our way

Anant Raj Industries Limited

Annual Report 2009-10

Anant Raj Industries Limited
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A Prism Solution (www.prism.net.in)/Sheena.

Disclaimer

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make, contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance.

We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

OUR WAY is really quite simple, but hard to achieve.

OUR WAY is to focus on the local area and resist the temptation of growing Pan-India.

OUR WAY is to acquire land at the right price, not any price.

OUR WAY is to concentrate on prime real estate, not far away.

OUR WAY is to build a strong balance sheet through income, not leverage.

OUR WAY enables us to deliver consistent returns to our shareholders and gives us extraordinary resilience.

And the result of OUR WAY..

When the industry is most leveraged, we have no leverage and cash of Rs. 490 crores.

When the industry is thinking of execution, we are ready to sell and lease.

When the industry is thinking of selling land, we are buying.

When most of the industry came out the other side of this cycle, Anant Raj is ready for a strong growth forward.

Focus ~~India~~ NCR. ~~Extend~~ Narrow Reach

Ours is a local business. One needs to know the landscape. The region. And we have always played by this rule. We have resisted the temptation of going Pan-India. Entering into regions we don't know. We have utilised our energies by focusing on the geography we know the best - the Delhi-NCR area.

Today we have 1,000 acres of prime land in the Delhi-NCR area out of which 500 acres is in Delhi and balance 90% of our land bank is within 30 kms of New Delhi. Total developable area is 70 mn. sq.ft.

Our in-depth regional knowledge of the area allows us to act more expeditiously than many others in making investments.

This is our market. We stay on top of it. We know the landscape. We see the opportunities.

And, going forward, we are poised to capitalise on new investment opportunities as they arise.

HOTEL/RESORTS/ENTERTAINMENT	RESIDENTIAL	COMMERCIAL/RETAIL	IT/SEZ/LOGISTIC PARK
09.50 mn. sq.ft.	22.44 mn. sq.ft.	01.22 mn. sq.ft.	36.86 mn. sq.ft.

~~Larger~~ Stronger Balance Sheet. ~~Bigger~~ Better Growth.

Growth is good. But growth at any cost, not so good.

In our business, growth was interpreted by largeness. The larger the land bank, the bigger the growth prospects. At any cost.

That's not our way. We like growth that is value accretive with less risk. Every player came out of the cycle with high leverage, no cash and was in the market to sell land to generate cash for execution. We had no leverage, Rs. 490 crores of cash and in fact, we bought 3 mn. sq.ft. of land in prime NCR region at our price.

This is the result.

Rs. in crores

Particulars	2009-10	2008-09	2007-08
Total Income	339.71	321.86	633.43
Profit Before Depreciation, Interest and Tax (PBDIT)	311.95	290.75	591.57
Depreciation	10.68	8.63	8.20
Financial Expenses	4.89	0.47	3.33
Profit After Tax (PAT)	238.25	207.07	436.35
Equity Dividend (%)	30%	30%	75%
Dividend Payout	17.71	17.71	68.76
Equity Share Capital	59.02	58.93	58.93
Reserves and Surplus	3,476.54	3,243.14	2,816.97
Net Worth	3,586.88	3,310.54	2,871.61
Net Block	1,951.30	1,361.31	1,235.23
Capital Work-In-Progress including Capital Advances	745.68	721.10	422.83
Total Assets	3,820.57	3,601.32	2,936.35
Total Debt	138.96	210.19	58.02
No. of Shares	295,096,335	294,642,835	294,642,835
Earnings Per Share (In Rs.)			
Basic EPS	8.07	7.03	16.15
Diluted EPS	7.89	7.03	16.15

Land at ~~any~~ our price.

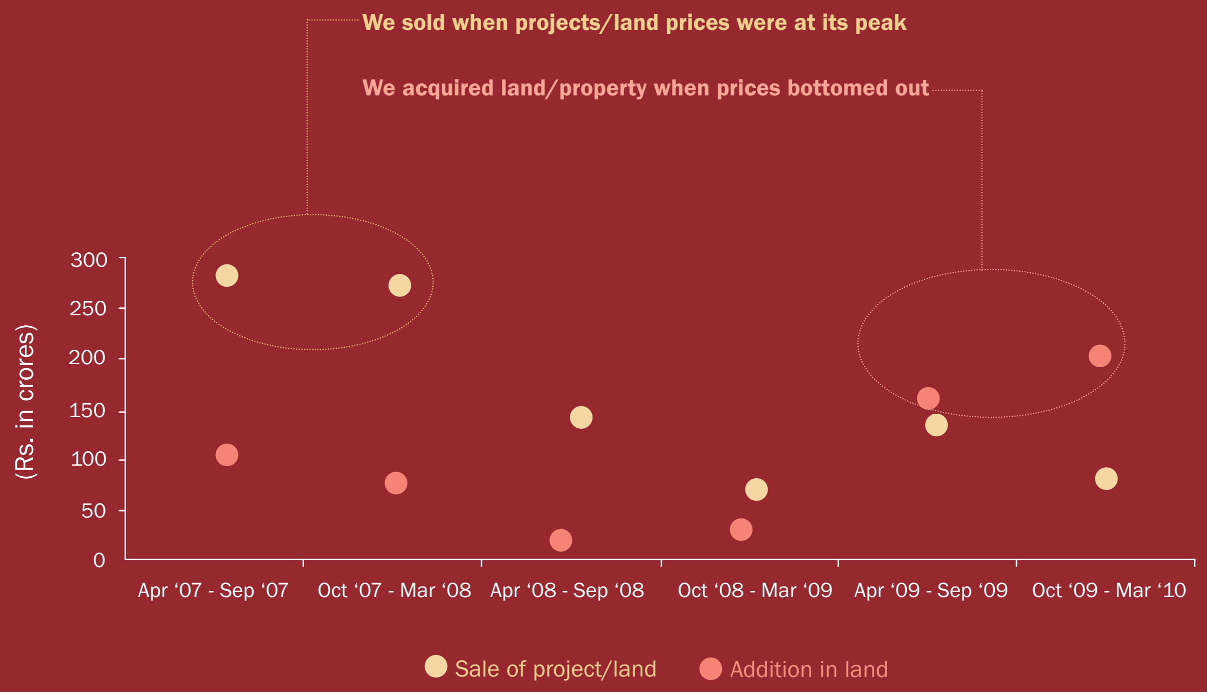
During the peak of our markets, land was being quoted at prices irrespective of the location. Because the scenario was to just accumulate land parcels, irrespective of the price and location.

Our Way - We didn't cross the line. We disciplined. We bought land only at our price, not any price. The price it should be. In fact, during the peak times of 2007-08, we sold. We raised capital. And deployed it to construct.

And in 2009-10, as the markets reversed to the mean, and swung the other way, we got aggressive. Bought more land. And interestingly, there was no one to compete.

We bought 3 mn. sq.ft. of land at Rs. 284 per sq.ft. in the heart of NCR. And we bought it at our price. That's very important. Construction cost being same, the price and the location of the land determines your margins, and your ability to sell.

The result - We have the highest gross margins in our business.


We sold when projects/land prices were at its peak
We acquired land/property when prices bottomed out
(Rs. in crores)
300
250
200
150
100
50
0
Apr '07 - Sep '07
Oct '07 - Mar '08
Apr '08 - Sep '08
Oct '08 - Mar '09
Apr '09 - Sep '09
Oct '09 - Mar '10
Sale of project/land
Addition in land

today

Execute To~~morrow~~.

As the cycle turned around, the market demonstrated signs of increase in demand. People were ready to buy if the projects were physically ready. But there was no liquidity in the system. No cash for completing the projects. They were all over leveraged.

The result of our way of doing things - We completed 2.77 mn. sq.ft. We launched five projects during the year. And plan another 5.76 mn. sq.ft. to be executed in the next 3 years.

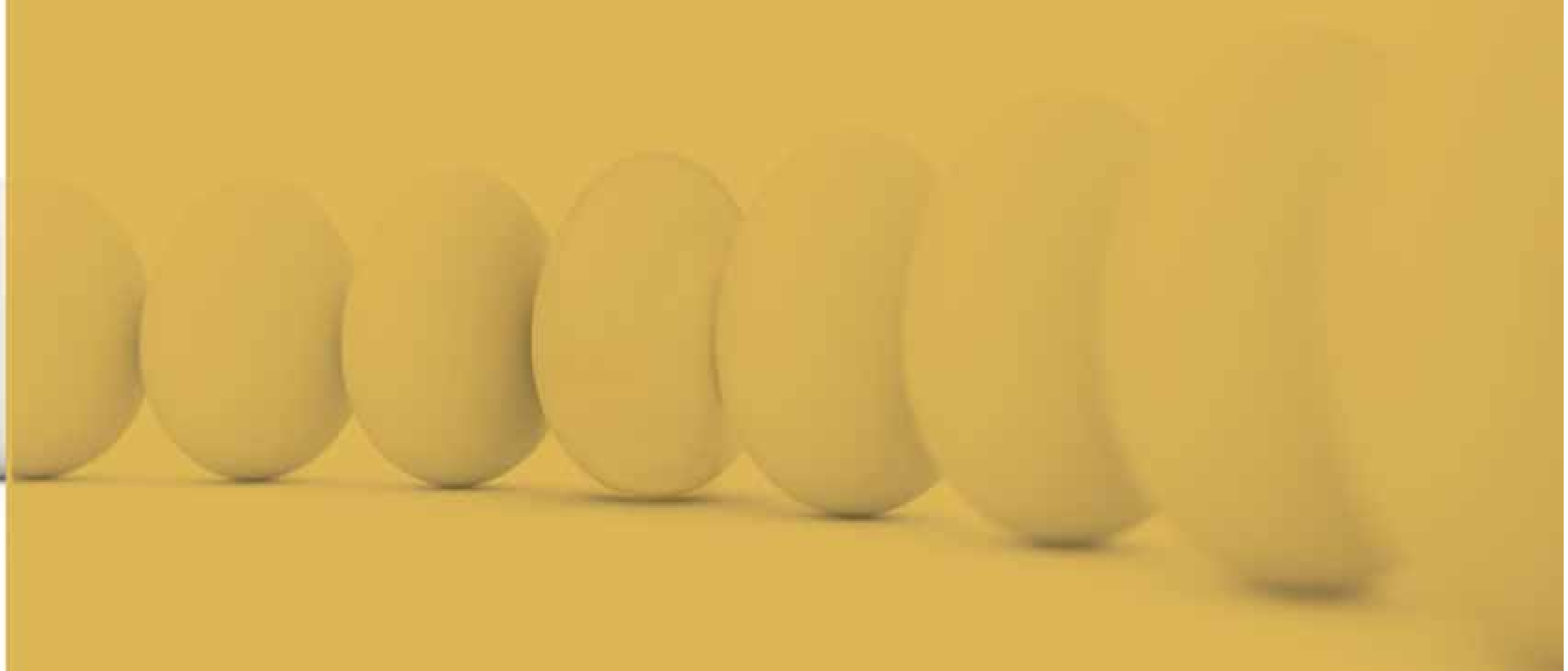
Execution builds our business. Empowers us with more cash to buy more land at right price and execute more.

Projects completed during the year

Name of project	Location	Constructed Area
IT Park, Manesar	Manesar, Gurgaon	1.80 mn. sq.ft.
Shopping Mall, Kirti Nagar	Kirti Nagar, Delhi	0.75 mn. sq.ft.
Hotel Grand	Near Airport, NH-8, Delhi	0.06 mn. sq.ft
Hotel Papillion	Near Airport, NH-8, Delhi	0.04 mn. sq.ft.
Commercial Complex	Greater Noida, U.P.	0.12 mn. sq.ft.
Total		**2.77 mn. sq.ft.**

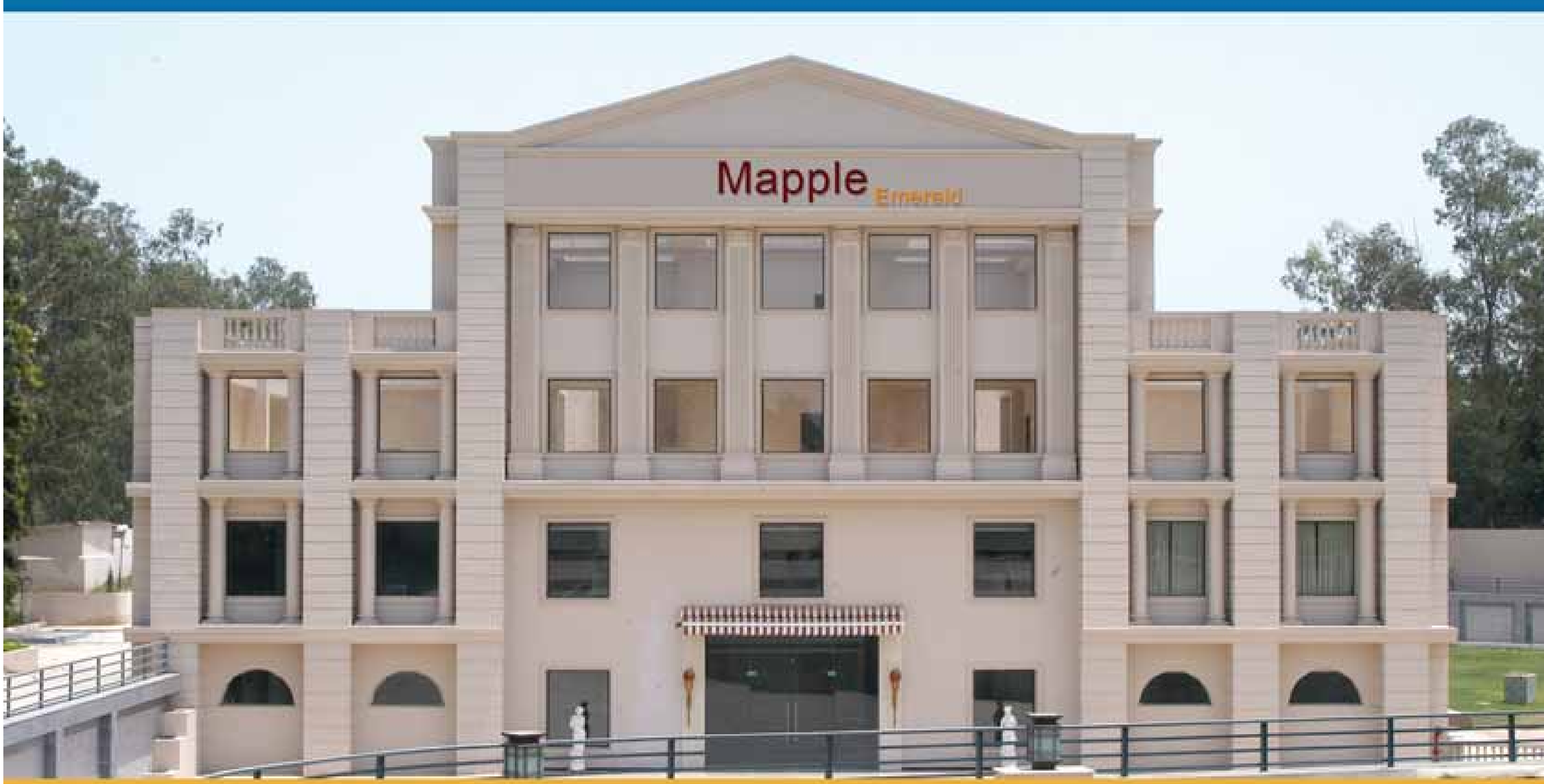
Pipeline projects

Name of project	Location	Constructed Area	Expected Completion Date
IT - SEZ, Rai	Rai, Sonepat, Haryana	2.10 mn. sq.ft. (Phase I)	June 2011
IT Park Panchkula	Industrial Area of Panchkula, Haryana	0.54 mn. sq.ft. (Phase I)	March 2012
Housing Project, Kapashera	Kapashera, Near Airport	0.29 mn. sq.ft.	March 2012
Housing Project, Rai, Sonepat	Rai, Sonepat	1.00 mn. sq.ft.	March 2013
Housing Project, Hauz Khas	Hauz Khas, Delhi	0.26 mn. sq.ft.	Sept 2011
Housing Project, Manesar	Manesar, Gurgaon	1.14 mn. sq.ft.	Sept 2012
Housing Project, Bhagwandas Road	Bhagwandas Road, Near India Gate, Delhi	0.26 mn. sq.ft.	March 2012
Hotel Tricolor	Near Airport, NH-8, Delhi	0.10 mn. sq.ft. (Phase I)	Sept 2010
Hotel Shimla	Shimla	0.07 mn. sq.ft.	March 2012
Total		**5.76 mn. sq.ft.**	



COMPLETED PROJECTS

IT Park, Manesar | Completed in April 2009 | Located 11 kms away from Gurgaon an IT/ITES and BPO companies hub | Land area - 10 acres | Total Constructed area - 1.80 mn. sq.ft.



Hotel Grand | Completed in December 2009 | Located near the Delhi airport, on main NH-8, the Delhi Jaipur expressway | Land area - 4.73 acres | Total Constructed area - 0.06 mn. sq.ft.

Hotel Papillion | Completed in December 2009 | Located near the Delhi airport, on main NH-8, the Delhi Jaipur expressway | Land area - 2.88 acres | Total Constructed area - 0.04 mn. sq.ft.

Shopping Mall, Kirti Nagar | Completed in May 2010 | Situated in centrally located area in Delhi which is well connected with other parts of the city by metro | Land area - 6.126 acres | Total Constructed area - 0.75 mn. sq.ft.

PIPELINE PROJECTS

IT - SEZ, Rai

Phase I of this project to be completed in June 2011 | Situated on the National Highway & is 5 kms from Delhi | Land area - 25 acres | Total Developable area - 5.10 mn. sq.ft. | Phase I - 2.10 mn. sq.ft.

IT Park, Panchkula

Completion date - March 2012 | Located 10 kms from Baddi, the largest industrial area developed by the Himachal Pradesh Government | Land area - 10 acres

Total Developable area - 1.80 mn. sq.ft. | Phase I - 0.54 mn. sq.ft.

Housing Project, Kapashera

Completion date - March 2012 | Situated at Kapashera near the airport.
Land area - 2.95 acres | Constructed area - 0.29 mn. sq.ft.

Housing Project, Bhagwandas Road

Completion date - March 2012 | Centrally located in the heart of the city
Land area - 3 acres | Constructed area - 0.26 mn. sq.ft.

View from the Top

"Our conviction paid off. We have come out of the cycle stronger and better. We are at a strong inflection. Expect high growth ahead."

Dear Shareholders,

2009-10 has been a watershed year at Anant Raj.

Let me explain.

In many ways, Anant Raj's story is that of being a contrarian. And yet not. Because we believe what we did should be the norm.

Every player in the industry was busy buying land all over India to build a Pan-Indian presence. It became the norm. We were questioned. We were orthodox, but not conservative. Because we believed in our belief that real estate is a local business. In our business, other things like construction cost and market conditions are alike for all. The ability to create value comes from the quality and the price of the land bank.

And this is where our thinking is different.

We believe the quality of the land bank comes from the understanding of the development within the city. We focused on the Delhi-NCR region alone. There was no distraction. And hence we built up our land that is prime and futuristic keeping the development of NCR in mind. We believe in paying the right price for land, a price that will help us create value. And both are an equally important principle at Anant Raj, which doesn't change with market cycles.

We have always focused on a strong balance sheet. Not stretched. As the market entered the downtrend, we sat on cash of Rs. 490 crores with minimal debt. In 2009-10, we bought about 3 mn. sq.ft. of prime land at Rs. 284 per sq.ft. in Delhi, Manesar and Sonepat. We deployed cash. We held on to our assets because we were not in a hurry to sell. We built a balanced portfolio of leased and 'for sale' assets. In 2010-11, we expect our rental income to double from the current Rs. 48.95 crores as the Kirti Nagar Mall and hotels go live. This is assured cash every year. And this only goes up.

We are going to complete 3.60 mn. sq.ft. of Commercial/IT (lease generating) incremental real estate in the next 24 months which includes 0.75 mn. sq.ft. of Shopping mall at Kirti Nagar which is to be delivered in the next 6 months.

From April 2010 to 2013, we expect to sell 3 mn. sq.ft. of residential projects that should generate an additional cash flow of Rs. 2,000 crores for the Company.

With the land prices being corrected and a strong balance sheet, we are also evaluating some great parcels of land in the established areas of Delhi-NCR. And we will share the developments with you as the year goes by.

As I look ahead, I feel very confident. We are all set. We have a very strong balance sheet which will keep getting stronger. We have no pressure to sell. And we have no debt to pay off.

We do not have any distraction as we focus on NCR for quality land at attractive prices. We are one of the largest land bank owners in NCR. We are executing ahead. And in NCR we will dominate and lead from the front.

Before I conclude, I want to thank every stakeholder for their patience and belief in us. It was tough to see every company buying land across and not us. It was tough to see balance sheets becoming larger for others and not ours. And yet you believed in us.

2009-10 proved that our belief and conviction in our business principles were right. Business, we believe, is about conviction. Our conviction paid off. We have come out of the cycle stronger and better. We are at a strong inflection. Expect high growth ahead.

Thank you for your belief in us.

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

SENIOR VICE PRESIDENT (Finance)

Sh. Yogesh Sharma

SENIOR VICE PRESIDENT (Projects)

Sh. Rajeev Trehan

SENIOR VICE PRESIDENT (Residential Projects)

Col. Arun Kotwal

VICE PRESIDENT (Land)

Sh. Anil Mahindra

VICE PRESIDENT (Admin. & Marketing)

Sh. Navneet Singh

GM (ACCOUNTS)

Sh. S. P. Sethi

GM (ACCOUNTS & FINANCE)

Sh. Omi Chand

COMPANY SECRETARY

Sh. Manoj Pahwa

AUDITORS

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

BANKERS

State Bank of India
Oriental Bank of Commerce
Central Bank of India
Axis Bank Limited

HEAD OFFICE

Connaught Circus, H-65,
New Delhi 110001.

