street locations is also expected to rise and reach 106 million sq.ft. by 2014 as per Cushman and Wakefield Research Report. 53% of this cumulative demand is expected to come from the top seven cities across India, with Bangalore expected to have highest mall space demand at 7.7 million sq.ft., followed by Mumbai at 6.5 million sq.ft.

The sector continues to have large oversupply, which is likely to restrain launch of new projects. This is expected to have a moderating effect on rentals in the short term, and unless demand picks up substantially, this situation is unlikely to change. However, projects which have a distinct differentiation in design and concept, branding and location are likely to be attract investors.

The hospitality sector is seeing industry giants getting ready to penetrate newer markets, and the sector is expected to grow in the short and medium term. Newer concepts like serviced apartments are also witnessing growth, albeit it is still a very niche segment. According to Cushman and Wakefield Research Report, the year on year growth for five years in the top eight markets is pegged at 10%. NCR leads this with 18% expected growth in demand.

10. CAUTIONARY STATEMENT

Statements made in this Management Discussion and Analysis describing the company's objectives, projections, estimates, expectation or predictions, may be 'forward looking statements' within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the company's operations include economic developments in the country and improvement in the state of capital markets, changes in Governmental regulations, taxes, laws and other statues and other incidental factors.

CORPORATE GOVERNANCE REPORT

(In compliance with Clause 49 of Listing Agreement)

I. MANDATORY REQUIREMENTS

1. *Corporate Governance:*

Your Company is committed to good corporate governance in all its activities and processes. The Board of Directors shall endeavour to create an environment of fairness, equity and transparency in transactions with the underlying objective of securing long term shareholder value, while, at the same time, respecting the right of all stakeholders.

2. *Board of Directors*

A. Composition of Board:

The Board of Directors of your Company comprises 6 members with 4 Non-Executive Directors including the Chairman of the Board and three Independent Directors who have been appointed for their professional expertise and experience.

Name of Director	Designation	Number of other directorships in Indian public companies	Committee* Membership	Committee Chairmanship	No. of Shares held As at March 31, 2011
Sh. Ashok Sarin #	Chairman-Non-Executive Director	8	2	1	2,85,06,762
Sh. Anil Sarin #	Managing Director-Executive Director	6	3	1	2,87,75,055
Sh. Amit Sarin #	Director & CEO	10	0	0	40,97,680
Sh. Ambarish Chatterjee	Independent Director	2	3	2	NIL
Sh. Maneesh Gupta	Independent Director	1	3	0	NIL
Sh.Brajindar Mohan Singh	Independent Director	1	2	0	NIL

*(Membership and Chairmanship of Remuneration Committee, Audit committee, Share Transfer Committee and Shareholders' Grievance Committee only has been considered)

Sh. Ashok Sarin, Sh. Anil Sarin are related to each other as brothers and Sh. Amit Sarin is son of Sh. Ashok Sarin.

B. (i) (a) Information of Board Meetings held during the year

During the financial year 2010-2011, the members of the Board met eighteen times to review, discuss and decide about the business of the Company.

The dates on which the said meetings were held are as follows:

Quarter	Date of Board Meeting
April 2010- June 2010	April 20, 2010
	May 28, 2010
	June 19, 2010
July 2010 - September 2010	July 21, 2010
	July 30, 2010
	August 05, 2010
	August 19, 2010
	September 27, 2010
	September 30, 2010
October 2010- December 2010	October 26, 2010
	November 11, 2010
	December 14, 2010
January 2011- March 2011	January 05, 2011
	January 20, 2011
	February 07, 2011
	February 16, 2011
	March 18, 2011
	March 25, 2011

B. (i) (b) Attendance of Directors at the Board Meeting & Last AGM

Name of the Director	Category of Directorship	No. of Board Meetings Attended	No. of Committee Meetings	Attendance at last AGM
Sh. Ashok Sarin	Chairman-Non-Executive Director	16	14	Yes
Sh. Anil Sarin	Managing Director-Executive Director	17	15	No
Sh. Amit Sarin	Director & CEO	15	0	No
Sh. Ambarish Chatterjee	Non-Executive & Independent Director	17	10	Yes
Sh. Maneesh Gupta	Non-Executive & Independent Director	16	11	No
Sh. Brajindar Mohan Singh	Non-Executive & Independent Director	17	13	No

Particulars of Directors retiring by rotation and also seeking reappointment have been given in notice for convening the Annual General Meeting.

3. *Audit Committee*

A. Brief description of terms of reference of Audit Committee

As a measure of good Corporate Governance and to provide assistance to the Board of Directors in fulfilling their responsibilities, the Audit Committee was formed. Majority of the members of the Audit Committee are Independent Directors and have rich experience in the financial/legal sector. The Company Secretary of the Company acts as Secretary to the Committee.

The terms of reference of Audit Committee are as per Clause 49 of the Listing Agreement with the Stock Exchanges read with Section 292A of the Companies Act, 1956.

The Audit Committee, amongst others, reviews the quarterly financial statements and the performance of the Statutory Auditor and Internal Auditors. The Audit Committee also ensures compliance with listing and other legal requirements relating to financial statements.

B. Composition & Qualification of Audit Committee

Name	Category of Directorship	Designation in Audit Committee	Qualification & Experience	No. of Meetings Attended
Ambarish Chatterjee	Non-Executive & Independent Director	Chairman	Fellow Member of the Institute of Company Secretaries of India having over 18 years post qualification experience in areas of economic and corporate legislations.	4
Ashok Sarin	Non-Executive Director	Member	He is having more than 42 years of experience in real estate and construction industry.	4
Maneesh Gupta	Non-Executive & Independent Director	Member	Fellow Member of the Institute of Company Secretaries of India having more than 13 years experience in fields of corporate laws and legal matters connected with civil issues	
Brajindar Mohan Singh	Non-Executive & Independent Director	Member	Retired IRS & Ex. Chairman of CBDT having 39 years of experience in fields of Tax & Finance	4

Mr. Manoj Pahwa, Company Secretary, acts as the Secretary to the Audit Committee.

C. Meeting of Audit Committee

During the Financial year 2010-11, four meetings of Audit Committee were held:

Quarter	Date of Meeting	Number of Members Present	Number of Independent Directors Present
April 2010-June 2010	May 28, 2010	4	3
July 2010-September 2010	August 05, 2010	4	3
October 2010- December 2010	November 11, 2010	4	3
January 2011- March 2011	February 07, 2011	4	3

4. Investor/Shareholders' Grievance Committee:

Your Company constituted a Stakeholders' Grievance Committee to look into the stakeholders' grievances. The Committee oversees the performance of the Registrar and Share Transfer Agent and recommends measures for overall improvement in quality of investor service.

A. Composition of Investor/Shareholders' Grievance Committee:

Name	Category of Directorship	Designation
Ambarish Chatterjee	Non-Executive & Independent Director	Chairman
Anil Sarin	Managing Director	Member
Maneesh Gupta	Non-Executive & Independent Director	Member

B. Compliance Officer

Your Company has appointed Mr. Manoj Pahwa, Company Secretary of the Company as the Compliance Officer.

C. Dates & no. of meetings held during the year under report & members attendance thereat

Quarter	Date of Meeting	Number of Members Present	Number of Independent Directors Present
April 2010-June 2010	April 05, 2010	2	1
July 2010-September 2010	July 06, 2010	3	2
October 2010- December 2010	October 08, 2010	3	2
January 2011- March 2011	January 07, 2011	2	2

D. Complaint Status

During the year, the Company received 58 investor complaints, all of which have been completely resolved to the satisfaction of the stakeholders. As on date, there is no pending complaint of any stakeholder.

Details of Investor Complaints received during the financial year 2010-11

Nature of Complaint	Received during the year	Resolved	Pending Complaint
Non-receipt of Dividend	34	34	Nil
Non-receipt of Share certificates Post-transfer/transmission/split	13	13	Nil
Non-receipt of Annual Report	11	11	Nil

5. *Share Transfer Committee:*

Your Company has a Share Transfer Committee to approve the transfer of shares in physical as well as Demat form and to approve the issuance of Duplicate Share Certificates.

A. Composition of Share Transfer Committee:

Name	Category	Designation
Ashok Sarin	Non-Executive Director	Chairman
Anil Sarin	Managing Director	Member
Sh. Brajindar Mohan Singh	Non-Executive & Independent Director	Member

B. Dates & no. of meetings held during the year under report & members attendance thereat

Quarter	Date of Meeting	Number of Members Present	Number of Independent Directors Present
April 2010-June 2010	April 30, 2010	2	0
	May 31, 2010	3	1
July 2010-September 2010	July 10, 2010	3	1
	August 31, 2010	3	1
October 2010- December 2010	October 21, 2010	3	1
	December 09, 2010	3	1
	December 21, 2010	3	1
January 2011- March 2011	January 12, 2011	3	1
	January 31, 2011	2	1
	February 28, 2011	2	0
	March 30, 2011	2	1

6. *Remuneration Committee:*

Your Company has a Remuneration Committee to lay down the norms for determination of remuneration to be paid to directors and executives at all levels of the Company. The Remuneration Committee has been assigned to approve & settle the remuneration packages with the optimum blending of monetary and non-monetary outlay and as per the prevalent norms in the industry.

A. Composition of Remuneration Committee:

Name of Director	Category of Directorship	Designation in Committee
Anil Sarin	Managing Director	Chairman
Ambarish Chatterjee	Non-Executive & Independent Director	Member
Maneesh Gupta	Non-Executive & Independent Director	Member

Three meetings of the Remuneration Committee were held during the year under review and the same were attended by all the members of the committee.

B. Remuneration Policy

The remuneration of directors is determined keeping in view the overall limits of Section 198 and 309 of the Companies Act, 1956.

No Managerial person* is paid remuneration exceeding 5% of the net profits of the Company.

The total remuneration paid/payable to all the Managerial personnel shall not exceed the overall ceiling of 10% of the net profits of the Company in accordance with the Section 198 and 309 read with Section I of Part II of the Schedule XIII of the Companies Act, 1956.

No Director, other than the Managerial Personnel, is paid any remuneration except sitting fees which is being paid to the Non-Executive Independent Directors.

* Managerial person here stands for Managing Director and Other Directors who are in whole time employment of the Company. At present, the Company is paying remuneration to Sh. Anil Sarin, Managing Director and Sh. Amit Sarin, Director & CEO who are in the whole time employment of the Company.

C. Selection Committee

Pursuant to Notification [F.NO. 17/75/2011-C.L.V] dated 6-4-2011 regarding the Director's Relatives (Office or Place of Profit) Rules, 2003, the Company has constituted a Selection Committee consisting of the following members for approval of remuneration payable to Directors' relatives holding office of profit falling under Section 314 of the Companies Act, 1956:

Name of Director	Category of Directorship	Designation in Committee
Ambarish Chatterjee	Non-Executive & Independent Director	Chairman
Maneesh Gupta	Non-Executive & Independent Director	Member
Ashok Sarin	Non-Executive Director	Member
Vijay Kumar Sharma	Expert in Real Estate Sector	Member

D. Particulars of Directors' Remuneration during the financial year 2010-2011:

The details of remuneration paid to the Directors (including sitting fees paid for attending Board Meetings during the year ended March 31, 2011, are given below:

Directors	Salary (Rs.)	Perquisites #(Rs.)	Sitting Fees (Rs.)	Total (Rs.)
Sh. Ashok Sarin	---	---	---	---
Sh. Anil Sarin	84,00,000	43,68,000	---	1,27,68,000
Sh. Amit Sarin*	9,60,000	13,20,000	---	22,80,000
Sh. Ambarish Chatterjee	---	---	42,500	42,500
Sh. Maneesh Gupta	---	---	40,000	40,000
Sh. Brajindar Mohan Singh	---	---	42,500	42,500
Total				**1,51,73,000**

Perquisites includes House Rent Allowance, Company's contribution to Provident and Superannuation Funds and other allowances.

* Employed for part of the year from October 01, 2010 to March 31, 2011

7. Subsidiary Companies

The Company has 67 wholly owned Subsidiaries. None of the subsidiaries is listed on any Stock Exchange. Three of the subsidiaries fall within the meaning of "Material Non-listed Indian Subsidiary" as defined in Explanation I of Clause 49(iii) of the Listing Agreement.

However, the following compliances are duly made by the Company:

- The Audit Committee reviews the financial statements made by the Subsidiary Companies.
- The minutes of the Board Meetings of the Subsidiary Companies are placed at the Board Meeting of the Company.
- A statement of all significant transactions and arrangements made by the Subsidiary Companies are informed to the Board at periodical intervals.

8. General Body Meetings:

The concise details of Annual General Meetings held during the previous three years are as under:

A. Annual General Meetings:

Financial Year	Location and Time	Special Resolutions passed
2009-2010	22nd July, 2010 at 9.30 A.M. at 85.2 Km Stone, Delhi-Jaipur Highway, Village Bhudla, P.O. Sangwari, Distt. Rewari. 123401 (Haryana)	5 (Five) Special Resolutions were passed ❖ Payment of remuneration of upto Rs. 4,00,000/- p.m. to Sh. Amit Sarin, Director & CEO
		❖ Payment of remuneration of upto Rs. 2,00,000/- p.m. to Sh. Aman Sarin, Executive Director- Operations
		❖ Payment of remuneration of upto Rs. 2,00,000/- p.m. to Sh. Ashim Sarin

		❖ Payment of remuneration of upto Rs. 1,50,000/- p.m. to Sh. Amar Sarin
		❖ To raise funds not exceeding Rs.2000 Crores by issue of equity shares, debentures, bonds and other securities.
2008-2009	20th August, 2009 at 9.30 A.M. at 85.2 Km Stone, Delhi-Jaipur Highway, Village Bhudla, P.O. Sangwari, Distt. Rewari. 123401 (Haryana)	No Special Resolution was passed
2007-2008	24th July, 2008 at 9.30 A.M. at 85.2 Km Stone, Delhi-Jaipur Highway, Village Bhudla, P.O. Sangwari, Distt. Rewari. 123401 (Haryana)	No Special Resolution was passed

The concise details of last three Extra-ordinary General Meetings held are as under:

B. Extra-ordinary General Meetings:

Day, Date & Time	Location	Purpose	Result
Thursday, the 25th June, 2009 at 9.30 A.M.	85.2 Km Stone, Delhi-Jaipur Highway, Village Bhudla, P.O. Sangwari, Distt. Rewari. 123401 (Haryana)	1. To seek shareholders approval for issue of 2,00,00,000 Convertible Warrants to Promoters.	Unanimously Passed
		2. Raising of funds up to Rs. 2000 Crores by issue of securities by way of QIP.	Unanimously Passed
Tuesday, the 22nd May, 2007 at 9.30 A.M.	85.2 Km Stone, Delhi-Jaipur Highway, Village Bhudla, P.O. Sangwari, Distt. Rewari. 123401 (Haryana)	Issue of 55,60,222 equity shares of Rs. 10/- each on preferential basis to the FIIs.	Unanimously Passed
Monday, the 10th September, 2007 at 9.30 A.M.	85.2 Km Stone, Delhi-Jaipur Highway, Village Bhudla, P.O. Sangwari, Distt. Rewari. 123401 (Haryana)	To subdivide 1 equity share of Rs. 10/- each of the Company into 5 Equity Shares of Rs. 2/- each.	Unanimously Passed

C. Postal Ballot

During the preceding financial year, no resolution was passed through postal ballot and presently no resolution has been proposed to be passed through postal ballot.

9. Disclosures

A. Disclosures of Related Party Transactions

The transactions with related parties have been discussed in detail in Note 17(xxxvi) to the Balance Sheet as at March 31, 2011, and the Profit and Loss Account for the year ended on that date which forms a part of this Annual

Report. The related party transactions are placed before the Board of Directors for their consideration and approval. The Company did not have any material significant policy which may have potential conflict with the interest of the Company.

B. Utilization of funds raised: details

The funds raised by the Company aggregating to Rs. 60,806.34 lacs in year 2008, through issue of Global Depository Receipts (GDR's), have been deployed in Company's projects relating to the construction of IT Parks/ SEZ & Hospitality sector and other purposes as mentioned in offer document.

The details of utilisation are given in Note 17(viii) to the Accounts of the Company.

Further, your Company, during the year, has raised a sum of Rs.175 Crores through issue of 1750 Reedemable Non Convertible Debentures (NCDs) each representing one debenture of face value of Rupees Ten Lacs each (Rs.10,00,000/-) on private placement basis. The funds so raised have been utilized towards its construction and development business, hotel, tile division etc.

C. Management & Discussion Analysis Report:

The comprehensive Management & Discussion Analysis Report has been enclosed with this report.

D. Details of Compliances/ non compliances by the Company with applicable Laws

The Board of Directors periodically reviews compliance reports of the laws applicable to the Company, and the Company initiates requisite action for strengthening of its statutory compliance procedures, as may be suggested by the Board from time to time.

The Company has complied with various rules and regulations prescribed by the Stock Exchanges, Securities and Exchange Board of India (SEBI) and other statutory authorities on all matters relating to capital markets, and no penalties or strictures have been imposed on the Company by any of them in this regard during the last three years.

E. Risk Management

The Company has adopted a Risk Management Policy. It has laid down procedures to inform the Board members about potential risks, their assessment and control. These procedures are periodically reviewed to ensure that executive management controls risks by means of properly defined framework of policies and strategies.

F. Disclosure of Accounting Treatment

Your company has followed the principles of accounting as prescribed in the Indian Accounting Standards and accordingly, there is no explanation required to be given by the management, as per Clause 49 (IV) (B) of the Listing Agreement.

G. Proceeds from the public issue/rights issue/preferential issues etc.

There was no fresh public issue/ right issue/preferential issues etc. during the financial year 2010-11.

H. Code for prevention of Insider Trading Practices

In compliance with the SEBI's regulations on prevention of insider trading, the Company has instituted a comprehensive code of conduct for its Directors and Designated Employees. The code lays down guidelines - which advises them on procedure to be followed and disclosures to be made while dealing with shares of ANANT RAJ and cautioning them of consequences of violations.

10. General Shareholder Information:

Annual General Meeting (Date, Time & Venue)	Thursday, August 25, 2011 at 9.30 A.M at the Registered office of the Company at 85.2 Km. Stone, Delhi-Jaipur Highway, Village Bhudla, P.O. Sangwari, Distt. Rewari 123401. (Haryana)
Financial Year	1st April 2010 - 31st March 2011
Date of Book Closure	August 11, 2011 to August 25, 2011 (Both days inclusive)
Dividend Record (Last three years)	Financial Year 2007-08: 75% (Rs. 1.5 per share of the Face Value of Rs.2/- each) Financial Year 2008-09: 30% (Rs. 0.60 per share of the Face Value of Rs.2/- each) Financial Year 2009-10: 30% (Rs. 0.60 per share of the Face Value of Rs.2/-each)
Dividend for Financial Year 2010-2011	The Company has recommended dividend Rs.0.60/- per share (30% on Rs. 2/- fully paid up share) for the financial year 2010-11.
Listing on Stock Exchanges	Shares of the Company are listed on the Bombay Stock Exchange, Mumbai, National Stock Exchange and Luxembourg. Annual listing fees have been duly paid to the Stock Exchanges.
Stock Code	ISIN No. of Equity Shares at NSDL/CDSL: INE242C01024 Trading Symbol at NSE: ANANTRAJ Trading Symbol at BSE: 515055
Financial Calendar 2011-12Tentative & Subject to Change	1. First Quarter results -08th August, 2011 2. Second Quarter results -10th November, 2011 3. Third Quarter results-10th February 2012 4. Audited yearly results for the year ended March 31, 2012- 28th May, 2012
Registrar & Transfer Agents (both for Electronic & Physical Segment)	Alankit Assignments Ltd., RTA Division, 2E/21, First Floor, Jhandewalan Extn., New Delhi 110055. Contact Person: Mr. J.P. Rustagi
Share Transfer Systems	The share transfers that are received in physical form are processed and the share certificates returned within 30 days of lodgment, subject to the documents being valid and complete in all respects.
Permanent Account Number (PAN) for transfer of shares in physical form	SEBI vide its Circular dated May 20, 2009 has stated that for securities market transactions and off-market transactions involving transfer of shares in physical form of listed companies, it shall be mandatory for the transferee(s) to furnish copy of PAN card to the Company's RTA for registration of such transfer of shares. Accordingly, shareholders are requested to please furnish copy of PAN Card to the Company's RTA for registration of transfer of shares in their name.
Split of shares	The Shareholders of the Company at the Extra-Ordinary General Meeting held on Sept. 10, 2007 had accorded their consent to the Sub-division of the Equity Shares of Rs. 10/- each into Equity Shares of Rs. 2/- each. The shareholders who have not surrendered their shares for getting the splitted shares are requested to do so at the earliest.

Secretarial Audit	Secretarial Audit is conducted on quarterly basis by the Qualified Practicing Company Secretary to reconcile the total admitted capital with National Securties Depository Ltd. (NSDL) and Central Depository Service Ltd. (CDSL) and the total Issued and listed Capital. The Secretarial report is submitted to the Board of Directors and to the concerned Stock Exchanges where the shares of the Company are listed for trading.
Dematerialization of Shares	The Company's shares are available for dematerialisation on both the depositories viz. National Securties Depository Ltd. (NSDL) and Central Depository Service Ltd. (CDSL). As on 31st March, 2011, 97.77% of total equity share capital is held in dematerialized form with NSDL and CDSL. There is no unclaimed equity share lying with the Company pursuant to IPO issue made in 1989 by the Company. Hence, Demat Suspense Account has not been created with the Depository Participant as required by Clause 5A of the Listing Agreement.
Non Convertible Debentures	The Company has issued 1750 Secured Listed Reedemable Non- Convertible Debentures (NCDs) of Rs.10,00,000/- each on private placement basis. These NCDs are listed on the NSE under the WDM segment. The ISIN no. allotted to NCDs of the Company is INE242C07013. M/s. IDBI Trusteeship Services Ltd. is acting as the debenture trustee for the NCDs issued by the Company.
Debenture Trustee Details	IDBI Trusteeship Services Limited, Asian Building, Ground Floor, 17-R Kamani Marg, Ballard Estate, Mumbai-400001. Email: itsl@idbitrustee.co.in
Depository Registrar of NCDs	M/s. RCMC Share Registry Private Limited B-106, Sector-2, Noida-201301 (U.P.) Contact Person: Mr. Ravinder Dua Contact No: 0120- 4015884 Fax No: 0120- 2444346 Email: rdua@rcmcdelhi.com
Outstanding GDRs	Outstanding GDRs as on March 31, 2011 represents 5,33,000 equity shares constituting 0.18 % of the paid up equity share capital of the Company. Each GDR represents one underlying equity share in the Company. GDR is not a specific time-bound instrument and can be surrendered any time and converted into underlying equity shares of the Company.
Depository of GDRs	Deutsche Bank Trust Company Americas 60 Wall Street, New York-10005

Custodians of GDRs	ICICI Bank Limited Ist Floor, Empire Complex, 414 Senapati Bapat Marg, Lower Parel, Mumbai.
Outstanding Warrants	The holder of 2,00,00,000 (Two Crores) Fully Convertible Warrants issued by the Company during the year ended March 31, 2010, did not exercise their option to convert the same into equity till the last date of exercise of option i.e. January 9, 2011 and hence the amount received as application money on account of share warrants amounting to Rs. 43,50,00,000 was forfeited in terms of SEBI (ICDR) Regulations. Hence, there are no outstanding warrants as on date.
Regd. Office & Plant Location :	85.2 Km. Stone, Delhi - Jaipur Highway, Village Bhudla, P.O. Sangwari, Distt. Rewari-123401 (Haryana).
Address for Correspondence	E-2, ARA Centre, Jhandewalan Extn., New Delhi-55 Or Alankit Assignments Ltd., RTA Division, 2E/21, First Floor, Jhandewalan Extn., New Delhi 110055
Compliance Officer	MANOJ PAHWA (Company Secretary) Tel : 23541940, Fax : 23633326, E.Mail : manojpahwa@anantraj.com The Company has designated an e-mail id viz. manojpahwa@anantraj.com to enable the investors to register their complaints/ suggestions/queries, if any.

11. *Means of Communication*

The financial results of the Company are published in widely circulating national dailies such as Financial Express and Jansatta. Information at the time of declaration of results is also sent to all stock exchanges where the shares of the Company are listed for trading.

All the above results and documents are also displayed on Company's official website www.anantraj.com

Green Initiative in the Corporate Governance by the Ministry of Corporate Affairs

The Ministry of Corporate Affairs ("MCA") has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by companies and has issued circulars on April 21, 2011 and April 29, 2011 stating that the service of official documents by a company to its members can be made through electronic mode.

Considering the move taken by the MCA as a welcome step for the society at large, the Company henceforth proposes to send various notices/documents like Notices for General Meetings, Audited Financial Statements, Auditor's Report, Directors' Report, Financial Results etc. in electronic form to the e-mail IDs made available to the Company by the depositories and/or Members.

All the official documents including Annual Report of the Company, circulated to the Members of the Company through electronic mode, will be made available on the Company's website www.anantraj.com.

We request you to update your email IDs with your depository participants in case shares are held in electronic mode to ensure that the Annual Reports and other documents reach you at your preferred email IDs and where the shares are held in physical form, please get your email IDs updated in the records of the Company.

Distribution of Shareholdings as on March 31, 2011:

No. of Shares	No. of Shareholders	% to Total	No. of Shares	% to Total
0 – 5000	30470	98.317	9633317	3.264
5001 – 10000	198	0.639	1522945	0.516
10001 – 20000	97	0.313	1450626	0.492
20001 – 30000	48	0.155	1197607	0.406
30001 – 40000	20	0.065	718432	0.24
40001 – 50000	20	0.065	949026	0.322
50001 – 100000	32	0.103	2412806	0.82
100001 and above	106	0.343	277211576	93.94
	30991	**100.00**	**295096335**	**100.00**

Shareholding Pattern of the Company as on March 31, 2011

Category	No. of Shares	%
Promoters*	18,20,67,752	61.698
Banks, Financial Institutions & FIIs	7,88,98,728	26.737
Private Bodies Corporate	1,94,58,171	6.594
Non Resident Indians	11,17,838	0.378
GDR	5,33,000	0.181
Public	1,30,20,846	4.412
Total	**29,50,96,335**	**100.00**

* No pledge has been created on the shares held by promoters/or promoter group as on March 31, 2011.

Share Price Performance:

The monthly high and low quotations of equity shares of the Company traded on Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) and comparison vis-à-vis the Sensex and Nifty Indices are tabled below:

(In Rs. per share)

Period	BSE			NSE		
	Sensex	High	Low	Nifty	High	Low
April 2010	17558.71	144.95	125.40	5278.00	144.90	125.50
May 2010	16944.63	131.00	99.50	5086.30	130.00	99.25
June 2010	17700.90	123.20	98.50	5312.50	123.40	99.00
July 2010	17868.29	125.00	115.00	5367.60	128.00	114.00
August 2010	17971.12	144.70	115.25	5402.40	144.50	115.05
September 2010	20069.12	145.90	127.05	6029.95	145.80	124.80
October 2010	20032.34	160.00	127.25	6017.70	165.50	127.05
November 2010	19521.25	144.00	101.10	5862.70	144.00	100.00
December 2010	20509.09	125.50	100.15	6134.50	125.75	102.00
January 2011	18327.76	112.90	94.00	5505.90	112.75	94.15
February 2011	17823.40	104.50	66.15	5333.25	104.50	66.10
March 2011	19445.22	89.50	73.70	5833.75	89.40	72.60

List of Top 10 Shareholders (other than Promoters) as on March 31, 2011

Sr. No.	Name of the shareholder	Number of shares
1	Government of Singapore Investment Corporation Pte Limited	15830031
2	Deutsche Securities Mauritius Limited	15221222
3	The Royal Bank of Scotland NV (London) Branch	8671250
4	Citigroup Global Markets Mauritius Private Limited	4476658
5	Reliance Capital Trustee Co. Ltd. A/c Reliance Tax Saver (ELSS Fund)	3512000
6	Bessemer India Capital Partner II SA	3319787
7	Sonata Investments Limited	3160000
8	Reliance Capital Trustee Co. Ltd. A/c Reliance Long Term Equity Fund	2772000
9	The Master Trust Bank of Japan Ltd. A/c. HSBC India N Equity Mother Fund	2573236
10	Macquarie Bank Limited	2362830
	TOTAL	**61899014**

12. *Auditors' Certificate on Corporate Governance*

As required by Clause 49 of the Listing Agreement, the Auditors' Certificate is annexed and forms part of this Annual Report.