CORPORATE OFFICE

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

REGISTERED OFFICE AND WORKS

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

Notice

Notice is hereby given that the Twenty Fifth Annual General Meeting of the Company will be held on Thursday, 22nd July 2010 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, 2010 and the Profit and Loss Account of the Company for the year ended on that date and reports of the Board of Directors and Auditors thereon.

2. To appoint a Director in place of Shri Ambarish Chatterjee, who retires by rotation and being eligible, offers himself for re-appointment.

3. To appoint a Director in place of Shri Maneesh Gupta, who retires by rotation and being eligible, offers himself for re-appointment.

4. To declare a dividend on Equity Shares for the year 2009-10

5. To appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting and to fix their remuneration, and in this regard to consider and, if thought fit, to pass with or without modification(s) the following resolution as an ordinary resolution :

   "Resolved that the retiring auditors M/s B. Bhushan & Co, Chartered Accountants be and are hereby re-appointed as 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 on such remuneration as may be fixed in this behalf by the Board of Directors of the Company."

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 Section 198, 269, 309 and schedule XIII and all other applicable rules and provisions, if any, of the Companies Act, 1956 and subject to the approval of Central Government and all applicable approvals and consents, as required, if any, approval of the Shareholders of the Company be and is hereby accorded to the Board of Directors of the Company for payment of remuneration to Shri Amit Sarin, Director & CEO of the Company, upto Rs. 4,00,000/- per month w.e.f. 01.08.2010.

   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."

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 Section 314 and other applicable guidelines and all other applicable rules/ guidelines and provisions, if any, of the Companies Act, 1956 and subject to the approval of Central Government and all applicable approvals and consents, as required, if any, approval of the Shareholders 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, upto Rs. 2,00,000/- per month with effect from October 01, 2010, or from the date of approval accorded by the Central government, whichever is later.

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."

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 other applicable guidelines and all other applicable rules/ guidelines and provisions, if any, of the Companies Act, 1956 and subject to the approval of Central Government and all applicable approvals and consents, as required, if any, approval of the Shareholders 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, upto Rs. 2,00,000/- per month with effect from October 01, 2010, or from the date of approval accorded by the Central government, whichever is later.

   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 other applicable guidelines and all other applicable rules/ guidelines and provisions, if any, of the Companies Act, 1956 and subject to the approval of Central Government and all applicable approvals and consents, as required, if any, approval of the Shareholders 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, upto Rs. 1,50,000/- per month with effect from October 01, 2010, or from the date of approval accorded by the Central government, whichever is later.

   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** in accordance with Section 81(1A) and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or reenactment thereof for the time being in force), as also provisions of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the "SEBI Regulations"), the provisions of the Foreign Exchange Management Act, 1999, as amended, and rules and regulations made thereunder, including the Foreign Exchange Management (Transfer and Issue of Securities by a Person Resident outside India) Regulation, 2000, if applicable, any other applicable law or laws, rules and regulations (including any amendment thereto or re-enactment thereof for the time being in force) and enabling provisions in the Memorandum and Articles of Association of the Company and Listing Agreements, entered into by the Company with the Stock Exchanges where the shares of the Company are listed and subject to the approval of, if applicable including but not limited to, Government of India, Reserve Bank of India, Securities and Exchange Board of India and/or all other authorities, institutions or bodies, within or outside India,(hereinafter collectively referred to as appropriate authorities) and subject to such conditions as may be prescribed by any of them while granting such approval (hereinafter referred to as requisite approvals), the Company do create, offer, issue and allot in one or more tranch(es), in the course of domestic or international offerings or qualified institutional placements, with or without an over allotment/green shoe option, in one or more foreign markets or domestic markets, to domestic institutions, foreign institutions, non-resident Indians, Indian public companies, corporate bodies, mutual funds, banks, insurance companies, pension funds, individuals, qualified institutional buyers or other persons or entities, whether shareholders of the Company or not, through a public issue and/or on a private placement basis and/or qualified institutional placement within the meaning of Chapter VIII of the SEBI Regulations and/or preferential issue and/or any other kind of public issue and/or private placement, with or without an over allotment/green shoe option, equity shares, preference shares, secured or unsecured debentures, bonds, warrants or any other securities whether convertible into equity shares or not, including, but not limited to, Mandatorily Convertible Preference Shares ("MCPS") and / or Foreign Currency Convertible Bonds ("FCCBs") and / or Non Convertible Debentures ("NCDs") with or without attached share warrants and / or Partly Convertible Debentures ("PCDs") and / or Optionally Convertible Debentures ("OCDs") and / or Fully Convertible Debentures ("FCDs") and / or Bonds with share warrants attached which are convertible into or exchangeable with equity shares and / or Global Depository Receipts ("GDRs") and / or American Depository Receipts ("ADRs") or any other equity related instrument of the Company or a combination of the foregoing including but not limited to a combination of equity shares with Bonds and/or any other securities whether convertible into equity shares or not as may be permitted by law (hereinafter referred to as "securities"), whether secured or unsecured, to be listed on any stock exchange inside India or any foreign/international stock exchange outside India if required, through an offer document and/or prospectus and/or offer letter, and/or offering circular, and/or on public and/or private or preferential basis, whether rupee-denominated or denominated in foreign currency, provided that the aggregate of the sums so raised, including premium, if any, shall not exceed Rs. 2000 Crores (Rupees Two Thousand Crores).

"**RESOLVED FURTHER** that the securities to be created, offered, issued and allotted shall be subject to the provisions of the Memorandum and Articles of Association of the Company and the underlying equity shares shall rank pari passu in all respect with the existing equity shares of the Company."

"**RESOLVED FURTHER** that in addition to all applicable Indian laws, the securities issued in pursuance of this resolution shall also be governed by all applicable laws and regulations of any jurisdiction outside India where they are listed or that may in any other manner apply to such securities or provided in the terms of their issue."

"**RESOLVED FURTHER** that the Board or any committee thereof be and is hereby authorised on behalf of the Company to finalise the pricing, terms and conditions relating to the issue of the securities and any other matter in connection with, or incidental to, the issue of the securities as the Board or any committee thereof, in its absolute discretion, deems necessary or desirable, together with any amendments or modifications thereto."

"**RESOLVED FURTHER** that the pricing of the securities and the pricing of any equity shares issued upon conversion of the securities shall be made subject to and in compliance with all applicable laws and regulations."

"**RESOLVED FURTHER** that the Board or any committee thereof be and is hereby authorised to finalise and approve the preliminary as well as the final offer documents for the proposed issue of the securities and to authorise any director or directors of the Company or any other officer or officers of the Company to sign the above documents for and on behalf of the Company together with the authority to amend, vary or modify the same as such authorised persons may consider necessary, desirable or expedient and for the purpose aforesaid to give such declarations, affidavits, certificates, consents and/or authorities as may, in the opinion of such authorised person, be required from time to time."

"RESOLVED FURTHER that the Board or any committee thereof be and is hereby authorised to appoint, in its absolute discretion, managers (including lead managers), investment bankers, merchant bankers, underwriters, guarantors, financial and/or legal advisors, depositories, custodians, principal paying/transfer/ conversion agents, listing agents, registrars, trustees and all other agencies, whether in India or abroad, in connection with the proposed offering of the securities and to negotiate and finalise the terms and conditions (including the payment of fees, commission, out of pocket expenses and their charges subject to requisite approvals of Reserve Bank of India, if any) of the aforesaid appointments and also to, in its absolute discretion, renew or terminate the appointments so made."

"RESOLVED FURTHER that the Board or any committee thereof be and is hereby authorised to determine the form, terms and timing of the issue(s)/offering(s), including the investors to whom the securities are to be allotted, the proportion in which they are allotted, issue price, face value, number of equity shares or other securities upon conversion or redemption or cancellation of the securities, the price, premium or discount on issue/conversion of securities, rate of interest, period of conversion or variation of the price or period of conversion, listing on one or more Stock Exchanges in India and/or abroad and fixing of record date or book closure and related or incidental matters and finalise and approve the preliminary as well as the final offer documents for the proposed issue of the securities as may be required by the authorities in such issues in India and/or abroad and to authorise any director or directors of the Company or any other officer or officers of the Company to sign the above documents for and behalf of the Company together with the authority to amend, vary or modify the same as such authorised persons may consider necessary, desirable or expedient and for the purpose aforesaid to give such declarations, affidavits, certificates, consents or any other confirmation and/or authorities as may, in the opinion of such authorised person, be required from time to time."

"RESOLVED FURTHER that such of these securities as are not subscribed may be disposed off by the Board or any committee thereof in its absolute discretion in such manner, as the Board may deem fit and as permissible by law."

"RESOLVED FURTHER that in case of a qualified institutional placement pursuant to Chapter VIII of the SEBI Regulations, the allotment of specified securities within the meaning of Chapter VIII of the SEBI Regulations shall only be to qualified institutional buyers within the meaning of Chapter VIII of the SEBI Regulations, such securities shall be fully paid-up and the allotment of such securities shall be completed within 12 months from the date of the shareholders resolution approving the proposed issue or such other time as may be allowed by SEBI Regulations from time to time."

"RESOLVED FURTHER that in case of a qualified institutional placement of equity shares pursuant to Chapter VIII of the SEBI Regulations, the relevant date for the determination of the price of the equity shares, shall be the date of the meeting of the Board or any Committee thereof in which the decision to open the proposed issue is taken or such other time as may be allowed by SEBI Regulations from time to time and such price shall be subject to appropriate adjustments in accordance with the applicable SEBI Regulations."

"RESOLVED FURTHER that in the event securities convertible into equity shares are issued under Chapter VIII of the SEBI Regulations, the relevant date for the purpose of pricing of the equity shares to be issued on conversion, shall be the date of the meeting of the Board or any Committee thereof in which the decision to open the proposed issue is taken or the date on which the holder(s) of securities which are convertible into or exchangeable with equity shares at a later date become(s) entitled to apply for the said shares or such other time as may be allowed by SEBI Regulations from time to time and such price shall be subject to appropriate adjustments in accordance with the applicable SEBI Regulations."

"**RESOLVED FURTHER** that any director or directors of the Company or any other officer or officers of the Company as may be authorised by the Board or any committee thereof, be and is or are hereby authorised to sign, execute and issue consolidated receipt/s for the securities, listing application, various agreements (including but limited to subscription agreement, depository agreement, trustee agreement), undertaking, deeds, declarations and all other documents and to do all such things, deeds and acts and to comply with all the formalities as may, in the opinion of such authorised person, be required in connection with or incidental to the aforesaid offering of securities, including post issue formalities."

"**RESOLVED FURTHER** that the Board or any committee thereof be and is hereby authorised to open one or more bank accounts in the name of the Company in Indian currency or foreign currency(ies) with such bank or banks in India and/or such foreign countries as may be required in connection with the aforesaid issue, subject to requisite approvals from Reserve Bank of India and other overseas regulatory authorities, if any, and that director or directors of the Company or other officer or officers of the Company authorised by the Board or any committee thereof be and is or are hereby authorised to sign and execute the application form and other documents required for opening the account, to operate the said account, and to give such instructions including closure thereof as may be required and deemed appropriate by these signatories, and that the said bank/s be and is/are hereby authorised to honor all cheques and other negotiable instruments drawn, accepted or endorsed and instructions given by the aforesaid signatories on behalf of the Company."

"**RESOLVED FURTHER** that the Common Seal of the Company, if required to be affixed in India on any agreement, undertaking, deed or other document, the same be affixed in the presence of any one or more of the directors of the Company or any one or more of the officers of the Company as may be authorised by the Board or any committee thereof in accordance with the Articles of Association of the Company."

"**RESOLVED FURTHER** that subject to the applicable laws the Board or any committee thereof be and is hereby authorised to do such acts, deeds and things as the Board or any committee thereof in its absolute discretion deems necessary or desirable in connection with the issue of the securities, and to give effect to aforesaid resolution, including, without limitation, the following:

(a) finalisation of the allotment of the securities on the basis of the subscriptions received;

(b) finalisation of and arrangement for the submission of the preliminary and final offering circulars/prospectus(es)/ offer document(s), and any amendments and supplements thereto, with any applicable government and regulatory authorities, institutions or bodies, as may be required;

(c) approval of the preliminary and final offering circulars/ prospectus/offer document (including amending, varying or modifying the same, as may be considered desirable or expedient) as finalised in consultation with the Lead Managers/ Underwriters/ Advisors, in accordance with all applicable laws, rules, regulations and guidelines;

(d) approval of the Deposit Agreement(s), the Purchase/ Underwriting Agreement(s), the Trust Deed(s), the Indenture(s), the Master/Global GDRs/ADRs/FCCBs/ other securities, letters of allotment, listing application, engagement letter(s), memoranda of understanding and any other agreements or documents, as may be necessary in connection with the issue/offering (including amending, varying or modifying the same, as may be considered desirable or expedient), in accordance with all applicable laws, rules, regulations and guidelines;

(e) finalisation of the basis of allotment in the event of oversubscription;

(f) acceptance and appropriation of the proceeds of the issue of the securities;

(g) authorisation of the maintenance of a register of holders of the securities, if so required, in India or abroad;

(h) authorisation of any director or directors of the Company or other officer or officers of the Company, including by the grant of power of attorneys, to do such acts, deeds and things as the authorised person in its absolute discretion may deem necessary or desirable in connection with the issue and allotment of the securities;

(i) seeking, if required, the consent of the Company's lenders, parties with whom the Company has entered into various commercial and other agreements, all concerned government and regulatory authorities in India or outside India, and any other consents that may be required in connection with the issue and allotment of the securities;

(j) seeking the listing of the securities on any Indian or international stock exchange, submitting the listing application to such stock exchange and taking all actions that may be necessary in connection with obtaining such listing;

(k) giving or authorising the giving by concerned persons of such declarations, affidavits, certificates, consents and authorities as may be required from time to time;

(l) deciding the pricing and terms of the securities, and all other related matters, including taking any action on two-way fungibility for conversion of underlying equity shares into GDRs/ADRs, as per applicable laws, regulations or guidelines; and

(m) creation of mortgage and / or charge in accordance with Section 293 (1) (a) of the Companies Act, 1956 in respect of securities as may be required either on paripassu basis or otherwise."

"**RESOLVED FURTHER** that without prejudice to the generality of the foregoing, issue of the securities may be done upon all or any terms or combination of terms in accordance with international practices relating to the payment of interest, additional interest, premium on redemption, prepayment or any other debt service payments and all such terms as are provided customarily in an issue of securities of this nature."

"**RESOLVED FURTHER** that the Company may enter into any arrangement with any agency or body authorised by the Company for the issue of depository receipts representing the underlying equity shares issued by the Company in registered or bearer form with such features and attributes as are prevalent in international capital markets for instruments of this nature and to provide for the tradeability or free transferability thereof as per international practices and regulations (including listing on one or more stock exchange(s) inside or outside India) and under the forms and practices prevalent in the international markets."

"**RESOLVED FURTHER** that for the purpose of giving effect to the above resolutions, the Board or any committee thereof be and is hereby authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion deem necessary or desirable, including without limitation to settle any question, difficulty or doubt that may arise in regard to the offer, issue and allotment of the securities."

"**RESOLVED FURTHER** that the Board or any committee thereof be and is hereby authorised to accept any modifications in the proposal as may be required by the authorities involved in such issues but subject to such conditions as appropriate authorities, inside or outside India, may impose at the time of their approval and as agreed to by the Board or any committee thereof."

By order of the Board of Directors

New Delhi — Ashok Sarin

June 19, 2010 — Chairman

NOTES :

1. 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 Company Secretary and received at the registered office not less than forty eight hours before the scheduled start of the meeting.

2. The Register of Members and Share Transfer Books of the Company shall remain closed from 10.07.2010 to 22.07.2010 (both days inclusive).

3. The explanatory statement pursuant to Section 173(2) of Companies Act , 1956, in relation to item nos. 6 to 10, is annexed hereto.

4. The dividend, as recommended by the Board of Directors, if declared at this Annual General Meeting will be paid to those members whose name appear on the Register of Members after giving effect to all valid transfer deeds in physical form lodged with the Company on or before 10.07.2010 and in respect of shares held in dematerialized form to the beneficial owners whose names appear in the statements to be furnished by the Depositories for this purpose as at the end of the business hours on 10.07.2010. The dividend declared at the Annual General Meeting shall be paid on or after 27.07.2010.

5. 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.

6. Those members who have not encashed/received their Dividend Warrants for the financial years 2005-2006, 2006-07, 2007-08 & 2008-09 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. Members are requested to notify any changes in their registered address immediately to the Company.

9. 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.

10. 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.

11. 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.

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

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

Name of Director	Shri Ambarish Chatterjee	Sh. Maneesh Gupta
Date of Birth	May 03, 1963	April 20, 1969
Date of Appointment	07-06-2005	07-06-2005
Qualification	Fellow Member of Institute of Company Secretaries of India (FCS)	Fellow Member of Institute of Company Secretaries of India (FCS)
Experience in Specific Functional Area	Corporate & Related Laws	Corporate & Related Laws
Member of Audit Committee	Yes	Yes
Member of Investor Grievance Committee	Yes	Yes
Member of Remuneration Committee	Yes	Yes
Number of shares held in the Company	-Nil-	Nil
Relation with other Directors of the Company	Not related to any other Director of the Company	Not related to any other Director of the Company
Directorship in other Companies	1. Bholanath International Limited 2. Jai Mata Glass Limited 3. Integrated Capital Services Limited 4. Freshly Farmed and Frozen Foods Private Limited 5. Green Infra Profiles Private Limited 6. Indian Prochem Solutions Private Limited 7. K.W Publishers Private Limited 8. Palmtech India Limited 9. RAAS e Solutions Private Limited	1 Anant Raj Construction & Development Private Limited 2 Digital Hawk Security Private Limited. 3 MLK Financial Management Private Limited

Explanatory Statement Pursuant to Section 173(2) of the Companies Act, 1956

Explanatory statement pursuant to section 173(2) of the companies act, 1956.

ITEM NO. 06:

The Board of Directors at their meeting held on 10th July, 2009 had appointed Shri Amit Sarin, a relative of Shri Ashok Sarin (Chairman) and Shri Anil Sarin (Managing Director), to hold office of Director & CEO of the Company. The appointment was approved by members of the Company at the Annual General Meeting held on August 20, 2009. He has been in the whole time employment of the Company since July 10, 2009. It is proposed to pay a Gross monthly remuneration of upto Rs. 4,00,000 per month as per details given hereunder:-

Basic salary: Rs. 2,00,000/- per month

House rent allowance: Rs. 1,00,000 per month (50% of Basic)

Bonus and other benefits as per the Company's rules.

Shri. Amit Sarin, aged 38, holds a Bachelor's Degree in Commerce from Delhi University.He started his career with the Company in the year 1995 as Executive Director - Commercial. He has to his credit one and a half decade of experience in 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.

The terms of payment of remuneration have been approved by Remuneration Committee and the Board of Directors of the Company at their respective meetings held on May 28, 2010.

In the event of absence or inadequacy of profits in any financial year, the Director & CEO shall be paid remuneration, subject to limit prescribed in Part II of schedule XIII of Companies Act, 1956 (including any statutory modification or re-enactment thereof) as minimum remuneration.

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

Your Directors recommend the resolution for your approval.

ITEM NO. 07:

Shri Aman Sarin, aged 36, holds office of Executive Director-operations and manages the Tile division and also responsible for execution of development projects and other administrative function as may be assigned to him. He is related to Shri Ashok Sarin (Chairman) and Shri Anil Sarin (Managing Director) and Shri Amit Sarin (Director & CEO). The present gross salary of Shri. Aman Sarin is less than Rs. 20,000/- PM (Rs. Twenty Thousand only). It is proposed to pay a gross monthly remuneration upto Rs. 2,00,000/- per month with effect from October 01, 2010, or from the date of approval accorded by the Central Government, whichever is later, 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.

Shri Aman Sarin is a relative of directors of the Company, and hence prior approval of the Central Government pursuant to the provisions of section 314(1B) of the Companies Act, 1956, is required. Accordingly special resolution at item no. 07 is placed for approval of the members.

The terms of payment of remuneration have been approved by Remuneration Committee and the Board of Directors of the Company at their respective meetings held on May 28, 2010.

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

Your Directors recommend the resolution for your approval.

ITEM NO. 08:

Shri Ashim Sarin, aged 34, manages the construction & Development business, administration of IT parks, Hospitality & Development Projects. He is related to Shri

Ashok Sarin (Chairman) and Shri Anil Sarin (Managing Director) and Shri Amit Sarin (Director & CEO). The present gross salary of Shri. Ashim Sarin is less than Rs. 20,000/- PM (Rs. Twenty Thousand only). It is proposed to pay a gross monthly remuneration upto Rs. 2,00,000/- per month with effect from October 01, 2010, or from the date of approval accorded by the Central Government, whichever is later, 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.

Shri Ashim Sarin is a relative of directors of the Company, and hence prior approval of the Central Government pursuant to the provisions of section 314(1B) of the Companies Act, 1956, is required. Accordingly special resolution at item no. 08 is placed for approval of the members.

The terms of payment of remuneration have been approved by Remuneration Committee and the Board of Directors of the Company at their respective meetings held on May 28, 2010.

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

Your Directors recommend the resolution for your approval.

ITEM NO. 09:

Shri Amar Sarin, aged 27, manages the Business Development & Marketing of Projects. Shri Amar Sarin is a relative of Shri Ashok Sarin (Chairman), Shri Anil Sarin (Managing Director) and Shri Amit Sarin (Director & CEO). The present gross salary of Shri. Amar Sarin is less than Rs. 20,000/- PM (Rs. Twenty Thousand only). It is proposed to pay a gross monthly remuneration upto Rs. 1,50,000/- per month with effect from October 01, 2010, or from the date of approval accorded by the Central government, whichever is later, 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.

Shri Amar Sarin being a relative of director, approval of the Central Government pursuant to the provisions of section 314(1B) of the Companies Act, 1956, is required. Accordingly special resolution at item no. 09 is placed for approval of the members.

The terms of payment of remuneration have been approved by Remuneration Committee and the Board of Directors of the Company at their respective meetings held on May 28, 2010.

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

Your Directors recommend the resolution for your approval.

ITEM NO. 10:

As The Company has been expanding its operations and in order to meet the fund requirements for acquiring capital assets and equipment; augmenting working capital for facilitating expanded operations; making investments in new initiatives, collaborations and joint ventures and to further strengthen the financial position of the Company, it is proposed to access external sources of funds. Accordingly, it is proposed to issue either equity shares, preference shares, debentures, bonds, warrants or other securities, including, but not limited to, Mandatorily Convertible Preference Shares ("MCPS"), Global Depository Receipts ("GDRs") and / or American Depository Receipts ("ADRs") and/or Foreign Currency Convertible Bonds ("FCCBs"), Non Convertible Debentures ("NCDs") with or without attached share warrants and / or Partly Convertible Debentures ("PCDs") and / or Optionally Convertible Debentures ("OCDs") and / or Fully Convertible Debentures ("FCDs") and/or bonds with attached share warrants, that are partly or fully, mandatorily or optionally, convertible into equity shares of the Company including but not limited to a combination of the foregoing in one or more tranches to the eligible investors including but not limited to qualified institutional buyers under the provisions of Chapter VIII of SEBI (Issue of Capital and Disclosure Requirements), Regulations 2009 ("SEBI Regulations"), such that the aggregate of the sums so raised by issuing equity shares, debentures, bonds and other securities, including premium, if any, shall not exceed Rs. 2000 crores (Rupees two thousand crores).

To the extent that any part of the above mentioned capital raising plan includes issue of equity shares or Mandatorily

Convertible Preference Shares ("MCPS") or securities linked to or convertible into equity shares of the Company, members' approval is being sought. As per provisions of Section 81(1A) of the Companies Act, 1956, the Board of Directors of the Company can issue and allot shares to any person other than existing members, provided that the members approve the same by way of a special resolution. The Listing Agreements executed by the Company with Bombay Stock Exchange Limited and National Stock Exchange of India Limited also provide that the Company shall, in the first instance, offer all securities for subscription pro rata to the existing Shareholders unless the Shareholders in General Meeting decide otherwise. The equity shares, if any, allotted on issue, conversion of securities or exercise of warrants shall rank in all respects pari passu with the existing equity shares of the Company.

Further in case the Company decides to issue specified securities within the meaning of chapter VIII of the SEBI Regulations to qualified institutional investors, it will be subject to the provisions of chapter VIII of the SEBI Regulations as amended from time to time.

The aforesaid securities can be issued at a price after taking into consideration the pricing formula prescribed in chapter VIII of SEBI Regulations.

In case of a qualified institutional placement of equity shares pursuant to Chapter VIII of the SEBI Regulations, the relevant date for the determination of the price of the equity shares, shall be the date of the meeting of the Board or any Committee thereof in which the decision to open the proposed issue is taken or such other time as may be allowed by SEBI Regulations from time to time and such price shall be subject to appropriate adjustments in accordance with the applicable SEBI Regulations."

In the event that securities convertible into equity shares are issued under Chapter VIII of the SEBI Regulations, the relevant date for the purpose of pricing of the equity shares to be issued on conversion, shall be the date of the meeting of the Board or any Committee thereof in which the decision to open the proposed issue is taken or the date on which the holder(s) of securities which are convertible into or exchangeable with equity shares at a later date become(s) entitled to apply for the said shares or such other time as may be allowed by SEBI Regulations from time to time and such price shall be subject to appropriate adjustments in accordance with the applicable SEBI Regulations.

The aforesaid issue, if made to qualified institutional buyers pursuant to Chapter VIII of the SEBI Regulations shall be subject to such terms and conditions as may be finalised by the Board keeping in view the SEBI Regulations, some of which are:

a) The price for issue of securities determined as per SEBI formula shall be subject to appropriate adjustments in the following situations:
   - issue of shares by way of capitalization of profits or reserves (other than by way of a dividend on shares);
   - issue of shares on rights basis;
   - consolidation of outstanding shares in small number of shares;
   - division of outstanding shares (including by way of stock split);
   - re-classification of any shares into other securities of the Company;
   - any other similar events or circumstances which in the opinion of Stock Exchanges, require adjustments.

b) In case of issue of a security which is convertible into or exchangeable with equity shares at a later date, the same may be converted/exchanged with equity shares at any time after the date of allotment of the security as may be determined by the Board or any Committee and within the period prescribed under applicable laws.

c) Allotment of securities issued pursuant to Chapter VIII of SEBI Regulations shall be completed within twelve months from the date of passing of the resolution under section 81(1A) of the Companies Act, 1956.

The proposed offer is in the interest of the Company and the Board recommends the Special Resolution for approval.

None of the Directors is concerned or interested in the above resolution.

By order of the Board of Directors

New Delhi — Ashok Sarin

June 19, 2010 — Chairman

Director's Report

Dear members

The Directors take pleasure in presenting the Twenty Fifth Annual Report of the Company together with the audited accounts for the year ended March 31, 2010.

Financial Results

Particulars	Standalone Rs. in lacs	Consolidated Rs. in lacs
Sales and other income	33488.01	33971.48
Profit before depreciation	30450.98	30698.72
Depreciation	1064.80	1068.37
Profit after depreciation	29386.18	29630.35
Provision for taxation	5669.48	5805.44
Profit after tax	23716.70	23824.91
Appropriations:		
Proposed dividend	1770.58	1770.58
Dividend Tax	294.07	294.07
Transfer to General Reserves	2371.67	2371.67
Balance carried over to Reserves and Surplus Account	96383.81	80850.68
Earning per Share [equity share of Rs. 2]		
-Basic earning per share (in Rs.)	8.04	8.07
-Diluted earning per share (in Rs.)	7.85	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.

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 manifolds during the year under review.

Your Company during the year under review, has posted Consolidated Net Profit After tax of Rs. 23824.91 Lacs as compared to Rs. 20610.66 Lacs during the previous year.

Your Company during the year under review, has posted Standalone Net Profit After tax of Rs. 23716.70 Lacs as compared to Rs. 36583.81 Lacs during the previous year.

Tile Division

The tile division of your Company, during the year under review, incurred a loss of Rs. 529.35 lacs. The margins in the Ceramic Industry have continued to remain under pressure due to rise in input costs and lower price realization from the market. Your Company has initiated corrective measures like reduction and optimization of cost and increase in sale volume.

Construction - Commerical - Retail

As you are aware, Your Company through its Subsidiary, M/s Anant Raj Projects Limited, has undertaken to construct and develop a commercial mall at Kirti Nagar in West Delhi, in Joint Venture with M/s Lalea Trading Limited, a company incorporated under the law of Cyprus. The project is likely to be completed in the current year and is also expected to generate revenues. The Project is at a prime location only 5 k.m. from Connaught Place. Project is in front of Metro Station, Kirti Nagar.

Construction - IT Parks

IT Park Manesar

Your Company has completed Construction of IT Park at Manesar. The revenue stream from this project has commenced during the year under review.

IT SEZ Rai, Sonepat

The Ist phase of construction of IT Park at Rai, Sonepat, Haryana is in progress. The said IT Park has been notified as a Special Economic Zone and units to be based in the said IT Park shall be eligible for such exemptions as are allowed to units based in Special Economic Zones. The expected cost of 1st Phase would be about Rs. 350 Crores.

The Company's other investments in construction of IT related infrastructure include:

(i) Development of IT Park on 25 Acres of Land at Greater Noida, UP, through its subsidiary company.

(ii) Development of IT Park on 10 Acres of Land in Panchkula through its subsidiary a Joint Venture project with Monsoon Capital, a Mauritius based Company.

(iii) Development of IT Park on 10 Acres of Land in Jaipur in a Subsidiary Company.

Construction- Hospitality

Your Company's hospitality projects named "Anant Raj Exotica" and "Anant Raj Retreat" have already been completed and become operational. The revenues from the said projects has started from the year under review.

Your Company's hospitality project Hotel Grand & Hotel Papillon have also commenced operations.

Your Company is also going to develop an amusement & entertainment park at Dhamuspur, Gurgaon on 38 Acres of land.

Construction - Housing

Your Company, during the current year is planning to construct and develop:

(i) Housing projects at prime locations at Hauz Khas, Bhagwan Das Road, New Delhi.

(ii) Housing project on 2.95 Acres of land at Kapashera, Delhi.

(iii) Housing project on 12.45 Acres of land at Manesar, Haryana.

(iv) Housing Project on 10 Acres of land at Sonepat, Haryana.

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, 2010. The cash outflow on account of dividend will be Rs. 1770.58 lacs and Corporate dividend tax would be Rs. 294.07 lacs.

Issue of Securities

The Company, during the year under review, issued and allotted 2,00,00,000 (Two Crores) convertible warrants to a promoters Group Company (Anant Raj Meadows Private Limited) on preferential basis @ Rs. 87/- per Share(including premium of Rs. 85/- Per Share).

Share Capital

The paid-up share capital as on March 31, 2010 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.

Fixed Deposits

The Company has not invited or accepted any fixed deposits from the public in terms of provisions of Section 58-A 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 2010, 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.

Management Discussion & Analysis Report

Management Discussion & Analysis Report is given in Annexure-II 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-III, 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, 2010:

(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, New Delhi, has exempted your Company from enclosing the audited statement of accounts of its subsidiary companies for the financial year 2009-10 as required under the provisions of section 212 of the Companies Act, 1956.

In terms of the aforesaid approval, a statement setting out important financial figures of the subsidiary companies is attached to the Annual Report.

Directors

Pursuant to Section 256 of the Companies Act, 1956 read with the Clause 86 of Articles of Association of the Company, Shri Ambarish Chatterjee and Shri Maneesh Gupta retire by rotation at the ensuing Annual General Meeting and being eligible have offered themselves for reappointment.

Brief resume of the Directors seeking appointment/re-appointment 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 on 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 State Bank of India 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 to and confidence in the management of the Company.

By order of the Board of Directors

New Delhi — Ashok Sarin

June 19, 2010 — 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

Activities relating to exports:

Your Company is making efforts to establish a foothold for its tiles manufactured in the markets of the Middle East and South East Asia.

Your Company incurred an expenditure of Rs.73.61 lacs during the year which resulted in outflow of foreign exchange.

Particulars of Employees

Particulars of Employee (Pursuant to Section 217(2A) of the Companies Act, 1956) and forming part of the Directors' Report for the year ended March 31, 2010:

Name	Age (In years)	Designation / Nature of Duties	Date of joining	Qualification	Experience (In years)	Gross Remuneration (In Rs.)
Shri Anil Sarin	58	Managing Director	04.03.1992	B.A. (Hons)	34	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 9.62% of the paid-up share capital of the Company.

Management Discussion & Analysis

I. ECONOMY OVERVIEW

India has experienced rapid economic growth over the past five fiscal years. However, growth decelerated sharply in the third quarter of 2008-09 following the knock-off effects of the global financial crisis. Consequently, the growth rate in the last two quarters (July – December) of 2008-09 slowed down to 5.5% from 8.7% in the corresponding period in the previous year.

But since then the economy has started exhibiting clear momentum in recovery, and despite the impact of a deficient monsoon on agricultural production, GDP growth for 2009-10 has been estimated at 7.2%, up from 6.7% recorded in 2008-09 (RBI – Macroeconomic and Monetary Developments in 2009-10).

Domestic demand continued to improve as investment and consumption recovered. The ongoing infrastructure push was also instrumental in boosting domestic demand. Growth in corporates sales, after remaining significantly depressed for over four consecutive quarters, staged a strong recovery in third quarter of 2009-10, indicating improving private demand conditions.

Besides, the improving external demand environment, even though it remains below normal, also began to favorably affect industrial activity and exports. During 2009-10, foreign exchange reserves increased by USD 27.1 billion (RBI – Macroeconomic and Monetary Developments in 2009-10).

With market activity returning to the pre-global crisis level, volatility in the domestic financial markets was much lower during 2009-10 than in the year before, when the crisis erupted.

Asset prices increased at a relatively faster pace in the recent months, reflecting optimism about the economy's prospects as well as easy liquidity conditions.

II. INDUSTRY OVERVIEW

The real estate sector, which saw a steep decline in property prices, shrinking rentals, unavailability of funds and backlog of construction projects started showing signs of recovery in 2009-10.

Banks have started coming to the forefront and a significant amount has been refinanced by them over the past few months. Developers have also managed to raise funds through some asset sales. However, at the same time, developers had to cut prices by 20–30%, leading to a recovery in residential sales volumes in some parts of India.

According to a study by PricewaterhouseCoopers (PwC) and Urban Land Institute, a global non-profit education and research institute, India leads the pack of top real estate investment markets in Asia for 2010. The report, which provides an outlook on Asia-Pacific real estate investment and development trends, points out that India, particularly Mumbai and Delhi, are good destinations. Residential properties are viewed as more promising than other sectors and Mumbai, Delhi and Bangalore top the pack in the hotel 'buy' prospects as well.

Apart from the huge demand, India also scores on the construction front. A McKinsey report reveals that the average profit from construction in India is 18%, which is double the profitability for a construction project undertaken in the US.

Moreover, buoyed by positive market sentiment and demand revival, several real estate companies are looking to raise money through an Initial Public Offering (IPO).

Residential

Almost 80% of real estate developed in India is residential space. It is estimated that at the end of the 10th Five Year Plan (2007-08), the total housing shortage in the country was 24.71 mn. Further, an additional requirement of 1.82 mn. dwelling units has been projected for the 11th Plan, bringing the total housing requirement during the 11th Plan Period to 26.53 mn. dwelling units.

While 2009 did witness a fall in demand and prices, the scenario started improving in the latter half of the year. Most Tier-I cities witnessed strong growth momentum. Demand picked up as economy strengthened, interest rates softened and developers reduced prices by 20-25%.

The affordable housing vertical is already in a growth phase, while the response to mid-income housing launches has been very positive.

According to Goldman Sachs Research, Delhi residential prices have started showing an increasing trend post August 2009 and they expect this trend to continue in light of not much new supply hitting the market. The NCR-Gurgaon area, which was affected by a slowdown in the IT/ITES sector is also showing signs of improvement in demand. The area is also witnessing step-up in construction activity.

The number of months of inventory in the key markets of Mumbai and Gurgaon has fallen significantly since the beginning of 2009, and we expect the market to be stable in 2010. In southern cities such as Bangalore and Chennai, the inventory months have fallen to high teens but not back to early 2008 levels.

Retail

The Retail sector was one of the worst hit segments in the downturn due to heavy oversupply, lack of demand and change in consumer sentiments. Among the 10 cities that CRISIL Research tracks, the National Capital Region (NCR), specifically Noida and Greater Noida, witnessed the sharpest fall in retail lease rentals. The concentration of malls in several areas of NCR gave rise to a skewed demand-supply scenario, leading to relatively high vacancy levels. However, 2009-10 saw the reversal of this trend.

The retail industry is now showing signs of revival. Several retailers, both domestic and foreign are now recharting their expansion plans in India for the next 2-3 years. High income catchment areas are likely to see a significant recovery in demand.

However, despite strengthening of absorption rates across cities, average market rentals may drop further, albeit at a much lower rate than 2009 due to thick supply pipeline ready to become operational.

Hospitality

As witnessed in the rest of the sector, the hospitality industry also suffered from lack of demand, oversupply and negative sentiments. Average Room Rates (ARRs) along with occupancy levels fell by 30-50%, especially across NCR.

However, we expect hotel room rates and occupancy to stabilise in 2010 based on a broader economic recovery and reduced concerns of an oversupply in this space.

Commercial

As witnessed in established property markets such as Hong Kong and Singapore, office absorption tends to follow a pickup in economic growth. With GDP growth recovering to 8% + levels and green shoots visible, office absorption rates in India started picking up in the second quarter of 2010.

However, most of the development happened in Tier-I cities of NCR, Mumbai, Bangalore and Chennai. According to global real-estate consultant, Jones Lang LaSalle Meghraj (JLLM) about 60.9 mn. sq. ft of office space is expected to become operational in seven Indian cities – including NCR, Mumbai, Pune, Chennai, Kolkata, Bangalore and Hyderabad during 2010. The Tier-I cities of NCR, Mumbai, Bangalore and Chennai are expected to contribute around 74% to this supply.

The demand, which was initially led by the sunshine sectors like telecom and pharmaceutical industries in 2009, has now been strengthened further by improving conditions in Banking, Financial Services and Insurance (BFSI) and IT/ITES sectors.

The IT/ITES industry has historically accounted for about 60-70% of Grade A absorbed office space absorbed. While job cuts were partly responsible for the decline in office space absorption, employee additions are expected to improve with steady net additions through 2010-11, ensuring strong office absorption rates.

While trends in Gurgaon and NCR have been volatile, there has been a steady pickup in 2010 given rentals have bottomed out, increasing demand and the expansion plans by corporates. Everything suggests that the worst for commercial real estate could be over.

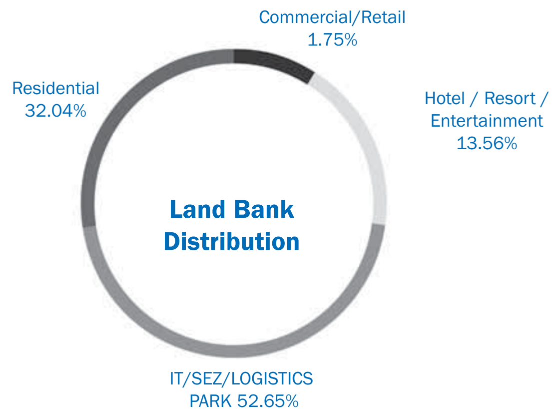
III. BUSINESS OVERVIEW

Anant Raj Industries Limited (Anant Raj) is a leading infrastructure and construction company based out of Delhi-NCR. We build and develop residential properties, commercial space, IT parks, SEZs and hotels. We also manufacture ceramic tiles and sell them under the brand 'Romano'; however the same contributes marginally towards our total revenue.

For nearly 40 years, we have been investing and operating exclusively in Delhi-NCR. Today, we own 1,000 acres of land out of which 500 acres is in Delhi. Total area to be developed in next ten years is 70 mn. sq. ft.

This geography is at the forefront of the ongoing revival in the Indian real estate market. After going through a tough period in 2008, which saw a collapse in primary sales and exit by speculators, Delhi-NCR has seen a sharp revival in interest. Industry reports and estimates suggest that NCR has seen the smartest rebounce in residential market volumes. Enquiries for commercial space have also seen initial signs of a pick-up.

We have a diversified portfolio, enhancing our stability and providing a buffer against market speculations in specific segments, thereby increasing our financial stability.



Residential

Our near-term development pipeline in the residential segment includes luxury housing, affordable housing and middle-income housing projects situated in prime as well as upcoming areas in the Delhi-NCR region. These include properties on Bhagwandas Road, Hauz Khas, Kapashera, Manesar and Sonepat.

Work at the Hauz Khas (0.26 mn. sq. ft.), Kapashera (0.29 mn sq.ft.), Bhagawandas Road (0.26 mn. sq. ft.) and Manesar (1.14 mn. sq. ft.) property is going to start and we expect the same to be completed in the next three years. The properties at Hauz Khas and Bhagwandas Road are both prime locations in New Delhi with no significant upcoming developments in the vicinity. We expect there to be a significant demand for luxury housing given the proximity to important government offices and the scarcity of other new developments. Kapashera project is only 1 km. from the airport.

Manesar has also developed as a hot destination with many new housing projects being launched within a radius of 4-5 km around the town. It is on main NH-8, Manesar is an upcoming industrial town with all facilities like malls, hotels, educational institutes & hospitals etc. Moreover, the proposed Metro is likely to increased the demand for residential projects. The project is planned to be completed by September 2012.

Sonepat is an industrial town located on Delhi-Chandigarh highway and there is good demand for residentials.

Hotel/Resort/Entertainment

We presently own and completed 5 hotels and rental income from these properties has already been started. We further plan to develop 5 more hotels in three and four star categories during the next few years. These hotels either will be leased out or operated by us with a tie up with leading hotels chains. Out of above hotels 7 are strategically located closed to the Delhi Airport.

During the year, Phase I of two of our hotel projects, Hotel Grand and Hotel Papilion commenced operations. Both are situated on NH-8 near Delhi airport and commenced operation. Both hotels are operated by Mapples.

Hotel Anant Raj Exotica and Anant Raj Retreat having 45 & 55 rooms each both leased out are earning lease income for the Company.

The pipeline project includes Hotel Tricolor having 70 rooms. This hotel is located on NH-8, Delhi and Phase I spans across 0.1 mn. sq. ft.

Commercial / Retail

Anant Raj's mid-term commercial / retail portfolio includes five properties all strategically located in and around Delhi-NCR. Most of them are in prime locations in Delhi close to Connaught Place.

The 0.75 mn. sq. ft. Kirti Nagar Mall is one of the large developments that is nearing completion and is located in a prime shopping district. We are in final stages of negotiations for leasing property to an anchor client for this mall, while tenants should move in by 1H 2010 barring adverse market conditions.

IT / SEZ / LOGISTIC PARK

We have a total of 36.86 mn. sq. ft. of saleable area earmarked for IT Parks, SEZ and Logistic Park. These include 25.23 mn. sq. ft. in Manesar, 5.10 mn. sq. ft. in Rai, Haryana, 3.60 mn. sq. ft. in Greater Noida, 1.80 mn. sq. ft. in Panchkula & 1.80 mn. sq. ft. in Jaipur. We intend to follow a lease model for these projects, which will provide steady cash flows in the future.

Anant Raj Technology Park at Manesar spread over 1.8 mn. sq. ft. commenced operations during the year. This is one of the first Grade A commercial properties available for leasing in Manesar, which is about 11 km from Gurgaon. This makes it an attractive option for companies looking for space in Gurgaon as the rental rates in Manesar are still significantly lower than Gurgaon.

The Company has another IT SEZ at Manesar on 25 acres of land with a total developable area of 5.10 mn. sq. ft. The Company has 1/3rd share in the said project.

We also commenced construction (0.54 mn. sq. ft.) activity for Phase I of the IT Park at Panchkula.