13. *CEO and CFO Certification*

As required by Clause 49 of the Listing Agreement, the CEO / CFO certification is annexed and forms part of this Annual Report.

14. *Code of Conduct*

The Company has laid down a code of conduct for all Board Members and designated senior management personnel of the Company. All Board Members and senior management personnel have affirmed compliances with the code of conduct. A declaration signed by the Director & Chief Executive Officer and President (Finance) to this effect is enclosed with this report.

II NON-MANDATORY REQUIREMENTS

Besides the mandatory requirements, the Company has complied with the following non-mandatory requirements stipulated under Clause 49 of the Listing Agreement:

(a) The Company has set up a Remuneration Committee.

(b) The Company has adopted a Whistle Blower Policy to provide a mechanism for its Employees, Directors, Vendors or customers to disclose any unethical and/or improper practice(s) taking place in the Company for appropriate action and reporting. This policy provides the necessary safeguards to all the whistle blowers for making disclosures in good faith.

INFORMATION PURSUANT TO APPROVAL UNDER SECTION 212(8)OF THE COMPANIES ACT,1956. FOR THE FINANCIAL YEAR 2010-11

Particulars	*High Land Meadaows Pvt. Limited	Novel Buildmart Pvt. Ltd.	Novel Housing Pvt. Ltd.	Vibrant Buildmart Pvt. Ltd.	**Kalinga Buildtech Pvt.Ltd.	Greenline Buildcon Pvt. Ltd.	Pasupati Aluminium Ltd.	Oriental Meadows Limited	Twenty First Developers Pvt. Ltd.	Echo Buildtech Pvt. Ltd.	White Diamond Construction & Equipments Pvt. Ltd.	Anant Raj Hotels Limited	Elegant Buildcon Pvt. Ltd.	Echo Properties Pvt. Ltd.	Spring View Developers Pvt. Ltd.	Grand Buildtech Pvt. Ltd.	Grandpark Buildtech Pvt. Ltd.
	As at March 31,2011	As at March 31,2011	As at March 31,2011	As at March 31,2011	As at March 31,2011	As at March 31,2011	As at March 31,2011	As at March 31,2011	As at March 31,2011	As at March 31,2011	As at March 31,2011	As at March 31,2011	As at March 31,2011	As at March 31,2011	As at March 31,2011	As at March 31,2011	As at March 31,2011
POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS																	
Total Liabilities	523,948,207	500,099,900	45,149,900	665,000	100,315,000	60,447,358	9,570,422	25,030,000	23,728,050	212,804,764	49,604,026	500,000	43,332,691	49,114,370	10,294,367	150,312,739	500,100,000
Total Assets	523,948,207	500,099,900	45,149,900	665,000	100,315,000	60,447,358	9,570,422	25,030,000	23,728,050	212,804,764	49,604,026	500,000	43,332,691	49,114,370	10,294,367	150,312,739	500,100,000
Sources of funds																	
Paid up Capital	625,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	10,000,000	500,000	500,000
Reserves & Surplus	499,875,000	-	-	-		-	8,020,422	-	-	-	-	-	-		-	-	-
Secured Loans		-	-	-		-	-	-	-	-	-	-	-		-	-	-
Unsecured Loans	23,110,000	499,599,900	44,649,900	165,000	99,815,000	23,998,500	1,050,000	24,530,000	23,228,050	212,304,764	49,104,026	-	42,832,691	48,571,874	-	149,812,739	499,600,000
Share Application Money		-	-	-		-	-	-	-	-	-	-	-	-	-	-	-
Deferred tax (net)		-	-	-		-	-	-	-	-	-	-	-	-	-	-	-
Profit and Loss Account	338,207	-	-	-		35,948,858	-	-	-	-	-	-	-	42,496	294,367	-	
	523,948,207	**500,099,900**	**45,149,900**	**665,000**	**100,315,000**	**60,447,358**	**9,570,422**	**25,030,000**	**23,728,050**	**212,804,764**	**49,604,026**	**500,000**	**43,332,691**	**49,114,370**	**10,294,367**	**150,312,739**	**500,100,000**
Application of funds																	
Net fixed assets	271,103,026	-	44,809,590	-	100,015,000	-	8,520,000	22,881,950	23,396,500	-	48,996,020	-	43,028,716	49,051,872	-	-	-
Capital work in progress incl. capital advances	609,850	-	-	-		-	-	-	-	-	-	-	-	-	-	-	500,000,000
Preoperative-expenditure pending for capitalisation	516,702	-	64,570	-	111,668	-	-	55,941	285,700	-	585,578	-	276,061	51,915	-	-	-
Investment		500,000,000	-	-	-	20,125,750	-	-	-	-	-	-	-	-	-	-	-
Net Current Assets	251,193,938	80,368	273,758	63,007	84,263	40,146,992	61,981	15,330	4,383	212,549,452	22,428	309,324	25,013	10,583	10,116,308	150,051,837	82,365
Miscellaneous Expenditure	524,691	9,910	1,982	9,910	9,910	174,616	-	-	35,611	174,616	-	178,066	-	-	178,059	174,702	10,551
Profit and Loss Account	-	9,622	-	592,083	94,159	-	988,441	2,076,779	5,856	80,696	-	12,610	2,901	-	-	86,200	7,084
	523,948,207	**500,099,900**	**45,149,900**	**665,000**	**100,315,000**	**60,447,358**	**9,570,422**	**25,030,000**	**23,728,050**	**212,804,764**	**49,604,026**	**500,000**	**43,332,691**	**49,114,370**	**10,294,367**	**150,312,739**	**500,100,000**
	For the year ended March 31, 2011	**For the year ended March 31, 2011**	**For the year ended March 31, 2011**	**For the year ended March 31, 2011**	**For the year ended March 31, 2011**	**For the year ended March 31, 2011**	**For the year ended March 31, 2011**	**For the year ended March 31, 2011**	**For the year ended March 31, 2011**	**For the year ended March 31, 2011**	**For the year ended March 31, 2011**	**For the year ended March 31, 2011**	**For the year ended March 31, 2011**	**For the year ended March 31, 2011**	**For the year ended March 31, 2011**	**For the year ended March 31, 2011**	**For the year ended March 31, 2011**
PERFORMANCE OF THE COMPANY																	
Total Turnover	23,827	8,584	-	129	-	-	15,321	-	-	4,809	-	15,900	-	-	30,479	-	8,585
Total Expenditure	24,851	9,596	11,578	9,596	8,595	23,930	8,596	15,735	83,782	20,375	158,563	19,958	46,484	9,286	11,826	21,775	9,214
Profit /(Loss) before Taxation	(1,024)	(1,012)		(9,467)	(8,595)	(23,930)	6,725			(15,566)		(4,058)			18,653	(21,775)	(629)
Provision for Taxation	4,150	-		-		-	2,076		-	-	-	-			5,763	-	-
Profit / (Loss) After Taxation	(5,174)	(1,012)	-	(9,467)	(8,595)	(23,930)	4,649	-	-	(15,566)	-	(4,058)	-	-	12,890	(21,775)	(629)
Shares of the subsidary held by the company on the above date																	
Equity																	
a) No of Shares	6,250	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	5,000	1,000,000	50,000	50,000
b) Face Value Per Share	100	10	10	10	10	10	10	10	10	10	10	10	10	100	10	10	10
Preference																	
a) No of Shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
b) Face Value Per Share	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
c) Extent of Holding	80%	100%	100%	51%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	75%	100%	100%

* The Company has Five subsidiaries ** The Company has one subsidiary **** The Company has nine subsidiaries *** The Company has two subsidiaries

INFORMATION PURSUANT TO APPROVAL UNDER SECTION 212(8)OF THE COMPANIES ACT,1956. FOR THE FINANCIAL YEAR 2010-11

Particulars	Rolling Construction Pvt. Ltd.	Sand Storm Buildtech Pvt. Ltd.	Fabulous Builders Pvt. Ltd.	Elevator Promoters Pvt. Ltd.	Green Way Promoters Pvt. Ltd.	Elevator Properties Pvt. Ltd.	Kalinga Realtors Pvt. Ltd.	****Green View Buildwell Pvt. Ltd.	Elevator Buildtech Pvt. Ltd.	Roseview Properties Pvt. Ltd.	***Sovereign Buildwell Pvt. Ltd.	Gadget Builders Pvt. Ltd.	Blossom Buildtech Pvt. Ltd.	Springview Properties Pvt Ltd.	Grand Park Estates Pvt. Ltd.	Suburban Farms Pvt. Ltd.	Elegent Estates Pvt. Ltd.
	As at March 31,2011	As at March 31,2011	As at March 31,2011	As at March 31,2011	As at March 31,2011	As at March 31,2011	As at March 31,2011	As at March 31,2011	As at March 31,2011	As at March 31,2011	As at March 31,2011	As at March 31,2011	As at March 31,2011	As at March 31,2011	As at March 31,2011	As at March 31,2011	As at March 31,2011
POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS																	
Total Liabilities	459,979,075	4,312,170	56,642,000	607,213,000	500,000	186,793,373	102,894,123	526,100,000	16,399,900	4,951,266	242,541,897	49,317,650	115,200,000	748,232	501,552	175,106,380	500,000
Total Assets	459,979,075	4,312,170	56,642,000	607,213,000	500,000	186,793,373	102,894,123	526,100,000	16,399,900	4,951,266	242,541,897	49,317,650	115,200,000	748,232	501,552	175,106,380	500,000
Sources of funds																	
Paid up Capital	4,540,240	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
Reserves & Surplus	350,483,760	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Secured Loans	100,033,562	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Unsecured Loans	1,713,309	3,812,170	56,142,000	606,713,000	-	185,773,788	99,048,131	525,600,000	15,899,900	4,450,000	241,465,505	48,816,000	114,700,000	-	-	174,600,000	-
Share Application Money		-	-	-		-	-	-	-	-	-	-	-	-	-	-	-
Deferred tax (net)		-	-	-		-	-	-	-	-	-	-	-	-	-	-	-
Profit and Loss Account	3,208,204	-	-	-		519,585	3,345,992	-	-	1,266	576,392	1,650	-	248,232	1,552	6,380	-
	459,979,075	**4,312,170**	**56,642,000**	**607,213,000**	**500,000**	**186,793,373**	**102,894,123**	**526,100,000**	**16,399,900**	**4,951,266**	**242,541,897**	**49,317,650**	**115,200,000**	**748,232**	**501,552**	**175,106,380**	**500,000**
Application of funds																	
Net fixed assets	340,228,761	4,021,836	53,775,676	107,159,750	-	161,779,640	-	500,608,975	16,333,356	4,669,502	-	49,282,250	-	311,248	1,471,668	-	171,197
Capital work in progress incl. capital advances	114,248,528	-	2,307,733	-	-	4,831,020	-	8,053,020	-	-	44,000,000	-	115,027,470	-	-	-	-
Preoperative-expenditure pending for capitalisation	3,142,655	264,977	87,972	-	-	-	-	18,128,161	40,042	-	-	-	-	6,000	-	-	-
Investment	-	-	-	500,000,000	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Current Assets	1,804,988	20,350	455,971	24,311	439,625	20,172,803	102,886,195	(801,253)	12,054	271,854	198,500,011	25,490	96,336	430,984	(970,116)	175,106,380	294,342
Miscellaneous Expenditure	554,143	-	9,910	9,910	9,910	9,910	7,928	5,946	9,910	9,910	41,886	9,910	9,910	-	-	-	-
Profit and Loss Account	-	5,007	4,738	19,029	50,465	-	-	105,151	4,538	-	-	-	66,284	-	-	-	34,461
	459,979,075	**4,312,170**	**56,642,000**	**607,213,000**	**500,000**	**186,793,373**	**102,894,123**	**526,100,000**	**16,399,900**	**4,951,266**	**242,541,897**	**49,317,650**	**115,200,000**	**748,232**	**501,552**	**175,106,380**	**500,000**
	For the year ended March 31, 2011	**For the year ended March 31, 2011**	**For the year en ded March 31, 2011**	**For the year ended March 31, 2011**	**For the year ended March 31, 2011**	**For the year ended March 31, 2011**	**For the year ended March 31, 2011**	**For the year ended March 31, 2011**	**For the year ended March 31, 2011**	**For the year ended March 31, 2011**	**For the year ended March 31, 2011**	**For the year ended March 31, 2011**	**For the year ended March 31, 2011**	**For the year ended March 31, 2011**	**For the year ended March 31, 2011**	**For the year ended March 31, 2011**	**For the year ended March 31, 2011**
PERFORMANCE OF THE COMPANY																	
Total Turnover	247,388	-	-	86	21,006	839,409	407,567,490	8,584	-	8,699	1,218,311,264	8,584	8,584	20,408	2,615	-	7,905
Total Expenditure	30,977	44,018	57,090	10,040	9,172	15,118	402,705,590	544,276	9,320	9,177	1,217,458,386	8,685	9,331	8,046	7,552	6,458	6,932
Profit /(Loss) before Taxation	216,411			(9,954)	11,834	824,291	4,861,900	(535,692)		(478)	852,878	(101)	(747)	12,362	(4,937)	(6,458)	973
Provision for Taxation	68,266	-	-	-	3,655	266,744	1,516,951	-		-	282,121	-	-	3,818	-	-	300
Profit / (Loss) After Taxation	148,146	-	-	(9,954)	8,179	557,547	3,344,949	(535,692)	-	(478)	570,757	(101)	(747)	8,544	(4,937)	(6,458)	673
Shares of the subsidary held by the company on the above date																	
Equity																	
a) No of Shares	454,024	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	5,000	5,000	5,000	5,000
b) Face Value Per Share	10	10	10	10	10	10	10	10	10	10	10	10	10	100	100	100	100
Preference																	
a) No of Shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
b) Face Value Per Share	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
c) Extent of Holding	50.1%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

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INFORMATION PURSUANT TO APPROVAL UNDER SECTION 212(8)OF THE COMPANIES ACT,1956. FOR THE FINANCIAL YEAR 2010-11

Particulars	Park Land Developers Pvt. Ltd.	Lucky Meadows Pvt. Ltd.	Greenwood Properties Pvt. Ltd.	Woodland Promoters Pvt. Ltd.	Hemkunt Promoters Pvt. Ltd.	Park View Promoters Pvt. Ltd.	Pioneer Promoters Pvt. Ltd.	Century Promoters Pvt. Ltd.	Goodluck Buildtech Pvt. Ltd.	Empire Promoters Pvt. Ltd.	Pelikan Estate Pvt. Ltd.	**Rapid Realtors Pvt. Ltd.	Anant Raj Construction & Development Pvt. Ltd.	Greenline Promoters Pvt Ltd.	Townsend Construction And Equipments Pvt. Ltd.	Roseview Buildtech Pvt. Ltd.	Green Retreat and Motels Pvt. Ltd.
	As at March 31,2011	As at March 31,2011	As at March 31,2011	As at March 31,2011	As at March 31,2011	As at March 31,2011	As at March 31,2011	As at March 31,2011	As at March 31,2011	As at March 31,2011	As at March 31,2011	As at March 31,2011	As at March 31,2011	As at March 31,2011	As at March 31,2011	As at March 31,2011	As at March 31,2011
POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS																	
Total Liabilities	572,428,926	203,580,973	1,206,489	9,114,139	874,117	766,492	257,700,519	43,121,712	2,369,900	69,000,559	38,686,900	76,403,117	219,642,714	53,414,141	64,271,000	10,700,000	404,113,190
Total Assets	572,428,926	203,580,973	1,206,489	9,114,139	874,117	766,492	257,700,519	43,121,712	2,369,900	69,000,559	38,686,900	76,403,117	219,642,714	53,414,141	64,271,000	10,700,000	404,113,190
Sources of funds																	
Paid up Capital	625,000	500,000	500,000	500,000	500,000	500,000	700,000	500,000	500,000	500,000	500,000	500,000	50,000,000	50,000,000	500,000	500,000	64,160,290
Reserves & Surplus	499,875,000			-			159,800,000		-		-				-	-	
Secured Loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Unsecured Loans	55,700,000	203,073,269	-	50,000	-	-	96,186,712	35,558,000	1,869,900	67,958,000	38,186,900	75,842,085	146,550,000	3,250,000	63,771,000	10,200,000	288,282,470
Share Application Money	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Deferred tax (net)	-	-	-	-	-	-	-	-	-	-	-	-	(111,523)	-	-	-	-
Profit and Loss Account	16,228,926	7,704	706,489	8,564,139	374,117	266,492	1,013,807	7,063,712	-	542,559	-	61,032	23,204,237	164,141	-	-	51,670,430
	572,428,926	**203,580,973**	**1,206,489**	**9,114,139**	**874,117**	**766,492**	**257,700,519**	**43,121,712**	**2,369,900**	**69,000,559**	**38,686,900**	**76,403,117**	**219,642,714**	**53,414,141**	**64,271,000**	**10,700,000**	**404,113,190**
Application of funds																	
Net fixed assets	33,223,668	178,604,207	1,015,700	1,055,170	716,489	1,045,809	107,709,949	43,062,162	2,106,000	59,106,476	-	75,781,028	39,474,831	-	64,025,631	-	92,608,110
Capital work in progress incl. capital advances	423,000,000	25,000,000	-	-	-	-	150,000,000	-	-	9,920,472	37,500,000	-	-	46,000,000	-	10,342,875	50,000,000
Preoperative-expenditure pending for capitalisation	-	-	-	-	-	-	-	-	230,673	49,192	-	623,480	-	5,482,553	-	-	7,915,184
Investment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,579,500
Net Current Assets	115,695,259	(23,234)	190,790	8,058,969	157,629	(279,317)	(9,430)	59,550	33,227	(75,581)	106,226	(1,391)	180,081,431	1,492,151	53,647	113,051	249,938,658
Miscellaneous Expenditure	510,000	-	-	-	-		-	-		-	-	-	86,452	439,437	178,059	174,616	71,738
Profit and Loss Account	-	-	-	-	-		-	-		-	1,080,674	-	-	-	13,663	69,458	-
	572,428,926	**203,580,973**	**1,206,489**	**9,114,139**	**874,117**	**766,492**	**257,700,519**	**43,121,712**	**2,369,900**	**69,000,559**	**38,686,900**	**76,403,117**	**219,642,714**	**53,414,141**	**64,271,000**	**10,700,000**	**404,113,190**
	For the year ended March 31, 2011	For the year ended March 31, 2011	For the year en ded March 31, 2011	For the year ended March 31, 2011	For the year ended March 31, 2011	For the year ended March 31, 2011	For the year ended March 31, 2011	For the year ended March 31, 2011	For the year ended March 31, 2011	For the year ended March 31, 2011	For the year ended March 31, 2011	For the year ended March 31, 2011	For the year ended March 31, 2011	For the year ended March 31, 2011	For the year ended March 31, 2011	For the year ended March 31, 2011	For the year ended March 31, 2011
PERFORMANCE OF THE COMPANY																	
Total Turnover	893,265	-	27,660	-	191,645	146,270	-	-	-	-	-	-	545,072,395	260	5,042	-	235,404,032
Total Expenditure	8,128	94,251	7,328	9,920	11,674	7,773	24,621	6,818	11,971	11,051	9,202	240,976	542,557,263	497,068	9,536	9,792	200,000,000
Profit /(Loss) before Taxation	885,137		20,332	(9,920)	179,971	138,498					(9,202)		2,515,132	(1,210)	(4,494)	(9,792)	35,404,032
Provision for Taxation	-	-	610	-	56,569	43,762	-	-	-	-	-	-	1,159,039	-	-	-	7,510,131
Profit / (Loss) After Taxation	885,137	-	19,722	(9,920)	123,402	94,736	-	-	-	-	(9,202)	-	1,356,093	(1,210)	(4,494)	(9,792)	27,893,901
Shares of the subsidary held by the company on the above date																	
Equity																	
a) No of Shares	6,250	5,000	50,000	5,000	50,000	50,000	5,000	50,000	50,000	5,000	5,000	49,000	5,000,000	5,000,000	50,000	50,000	6,416,029
b) Face Value Per Share	100	100	10	100	10	10	100	10	10	100	100	10	10	10	10	10	10
Preference																	
a) No of Shares	-	-	-	-	-		2,000	-	-	-	-	100	-	-	-	-	-
b) Face Value Per Share	-	-	-	-	-	-	100	-	-	-	-	100	-	-	-	-	-
c) Extent of Holding	80%	100%	100%	100%	100%	85%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

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INFORMATION PURSUANT TO APPROVAL UNDER SECTION 212(8)OF THE COMPANIES ACT,1956. FOR THE FINANCIAL YEAR 2010-11

Particulars	Romano Tiles Pvt. Ltd.	Anant Raj Projects Limited	Greatway Estate Ltd.	Gujarat Anant Raj Vidhyanagar Ltd.	Tumhare Liye Realty Pvt. Ltd.	Parkland Construction and Equipments Pvt. Ltd.	Three Star Realty Pvt. Ltd.	Saffron View Properties Pvt. Ltd.	Romano Projects Pvt. Ltd.	Romano Infrastructure Pvt. Ltd.	Romano Estates Pvt. Ltd.	BBB Realty Pvt. Ltd.	Bolt Properties Pvt. Ltd.	Jasmine Buildwell Pvt Ltd.	One Star Realty Pvt. Ltd.	Anant Raj Housing Ltd.	Glaze Properties Pvt. Ltd.
	As at March 31,2011	As at March 31,2011	As at March 31,2011	As at March 31,2011	As at March 31,2011	As at March 31,2011	As at March 31,2011	As at March 31,2011	As at March 31,2011	As at March 31,2011	As at March 31,2011	As at March 31,2011	As at March 31,2011	As at March 31,2011	As at March 31,2011	As at March 31,2011	As at March 31,2011
POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS																	
Total Liabilities	51,773,040	2,698,467,750	1,736,050,000	1,000,000	100,000	784,765	100,000	150,000	100,000	100,000	100,000	41,750,000	41,750,000	100,000	148,508,769	500,000	747,152
Total Assets	51,773,040	2,698,467,750	1,736,050,000	1,000,000	100,000	784,765	100,000	150,000	100,000	100,000	100,000	41,750,000	41,750,000	100,000	148,508,769	500,000	747,152
Sources of funds																	
Paid up Capital	500,000	33,136,400	500,000	1,000,000	100,000	500,000	100,000	100,000	100,000	100,000	100,000	500,000	500,000	100,000	500,000	500,000	500,000
Reserves & Surplus	-	1,598,967,859	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Secured Loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Unsecured Loans	51,271,706	1,066,363,492	1,735,550,000	-	-	284,765	-	50,000	-	-	-	41,250,000	41,250,000	-	148,000,000	-	37,013
Share Application Money	-		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Deferred tax (net)	1,334		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Profit and Loss Account	-		-	-	-	-	-	-	-	-	-	-	-	-	8,769	-	210,139
	51,773,040	**2,698,467,750**	**1,736,050,000**	**1,000,000**	**100,000**	**784,765**	**100,000**	**150,000**	**100,000**	**100,000**	**100,000**	**41,750,000**	**41,750,000**	**100,000**	**148,508,769**	**500,000**	**747,152**
Application of funds																	
Net fixed assets	49,434,955	1,719,550,732	1,514,138,502	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital work in progress incl. capital advances	-	1,236,870,863	150,147,000	-	-	-	-	-	-	-	-	41,625,000	41,625,000	-	-	-	-
Preoperative-expenditure pending for capitalisation	-	-	51,760,161	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investment	55,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Current Assets	956,566	(309,781,846)	19,993,266	739,877	50,200	553,777	49,400	69,941	47,772	48,476	48,477	68,434	68,434	56,300	148,501,160	465,118	740,667
Miscellaneous Expenditure	6,937	20,121,585	-	57,529	7,609	178,059	7,609	-	10,010	10,010	10,010	8,106	8,106	10,484	7,609	29,170	6,485
Profit and Loss Account	1,319,582	31,706,416	11,071	202,594	42,191	52,929	42,991	80,059	42,218	41,514	41,513	48,460	48,460	33,216	-	5,712	-
	51,773,040	**2,698,467,750**	**1,736,050,000**	**1,000,000**	**100,000**	**784,765**	**100,000**	**150,000**	**100,000**	**100,000**	**100,000**	**41,750,000**	**41,750,000**	**100,000**	**148,508,769**	**500,000**	**747,152**
	For the year ended March 31, 2011	**For the year ended March 31, 2011**	**For the year en ded March 31, 2011**	**For the year ended March 31, 2011**	**For the year ended March 31, 2011**	**For the year ended March 31, 2011**	**For the year ended March 31, 2011**	**For the year ended March 31, 2011**	**For the year ended March 31, 2011**	**For the year ended March 31, 2011**	**For the year ended March 31, 2011**	**For the year ended March 31, 2011**	**For the year ended March 31, 2011**	**For the year ended March 31, 2011**	**For the year ended March 31, 2011**	**For the year ended March 31, 2011**	**For the year ended March 31, 2011**
PERFORMANCE OF THE COMPANY																	
Total Turnover	90,953	291,784	-	41,480	-	2,827	-	-	-	-	-	-	-	-	20,220	1,644	595,999,449
Total Expenditure	383,437	10,312,118	508,418	12,125	20,924	24,129	21,524	17,504	21,247	21,247	21,246	13,468	13,468	18,056	9,904	7,356	595,633,152
Profit /(Loss) before Taxation	(292,484)	(10,020,334)		29,355	(20,924)	(21,302)	(21,524)	(17,504)	(21,247)	(21,247)	(21,246)	(13,468)	(13,468)	(18,056)	10,316	(5,712)	366,297
Provision for Taxation	(704)	-		9,072	-	-	-	-	-	-	-	-	-	-	3,189	-	121,166
Profit / (Loss) After Taxation	(291,780)	(10,020,334)	-	20,283	(20,924)	(21,302)	(21,524)	(17,504)	(21,247)	(21,247)	(21,246)	(13,468)	(13,468)	(18,056)	7,127	(5,712)	245,131
Shares of the subsidary held by the company on the above date																	
Equity																	
a) No of Shares	50,000	675,676	50,000	100,000	10,000	50,000	10,000	1,000	10,000	10,000	10,000	50,000	50,000	10,000	50,000	50,000	50,000
b) Face Value Per Share	10	10	10	10	10	10	10	100	10	10	10	10	10	10	10	10	10
Preference																	
a) No of Shares	-	2,637,964	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
b) Face Value Per Share	-	10	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
c) Extent of Holding	80%	74%	100%	100%	100%	100%	100%	100 %	100%	100%	100%	100%	100%	100%	100%	100%	100%

* The Company has Five subsidiaries ** The Company has one subsidiary **** The Company has nine subsidiaries *** The Company has two subsidiaries

INFORMATION PURSUANT TO APPROVAL UNDER SECTION 212(8)OF THE COMPANIES ACT,1956. FOR THE FINANCIAL YEAR 2010-11

Particulars	Hamara Realty Pvt. Ltd.	Rose Realty Limited	Four Construction Ltd.	North South Properties Ltd.	Aakarshak Realtors Pvt. Ltd.	CCC Realty Pvt. Ltd.	Jubilant Software Services Pvt. Ltd.
	As at March 31,2011	As at March 31,2011	As at March 31,2011	As at March 31,2011	As at March 31,2011	As at March 31,2011	As at March 31,2011
POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS							
Total Liabilities	943,706	913,029	58,500,705	901,739	37,594,499	500,100,000	53,990,160
Total Assets	943,706	913,029	58,500,705	901,739	37,594,499	500,100,000	53,990,160
Sources of funds							
Paid up Capital	500,000	500,000	500,000	500,000	3,600,000	500,000	500,000
Reserves & Surplus	-	-	-	-	31,500,000	-	
Secured Loans	-	-	-	-	-	-	-
Unsecured Loans	123,375	19,909	57,829,580	66,431	-	499,600,000	49,524,625
Share Application Money	-	-	-	-	-	-	-
Deferred tax (net)	-	-	-	-	-	-	-
Profit and Loss Account	320,331	393,120	171,125	335,308	2,494,499	-	3,965,535
	943,706	**913,029**	**58,500,705**	**901,739**	**37,594,499**	**500,100,000**	**53,990,160**
Application of funds							
Net fixed assets	-	-	-	-	-	-	-
Capital work in progress incl. capital advances	-	-	-	-	-	-	-
Preoperative-expenditure pending for capitalisation	-	-	-	-	-	-	-
Investment	-	-	-	-	-	-	-
Net Current Assets	939,861	906,544	58,358,258	897,894	37,478,844	500,055,757	53,880,730
Miscellaneous Expenditure	3,845	6,485	142,447	3,845	115,655	4,806	109,430
Profit and Loss Account	-	-	-	-	-	39,437	-
	943,706	**913,029**	**58,500,705**	**901,739**	**37,594,499**	**500,100,000**	**53,990,160**
	For the year ended March 31, 2011	**For the year ended March 31, 2011**	**For the year en ded March 31, 2011**	**For the year ended March 31, 2011**	**For the year ended March 31, 2011**	**For the year ended March 31, 2011**	**For the year ended March 31, 2011**
PERFORMANCE OF THE COMPANY							
Total Turnover	878,517,962	1,077,381,164	537,684,959	682,255,034	242,410,159	4,737	495,243,875
Total Expenditure	877,990,767	1,076,741,812	537,381,826	681,705,159	238,677,882	11,449	489,353,932
Profit /(Loss) before Taxation	527,195	639,352	303,133	549,875	3,732,277	(6,712)	5,889,943
Provision for Taxation	174,386	211,487	100,271	181,888	1,239,754	-	1,927,507
Profit / (Loss) After Taxation	352,809	427,865	202,862	367,987	2,492,523	(6,712)	3,962,436
Shares of the subsidary held by the company on the above date							
Equity							
a) No of Shares	50,000	50,000	50,000	50,000	360,000	50,000	50,000
b) Face Value Per Share	10	10	10	10	10	10	10
Preference							
a) No of Shares	-	-	-	-	-	-	-
b) Face Value Per Share	-	-	-	-	-	-	-
c) Extent of Holding	100%	100%	100%	100%	100%	100%	100%

* The Company has Five subsidiaries ** The Company has one subsidiary

**** The Company has nine subsidiaries *** The Company has two subsidiaries

CERTIFICATION TO THE BOARD PURSUANT TO CLAUSE 49(V) OF THE LISTING AGREEMENT

This is to Certify that:

a) We have reviewed financial statements and the cash flow statement for the year March 31, 2011 and that to the best of our knowledge and belief:

   i) These statements do not contain any materially untrue statement or omit any material facts or contain statements that might be misleading.

   ii) These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.

c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

d) We have indicated to the auditors and Audit Committee:

   i) Significant changes in internal control during the year over financial reporting during the year.

   ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to financial statement; and

   iii) That no instances of significant fraud have came to our notice.

For Anant Raj Industries Limited

Place: New Delhi
Amit Sarin

Date: July 11, 2011
Director & CEO

Yogesh Sharma

President (Finance)

The Board of Directors

Anant Raj Industries Limited

Dear Sirs,

It is hereby certified that the members of the Board of Directors of the company and the designated Senior Management Personnel have affirmed the compliance with the code of conduct adopted by the Company for the financial year ended March 31, 2011 in terms of clause 49 I (D) of the Listing Agreement.

July 11, 2011	Yogesh Sharma	Amit Sarin
New Delhi	President (Finance)	Director & CEO

AUDITOR'S CERTIFICATE

To,
The Shareholders of
Anant Raj Industries Limited

We have examined the compliance of conditions of Corporate Governance by Anant Raj Industries Limited, for the year ended March 31, 2011 in accordance with the provisions of clause 49 of the Listing Agreements executed by the Company with Stock Exchanges where equity shares of the Company are listed.

The compliance of conditions of Corporate Governance is the responsibility of the Company's Management. Our examination has been limited to procedures adopted by the Company and implementation thereof for ensuring proper compliance of the conditions of Corporate Governance. Our examination may not be construed as an audit or an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreements.

We state such compliance of conditions of Corporate Governance is not an assurance on the future viability of the Company or the efficiency or effectiveness with which the affairs of the Company have been conducted.

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

117, New Delhi House,
Barakhamba Road,
New Delhi
July 11, 2011

Kamal Ahluwalia
Partner
Membership No. 93812
Firm Regn. No. 001596N

AUDITORS' REPORT

To the members of Anant Raj Industries Limited

1. We have audited the annexed Balance Sheet of Anant Raj Industries Limited as on March 31, 2011, 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.

2. We conducted our audit in accordance with 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. As required by the Companies (Auditor's 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 and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.

4. Further to our comments in Annexure referred to 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 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 Companies Act, 1956.

   (e) 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 the terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

   (f) In our opinion and to the best of our information and according to the explanations given to us, the said financial statements read together with accounting policies and notes thereon and attached thereto give in the prescribed manner the information required by the Companies Act, 1956, 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, 2011;

ii) in the case of the Profit and Loss Account, of the profit for the year ended on that date; and

iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

117, New Delhi House
Barakhamba Road
New Delhi.

May 28, 2011

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

Kamal Ahluwalia
Partner
Membership no. 093812
Firm Regn. No.:001596N

ANNEXURE TO AUDITOR'S REPORT

[Referred to in paragraph 3 of the Auditors' Report of even date to the Members of Anant Raj Industries Limited on the Financial Statements for the year ended March 31, 2011]

i) In respect of fixed assets:

a) The Company is maintaining proper fixed assets records showing full particulars, including quantitative details and situation of fixed assets.

b) The fixed assets were physically verified by the management at reasonable intervals during the previous year and no material discrepancies were noticed on such verification as compared to book records.

c) In our opinion, the Company has not disposed off a substantial part of its fixed assets during the year and the going concern status of the Company is not affected.

ii) In respect of inventories:

a) The inventory includes land, buildings, construction work-in-progress, construction and development material, development rights, raw materials, stores and spares and finished goods were physically verified by the management at reasonable intervals during the year. The verification of raw materials lying in loose form like clay was carried out based upon parameters of volume and weight.

b) In our opinion, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.

c) The Company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to book records were not material and have been properly dealt with in the books of account.

iii) The Company has neither granted nor taken any loans, secured or unsecured, to or from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.

iv) In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business for the purchase of inventory, fixed assets and for the sale of goods. Further, on the basis of our examination of the books and records of the Company, and according to the information and explanations given to us, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in the aforesaid internal control systems.

v) In respect of contracts or arrangements referred to in section 301 of the Companies Act, 1956:

a) According to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements that need to be entered in the register maintained under section 301 of the Companies Act, 1956, have so been entered.

b) Transactions made in pursuance of such contracts or arrangements have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.

vi) The Company has not accepted any deposits from public within the meaning of sections 58A, 58AA or any other relevant provisions of the Companies Act, 1956 and the rules framed there under.

vii) In our opinion, the Company has an internal audit system commensurate with its size and nature of its business.

viii) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under clause (d) of sub-section (1) of section 209 of the Companies Act, 1956 for the products of the Company.

ix) a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing the undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess and other statutory dues as applicable with the appropriate authorities except for a few instances of slight delay in deposit.

b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess and other statutory dues were outstanding, as at March 31, 2011, for a period of more than six months from the date they became payable. The Company has not charged and consequently, not deposited service tax amounting Rs. 597.87 lacs on revenue from leasing of immovable property, relying on order dated April 18, 2009 of the Hon'ble High Court of Delhi. The Company does not consider itself liable to pay service tax as the liability to deposit service tax on rental revenues is contractually recoverable from the tenants and therefore, the same has not been considered for the purpose of this report

c) According to the information and explanations given to us, there are no dues of wealth tax, service tax, custom duty, excise duty and cess that have not been deposited with appropriate authorities on account of dispute. There are dues of income tax, sales tax and value added tax that have not been deposited with appropriate authorities on account of dispute. The forum where the disputes are pending are given below:

Name of the Statute	Nature of dues	Amount Rs.	Period to which amount relates	Forum where dispute is pending	Present status as on the date of this Report
Haryana General Sales tax Act, 1973	Sales tax	8,550,807*	2002-03	Hon'ble High Court of Punjab & Haryana, Chandigarh	Writ petition filed by the Company is pending before the Hon'ble High Court of Punjab & Haryana, Chandigarh
Haryana Value Added Tax Act, 2003	Value added tax	13,164,978*	2003-04	Hon'ble High Court of Punjab & Haryana, Chandigarh	Writ petition filed by the Company is pending before the Hon'ble High Court of Punjab & Haryana, Chandigarh
Income tax Act, 1961	Income tax	27912346#	1997-98 1998-99 1999-2000	Hon'ble High Court of Delhi	Appeal filed by the Company is pending before the Hon'ble High of Delhi

* Amounts are net of payments made and without considering interest for the overdue period, if any, as may be levied if demand as raised is upheld.

Excluding interest and additional tax.

x) The Company has no accumulated losses as at the end of the year and it has not incurred any cash losses during the financial year covered by our audit and in the immediately preceding financial year.

xi) According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of dues to its Bankers.

xii) According to the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

xiii) The provisions of any special statute applicable to chit fund/nidhi/mutual benefit fund/ societies are not applicable to the Company.

xiv) According to the information and explanations given to us, the Company does not deal or trade in shares, securities or debentures. Proper records have been maintained of the transactions and contracts in respect of the investments made by the Company. The investments are held by the Company in its own name.

xv) According to the information and explanations given to us, the Company has given Corporate guarantees of Rs. 160 Crores to banks to secure the credit facility extended by the banks to its 2 (two) subsidiary companies, against which outstanding amount as at March 31, 2011 is Rs. 1,000.34 lacs.

xvi) In our opinion and according to the information and explanations given to us, term loans have been applied for the purpose for which they were obtained.

xvii) According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, no funds raised on a short term basis have been used for long term investment.

xviii) According to the information and explanations given to us, the Company has not made any preferential allotment of equity shares to parties or companies covered under register maintained under section 301 of the Companies Act, 1956.

xix) The Company has not issued any debentures during the year.

xx) The Company has not raised any money by way of public issue during the year. The funds raised through issue of global depository receipts are being utilized for the purpose for which they were raised.

xxi) During the course of our examination of the books and record of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.

117, New Delhi House	B. Bhushan & Co.
Barakhamba Road	Chartered Accountants
New Delhi.	By the hand of
May 28, 2011	Kamal Ahluwalia
	Partner
	Membership no. 093812
	Firm Regn. No.:001596N

BALANCE SHEET as at March 31, 2011

(Rs.)

	Schedules	As at March 31, 2011	As at March 31, 2010
SOURCES OF FUNDS			
Shareholders' Funds			
Share capital	1	590,192,670	590,192,670
Subscription money received against warrants		-	435,000,000
Reserves and surplus	2	35,861,697,304	33,957,785,440
Loan funds			
Secured loans	3	9,180,268,280	940,348,384
Deferred tax liability (Net)	4	11,953,031	9,013,899
		45,644,111,285	**35,932,340,393**
APPLICATION OF FUNDS			
Fixed assets	5		
Gross block		15,335,124,757	14,708,726,796
Less: Accumulated depreciation		731,620,784	607,609,432
Net block		**14,603,503,973**	**14,101,117,364**
Capital work in progress including capital advances		5,879,717,847	4,805,751,168
Investments	6	**3,130,284,429**	**3,066,033,450**
Current assets, loans and advances	7		
Inventories		7,134,603,656	97,282,771
Sundry debtors		2,411,041,735	2,399,275,193
Cash and bank balances		1,189,023,365	4,685,742,049
Loans and advances		12,475,571,042	7,945,010,620
		23,210,239,799	**15,127,310,633**
Less: Current liabilities and provisions	8	1,179,961,462	1,168,915,622
Net current assets		22,030,278,336	13,958,395,011
Miscellaneous expenditure (to the extent not written off or adjusted)	9	326,700	1,043,400
		45,644,111,285	**35,932,340,393**
ACCOUNTING POLICIES	16		
NOTES TO ACCOUNTS	17		

This is the Balance Sheet referred in our report of even date.

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

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

Kamal Ahluwalia
Partner
Membership no. 093812

New Delhi.
May 28, 2011

Ashok Sarin
Chairman

Anil Sarin
Managing Director

Amit Sarin
CEO & Director

Brajindar M. Singh
Director

Ambarish Chatterjee
Director

Maneesh Gupta
Director

Yogesh Sharma
President-Finance

Manoj Pahwa
Company Secretary

Omi Chand Rajput
G.M.Finance

PROFIT AND LOSS ACCOUNT for the year ended March 31, 2011

(Rs.)

	Schedules	Year ended March 31, 2011	Year ended March 31, 2010
INCOME			
Sales	10	3,128,047,221	2,595,294,314
Rental income		760,519,284	489,530,960
Others	11	283,199,987	481,302,087
		4,171,766,493	**3,566,127,361**
EXPENDITURE			
Cost of sales, real estate/investments		1,308,743,710	216,724,159
Manufacturing and others	12	129,927,211	178,155,668
Decrease in inventories	13	37,743,051	601,952
Employees remuneration and benefits	14	80,283,143	77,316,674
Financial	15	209,786,629	48,335,649
Depreciation		125,178,771	106,480,263
		1,891,662,515	**627,614,366**
PROFIT BEFORE PRIOR PERIOD ADJUSTMENTS AND TAX		**2,280,103,978**	**2,938,512,995**
Prior period adjustments		295,635	(3,100,151)
Depreciation written back		-	3,205,477
PROFIT BEFORE TAX		**2,280,399,613**	**2,938,618,321**
Provision for taxation			
Current income tax		(602,115,825)	(583,350,021)
Deferred tax		(2,939,131)	16,996,069
Wealth tax		(651,790)	(594,253)
PROFIT AFTER TAX		**1,674,692,867**	**2,371,670,116**
Balance brought forward from previous year		9,638,381,136	7,710,342,919
PROFIT AVAILABLE FOR APPROPRIATION		**11,313,074,002**	**10,082,013,035**
APPROPRIATIONS			
Proposed dividend		177,057,801	177,057,800
Corporate dividend tax		28,723,202	29,407,087
Transfer to General Reserve		167,469,287	237,167,012
Balance carried over to Reserves and Surplus Account		10,939,823,713	9,638,381,136
		11,313,074,002	**10,082,013,035**
Earnings per share [equity shares, par value of Rs. 2 (Rs.2) each]			
Basic earnings per share		5.68	8.04
Diluted earnings per share		5.68	7.85
[See note no. (xxiii) of Schedule No. 17 to the Accounts]			
ACCOUNTING POLICIES	**16**		
NOTES TO ACCOUNTS	**17**		

This is the Profit and Loss Account referred in our report of even date.

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

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

Kamal Ahluwalia
Partner
Membership no. 093812

New Delhi.
May 28, 2011

Ashok Sarin
Chairman

Brajindar M. Singh
Director

Yogesh Sharma
President-Finance

Anil Sarin
Managing Director

Ambarish Chatterjee
Director

Manoj Pahwa
Company Secretary

Amit Sarin
CEO & Director

Maneesh Gupta
Director

Omi Chand Rajput
G.M.Finance

SCHEDULES TO THE ACCOUNTS

(Rs.)

		As at March 31, 2011	As at March 31, 2010
1. SHARE CAPITAL			
Authorised 39,70,00,000 (39,70,00,000) equity shares of Rs. 2 (Rs. 2) each		794,000,000	794,000,000
Issued, subscribed and paid up 29,50,96,335 (29,50,96,335) equity shares of Rs. 2 (Rs. 2) each		590,192,670	590,192,670
2. RESERVES AND SURPLUS			
Capital reserve	(a)	459,558,021	24,558,021
Share premium	(b)	23,101,468,192	23,101,468,192
General reserve			
Balance at the beginning of the year		1,193,378,091	956,211,079
Add: Transfer from Profit and Loss Account		167,469,287	237,167,012
Balance at the end of the year	(c)	1,360,847,378	1,193,378,091
Accumulated Profit and Loss Account	(d)	10,939,823,713	9,638,381,136
	(a+b+c+d)	**35,861,697,304**	**33,957,785,440**
3. SECURED LOANS			
From Banks			
Term loans		4,905,253,636	939,830,266
11.95% (Nil) 1,750 (Nil) redeemable non-convertible debentures of face value of Rs. 10,00,000 (Nil) each		1,750,000,000	-
Working capital facilities		25,014,645	45,435
From body corporate Term loan		2,500,000,000	-
From vehicle financing companies Vehicle loans		-	472,684
		9,180,268,280	**940,348,384**
4. DEFERRED TAX LIABILITY (NET)			
Deferred tax assets	(a)	2,999,968	4,031,902
Deferred tax liability	(b)	14,952,999	13,045,802
	(b-a)	**11,953,031**	**9,013,899**

5. FIXED ASSETS

(Rs.)

Particulars	GROSS BLOCK: As at April 1, 2010	GROSS BLOCK: Additions during the year	GROSS BLOCK: Sales/ adjustment during the year	GROSS BLOCK: As at March 31, 2011	DEPRECIATION: Upto March 31, 2010	DEPRECIATION: During the year	DEPRECIATION: Written back	DEPRECIATION: Upto March 31, 2011	NET BLOCK: As at March 31, 2011	NET BLOCK: As at March 31, 2010
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Goodwill on amalgamation	117,997,094	-	-	117,997,094	94,397,676	23,599,418	-	117,997,094	-	23,599,418
Land & site development	10,564,026,987	144,790,812	525,402,932	10,183,414,867	-	-	-	-	10,183,414,867	10,564,026,987
Factory building	85,623,609	-	-	85,623,609	55,872,875	2,975,073	-	58,847,948	26,775,661	29,750,734
Buildings	3,215,334,603	963,337,261	-	4,178,671,864	33,511,082	57,885,652	-	91,396,734	4,087,275,130	3,181,823,521
Plant and machinery	493,088,897	141,864	-	493,230,761	326,708,887	8,792,230	-	335,501,117	157,729,643	166,380,010
Furniture fixtures	17,714,978	3,770,023	-	21,485,001	9,641,658	1,782,967	-	11,424,625	10,060,376	8,073,320
Office equipments	97,851,902	22,114,444	-	119,966,346	28,474,454	11,695,666	-	40,170,120	79,796,226	69,377,448
Computers	14,648,778	2,398,767	-	17,047,545	8,629,011	3,068,524	-	11,697,535	5,350,010	6,019,767
Vehicles	102,439,948	16,565,700	1,317,979	117,687,669	50,373,789	15,379,239	1,167,419	64,585,609	53,102,059	52,066,159
Total	14,708,726,796	1,153,118,872	526,720,911	15,335,124,757	607,609,432	125,178,771	1,167,419	731,620,784	14,603,503,973	14,101,117,364
Capital work in progress including capital advances									5,879,717,847	4,805,751,168
									20,483,221,819	18,906,868,532
Previous Year	10,942,398,871	3,792,400,395	26,072,470	14,708,726,796	503,758,086	106,480,263	2,628,917	607,609,432	18,906,868,532	16,984,039,011

(Rs.)

	As at March 31, 2011	As at March 31, 2010
6. INVESTMENTS		
Long term investments		
In equity shares of subsidiaries-Unquoted	1,549,249,488	1,540,760,923
In equity shares of other companies-Unquoted	1,499,867,250	1,499,892,250
In preference shares of subsidiaries	20,010,000	20,010,000
In capital of partnership firm	5,469,431	4,894,203
Short term investments		
In Reliance Mutual Funds*	30,675,165	476,074
In SBI Mutual Funds**	25,013,095	-
	3,130,284,429	**3,066,033,450**

* [45,680.46 (Nil) units of Reliance Liquidity Fund Daily Dividend Re-Investment Option and 30,176.76 (475.44) units of Reliance Money Manager Fund Institutional Option- Daily Dividend Plan]

** [11,48,664.79 (Nil) units of SBI Magnum Insta Cash Fund Cash Option]

SCHEDULES TO THE ACCOUNTS

(Rs.)

		As at March 31, 2011	As at March 31, 2010
7.	**CURRENT ASSETS, LOANS AND ADVANCES**		
	CURRENT ASSETS		
	INVENTORIES		
	i) Real Estate		
	Development rights acquired	6,945,164,787	-
	Land	132,720,464	-
	Buildings and apartments	15,312,182	15,312,182
	(a)	**7,093,197,433**	**15,312,182**
	ii) Creamic Tiles		
	Raw materials	6,636,608	9,244,809
	Stores and spares	13,421,542	13,634,656
	Finished goods	21,348,074	55,640,725
	Work in process	-	3,450,400
	(b)	**41,406,223**	**81,970,590**
	(a+b)	**7,134,603,656**	**97,282,771**
	SUNDRY DEBTORS (Unsecured, considered good)		
	Debts outstanding for a period exceeding six months	2,282,775,250	2,245,123,600
	Other debts	128,266,486	154,151,593
	(b)	**2,411,041,735**	**2,399,275,193**
	CASH AND BANK BALANCES		
	Cash in hand	1,834,402	4,199,317
	Balances with scheduled banks		
	On current accounts	796,647,823	1,610,659,063
	On deposit accounts	390,541,139	3,070,883,670
	(c)	**1,189,023,365**	**4,685,742,049**
	LOANS AND ADVANCES (Unsecured, considered good)		
	Advance to subsidiaries	8,222,859,579	6,269,701,454
	Un-billed receivables	2,292,392,632	-
	Advances recoverable in cash or in kind or for value to be received	1,473,744,547	1,176,951,640
	Advance income tax	465,466,314	395,418,279
	Interest accrued but not due	4,406,202	87,545,495
	Security deposits	16,701,769	15,393,752
	(d)	**12,475,571,042**	**7,945,010,620**
	(a+b+c+d)	**23,210,239,799**	**15,127,310,633**

SCHEDULES TO THE ACCOUNTS

(Rs.)

		As at March 31, 2011	As at March 31, 2010
8.	**CURRENT LIABILITIES AND PROVISIONS**		
	Current liabilities		
	Sundry creditors for goods, services and expenses	3,071,440	16,117,931
	Sundry creditors for capital goods	151,819,512	7,431,012
	Others	103,834,073	295,951,194
	Security deposits	54,816,121	47,144,298
	Interest accrued but not due	48,840,411	-
	Provisions		
	Proposed dividend	177,057,801	177,057,800
	Corporate dividend tax	28,723,202	29,407,087
	Income tax	602,115,825	583,350,021
	Gratuity	6,258,743	9,466,373
	Leave encashment	2,772,544	2,395,652
	Wealth tax	651,790	594,253
		1,179,961,462	**1,168,915,622**
9.	**MISCELLANEOUS EXPENDITURE (to the extent not written off or adjusted)**		
	Miscellaneous expenditure	1,043,400	1,760,100
	Less: Written off during the year	716,700	716,700
		326,700	**1,043,400**

SCHEDULES TO THE ACCOUNTS

(Rs.)

	For the year ended March 31, 2011 Rs.	For the year ended March 31, 2010 Rs.
10. SALES		
Manufacturing - Tile Division		
Domestic sales	28,689,332	92,634,481
Export sales and benefits	-	1,478,204
	28,689,332	**94,112,685**
Less: Excise duty	431,133	9,277,771
	28,258,199	**84,834,914**
Real Estate/Investments		
Sale of real estate	3,099,789,022	1,062,469,400
Investments	-	1,447,990,000
	3,099,789,022	2,510,459,400
	3,128,047,221	**2,595,294,314**
11. OTHER INCOME		
Interest receipts	276,041,234	422,342,733
Income from units of mutual fund	3,791,714	27,951,284
Others	3,367,040	31,008,069
	283,199,987	**481,302,087**
12. MANUFACTURING AND OTHERS		
Raw materials consumed	3,988,072	27,698,343
Stores and fuel consumed	3,103,886	27,747,583
Power consumed	2,899,727	10,954,879
Travelling and conveyance	23,038,593	23,248,809
Legal and professional	17,566,401	12,268,003
Advertisement and sales promotion	14,172,178	18,348,418
Electricity and water	7,759,611	3,300,863
Communication	5,483,723	5,408,557
Security expenses	4,619,239	4,476,505
Rent	3,399,337	834,513
Printing and stationery	2,951,309	2,111,226
Insurance	2,364,892	1,989,682
Repair and maintenance		
Plant and machinery	460,740	378,295
Vehicle running and maintenance	12,309,818	9,335,860
Building	442,254	807,319
Let out property	3,795,756	5,194,802
Others	8,549,066	3,561,944
Discount and commission	1,330,458	2,651,375
Membership and subscription	1,110,797	1,015,448
Audit fees	1,102,454	1,000,000
Freight and cartage	426,885	743,320
Donation	131,572	887,490
Bad debts written off	380	5,608,421
Loss on disposal of investments	1,321,045	-
Loss from partnership firm	14,772	13,487
Others	7,584,246	8,570,526
	129,927,211	**178,155,668**

SCHEDULES TO THE ACCOUNTS

(Rs.)

		For the year ended March 31, 2011 Rs.	For the year ended March 31, 2010 Rs.
13.	**DECREASE IN FINISHED GOODS AND WORK IN PROCESS**		
	Opening inventory		
	Finished goods	55,640,725	54,157,757
	Work in process	3,450,400	5,535,320
	(a)	**59,091,125**	**59,693,077**
	Closing inventory		
	Finished goods	21,348,074	55,640,725
	Work in process	-	3,450,400
	(b)	**21,348,074**	**59,091,125**
	(c=a-b)	**37,743,051**	**601,952**
14.	**EMPLOYEES REMUNERATION AND BENEFITS**		
	Salaries, wages and welfare	74,059,080	68,740,631
	Contribution to provident and other funds	4,222,335	4,629,582
	Gratuity	658,531	3,257,847
	Leave encashment	1,343,197	688,614
		80,283,143	**77,316,674**
15.	**FINANCIAL EXPENSES**		
	Interest	207,032,156	48,071,961
	Processing charges	2,500,000	-
	Bank charges	254,473	263,688
		209,786,629	**48,335,649**

16. ACCOUNTING POLICIES

a) *BASIS OF PREPARATION OF FINANCIAL STATEMENTS*

The financial statements are prepared in accordance with the Indian Generally Accepted Accounting Principles ("GAAP") under the historical cost convention, accrual basis of accounting, on going concern basis . GAAP comprises mandatory accounting standards issued by the Institute of Chartered Accountants of India, the provisions of Companies Act, 1956 and guidelines issued by the Securities Exchange Board of India. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use or a change is necessitated, in the opinion of the management, for a more appropriate presentation of the financial statement of the enterprise.

The management evaluates all recently issued or revised accounting standards on an ongoing basis.

b) *USE OF ESTIMATES*

The preparation of financial statements in conformity with the generally accepted accounting principles requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities as at the date of the financial statements and reported amounts of income and expenses during the period. Although these estimates are based on the managements' best knowledge of current events and actions the company may undertake in future, the actual results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

c) *FIXED ASSETS, INTANGIBLE ASSETS AND CAPITAL WORK IN PROGRESS*

Fixed assets, are stated at cost less accumulated depreciation and impairment losses. Cost comprises the purchase price and any attributable cost related to the acquisition and installation of the respective asset to bring the asset to its working condition for its intended use.

Interest on borrowed money allocated to and utilized for fixed assets, pertaining to the period up to the date of capitalization is capitalized. Assets acquired on hire purchase are capitalized at the gross value and interest thereon is charged to Profit and Loss Account.

Capital work-in-progress comprises the cost of fixed assets that are not yet ready for their intended use at the Balance Sheet date and the outstanding advances paid for the acquisition/construction of such fixed assets.

An item of fixed assets is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement in the year the asset is de-recognized.

d) *IMPAIRMENT OF ASSETS*

As at each Balance Sheet date, the carrying amount of assets is tested for impairment so as to determine:

(a) the provision for impairment loss ,if any required or

(b) The reversal, if any, required of impairment loss recognized in previous periods.

Impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount.

Recoverable amount is determined:

(a) in the case of an individual asset ,at the higher of the net selling price and the value in use.

(b) in the case of a cash generating unit (a group of assets that generates identified independent cash flows) at the higher of the cash generating unit's net selling price and the value in use.

Value in use is determined as the present value of estimated future cash flows from the continuing use of an asset and from its disposal at the end of its useful life.

e) *INVESTMENTS*

Investment in subsidiaries and others are stated at cost. Investments that are intended to be held for more than a year, from the date of acquisition, are classified as long term investments and are stated at cost less provision for diminution in the value of such investments, if such diminution is of permanent nature. Investments other long term investments being current investments are valued at lower of cost and fair value, computed separately in respect of each category of investment.