While operations for Phase I of the IT SEZ at Rai would be completed in the coming year.

Business Operations

During the year, we recorded total revenue of Rs. 339.71 crores as against Rs. 321.35 crores recorded during 2008-09. Rental income increased from Rs. 15.98 crores to Rs. 48.95 crores on account of properties such as IT Park, Manesar, Hotels, Retreat, Grand, Papillon & Exotica which are yielding strong lease rentals.

Income from sale of property amounted to Rs. 229.5 crores which included sale of FSI for commercial project at Khirki Dhaula, a 25% stake sale in resorts cum entertainment park at Dhamaspur, Haryana and approx. 1,16,500 sq. ft. of space at a commercial complex at Noida and Residential FSI at Nagli Poona, Delhi.

IV. FINANCIAL PERFORMANCE

Turnover: The Company recorded a turnover of Rs. 339.71 crores as against Rs. 321.86 crores in the previous year, a growth of 5.55%

EBIDTA: The Company's EBIDTA stood at Rs. 311.95 crores as against Rs. 290.75 crores in the previous year, an increase of 7.21%

Profit Before Tax: Profit Before Tax (PBT) of the Company increased from Rs. 279.40 crores to Rs. 296.30 crores, representing an increase of 6%.

Profit After Tax: The Profit After Tax (PAT) of the Company increased from Rs. 207.07 crores in the previous year to Rs. 238.25 crores, an increase of 15.06%.

V. SWOT Analysis

Strength

Our focus on Delhi-NCR since the last forty years enables us to operate as a 'local business'. We know the landscape. We stay on top of it. We see the opportunities. And going forward, we are poised to capitalise on new investment opportunities as they arise.

Our in-house construction arm ensures that there are no delays and cost overruns while executing projects.

Our diversified portfolio consisting of residential, hospitality, commercial and IT-SEZ parks enhances our stability, provides a buffer against market fluctuations in specific segments and increases the Company's financial flexibility.

Opportunities

We have an attractive land bank which will enable us to tap the growing opportunities that Delhi-NCR present. We are one of the largest land owners in Delhi, with land bank of 1,000-acres (about 70 mn. sq. ft.) with 90% within 30 kms of Delhi including approximately 500 acres in Delhi.

The recent downtrend led to a correction of prices across locations, including some established locations. Due to our strong balance sheet, high cash reserves and minimal debt, we are able to acquire land at established locations at attractive prices.

Weakness

We are dependent upon the economic climate in Delhi-NCR as our land bank is almost entirely situated in that area.

Threats

Some of our key projects can take 1-3 years to complete. Any significant project delays due to execution, adverse conditions or other external factors could impact our profitability.

Slowdown in the Delhi-NCR market due to economic downturn or slack in the IT/ITES sector may affect our business operations.

VI. INTERNAL CONTROL SYSTEMS

The Company has adequate internal control procedures commensurate with the size and nature of its business. These business control procedures ensure efficient use and protection of the resources and also compliance with the policies, procedures and statutory requirements. The internal control systems provide for well documented guidelines, authorisation and approval procedures. The Company also carries out internal audit through an external agency. The prime objective of such an audit is to test the adequacy and effectiveness of all internal controls, laid down by the management and to suggest improvements.

VII. HUMAN RESOURCES

At Anant Raj, we recognise and value the importance of human capital. During the year, we encouraged and supported employees in the pursuit of programmes of appropriate professional training. We continue to remain committed to providing a safe and healthy working environment for all our staff. We experienced no labour shortage or problems and continue to have cordial relationship with all our employees. We believe we benefit from very low staff turnover as compared with the rest of the industry. The Company employed a total of 500 employees as on 31st March, 2010.

VIII. RISK REVIEW

The Company views effective risk management as an integral part to the delivering of superior returns to shareholders. Principal risks and uncertainties facing the business and the processes through which the Company aims to manage those risks are as below:

1. The market we operate in is cyclical. Performance depends on general economic conditions, a combination of supply and demand for floor space as well as overall return aspirations of investors. The risk of a general downturn in the economy can lead to poor demand and negatively impact the rentals as well as the valuation of individual properties.

   India's real estate cycle which began in 2006, came to a full circle in 2010, with signs of revival beginning to show. We believe we were more resilient to the cyclicality of this business due to a number of factors such as (1) focus on remaining a local player as against pan-India ambitions, (2) in-house construction capabilities, (3) high cash reserves and low leverage (4) avoiding expensive land acquisition routes such as auctions, and (5) balanced income stream focusing on both, recurring rental and development income. We believe our policies and strategies enabled us to not only withstand the downturn, but also seize opportunities, like distressed assets that the cyclical nature provides.

2. We are dependent upon the economic climate and the local infrastructure and construction market of Delhi – NCR. This exposes us to a greater amount of market dependent risk than if we were geographically diverse.

   Delhi and NCR are strong markets and at the forefront of the ongoing revival in the Indian real estate market. Industry reports and estimates suggest that NCR has seen the smartest rebounce in residential market volumes. While trends in some of the regions have been volatile, there has been a steady pickup in 2010, given rentals have bottomed out, increasing demand and the expansion plans by corporates. Besides, while we are geographically concentrated, we have a well diversified portfolio across the sector, reducing the impact of a concentration risk.

3. Development and execution of property entails a lot of risk and uncertainties causing delays, cost overruns and a negative reputation in the market. This may also lead to increasing costs, which may impact our financial condition.

   At Anant Raj, we have our in-house construction arm consisting of more than 300 engineers/employees who undertake the Company's construction activities. This gives us a direct control on execution and ensures that there are no delays or cost overruns. While this mitigates the risk to a large extent, we also carefully monitor our development at various stages and strive to provide adequate contingency for such matters as and when required.

4. Competing properties in the same region or of the same nature may affect demand for the Company's completed developments leading to unsold inventory.

   At Anant Raj, we judiciously follow a policy of acquiring quality land at reasonable rates, and stay away from bidding at auctions where one has to pay high acquisition cost. Besides, our projects are known for quality and timely execution. This ensures that the Company's developments are designed and priced very attractively, ensuring long-term value to buyers and tenants. While competition risk cannot be entirely eliminated, we believe we are placed in an advantageous position with respect to prospective buyers and tenants.

IX. OUTLOOK

The Indian infrastructure and construction sector, after a rough patch in 2008-09, is looking optimistic, driven by price corrections, softening of interest rates, launch of affordable housing, and improved liquidity. The recessionary condition of 2008-09 has helped highlight problems/ loopholes marring the industry that remained hidden in a buoyant market.

Most of the cities would enter a bottoming phase in terms of rents this year. The near-term outlook also suggests that the coming year will shape to be a strong year for real estate investment. With demand from real estate end users returning, we think investors in core real estate assets are expected to start aggressively exploring opportunities to deploy their funds. This demand will be underpinned by the supportive monetary policy that most Asia-Pacific economies are expected to adopt in most of 2010.

According to various industry estimates, the pace and scale of market recovery will be led by the Tier-I cities of Delhi-NCR, Mumbai and Bengaluru. Tier-II cities, such as Kolkata and Chennai, are expected to see a gradual recovery in the later part of 2010

With respect to commercial real estate, many cities are expected to witness a strong end-user demand with New Delhi, Mumbai and Bangalore leading the pecking order. These cities would see a combination of improving sentiments with increased expansion of businesses that eventually favour the commercial landlords.

On the residential realty side, the sentiments indicate the increasing willingness of people to buy houses, especially in the metro cities. There is also a strong focus in the direction of providing affordable yet aspirational housing to India's emerging middle class.

With favorable external factors, core fundamentals in place and our Company's strong focus we feel we are at a vantage point to ride the next wave of growth.

X. CAUTIONARY STATEMENT

Statements in this Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations 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 the Government regulations, tax laws and other statutes and other incidental factors.

Corporate Governance Report

(In compliance 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
Sh. Ashok Sarin#	Chairman- Non-Executive Director	8	2	1	2,78,59,152
Sh. Anil Sarin#	Managing Director- Executive Director	6	3	1	2,83,90,055
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	0	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 2009-2010, the members of the Board met eleven 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 2009- June 2009	April 16, 2009
	May 29, 2009
	June 29, 2009
July 2009 - September 2009	July 10, 2009
	July 31, 2009
	September 26, 2009
October 2009- December 2009	October 28, 2009
	December 21, 2009
January 2010- March 2010	January 29, 2010
	March 11, 2010
	March 19, 2010

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

Name of the Director	Category of Directorship	No. of Board Meetings Attended	No. of Committee Meetings	Attended Attendance at last AGM
Sh. Ashok Sarin	Chairman- Non-Executive Director	11	14	No
Sh. Anil Sarin	Managing Director- Executive Director	11	16	yes
Sh. Amit Sarin	Director & CEO	06	0	No
Sh. Ambarish Chatterjee	Non-Executive & Independent Director	10	9	Yes
Sh. Maneesh Gupta	Non-Executive & Independent Director	11	10	Yes
Sh. Brajindar Mohan Singh	Non-Executive & Independent Director	09	12	No

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

3. Audit Committee

A. 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 Companies Secretaries of India having 17 years post qualification experience in areas of economic and corporate legislations.	3
Ashok Sarin	Non-Executive Director	Member	He is having more than 41 years of experience in real estate and construction industry.	4
Maneesh Gupta	Non-Executive & Independent Director	Member	Fellow Member of the Institute of Companies Secretaries of India having more than 12 years experience in fields of corporate laws and legal matters connected with civil issues	4
Brajindar Mohan Singh	Non-Executive & Independent Director	Member	Retired IRS & Ex. Chairman of CBDT having 38 years of Experience in fields of Tax & Finance	4

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

B. Meeting of Audit Committee

The Audit Committee's terms of reference conforms to Section 292A of the Companies Act, 1956 as well as clause 49 of the Listing Agreement. During the Financial year 2009-10, four meetings of Audit Committee were held:

Quarter	Date of Meeting	Number of Members Present	Number of Independent Directors Present
April 2009-June 2009	June 29, 2009	4	3
July 2009-September 2009	July 31, 2009	4	3
October 2009- December 2009	October 28, 2009	4	3
January 2010- March 2010	January 29, 2010	4	2

4. Investor/Shareholders' Grievance Committee:

Your Company has 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	Executive Director	Member
Maneesh Gupta	Non-Executive & Independent Director	Member

B. Compliance Officer

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

C. Complaint Status

During the year the Company received 59 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.

5. Share Transfer Committee:

Your Company has constituted 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	Executive Director	Member
Sh. Brajindar Mohan Singh	Non-Executive & Independent Director	Member
Manoj Pahwa	Company Secretary	Member

6. Remuneration Committee:

Your Company has formed 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	Executive Director	Chairman
Ambarish Chatterjee	Non-Executive & Independent Director	Member
Maneesh Gupta	Non-Executive & Independent Director	Member

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 director of the Company is paid remuneration exceeding 5% of the net profits of the Company.

C. **Particulars of Directors' Remuneration during the financial year 2009-2010:**

The details of remuneration paid to the Directors (including sitting fees paid for attending Board Meetings and Committee Meetings) during the year ended March 31, 2010, are given below:

Directors	Salary (Rs.)	Perquisites #(Rs.)	Sittings Fee (Rs.)	Total (Rs.)
Sh. Ashok Sarin	---	---	---	---
Sh. Anil Sarin	84,00,000	43,68,000	---	1,27,68,000
Sh. Ambarish Chatterjee	---	---	25,000	25,000
Sh. Maneesh Gupta	---	---	27,500	27,500
Sh. Brajindar Mohan Singh			22,500	22,500
Total				**1,28,43,000**

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

7. Subsidiary Companies

The Company has 57 Subsidiaries. None of the subsidiaries are listed on any Stock Exchange, one of the Subsidiary Companies falls 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
2008-2009	20th August, 2009 at 9.30 A.M. at 85.2 Km Stone Delhi-Jaipur Highway. Village Bhudhla 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 Bhudhla P.O. Sangwari Distt. Rewari. 123401 (Haryana)	No Special Resolution was passed
2006-2007	29th December, 2007 at 9.30 A.M. at 85.2 Km Stone Delhi-Jaipur Highway. Village Bhudhla 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 Bhudhla P.O. Sangwari Distt. Rewari. 123401 (Haryana)	1. To seek shareholders approval for issue of 2,00,00,000 Convertible Warrants to Promoters 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 Bhudhla 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 Bhudhla 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.

9. Disclosures

A. Disclosures of Related Party Transaction

The transactions with related parties have been discussed in detail in Note 18 to the Balance Sheet as at March 31, 2010, 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

Your company had raised a sum of Rs.60,806.34 lacs in 2008, through issue of 20,144,000 Global Depository Receipts(GDR's) each representing one equity shares of nominal value of Rs. 2 each at the offer price of US $ 7.494. The funds so raised have been/would be utilized for development and construction of special economic zones, information and technology parks, hospitality sector, augmenting long term resources and working capital requirements and unutilized funds have been placed as fixed deposits with Bank. The details of utilization are given in note 18(xi) to accounts of the Company.

C. Management & Discussion Analysis Report:

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

D. Compliances with the Regulations

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. Accounting Standard

The Company has followed the Accounting Standards laid down by the Institute of Chartered Accountants of India.

10. 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 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

11. General Shareholder Information:

Annual General Meeting (Date, Time & Venue)	Thursday, July 22, 2010 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 2009-31st March 2010	
Date of Book Closure	July 10,2010 to July 22,2010 (Both days inclusive)	
Dividend Record (Last three years)	Financial Year 2006-07	60% (Rs.6.00 per share of the Face Value of Rs.10/- each)
	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)
Dividend for Financial Year 2009-2010	The Company has recommended dividend Rs.0.60/-(30% on Rs. 2/- fully paid up share) per share for the financial year 2009-10.	
Listing on Stock Exchanges	Shares of the Company are listed on The Stock Exchange, Mumbai, National Stock Exchange and Luxembourg. Annual listing fees have been duly paid to the Stock Exchanges.	
Stock Code	ANANTRAJ at NSE and 515055 at BSE	

Financial Calender 2010-11 Tentative & Subject to Change	1. First Quarter results -last week of July, 2010 2. Second Quarter results -24th October, 2010 3. Third Quarter results-15th Jan 2011 4. Fourth Quarter results-15th April, 2011 5. Audited yearly results for the year ended March 31, 2011- End of the May, 2011
Registrar & Transfer Agents (both for Electronic & Physical Segment)	Alankit Assignments Ltd. RTA Division 2E/21, First Floor Jhandewalan Extn. New Delhi 110055.
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.
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.
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.
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 Stock Exchanges.
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). The ISIN no. allotted to equity shares of the Company is INE242C01024. As on 31st March, 2010, 97.73% of total equity share capital is held in dematerialized form with NSDL and CDSL.
Outstanding GDRs	Outstanding GDRs as on March 31, 2010 represent 963000 equity shares constituting 0.33% 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.
Outstanding Warrants	The Company, during the year ended March 31, 2010 issued, 2,00,00,000 (2 crore warrant at Rs. 87/- per warrant (inclusive of Rs. 85/- per warrant as premium) the said warrant were outstanding on March 31, 2010. The warrants are convertible into equivalent number of shares on or before January 09, 2011.
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, if any.

Distribution of Shareholdings as on March 31, 2010:

No. of Shares	No. of Shareholders	% to Total	No. of Shares	% to Total
0 – 5000	22350	98.02	8406128	2.85
5001 – 10000	183	0.80	1399826	0.48
10001 – 20000	87	0.38	1256818	0.42
20001 – 30000	38	0.17	911837	0.31
30001 – 40000	16	0.07	560917	0.19
40001 – 50000	10	0.05	483442	0.16
50001 – 100000	23	0.10	1848721	0.63
100001 and above	95	0.41	280228646	94.96
	22802	**100.00**	**295096335**	**100.00**

Shareholding Pattern of the Company as on March 31, 2010

Category	No. of Shares	%
Promoters *	181035142	61.35
Bank & Financial Institutions	86132986	29.19
Private Bodies Corporate	14826024	5.02
Non Resident Indians	1025347	0.35
GDR	963000	0.33
Public	11113836	3.76
Total	**295096335**	**100.00**

* No pledge has been created on the shares held by promoters/or promoter group as on March 31, 2010.

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 comparision vis-a-vis the Sensex and Nifty Indices are given below:

(In Rs. per share)

Period		BSE			NSE	
	Sensex	High	Low	Nifty	high	Low
April 2009	11403	99.90	40.75	3474	100.15	40.50
May 2009	14625	127.45	72.00	4449	126.30	71.00
June 2009	14494	147.45	86.70	4291	146.30	85.90
July 2009	15670	134.40	82.00	4636	134.40	83.00
August 2009	15667	161.30	106.50	4662	161.95	106.80
September 2009	17127	158.40	131.00	5084	158.40	131.60
October 2009	15896	163.90	128.05	4712	163.80	129.00
November 2009	16926	147.75	115.35	5033	147.85	115.00
December 2009	17465	141.45	128.00	5201	141.80	128.35
January 2010	16358	158.25	128.50	4882	158.25	128.40
February 2010	16430	138.40	121.35	4922	138.40	121.30
March 2010	17528	142.80	123.00	5249	142.80	123.00

List of Top 10 Shareholders (other than Promoters) as on March 31, 2010

Sr. No.	Name of the shareholder	Number of shares
1	Government of Singapore Investment Corporation Pte Limited	16281689
2	Deutsche Securities Mauritius Limited	11820990
3	ABN Amro Bank NV London Branch	10381250
4	Citigroup Global Markets Mauritius Private Limited	6396025
5	Lehman Brothers Asia Limited A/C GRA Finance Corporation Ltd	5362500
6	The Master Trust Bank of Japan Ltd A/C HSBC Indian Equity Mother Fund	4000000
7	Carlson Fund-Asian Small Cap	3700000
8	Sonata Investment Limited	3160000
9	Bessemer India Capital Partner II SA	3111148
10	AIG Global Investment Corp. (Asia) Ltd. A/C AIG GF (Mauritius) Ltd.	2699894
	TOTAL	**66913496**

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 manangement 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 Vice 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.

Particulars	*High Land Meadaows Pvt. Limited	Novel Buildmart Pvt. Ltd.	Novel Housing Pvt. Ltd.	Vibrant Buildmart Pvt. Ltd.	**Kalinga Buildtech Pvt.Ltd.	Elevators Builders Pvt.Ltd.	Greenline Buildcon Pvt. Ltd.	Pasupati Aluminium Ltd.	Oriental Meadows Limited	Twenty First Developers Pvt. Ltd.	Echo Buildtech Pvt. Ltd.	White Diamond Construction and 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.	Rolling Construction Pvt. Ltd.
	As at March 31,2010	As at March 31,2010	As at March 31,2010	As at March 31,2010	As at March 31,2010	As at March 31,2010	As at March 31,2010	As at March 31,2010	As at March 31,2010	As at March 31,2010	As at March 31,2010	As at March 31,2010	As at March 31,2010	As at March 31,2010	As at March 31,2010	As at March 31,2010	As at March 31,2010	As at March 31,2010	As at March 31,2010
POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS																			
Total Liabilities	523,955,023	500,499,900	45,149,900	665,000	100,265,000	109,200,602	44,082,711	11,270,422	25,010,000	23,728,050	500,000	49,504,026	500,000	43,322,691	49,114,370	10,281,477	150,308,779	500,500,000	359,584,058
Total Assets	523,955,023	500,499,900	45,149,900	665,000	100,265,000	109,200,602	44,082,711	11,270,422	25,010,000	23,728,050	500,000	49,504,026	500,000	43,322,691	49,114,370	10,281,477	150,308,779	500,500,000	359,584,058
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	500,000	10,000,000	500,000	500,000	4,540,240
Reserves & Surplus	499,875,000	-	-	-		-	-	8,020,422	-	-	-	-	-	-	-	-	-	-	350,483,760
Secured Loans		-	-	-		-	-	-	-	-	-	-	-	-	-	-	-	-	-
Unsecured Loans	23,110,000	499,999,900	44,649,900	165,000	99,765,000	108,000,000	7,598,500	2,750,000	24,510,000	23,228,050	-	49,004,026	-	42,822,691	48,571,874		149,808,779	500,000,000	1,500,000
Share Application Money		-	-	-			-	-	-	-	-	-	-	-	-	-	-	-	
Deferred tax (net)		-	-	-			-	-	-	-	-	-	-	-	-	-	-	-	-
Profit and Loss Account	345,023	-	-	-		700,602	35,984,211	-	-	-	-	-	-	-	42,496	281,477	-		3,060,058
	523,955,023	500,499,900	45,149,900	665,000	100,265,000	109,200,602	44,082,711	11,270,422	25,010,000	23,728,050	500,000	49,504,026	500,000	43,322,691	49,114,370	10,281,477	150,308,779	500,500,000	359,584,058
Application of funds																			
Net fixed assets	271,103,026	-	44,809,590	-	100,015,000	-	-	8,520,000	22,881,950	23,396,500	-	48,977,660	-	43,028,716	49,051,872	-	-	-	317,871,300
Capital work in progress incl. capital advances	609,850	-	-	-		-	-	-	-	-	-	-	-	-	-	-	-	500,000,000	15,045,222
Preoperative-expenditure pending for capitalisation	434,066	-	52,992	-	101,643	-	-	-	40,206	201,918	-	427,015	-	229,576	42,629	-	-	-	267,419
Investment		500,000,000	-	-	5,100,000	117,232,039	20,125,750	-	-	-	-	-	-	-	-	-	-	-	-
Net Current Assets	251,233,853	481,380	283,354	72,474	(5,043,343)	(8,041,347)	23,782,345	1,757,332	11,065	52,553	260,254	63,739	313,382	26,560	19,178	10,103,418	150,069,652	482,994	25,845,974
Miscellaneous Expenditure	574,228	9,910	3,964	9,910	14,926	9,910	174,616	-	-	71,223	174,616	35,612	178,066	34,938	691	178,059	174,702	10,551	554,143
Profit and Loss Account		8,610	-	582,616	76,774	-	-	993,090	2,076,779	5,856	65,130	-	8,552	2,901		-	64,425	6,455	-
	523,955,023	500,499,900	45,149,900	665,000	100,265,000	109,200,602	44,082,711	11,270,422	25,010,000	23,728,050	500,000	49,504,026	500,000	43,322,691	49,114,370	10,281,477	150,308,779	500,500,000	359,584,058
	For the year ended March 31, 2010	For the year ended March 31, 2010	For the year ended March 31, 2010	For the year ended March 31, 2010	For the year ended March 31, 2010	For the year ended March 31, 2010	For the year ended March 31, 2010	For the year ended March 31, 2010	For the year ended March 31, 2010	For the year ended March 31, 2010	For the year ended March 31, 2010	For the year ended March 31, 2010	For the year ended March 31, 2010	For the year ended March 31, 2010	For the year ended March 31, 2010	For the year ended March 31, 2010	For the year ended March 31, 2010	For the year ended March 31, 2010	For the year ended March 31, 2010
PERFORMANCE OF THE COMPANY																			
Total Turnover	54,108	27,054	-	-	-	977,583	19,800,000	309,524	-	-	8,510	-	14,607	-	-	15,547	-	27,053	2,495,291
Total Expenditure	27,458	8,934	10,316	8,854	8,790	15,592	34,779	7,668	8,440	66,036	10,634	161,711	9,504	67,889	8,915	13,434	16,614	8,874	52,955
Profit /(Loss) before Taxation	26,650	18,120	(10,316)	(8,854)	(8,790)	961,991	19,765,221	301,856	(8,440)	(66,036)	(2,124)	(161,711)	5,103	(67,889)	(8,915)	2,113	(16,614)	18,179	2,442,336
Provision for Taxation	11,940	5,600		-		147,342	6,929,882	95,655		-	-	-	1,576			652	-	5,618	776,802
Profit / (Loss) After Taxation	14,710	12,520	-	(8,854)	-	814,649	12,835,339	206,201	-	-	(2,124)	-	3,527	-	-	1,461	(16,614)	12,561	1,665,534
Shares of the subsidary held by the company on the above date																			
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	50,000	5,000	1,000,000	50,000	50,000	454,024
b) Face Value Per Share	10	10	10	10	10	10	10	10	10	10	10	10	10	10	100	10	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%	100%	75%	100%	100%	50.1%

* The Company has six subsidiaries ** The Company has one subsidiary *** The Company has nine subsidiaries

INFORMATION PURSUANT TO APPROVAL UNDER SECTION 212(8) OF THE COMPANIES ACT, 1956.

Particulars	Sand Storm Buildtech Pvt. Ltd. As at March 31,2010	Fabulous Builders Pvt. Ltd. As at March 31,2010	Elevator Promoters Pvt. Ltd. As at March 31,2010	Green Way Promoters Pvt. Ltd. As at March 31,2010	Elevator Properties Pvt. Ltd. As at March 31,2010	Kalinga Realtors Pvt. Ltd. As at March 31,2010	***Green View Buildwell Pvt. Ltd. As at March 31,2010	Elevator Buildtech Pvt. Ltd. As at March 31,2010	Roseview Properties Pvt. Ltd. As at March 31,2010	Sovereign Buildwell Pvt. Ltd. As at March 31,2010	Gadget Builders Pvt. Ltd. As at March 31,2010	Blossom Buildtech Pvt. Ltd. As at March 31,2010	Springview Properties Pvt Ltd. As at March 31,2010	Grand Park Estates Pvt. Ltd. As at March 31,2010	Suburban Farms Pvt. Ltd. As at March 31,2010	Elegent Estates Pvt. Ltd. As at March 31,2010	Park Land Developers Pvt. Ltd. As at March 31,2010	Lucky Meadows Pvt. Ltd. As at March 31,2010	Greenwood Properties Pvt. Ltd. As at March 31,2010
POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS																			
Total Liabilities	4,312,170	55,092,000	607,263,000	500,000	160,723,788	370,350,943	530,430,541	16,399,900	501,744	502,240	49,717,751	600,000	739,688	506,489	175,112,838	500,000	515,843,789	253,530,973	1,186,767
Total Assets	4,312,170	55,092,000	607,263,000	500,000	160,723,788	370,350,943	530,430,541	16,399,900	501,744	502,240	49,717,751	600,000	739,688	506,489	175,112,838	500,000	515,843,789	253,530,973	1,186,767
Sources of funds																			
Paid up Capital	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	625,000	500,000	500,000
Reserves & Surplus	-	-	-	-	-	-		-	-	-	-	-		-	-	-	499,875,000	-	
Secured Loans	-	-	-	-	-	-		-	-	-	-	-	-	-	-	-	-	-	
Unsecured Loans	3,812,170	54,592,000	606,763,000	-	160,223,788	369,849,900	529,500,000	15,899,900	-	-	49,216,000	100,000	-	-	174,600,000	-	-	253,023,269	
Share Application Money		-	-	-			-	-	-	-	-	-	-	-	-	-	-	-	
Deferred tax (net)		-	-	-			-	-	-	-	-	-	-	-	-	-	-	-	-
Profit and Loss Account	-	-	-	-	-	1,043	430,541	-	1,744	2,240	1,751	-	239,688	6,489	12,838	-	15,343,789	7,704	686,767
	4,312,170	55,092,000	607,263,000	500,000	160,723,788	370,350,943	530,430,541	16,399,900	501,744	502,240	49,717,751	600,000	739,688	506,489	175,112,838	500,000	515,843,789	253,530,973	1,186,767
Application of funds																			
Net fixed assets	4,021,836	53,905,331	107,093,750	-	-	-	518,842,992	16,333,356	-	-	49,216,250	-	311,248	1,471,668	-	171,197	33,223,668	178,509,956	1,015,700
Capital work in progress incl. capital advances	-	545,000	-	-	160,635,120	270,011,145	9,053,020	-	-	-	-	-	-	-	-	-	350,000,000	75,000,000	-
Preoperative-expenditure pending for capitalisation	220,959	30,882	-	-	-	-		30,722	-	-	-	-	6,000	-	-	-	-	-	-
Investment	-	-	500,000,000	-	-	-		-	-	-	-	-	-	-	-	-	102,165,620	-	643,470
Net Current Assets	29,444	596,139	150,265	431,447	40,796	100,329,888	2,246,641	21,374	491,834	492,330	491,591	524,553	422,440	(965,179)	175,112,838	293,669	29,944,502	21,017	(472,402)
Miscellaneous Expenditure	34,924	9,910	9,910	9,910	9,910	9,910	287,888	9,910	9,910	9,910	9,910	9,910	-	-	-	-	510,000	-	-
Profit and Loss Account	5,007	4,738	9,075	58,643	37,962	-		4,538	-	-	-	65,537	-	-	-	35,134	-	-	-
	4,312,170	55,092,000	607,263,000	500,000	160,723,788	370,350,943	530,430,541	16,399,900	501,744	502,240	49,717,751	600,000	739,688	506,489	175,112,838	500,000	515,843,789	253,530,973	1,186,767
	For the year ended March 31, 2010	For the year ended March 31, 2010	For the year ended March 31, 2010	For the year ended March 31, 2010	For the year ended March 31, 2010	For the year ended March 31, 2010	For the year ended March 31, 2010	For the year ended March 31, 2010	For the year ended March 31, 2010	For the year ended March 31, 2010	For the year ended March 31, 2010	For the year ended March 31, 2010	For the year ended March 31, 2010	For the year ended March 31, 2010	For the year ended March 31, 2010	For the year ended March 31, 2010	For the year ended March 31, 2010	For the year ended March 31, 2010	For the year ended March 31, 2010
PERFORMANCE OF THE COMPANY																			
Total Turnover	-	-	11,518	21,004	-	27,353	27,054	-	27,054	27,054	27,054	27,054	11,880	15,473	-	16,000	14,892,161	-	693,470
Total Expenditure	61,667	8,314	9,174	8,284	8,284	10,364	11,611	8,560	8,834	8,334	8,824	75,974	7,734	7,618	5,816	6,348	8,228	62,359	7,098
Profit /(Loss) before Taxation	(61,667)	(8,314)	2,344	12,720	(8,284)	16,989	15,443	(8,560)	18,220	18,720	18,230	(48,920)	4,146	7,855	(5,816)	9,652	14,883,933	(62,359)	686,372
Provision for Taxation	-	-	723	3,930	-	5,250	4,771		5,630	5,784	5,633	5,633	1,282	2,429	-	2,982	239,647	-	-
Profit / (Loss) After Taxation	-	-	1,621	8,790	(8,284)	11,739	10,672	-	12,590	12,936	12,597	(54,553)	2,864	5,426	(5,816)	6,670	14,644,286	-	686,372
Shares of the subsidary held by the company on the above date																			
a) No of Shares	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	6,250	5,000	50,000
b) Face Value Per Shareb)	10	10	10	10	10	10	10	10	10	10	10	10	100	100	100	100	100	100	10
Preference																			
a) No of Shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
b) Face Value Per Share	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
c) Extent of Holding	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	80%	100%	100%

* The Company has six subsidiaries ** The Company has one subsidiary *** The Company has nine subsidiaries

INFORMATION PURSUANT TO APPROVAL UNDER SECTION 212(8) OF THE COMPANIES ACT, 1956.

Particulars	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.	Romano Tiles Pvt. Ltd.	Anant Raj Internationl FZE	Anant Raj Projects Limited	Greatway Estate Ltd	Gujarat Anant Raj Vidhyanagar Ltd.
	As at March 31,2010	As at March 31,2010	As at March 31,2010	As at March 31,2010	As at March 31,2010	As at March 31,2010	As at March 31,2010	As at March 31,2010	As at March 31,2010	As at March 31,2010	As at March 31,2010	As at March 31,2010	As at March 31,2010	As at March 31,2010	As at March 31,2010	As at March 31,2010	As at March 31,2010	As at March 31,2010	As at March 31,2010
POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS																			
Total Liabilities	9,067,357	750,716	671,757	257,251,536	43,121,712	2,369,900	68,175,559	1,186,900	76,203,117	231,912,651	52,915,351	64,671,000	10,700,000	601,009,158	48,998,744	2,304,432	2,458,956,938	1,183,450,000	1,000,000
Total Assets	9,067,357	750,716	671,757	257,251,536	43,121,712	2,369,900	68,175,559	1,186,900	76,203,117	231,912,651	52,915,351	64,671,000	10,700,000	601,009,158	48,998,744	2,304,432	2,458,956,938	1,183,450,000	1,000,000
Sources of funds																			
Paid up Capital	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	50,000,000	50,000,000	500,000	500,000	64,160,290	500,000	1,151,920	33,783,790	500,000	1,000,000
Reserves & Surplus	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,831,068,826	-	-
Secured Loans	-	-	-	-	-	-	-	-	-	58,093,593	-	-	-	-	-	-	-	-	-
Unsecured Loans	-	-	-	95,736,712	35,558,000	1,869,900	67,133,000	686,900	75,642,085	101,550,000	2,750,000	64,171,000	10,200,000	520,582,470	48,496,706	1,152,512	594,104,322	1,182,950,000	-
Share Application Money	-	-	-	160,000,000	-	-	-	-	-	-	-	-	-	-	-			-	-
Deferred tax (net)	-	-	-		-	-	-	-	-	420,914	-	-	-	-	2,038			-	-
Profit and Loss Account	8,567,357	250,716	171,757	1,014,824	7,063,712	-	542,559	-	61,032	21,848,144	165,351	-	-	16,266,398	-			-	-
	9,067,357	750,716	671,757	257,251,536	43,121,712	2,369,900	68,175,559	1,186,900	76,203,117	231,912,651	52,915,351	64,671,000	10,700,000	601,009,158	48,998,744	2,304,432	2,458,956,938	1,183,450,000	1,000,000
Application of funds																			
Net fixed assets	1,048,468	716,489	1,045,809	106,808,344	43,055,344	2,106,000	68,258,119	-	75,781,028	75,212,932	-	63,976,131	-	92,524,285	46,716,612	-	1,718,200,000	1,511,600,000	-
Capital work in progress incl. capital advances	8,000,000	-	-	150,000,000	-	-	-	-	-	-	46,000,000	-	10,342,875	50,000,000	-	-	682,212,063	250,000,000	-
Preoperative-expenditure pending for capitalisation	-	-	-	-	-	218,702	38,141	-	382,504	-	4,985,745	-	-	6,896,955	-		-	49,884,400	-
Investment	-	-	-	-	-	-	-	-	-	-	-	-	-	203,579,500	55,000		-	-	-
Net Current Assets	18,889	34,227	(374,053)	443,192	66,368	45,198	(120,701)	115,428	39,585	156,526,816	1,490,169	507,641	122,843	247,864,944	1,185,456	1,319,490	7,347,064	(628,045,471)	719,594
Miscellaneous Expenditure	-	-		-	-		-	-	-	172,903	439,437	178,059	174,616	143,474	13,874		29,511,729	-	57,529
Profit and Loss Account	-	-		-	-		-	1,071,472	-	-	-	9,169	59,666	-	1,027,803	984,942	21,686,082	11,071	222,877
	9,067,357	750,716	671,757	257,251,536	43,121,712	2,369,900	68,175,559	1,186,900	76,203,117	231,912,651	52,915,351	64,671,000	10,700,000	601,009,158	48,998,744	2,304,432	2,458,956,938	1,183,450,000	1,000,000
	For the year ended March 31, 2010	For the year ended March 31, 2010	For the year ended March 31, 2010	For the year ended March 31, 2010	For the year ended March 31, 2010	For the year ended March 31, 2010	For the year ended March 31, 2010	For the year ended March 31, 2010	For the year ended March 31, 2010	For the year ended March 31, 2010	For the year ended March 31, 2010	For the year ended March 31, 2010	For the year ended March 31, 2010	For the year ended March 31, 2010	For the year ended March 31, 2010	For the year ended March 31, 2010	For the year ended March 31, 2010	For the year ended March 31, 2010	For the year ended March 31, 2010
PERFORMANCE OF THE COMPANY																			
Total Turnover	354,265	177,764	114,476	817,316	-	-	-	-	-	478,986,304	-	16,475	-	11,521,839	10,817	310,882	597,444	-	5,780
Total Expenditure	13,740	7,592	8,559	226,298	7,312	44,565	8,801	11,218	192,930	476,705,644	4,422,664	9,888	10,624	-	254,143	365,891	12,519,311	6,268,325	228,657
Profit /(Loss) before Taxation	340,525	170,172	105,917	591,018	(7,312)	(44,565)	(8,801)	(11,218)	(192,930)	2,280,660	(4,422,664)	6,587	(10,624)	11,521,839	(243,326)	(55,009)	(11,921,867)	-	(222,877)
Provision for Taxation	107,322	52,582	33,199	182,625	-	-	-		-	980,323	-	2,036	-	3,979,388	(839)	-	-	-	-
Profit / (Loss) After Taxation	233,203	117,590	72,718	408,393	-	-	-	(11,218)	-	1,300,337	-	4,551	(10,624)	7,542,451	(242,487)	(55,009)	(11,921,867)	-	(222,877)
Shares of the subsidary held by the company on the above date																			
a) No of Shares	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	50,000	1	676,576	50,000	100,000
b) Face Value Per Share	100	10	10	100	10	10	100	100	10	10	10	10	10	10	10	1,151,920	10	10	10
Preference																			
a) No of Shares	-	-	-	-	-	-	-	-	100	-	-	-	-	-	-		2,702,703		
b) Face b) Face Value Per Share	-	-	-	-	-	-	-	-	100	-	-	-	-	-	-	-	10	-	-
c) Extent of Holding	100%	100%	85%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	80%	100%	74%	100%	100%

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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 ended March 31, 2010 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
Date: June 19, 2010

Sd/-
Anil Sarin
Managing Director

Yogesh Sharma
Senior Vice 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 Management Personnel have affirmed the compliance with the code of conduct adopted by the Company for the Financial Year ended March 31, 2010 in terms of clause 49 I (D) of the Listing Agreement.

June 19, 2010	Yogesh Sharma	Amit Sarin
New Delhi	Senior V.P. Finance	Director & CEO

CERTIFICATE

To,

The Shareholders of

Anant Raj Industries Limited

We have examined the compliance of conditions of Corporate Governance by Anant Raj Industries Limited, during the year ended March 31, 2010 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. 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

New Delhi

June 19, 2010

Kamal Ahluwalia

Partner

Membership No. 93812

Auditors' Report

To the members of Anant Raj Industries Limited

1. We have audited the attached Balance Sheet of Anant Raj Industries Limited as on March 31, 2010, the related 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, 2010 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, 2010;

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.

608, New Delhi House	B. Bhushan & Co.
Barakhamba Road	Chartered Accountants
	By the hand of
New Delhi.	
May 28, 2010	Kamal Ahluwalia
	Partner
	Membership No. 093812
	Firm Regn. No. 001596N

Annexure to Auditors' 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, 2010]

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 of 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, 2010, for a period of more than six months from the date they became payable.

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 Court 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 a guarantee of Rs. 1,500 Lac to State Bank of India to secure the credit facility extended by the bank to Anant Raj Cons. & Develpoment Pvt. Ltd.,a subsidiary company, against which outstanding amount as at March 31, 2010 is Rs. 58,093,593.

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 and companies covered under register maintained under section 301 of the Companies Act, 1956. However during the year the Company has issued 20,000,000 convertible warrants , of face value Rs. 2 each for cash at a premium of Rs. 85 per warrant to a Promoter Group Company. Each warrant to be converted into one equity share on successful payment of the total amount.

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.

608, New Delhi House	B. Bhushan & Co.
Barakhamba Road	Chartered Accountants
New Delhi.	By the hand of
May 28, 2010	Kamal Ahluwalia
	Partner
	Membership no. 093812
	Firm Regn. No. 001596N

Balance Sheet as at 31st March, 2010

	Schedules	As at March 31st 2010 Rs.	As at March 31st 2009 Rs.
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	**33,957,785,440**	31,792,580,212
Loan funds			
Secured loans	3	**940,348,384**	1,108,665,988
Unsecured loans	4	**2,096,000**	2,780,778
Deferred tax liability (Net)	5	**9,013,899**	26,009,968
		35,934,436,393	**33,520,229,616**
APPLICATION OF FUNDS			
Fixed assets	6		
Gross block		**14,708,726,796**	10,942,398,871
Less: Accumulated depreciation		**607,609,431**	503,758,086
Net block		**14,101,117,364**	10,438,640,785
Capital work in progress including capital advances		**4,805,751,168**	6,545,398,226
Investments	7	**3,066,033,450**	3,609,233,402
Current assets, loans and advances	8		
Inventories		**97,282,771**	98,248,021
Sundry debtors		**2,399,275,193**	2,399,150,033
Cash and bank balances		**4,685,742,049**	6,026,714,630
Loans and advances		**7,945,010,620**	5,620,074,952
		15,127,310,633	**14,144,187,637**
Less: Current liabilities and provisions	9	**1,166,819,622**	1,218,990,534
Net current assets		**13,960,491,011**	12,925,197,103
Miscellaneous expenditure (to the extent not written off or adjusted)	10	**1,043,400**	1,760,100
		35,934,436,393	**33,520,229,616**
ACCOUNTING POLICIES	17		
NOTES TO ACCOUNTS	18		

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, 2010

Ashok Sarin
Chairman

Brajindar M. Singh
Director

Yogesh Sharma
Sr. Vice 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

Profit and Loss Account for the year ended 31st March, 2010

	Schedules	For the year ended March 31st 2010 Rs.	For the year ended March 31st 2009 Rs.
INCOME			
Turnover			
Ceramic tiles	11	84,834,914	160,379,089
Sale of assets/investments	12	2,293,735,241	3,817,651,326
Rental receipts		489,530,960	159,751,610
Other income	13	481,302,087	610,509,158
(Decrease)/increase in inventories	14	(601,952)	10,721,154
		3,348,801,250	4,759,012,338
EXPENDITURE			
Manufacturing and others	15	255,472,343	291,349,749
Financial	16	48,335,649	4,558,144
Depreciation		106,480,263	86,125,159
		410,288,255	382,033,052
PROFIT DURING THE YEAR		2,938,512,996	4,376,979,286
Less : Prior period adjusments		(3,100,151)	(12,917,020)
Add : Depreciation Written Back		3,205,477	-
PROFIT BEFORE TAX		2,938,618,321	4,364,062,267
Less:Provision for taxation			
Current income tax		(583,350,021)	(693,470,773)
Deferred tax		16,996,069	(7,374,770)
Fringe benefit tax		-	(4,445,335)
Wealth tax		(594,253)	(390,602)
PROFIT AFTER TAX		2,371,670,116	3,658,380,787
Balance brought forward from previous year		7,710,342,919	4,624,948,984
PROFIT AVAILABLE FOR APPROPRIATION		10,082,013,035	8,283,329,771
APPROPRIATIONS			
Proposed dividend		177,057,800	177,057,800
Corporate dividend tax		29,407,087	30,090,973
Transfer to General Reserve		237,167,012	365,838,079
Balance carried over to Reserves and Surplus Account		9,638,381,136	7,710,342,919
		10,082,013,035	8,283,329,771
Earnings per share [equity shares, par value of Rs. 2 (Rs.2) each]			
Basic earnings per share		8.04	12.40
Diluted earnings per share		7.85	12.40
[See note no. (xxiii) of Schedule No. 18 to the Accounts]			
ACCOUNTING POLICIES	17		
NOTES TO ACCOUNTS	18		