Investments in units/mutual funds are valued at lower of cost or marked to market values. Gain or loss on sale of investments is computed as difference between the net proceeds realized and the book value and is accordingly recognized in the Profit and Loss Account.

f) *INVENTORIES*

Ceramic Tile Division

Raw materials, stores, spares and consumables: At lower of cost or market price; Cost is determined on First in First Out (FIFO) basis.

Finished Goods: Lower of direct cost of production or net market value; Cost includes direct material and labour and a proportion of manufacturing overheads based on normal operating capacities. Excise duty payable on the finished goods has been included in the value of finished goods inventory. Net market value is the estimated selling price in the ordinary course of business.

Work in progress: At direct cost of production including estimated amount of allocable expenditure.

Real Estate Division

Real Estate: Lower of cost or net market value; Cost includes cost of acquisition and other related expenses incurred in bringing the inventories to their present location and condition. Net market value is the estimated selling price in the ordinary course of business.

Constructed/Under Construction Properties: Lower of cost or net realisable value. Cost includes the cost of land, internal development cost, external development charges, construction cost, overheads, borrowing cost and development/ construction material.

Development rights: At cost of acquisition, including cost of acquiring rights of any interested party. Development rights are considered to have been acquired on execution of a Development Agreement upon visting of irrevocable rights in the Company to construct, market, and sell the development over land and realize and retain the economic and other benefits.

g) *UNBILLED RECEIVABLES*

Unbilled receivables represent revenue recognized based on Percentage of Completion of Construction Method [para (j) below], to the extent the work completed exceeds billed receivables.

h) *RESEARCH AND DEVELOPMENT EXPENDITURE*

Revenue expenditure on research and development is charged to Profit and Loss Account in the year in which it is incurred. Capital expenditure on research and development is treated as additions to fixed assets and is subject to depreciation in the manner set out in paragraph (h) below.

i) *DEPRECIATION*

Depreciation on fixed assets is charged on the written down value method except Buildings (Other than Factory Building) and Plant & Machinery (Tile Division) wherein depreciation is charged on the straight line method, at the rates as specified in Schedule XIV of the Companies Act, 1956. Depreciation on the acquisition/ purchase of assets during the year has been provided on pro-rata basis according to the period each asset was put to use during the year.

Goodwill arising on amalgamation is amortised over a period of five years.

In respect of an asset for which impairment loss is recognised, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.

Where depreciable assets are revalued, deprecation is provided on the revalued amount and the additional depreciation on accretion to assets on revaluation is transferred from revaluation reserve to the Profit and Loss Account.

Assets costing less than Rs. 5,000 are depreciated at the rate of 100%.

j) *REVENUE RECOGNITION*

Real Estate

- Revenue from construction projects for sale is recognized on the `Percentage of Completion of Contruction Method'. Revenue from properties under construction is recognized to the extent that the percentage of actual project cost incurred thereon to total estimated project cost bears to todate sale consideration, provided actual cost incurred is 30% or more of the total estimated project cost. Project cost includes cost of land, and estimated construction and development costs. The estimates of saleable area and costs are reviewed periodically and effect of any changes in such estimates is recognized in the period such changes are determined. When the total project cost is estimated to exceed total revenues from the project, the loss is immediately recognized.

- Income from construction contracts is recognized by reference to the stage of completion of the contract activity at the reporting date of the financial statements, and costs related thereto are charged to Profit and Loss Account for the year.

- Revenue from sales of investments in properties and shares is recognized by reference to the total sale consideration as per agreement to sell as reduced by the cost of acquisition of such property/shares. Cost of properties includes acquisition cost and construction and development cost.

- Forfeiture due to non fulfilment of obligations by counter parties is accounted as Revenue on unconditional appropriation.

- Revenue from rentals is recognized on accrual in accordance with terms of the relevant agreement.

Ceramic Tile Division

- Revenue is recognized to the extent that that it can be reasonably measured and is probable that economic benefit will flow to the Company.

- Revenue from sale of products is recognized when risk and reward of ownership of the products are transferred to the customers and the Company retains no effective control of the goods to a degree usually associated with ownership, which are generally on dispatch/delivery of the goods and no significant un-certainty exists regarding the amount of consideration that will be derived from the sale of goods. Sales are stated net of discounts, returns and recoverable taxes.

Other Income

- Interest Income is recognized on time

proportion basis taking into account the amount outstanding and the applicable rate of interest.

- Dividend income is recognized when the right to receive the dividend is established.
- Interest on arrears of allotment money is accounted in the year of receipt.

k) CLAIMS

Claims lodged by and lodged against the Company are accounted in the year of payment or settlement thereof.

l) BORROWING COST

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets which are assets that necessarily take a substantial period of time to get ready for their intended use, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use. All other borrowing costs are recognized as part of Financial Expenses in the income statement in the period in which they are incurred.

m) EMPLOYEE BENEFITS

i. Short Term Employee Benefits:

All employee benefits payable wholly within twelve months of rendering the services are classified as Short Term Employee Benefits. Benefits such as salaries, wages and short term compensated absence etc and the expected cost of ex-gratia is recognized in the period in which the employee renders the related service.

ii. Post Employment Benefits:

(a) Defined Benefit Plans: The Company's Gratuity and Leave encashment schemes are defined benefit plans. In accordance with the requirements of revised Accounting Standard-15 "Employee Benefits", the Company provides for gratuity covering eligible employees on the basis of actuarial valuation as carried out by an independent actuary using the Projected Unit Credit method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans is based on the market yields on Government securities as at the Balance Sheet date.

The liability is un-funded. Actuarial gains and losses arising from changes in the actuarial assumptions are charged or credited to the Profit and Loss Account in the year in which such gains or losses arise.

Leave encashment benefits payable to employees of the Company with respect to accumulated leave outstanding at the year end are accounted for on the basis of an actuarial valuation as at the Balance Sheet date.

(b) Defined Contribution Plans

Contributions payable by the Company to the concerned government authorities in respect of provident fund, family pension fund and employees state insurance are defined contribution plans. The contributions are recognized as an expense in the Profit and Loss Account during the period in which the employee renders the related service. The Company does not have any further obligation in this respect, beyond such contribution.

Other employee benefits are accounted for on accrual basis.

n) FOREIGN CURRENCY TRANSACTIONS

Transactions in foreign currencies are recorded at the rates prevailing on the date of the transaction. Monetary items denominated in foreign currency are restated at the rate prevailing on the Balance Sheet date except in cases where actual amount has been ascertained by the time of finalization of accounts.

Exchange differences arising on the translation or settlement of monetary items at rates different from those at which they were initially recorded during the year, or reported in the previous financial statements, are recorded in exchange fluctuation account and recognized as income or expense in the year in which they arise.

In translating the financial statements of representative offices, the monetary assets and liabilities are translated at the rate prevailing on the Balance Sheet date; non monetary assets and liabilities are translated at exchange rates prevailing at the date of the transaction and income and expense items are converted at the respective monthly average rates. Net gain/loss on foreign currency translation is recognized in the Profit and Loss Account.

o) TAXES ON INCOME

The accounting treatment followed for taxes on income is to provide for Current Tax and Deferred Tax. Provision for current income tax is made for the tax liability payable on taxable income ascertained in accordance with the applicable tax rates and laws.

Deferred tax assets and liabilities are recognized for the future tax consequences attributable to timing differences between the financial statements, carrying amounts of existing assets and liabilities and their respective tax bases and carry forwards of operating loss. Deferred tax assets and liabilities are measured on the timing differences applying the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Changes in deferred tax assets and liabilities between one Balance Sheet date and the next, are recognized in the Profit and Loss Account in the year of change. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the Profit and Loss Account in the year of change.

Deferred tax assets are recognized only to the extent there is reasonable certainty that sufficient future taxable income will be available against which these assets can be realized in future, whereas in case of existence of unabsorbed depreciation or carry forward of losses, deferred tax assets are recognized only if there is virtual certainty of realization backed by convincing evidence. Deferred tax assets are reviewed at each Balance Sheet date.

p) SEGMENT ACCOUNTING AND REPORTING

The accounting principles consistently used in the preparation of the financial statements are also consistently applied to record income and expenditure in individual segments. The basis of reporting is as follows:

a) Segment revenue and expenses

Segment revenue and expenses those are directly attributable to the segment are considered for respective segments. For rest allocation has been done between segments and where it is not possible to segregate, the same has been considered as un-allocable revenue and expenses.

Segment expenses does not include leave encashment, gratuity and provision for taxation.

b) Segment assets and liabilities

All segment assets and liabilities which arise as a result of operating activities of the segment are recognised in that segment. Fixed assets which are exclusively used by the segment or allocated on a reasonable basis are also included.

Un-allocable assets and liabilities are those which are not attributable to any of the segments and include Advance Taxes and Provisions for taxation, gratuity and leave encashment.

q) EARNINGS PER SHARE

In determining earnings per share, the Company considers the net profit after tax for the year attributable to equity shareholders. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the period. The number of shares used in computing diluted earnings per share comprises the weighted average shares considered for deriving basic earnings per share, and also the weighted average number of equity shares that could have been issued on the conversion of all dilutive potential equity shares. The diluted potential equity shares are adjusted for the proceeds available, had the shares been actually issued at fair value (i.e. the average market value of the outstanding shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. The number of shares and potentially dilutive equity shares are adjusted for any stock splits and bonus shares issues.

r) CASH FLOW STATEMENT

Cash flows are reported using the 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.

s) PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

A provision is recognized for a present obligation as result of past events if it is probable that an outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made. Provisions are determined based on best estimate of the amount required to settle the obligation at the Balance Sheet date. Re-imbursement expected in respect of expenditure required to settle a provision is recognized only when it is virtually certain that the re-imbursement will be received. Contingent liabilities are disclosed in the notes in case of a present obligation arising from a past event when it is not probable that an outflow of resources will be required to settle the obligation. Contingent assets are neither recognized nor disclosed in the financial statements. Provisions, Contingent Liabilities and Contingent Assets are reviewed at each Balance Sheet date.

t) LEASES OBTAINED

Leases where the lessor retains substantially all the risks and benefits of ownership of the asset are classified as operating lease. Operating lease payments are recognized as an expense in the Profit and Loss Account on straight line basis over the lease term. Finance lease which effectively transfer to the Company substantial risk and benefits incidental to ownership of the leased items, are capitalized and disclosed as leased assets. Lease payments are apportioned between the finance charges and reduction of lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Financial expenses are charged directly against income.

u) MISCELLANEOUS EXPENDITURE

Miscellaneous expenditure is amortised equally over a period of 5 years.

17. NOTES TO ACCOUNTS

Particulars		As at March 31, 2011 Rs.	As at March 31, 2010 Rs.
i)	**Contingent liabilities not provided for in respect of:**		
a)	Claims against the Company not acknowledged as debts*	123,687,244	82,233,542
	* Amounts are net of payments made and without considering interest for the overdue period and penalty, if any, as may be levied if the demand is raised so upheld		
b)	Bonds given to custom authorities for custom duty saved on import of capital goods under EPCG scheme	47,914,281	47,914,281
	[Unfulfilled export obligation of Rs. 7,13,26,224 (Rs. 8,25,22,560) under EPCG license for import of capital goods (to be fulfilled by June 18, 2010, now extended to June 18, 2012)]		
	[Unfulfilled export obligation of Rs. 74,89,456 (Rs. 74,89,456) under EPCG license for import of capital goods (to be fulfilled by January 23, 2013)]		
	[Unfulfilled export obligation of Rs. 18,60,26,102 (Rs. 18,60,26,102) under EPCG license for import of capital goods (to be fulfilled by March 15, 2013)]		
	[Unfulfilled export obligation of Rs. 99,41,224 (Rs. 99,41,224) under EPCG license for import of capital goods (to be fulfilled by June 23, 2013)]		
c)	Guarantees given by Banks	546,405	546,405
	Guarantee given to Custom Authorities towards Custom Duty saved on import of Capital Goods under EPCG Scheme		
	Deposits, inclusive of accrued interest Rs. 6,77,374 (Rs. 6,37,092) held by bank as margin		
	[Unfulfilled export obligation of Rs. 75,13,096 (Rs. 75,13,096) under EPCG license for import of capital goods (to be fulfilled by June 6, 2016)]		
	Guarantee given to Delhi VAT authorities		
	[Deposits, inclusive of accrued interest Rs. 1,29,370 (Rs. 1,20,599) held by bank as margin]	125,332	111,701
	The deposits are shown under the head 'Bank Balances'		
d)	Borrowings by affiliate companies whose loans have been guaranteed by the Company as at the close of the year	100,033,562	58,093,593
ii)	Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advances)	1,348,927,243	407,384,856
iii)	Unexpired installments of assets purchased on hire purchase basis [Amount due within 1 (one) year is Nil (Rs. 481,350)]	-	481,350

		For the year ended March 31, 2011 Rs.	For the year ended March 31, 2010 Rs.
iv)	**Payment to directors#**		
	Remuneration to managing director	12,768,000	12,768,000
	Remuneration to director & CEO	2,280,000	54,720
	Sitting fees	125,000	75,000
	# Does not include expense towards retirement benefits since the same is based on actuarial valuations carried out for the Company as a whole.		
v)	**Payment to auditors:**		
	For services as auditors, including quarterly audits and service tax	2,674,775	2,310,785

vi) Secured loans

State Bank of India (SBI)

a) Working capital facilities of Rs. 250 lacs (Rs. 0.45 lacs) in the form of cash credit secured against hypothecation of Company's entire stock of raw material, stock in process, finished goods, consumable stores, spares, goods in transit, book debts and receivables, all documents to the title of goods in transit, i.e., bill of lading, lorry receipts, etc. The abovesaid facilities are collateraly secured by, (a) first charge over all the fixed assets of the Company, except fixed assets pertaining to real estate division, including equitable mortagage of factory land and building located at Rewari, Haryana, and (b) personal guarantees of 3 (three) promoters/directors and 1 (one) family member of promoters/directors.

b) Term loan of Rs. 2,099 lacs (Rs. 2,497 lacs) is in the nature of loan against assignment of lease rentals receivable from specified tenants of a property situated at Jhandewalan Extension, New Delhi. The loan is collaterally secured by way of equitable mortgage of the Company's leased property. The loan is further secured by, (a) personal guarantees of 3 (three) directors/ promoters of the Company, and (b) personal guarantee of 1 (one) family member of promoter/director.

Oriental Bank of Commerce (OBC)

c) Term loan of Rs. 4,038 lacs (Rs. 4,912 lacs) is secured against first pari passu charge on entire plant and machinery and super structure built/to be built at IMT, Manesar, Haryana. The term loan is also collaterally secured by way of personal guarantees of 3 (three) directors/ promoters of the Company, and (b) personal guarantee of 1 (one) family member of directors/promoters of the Company.

Central Bank of India (CBI)

d) Term loan of Rs. 1,351 lacs (Rs. 1,989 lacs) is secured against first charge by way of equitable mortgage of land and proposed building of the project located at IMT, Manesar, Haryana, and by hypothecation charge on other movable fixed assets and current assets of the project including work in progress and assignment of lease rentals through an Escrow Account. The term loan is also collaterally secured by way of personal guarantees of 3 (three) directors/ promoters of the Company, and (b) personal guarantee of 1 (one) family member of directors/promoters of the Company.

Yes Bank Lmited (YBL)

e) Redeemable Non Convertible Debentures (NCDs) of Rs. 17,500 Lac (Nil) is secured against exclusive mortgage of land at Nazafgarh, New Delhi. The NCDs are also collaterally secured by way of unconditional and irrevocable personal guarantees of 3 (three) directors/promoters of the Company.

NCDs are redeemable at par as follows:

i) 50% of Rs. 17,500 lacs maturing at the end of 24th month from the date allotment;

ii) 25% of Rs. 17,500 lacs maturing at the end of 27th month from the date allotment; and

iii) balance 25% of Rs. 17,500 lacs maturing at the end of 30th month from the date allotment.

ICICI Bank Lmited (ICICI)

f) Term loan of Rs. 30,000 lacs (Nil) is secured against, (i) exclusive and first charge on land located in New Delhi, and 2 (two) hotel properties located in New Delhi, (ii) exclusive charge on receivables/cash flows/revenues, including booking amounts, arising out of or in connection with property located in New Delhi, (iii) negative lien on receivables/cash flows/revenues, including booking amounts, arising out of or in connection with 3 (three) hotel properties and 1 (one) property at IMT, Manesar, Haryana, first pari passu charge on entire plant and machinery and super structure built/to be built on property at IMT, Manesar, Haryana, (iv) an exclusive charge on Debt Service Reserve (DSR) account and collection account, (v) corpoarte guarantee of land owners of abovesaid properties to the extent of the security provided. The abovesaid term loan is also collaterally secured by way of personal guarantees of 3 (three) directors/promoters of the Company.

Allahabad Bank

g) Term loan of Rs. 11,565 lacs (Nil) is secured against, (i) first exclusive charge by way of equitable mortgage of motel, including land, situated at Hauz Khas, New Delhi. The abovesaid term loan is also collaterally secured by way of personal guarantees of 3 (three) directors/promoters of the Company and 2 (two) family members of promters/directors, and (ii) undertaking to remit monthly lease rentals receivable from hotel property.

Reliance Capital Limited (RCL)

h) Term Loan of Rs. 25,000 Lac (Nil) secured against first mortgage and charge in favour of the lender on, (i) lands at Haus Khas, New Delhi, and Mehrauli, New Delhi, and (ii) demand promissory note by the Company in favour of the lender.

The Company shall maintain a 100% margin i.e., the value of the assets mortgaged and charged shall at all times exceed 2 (two) times the outstanding amount of the abovesaid loans, and if at any time, the value of the abovesaid properties falls, the Company shall provide, furnish and create such additional security as may be acceptable to the lender.

Term loans repayable, in respect of abovesaid term loans, within 1 (one) year Rs.38,38,68,834 (Rs. 18,65,48,226).

The Company has neither given counter guarantee to the abovementioned directors nor any incentive/commission is payable to them.

vii) The warrants issued to Promoter Group company on preferential basis expired on January 9, 2011. The amount of Rs. 4,350 lacs being 25% of the price of warrants received at the time of allotment of warrants has been forfeited and credited to Capital Reserve Account.

viii) The Company issued 2,01,44,000 Global Depository Receipts (GDRs) each representing one equity share of nominal value of Rs. 2 each at the offer price of US $ 7.494 aggregating to US $ 151 million equivalent to Rs. 60,806.34 lacs on February 29, 2008. The said GDRs are listed on the Luxemburg Stock Exchange. The funds so raised have been utilised for development and construction of special economic zones, information and technology parks, hospitality sector, augmenting long term resources and working capital requirements.

Utilisation status of GDR proceeds, during the year 2010-11 is as under:

Particualrs	Opening balance as at April 1, 2010 (Rs.)	Amount utilised during the year (Rs.)	Closing balance as at March 31,2011 (Rs.)
Construction and development	2,541,129,972	-	2,541,129,972
Loan to Subsidiaries for Construction & Development	187,950,000	-	187,950,000
Land acquired	16,537,911	318,536,514	335,074,425
Investment in Subsidiaries for acquisition of Land	1,328,542,000	1,334,550,000	2,663,092,000
Other specified purposes	336,604,817	16,782,786	353,387,603
	4,410,764,700	1,669,869,300	6,080,634,000

During the year, 4,30,000 (1,38,46,500) GDRs were converted into fully paid up equity shares.

ix) Inventory includes, Development Rights acquired for Rs. 69,451.65 lacs, being payments made to subsidiary companies under Development Agreements to acquire irrevocable rights over land whereby the Company is entitled to construct, market and sell the development on the same.

x) During the year the Company changed the method of charging depreciation on Plant and Machinery (Tile Division) from written down value method to straight line method, resulting in the deprecation charge for the current year being lower by Rs. 167.35 lacs. Had there been no change in the method of charging depreciation, the profit for the current year would have been lower by Rs. 167.35 lacs.

xi) The Company suspended during the year manufacturing activities at its Ceramic Tiles manufacturing plant in Rewari, Haryana. The Company is examining re-location of the tile manufacturing facility to an industrial plot of land purchased in Gujarat, and feasibility study whereof is being carried out.

xii) Unpaid dividend, to be credited to Investor Education and Protection Fund, does not include any amount due and outstanding.

xiii) As per Accounting Standard-21 on "Consolidated Financial Statements" issued by the Institute of

Chartered Accountants of India, the Company has presented consolidated financial statements separately in this annual report.

xiv) Deposits with Bank include Rs. 8,66,280 (Rs. 8,52,649) pledged with Sale tax Department/Excise Authorities.

xv) Advance recoverable in cash or in kind or for value to be received include:

Amounts due from companies under the same management with in the meaning of sub-section (IB) of section 370, are Rs. 8,22,28,59,579 (Rs. 6,26,97,01,454). Maximum amount due during the year from these companies was Rs. 16,36,76,46,234 (Rs. 9,88,84,98,220).

xvi) Sundry debtors include Nil (NiL) as debts due from companies under the same management. Maximum balance due during the year was Rs. 12,18,973 (Rs. 53,96,015).

xvii) Small Scale Industrial (SSI) undertakings have been indentified by the management on the basis of information provided by the suppliers/creditors. The amount outstanding for more than 30 days, as on March 31, 2011 payable to SSI undertakings is Rs. 70,424 (Rs. 14,90,197). However, no provision for interest accrued on such amounts has been made.

The outstanding amounts payable to above parties are not within the contracted credit period.

xviii) In accordance with the Accounting Standard-7, on Construction Contracts, the break up of the contracts in progress at the reporting date is as under:

Particulars	2010-11 Rs.	2009-10 Rs.
Revenue recognised	2,822,289,022	-
Cost incurred	1,300,011,369	-
Advances received	-	-
Retention	-	-
Amount due from customers	169,953,414	-

xix) In accordance with the Accounting Standard 15 (Revised) (AS-15) on "Employee Benefits" issued by the Institute of Chartered Accountants of India, the Company has recognised its liability towards defined benefit plans being Gratuity liability of Rs. 62,58,743 (Rs. 94,66,373) and leave encashment liability of Rs. 27,72,544 (Rs. 23,95,652).

The disclosures as per the revised AS-15 are as follows:

(a) Change in defined benefit obligations

(Rs., lacs)

Particulars	Gratuity		Leave encashment	
	2010-11	2009-10	2010-11	2009-10
Projected benefit obligation at the beginning of the year	94.66	66.71	23.96	22.48
Current service cost	7.17	9.25	5.74	3.35
Interest cost	7.10	4.67	1.80	1.57
Past Service Cost	7.08	-	-	-
Actuarial (gain)/loss on obligations	(14.76)	18.66	5.89	1.96
Benefits paid	(38.66)	(4.63)	(9.66)	(5.40)
Projected benefit obligation at the end of the year	62.59	94.66	27.73	23.96

(b) The fair value of plan assets is Nil since employee benefit plans are wholly unfunded as on March 31, 2011

(c) Net periodic gratuity cost

(Rs., lacs)

Particulars	Gratuity		Leave encashment	
	2010-11	2009-10	2010-11	2009-10
Current service cost	7.17	9.25	5.74	3.35
Interest cost	7.10	4.67	1.80	1.57
Past Service Cost	7.08	-	-	-
Expected return on plan assets	-	-	-	-
Net actuarial (gain)/loss recognised	(14.76)	18.66	5.89	1.96
Expenses recognised in the statement of Profit and Loss	6.59	32.58	13.43	6.88

(d) Principal actuarial assumptions

Particulars	Gratuity and leave encashment
Discount rates	8% (7.5%) per annum
Future salary increases	8% (15%) per annum

(e) The discount rate is based upon the market yields available on Government bonds at the accounting date with a term that matches that of the liabilities.

(f) The estimates of future salary increase considered in the actuarial valuation takes into account factors like inflation, seniority, promotion and other relevant factors.

(g) The employees are assumed to retire at the age of 58 years.

(h) The mortality rate considered are as per the published rates in the LIC (1994-96) (modified) mortality table.

xx) In accordance with the provisions of the Accounting Standard-22 on "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India, the Company has recognised deferred tax assets of Rs. 29,99,968 (Rs. 4,031,902) and deferred tax liabilities of Rs. 1,49,52,999 (Rs. 1,30,45,802) as at March 31, 2011. Major components of deferred tax are as follows:

Particulars	As at March 31, 2010 Rs. (a)	As at March 31, 2011 Rs. (b)	For the year Rs. (b-a)
i) Deferred tax assets			
- Gratuity	3,217,620	2,078,998	(1,138,622)
- Leave encashment	814,282	920,970	106,688
	4,031,902	**2,999,968**	**(1,031,934)**
ii) Deferred tax liability			
- Fixed assets	13,045,802	14,952,999	1,907,197
Net deferred tax liability; (i)-(ii)	(9,013,900)	(11,953,031)	(2,939,131)

The net deferred tax assets/(liabilities) amounting to Rs. 29,39,131 (Rs. 16,996,069) for the year has been recognised in the Profit and Loss Account.

xxi) Disclosure in respect of Loans and Advances in the nature of loans pursuant to clause 32 of the Listing Agreement:

Particulars	Amount outstanding as on March 31, 2011 Rs.	Maximum balance outstanding during the year Rs.
a) Loans and advances		
- in respect of subsidiary companies	8,222,859,579	16,367,646,234
	(6,269,701,454)	**(9,453,919,096)**
- in respect of associate companies	-	-
	-	(434,579,124)

b) No loans have been given (other than loans to employees), wherein there is no repayment schedule or repayment is beyond seven years and no interest or interest below the rate as specified in section 372A(3) of the Companies Act, 1956 is charged.

c) No investment have been made by the loanee in the shares of parent company.

xxii) The segment report prepared in accordance with the Accounting Standard-17 on 'Segment Reporting' issued by the Institute of Chartered Accountants of India.

Particulars	For the year ended March 31, 2011 Rs., lacs	For the year ended March 31, 2010 Rs., lacs
1. Segment revenue		
a) Ceramic tiles	294	856
b) Real estate/investments	41,424	32,638
c) Total	41,718	33,494
d) Less: Inter segment revenue		
e) Net sales/income from operations	41,718	33,494
2. Segment results		
a) Profit before interest and tax from each segment		
i) Ceramic tiles	(500)	(524)
ii) Real estate/investments	25,422	30,433
b) Total	24,922	29,909
Less:		
c) Interest	2,098	483
d) Unallocable income/expense	20	39
e) Profit before tax	22,804	29,387
3. Assets and liabilities		
a) Segment assets		
i) Ceramic tiles	3,049	4,037
ii) Real estate/investments	460,534	363,011
iii) Total segment assets	463,583	367,048
b) Segment liabilities		
i) Ceramic tiles	317	278
ii) Real estate/investments	95,109	12,792
iii) Total segment liabilities	95,426	13,070
c) Corporate unallocable liabilities	3,641	4,159

Particulars	For the year ended March 31, 2011 Rs., lacs	For the year ended March 31, 2010 Rs., lacs
4. Capital expenditure		
i) Ceramic tiles	2	8
ii) Real estate/investments	11,529	37,916
5. Depreciation		
i) Ceramic tiles	130	349
ii) Real estate/investments	1,122	716

xxiii) Earning Per Share (EPS)

EPS is calculated by dividing the profit attributable to the equity shareholders by the weighted average of the number of equity shares outstanding during the year. Numbers used for calculating basic and diluted earnings per equity share are as stated below:

Particulars	As at March 31, 2011 Rs.	As at March 31, 2010 Rs.
a) Net profit available for equity shareholders	1,674,692,867	2,371,670,116
b) Weighted average number of equity shares outstanding for calculation of		
- Basic EPS	295,096,335	295,096,335
- Diluted EPS	295,096,335	301,981,306
c) Nominal value of per equity share	2	2
d) Earning per share (a)/(b)		
- Basic EPS	5.68	8.04
- Diluted EPS	5.68	7.85

xxiv) Investments includes credit/(debit) balance in the books of account of Ganga Bishan & Co., a partnership firm:

Partners	Profit sharing ratio %	Capital as on March 31, 2011 Rs.	Capital as on March 31, 2010 Rs.
a) Anant Raj Industries Ltd.	90	5,096,930	4,521,703
b) Anant Raj Agencies Pvt. Ltd.	10	510,771	512,412
	100	**5,607,701**	**5,034,115**

xxv) The State Government of Haryana, did not fulfil its obligations in the matter of grant of sales tax exemption. The Company had filed a writ petition before the Hon'ble High Court of Punjab and Haryana, situated at Chandigarh, which was admitted and is yet to be fully disposed. The Company has been advised that no liability is likely to arise on account of sales tax, and accordingly, no provision has been made by the Company in its books of account.

xxvi) The Income tax Authorities re-framed reassessments in respect of 3 (three) previous assessment years against the Company, which were set aside by the First Appellate Authority (Commissioner of Income tax (Appeals). The Assessing Authority had preferred appeals before the Second Appellate Authority (the Hon'ble Income tax Appellate Tribunal) which were allowed by the Hon'ble Appellate Tribunal (ITAT). The appeals filed by the Company before the Hon'ble High Court of Delhi, against the orders of Hon'ble ITAT, have since been admitted.

The demand of Rs. 2,79,12,346 (Rs. 2,79,12,346) [excluding interest and additional tax] has been raised by the Income tax Department for the years under these appeals. The Company has not made any provision in the books of account as the Company has been advised that no liability is likely to crystalize on this account.

xxvii) The Company has not charged and consequently, not deposited service tax amounting to Rs. 5,97,87,015 (Rs. 1,82,73,032) on revenue from leasing of immovable property, relying on Order dated April 18, 2009 of the Hon'ble High Court of Delhi, wherein it was held that renting of immovable property by itself cannot be regarded as a service and therefore, no service tax was leviable. The Hon'ble Court following its earlier Order directed in W.P. (C) 3398/2010, and held that no stage of service tax arose on revenue from leasing of immovable properties. The Company has been legally advised that no liability is likely to arise on the above account, and has not been provided in the books of account.

The Company does not consider itself liable to to pay service tax as the service tax to be deposited is contractually recoverable from Tenants. However, the Company remains contingently liable for an equivalent amount, being the amount of service tax liability which may fall due, in the even the same becomes payable due to any future order/amendments and in the event, the respective lessees not fulfilling their undertakings to indemnify the Comapny for the crystallised liability.

xxviii) In the opinion of the management, the realizable value of all current assets, loan and advances in the ordinary course of business will not be less than their value stated in the Balance Sheet.

xxix) Balances grouped under sundry debtors, sundry creditors and loans and advances recoverable in cash or in kind are subject to confirmation from subjective parties.

xxx) All the operating leases entered into by the Company are cancellable on serving a notice of one to three months as such there is no information required to be furnished as per Accounting Standard AS-19 titled `Leases' issued by the Institute of Chartered Accountants of India.

xxxi) Amount remitted by the Company in foreign currency on account of dividends:

Particulars		2010-11	2009-10
a)	Number of non-resident shareholders	74	77
b)	Number of equity shares held by them	398,500	401,500
c)	Year to which the dividend related	2009-10	2008-09
d)	Gross amount of dividends (in Rs.)	239,100	240,900

xxxii) Details of Capital work-in-progress as on March 31, 2011

Particulars		2010-11 Rs.	2009-10 Rs.
a)	Development and construction expenses	3,478,812,610	3,368,959,439
b)	Finance charges	329,118,410	220,776,209
c)	Capital advances	2,071,786,827	1,216,015,520
		5,879,717,847	**4,805,751,168**

xxxiii) Figures have been rounded off to the nearest Rupee.

xxxiv) Figures in brackets pertain to previous year, unless otherwise indicated.

xxxv) Previous year figures have been regrouped/rearranged and recast, wherever considered necessary.

xxxvi) 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 alongwith their relationships:

a) Name of related parties and description of relationship

Holding Company

Anant Raj Industries Ltd.

Subsidiaries

1	Advance Buildcon Pvt. Ltd.*	48	Jasmine Buildwell Pvt. Ltd.
2	Aakarshak Realators Pvt.Ltd.	49	Jubilant Software Services Pvt.Ltd.
3	Anant Raj Cons. & Development Pvt. Ltd.	50	Kalinga Buildtech Pvt. Ltd.
4	Anant Raj Housing Ltd.	51	Krishna Buildtech Pvt. Ltd.*
5	Anant Raj Hotels Ltd.	52	Kalinga Realtors Pvt. Ltd.
6	Anant Raj International FZE@	53	Lucky Meadows Pvt. Ltd.
7	A plus Estates Pvt. Ltd.*	54	Monarch Buildtech Pvt Ltd*
8	Anant Raj Projects Ltd.	55	North South Properties Pvt. Ltd.
9	Ankur Buildcon Pvt. Ltd.*	56	Noval Buildmart Pvt. Ltd.
10	BBB Realty Pvt. Ltd.	57	Noval Housing Pvt. Ltd.
11	Blossom Buildtech Pvt. Ltd.	58	One Star Realty Pvt. Ltd.
12	Bolt Properties Pvt. Ltd.	59	Oriental Meadows Ltd.
13	Capital Buildcon Pvt. Ltd.*	60	Oriental Promoters Pvt Ltd.*
14	CCC Realty Pvt. Ltd.	61	Parkland Construction and Equipments Pvt. Ltd.
15	Century Promoters Pvt. Ltd.	62	Parkland Developers Pvt. Ltd.
16	Capital Buildtech Pvt Ltd.*	63	Parkview Promoters Pvt. Ltd.
17	Carnation Buildtech Pvt Ltd.*	64	Pasupati Aluminium Ltd.
18	Echo Buildtech Pvt. Ltd.	65	Pelikan Estates Pvt. Ltd.
19	Echo Properties Pvt. Ltd.	66	Pioneer Promoters Pvt. Ltd.
20	Elegant Buildcon Pvt. Ltd.	67	Papillon Buildcon Pvt.Ltd.*
21	Elegant Estates Pvt. Ltd.	68	Pappilon Buildtech Pvt. Ltd.*
22	Elevator Builders Pvt. Ltd.@	69	Rapid Realtors Pvt. Ltd.
23	Elevator Buildtech Pvt. Ltd.	70	Rising Realty Pvt. Ltd.*
24	Elevator Promoters Pvt. Ltd.	71	Roseview Buildtech Pvt. Ltd.
25	Elevator Properties Pvt. Ltd.	72	Rolling Construction Pvt. Ltd.
26	Empire Promoters Pvt. Ltd.	73	Romano Estates Pvt. Ltd.
27	Fabulous Builders Pvt. Ltd.	74	Romano Infrastructure Pvt. Ltd.
28	Four Construction Pvt. Ltd.	75	Romano Tiles Pvt. Ltd.
29	Gadget Builders Pvt. Ltd.	76	Romano Projects Pvt. Ltd.
30	Goodluck Buildtech Pvt. Ltd.	77	Rose Realty Pvt. Ltd.
31	Grand Buildtech Pvt. Ltd.	78	Roseview Properties Pvt. Ltd.
32	Grand Park Buildtech Pvt. Ltd.	79	Sandstorm Buildtech Pvt. Ltd.
33	Grand Park Estates Pvt. Ltd.	80	Sovereign Buildwell Pvt. Ltd.
34	Greenline Buildcon Pvt. Ltd.	81	Springview Developers Pvt. Ltd.
35	Greatway Estates Ltd.	82	Springview Properties Pvt. Ltd.
36	Green Line Promoters Pvt. Ltd.	83	Saffronview Properties Pvt. Ltd.
37	Green Retreat and Motels Pvt. Ltd.	84	Suburban Farms Pvt. Ltd.
38	Greenview Buildwell Pvt. Ltd.	85	Three Star Realty Pvt. Ltd.
39	Greenway Promoters Pvt. Ltd.	86	Townsend Construction and Equipments Pvt. Ltd.
40	Greenwood Properties Pvt. Ltd.	87	Tumhare Liye Realty Pvt. Ltd.
41	Glaze Properties Pvt. Ltd.	88	Twenty First Developers Pvt.Ltd.
42	Gujarat Anant Raj Vidhyanagar Ltd.	89	Vibrant Buildmart Pvt. Ltd.
43	Gagan Buildtech Pvt Ltd.*	90	White Diamond Construction and Equipments Pvt. Ltd.
44	Greatway Buildtech Pvt Ltd.*	91	Woodland Promoters Pvt. Ltd.
45	Hamara Realty Pvt. Ltd.	92	West Land Buildcon Pvt Ltd.*
46	Hemkunt Promoters Pvt. Ltd.	93	Excellent Inframart Pvt.Ltd. *
47	Highland Meadows Pvt. Ltd.	94	Sartaj Developers and Promoters Pvt.Ltd. *

* The Company holds through its subsidiaries more than one-half in nominal value of their equity share capital.

@ Ceased to be subsidiary during the year.

Joint Venture			
	Lalea Trading Ltd.		
Partnership firm in which Company is partner			
	Ganga Bishan & Company		
Key management personnel			
	Ashok Sarin	Chairman	
	Anil Sarin	Managing director	
	Ambarish Chatterjee	Director	
	Maneesh Gupta	Director	
	Amit Sarin	Director & Chief Executive Officer	
	Aman Sarin	Executive director (Operations)	
	Ashim Sarin	Executive director (Construction)	
	Amar Sarin	Executive director (Business Development)	
	Brajindar Mohan Singh	Director	
Enterprise over which key management personnel exercises control			
1	AAA Realty Pvt. Ltd.	24	Mayur Buildcon Pvt. Ltd.
2	Aakash Ganga Realty Pvt. Ltd.	25	Monarch Estates Pvt. Ltd.
3	Anant Raj Agencies Pvt. Ltd.	26	Olympia Buildtech Pvt. Ltd.
4	Anant Raj Estates Pvt. Ltd.	27	Olympia Builders Pvt. Ltd.
5	Anant Raj Infrastructure Pvt. Ltd.	28	Rapid Estates Pvt. Ltd
6	Anant Raj Meadows Pvt. Ltd.	29	Red Sea Realty Pvt. Ltd.
7	Anant Raj Farms Pvt. Ltd.	30	Rockfield Developers Pvt. Ltd.
8	Anant Raj Property Management Pvt. Ltd.	31	Roseland Buildtech Pvt. Ltd.
9	Associated Buildtech Pvt. Ltd.	32	Roseview Promoters Pvt. Ltd.
10	Anant Raj Power Limited	33	SS Aamouage Trading Pvt. Ltd.
11	Blue Diamond Estates Pvt. Ltd.	34	Skipper Travels International Pvt. Ltd.
12	Carnation Promoters Pvt. Ltd.	35	Two Star Realty Pvt. Ltd.
13	Consortium Holding Pvt. Ltd.	36	Townsend Promoters Pvt. Ltd.
14	Delhi Motels Pvt. Ltd.	37	Townsend Properties Pvt. Ltd.
15	EEE Realty Pvt. Ltd.	38	Tricolor Hotels Ltd.
16	Elevators Realtors Pvt. Ltd.	39	Del 15 Hospitality Pvt.Ltd.
17	Four Star Realty Pvt. Ltd.	40	Moments Retail Services Pvt.Ltd.
18	Green Valley Builders Private Limited	41	Equinox Properties Pvt.Ltd.
19	GGG Realty Pvt. Ltd.		
20	Goodwill Estates Pvt. Ltd.		
21	Goodwill Meadows Ltd.		
22	HBP Estates Pvt. Ltd.		
23	Hemkunt Buildtech Pvt. Ltd.		

Note: The above parties have been identified by the management.

b) Transactions with related parties during the year

Nature of transaction	Related party	For the year ended March 31,2011 Rs.	For the year ended March 31,2010 Rs.
Services as Managing Director	Anil Sarin	12,768,000	12,768,000
Services as Executive Director & CEO	Amit Sarin	2,280,000	54,720
Services as Executive Director	Aman Sarin	218,880	218,880
Services as Executive Director	Ashim Sarin	218,880	218,880
Services as Executive Director	Amar Sarin	218,880	218,880
Sitting fees paid	Ambarish Chatterjee	42,500	25,000
Sitting fees paid	Maneesh Gupta	40,000	27,500
Sitting fees paid	Brajindar Mohan Singh	42,500	22,500
Sale of ceramic tiles	Anant Raj Agencies Pvt. Ltd.	55,947	-
Sale of ceramic tiles	Tricolor Hotel Ltd.	54,808	-
Sale of ceramic tiles	Anant Raj Cons. & Development Pvt. Ltd.	3,521,531	6,052,914
Construction contracts	Anant Raj Cons. & Development Pvt. Ltd.	364,959,576	438,425,074
Interest receipts from associte company	Rapid Estates Pvt. Ltd.	-	13,170,395
Sale of investment in subsidiary	Amit Sarin	-	8,750,000
Sale of investment in subsidiary	Aman Sarin	-	8,750,000
Sale of investment in subsidiary	Anant Raj Estates Pvt. Ltd.	-	500,000
Purchase of land from subsidiaries		75,402,932	-
Sale of land to subsidiaries		71,129,504	-
Investments during the year in subsidiaries companies		10,314,500	181,442,250
Investment in associates companies		-	120,549,000
Share application money received back from associate companies		2,115,000	600,420
Share application money paid to associate companies		26,500,000	116,649,420

Nature of transaction	Related party	For the year ended March 31,2011 Rs.	For the year ended March 31,2010 Rs.
Share application money paid to subsidiary companies		-	178,250,000
Share application money received back from subsidiary companies		-	884,000
Loan given to subsidiaries Companies		12,515,462,147	5,214,395,379
Loan received back from subsidiaries Companies		10,562,304,022	3,787,854,853
Loan given to associate companies		-	424,011,366
Loan received back from associate companies		-	424,011,366
Development rights acquired from subsidiary companies		6,135,340,397	-
Expenses incurred on behalf of subsidiaries Companies		23,763,319	7,237,066
Expenses incurred on behalf of Associate Companies		13,809,168	38,520,357
Corporate guarantee given on behalf of subsidiary companies		100,033,562	58,093,593
Personal guarantees given by Directors & relatives in respect of:			
- Term loans	Ashok Sarin, Anil Sarin, Amit Sarin and Aman Sarin	7,405,253,636	939,830,266
- Working capital facilities		25,014,645	45,435
- Non convertible debentures		1,750,000,000	-

c) **Amount outstanding as at March 31, 2011**

Account head	As at March 31, 2011 Rs.	As at March 31, 2010 Rs.
Investments in subsidiaries and others	3,054,596,169	3,045,532,376
Advances		
- Subsidiary companies	8,222,859,579	6,269,701,454
- Others advances	9,456,313	-
Share application money		
- Associate companies	27,337,200	2,952,200
Other Liabilities		
- Subsidiary companies	9,435,194	829,054

xxxvii) Schedule of Investments as at March 31, 2011

S. No.	Particulars	Paid up value per share	Opening balance Shares Nos.	Opening balance Amount Rs.	Purchases Shares Nos.	Purchases Amount Rs.	Sale/adjustment Shares Nos.	Sale/adjustment Amount Rs.	Closing balance Shares Nos.	Closing balance Amount Rs.	Valuation
	Long term investments										
a)	**In equity shares of subsidiaries -Unquoted**										
1	Aakarshak Realators Pvt.Ltd.	10	-	-	360,000	3,609,000	-	-	360,000	3,609,000	At cost
2	Anant Raj Cons.& Development P. Ltd.	10	5,000,000	50,000,250	-	-	-	-	5,000,000	50,000,250	At cost
3	Anant Raj Hotels Ltd.	10	50,000	501,250	-	-	-	-	50,000	501,250	At cost
4	Anant Raj Housing Ltd.	10	-	-	50,000	500,000	-	-	50,000	500,000	At cost
5	Anant Raj International, FZE	1,325,685	1	1,325,685	-	-	1	1,325,685	-	-	At cost
6	Anant Raj Projects Ltd.	10	500,000	57,000,000	-	-	-	-	500,000	57,000,000	At cost
7	BBB Realty Pvt.Ltd.	10	-	-	50,000	500,250	-	-	50,000	500,250	At cost
8	Blossom Buildtech Pvt. Ltd.	10	50,000	500,250	-	-	-	-	50,000	500,250	At cost
9	Bolt Properties Pvt.Ltd.	10	-	-	50,000	500,250	-	-	50,000	500,250	At cost
10	CCC Realty Pvt.Ltd.	10	-	-	50,000	500,250	-	-	50,000	500,250	At cost
11	Century Promoters Pvt. Ltd.	10	50,000	500,250	-	-	-	-	50,000	500,250	At cost
12	Echo Buildtech Pvt. Ltd.	10	50,000	500,250	-	-	-	-	50,000	500,250	At cost
13	Echo Properties Pvt. Ltd.	100	5,000	500,250	-	-	-	-	5,000	500,250	At cost
14	Elegant Buildcon Pvt. Ltd.	10	50,000	500,250	-	-	-	-	50,000	500,250	At cost
15	Elegant Estates Pvt. Ltd.	100	5,000	500,250	-	-	-	-	5,000	500,250	At cost
16	Elevator Builders Pvt. Ltd.	10	50,000	500,250	-	-	50,000	500,250	-	-	At cost
17	Elevator Buildtech Pvt. Ltd.	10	50,000	500,250	-	-	-	-	50,000	500,250	At cost
18	Elevator Promoters Pvt. Ltd.	10	50,000	500,250	-	-	-	-	50,000	500,250	At cost
19	Elevator Properties Pvt. Ltd.	10	50,000	500,250	-	-	-	-	50,000	500,250	At cost
20	Empire Promoters Pvt. Ltd.	100	5,000	500,250	-	-	-	-	5,000	500,250	At cost
21	Fabulous Builders Pvt. Ltd.	10	50,000	500,250	-	-	-	-	50,000	500,250	At cost
22	Four Construction Pvt.Ltd.	10	-	-	50,000	500,250	-	-	50,000	500,250	At cost
23	Gadget Builders Pvt. Ltd.	10	50,000	500,250	-	-	-	-	50,000	500,250	At cost
24	Glaze Properties Pvt.Ltd.	10	-	-	50,000	500,250	-	-	50,000	500,250	At cost
25	Goodluck Buildtech Pvt. Ltd.	10	50,000	500,250	-	-	-	-	50,000	500,250	At cost
26	Grand Buildtech Pvt. Ltd.	10	50,000	500,250	-	-	-	-	50,000	500,250	At cost
27	Grand Park Buildtech Pvt. Ltd.	10	50,000	500,250	-	-	-	-	50,000	500,250	At cost
28	Grand Park Estates Pvt. Ltd.	100	5,000	48,057,411	-	-	-	-	5,000	48,057,411	At cost
29	Greatway Estates Ltd.	10	50,000	501,250	-	-	-	-	50,000	501,250	At cost
30	Green line Buildcon Pvt. Ltd.	10	50,000	500,250	-	-	-	-	50,000	500,250	At cost
31	Green Line Promoters Pvt. Ltd.	10	5,000,000	50,125,000	-	-	-	-	5,000,000	50,125,000	At cost
32	Green Retreat and Motels Pvt. Ltd.	10	6,416,029	997,951,117	-	-	-	-	6,416,029	997,951,117	At cost
33	Green View Buildwell Pvt. Ltd.	10	50,000	500,250	-	-	-	-	50,000	500,250	At cost
34	Green Way Promoters Pvt. Ltd.	10	50,000	500,250	-	-	-	-	50,000	500,250	At cost
35	Greenwood Properties Pvt. Ltd.	10	50,000	49,043,615	-	-	-	-	50,000	49,043,615	At cost
36	Gujrat Anant Raj Vidhya Nagar Ltd	10	100,000	1,000,000	-	-	-	-	100,000	1,000,000	At cost

S. No.	Particulars	Paid up value per share	Opening balance Shares Nos.	Opening balance Amount Rs.	Purchases Shares Nos.	Purchases Amount Rs.	Sale/adjustment Shares Nos.	Sale/adjustment Amount Rs.	Closing balance Shares Nos.	Closing balance Amount Rs.	Valuation
37	Hamara Realty Pvt.Ltd.	10	-	-	50,000	500,250	-	-	50,000	500,250	At cost
38	Hemkunt Promoters Pvt. Ltd.	10	50,000	38,316,237	-	-	-	-	50,000	38,316,237	At cost
39	Highland Meadows Pvt. Ltd.	100	5,000	500,250	-	-	-	-	5,000	500,250	At cost
40	Jasmine Buildwell Pvt.Ltd.	10	-	-	10,000	100,250	-	-	10,000	100,250	At cost
41	Jubilant Software Services Pvt. Ltd.	10	-	-	50,000	500,250	-	-	50,000	500,250	At cost
42	Kalinga Buildtech Pvt. Ltd.	10	50,000	500,250	-	-	-	-	50,000	500,250	At cost
43	Kalinga Realtors Pvt. Ltd.	10	50,000	500,250	-	-	-	-	50,000	500,250	At cost
44	Lucky Meadows Pvt. Ltd.	100	5,000	500,750	-	-	-	-	5,000	500,750	At cost
45	North South Properties Pvt.Ltd.	10	-	-	50,000	500,250	-	-	50,000	500,250	At cost
46	Noval Buildmart Pvt. Ltd.	10	50,000	500,250	-	-	-	-	50,000	500,250	At cost
47	Noval Housing Pvt. Ltd.	10	50,000	500,250	-	-	-	-	50,000	500,250	At cost
48	One Star Realty Pvt.Ltd.	10	-	-	50,000	501,250	-	-	50,000	501,250	At cost
49	Oriental Meadows Ltd.	10	50,000	501,250	-	-	-	-	50,000	501,250	At cost
50	Park Land Construction & Equipment Pvt.Ltd.	10	-	-	50,000	500,250	-	-	50,000	500,250	At cost
51	Park Land Developers Pvt. Ltd.	100	5,000	500,250	-	-	-	-	5,000	500,250	At cost
52	Parkview Promoters Pvt. Ltd.	10	42,500	40,413,515	-	-	-	-	42,500	40,413,515	At cost
53	Pasupati Aluminium Ltd.	10	50,000	501,250	-	-	-	-	50,000	501,250	At cost
54	Pelikan Estates Pvt. Ltd.	100	5,000	500,343	-	-	-	-	5,000	500,343	At cost
55	Pioneer Promoters Pvt. Ltd.	100	5,000	500,250	-	-	-	-	5,000	500,250	At cost
56	Rapid Realtors Pvt. Ltd.	10	49,000	490,250	-	-	-	-	49,000	490,250	At cost
57	Rolling Construction Pvt. Ltd.	10	227,466	177,867,250	-	-	-	-	227,466	177,867,250	At cost
58	Romano Estates Pvt.Ltd.	10	-	-	10,000	100,250	-	-	10,000	100,250	At cost
59	Romano Infrastructure Pvt.Ltd.	10	-	-	10,000	100,250	-	-	10,000	100,250	At cost
60	Romano Projects Pvt.Ltd.	10	-	-	10,000	100,250	-	-	10,000	100,250	At cost
61	Romano Tiles Pvt. Ltd.	10	40,000	400,000	-	-	-	-	40,000	400,000	At cost
62	Rose Realty Pvt.Ltd.	10	-	-	50,000	500,250	-	-	50,000	500,250	At cost
63	Roseview Buildtech Pvt. Ltd.	10	50,000	500,250	-	-	-	-	50,000	500,250	At cost
64	Roseview Properties Pvt. Ltd.	10	50,000	500,250	-	-	-	-	50,000	500,250	At cost
65	Saffron View Properties Pvt.Ltd.	100	-	-	1,000	100,250	-	-	1,000	100,250	At cost
66	Sandstorm Buildtech Pvt. Ltd.	10	50,000	500,250	-	-	-	-	50,000	500,250	At cost
67	Sovereign Buildwell Pvt. Ltd.	10	50,000	500,250	-	-	-	-	50,000	500,250	At cost
68	Spring View Developers Pvt. Ltd.	10	750,000	7,500,250	-	-	-	-	750,000	7,500,250	At cost
69	Springview Properties Pvt. Ltd.	100	5,000	500,250	-	-	-	-	5,000	500,250	At cost
70	Suburban Farms Pvt. Ltd.	100	5,000	500,250	-	-	-	-	5,000	500,250	At cost
71	Three Star Realty Pvt.Ltd.	10			10,000	100,250	-	-	10,000	100,250	At cost
72	Townsend Construction and Equipments Pvt. Ltd.	10	50,000	500,250	-	-	-	-	50,000	500,250	At cost
73	Tumhare Liye Realty Pvt.Ltd.	10	-	-	10,000	100,250	-	-	10,000	100,250	At cost
74	Twenty First Developers Pvt.Ltd.	10	50,000	500,250	-	-	-	-	50,000	500,250	At cost
75	Vibrant Buildmart Pvt. Ltd.	10	25,500	255,250	-	-	-	-	25,500	255,250	At cost

S. No.	Particulars	Paid up value per share	Opening balance Shares Nos.	Opening balance Amount Rs.	Purchases Shares Nos.	Purchases Amount Rs.	Sale/adjustment Shares Nos.	Sale/adjustment Amount Rs.	Closing balance Shares Nos.	Closing balance Amount Rs.	Valuation
76	White Diamond Construction and Equipments Pvt. Ltd.	10	50,000	500,250	-	-	-	-	50,000	500,250	At cost
77	Woodland Promoters Pvt. Ltd.	100	5,000	500,250	-	-	-	-	5,000	500,250	At cost
		(a)	**19,860,496**	**1,540,760,923**	**1,021,000**	**10,314,500**	**50,001**	**1,825,935**	**20,831,495**	**1,549,249,488**	
b)	**In preference shares of subsidiaries**										
1	Anant Raj Projects Ltd.	10	2,000,000	20,000,000	-	-	-	-	2,000,000	20,000,000	At cost
2	Rapid Realtors Pvt. Ltd.	100	100	10,000	-	-	-	-	100	10,000	At cost
		(b)	**2,000,100**	**20,010,000**	**-**	**-**	**-**	**-**	**2,000,100**	**20,010,000**	
c)	**In equity shares of other Companies**										
1	Roseland Buildtech Private Ltd	10	8,438,430	1,479,867,250	-	-	-	-	8,438,430	1,479,867,250	At cost
2	Dreamgreen Land Pvt.Ltd.	10	2,500	25,000	-	-	2,500	25,000	-	-	At cost
3	Sahyog Infrasructures Pvt.Ltd.	10	100,000	10,000,000	-	-	-	-	100,000	10,000,000	At cost
4	Virat Credit & Holdings Private Limited	10	100,000	10,000,000	-	-			100,000	10,000,000	
		(c)	**8,640,930**	**1,499,892,250**	**-**	**-**	**2,500**	**25,000**	**8,638,430**	**1,499,867,250**	
d)	In capital of partnership firm										
1	Ganga Bishan & Co. *	(d)	-	4,894,203	-	590,000	-	14,772	-	5,469,431	
		(a+b+c+d)	**30,501,526**	**3,065,557,376**	**1,021,000**	**10,904,500**	**52,501**	**1,865,707**	**31,470,025**	**3,074,596,169**	

* investment is inclusive of other Direct expenditure

ADDITIONAL INFORMATION UNDER PART IV OF SCHEDULE VI OF THE COMPANIES ACT,1956

I.	**REGISTRATION DETAILS**	
	Registration number	L74899HR1985PLC021622
	Status code	5
	Balance Sheet date	March 31, 2011
		As at March 31, 2011 Rs.,000
II.	**CAPITAL RAISED DURING THE YEAR**	
	Public issue	-
	Right issue	-
	Bonus issue	-
	Private placement	-
III.	**POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS**	
	Total assets	45,644,111
	Total liabilities	45,644,111
	SOURCES OF FUNDS	
	Paid up capital	590,193
	Reserves and surplus	35,861,697
	Secured loans	9,180,268
	Deferred tax	11,953
	APPLICATION OF FUNDS	
	Net fixed assets	14,603,504
	Capital work in progress	5,879,718
	Investments	3,130,284
	Net current assets	22,030,278
	Miscellaneous expenditure	327
		For the year ended March 31, 2011 Rs.,000
IV.	**PERFORMANCE OF COMPANY**	
	Turnover (including other income)	4,171,766
	Total expenditure	1,891,663
	Profit before tax	2,280,400
	Profit after tax	1,674,693
	Earnings per share (in Rs.)	5.68
	Dividend rate	30%
V.	**GENERIC TERMS OF PRINCIPAL PRODUCTS/SERVICE OF THE COMPANY (AS MONETARY ITEM)**	
	Item code no. (ITC code)	69010003
	Item description	Ceramic Glazed Tiles for Floor and Walls

STATEMENT OF ADDITIONAL INFORMATION

1. Particulars of capacity, production, sales and closing stock of ceramic floor and wall tiles

A. Capacity and production

	Unit	As at March 31, 2011	As at March 31, 2010
Installed*	M.T.	63,000	63,000
Production (excludes scrap production)	SQ. MT.	27,714	499,196

* As certified by the management and accepted by the auditors, being a technical matter.