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, 2010

Ashok Sarin
Chairman

Anil Sarin
Managing Director

Amit Sarin
CEO & Director

Brajindar M. Singh
Director

Ambarish Chatterjee
Director

Maneesh Gupta
Director

Yogesh Sharma
Sr. Vice President - Finance

Manoj Pahwa
Company Secretary

Omi Chand Rajput
G.M.Finance

Schedules to the Accounts

		As at March 31st 2010 Rs.	As at March 31st 2009 Rs.
1. SHARE CAPITAL			
Authorised			
397,000,000 (397,000,000) equity shares of Rs. 2 (Rs. 2) each		**794,000,000**	794,000,000
Issued, subscribed and paid up			
295,096,335 (295,096,335) equity shares of Rs. 2 (Rs. 2) each		**590,192,670**	590,192,670
2. RESERVES AND SURPLUS			
Capital reserve	(a)	**24,558,021**	24,558,021
Share premium	(b)	**23,101,468,192**	23,101,468,192
General reserve			
Balance at the beginning of the year		**956,211,079**	590,373,000
Add: Transfer from Profit and Loss Account		**237,167,012**	365,838,079
Balance at the end of the year	(c)	**1,193,378,090**	956,211,079
Profit and Loss Account	(d)	**9,638,381,136**	7,710,342,919
	(a+b+c+d)	**33,957,785,440**	31,792,580,212
3. SECURED LOANS			
From Banks			
Term loans		**939,830,266**	1,105,710,575
Cash credit facilities		**45,435**	88,358
From vehicle financing companies			
Vehicle loans		**472,684**	2,867,055
		940,348,384	1,108,665,988
4. UNSECURED LOANS			
Deposits		**2,096,000**	2,780,778
5. DEFERRED TAX LIABILITY (NET)			
Deferred tax assets	(a)	**4,031,902**	3,031,511
Deferred tax liability	(b)	**13,045,802**	29,041,479
	(b-a)	**9,013,899**	26,009,968

6. FIXED ASSETS

	GROSS BLOCK				DEPRECIATION				NET BLOCK	
Particulars	As at April 1, 2009	Additions during the year	Sales/ adjustment during the year	As at March 31, 2010	Upto March 31, 2009	During the year	Depreciation Written back/ adjustment	Upto March 31, 2010	As at March 31, 2010	As at March 31, 2009
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Goodwill on amalgamation	117,997,094	-	-	**117,997,094**	70,798,257	23,599,419	-	94,397,676	**23,599,418**	47,198,837
Land & site development	9,267,738,891	1,318,556,547	22,268,451	**10,564,026,987**	-	-	-	-	**10,564,026,987**	9,267,738,891
Factory Building	85,623,609	-	-	**85,623,609**	52,567,238	3,305,637	-	55,872,875	**29,750,734**	33,056,370
Buildings	792,879,915	2,422,454,688	-	**3,215,334,603**	8,461,325	24,211,364	(838,393)	33,511,082	**3,181,823,521**	784,418,590
Plant and machinery	492,316,093	772,804	-	**493,088,897**	296,687,079	30,021,808	-	326,708,887	**166,380,010**	195,629,014
Furniture fixtures	16,978,181	736,797	-	**17,714,978**	7,937,549	1,704,109	-	9,641,658	**8,073,320**	9,040,632
Office equipments	78,825,148	19,026,754	-	**97,851,902**	19,301,831	9,172,623	-	28,474,454	**69,377,447**	59,523,317
Computers	13,516,324	1,132,454	-	**14,648,778**	5,144,006	3,485,005	-	8,629,011	**6,019,767**	8,372,319
Vehicles	76,523,616	29,720,351	3,804,019	**102,439,948**	42,860,801	10,980,298	3,467,310	50,373,789	**52,066,159**	33,662,815
Total	**10,942,398,871**	**3,792,400,395**	**26,072,470**	**14,708,726,796**	**503,758,086**	**106,480,263**	**2,628,917**	**607,609,431**	**14,101,117,364**	**10,438,640,785**
Capital work in progress including capital advances									**4,805,751,168**	6,545,398,226
									18,906,868,532	**16,984,039,011**
Previous Year	10,299,236,552	854,124,640	210,962,322	**10,942,398,871**	419,710,084	86,125,159	2,077,157	503,758,086	**16,984,039,011**	13,748,529,517

	As at March 31st 2010 Rs.	As at March 31st 2009 Rs.
7. INVESTMENTS		
Long term investments		
In equity shares of subsidiaries-Unquoted	**1,540,760,923**	1,553,437,672
In equity shares of other companies-Unquoted	**1,499,892,250**	1,379,343,250
In preference shares of subsidiaries	**20,010,000**	20,020,000
In capital of partnership firms	**4,894,203**	4,907,690
Short term investments		
In Reliance Mutual Funds*	**476,074**	651,524,789
	3,066,033,450	**3,609,233,402**

* [Nil (14,997,688) units of Reliance Liquidity Fund Daily Dividend Re-Investment Option and 476 (500,932) units of Reliance Money Manager Fund Institutional Option- Daily Dividend Plan]

	As at March 31st 2010 Rs.	As at March 31st 2009 Rs.
8. CURRENT ASSETS, LOANS AND ADVANCES		
CURRENT ASSETS		
INVENTORIES		
Raw materials	9,244,809	9,633,297
Stores and spares	13,634,656	13,609,466
Finished goods	55,640,725	54,157,757
Work in process	3,450,400	5,535,320
Building	13,664,982	13,664,982
Apartments	1,647,200	1,647,200
(a)	97,282,771	98,248,021
SUNDRY DEBTORS		
(Unsecured and considered good)		
Debts outstanding for a period exceeding six months	2,245,123,600	1,862,729,998
Other debts	154,151,593	536,420,035
(b)	2,399,275,193	2,399,150,033
CASH AND BANK BALANCES		
Cash in hand	4,199,317	671,264
Balances with scheduled banks		
On current accounts	1,610,659,063	1,510,682,980
On deposit accounts	3,070,883,670	4,515,360,386
(c)	4,685,742,049	6,026,714,630
LOANS AND ADVANCES		
(Unsecured and considered good)		
Advance to subsidiaries	6,269,701,454	4,843,160,928
Advances recoverable in cash or in kind or for value to be received	1,176,951,640	208,958,166
Advance income tax	395,418,279	499,411,579
Interest accrued but not due	87,545,495	55,481,027
Security deposits	15,393,752	13,063,252
(d)	7,945,010,620	5,620,074,952
(a+b+c+d)	15,127,310,633	14,144,187,637

	As at March 31st 2010 Rs.	As at March 31st 2009 Rs.
9. CURRENT LIABILITIES AND PROVISIONS		
Current liabilities		
Sundry creditors for goods, services and expenses	16,117,931	21,450,598
Sundry creditors for capital goods	7,431,012	109,175,934
Other liabilities	293,855,194	125,494,261
Security deposits	47,144,298	48,495,425
Provisions		
Proposed dividend	177,057,800	177,057,800
Corporate dividend tax	29,407,087	30,090,973
Income tax	583,350,021	693,470,773
Fringe benefit tax	-	4,445,335
Gratuity	9,466,373	6,671,265
Leave encashment	2,395,652	2,247,568
Wealth tax	594,253	390,602
	1,166,819,622	1,218,990,534
10. MISCELLANEOUS EXPENDITURE (to the extent not written off or adjusted)		
Miscellaneous expenditure	1,760,100	2,476,800
Less: Written off during the year	716,700	716,700
	1,043,400	1,760,100

	For the year ended March 31st 2010 Rs.	For the year ended March 31st 2009 Rs.
11. TURNOVER - CERAMIC TILES		
Domestic sales	**92,634,481**	171,530,634
Export sales and benefits	**1,478,204**	-
	94,112,685	171,530,634
Less: Excise duty	**9,277,771**	11,151,545
	84,834,914	160,379,089
12. SALE OF ASSETS/INVESTMENTS (NET)		
Profit on sale of assets	**1,039,864,240**	3,732,964,076
Profit on sale of investments	**1,253,871,001**	84,687,250
	2,293,735,241	3,817,651,326
13. OTHER INCOME		
Interest receipts	**422,342,733**	536,178,724
Income from units of mutual fund	**27,951,284**	6,144,459
Others	**31,008,069**	68,185,974
	481,302,087	**610,509,158**
14. (DECREASE)/INCREASE IN FINISHED GOODS AND WORK IN PROCESS		
Opening inventory		
Finished goods	**54,157,757**	44,021,673
Work in process	**5,535,320**	4,950,250
(a)	**59,693,077**	**48,971,923**
Closing inventory		
Finished goods	**55,640,725**	54,157,757
Work in process	**3,450,400**	5,535,320
(b)	**59,091,125**	**59,693,077**
(c=b-a)	**(601,952)**	**10,721,154**

	For the year ended March 31st 2010 Rs.	For the year ended March 31st 2009 Rs.
15. MANUFACTURING AND OTHERS		
Raw materials consumed	**27,698,343**	48,158,018
Stores and fuel consumed	**27,747,583**	38,151,575
Power consumed	**10,954,879**	13,965,607
Salaries and wages	**68,740,631**	66,779,901
Contribution to provident and other funds	**4,629,582**	4,689,002
Gratuity	**3,257,847**	1,841,013
Leave encashment	**688,614**	755,047
Travelling and conveyance	**23,248,809**	17,800,009
Advertisement and sales promotion	**18,348,418**	18,254,596
Legal and professional	**12,268,003**	14,130,280
Communication	**5,408,557**	6,441,623
Security expenses	**4,476,505**	4,454,723
Electricity and water	**3,300,863**	2,029,781
Printing and stationery	**2,111,226**	2,543,094
Insurance	**1,989,682**	2,856,491
Repair and maintenance		
Plant and machinery	**378,295**	1,394,621
Vehicle running and maintenance	**9,335,860**	10,668,866
Building	**807,319**	241,300
Let out property	**5,194,802**	9,517,779
Others	**3,561,944**	3,648,889
Discount and commission	**2,651,375**	2,985,710
Rent	**834,513**	3,207,467
Freight and cartage	**743,320**	271,282
Donation	**887,490**	4,000,904
Bad debts written off	**5,608,421**	2,024,964
Loss from partnership firm	**13,487**	11,057
Miscellaneous	**10,585,973**	10,526,151
	255,472,343	**291,349,749**
16. FINANCIAL EXPENSES		
Interest	**48,071,961**	4,166,383
Bank charges	**263,688**	391,761
	48,335,649	**4,558,144**

17. 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 cost or marked to market values, whichever is lower. Loss or gain 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

Inventories are valued as follows:

Raw material, stores, spares and consumables : At lower of cost of 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.

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.

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

Net market value is the estimated selling price in the ordinary course of business.

g) 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.

h) DEPRECIATION

Depreciation on fixed assets is charged on the written down value method except Building (other than factory building) 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%.

i) **REVENUE RECOGNITION**

Revenue from constructed properties is recognized on the `Percentage of Completion method'. Total sale consideration as per the agreement to sell, of construction properties entered into is recognized as revenue, based on the percentage of actual project cost incurred thereon to total estimated project cost, subject to such actual cost incurred being 30% or more of the total estimated project cost. Project cost includes cost of land, estimated construction and development cost of such properties. 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. However, when the total project cost is estimated to exceed total revenues from the project ,the loss is recognized immediately.

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. The related costs there against are charged to the Profit and Loss Account for the year.

- Revenue from sales of investments in properties and shares of subsidiaries is recognized by reference to the total sale consideration as per agreement to sell as reduced by the cost of such property/shares. Cost includes acquisition cost plus construction and development cost of such properties.
- Revenue is recognized to the extent 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.
- Revenue from rentals is recognized on accrual basis in accordance with the terms of the relevant agreement.
- 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.

j) **CLAIMS**

Claims lodged by and lodged against the Company are accounted in the year of payment or settlement thereof, provided the payment is certain in all material respects.

k) **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 Finance Charges in the income statement in the period in which they are incurred.

l) **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.

m) 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.

n) 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.

o) 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 & provision for contingencies and 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.

p) 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.

q) 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.

r) 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 is 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.

s) 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. Finance charges are charged directly against income.

t) MISCELLANEOUS EXPENDITURE

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

18. NOTES TO ACCOUNTS

	Particulars		As at March 31st 2010 Rs.	As at March 31st 2009 Rs.
i)	**Contingent liabilities not provided for in respect of:**			
	a)	Claims against the Company not acknowledged as debts*	**63,960,510**	64,314,053
	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. 82,522,560 (Rs. 83,918,233) under EPCG license for import of capital goods (to be fulfilled by June 18, 2010)]		
		[Unfulfilled export obligation of Rs. 7,489,456 (Rs. 7,489,456) under EPCG license for import of capital goods (to be fulfilled by January 23, 2013)]		
		[Unfulfilled export obligation of Rs. 186,026,102 (Rs. 186,026,102) under EPCG license for import of capital goods (to be fulfilled by March 15, 2013)]		
		[Unfulfilled export obligation of Rs. 9,941,224 (Rs. 9,941,224) 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. 637,092 (Rs. 582,838) held by bank as margin.		
		[Unfulfilled export obligation of Rs. 7,513,096 (7,513,096) 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. 120,599 (Rs. 111,701) held by bank as margin		
		The Deposits are shown under the head 'Bank Balances'	**111,701**	100,000
	d)	Borrowings by affiliate companies whose loans have been guaranteed by the Company as at the close of the year	**58,093,593**	107,964,510
		* 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		
ii)	Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advances)		407,384,856	761,320,083
iii)	Unexpired installments of assets purchased on hire purchase basis [Amount due within 1 (one) year is Rs. 481,350 (Rs. 2,504,744)]		481,350	2,986,094

	Particulars	For the year ended March 31, 2010 Rs.	For the year ended March 31, 2009 Rs.
iv)	**Payment to directors #**		
	Remuneration to managing director	12,768,000	12,768,000
	Sitting fees	75,000	77,500
	# 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	2,310,785	1,828,752
	For certification services including service tax	-	12,257

vi) **Secured loans**

From State Bank of India (SBI)

a) Working capital facilities of Rs. 0.45 lacs (Rs. 0.88 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) equitable mortagage of factory land building, and hypothecation of machinery/fixtures, etc. thereat, (b) personal guarantees of 2 (two) promoters/directors and 2 (two) family members of promoters/directors.

b) Term loan of Rs. 2,497 lacs (Rs. 2,907 lacs) of demerged construction and development division of Anant Raj Agencies Pvt. Ltd. one of the transferor division, merged with the Company on January 1, 2007) is in the nature of loan against assignment of lease rentals receivable from specified tenants at Jhandewalan Extension, New Delhi, The loan is collaterally secured by way of equitable mortgage of Company's property at Jhandewalan Extension, New Delhi. The loan is further secured by, (a) personal guarantees of 2 (two) directors/ promoters of the Company, and (b) personal guarantee of 2 (two) family member of promoter/director.

From Oriental Bank of Commerce (OBC)

c) Term loan of Rs. 4,912 lacs (Rs. 5,559) 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 additionaly secured against land at Village Khera Kalan, Nangli Poona, Delhi, in the name of the Company. The term loan is also collaterally secured by way of personal guarantees of 2 (two) directors/ promoters of the Company, and (b) personal guarantee of 2 (two) family members of directors/promoters of the Company.

From Central Bank of India (CBI)

d) Term loan of Rs. 1,989 lacs (Rs. 2,591 lacs), is secured against first charge by way of equitable mortgage of land and proposed building of the project located at IMT Manesar 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 additionaly secured against land at Village Khera Kalan, Nangli Poona, Delhi, in the name of the company . The term loan is also collaterally secured by way of personal guarantees of 2 (two) directors/ promoters of the Company, and (b) personal guarantee of 2 (two) family members of directors/promoters of the Company.

Term loans repayable within 1 (one) year Rs.186,548,226 (Rs. 153,429,938).

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

vii) Vehicle loans are secured against hypothecation of respective vehicles.

viii) Dealership deposits, shown under the head 'Unsecured Loans', are interest bearing deposits received by the Company from dealers of its products.

ix) During the year the Company has changed the method of charging depreciation on buildings (other than factory building) from written down value method to straight line method, resulting in the depreciation charge for the current year being lower by Rs. 3,205,477 and consequently the profit for the current year stands overstated by equivalent amount.

x) The Company had issued during the year, 20,000,000 Convertible warrants of face value Rs. 2 each, for cash at a premium of Rs. 85 per warrant , aggregating to Rs. 1,740,000,000/- to 'Anant Raj Meadows Private Limited' (Promoter Group Compay). As per terms of issue the Company has received 25% of excercise price amounting Rs. 43.50 crores as upfront payment and balance 75% will be received on excercise of warrant (excercise period of 18 months from July 10, 2009 to January 09, 2011).Further, each warrant to be converted into one common equity share on successful payment of balance amount.

xi) The Company issued 20,144,000 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/would be utilised for development and construction of special economic zones, information and technology parks, hospitality sector, augmenting long term resources and working capital requirements and unutilised funds have been places as fixed deposits with Bank.

Utilisation status of GDR proceeds, during the year 2009-10 is as under:

Particualrs	Opening balance as at April 1, 2009 (Rs.)	Amount utilised during the year (Rs.)	Closing balance as at March 31,2010 (Rs.)
Construction and development	1,908,164,021	632,965,951	**2,541,129,972**
Loan to Subisidiaries for Construction & development	-	187,950,000	187,950,000
Land acquired	-	16,537,911	**16,537,911**
Investment in Subsidiaries for acquisition of Land	429,392,000	899,150,000	**1,328,542,000**
Others	-	336,604,817	**336,604,817**
	2,337,556,021	**2,073,208,679**	**4,410,764,700**

During the year, 13,846,500 (5,334,500) GDRs have been converted into fully paid up equity shares.

xii) The Company has entered into Joint venture agreements with, (i) Monsoon Capital for construction and development of an Information and Technology Park at Panchkula, Haryana; (ii) Swan Consultants, a Reliance (ADAG) company for development of two hospitality projects in New Delhi, and (iii) Lalea Trading Ltd., Cyprus, for development of project land by construction thereon of retail mall.

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

xiv) 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.

xv) Deposits with Bank include Rs. 852,649 (Rs. 840,948) pledged with Sale tax Department/Excise Authorities.

xvi) 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. 6,269,701,454 (Rs. 4,847,660,928). Maximum amount due during the year from these companies was Rs. 9,888,498,220 (Rs. 9,848,371,202).

xvii) Sundry debtors include Rs. Nil (Rs. 666,671) as debts due from companies under the same management. Maximum balance due during the year was Rs. 5,396,015 (Rs. 3,166,963).

xviii) 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, 2010 payable to SSI undertakings is Rs. 1,490,197 (Rs. 2,503,032). However, no provision for interest accrued on such amount has been made.

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

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. 9,466,373 (Rs. 6,671,265) and leave encashment liability of Rs. 2,395,652 (Rs. 2,247,568).

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

(a) Change in defined benefit obligations (Rs., lacs)

Particulars	Gratuity		Leave encashment	
	2009-10	2008-09	2009-10	2008-09
Projected benefit obligation at the beginning of the year	66.71	52.02	22.48	19.25
Current service cost	9.25	7.79	3.35	4.16
Interest cost	4.67	4.16	1.57	1.54
Actuarial (gain)/loss on obligations	18.66	6.46	1.96	1.86
Benefits paid	(4.63)	(3.71)	(5.40)	(4.33)
Projected benefit obligation at the end of the year	94.66	66.71	23.96	22.48

(b) The fair value of plan assets is Nil since employee benefit plans are wholly unfunded as on March 31, 2010.

(c) **Net periodic gratuity cost**

(Rs., lacs)

Particulars	Gratuity		Leave encashment	
	2009-10	2008-09	2009-10	2008-09
Current service cost	9.25	7.79	3.35	4.16
Interest cost	4.67	4.16	1.57	1.54
Expected return on plan assets	-	-	-	-
Net actuarial (gain)/loss recognised	18.66	6.46	1.96	1.85
Expenses recognised in the statement of Profit and Loss	32.58	18.41	6.89	7.55

(d) **Principal actuarial assumptions**

Particulars	Gratuity and leave encashment
Discount rates	7.5% (7%) per annum
Future salary increases	15% (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) mortality tables.

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. 4,031,902 (Rs. 3,031,511) and deferred tax liabilities of Rs. 13,045,802 (Rs. 29,041,479) as at March 31, 2010. Major components of deferred tax are as follows:

Particulars	As at March 31st 2009 Rs.	As at March 31st 2010 Rs.	For the year Rs.
	(a)	(b)	(b-a)
i) Deferred tax assets			
- Gratuity	2,267,563	**3,217,620**	950,057
- Leave encashment	763,948	**814,282**	50,334
	3,031,511	**4,031,902**	1,000,391
ii) Deferred tax liability			
- Fixed assets	29,041,479	**13,045,802**	(15,995,677)
Net deferred tax liability; (i)-(ii)	(26,009,968)	**(9,013,899)**	16,996,069

The net deferred tax assets/(liabilities) amounting to Rs. 16,996,069 (Rs. - 7,374,770) 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, 2010 Rs.	Maximum balance outstanding during the year Rs.
a) Loans and advances		
- in respect of subsidiary companies	**6,269,701,454**	9,453,919,096
	(4,843,160,928)	(9,661,967,626)
- in respect of associate companies	**-**	434,579,124
	(4,500,000)	(186,403,576)

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 Investments have been made by the Loanee in the share 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, 2010 Rs. lacs	For the year ended March 31, 2009 Rs. lacs
1. Segment revenue		
a) Ceramic tiles	**856**	1,692
b) Real estate/investments	**32,638**	45,843
c) Total	**33,494**	47,535
d) Less: Inter segment revenue	**-**	-
e) Net sales/income from operations	**33,494**	47,535
2. Segment results		
a) Profit before interest and tax from each segment		
i) Ceramic tiles	**(524)**	(192)
ii) Real estate/investments	**30,433**	43,905
b) Total	**29,909**	43,713
Less:		
c) Interest	**483**	46
d) Unallocable income/expense	**39**	26
e) Profit before tax	**29,387**	43,641
3. Assets and liabilities		
a) Segment assets		
i) Ceramic tiles	**4,037**	3,986
ii) Real estate/investments	**363,011**	338,394
iii) Total segment assets	**367,048**	342,380

Particulars		For the year ended March 31, 2010 Rs. lacs	For the year ended March 31, 2009 Rs. lacs
b)	Segment liabilities		
	i) Ceramic tiles	278	317
	ii) Real estate/investments	12,792	13,843
iii)	Total segment liabilities	13,070	14,160
c)	Corporate unallocable liabilities	4,159	4,150
4.	**Capital expenditure**		
i)	Ceramic tiles	8	20
ii)	Real estate/investments	37,916	8,521
5.	**Depreciation**		
i)	Ceramic tiles	349	409
ii)	Real estate/investments	716	452

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, 2010 Rs.	As at March 31, 2009 Rs.
a)	Net profit available for equity shareholders	2,371,670,116	3,658,380,787
b)	Weighted average number of equity shares outstanding for calculation of		
	- Basic EPS	295,096,335	295,096,335
	- Diluted EPS	301,981,306	295,096,335
c)	Nominal value of per equity share	2	2
d)	Earning per share (a)/(b)		
	- Basic EPS	8.04	12.40
	- Diluted EPS	7.85	12.40

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

	Partners sharing ratio	Profit %	Capital as on March 31, 2010 Rs.	Capital as on March 31, 2009 Rs.
a)	Anant Raj Industries Ltd.	90	4,521,703	4,535,191
b)	Anant Raj Agencies Pvt. Ltd.	10	512,412	513,911
		100	**5,034,115**	**5,049,102**

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 set aside the assessments framed for 2 (two) earlier years and reopened the assessments framed in respect of other 2 (two) years. The aforesaid Authorities had since re-framed reassessments in respect of all the 4 (four) abovementioned assessment years against the Company, which were set aside in by the First Appellate Authority (Commissioner of Income tax (Appeals)) in disposing appeals filed by the Company against the re-assessments. The Assessing Authority has preferred appeals before the Second Appellate Authority (the Hon'ble Income tax Appellate Tribunal). The Hon'ble Appellate Tribunal (ITAT) while setting aside appeal of the Income tax Department for one of the years, has allowed the other appeals preferred by the Department. The Company filed an appeal with Ho'ble High Court of Delhi, against the order of Hon'ble ITAT in case of 3 appeals of the Income tax Department, which have been allowed by the Hon'ble ITAT.

The income tax demand of Rs. 27,912,346 (excluding interest and additional tax) has been raised by the Income tax Department in respect of these appeals. No provision has been made in the books of account as the Company has been advised that no liability is likely to crystalize on this account.

xxvii) During the year the Company has not charged and consequently, not deposited service tax amounting to Rs. 18,273,032 on renting of immovable property, relying on Order dated April 18, 2009 of the Hon’ble High Court of Delhi., wherein the Hon’ble Court had categorically concluded that renting of immovable property by itself cannot be regarded as a service. The Hon’ble Court reiderated its stand in its order dated May 18, 2010 while deciding the Appeal no. W.P.(C) 3398-2010. In view of the same, and as per legal opinion obtained by the Company, no liability on the above account is likely to crystallize on the said account, hence not provided in the books during the year.

The Company remains contingently liable for and equivalent amount being the amount of service tax liability which may fall due, in the event the same become payable by virtue of any future order/amendment. However, the respective lessees have undertaken to idemnify the Company, for any loss that the Company might have to incurr, in the event such a libility crystallizes.

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	2009-10	2008-09
a) Number of non-resident shareholders	77	77
b) Number of equity shares held by them	401,500	405,500
c) Year to which the dividend related	2008-09	2007-08
d) Gross amount of dividends (in Rs.)	240,900	608,250

xxxii) Details of Capital work-in-progress as on March 31, 2010

Particulars	2009-10 Rs.	2008-09 Rs.
a) Development and construction expenses	3,368,959,439	3,360,869,208
b) Finance charges	220,776,209	273,379,376
c) Capital advances	1,216,015,520	2,911,149,642
	4,805,751,168	6,545,398,226

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.*
2 Anant Raj Cons. & Development Pvt. Ltd.
3 Anant Raj Hotels Ltd.
4 Anant Raj International FZE
5 A plus Estates Pvt. Ltd.*
6 Anant Raj Projects Ltd.
7 Ankur Buildcon Pvt. Ltd.*
8 Blossom Buildtech Pvt. Ltd.
9 Capital Buildcon Pvt. Ltd.*
10 Century Promoters Pvt. Ltd.
11 Capital Buildtech Pvt Ltd.*
12 Carnation Buildtech Pvt Ltd.*
13 Echo Buildtech Pvt. Ltd.
14 Echo Properties Pvt. Ltd.
15 Elegant Buildcon Pvt. Ltd.
16 Elegant Estates Pvt. Ltd.
17 Elevator Builders Pvt. Ltd.
18 Elevator Buildtech Pvt. Ltd.
19 Elevator Promoters Pvt. Ltd.
20 Elevator Properties Pvt. Ltd.
21 Empire Promoters Pvt. Ltd.
22 Equinox Properties Pvt. Ltd.@
23 Fabulous Builders Pvt. Ltd.
24 Gadget Builders Pvt. Ltd.
25 Goodluck Buildtech Pvt. Ltd.
26 Grand Buildtech Pvt. Ltd.
27 Grand Park Buildtech Pvt. Ltd.
28 Grand Park Estates Pvt. Ltd.
29 Greenline Buildcon Pvt. Ltd.
30 Greatway Estates Ltd.
31 Green Line Promoters Pvt. Ltd.
32 Green Retreat and Motels Pvt. Ltd.
33 Greenview Buildwell Pvt. Ltd.
34 Greenway Promoters Pvt. Ltd.
35 Greenwood Properties Pvt. Ltd.
36 Gujarat Anant Raj Vidhyanagar Ltd.
37 Gagan Buildtech Pvt Ltd.*
38 Greatway Buildtech Pvt Ltd.*
39 Hemkunt Promoters Pvt. Ltd.
40 Highland Meadows Pvt. Ltd.
41 Kalinga Buildtech Pvt. Ltd.
42 Krishna Buildtech Pvt. Ltd.*
43 Kalinga Realtors Pvt. Ltd.
44 Lucky Meadows Pvt. Ltd.
45 Monarch Buildtech Pvt Ltd*
46 Noval Buildmart Pvt. Ltd.
47 Noval Housing Pvt. Ltd.
48 One Star Realty Pvt. Ltd.*
49 Oriental Meadows Ltd.
50 Oriental Promoters Pvt Ltd.*
51 Parkland Developers Pvt. Ltd.
52 Parkview Promoters Pvt. Ltd.
53 Pasupati Aluminium Ltd.
54 Pelikan Estates Pvt. Ltd.
55 Pioneer Promoters Pvt. Ltd.
56 Papillon Buidcon (P) Ltd.*
57 Pappilon Buildtech (P) Pvt.*
58 Rapid Estates Pvt. Ltd.@
59 Rapid Realtors Pvt. Ltd.
60 Rising Realty Pvt. Ltd.*
61 Roseview Buildtech Pvt. Ltd.
62 Rolling Construction Pvt. Ltd.
63 Romano Tiles Pvt. Ltd.
64 Roseview Properties Pvt. Ltd.
65 Sandstorm Buildtech Pvt. Ltd.
66 Silvertown Inn & Resorts Pvt. Ltd.@
67 Sovereign Buildwell Pvt. Ltd.
68 Springview Developers Pvt. Ltd.
69 Springview Properties Pvt. Ltd.
70 Suburban Farms Pvt. Ltd.
71 Townsend Construction and Equipments Pvt. Ltd.
72 Twenty First Developers Pvt.Ltd.
73 Vibrant Buildmart Pvt. Ltd.
74 White Diamond Construction and Equipments Pvt. Ltd.
75 Woodland Promoters Pvt. Ltd.
76 West Land Buildcon 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.

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.
2 Aakash Ganga Realty Pvt. Ltd.
3 Anant Raj Agencies Pvt. Ltd.
4 Anant Raj Estates Pvt. Ltd.
5 Anant Raj Infrastructure Pvt. Ltd.
6 Anant Raj Meadows Pvt. Ltd.
7 Anant Raj Farms Pvt. Ltd.
8 Anant Raj Property Management Pvt. Ltd.
9 Associated Buildtech Pvt. Ltd.
10 Anant Raj Power Limited
11 BBB Realty Pvt. Ltd.
12 Blue Diamond Estates Pvt. Ltd.
13 Bolt Properties Pvt. Ltd.
14 Carnation Promoters Pvt. Ltd.
15 CCC Realty Pvt. Ltd.
16 Consortium Holding Pvt. Ltd.
17 Delhi Motels Pvt. Ltd.
18 EEE Realty Pvt. Ltd.
19 Elevators Realtors Pvt. Ltd.
20 Four Construction Pvt. Ltd.
21 Four Star Realty Pvt. Ltd.
22 Green Valley Builders Private Limited
23 GGG Realty Pvt. Ltd.
24 Glaze Properties Pvt. Ltd.
25 Goodwill Estates Pvt. Ltd.
26 Goodwill Meadows Ltd.
27 Hamara Realty Pvt. Ltd.
28 HBP Estates Pvt. Ltd.
29 Hemkunt Buildtech Pvt. Ltd.
30 Jasmine Buildwell Pvt. Ltd.
31 Mayur Buildcon Pvt. Ltd.
32 Monarch Estates Pvt. Ltd.
33 North South Properties Pvt. Ltd.
34 Olympia Buildtech Pvt. Ltd.
35 Olympia Builders Pvt. Ltd.
36 Parkland Construction and Equipments Pvt. Ltd.
37 Rapid Estates (P) Ltd.
38 Red Sea Realty Pvt. Ltd.
39 Romano Estates Pvt. Ltd.
40 Romano Infrastructure Pvt. Ltd.
41 Romano Projects Pvt. Ltd.
42 Rockfield Developers Pvt. Ltd.
43 Roseland Buildtech Pvt. Ltd.
44 Rose Realty Pvt. Ltd.
45 Roseview Promotors Pvt. Ltd.
46 SS Aamouage Trading Pvt. Ltd.
47 Saffronview Properties Pvt. Ltd.
48 Skipper Travels International Pvt. Ltd.
49 Three Star Realty Pvt. Ltd.
50 Tumhare Liye Realty Pvt. Ltd.
51 Two Star Realty Pvt. Ltd.
52 Townsend Promoters Pvt. Ltd.
53 Townsend Properties Pvt. Ltd.
54 Tricolor Hotels Ltd.

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

^ Apppointed on August 20, 2009

Appointed on May 29, 2009

b) **Transactions with related parties during the year**

Nature of transaction	Related party	For the year ended March 31,2010 Rs.	For the year ended March 31,2009 Rs.
Services as Managing Director	Anil Sarin	12,768,000	12,768,000
Services as Executive Director	Amit Sarin	54,720	218,880
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	25,000	40,000
Sitting fees paid	Maneesh Gupta	27,500	37,500
Sitting fees paid	Brajindar Mohan Singh	22,500	-
Sale of ceramic tiles	Anant Raj Agencies Pvt. Ltd.	-	460,652
- do -	Anant Raj Cons. & Development Pvt. Ltd.	6,052,914	5,541,798
Sale of vehicles	Anant Raj Cons. & Development Pvt. Ltd.	-	2,601,591
Construction contracts	Anant Raj Cons. & Development Pvt. Ltd.	438,425,074	1,664,543,822
Interest Received Associate Company	Rapid Estate (P) Ltd.	13,170,395	
Sale of investment in subsidiary	Aman Sarin	8,750,000	-
Sale of investment in subsidiary	Amar Sarin	-	250,000
Sale of investment in subsidiary	Ashim Sarin	-	250,000
Sale of investment in subsidiary	Amit Sarin	8,750,000	-
Sale of investment in subsidiary	Anant Raj Estates Pvt. Ltd.	500,000	
Sales of land & building	Anant Raj Projects Limited	-	2,163,200,000
Loans paid back during the year	Ashok Sarin	-	5,666,500
Investments during the year in subsidiaries		181,442,250	97,176,650
Investment in associates companies		120,549,000	92,730,000
Share application money received back from associate companies		600,420	-
Share application money paid to associate companies		116,649,420	26,200
Share application money paid to subsidiary companies		178,250,000	
Share application money received back from subsidiary companies		884,000	
Loan given to subsidiaries		5,214,395,379	5,417,362,755
Loan received back from subsidiaries		3,787,854,853	4,297,948,622
Loan given to associate companies		424,011,366	202,673,874

Nature of transaction	Related party	For the year ended March 31,2010 Rs.	For the year ended March 31,2009 Rs.
Loan received back from associate companies		424,011,366	380,826,074
Expenses incurred on behalf of Subsidiaries Companies		7,237,066	-
Expenses incurred on behalf of Associate Companies		38,520,357	-
Guarantee - Corporate	Anant Raj Cons. & Development Pvt. Ltd.	58,093,593	107,964,510
Personal guarantees given by Directors & relatives in respect of:			
- Term loans	} Ashok Sarin, Anil Sarin, Amit Sarin	939,830,266	1,105,710,575
- Working capital facilities	} and Aman Sarin	45,435	88,358

c) **Amount outstanding as at March 31, 2010**

Account Head	As at March 31,2010 Rs.	As at March 31,2009 Rs.
Investments in subsidiaries and others	3,045,532,376	2,937,683,612
Advances		
- Subsidiary companies	6,269,701,454	4,843,160,928
- Associate companies	-	4,500,000
Share application money		
- Associate companies	2,952,200	2,952,200
Sundry debtors		
- Associate companies	-	666,671
Other Liabilities		
- Subsidiary companies	829,054	102,046,354

xxviii) Schedule of Investments as at March 31, 2010

Sr. 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										
	Anant Raj Cons.& Development P. Ltd.	10	5,000,000	50,000,250	-	-	-	-	5,000,000	50,000,250	At cost
	Anant Raj Hotels Ltd.	10	50,000	501,250	-	-	-	-	50,000	501,250	At cost
	Anant Raj International, FZE	1,325,685	1	1,325,685	-	-	-	-	1	1,325,685	At cost
	Anant Raj Projects Ltd.	10	500,000	57,000,000	-	-	-	-	500,000	57,000,000	At cost
	Blossom Buildtech Pvt. Ltd.	10	50,000	500,250	-	-	-	-	50,000	500,250	At cost
	Century Promoters Pvt. Ltd.	10	50,000	500,250	-	-	-	-	50,000	500,250	At cost
	Echo Buildtech Pvt. Ltd.	10	50,000	500,250	-	-	-	-	50,000	500,250	At cost
	Echo Properties Pvt. Ltd.	100	5,000	500,250	-	-	-	-	5,000	500,250	At cost
	Elegant Buildcon Pvt. Ltd.	10	50,000	500,250	-	-	-	-	50,000	500,250	At cost
	Elegant Estates Pvt. Ltd.	100	5,000	500,250	-	-	-	-	5,000	500,250	At cost
	Elevator Builders Pvt. Ltd.	10	50,000	500,250	-	-	-	-	50,000	500,250	At cost
	Elevator Buildtech Pvt. Ltd.	10	50,000	500,250	-	-	-	-	50,000	500,250	At cost
	Elevator Promoters Pvt. Ltd.	10	50,000	500,250	-	-	-	-	50,000	500,250	At cost
	Elevator Properties Pvt. Ltd.	10	50,000	500,250	-	-	-	-	50,000	500,250	At cost
	Empire Promoters Pvt. Ltd.	100	5,000	500,250	-	-	-	-	5,000	500,250	At cost
	Equinox Properties Pvt. Ltd.	10	50,000	500,250	-	1,250	50,000	501,500	-	-	At cost
	Fabulous Builders Pvt. Ltd.	10	50,000	500,250	-	-	-	-	50,000	500,250	At cost
	Gadget Builders Pvt. Ltd.	10	50,000	500,250	-	-	-	-	50,000	500,250	At cost
	Goodluck Buildtech Pvt. Ltd.	10	50,000	500,250	-	-	-	-	50,000	500,250	At cost
	Grand Buildtech Pvt. Ltd.	10	50,000	500,250	-	-	-	-	50,000	500,250	At cost

Sr. 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
	Grand Park Buildtech Pvt. Ltd.	10	50,000	500,250	-	-	-	-	50,000	500,250	At cost
	Grand Park Estates Pvt. Ltd.	100	5,000	48,057,411	-	-	-	-	5,000	48,057,411	At cost
	Greatway Estates Ltd.	10	50,000	501,250	-	-	-	-	50,000	501,250	At cost
	Green line Buildcon Pvt. Ltd.	10	50,000	500,250	-	-	-	-	50,000	500,250	At cost
	Green Line Promoters Pvt. Ltd.	10	5,000,000	50,125,000	-	-	-	-	5,000,000	50,125,000	At cost
	Green Retreat and Motels Pvt. Ltd.	10	6,416,029	997,951,117	-	-	-	-	6,416,029	997,951,117	At cost
	Green View Buildwell Pvt. Ltd.	10	50,000	500,250	-	-	-	-	50,000	500,250	At cost
	Green Way Promoters Pvt. Ltd.	10	50,000	500,250	-	-	-	-	50,000	500,250	At cost
	Greenwood Properties Pvt. Ltd	10	50,000	49,043,615	-	-	-	-	50,000	49,043,615	At cost
	Gujrat Anant Raj Vidhya Nagar Ltd	10	100,000	1,000,000	-	-	-	-	100,000	1,000,000	At cost
	Hemkunt Promoters Pvt. Ltd.	10	50,000	38,316,237	-	-	-	-	50,000	38,316,237	At cost
	Highland Meadows Pvt. Ltd.	100	5,000	500,250	-	-	-	-	5,000	500,250	At cost
	Kalinga Buildtech Pvt. Ltd.	10	50,000	500,250	-	-	-	-	50,000	500,250	At cost
	Kalinga Realtors Pvt. Ltd.	10	50,000	500,250	-	-	-	-	50,000	500,250	At cost
	Lucky Meadows Pvt. Ltd.	100	5,000	500,750	-	-	-	-	5,000	500,750	At cost
	Noval Buildmart Pvt. Ltd.	10	50,000	500,250	-	-	-	-	50,000	500,250	At cost
	Noval Housing Pvt. Ltd.	10	50,000	500,250	-	-	-	-	50,000	500,250	At cost
	Oriental Meadows Ltd.	10	50,000	501,250	-	-	-	-	50,000	501,250	At cost
	Park Land Developers Pvt. Ltd.	100	5,000	500,250	-	-	-	-	5,000	500,250	At cost
	Parkview Promoters Pvt. Ltd.	10	50,000	47,545,312	-	1,250,000	7,500	8,381,797	42,500	40,413,515	At cost
	Pasupati Aluminium Ltd.	10	50,000	501,250	-	-	-	-	50,000	501,250	At cost
	Pelikan Estates Pvt. Ltd.	100	5,000	500,343	-	-	-	-	5,000	500,343	At cost
	Pioneer Promoters Pvt. Ltd.	100	5,000	500,250	-	-	-	-	5,000	500,250	At cost
	Rapid Estates Pvt. Ltd.	10	49,000	490,250	-	-	49,000	490,250	-	-	At cost
	Rapid Realtors Pvt. Ltd.	10	49,000	490,250	-	-	-	-	49,000	490,250	At cost
	Rolling Construction Pvt. Ltd.	10	50,100	501,250	177,366	177,366,000	-	-	227,466	177,867,250	At cost
	Romano Tiles Pvt. Ltd.	10	40,000	400,000	-	-	-	-	40,000	400,000	At cost
	Roseview Buildtech Pvt. Ltd.	10	50,000	500,250	-	-	-	-	50,000	500,250	At cost
	Roseview Properties Pvt. Ltd.	10	50,000	500,250	-	-	-	-	50,000	500,250	At cost
	Sandstorm Buildtech Pvt. Ltd.	10	50,000	500,250	-	-	-	-	50,000	500,250	At cost
	Silvertown Inn & Resorts Pvt. Ltd.	10	50,000	181,920,452	-	2,825,000	50,000	184,745,452	-	-	At cost
	Sovereign Buildwell Pvt. Ltd.	10	50,000	500,250	-	-	-	-	50,000	500,250	At cost
	Spring View Developers Pvt. Ltd.	10	750,000	7,500,250	-	-	-	-	750,000	7,500,250	At cost
	Springview Properties Pvt. Ltd.	100	5,000	500,250	-	-	-	-	5,000	500,250	At cost
	Suburban Farms Pvt. Ltd.	100	5,000	500,250	-	-	-	-	5,000	500,250	At cost
	Townsend Construction and Equipments Pvt. Ltd.	10	50,000	500,250	-	-	-	-	50,000	500,250	At cost
	Twenty First Developers Pvt.Ltd.	10	50,000	500,250	-	-	-	-	50,000	500,250	At cost
	Vibrant Buildmart Pvt. Ltd.	10	25,500	255,250	-	-	-	-	25,500	255,250	At cost
	White Diamond Construction and Equipments Pvt. Ltd.	10	50,000	500,250	-	-	-	-	50,000	500,250	At cost
	Woodland Promoters Pvt. Ltd.	100	5,000	500,250	-	-	-	-	5,000	500,250	At cost
	In preference shares of subsidiaries										
	Anant Raj Projects Ltd.	10	2,000,000	20,000,000	-	-	-	-	2,000,000	20,000,000	At cost
	Rapid Estates Pvt. Ltd.	100	100	10,000	-	-	100	10,000	-	-	At cost
	Rapid Realtors Pvt. Ltd.	100	100	10,000	-	-	-	-	100	10,000	At cost
		(a)	21,839,830	1,573,457,672	177,366	181,442,250	156,600	194,128,999	21,860,596	1,560,770,923	
b)	In equity shares of other companies										
	Roseland Buildtech Private Ltd	10	8,036,600	1,359,318,250	401,830	120,549,000	-	-	8,438,430	1,479,867,250	At cost
	Dreamgreen Land Pvt.Ltd.	10	2,500	25,000	-	-	-	-	2,500	25,000	At cost
	Sahyog Infrasructures Pvt.Ltd.	10	100,000	10,000,000	-	-	-	-	100,000	10,000,000	At cost
	Virat Credit & Holdings Private Limited	10	100,000	10,000,000	-	-	-	-	100,000	10,000,000	
		(b)	8,239,100	1,379,343,250	401,830	120,549,000	-	-	8,640,930	1,499,892,250	
c)	In capital of partnership firm										
	Ganga Bishan & Co. *	(c)	-	4,907,690	-	-	-	13,487	-	4,894,203	
		(a+b+c)	30,078,930	2,957,708,612	579,196	301,991,250	156,600	194,142,486	30,501,526	3,065,557,376	