B. Particulars of sales and stock of manufactured goods

Particulars	Unit	As at March 31, 2011		As at March 31, 2010	
		Quantity	Rs.	Quantity	Rs.
Opening stock	SQ.MT.	227,105	55,640,725	231,939	54,157,757
Sales	SQ.MT.	155,562	28,689,332	504,030	94,112,685
Closing Stock	SQ.MT.	99,257	21,348,074	227,105	55,640,725

2. Details of raw material consumed

Items	Unit	For the year ended March 31, 2011		For the year ended March 31, 2010	
		Quantity	Rs.	Quantity	Rs.
Frits and glazes	M.T.	21	608,237	197	5,276,033
Zirconium opacifier	M.T.	8	522,644	44	1,642,327
Ceramic stains	M.T.	2	573,761	4	1,323,486
Feldspar powder	M.T.	179	177,229	2,390	2,482,340
Packing material	No.	36,778	425,701	334,908	4,694,057
Others			1,680,500		12,280,100
			3,988,072		**27,698,343**

3. Value of imports of CIF basis

Items	For the year ended March 31, 2011 Rs.	For the year ended March 31, 2010 Rs.
Stores and spares	302,848	533,881
	302,848	**533,881**

4. Earnings in foreign exchange

FOB value of exports including exports through third parties	-	1,478,204

5. Expenditure in foreign exchange

GDR listing fee	153,675	320,475
Dividend paid	239,100	240,900
Travelling	5,654,138	6,379,140
Stores and spares	202,891	420,829

6. Value of Imported and Indigenous raw material consumed

	For the year ended March 31, 2011		For the year ended March 31, 2010	
	%	Rs.	%	Rs.
Imported	1.53	61,049	1.06	294,417
Indigenous	98.47	3,927,023	98.94	27,403,926
	100.00	**3,988,072**	**100.00**	**27,698,343**

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2011

	Particulars		For the year ended March 31, 2011 Rs.	For the year ended March 31, 2010 Rs.
A.	**CASH FLOW FROM OPERATING ACTIVITIES**			
	Net profit before tax and extraordinary items		2,280,103,978	2,938,512,995
	Adjustment for:			
	Depreciation		124,011,352	103,851,345
	Depreciation written back		-	3,205,477
	Amortisation of preliminary expneses		716,700	716,700
	Interest paid		207,032,156	48,071,961
	Interest & dividend receipts		(279,832,948)	(450,294,018)
	Operating profit before working capital changes		2,332,031,238	2,644,064,461
	Adjustment for:			
	Sundry creditors and other payables		11,045,840	(52,170,912)
	Trade and other receivables		(4,542,326,965)	(2,325,060,828)
	Inventories		(7,037,320,885)	965,250
	Cash generated from operations		(9,236,570,772)	267,797,972
	Proposed dividend and tax thereon		(205,781,003)	(206,464,887)
	Provision for income tax and wealth tax		(602,767,615)	(583,944,274)
	Cash flow before extraordinary items		(10,045,119,390)	(522,611,188)
	Prior year adjustments		295,635	(3,100,152)
	NET CASH FROM OPERATING ACTIVITIES	**(A)**	**(10,044,823,755)**	**(525,711,341)**
B.	**CASH FLOW FROM INVESTING ACTIVITIES**			
	Additions to fixed assets		(1,153,118,872)	(3,792,400,395)
	Additions to capital work-in-progress		(1,073,966,679)	1,739,647,058
	Investment in subsidiaries		(64,250,980)	543,199,952
	Sale of fixed assets		526,720,911	26,072,470
	Interest & dividend receipts		279,832,948	450,294,018
	NET CASH USED IN INVESTING ACTIVITIES	**(B)**	**(1,484,782,671)**	**(1,033,186,898)**
C.	**CASH FLOW FROM FINANCE ACTIVITIES**			
	Subscription money received against warrants		-	435,000,000
	(Decrease)/increase in secured loans		8,239,919,896	(168,317,603)
	Decrease in unsecured loans		-	(684,778)
	Interest paid		(207,032,156)	(48,071,961)
		(C)	**8,032,887,740**	**217,925,658**
D.	**NET INCREASE IN CASH AND CASH EQUIVALENTS**	**(A+B+C)**	**(3,496,718,686)**	**(1,340,972,583)**
	Cash and cash equivalents opening balance		4,685,742,049	6,026,714,630
	Cash and cash equivalents closing balance		1,189,023,365	4,685,742,049

Note: Figures in brackets indicate cash outflow.

Certified that the above statement is in accordance with the requirements prescribed by SEBI.

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

Ashok Sarin
Chairman

Anil Sarin
Managing Director

Amit Sarin
CEO & Director

Kamal Ahluwalia
Partner
Membership no. 093812

Brajindar M. Singh
Director

Ambarish Chatterjee
Director

Maneesh Gupta
Director

New Delhi.
May 28, 2011

Yogesh Sharma
President-Finance

Manoj Pahwa
Company Secretary

Omi Chand Rajput
G.M.Finance

CONSOLIDATED ANNUAL ACCOUNTS

AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

To the Board of Directors of Anant Raj Industries Limited

1. We have audited the attached Consolidated Balance Sheet of Anant Raj Industries Limited (the Company) and its subsidiaries (collectively called 'the Anant Raj Group') as at March 31, 2011, and also the Consolidated Profit and Loss Account and the Consolidated Cash Flow Statement for the year ended on that date annexed thereto. These consolidated financial statements are the responsibility of the Company's management and have been prepared by the management on the basis of separate financial statements and other financial information regarding components. Our responsibility is to express an opinion on these financial statements based on our audit.

2. We conducted our audit in accordance with generally accepted auditing standards in India. These standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are prepared, in all material aspects, in accordance with an identified financial reporting framework and are free of material misstatements. 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 the management, as well as evaluating the overall financial statements. We believe that our audit provides a reasonable basis for our opinion.

3. We did not audit the financial statements of seventeen (17) subsidiaries whose financial statements reflect total assets of Rs. 23,983.53 lacs (Rs. 18,245.20 lacs) as at March 31, 2011 and total revenue of Rs. 2,366.94 lacs (Rs. 170.90 lacs) for the year ended on that date. These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us, and our opinion in respect thereof is based solely on the reports of other auditors.

4. We report the consolidated financial statements have been prepared by the Company's management in accordance with the requirements of Accounting Standard (AS) 21, 'Consolidated Financial Statements', issued by the Institute of Chartered Accountants of India.

5. Based on our audit and on consideration of reports of other auditors on separate financial statements and on the other financial information of the components, and to the best of our information and explanations given to us, we are of the opinion that the consolidated financial statements, together with accounting policies and notes thereon, give a true and fair view in conformity with the accounting principles generally accepted in India:

i) in the case of the Consolidated Balance Sheet, of the state of affairs of the Company and its subsidiaries as at March 31, 2011;

ii) in the case of the Consolidated Profit and Loss Account, of the profit of the Company and its subsidiaries for the year ended on that date; and

iii) In the case of the Consolidated Cash Flow Statement, of the consolidated cash flows of the Company and its subsidiaries for the year on that date.

117, New Delhi House	B. Bhushan & Co.
Barakhamba Road	Chartered Accountants
New Delhi.	By the hand of
May 28, 2011	Kamal Ahluwalia
	Partner
	Membership no. 093812
	Firm Regn. No.:001596N

CONSOLIDATED BALANCE SHEET as at March 31, 2011

(Rs.)

	Schedules	As at March 31, 2011	As at March 31, 2010
SOURCES OF FUNDS			
Shareholders' Funds			
Share capital	1	590,192,670	590,192,670
Subscription money received against warrants		-	435,000,000
Share application money		-	160,000,000
Reserves and surplus	2	36,651,972,324	34,765,380,954
Loan funds			
Secured loans	3	9,280,301,842	998,441,978
Unsecured loans	4	375,945,900	375,945,900
Deferred tax liability (Net)	5	11,842,842	9,436,852
Minorities interest		795,370,144	856,063,953
		47,705,625,722	**38,190,462,307**
APPLICATION OF FUNDS			
Fixed assets	6		
Gross block		20,811,047,169	20,147,375,542
Less: Accumulated depreciation		763,242,194	634,303,177
Net block		20,047,804,975	19,513,072,365
Capital work in progress including capital advances		9,028,226,566	7,456,769,506
Investments	7	2,579,315,760	2,949,269,702
Current assets, loans and advances	8		
Inventories		7,117,065,866	117,943,824
Sundry debtors		2,411,730,936	2,399,275,193
Cash and bank balances		1,481,712,254	4,891,202,944
Loans and advances		6,597,045,641	2,721,306,870
		17,607,554,698	**10,129,728,831**
Less: Current liabilities and provisions	9	1,576,335,092	1,885,036,534
Net current assets		16,031,219,606	8,244,692,297
Miscellaneous expenditure (to the extent not written off or adjusted)	10	19,058,814	26,658,437
		47,705,625,722	**38,190,462,307**
ACCOUNTING POLICIES	**17**		
NOTES TO ACCOUNTS	**18**		

This is the Consolidated Balance Sheet referred in our report of even date.

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

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

Kamal Ahluwalia
Partner
Membership no. 093812

New Delhi.
May 28, 2011

Ashok Sarin
Chairman

Brajindar M. Singh
Director

Yogesh Sharma
President-Finance

Anil Sarin
Managing Director

Ambarish Chatterjee
Director

Manoj Pahwa
Company Secretary

Amit Sarin
CEO & Director

Maneesh Gupta
Director

Omi Chand Rajput
G.M.Finance

CONSOLIDATED PROFIT AND LOSS ACCOUNT for the year ended March 31, 2011

(Rs.)

	Schedules	Year ended March 31, 2011	Year ended March 31, 2010
INCOME			
Sales	11	3,480,184,979	2,604,890,332
Rental income		760,519,284	489,530,960
Others	12	288,897,960	535,493,164
		4,529,602,223	**3,629,914,456**
EXPENDITURE			
Cost of sales, real estate/investments		1,615,531,418	240,357,226
Manufacturing and others	13	148,970,630	190,770,416
Decrease in inventories	14	37,853,068	631,778
Employees remuneration and benefits	15	82,901,047	78,639,536
Financial	16	210,277,605	48,858,125
Depreciation		134,661,828	106,836,665
		2,230,195,595	**666,093,746**
PROFIT BEFORE PRIOR PERIOD ADJUSTMENTS AND TAX		**2,299,406,628**	**2,963,820,710**
Prior period adjustments		376,769	(3,990,847)
Depreciation written back		-	3,205,477
PROFIT BEFORE TAX		**2,299,783,397**	**2,963,035,340**
Provision for taxation			
Current income tax		(618,360,836)	(596,859,993)
Deferred tax		(2,405,990)	16,910,645
Wealth tax		(651,790)	(594,253)
PROFIT AFTER TAX (BEFORE ADJUSTMENT FOR MINORITY INTEREST)		**1,678,364,781**	**2,382,491,739**
Share of loss/profit transferred to minority		(2,402,573)	619,048
PROFIT AFTER TAX (AFTER ADJUSTMENT FOR MINORITY INTEREST)		**1,680,767,354**	**2,381,872,691**
Balance brought forward from last year		8,085,067,852	6,170,829,557
Brought forward loss on acquistion/disposal of subsidiaries		(20,435,185)	(24,002,497)
PROFIT AVAILABLE FOR APPROPRIATION		**9,745,400,022**	**8,528,699,751**
APPROPRIATIONS			
Proposed dividend		177,057,801	177,057,800
Corporate dividend tax		28,723,202	29,407,087
Transfer to General Reserve		167,469,287	237,167,012
Balance carried over in Profit and Loss Account		9,372,149,732	8,085,067,852
		9,745,400,022	**8,528,699,751**
Earnings per share [equity shares, par value of Rs. 2 (Rs. 2) each]			
- Basic earnings per share		5.70	8.07
- Diluted earnings per share		5.70	7.89
[See note no. (xxv) of Schedule No. 18 to the Accounts]			
ACCOUNTING POLICIES	**17**		
NOTES TO ACCOUNTS	**18**		

This is the Consolidated Profit and Loss Account referred in our report of even date.

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

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

Kamal Ahluwalia
Partner
Membership no. 093812

New Delhi.
May 28, 2011

Ashok Sarin
Chairman

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Managing Director

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CEO & Director

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Director

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Director

Maneesh Gupta
Director

Yogesh Sharma
President-Finance

Manoj Pahwa
Company Secretary

Omi Chand Rajput
G.M.Finance

CONSOLIDATED SCHEDULES TO THE ACCOUNTS

(Rs.)

			As at March 31, 2011	As at March 31, 2010
1.	**SHARE CAPITAL**			
	Authorised 39,70,00,000 (39,70,00,000) equity shares of Rs. 2 (Rs. 2) each		794,000,000	794,000,000
	Issued, subscribed and paid up 29,50,96,335 (29,50,96,335) equity shares of Rs. 2 (Rs. 2) each		590,192,670	590,192,670
2.	**RESERVES AND SURPLUS**			
	Capital reserve	(a)	467,578,443	55,083,523
	Share premium	(b)	25,451,396,771	25,431,851,488
	General reserve			
	Balance at the beginning of the year		1,193,378,091	956,211,079
	Add: Transfer from Profit and Loss Account		167,469,287	237,167,012
	Balance at the end of the year	(c)	1,360,847,378	1,193,378,091
	Accumulated Profit and Loss Account	(d)	9,372,149,732	8,085,067,852
		(a+b+c+d)	**36,651,972,324**	**34,765,380,954**
3.	**SECURED LOANS**			
	From Banks			
	Term loans		5,005,287,198	997,923,859
	11.95% (Nil) 1,750 (Nil) redeemable non-convertible debentures of face value of Rs. 10,00,000 (Nil) each		1,750,000,000	-
	Working capital facilities		25,014,645	45,435
	From body corporate			
	Term loan		2,500,000,000	-
	From vehicle financing companies			
	Vehicle loans		-	472,684
			9,280,301,842	**998,441,978**
4.	**UNSECURED LOANS**			
	Fully convertible debentures		375,945,900	375,945,900
			375,945,900	**375,945,900**
5.	**DEFERRED TAX LIABILITY (NET)**			
	Deferred tax assets	(a)	3,111,491	4,031,902
	Deferred tax liability	(b)	14,954,333	13,468,754
		(b-a)	**11,842,842**	**9,436,852**

CONSOLIDATED SCHEDULES TO THE ACCOUNTS

6. FIXED ASSETS

(Rs.)

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at April 1, 2010	Additions during the year	Sales/ adjustment during the year	As at March 31, 2011	Upto March 31, 2010	During the year	Written back adjustment	Upto March 31, 2011	As at March 31, 2011	As at March 31, 2010
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Goodwill	1,542,933,673	-	42,533,370	1,500,400,303	94,397,675	23,599,418	-	117,997,093	1,382,403,210	1,448,535,998
Land	14,445,010,323	337,182,614	599,730,445	14,182,462,492	-	-	-	-	14,182,462,492	14,445,010,323
Factory building	85,623,609	-	-	85,623,609	55,872,875	2,975,073	-	58,847,948	26,775,661	29,750,734
Buildings	3,245,610,688	963,421,086		4,209,031,774	33,511,083	57,885,652	-	91,396,735	4,117,635,039	3,212,099,605
Plant and machinery	589,356,303	141,864	39,274,265	550,223,902	350,836,824	17,487,102	5,056,149	363,267,777	186,956,124	238,519,479
Furniture and fixtures	18,788,651	3,770,023	-	22,558,674	10,022,208	1,908,422	(111,105)	12,041,735	10,516,939	8,766,443
Office equipments	114,015,334	24,564,311	-	138,579,645	37,799,875	14,952,221	(163,256)	52,915,352	85,664,294	76,215,459
Vehicles	106,036,961	16,565,700	1,786,623	120,816,038	51,862,637	15,853,939	941,023	66,775,553	54,040,484	54,174,324
Intangible assets		1,350,732		1,350,732	-				1,350,732	-
Total	20,147,375,542	1,346,996,331	683,324,704	20,811,047,169	634,303,177	134,661,828	5,722,811	763,242,194	20,047,804,975	19,513,072,365
Capital work in progress including capital advances									9,028,226,566	7,456,769,506
									29,076,031,542	26,969,841,871
Previous year	14,131,017,132	6,120,740,095	104,381,686	20,147,375,541	517,905,354	106,836,665	(9,561,158)	634,303,177	26,969,841,871	21,235,071,738

(Rs.)

	As at March 31, 2011	As at March 31, 2010
7. INVESTMENTS		
Long term investments		
In equity shares - Unquoted 84,38,430 (84,38,430) equity shares of Rs. 10 (Rs. 10) each of Roseland Buildtech Pvt. Ltd.	1,479,867,250	1,479,867,250
Nil (2,500) equity shares of Nil (Rs.10) each of Dreamgreen Land Pvt. Ltd.	-	25,000
12,500 (12,500) equity shares of Rs.10 (Rs.10) each of Roseview Promoters Pvt. Ltd.	125,250	125,250
2,50,000 (2,50,000) equity shares of Rs. 10 (Rs. 10) each of Acquainted Realtors Pvt. Ltd.	2,500,000	2,500,000
2,50,000 (2,50,000) equity shares of Rs.10 (Rs.10) each of Asylum Estate Pvt. Ltd.	2,500,000	2,500,000
2,50,000 (2,50,000) equity shares of Rs.10 (Rs.10) each of Deep Promoters Pvt. Ltd.	2,500,250	2,500,250
2,50,000 (2,50,000) equity shares of Rs.10 (Rs.10) each of Gagan Promoters Pvt. Ltd.	2,500,250	2,500,250

CONSOLIDATED SCHEDULES TO THE ACCOUNTS

(Rs.)

	As at March 31, 2011	As at March 31, 2010
2,50,000 (2,50,000) equity shares of Rs.10 (Rs.10) each of Nature Projects Pvt. Ltd.	2,500,000	2,500,000
2,50,000 (2,50,000) equity shares of Rs.10 (Rs.10) each of Pagoda Realtors Pvt.Ltd..	2,500,000	2,500,000
2,50,000 (2,50,000) equity shares of Rs.10 (Rs.10) each of Spiritual Developers Pvt. Ltd.	2,500,000	2,500,000
1,00,000 (1,00,000) equity shares of Rs.10 (10) each of Virat Credit & Holdings Pvt. Ltd.	10,000,000	10,000,000
2,50,000 (2,50,000) equity shares of Rs.10 (10) each of Whiz Construction Pvt. Ltd.	2,500,000	2,500,000
13,60,210 (7,159) equity shares of Re.1 (10) each of Madras Stock Exchange Ltd.	3,579,500	3,579,500
1,00,000 (1,00,000) equity shares of Rs.10 (10) each of Sahyog Infrastructure Pvt. Ltd.	10,000,000	10,000,000
In preference shares-Unquoted		
Nil (8,00,000) redeemable preference shares of Nil (Rs. 100) each of Novel Suppliers Pvt. Ltd.	-	200,000,000
10,00,000 (10,00,000) 9% non-cumulative redeemable preference shares of Rs. 10 (Rs. 10) fully paid of Mahalaxmi Designs Pvt. Ltd.	1,000,000,000	1,000,000,000
In equity shares - Quoted		
Nil (1,50,000) equity shares of Nil (Rs. 2) each of Amtek Auto Ltd.	-	27,048,047
Nil (3,24,041) equity shares of Nil (Rs. 2) each of Amtek India Ltd.	-	22,699,574
Nil (45,000) equity shares of Nil (Rs. 10) each of Aptech Ltd.	-	8,263,318
Nil (6,561) equity shares of Nil (Rs. 10) each of Ahmednagar Forgings Ltd.	-	478,553
Nil (10,000) equity shares of Nil (Rs. 10) each of Housing Development Infrastructure Ltd.	-	2,943,964
Nil (12,000) equity shares of Nil (Rs.10) each of ICICI Bank Ltd.	-	9,844,635
Nil (10,000) equity shares of Nil (Rs.10) each of IRB Insfrastructure Developers Ltd.	-	2,562,272

CONSOLIDATED SCHEDULES TO THE ACCOUNTS

(Rs.)

	As at March 31, 2011	As at March 31, 2010
Nil (30,000) equity shares of Nil (Rs.2) each of Jindal Saw Ltd.	-	6,073,541
Nil (5,000) equity shares of Nil (Re.1) each of Jindal Steel & Power Ltd.	-	3,350,836
Nil (20,000) equity shares of Nil (Rs.2) each of Jaiprakash Associates Ltd.	-	2,986,683
Nil (54,660) equity shares of Nil (Rs. 10) each of Karnataka Bank Ltd.	-	7,551,404
Nil (1,000) equity shares of Nil (Rs.10) each of Lupin Ltd.	-	1,344,357
Nil (1,000) equity shares of Nil (Rs.2) each of Larsen & Tubro Ltd.	-	1,493,432
Nil (20,000) equity shares of Nil (Rs.10) each of Maytas Infra Ltd.	-	3,320,738
Nil (15,000) equity shares of Nil (RS.10) each of Monnet Ispat Ltd.	-	5,535,162
Nil (37,000) equity shares of Nil (Rs.10) each of Mount Everest Mineral WaterLtd.	-	2,688,539
Nil (50,000) equity shares of Nil (Rs.2) each of NIIT Ltd.	-	3,663,856
Nil (7,500) equity shares of Nil (Rs.2) each of Punj Llyod Ltd.	-	1,414,986
Nil (40,000) equity shares of Nil (Rs. 2) each of Satyam Computers Services Ltd.	-	3,968,142
Nil (1,70,000) equity shares of Nil (Rs.10) each of Integrated Capital Services Ltd.	-	5,100,000
In Government and other securities - Unquoted		
National savings certificates	55,000	55,000
Short term investments		
In Reliance Mutual Funds*	30,675,165	103,285,163
In SBI Mutual Funds**	25,013,095	-
	2,579,315,760	**2,949,269,702**

*[45,680.46 (64,314) units of Reliance Liquidity Fund Daily Dividend Re-Investment Option and 30,176.76 (102,526) units of Reliance Money Manager Fund Institutional Option- Daily Dividend Plan]

** [11,48,664.79 (Nil) units of SBI Magnum Insta Cash Fund Cash Option]

{Market value of quoted units Rs. 55,688,260 (Rs. 120,088,330)}

CONSOLIDATED SCHEDULES TO THE ACCOUNTS

(Rs.)

		As at March 31, 2011	As at March 31, 2010
8. CURRENT ASSETS, LOANS AND ADVANCES			
CURRENT ASSETS			
INVENTORIES			
i) Real Estate			
Development rights acquired		6,927,162,115	-
Land		132,720,464	-
Buildings and apartments		15,312,182	15,312,182
Material at site	(a)	171,717	20,248,889
		7,075,366,478	**35,561,071**
ii) Creamic Tiles			
Raw materials		6,636,608	9,244,809
Stores and spares		13,564,994	13,787,089
Finished goods		21,497,787	55,900,455
Work in process		-	3,450,400
	(b)	**41,699,388**	**82,382,753**
	(a+b)	**7,117,065,866**	**117,943,824**
SUNDRY DEBTORS			
(Unsecured, considered good)			
Debts outstanding for a period exceeding six months		2,282,775,250	2,245,123,600
Other debts		128,955,687	154,151,593
	(b)	**2,411,730,936**	**2,399,275,193**
CASH AND BANK BALANCES			
Cash in hand		4,596,813	4,983,933
Balances with scheduled banks			
On current accounts		864,305,264	1,656,496,961
On deposit accounts		612,810,177	3,229,722,050
	(c)	**1,481,712,254**	**4,891,202,944**
LOANS AND ADVANCES			
(Unsecured, considered good)			
Un-billed receivables		2,292,392,632	-
Advances recoverable in cash or in kind or for value to be received		3,731,242,973	2,154,834,466
Advance income tax		533,462,933	456,478,283
Interest accrued but not due		13,485,957	87,803,758
Security deposits		26,461,147	22,190,363
	(d)	**6,597,045,641**	**2,721,306,870**
	(a+b+c+d)	**17,607,554,698**	**10,129,728,831**

CONSOLIDATED SCHEDULES TO THE ACCOUNTS

(Rs.)

		As at March 31, 2011	As at March 31, 2010
9.	**CURRENT LIABILITIES AND PROVISIONS**		
	Current liabilities		
	Sundry creditors for goods, services and expenses	25,583,142	59,376,306
	Sundry creditors for capital goods	142,384,318	629,031,012
	Others	411,172,921	319,282,446
	Security deposits	114,438,397	60,860,381
	Interest accrued but not due	48,840,411	-
	Provisions		
	Proposed dividend	177,057,801	177,057,800
	Corporate dividend tax	28,723,202	29,407,087
	Income tax	617,507,845	596,859,993
	Gratuity	6,549,956	9,702,139
	Leave encashment	3,425,310	2,865,115
	Wealth tax	651,790	594,253
		1,576,335,092	**1,885,036,534**
10.	**MISCELLANEOUS EXPENDITURE** (to the extent not written off or adjusted)		
	Miscellaneous expenditure	26,658,437	44,697,868
	Add: Additions during the year	9,486,628	1,946,618
		36,145,065	**46,644,486**
	Less: Written off during the year	17,086,251	19,986,049
		19,058,814	**26,658,437**
11.	**SALES**		
	Manufacturing - Tile Division		
	Domestic sales	28,744,032	86,581,567
	Export sales and benefits	-	1,478,204
		28,744,032	88,059,771
	Less: Excise duty	431,133	9,277,771
	(a)	**28,312,899**	**78,782,000**
	Real Estate/Investments		
	Sale of real estate	3,099,789,022	1,062,469,400
	Investments	298,496,309	1,447,990,000
	Work contract receipts	53,586,749	15,648,932
	(b)	**3,451,872,080**	**2,526,108,332**
	(a+b)	**3,480,184,979**	**2,604,890,332**

CONSOLIDATED SCHEDULES TO THE ACCOUNTS

(Rs.)

	As at March 31, 2011	As at March 31, 2010
12. OTHER INCOME		
Interest receipts	278,147,988	459,583,301
Dividend	3,514,680	15,102,425
Income from units of mutual fund	3,791,714	27,951,284
Profit on sale of shares	-	882,234
Others	3,443,578	31,973,920
	288,897,960	**535,493,164**
13. MANUFACTURING AND OTHERS		
Raw materials consumed	3,988,072	27,698,343
Stores and fuel consumed	3,112,867	27,748,449
Power consumed	2,899,727	10,957,358
Travelling and conveyance	23,198,148	23,359,357
Legal and professional	17,782,304	13,092,807
Advertisement and sales promotion	14,172,178	18,786,368
Electricity and water	7,759,611	3,300,863
Communication	5,521,492	5,474,243
Security expenses	4,849,543	4,685,629
Rent	3,411,337	834,513
Printing and stationery	2,985,652	2,146,351
Insurance	2,384,162	1,996,646
Repair and maintenance		
Plant and machinery	460,740	378,295
Vehicle running and maintenance	12,317,683	9,339,716
Building	442,254	807,319
Let out property	3,795,756	5,194,802
Others	8,582,626	3,565,172
Discount and commission	1,330,458	2,651,375
Membership and subscription	1,110,797	1,015,448
Audit fees	1,801,485	1,356,708
Freight and cartage	426,885	743,320
Donation	131,572	887,490
Bad debts written off	380	5,608,421
Loss on disposal of investments	7,931,693	-
Loss from partnership firm	14,772	13,487
Others	18,558,437	19,127,936
	148,970,630	**190,770,416**

CONSOLIDATED SCHEDULES TO THE ACCOUNTS

(Rs.)

		As at March 31, 2011	As at March 31, 2010
14.	**DECREASE IN FINISHED GOODS AND WORK IN PROCESS**		
	Opening inventory		
	Finished goods	55,900,455	54,447,313
	Work in process	3,450,400	5,535,320
	(a)	**59,350,855**	**59,982,633**
	Closing inventory		
	Finished goods	21,497,787	55,900,455
	Work in process	-	3,450,400
	(b)	**21,497,787**	**59,350,855**
	(c=a-b)	**37,853,068**	**631,778**
15.	**EMPLOYEES REMUNERATION AND BENEFITS**		
	Salaries, wages and welfare	76,214,227	69,560,894
	Contribution to provident and other funds	4,222,335	4,629,582
	Gratuity	713,978	3,375,391
	Leave encashment	1,750,507	1,073,669
		82,901,047	**78,639,536**
16.	**FINANCIAL EXPENSES**		
	Interest	207,365,035	48,534,801
	Processing charges	2,500,000	-
	Bank charges	412,569	323,324
		210,277,605	**48,858,125**

17. ACCOUNTING POLICIES

a) *BASIS OF PREPARATION OF FINANCIAL STATEMENTS*

The financial statements of Anant Raj Industries Limited (the Company) and its subsidiary companies (the Group) are prepared in accordance with the Indian Generally Accepted Accounting Principles ("GAAP") under the historical cost convention on accrual basis. GAAP comprises mandatory accounting standards issued by the Institute of Chartered Accountants of India, the provisions of Companies Act, 1956 and guidelines issued by the Securities Exchange Board of India. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use or a change is necessitated, in the opinion of the management, in accordance with the nature of the business of the Company.

The management evaluates all recently issued or revised accounting standards on an ongoing basis.

b) *USE OF ESTIMATES*

The preparation of consolidated financial statements in conformity with the generally accepted accounting principles requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities as at the date of the financial statements and reported amounts of income and expenses during the period. Although these estimates are based on the managements' best knowledge of current events and actions the Company may undertake in future, the actual results could differ from these estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

c) *PRINCIPLES OF CONSOLIDATION*

The financial statements of the subsidiaries used in the consolidation are drawn upto the same reporting date as of the Company.

The consolidated financial statements are prepared on the following basis:

- The consolidated financial statements of the Group have been prepared in accordance with Accounting Standard-21 "Consolidated Financial Statements" issued by the Institute of Chartered Accountants of India, to the extent possible in the same format as that adopted by the parent Company for its separate financial statements by regrouping, recasting or rearranging figures wherever considered necessary.
- The consolidated financial statements include the financial statements of the Company and all its subsidiaries, which are more than 50% owned or controlled and partnership firms where the Companys' share in the profit sharing ratio is more than 50% as at March 31, 2011.
- The financial statements of the Company and its subsidiaries are consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses after eliminating intra group balances, intra-group transactions and unrealised profits on intra-group transactions
- Minorities' interest in net profit/loss of the consolidated subsidiaries for the year is identified and adjusted against income in order to arrive at the net income attributable to shareholders of the Company. Minorities' interest in net assets of the consolidated subsidiaries is identified and presented separately in the consolidated financial statements.
- The excess of cost to the parent company of its investment in the subsidiary over the parent companys' portion of equity of the subsidiary is recognised in the consolidated financial statements as 'Goodwill'. The excess of parent companys' portion of equity

over the cost of investment as at the date of its investment is treated as 'Capital Reserve'.

- Goodwill arising out of consolidation is not being amortised.

d) *FIXED ASSETS, INTANGIBLE ASSETS AND CAPITAL WORK IN PROGRESS*

Goodwill arising from consolidation represents the excess of cost to the parent Company of its investment in subsidiaries over the parent Companys' portion of equity at the date on which investment in subsidiaries is made.

Fixed assets, are stated at cost less accumulated depreciation and impairment losses. Cost comprises the purchase price and any attributable cost related to the acquisition and installation of the respective asset to bring the asset to its working condition for its intended use.

Interest on borrowed money allocated to and utilized for fixed assets, pertaining to the period up to the date of capitalization is capitalized. Assets acquired on hire purchase are capitalized at the gross value and interest thereon is charged to Profit and Loss Account.

Capital work-in-progress comprises the cost of fixed assets that are not yet ready for their intended use at the Balance Sheet date and the outstanding advances paid for the acquisition/construction of such fixed assets.

An item of fixed assets is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement in the year the asset is de-recognized.

e) *IMPAIRMENT OF ASSETS*

As at each Balance Sheet date, the carrying amount of assets is tested for impairment so as to determine:

(a) the provision for impairment loss ,if any required or

(b) The reversal, if any, required of impairment loss recognized in previous periods.

Impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount.

Recoverable amount is determined:

(a) in the case of an individual asset ,at the higher of the net selling price and the value in use.

(b) in the case of a cash generating unit (a group of assets that generates identified independent cash flows) at the higher of the cash generating unit's net selling price and the value in use.

Value in use is determined as the present value of estimated future cash flows from the continuing use of an asset and from its disposal at the end of its useful life.

f) *INVESTMENTS*

Investments are stated at cost. Investments that are intended to be held for more than a year, from the date of acquisition, are classified as long term investments and are stated at cost less provision for diminution in the value of such investments, if such diminution is of permanent nature. Investments other long term investments being current investments are valued at lower of cost and fair value, computed separately in respect of each category of investment.

Investments in units/mutual funds are valued at lower of cost or marked to market values. Gain or loss on sale of investments is computed as difference between the net proceeds realized and the book value and is accordingly recognized in the Profit and Loss Account.

g) INVENTORIES

Ceramic Tile Division

Raw materials, stores, spares and consumables: At lower of cost or market price; Cost is determined on First in First Out (FIFO) basis.

Finished Goods: Lower of direct cost of production or net market value; Cost includes direct material and labour and a proportion of manufacturing overheads based on normal operating capacities. Excise duty payable on the finished goods has been included in the value of finished goods inventory. Net market value is the estimated selling price in the ordinary course of business.

Work in progress: At direct cost of production including estimated amount of allocable expenditure.

Real Estate Division

Real Estate: Lower of cost or net market value; Cost includes cost of acquisition and other related expenses incurred in bringing the inventories to their present location and condition. Net market value is the estimated selling price in the ordinary course of business.

Constructed / Under Construction Properties: Lower of cost or net realisable value. Cost includes the cost of land, internal development cost, external development charges, construction cost, overheads, borrowing cost and development/ construction material.

Development rights: At cost of acquisition, including cost of acquiring rights of any interested party. Development rights are considered to have been acquired on execution of a Development Agreement upon visting of irrevocable rights in the Company to construct, market, and sell the development over land and realize and retain the economic and other benefits.

h) UNBILLED RECEIVABLES

Unbilled receivables represent revenue recognized based on Percentage of Completion of Construction Method [para (j) below], to the extent the work completed exceeds billed receivables.

i) RESEARCH AND DEVELOPMENT EXPENDITURE

Revenue expenditure on research and development is charged to Profit and Loss Account in the year in which it is incurred. Capital expenditure on research and development is treated as additions to fixed assets and is subject to depreciation in the manner set out in paragraph (j) below.

j) DEPRECIATION

Depreciation on fixed assets is charged on the written down value method except Buildings (Other than Factory Building) and Plant & Machinery (Tile Division) wherein depreciation is charged on the straight line method, at the rates as specified in Schedule XIV of the Companies Act, 1956. Depreciation on the acquisition/purchase of assets during the year has been provided on pro-rata basis according to the period each asset was put to use during the year.

Goodwill arising on amalgamation is amortised over a period of five years.

In respect of an asset for which impairment loss is recognised, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.

Where depreciable assets are revalued, deprecation is provided on the revalued amount and the additional depreciation on accretion to assets on revaluation is transferred from revaluation reserve to the Profit and Loss Account.

Assets costing less than Rs. 5,000 are depreciated at the rate of 100%.

k) *REVENUE RECOGNITION*

Real Estate

- Revenue from construction projects for sale is recognized on the `Percentage of Completion of Contruction Method'. Revenue from properties under construction is recognized to the extent that the percentage of actual project cost incurred thereon to total estimated project cost bears to todate sale consideration, provided actual cost incurred is 30% or more of the total estimated project cost. Project cost includes cost of land, and estimated construction and development costs. The estimates of saleable area and costs are reviewed periodically and effect of any changes in such estimates is recognized in the period such changes are determined. When the total project cost is estimated to exceed total revenues from the project, the loss is immediately recognized.

- Income from construction contracts is recognized by reference to the stage of completion of the contract activity at the reporting date of the financial statements, and costs related thereto are charged to Profit and Loss Account for the year.

- Revenue from sales of investments in properties and shares is recognized by reference to the total sale consideration as per agreement to sell as reduced by the cost of acquisition of such property/shares. Cost of properties includes acquisition cost and construction and development cost.

- Forfeiture due to non fulfilment of obligations by counter parties is accounted as Revenue on unconditional appropriation.

- Revenue from rentals is recognized on accrual in accordance with terms of the relevant agreement.

Ceramic Tile Division

- Revenue is recognized to the extent that that it can be reasonably measured and is probable that economic benefit will flow to the Company.

- Revenue from sale of products is recognized when risk and reward of ownership of the products are transferred to the customers and the Company retains no effective control of the goods to a degree usually associated with ownership, which are generally on dispatch/delivery of the goods and no significant un-certainty exists regarding the amount of consideration that will be derived from the sale of goods. Sales are stated net of discounts, returns and recoverable taxes.

Other Income

- Interest Income is recognized on time proportion basis taking into account the amount outstanding and the applicable rate of interest.

- Dividend income is recognized when the right to receive the dividend is established.

- Interest on arrears of allotment money is accounted in the year of receipt.

l) *CLAIMS*

Claims lodged by and lodged against the Company are accounted in the year of payment or settlement thereof.

m) *BORROWING COST*

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets which are assets that necessarily take a substantial period of time to get ready for their intended use, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use. All other borrowing costs are recognized as part of Financial Expenses in the income statement in the period in which they are incurred.

n) *EMPLOYEE BENEFITS*

i. Short Term Employee Benefits:

All employee benefits payable wholly within twelve months of rendering the services are classified as Short Term Employee Benefits. Benefits such as salaries, wages and short term compensated absence etc and the expected cost of ex-gratia is recognized in the period in which the employee renders the related service.

ii. Post Employment Benefits:

(a) **Defined Benefit Plans:** The Company's Gratuity and Leave encashment schemes are defined benefit plans. In accordance with the requirements of revised Accounting Standard-15 "Employee Benefits", the Company provides for gratuity covering eligible employees on the basis of actuarial valuation as carried out by an independent actuary using the Projected Unit Credit method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans is based on the market yields on Government securities as at the Balance Sheet date.

The liability is un-funded. Actuarial gains and losses arising from changes in the actuarial assumptions are charged or credited to the Profit and Loss Account in the year in which such gains or losses arise.

Leave encashment benefits payable to employees of the Company with respect to accumulated leave outstanding at the year end are accounted for on the basis of an actuarial valuation as at the Balance Sheet date.

(b) Defined Contribution Plans

Contributions payable by the Company to the concerned government authorities in respect of provident fund, family pension fund and employees state insurance are defined contribution plans. The contributions are recognized as an expense in the Profit and Loss Account during the period in which the employee renders the related service. The Company does not have any further obligation in this respect, beyond such contribution.

Other employee benefits are accounted for on accrual basis.

o) *FOREIGN CURRENCY TRANSACTIONS*

Transactions in foreign currencies are recorded at the rates prevailing on the date of the transaction. Monetary items denominated in foreign currency are restated at the rate prevailing on the Balance Sheet date except in cases where actual amount has been ascertained by the time of finalization of accounts.

Exchange differences arising on the translation or settlement of monetary items at rates different from those at which they were initially recorded during the year, or reported in the previous financial statements, are recorded in exchange fluctuation account and recognized as income or expense in the year in which they arise.

In translating the financial statements of representative offices, the monetary assets and liabilities are translated at the rate prevailing on the Balance Sheet date; non monetary assets and liabilities are translated at exchange rates prevailing at the date of the transaction and income and expense items are converted at the respective monthly average rates. Net gain/loss on foreign currency translation is recognized in the Profit and Loss Account.

p) *TAXES ON INCOME*

The accounting treatment followed for taxes on income is to provide for Current Tax and Deferred Tax. Provision for current income tax is made for the tax liability payable on taxable income ascertained in accordance with the applicable tax rates and laws.

Deferred tax assets and liabilities are recognized for the future tax consequences attributable to timing differences between the financial statements, carrying amounts of existing assets and liabilities and their respective tax bases and carry forwards of operating loss. Deferred tax assets and liabilities are measured on the timing differences applying the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Changes in deferred tax assets and liabilities between one Balance Sheet date and the next, are recognized in the Profit and Loss Account in the year of change. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the Profit and Loss Account in the year of change.

Deferred tax assets are recognized only to the extent there is reasonable certainty that sufficient future taxable income will be available against which these assets can be realized in future, whereas in case of existence of unabsorbed depreciation or carry forward of losses, deferred tax assets are recognized only if there is virtual certainty of realization backed by convincing evidence. Deferred tax assets are reviewed at each Balance Sheet date.

q) *SEGMENT ACCOUNTING AND REPORTING*

The accounting principles consistently used in the preparation of the financial statements are also consistently applied to record income and expenditure in individual segments. The basis of reporting is as follows:

a) Segment revenue and expenses

Segment revenue and expenses those are directly attributable to the segment are considered for respective segments. For rest allocation has been done between segments and where it is not possible to segregate, the same has been considered as un-allocable revenue and expenses.

Segment expenses does not include leave encashment, gratuity and provision for taxation.

b) Segment assets and liabilities

All segment assets and liabilities which arise as a result of operating activities of the segment are recognised in that segment. Fixed assets which are exclusively used by the segment or allocated on a reasonable basis are also included.

Un-allocable assets and liabilities are those which are not attributable to any of the segments and include Advance Taxes and Provisions for taxation, gratuity and leave encashment.

r) EARNINGS PER SHARE

In determining earnings per share, the Company considers the net profit after tax for the year attributable to equity shareholders. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the period. The number of shares used in computing diluted earnings per share comprises the weighted average shares considered for deriving basic earnings per share, and also the weighted average number of equity shares that could have been issued on the conversion of all dilutive potential equity shares. The diluted potential equity shares are adjusted for the proceeds available, had the shares been actually issued at fair value (i.e. the average market value of the outstanding shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. The number of shares and potentially dilutive equity shares are adjusted for any stock splits and bonus shares issues.

s) CASH FLOW STATEMENT

Cash flows are reported using the 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.

t) PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

A provision is recognized for a present obligation as result of past events if it is probable that an outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made. Provisions are determined based on best estimate of the amount required to settle the obligation at the Balance Sheet date. Re-imbursement expected in respect of expenditure required to settle a provision is recognized only when it is virtually certain that the re-imbursement will be received. Contingent liabilities are disclosed in the notes in case of a present obligation arising from a past event when it is not probable that an outflow of resources will be required to settle the obligation. Contingent assets are neither recognized nor disclosed in the financial statements. Provisions, Contingent Liabilities and Contingent Assets are reviewed at each Balance Sheet date.

u) LEASES OBTAINED

Leases where the lessor retains substantially all the risks and benefits of ownership of the asset are classified as operating lease. Operating lease payments are recognized as an expense in the Profit and Loss Account on straight line basis over the lease term. Finance lease which effectively transfer to the Company substantial risk and benefits incidental to ownership of the leased items, are capitalized and disclosed as leased assets. Lease payments are apportioned between the finance charges and reduction of lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Financial expenses are charged directly against income.

v) MISCELLANEOUS EXPENDITURE

Miscellaneous expenditure is amortised equally over a period of 5 years.

18. NOTES TO ACCOUNTS

	Particulars	As at March 31, 2011 Rs.	As at March 31, 2010 Rs.
i)	**Contingent liabilities not provided for in respect of:**		
a)	Claims against the Company not acknowledged as debts*	123,687,244	82,233,542
	* Amounts are net of payments made and without considering interest for the overdue period and penalty, if any, as may be levied if the demand is raised so upheld		
b)	Bonds given to custom authorities for custom duty saved on import of capital goods under EPCG scheme	47,914,281	47,914,281
	[Unfulfilled export obligation of Rs. 7,13,26,224 (Rs. 8,25,22,560) under EPCG license for import of capital goods (to be fulfilled by June 18, 2010, now extended to June 18, 2012)]		
	[Unfulfilled export obligation of Rs. 74,89,456 (Rs. 74,89,456) under EPCG license for import of capital goods (to be fulfilled by January 23, 2013)]		
	[Unfulfilled export obligation of Rs. 18,60,26,102 (Rs. 18,60,26,102) under EPCG license for import of capital goods (to be fulfilled by March 15, 2013)]		
	[Unfulfilled export obligation of Rs. 99,41,224 (Rs. 99,41,224) under EPCG license for import of capital goods (to be fulfilled by June 23, 2013)]		
c)	Guarantees given by Banks	546,405	546,405
i)	Guarantee given to Custom Authorities towards Custom Duty saved on import of Capital Goods under EPCG Scheme		
	Deposits, inclusive of accrued interest Rs. 6,77,374 (Rs. 6,37,092) held by bank as margin		
	[Unfulfilled export obligation of Rs. 75,13,096 (Rs. 75,13,096) under EPCG license for import of capital goods (to be fulfilled by June 6, 2016)]		
ii)	Guarantee given to Delhi VAT authorities	973,368	611,701
	[Deposits, inclusive of accrued interest of Rs. 10,71,198 (Rs. 6,39,987 (held by bank as margin]		
	The deposits are shown under the head 'Bank Balances'		
iii)	Bank guarantees given by subsidiaries	135,478,000	86,118,000
	[Deposits, inclusive of accrued interest of Rs. 156,248,624 (Rs. 100,014,204 (held by bank as margin]		
d)	Borrowings by affiliate companies whose loans have been guaranteed by the Company as at the close of the year	100,033,562	58,093,593

Particulars	As at March 31, 2011 Rs.	As at March 31, 2010 Rs.
e) Corporate guarantee given by the subsidiary on behalf of the Company	3,000,000,000	-
ii) Capital commitments in respect of:		
a) Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advances)	2,294,674,323	563,123,800
iii) Unexpired installments of assets purchased on hire purchase basis [Amount due within 1 (one) year is Nil (Rs. 481,350)]	-	481,350

	For the year ended March 31, 2011 Rs.	For the year ended March 31, 2010 Rs.
iv) Payment to directors#		
Remuneration to managing director	12,768,000	12,768,000
Remuneration to director & CEO	2,280,000	54,720
Sitting fees	125,000	75,000
# Does not include expense towards retirement benefits since the same is based on actuarial valuations carried out for the Company as a whole.		
v) Payment to auditors:		
For services as auditors, including quarterly audits and service tax	3,671,620	2,945,683

vi) The Consolidated Financial Statements include the accounts of the parent Company and the subsidiaries (as listed below). The subsidiaries of the Company have been defined as those entities in which the Company owns directly or indirectly more than one half of the voting power or otherwise has power to exercise control over the composition of the Board of Directors of such entities. The financial statements of subsidiaries are consolidated from the date on which effective control is acquired and are excluded from consolidation from the date such control ceases.

Detail of subsidiaries are as follows:

Name of subsidiaries	Country of incorporation	Proportion of ownership interest
Advance Buildcon Pvt. Ltd.*	India	100%
Aakarshak Realtors Pvt.Ltd.	India	100%
Anant Raj Cons. & Development Pvt. Ltd.	India	100%
Anant Raj Housing Ltd.	India	100%
Anant Raj Hotels Ltd.	India	100%
Anant Raj International FZE@	U.A.E.	100%
A plus Estates Pvt. Ltd.*	India	100%
Anant Raj Projects Ltd.	India	74%
Ankur Buildcon Pvt. Ltd.*	India	100%
BBB Realty Pvt. Ltd.	India	100%
Blossom Buildtech Pvt. Ltd.	India	100%
Bolt Properties Pvt. Ltd.	India	100%
Capital Buildcon Pvt. Ltd.*	India	100%
CCC Realty Pvt. Ltd.	India	100%
Century Promoters Pvt. Ltd.	India	100%
Capital Buildtech Pvt Ltd.*	India	100%
Carnation Buildtech Pvt Ltd.*	India	100%
Echo Buildtech Pvt. Ltd.	India	100%
Echo Properties Pvt. Ltd.	India	100%
Elegant Buildcon Pvt. Ltd.	India	100%
Elegant Estates Pvt. Ltd.	India	100%
Elevator Builders Pvt. Ltd.@	India	100%
Elevator Buildtech Pvt. Ltd.	India	100%
Elevator Promoters Pvt. Ltd.	India	100%
Elevator Properties Pvt. Ltd.	India	100%
Empire Promoters Pvt. Ltd.	India	100%
Fabulous Builders Pvt. Ltd.	India	100%
Four Construction Pvt. Ltd.	India	100%
Gadget Builders Pvt. Ltd.	India	100%
Goodluck Buildtech Pvt. Ltd.	India	100%
Grand Buildtech Pvt. Ltd.	India	100%
Grand Park Buildtech Pvt. Ltd.	India	100%

Name of subsidiaries	Country of incorporation	Proportion of ownership interest
Grand Park Estates Pvt. Ltd.	India	100%
Greenline Buildcon Pvt. Ltd.	India	100%
Greatway Estates Ltd.	India	100%
Green Line Promoters Pvt. Ltd.	India	100%
Green Retreat and Motels Pvt. Ltd.	India	100%
Greenview Buildwell Pvt. Ltd.	India	100%
Greenway Promoters Pvt. Ltd.	India	100%
Greenwood Properties Pvt. Ltd.	India	100%
Glaze Properties Pvt. Ltd.	India	100%
Gujarat Anant Raj Vidhyanagar Ltd.	India	100%
Gagan Buildtech Pvt Ltd.*	India	100%
Greatway Buildtech Pvt Ltd.*	India	100%
Hamara Realty Pvt. Ltd.	India	100%
Hemkunt Promoters Pvt. Ltd.	India	100%
Highland Meadows Pvt. Ltd.	India	80%
Jasmine Buildwell Pvt. Ltd.	India	100%
Jubilant Software Services Pvt.Ltd.	India	100%
Kalinga Buildtech Pvt. Ltd.	India	100%
Krishna Buildtech Pvt. Ltd.*	India	100%
Kalinga Realtors Pvt. Ltd.	India	100%
Lucky Meadows Pvt. Ltd.	India	100%
Monarch Buildtech Pvt Ltd*	India	100%
North South Properties Pvt. Ltd.	India	100%
Noval Buildmart Pvt. Ltd.	India	100%
Noval Housing Pvt. Ltd.	India	100%
One Star Realty Pvt. Ltd.	India	100%
Oriental Meadows Ltd.	India	100%
Oriental Promoters Pvt Ltd.*	India	100%
Parkland Construction and Equipments Pvt. Ltd.	India	100%
Parkland Developers Pvt. Ltd.	India	80%
Parkview Promoters Pvt. Ltd.	India	85%
Pasupati Aluminium Ltd.	India	100%
Pelikan Estates Pvt. Ltd.	India	100%

Name of subsidiaries	Country of incorporation	Proportion of ownership interest
Pioneer Promoters Pvt. Ltd.	India	100%
Papillon Buildcon Pvt.Ltd.*	India	100%
Pappilon Buildtech Pvt. Ltd.*	India	100%
Rapid Realtors Pvt. Ltd.	India	100%
Rising Realty Pvt. Ltd.*	India	100%
Roseview Buildtech Pvt. Ltd.	India	100%
Rolling Construction Pvt. Ltd.	India	50.10%
Romano Estates Pvt. Ltd.	India	100%
Romano Infrastructure Pvt. Ltd.	India	100%
Romano Tiles Pvt. Ltd.	India	80%
Romano Projects Pvt. Ltd.	India	100%
Rose Realty Pvt. Ltd.	India	100%
Roseview Properties Pvt. Ltd.	India	100%
Sandstorm Buildtech Pvt. Ltd.	India	100%
Sovereign Buildwell Pvt. Ltd.	India	100%
Springview Developers Pvt. Ltd.	India	75%
Springview Properties Pvt. Ltd.	India	100%
Saffronview Properties Pvt. Ltd.	India	100%
Suburban Farms Pvt. Ltd.	India	100%
Three Star Realty Pvt. Ltd.	India	100%
Townsend Construction and Equipments Pvt. Ltd.	India	100%
Tumhare Liye Realty Pvt. Ltd.	India	100%
Twenty First Developers Pvt.Ltd.	India	100%
Vibrant Buildmart Pvt. Ltd.	India	51%
White Diamond Construction and Equipments Pvt. Ltd.	India	100%
Woodland Promoters Pvt. Ltd.	India	100%
West Land Buildcon Pvt Ltd.*	India	100%
Excellent Inframart Pvt.Ltd. *	India	100%
Sartaj Developers and Promoters Pvt.Ltd. *	India	100%

* The Company holds through its subsidiaries more than one-half in nominal value of their equity share capital.

@ Ceased to be subsidiary during the year.

vii) Goodwill amounting to Rs. 1,38,24,03,209 (Rs. 1,42,49,36,579 has been recognised in Consolidated Financial Statements being excess of the cost to the parent of its investment in subsidiaries.

viii) In accordance with the Accounting Standard-21 'Consolidated Financial Statements' issued by the Institute of Chartered Accountants of India, the difference between the proceeds from the disposal of investments in subsidiaries and the carrying amount of its assets less liabilities as of the date of disposal is recognised in the consolidated financial statements, the profit on disposal of the investments in the subsidiaries.

ix) The Consolidated Financial Statements for the current year are not comparable with that of previous year on account of inclusion of acquired subsidiaries and exclusion of subsidiaries.

x) The Consolidated Financial Statements are prepared using uniform accounting policies for the transactions and other events in similar circumstances.

xi) Minority interests' share of net profit of consolidated subsidiaries for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the Company. Minority interests' share of net assets of consolidated subsidiaries is identified and presented separately in the Consolidated Financial Statements.

xii) Figures pertaining to the subsidiaries have been reclassified wherever necessary to bring them in line with the Company's Financial Statements.

xiii) Secured loans

State Bank of India (SBI)

a) Working capital facilities of Rs. 250 lacs (Rs. 0.45 lacs) in the form of cash credit secured against hypothecation of Company's entire stock of raw material, stock in process, finished goods, consumable stores, spares, goods in transit, book debts and receivables, all documents to the title of goods in transit, i.e., bill of lading, lorry receipts, etc. The abovesaid facilities are collateraly secured by, (a) first charge over all the fixed assets of the Company, except fixed assets pertaining to real estate division, including equitable mortagage of factory land and building located at Rewari, Haryana, and (b) personal guarantees of 3 (three) promoters/directors and 1 (one) family member of promoters/directors.

b) Term loan of Rs. 2,099 lacs (Rs. 2,497 lacs) is in the nature of loan against assignment of lease rentals receivable from specified tenants of a property situated at Jhandewalan Extension, New Delhi. The loan is collaterally secured by way of equitable mortgage of the Company's leased property. The loan is further secured by, (a) personal guarantees of 3 (three) directors/ promoters of the Company, and (b) personal guarantee of 1 (one) family member of promoter/director.

c) Term loan of Nil (Rs. 580.94 lacs) is in the nature of Construction Equipment Finance, secured against first exclusive charge on entire fixed assets of the Company. The loan is further secured by, (a) personal guarantees of directors of the Company, (b) personal guarantee of 5 (five) family member of directors and (c) Corporate Guarantee of Anant Raj Industries Limited, the holding Company.

Oriental Bank of Commerce (OBC)

d) Term loan of Rs. 4,038 lacs (Rs. 4,912 lacs) is secured against first pari passu charge on entire plant and machinery and super structure built/to be built at IMT, Manesar, Haryana. The term loan is also collaterally secured by way of personal guarantees of 3 (three) directors/ promoters of the Company, and (b) personal guarantee of 1 (one) family member of directors/promoters of the Company.

Central Bank of India (CBI)

e) Term loan of Rs. 1,351 lacs (Rs. 1,989 lacs) is secured against first charge by way of equitable mortgage of land and proposed building of the project located at IMT, Manesar, Haryana, and by hypothecation charge on other movable fixed assets and current assets of the project including work in progress and assignment of lease rentals through an Escrow Account. The term loan is also collaterally secured by way of personal guarantees of 3 (three) directors/ promoters of the Company, and (b) personal guarantee of 1 (one) family member of directors/promoters of the Company.

Yes Bank Lmited (YBL)

f) Redeemable Non Convertible Debentures (NCDs) of Rs. 17,500 Lac (Nil) is secured against exclusive mortgage of land at Nazafgarh, New Delhi. The NCDs are also collaterally secured by way of unconditional and irrevocable personal guarantees of 3 (three) directors/promoters of the Company.

NCDs are redeemable at par as follows:

i) 50% of Rs. 17,500 lacs maturing at the end of 24th month from the date allotment;

ii) 25% of Rs. 17,500 lacs maturing at the end of 27th month from the date allotment; and

iii) balance 25% of Rs. 17,500 lacs maturing at the end of 30th month from the date allotment.

ICICI Bank Lmited (ICICI)

g) Term loan of Rs. 30,000 lacs (Nil) is secured against, (i) exclusive and first charge on land located in New Delhi, and 2 (two) hotel properties located in New Delhi, (ii) exclusive charge on receivables/cash flows/revenues, including booking amounts, arising out of or in connection with property located in New Delhi, (iii) negative lien on receivables/cash flows/revenues, including booking amounts, arising out of or in connection with 3 (three) hotel properties and 1 (one) property at IMT, Manesar, Haryana, first pari passu charge on entire plant and machinery and super structure built/to be built on property at IMT, Manesar, Haryana, (iv) an exclusive charge on Debt Service Reserve (DSR) account and collection account, (v) corpoarte guarantee of land owners of abovesaid properties to the extent of the security provided. The abovesaid term loan is also collaterally secured by way of personal guarantees of 3 (three) diectors/promoters of the Company.

Allahabad Bank

h) Term loan of Rs. 11,565 lacs (Nil) is secured against, (i) first exclusive charge by way of equitable mortgage of motel, including land, situated at Hauz Khas, New Delhi. The abovesaid term loan is also collaterally secured by way of personal guarantees of 3 (three) directors/promoters of the Company and 2 (two) family members of promters/directors, and (ii) undertaking to remit monthly lease rentals receivable from hotel property.

i) Term loan of Rs. 1,000 lacs (Nil) of Rolling Construction Pvt. Ltd., a subsidiary of the Company, is secured by, (i) exclusive charge by way of equitable mortgage of land measuring approx. 10 acres alloted by HSIDC and building/construction thereon (both present and future) at Panckula, Haryana, (b) exclusive hypothecation charge over entire moveable assets related to the project, and (c) corporate guarantee of one of the promoters, Anant Raj Industries Ltd.

In terms of the Share Subscription and Shareholders Agreement, the shareholders are expected to guarantee the borrowing of the Company pro-rata to their shareholding. The necessary documentation in this regard is yet to be executed.

Reliance Capital Limited (RCL)

j) Term Loan of Rs. 25,000 Lac (Nil) secured against first mortgage and charge in favour of the lender on, (i) lands at Haus Khas, New Delhi, and Mehrauli, New Delhi, and (ii) demand promissory note by the Company in favour of the lender.

The Company shall maintain a 100% margin i.e., the value of the assets mortgaged and charged shall at all times exceed 2 (two) times the outstanding amount of the abovesaid loans, and if at any time, the value of the abovesaid properties falls, the Company shall provide, furnish and create such additional security as may be acceptable to the lender.

Term loans repayable within 1 (one) year Rs. 38,38,68,834 (Rs. 231,548,226).

The Company has neither given counter guarantee to the abovementioned directors nor any incentive/commission is payable to them.

xiv) The Lalea Trading Ltd., joint venture partner of the Company, subscribed unsecured fully convertible debentures aggregating to Rs. 37.59 crores, which shall be complulsorily convertible into fully paid up equity shares of the Company.\

xv) The warrants issued to Promoter Group company on preferential basis expired on January 9, 2011. The amount of Rs. 4,350 lacs being 25% of the price of warrants received at the time of allotment of warrants has been forfeited and credited to Capital Reserve Account.

xvi) The Company issued 2,01,44,000 Global Depository Receipts (GDRs) each representing one equity share of nominal value of Rs. 2 each at the offer price of US $ 7.494 aggregating to US $ 151 million equivalent to Rs. 60,806.34 lacs on February 29, 2008. The said GDRs are listed on the Luxemburg Stock Exchange. The funds so raised have been utilised for development and construction of special economic zones, information and technology parks, hospitality sector, augmenting long term resources and working capital requirements.

Utilisation status of GDR proceeds, during the year 2010-11 is as under:

Particualrs	Opening balance as at April 1, 2010 (Rs.)	Amount utilised during the year (Rs.)	Closing balance as at March 31,2011 (Rs.)
Construction and development	2,541,129,972	-	2,541,129,972
Loan to Subsidiaries for Construction & Development	187,950,000	-	187,950,000
Land acquired	16,537,911	318,536,514	335,074,425
Investment in Subsidiaries for acquisition of Land	1,328,542,000	1,334,550,000	2,663,092,000
Other specified purposes	336,604,817	16,782,786	353,387,603
	4,410,764,700	**1,669,869,300**	**6,080,634,000**

During the year, 4,30,000 (1,38,46,500) GDRs were converted into fully paid up equity shares.

xvii) Inventory includes, Development Rights acquired for Rs. 69,451.65 lacs, being payments made to subsidiary companies under Development Agreements to acquire irrevocable rights over land whereby the Company is entitled to construct, market and sell the development on the same.

xviii) During the year the Company changed the method of charging depreciation on Plant and Machinery (Tile Division) from written down value method to straight line method, resulting in the deprecation charge for the current year being lower by Rs. 167.35 lacs. Had there been no change in the method of charging depreciation, the profit for the current year would have been lower by Rs. 167.35 lacs.

xix) The Company suspended during the year manufacturing activities at its Ceramic Tiles manufacturing plant in Rewari, Haryana. The Company is examining re-location of the tile manufacturing facility to an industrial plot of land purchased in Gujarat, and feasibility study whereof is being carried out.

xx) Unpaid dividend, to be credited to Investor Education and Protection Fund, does not include any amount due and outstanding.

xxi) Deposits with Bank include Rs. 17,14,316 (Rs. 1,186,132) pledged with Sale tax Department/Excise Authorities.

xxii) Small Scale Industrial (SSI) undertakings have been indentified by the management on the basis of information provided by the suppliers/creditors. The amount outstanding for more than 30 days, as on March 31, 2011 payable to SSI undertakings is Rs. 70,424 (Rs. 14,90,197). However, no provision for interest accrued on such amounts has been made.

The outstanding amounts payable to above parties are not within the contracted credit period.

xxiii) The segment report prepared in accordance with the Accounting Standard-17 on 'Segment Reporting' issued by the Institute of Chartered Accountants of India.

Particulars	For the year ended March 31, 2011 (Rs., lacs)	For the year ended March 31, 2010 (Rs., lacs)
1. Segment revenue		
a) Ceramic tiles	295	796
b) Real estate/investments	45,001	33,182
c) Total	**45,296**	**33,978**
d) Less: Inter segment revenue	-	-
e) Net sales/income from operations	45,296	33,978
2. Segment results		
a) Profit before interest and tax from each segment		
i) Ceramic tiles	(503)	(587)
ii) Real estate/investments	25,628	30,751
b) Total	**25,125**	**30,163**
Less:		
c) Interest	2,103	489
d) Unallocable income	25	44
e) Profit before tax	22,997	29,630
3. Assets and liabilities		
a) Segment assets		
i) Ceramic tiles	3,553	4,516
ii) Real estate/investments	483,741	391,721
iii) Total segment assets	487,294	396,237
b) Segment liabilities		
i) Ceramic tiles	318	278
ii) Real estate/investments	103,669	24,474
iii) Total segment liabilities	103,987	24,752
c) Corporate unallocable liabilities	3,123	3,694
4. Capital expenditure		
i) Ceramic tiles	2	8
ii) Real estate/investments	13,468	61,199
5. Depreciation		
i) Ceramic tiles	130	349
ii) Real estate/investments	1,217	719

xxiv) In accordance with the provisions of the Accounting Standard-22 on "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India, the Company has recognised deferred tax assets of Rs. 31,11,491 (Rs. 40,31,902) and deferred tax liability of Rs. 1,49,54,333 (Rs. 1,34,68,754) as at March 31, 2011. Major components of deferred tax are as follows:

Particulars	As at March 31, 2010 (a)	As at March 31, 2011 (b)	For the year (b-a)
i) Deferred tax assets			
- Gratuity	3,217,620	2,190,521	(1,027,099)
- Leave encashment	814,282	920,970	106,688
	4,031,902	3,111,491	(920,411)
ii) Deferred tax liability			
- Fixed assets	13,468,754	14,954,333	1,485,579
Net deferred tax liability; (i)-(ii)	(9,436,852)	(11,842,842)	(2,405,990)

The net deferred tax liability amounting to Rs. 24,05,990 (Rs. 1,69,10,646) for the year has been recognised in the Profit and Loss Account.

xxv) Earning Per Share (EPS)

EPS is calculated by dividing the profit attributable to the equity shareholders by the weighted average of the number of equity shares outstanding during the year. Numbers used for calculating basic and diluted earnings per equity share are as stated below:

Particulars	As at March 31, 2011 Rs.	As at March 31, 2010 Rs.
a) Net profit available for equity shareholders (in Rs.)	1,680,767,354	2,381,872,691
b) Weighted average number of equity shares outstanding for calculation of		
- Basic EPS	295,096,335	295,096,335
- Diluted EPS	295,096,335	301,981,306
c) Nominal value of per equity share (in Rs.)	2	2
d) Earning per share (a)/(b) (in Rs.)		
- Basic EPS	5.70	8.07
- Diluted EPS	5.70	7.89

xxvi) In the opinion of the management, the realizable value of all current assets, loan and advances in the ordinary course of business will not be less than their value stated in the Balance Sheet.

xxvii) Amount remitted by the Company in foreign currency on account of dividends:

Particulars		2010-11	2009-10
a)	Number of non-resident shareholders	74	77
b)	Number of equity shares held by them	398,500	401,500
c)	Year to which the dividend related	2009-10	2008-09
d)	Gross amount of dividends (in Rs.)	239,100	240,900

xxviii) Bank balances include with foreign banks as under:

Particulars	As at March 31, 2011 Rs.	Maximum balance during the year Rs.
National Bank of Fujairah, Dubai, UAE	-	-
	(1,347,731)	**(1,347,731)**

xxix) Balances grouped under sundry debtors, sundry creditors and loans and advances recoverable in cash or in kind are subject to confirmation from subjective parties.

xxx) All the operating leases entered into by the Company are cancellable on serving a notice of one to three months as such there is no information required to be furnished as per Accounting Standard AS-19 titled `Leases' issued by the Institute of Chartered Accountants of India.

xxxi) The State Government of Haryana, did not fulfil its obligations in the matter of grant of sales tax exemption. The Company had filed a writ petition before the Hon'ble High Court of Punjab and Haryana, situated at Chandigarh, which was admitted and is yet to be fully disposed. The Company has been advised that no liability is likely to arise on account of sales tax, and accordingly, no provision has been made by the Company in its books of account.

xxxii) The Income tax Authorities re-framed reassessments in respect of three 3 (three) previous assessment years against the Company, which were set aside in by the First Appellate Authority (Commissioner of Income tax (Appeals)). The Assessing Authority had preferred appeals before the Second Appellate Authority (the Hon'ble Income tax Appellate Tribunal) which were allowed by the Hon'ble Appellate Tribunal (ITAT). The Company filed by the Company before the Hon'ble High Court of Delhi, against the order of Hon'ble ITAT have since been admitted.

A demand of Rs. 2,79,12,346 (Rs. 2,79,12,346) [excluding interest and additional tax] has been raised by the Income tax Department for the years under these appeals. The Company has not made any provision in the books of account as the Company has been advised that no liability is likely to crystalize on this account.

xxxiii) The Company has not charged and consequently, not deposited service tax amounting to Rs. 5,97,87,015 (Rs. 1,82,73,032) on revenue from leasing of immovable property, relying on Order dated April 18, 2009 of the Hon'ble High Court of Delhi, Delhi, wherein it was held that renting of immovable property by itself cannot be regarded as a service and therefore, no service tax was leviable. The Hon'ble Court following its earlier Order directed in W.P. (C) 3398/2010, and held that no stage of Service tax arose on revenue from leasing of immovable properties. The Company has been legally advised that no liability is likely to arise on the above account, and has not been provided in the books of account.

The Company does not consider itself liable to pay service tax as the service tax to be deposited is contractually recoverable from Tenants. However, the Company remains contingently liable for an equivalent amount , being the amount of service tax liability which may fall due, in the event the same becomes payable due to any future order/amendments and in the event the respective lessees not fulfilling their undertakings to indemnify the Company for the crystallised liability.

xxxiv) Figures in brackets pertain to previous year, unless otherwise indicated.

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

xxxvi) Figures have been rounded off to the nearest Rupee.

xxxvii) **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 alongwith their relationships:

a) Name of related parties and description of relationship

Holding Company

Anant Raj Industries Ltd.

Subsidiaries

1	Advance Buildcon Pvt. Ltd.*	48	Jasmine Buildwell Pvt. Ltd.
2	Aakarshak Realators Pvt.Ltd.	49	Jubilant Software Services Pvt.Ltd.
3	Anant Raj Cons. & Development Pvt. Ltd.	50	Kalinga Buildtech Pvt. Ltd.
4	Anant Raj Housing Ltd.	51	Krishna Buildtech Pvt. Ltd.*
5	Anant Raj Hotels Ltd.	52	Kalinga Realtors Pvt. Ltd.
6	Anant Raj International FZE@	53	Lucky Meadows Pvt. Ltd.
7	A plus Estates Pvt. Ltd.*	54	Monarch Buildtech Pvt Ltd*
8	Anant Raj Projects Ltd.	55	North South Properties Pvt. Ltd.
9	Ankur Buildcon Pvt. Ltd.*	56	Noval Buildmart Pvt. Ltd.
10	BBB Realty Pvt. Ltd.	57	Noval Housing Pvt. Ltd.
11	Blossom Buildtech Pvt. Ltd.	58	One Star Realty Pvt. Ltd.
12	Bolt Properties Pvt. Ltd.	59	Oriental Meadows Ltd.
13	Capital Buildcon Pvt. Ltd.*	60	Oriental Promoters Pvt Ltd.*
14	CCC Realty Pvt. Ltd.	61	Parkland Construction and Equipments Pvt. Ltd.
15	Century Promoters Pvt. Ltd.	62	Parkland Developers Pvt. Ltd.
16	Capital Buildtech Pvt Ltd.*	63	Parkview Promoters Pvt. Ltd.
17	Carnation Buildtech Pvt Ltd.*	64	Pasupati Aluminium Ltd.
18	Echo Buildtech Pvt. Ltd.	65	Pelikan Estates Pvt. Ltd.
19	Echo Properties Pvt. Ltd.	66	Pioneer Promoters Pvt. Ltd.
20	Elegant Buildcon Pvt. Ltd.	67	Papillon Buildcon Pvt.Ltd.*
21	Elegant Estates Pvt. Ltd.	68	Pappilon Buildtech Pvt. Ltd.*
22	Elevator Builders Pvt. Ltd.@	69	Rapid Realtors Pvt. Ltd.
23	Elevator Buildtech Pvt. Ltd.	70	Rising Realty Pvt. Ltd.*
24	Elevator Promoters Pvt. Ltd.	71	Roseview Buildtech Pvt. Ltd.
25	Elevator Properties Pvt. Ltd.	72	Rolling Construction Pvt. Ltd.
26	Empire Promoters Pvt. Ltd.	73	Romano Estates Pvt. Ltd.
27	Fabulous Builders Pvt. Ltd.	74	Romano Infrastructure Pvt. Ltd.
28	Four Construction Pvt. Ltd.	75	Romano Tiles Pvt. Ltd.
29	Gadget Builders Pvt. Ltd.	76	Romano Projects Pvt. Ltd.
30	Goodluck Buildtech Pvt. Ltd.	77	Rose Realty Pvt. Ltd.
31	Grand Buildtech Pvt. Ltd.	78	Roseview Properties Pvt. Ltd.
32	Grand Park Buildtech Pvt. Ltd.	79	Sandstorm Buildtech Pvt. Ltd.
33	Grand Park Estates Pvt. Ltd.	80	Sovereign Buildwell Pvt. Ltd.
34	Greenline Buildcon Pvt. Ltd.	81	Springview Developers Pvt. Ltd.
35	Greatway Estates Ltd.	82	Springview Properties Pvt. Ltd.
36	Green Line Promoters Pvt. Ltd.	83	Saffronview Properties Pvt. Ltd.
37	Green Retreat and Motels Pvt. Ltd.	84	Suburban Farms Pvt. Ltd.
38	Greenview Buildwell Pvt. Ltd.	85	Three Star Realty Pvt. Ltd.
39	Greenway Promoters Pvt. Ltd.	86	Townsend Construction and Equipments Pvt. Ltd.
40	Greenwood Properties Pvt. Ltd.	87	Tumhare Liye Realty Pvt. Ltd.
41	Glaze Properties Pvt. Ltd.	88	Twenty First Developers Pvt.Ltd.
42	Gujarat Anant Raj Vidhyanagar Ltd.	89	Vibrant Buildmart Pvt. Ltd.
43	Gagan Buildtech Pvt Ltd.*	90	White Diamond Construction and Equipments Pvt. Ltd.
44	Greatway Buildtech Pvt Ltd.*	91	Woodland Promoters Pvt. Ltd.
45	Hamara Realty Pvt. Ltd.	92	West Land Buildcon Pvt Ltd.*
46	Hemkunt Promoters Pvt. Ltd.	93	Excellent Inframart Pvt.Ltd. *
47	Highland Meadows Pvt. Ltd.	94	Sartaj Developers and Promoters Pvt.Ltd. *

* The Company holds through its subsidiaries more than one-half in nominal value of their equity share capital.

@ Ceased to be subsidiary during the year.

Joint Venture			
	Lalea Trading Ltd.		
Partnership firm in which Company is partner			
	Ganga Bishan & Company		
Key management personnel			
	Ashok Sarin	Chairman	
	Anil Sarin	Managing Director	
	Ambarish Chatterjee	Director	
	Maneesh Gupta	Director	
	Amit Sarin	Director & Chief Executive Officer	
	Aman Sarin	Executive director (Operations)	
	Ashim Sarin	Executive director (Construction)	
	Amar Sarin	Executive director (Business Development)	
	Brajindar Mohan Singh	Director	
Enterprise over which key management personnel exercises control			
1	AAA Realty Pvt. Ltd.	24	Mayur Buildcon Pvt. Ltd.
2	Aakash Ganga Realty Pvt. Ltd.	25	Monarch Estates Pvt. Ltd.
3	Anant Raj Agencies Pvt. Ltd.	26	Olympia Buildtech Pvt. Ltd.
4	Anant Raj Estates Pvt. Ltd.	27	Olympia Builders Pvt. Ltd.
5	Anant Raj Infrastructure Pvt. Ltd.	28	Rapid Estates Pvt. Ltd
6	Anant Raj Meadows Pvt. Ltd.	29	Red Sea Realty Pvt. Ltd.
7	Anant Raj Farms Pvt. Ltd.	30	Rockfield Developers Pvt. Ltd.
8	Anant Raj Property Management Pvt. Ltd.	31	Roseland Buildtech Pvt. Ltd.
9	Associated Buildtech Pvt. Ltd.	32	Roseview Promoters Pvt. Ltd.
10	Anant Raj Power Limited	33	SS Aamouage Trading Pvt. Ltd.
11	Blue Diamond Estates Pvt. Ltd.	34	Skipper Travels International Pvt. Ltd.
12	Carnation Promoters Pvt. Ltd.	35	Two Star Realty Pvt. Ltd.
13	Consortium Holding Pvt. Ltd.	36	Townsend Promoters Pvt. Ltd.
14	Delhi Motels Pvt. Ltd.	37	Townsend Properties Pvt. Ltd.
15	EEE Realty Pvt. Ltd.	38	Tricolor Hotels Ltd.
16	Elevators Realtors Pvt. Ltd.	39	Del 15 Hospitality Pvt.Ltd.
17	Four Star Realty Pvt. Ltd.	40	Moments Retail Services Pvt.Ltd.
18	Green Valley Builders Private Limited	41	Equinox Properties Pvt.Ltd.
19	GGG Realty Pvt. Ltd.		
20	Goodwill Estates Pvt. Ltd.		
21	Goodwill Meadows Ltd.		
22	HBP Estates Pvt. Ltd.		
23	Hemkunt Buildtech Pvt. Ltd.		

Note: The above parties have been identified by the management.

b) Transactions with related parties during the year

	Related party	For the year ended March 31, 2011 Rs.	For the year ended March 31, 2010 Rs.
Services as Managing Director	Anil Sarin	12,768,000	12,768,000
Services as Executive Director & CEO	Amit Sarin	2,280,000	54,720
Services as Executive Director	Aman Sarin	218,880	218,880
Services as Executive Director	Ashim Sarin	218,880	218,880
Services as Executive Director	Amar Sarin	218,880	218,880
Sitting fees paid	Ambarish Chatterjee	42,500	25,000
Sitting fees paid	Maneesh Gupta	40,000	27,500
Sitting fees paid	Brajindar Mohan Singh	42,500	22,500
Interest receipts from associate companies	Rapid Estates Pvt. Ltd.	-	13,170,395
Sale of investment in subsidiary	Amit Sarin	-	8,750,000
Sale of investment in subsidiary	Aman Sarin	-	8,750,000
Sale of investment in subsidiary	Anant Raj Estates Pvt. Ltd.	-	500,000
Sale of ceramic tiles	Anant Raj Agencies Pvt. Ltd.	55,947	-
Sale of ceramic tiles	Tricolor Hotel Ltd.	54,808	-
Investment in associates companies		-	120,549,000
Share application money received back from associate companies		2,115,000	600,420
Share application money paid to associate companies		26,500,000	116,649,420
Loan given to associate companies		-	424,011,366
Loan received back from associate companies		-	424,011,366
Expenses incurred on behalf of Associate Companies		13,809,168	38,520,357
Cumulative convertible preference shares converted in to equity shares	Lalea Trading Ltd.	647,390	-
Equity shares bought back	Lalea Trading Ltd.	232,748,358	-
Interest on fully convertible debentures			
- Paid during the year	Lalea Trading Ltd.	119,943,224	-
- Provided during the year	Lalea Trading Ltd.	24,041,481	-
Corporate guarantee given on behalf of subsidiary companies		100,033,562	58,093,593
Personal guarantees given by Directors & relatives in respect of:			
- Term loans	Ashok Sarin, Anil Sarin, Amit Sarin and Aman Sarin	7,405,253,636	939,830,266
- Working capital facilities		25,014,645	45,435
- Non convertible debentures		1,750,000,000	-

C. Amount outstanding as at March 31, 2011:

Account head	Related party	As at March 31, 2011 Rs.	As at March 31, 2010 Rs.
Unsecured loans	Lalea Trading Ltd.	375,945,900	375,945,900
Investments		1,479,867,250	1,479,867,250
Share application money			
Associate companies		27,337,200	2,952,200
Sundry debtors			
Associate companies		-	-
Other liabilities	Lalea Trading Ltd.	256,789,839	-

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2011

	Particulars	For the year ended March 31, 2011 Rs.	For the year ended March 31, 2010 Rs.
A.	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Net profit before tax and extraordinary items	2,299,406,628	2,963,820,710
	Adjustment for:		
	Depreciation	128,939,017	116,397,822
	Depreciation written back	-	3,205,477
	Goodwil written off	-	
	Adjustment of brought forward loss on acquisition/disposal of subsidiaries	(20,435,185)	(24,002,497)
	Share of loss transferred to minority	2,402,573	(619,048)
	Miscellaneous expenditure	7,599,623	18,039,431
	Interest paid	207,365,035	48,534,801
	Interest received	(278,147,988)	(459,583,301)
	Operating profit before working capital changes	2,347,129,703	2,665,793,395
	Adjustment for:		
	Sundry creditors and other payables	(308,701,442)	630,461,968
	Trade and other receivables	(3,888,194,515)	1,370,089,116
	Inventories	(6,999,122,042)	8,314,662
	Cash generated from operations	(8,848,888,296)	4,674,659,141
	Provision for fringe benefit tax	-	-
	Provision for income tax and wealth tax	(619,012,626)	(597,454,246)
	Cash flow before extraordinary items	(9,467,900,922)	4,077,204,895
	Prior year adjustments	376,769	(3,990,847)
	NET CASH FROM OPERATING ACTIVITIES	**(9,467,524,152)**	**4,073,214,048**
B.	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Additions to fixed assets	(663,671,627)	(6,120,740,095)
	Minority interest	(60,693,809)	169,418,800
	Additions to capital work-in-progress	(1,571,457,060)	165,190,458
	Sale of fixed assets		104,381,685
	Interest received	278,147,988	459,583,301
	Investments	369,953,942	139,809,283
	NET CASH USED IN INVESTING ACTIVITIES	**(1,647,720,566)**	**(5,082,356,568)**
C.	**CASH FLOW FROM FINANCE ACTIVITIES**		
	Proceeds from issuance of equity share capital	-	907,000
	Share premium received	19,545,283	175,699,397
	Subscription money received against warrants	(435,000,000)	435,000,000
	Share application money	(160,000,000)	(17,628,000)
	Increase in capital reserve	412,494,920	16,508,807
	Proposed dividend and tax thereon	(205,781,003)	(206,464,887)
	Increase in secured loans	8,281,859,864	(218,188,521)
	Increase in unsecured loans	-	(494,077,560)
	Interest paid	(207,365,035)	(48,534,801)
		7,705,754,030	(356,778,567)
D.	**NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)**	**(3,409,490,691)**	**(1,365,921,087)**
	Cash and cash equivalents opening balance	4,891,202,944	6,257,124,031
	Cash and cash equivalents closing balance	1,481,712,254	4,891,202,944

Note: Figures in brackets indicate cash outflow.

Certified that the above statement is in accordance with the requirements prescribed by SEBI.

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

Kamal Ahluwalia
Partner
Membership no. 093812

New Delhi.
May 28, 2011

Ashok Sarin
Chairman

Anil Sarin
Managing Director

Amit Sarin
CEO & Director

Brajindar M. Singh
Director

Ambarish Chatterjee
Director

Maneesh Gupta
Director

Yogesh Sharma
President-Finance

Manoj Pahwa
Company Secretary

Omi Chand Rajput
G.M.Finance

ANANT RAJ INDUSTRIES LIMITED

Registered Office: 85.2 K.M. Stone, Delhi-Jaipur Highway, Village Bhudla, P.O. Sangwari, District Rewari (Haryana)

ATTENDANCE SLIP

Shareholders attending the meeting in person or by proxy are requested to complete the attendance slip and hand it over at the entrance of the meeting hall.

I hereby record my presence at the Twenty Sixth Annual General Meeting of the Company at Registered Office : 85.2 Km. Stone, Delhi-Jaipur Highway, Village Bhudla, P.O. Sangwari Distt. Rewari, (Haryana) on Thursday, the 25th August. 2011 at 9.30 A.M.

Full Name of the Shareholder______________________________

(IN BLOCK LETTERS)

Folio No.____________________ Client ID No.____________________

DP ID No______________________

Full Name of Proxy______________________________

(IN BLOCK LETTERS)

(Signature of the Member/Proxy)

..............................Tear Here..............................

ANANT RAJ INDUSTRIES LIMITED

Registered Office: 85.2 K.M. Stone, Delhi-Jaipur Highway, Village Bhudla, P.O. Sangwari, District Rewari (Haryana)

FORM OF PROXY

I/We________________of__________In the district of ________________

being a member/ members of the Anant Raj Industries Ltd., hereby appoint Mr./Miss./Mrs______________or

failing him ________________of__________in the district of____________ as

my/or proxy to vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held on Thursday, the 25th August. 2011 at 9.30 A.M. or at any adjournment thereof.

Folio / DP - Client ID No. ____________

Signed this________day of______2011.

Affix Revenue Stamp of ₹ 1/-

Note: The Proxy form completed must be returned so as to reach the Registered office of the Company not less that 48 hours before the time for holding the aforesaid meeting. The proxy need not be a member of the Company.

A PRISM solution (www.prism.net.in)

Anant Raj

Built to Last

Anant Raj Industries Limited
ARA Centre, E-2, Jhandewalan Extension, New Delhi - 110055.
Tel : 0091 - 011 - 41540070 / 23541940 / 41540582
Fax : 0091 - 011 - 23633326
Email : manojpahwa@anantraj.com