* investment is inclusive of other Direct expenditure

Anant Raj Industries Limited

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, 2010
		As at March 31, 2010
		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	37,101,256
	Total liabilities	37,101,256
	SOURCES OF FUNDS	
	Paid up capital	590,193
	Subscription money received against warrants	435,000
	Reserves and surplus	33,957,785
	Secured loans	940,348
	Unsecured loans	2,096
	Deferred tax	9,014
	APPLICATION OF FUNDS	
	Net fixed assets	14,101,117
	Capital work in progress	4,805,751
	Investments	3,066,033
	Net current assets	13,960,491
	Miscellaneous expenditure	1,043
		For the year ended March 31, 2010
		Rs.,000
IV.	**PERFORMANCE OF COMPANY**	
	Turnover (including other income)	3,349,403
	Total expenditure	410,785
	Profit before tax	2,938,618
	Profit after tax	2,371,670
	Earnings per share (in Rs.)	8.04
	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, 2010	As at March 31, 2009
Installed*	M.T.	63,000	63,000
Production (excludes scrap production)	SQ. MT.	499,196	989,908

* 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, 2010		As at March 31, 2009	
		Quantity	Rs.	Quantity	Rs.
Opening stock	SQ.MT.	231,939	54,157,757	225,868	44,021,673
Sales	SQ.MT.	504,030	94,112,685	983,837	171,530,634
Closing Stock	SQ.MT.	227,105	55,640,725	231,939	54,157,757

2. Details of raw material consumed

Items	Unit	For the year ended March 31, 2010		For the year ended March 31, 2009	
		Quantity	Rs.	Quantity	Rs.
Frits and glazes	M.T.	197	5,276,033	339	9,287,436
Zirconium opacifier	M.T.	44	1,642,327	63	3,271,902
Ceramic stains	M.T.	4	1,323,486	8	3,145,426
Feldspar powder	M.T.	2,390	2,482,340	3,784	4,409,657
Packing material	No.	334,908	4,694,057	968,177	7,291,420
Others			12,280,100		20,752,177
			27,698,343		**48,158,018**

3. Value of imports of CIF basis

Items	For the year ended 31, 2010	For the year ended 31, 2009
Raw material	-	1,611,287
Stores and spares	533,881	1,301,207
Plant and machinery	-	958,905
	533,881	**3,871,399**

4. **Earnings in foreign exchange**

Comission received on GDR	-	57,880,561
FOB value of exports including exports through third parties	**1,478,204**	-

5. **Expenditure in foreign exchange**

GDR listing fee	**320,475**	473,545
Dividend paid	**240,900**	608,250
Travelling	**6,379,140**	2,394,789
Stores and spares	**420,829**	1,059,965
Raw material	-	1,299,395

6. **Value of Imported and Indigenous raw material consumed**

	For the year ended March 31, 2010		For the year ended March 31, 2009	
	%	Rs.	%	Rs.
Imported	1.06	294,417	5.71	2,748,110
Indigenous	98.94	27,403,926	94.29	45,409,908
	100.00	27,698,343	100.00	48,158,018

Cash Flow Statement for the year ended March 31, 2010

	Particulars		For the year ended March 31, 2010 Rs.	For the year ended March 31, 2009 Rs.
A.	**CASH FLOW FROM OPERATING ACTIVITIES**			
	Net profit before tax and extraordinary items		2,938,512,996	4,376,979,286
	Adjustment for:			
	Depreciation		103,851,345	84,048,002
	Depreciation written back		3,205,477	-
	Amortisation of preliminary expneses		716,700	716,700
	Interest paid		48,071,961	4,166,383
	Interest & dividend receipts		(450,294,018)	(542,323,184)
	Operating profit before working capital changes		2,644,064,461	3,923,587,187
	Adjustment for:			
	Sundry creditors and other payables		(52,170,912)	(677,414,508)
	Trade and other receivables		(2,325,060,828)	828,043,876
	Inventories		965,250	(187,400)
	Cash generated from operations		267,797,972	4,074,029,155
	Proposed dividend and tax thereon		(206,464,887)	(207,148,773)
	Provision for fringe benefit tax		-	(4,445,335)
	Provision for income tax and wealth tax		(583,944,274)	(693,861,375)
	Cash flow before extraordinary items		(522,611,190)	3,168,573,672
	Prior year adjustments		(3,100,151)	(12,917,020)
	NET CASH FROM OPERATING ACTIVITIES	(A)	(525,711,341)	3,155,656,652
B.	**CASH FLOW FROM INVESTING ACTIVITIES**			
	Additions to fixed assets		(3,792,400,395)	(854,124,640)
	Additions to capital work-in-progress		1,739,647,058	(2,676,395,177)
	Investment in subsidiaries		543,199,952	(850,260,882)
	Sale of fixed assets		26,072,470	210,962,322
	Interest & dividend receipts		450,294,018	542,323,184
	NET CASH USED IN INVESTING ACTIVITIES	(B)	(1,033,186,898)	(3,627,495,193)
C.	**CASH FLOW FROM FINANCE ACTIVITIES**			
	Proceeds from issuance of equity share capital		-	-
	Share premium received		-	-
	Transitional provision in compliance with AS-15 (Revised)		-	-
	Subscription money (paid)/received against warrants		435,000,000	-
	(Decrease)/increase in secured loans		(168,317,603)	538,990,694
	(Decrease)/increase in unsecured loans		(684,778)	(7,699,935)
	Interest paid		(48,071,961)	(4,166,383)
		(C)	217,925,658	527,124,376
D.	**NET INCREASE IN CASH AND CASH EQUIVALENTS**	(A+B+C)	(1,340,972,581)	55,285,834
	Cash and cash equivalents opening balance		6,026,714,630	5,971,428,796
	Cash and cash equivalents closing balance		4,685,742,049	6,026,714,630

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, 2010	Yogesh Sharma Sr. Vice President-Finance	Manoj Pahwa Company Secretary	Omi Chand Rajput G.M.-Finance

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, 2010, 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 14 (12) subsidiaries whose financial statements reflect total assets of Rs. 18,245.20 lacs (Rs. 10,875.87 lacs) as at March 31, 2010 and total revenue of Rs. 170.90 lacs (Rs. 0.36 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. On the basis of the information and explanations given to us and on the consideration of the separate audit reports on individual audited financial statements of some consolidated entities

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, 2010;

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.

608, New Delhi House	B. Bhushan & Co.
Barakhamba Road	Chartered Accountants
New Delhi.	By the hand of
May 28, 2010	Kamal Ahluwalia
	Partner
	Membership no. 093812
	Firm Regn. No. 001596N

Consolidated Balance Sheet as at 31st March, 2010

	Schedules	As at March 31st 2010 Rs.	As at March 31st 2009 Rs.
SOURCES OF FUNDS			
Shareholders' funds			
Share capital	1	**590,192,670**	589,285,670
Subscription money received against warrants		**435,000,000**	-
Share application money		**160,000,000**	177,628,000
Reserves and surplus	2	**34,765,380,952**	32,421,767,443
Loan funds			
Secured loans	3	**998,441,977**	1,216,630,498
Unsecured loans	4	**391,196,900**	885,274,460
Deferred tax liability (Net)	5	**9,436,851**	26,347,497
Minorities interest		**856,063,953**	686,645,153
		38,205,713,304	36,003,578,721
APPLICATION OF FUNDS			
Fixed assets	6		
Gross block		**20,147,375,541**	14,131,017,132
Less: Accumulated depreciation		**634,303,176**	517,905,354
Net block		**19,513,072,365**	13,613,111,778
Capital work in progress including capital advances		**7,456,769,503**	7,621,959,961
Investments	7	**2,949,269,702**	3,089,078,985
Current assets, loans and advances	8		
Inventories		**117,943,823**	126,258,485
Sundry debtors		**2,399,275,193**	2,405,282,700
Cash and bank balances		**4,891,202,944**	6,257,124,031
Loans and advances		**2,741,630,146**	4,105,711,755
		10,150,052,106	12,894,376,971
Less: Current liabilities and provisions	9	**1,890,108,810**	1,259,646,842
Net current assets		**8,259,943,296**	11,634,730,129
Miscellaneous expenditure (to the extent not written off or adjusted)	10	**26,658,437**	44,697,868
		38,205,713,304	**36,003,578,721**
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	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, 2010	Yogesh Sharma Sr. Vice President - Finance	Manoj Pahwa Company Secretary	Omi Chand Rajput G.M.Finance

Consolidated Profit and loss Account for the year ended 31st March, 2010

	Schedules	For the year ended March 31st 2010 Rs.	For the year ended March 31st 2009 Rs.
INCOME			
Turnover			
Ceramic tiles	11	**78,782,000**	155,256,331
Sale of assets/investments	12	**2,294,855,448**	2,208,998,778
Rental receipts		**489,530,960**	159,751,610
Other income	13	**534,610,931**	679,078,364
(Decrease)/increase in inventories	14	**(631,778)**	10,381,635
		3,397,147,561	3,213,466,718
EXPENDITURE			
Manufacturing and others	15	**277,632,062**	315,585,964
Financial	16	**48,858,125**	4,695,047
Depreciation		**106,836,665**	86,257,573
		433,326,852	406,538,584
PROFIT DURING THE YEAR		**2,963,820,709**	2,806,928,134
Less : Prior period adjustments		**(3,990,847)**	(12,904,254)
Add : Depreciation written back		**3,205,477**	-
PROFIT BEFORE TAX		**2,963,035,339**	2,794,023,880
Less: Provision for taxation			
Current income tax		**(596,859,993)**	(720,422,417)
Deferred tax		**16,910,645**	(7,376,110)
Fringe benefit tax		**-**	(4,768,652)
Wealth tax		**(594,253)**	(390,602)
PROFIT AFTER TAX (BEFORE ADJUSTMENT FOR MINORITY INTEREST)		**2,382,491,738**	2,061,066,099
Less: Share of profit transferred to minority		**619,048**	1,907,987
PROFIT AFTER TAX (AFTER ADJUSTMENT FOR MINORITY INTEREST)		**2,381,872,690**	2,062,974,087
Balance brought forward from last year		**6,170,829,557**	4,684,269,250
Brought forward loss on acquistion/disposal of subsidiaries		**(24,002,497)**	(3,426,928)
PROFIT AVAILABLE FOR APPROPRIATION		**8,528,699,750**	6,743,816,409
APPROPRIATIONS			
Proposed dividend		**177,057,800**	177,057,800
Corporate dividend tax		**29,407,087**	30,090,973
Transfer to General Reserve		**237,167,012**	365,838,079
Balance carried over in Profit and Loss Account		**8,085,067,851**	6,170,829,557
		8,528,699,750	6,743,816,409
Earnings per share [equity shares, par value of Rs. 2 (Rs. 2) each]			
- Basic earnings per share		**8.07**	7.00
- Diluted earnings per share		**7.89**	7.00
[See note no. (xxvi) 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 Conslidated Profit and Loss Account.

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

Kamal Ahluwalia
Partner
Membership no. 093812

New Delhi.
May 28, 2010

Ashok Sarin
Chairman

Anil Sarin
Managing Director

Amit Sarin
CEO & Director

Brajindar M. Singh
Director

Ambarish Chatterjee
Director

Maneesh Gupta
Director

Yogesh Sharma
Sr. Vice President - Finance

Manoj Pahwa
Company Secretary

Omi Chand Rajput
G.M.Finance

Consolidated Schedules to the Accounts

		As at March 31st 2010 Rs.	As at March 31st 2009 Rs.
1. SHARE CAPITAL			
Authorised			
397,000,000 (397,000,000) equity shares of Rs. 2 (Rs. 2) each		**794,000,000**	794,000,000
Issued, subscribed and paid up			
295,096,335 (294,642,835) equity shares of Rs. 2 (Rs. 2) each		**590,192,670**	589,285,670
2. RESERVES AND SURPLUS			
Capital reserve	(a)	**55,083,523**	38,574,716
Share premium	(b)	**25,431,851,488**	25,256,152,091
General reserve			
Balance at the beginning of the year		**956,211,079**	590,373,000
Add: Transfer from Profit and Loss Account		**237,167,012**	365,838,079
Balance at the end of the year	(c)	**1,193,378,090**	956,211,079
Accumuated balance of Profit and Loss Account	(d)	**8,085,067,851**	6,170,829,557
	(a+b+c+d)	**34,765,380,952**	32,421,767,443
3. SECURED LOANS			
From Banks			
Term loans		**997,923,859**	1,213,675,085
Cash credit facilities		**45,435**	88,358
From vehicle financing companies			
Vehicle loans		**472,684**	2,867,055
		998,441,977	1,216,630,498
4. UNSECURED LOANS			
From others		**375,945,900**	882,493,682
Deposits		**15,251,000**	2,780,778
		391,196,900	885,274,460
5. DEFERRED TAX LIABILITY (NET)			
Deferred tax assets	(a)	**4,031,902**	3,031,511
Deferred tax liability	(b)	**13,468,754**	29,379,008
	(b-a)	**9,436,851**	26,347,497

6. FIXED ASSETS

	GROSS BLOCK				DEPRECIATION				NET BLOCK	
Particulars	As at April 1, 2009	Additions during the year	Sales/ adjustment during the year	As at March 31, 2010	Upto March 31, 2009	During the year	Depreciation Written back/ adjustment	Upto March 31, 2010	As at March 31, 2010	As at March 31, 2009
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Goodwill	1,532,459,166	10,474,507	-	**1,542,933,673**	70,798,256	23,599,419	-	94,397,675	**1,448,535,998**	1,461,660,910
Land	10,912,523,163	3,633,007,050	100,519,891	**14,445,010,323**	-	-	-	-	**14,445,010,323**	10,912,523,163
Factory building	85,623,609	-	-	**85,623,609**	52,567,238	3,305,637	-	55,872,875	**29,750,734**	33,056,370
Buildings	823,036,969	2,422,573,719	-	**3,245,610,688**	8,461,326	24,211,364	(838,393)	33,511,083	**3,212,099,605**	814,575,643
Plant and machinery	585,287,840	4,068,463	-	**589,356,303**	309,421,990	30,339,794	(11,075,039)	350,836,824	**238,519,479**	275,865,850
Furniture and fixtures	18,051,854	736,797	-	**18,788,651**	8,164,918	1,708,385	(148,906)	10,022,208	**8,766,443**	9,886,936
Office equipments	93,856,126	20,159,208	-	**114,015,334**	24,866,365	12,670,978	(262,532)	37,799,875	**76,215,459**	68,989,762
Vehicles	80,178,405	29,720,351	3,861,795	**106,036,961**	43,625,261	11,001,087	2,763,712	51,862,637	**54,174,324**	36,553,144
Total	**14,131,017,132**	**6,120,740,095**	**104,381,686**	**20,147,375,541**	**517,905,354**	**106,836,665**	**(9,561,158)**	**634,303,176**	**19,513,072,365**	**13,613,111,778**
Capital work in progress including capital advances									**7,456,769,503**	**7,621,959,961**
									26,969,841,868	**21,235,071,738**
Previous year	**12,772,490,034**	**1,615,164,159**	**256,637,062**	14,131,017,132	**420,177,573**	**86,257,573**	**(11,470,208)**	**517,905,354**	21,235,071,738	**16,207,776,767**

	As at March 31st 2010 Rs.	As at March 31st 2009 Rs.
7. INVESTMENTS		
Long term investments		
In equity shares - Unquoted		
8,438,430 (8,036,600) equity shares of Rs. 10 (Rs. 10) each of Roseland Buildtech Pvt. Ltd.	1,479,867,250	1,359,318,250
2,500 (2,500) equity shares of Rs. 10 (Rs. 10) each of Dreamgreen Land Pvt. Ltd.	25,000	25,000
10,000 (10,000) equity shares of Rs .10 (Rs. 10) each of Roseview Promoters Pvt. Ltd.	125,250	125,250
250,000 (250,000) equity shares of Rs. 10 (Rs. 10) each of Acquainted Realtors Pvt. Ltd.	2,500,000	2,500,000
250,000 (250,000) equity shares of Rs. 10 (Rs. 10) each of Asylum Estate Pvt. Ltd.	2,500,000	2,500,000
250,000 (250,000) equity shares of Rs. 10 (Rs. 10) each of Deep Promoters Pvt. Ltd.	2,500,250	2,500,250
250,000 (250,000) equity shares of Rs. 10 (Rs. 10) each of Gagan Promoters Pvt. Ltd.	2,500,250	2,500,250
250,000 (250,000) equity shares of Rs. 10 (Rs. 10) each of Nature Projects Pvt. Ltd.	2,500,000	2,500,000
250,000 (250,000) equity shares of Rs. 10 (Rs. 10) each of Pagoda Realtors Pvt.Ltd.	2,500,000	2,500,000
250,000 (250,000) equity shares of Rs. 10 (Rs. 10) each of Spiritual Developers Pvt. Ltd.	2,500,000	2,500,000
100,000 (100,000) equity shares of Rs. 10 (10) each of Virat Credit & Holdings Pvt. Ltd.	10,000,000	10,000,000

	As at March 31st 2010 Rs.	As at March 31st 2009 Rs.
250,000 (250,000) equity shares of Rs. 10 (10) each of Whiz Construction Pvt. Ltd.	**2,500,000**	2,500,000
7,159 (7,159) equity shares of Rs. 10 (10) each of Madras Stock Exchange Ltd.	**3,579,500**	3,579,500
100,000 (100,000) equity shares of Rs. 10 (10) each of Sahyog Infrastructure Pvt. Ltd.	**10,000,000**	10,000,000
In preference shares-Unquoted		
800,000 (800,000) redeemable preference shares of Rs. 100 (Rs. 100) each of Novel Suppliers Pvt. Ltd.	**200,000,000**	200,000,000
1,000,000 (Nil) 9% non-cumulative redeemable preference shares of Rs. 10 (Nil) fully paid of Mahalaxmi Designs Pvt. Ltd.	**1,000,000,000**	
In equity shares - Quoted		
Nil (4,772,086) equity shares of Nil (Rs. 2) each of Nicco Corporation Ltd.	**-**	**185,547,564**
150,000 (1,645,110) equity shares of Rs. 2 (Rs. 2) each of Amtek Auto Ltd.	**27,048,047**	100,316,212
324,041 (1,972,996) equity shares of Rs. 2 (Rs. 2) each of Amtek India Ltd.	**22,699,574**	48,509,016
45,000 (Nil) equity shares of Rs. 10 (Nil) each of Aptech Ltd.	**8,263,318**	-
6,561 (Nil) equity shares of Rs. 10 (Nil) each of Ahmednagar Forgings Ltd.	**478,553**	-
10,000 (Nil) equity shares of Rs. 10 (Nil) each of Housing Development Infrastructure Ltd.	**2,943,964**	-
12,000 (Nil) equity shares of Rs. 10 (Nil) each of ICICI Bank Ltd.	**9,844,635**	-
10,000 (Nil) equity shares of Rs. 10 (Nil) each of IRB Insfrastructure Developers Ltd.	**2,562,272**	-
30,000 (Nil) equity shares of Rs. 2 (Nil) each of Jindal Saw Ltd.	**6,073,541**	-
5,000 (Nil) equity shares of Rs. 1 (Nil) each of Jindal Steel & Power Ltd.	**3,350,836**	-
20,000 (Nil) equity shares of Rs. 2 (Nil) each of Jaiprakash Associates Ltd.	**2,986,683**	-
54,660 (Nil) equity shares of Rs. 10 (Nil) each of Karnataka Bank Ltd.	**7,551,404**	-
1,000 (Nil) equity shares of Rs. 10 (Nil) each of Lupin Ltd.	**1,344,357**	-
1,000 (Nil) equity shares of Rs. 2 (Nil) each of Larsen & Tubro Ltd.	**1,493,432**	-
20,000 (Nil) equity shares of Rs. 10 (Nil) each of Maytas Infra Ltd.	**3,320,738**	-
15,000 (Nil) equity shares of Rs. 10 (Nil) each of Monnet Ispat Ltd.	**5,535,162**	-
37,000 (Nil) equity shares of Rs. 10 (Nil) each of Mount Everest Mineral WaterLtd.	**2,688,539**	-
50,000 (Nil) equity shares of Rs. 2 (Nil) each of NIIT Ltd.	**3,663,856**	-
7,500 (Nil) equity shares of Rs. 2 (Nil) each of Punj Llyod Ltd.	**1,414,986**	-
40,000 (Nil) equity shares of Rs. 2 (Nil) each of Satyam Computers Services Ltd.	**3,968,142**	-
1,70,000 (Nil) equity shares of Rs. 10 (Nil) 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*	**103,285,163**	1,151,602,692
	2,949,269,702	3,089,078,985
*[64,314 (14,997,688) units of Reliance Liquidity Fund Daily Dividend Re-Investment Option and 102,526 (50,493,225) units of Reliance Money Manager Fund Institutional Option- Daily Dividend Plan] {Market value of quoted shares Rs. 120,088,330}		

	As at March 31st 2010 Rs.	As at March 31st 2009 Rs.
8. CURRENT ASSETS, LOANS AND ADVANCES		
CURRENT ASSETS		
INVENTORIES		
Raw materials	9,244,809	9,633,297
Stores and spares	13,787,089	13,771,628
Finished goods	55,900,455	54,447,313
Work in process	3,450,400	5,535,320
Materials at site	20,248,889	27,558,746
Building	13,664,982	13,664,982
Apartments	1,647,200	1,647,200
(a)	117,943,823	126,258,485
SUNDRY DEBTORS (Unsecured and considered good)		
Debts outstanding for a period exceeding six months	2,245,123,600	1,862,729,998
Other debts	154,151,593	542,552,702
(b)	2,399,275,193	2,405,282,700
CASH AND BANK BALANCES		
Cash in hand	4,983,933	1,644,454
Balances with scheduled banks		
On current accounts	1,656,496,961	1,522,525,166
On deposit accounts	3,229,722,050	4,732,954,411
(c)	4,891,202,944	6,257,124,031
LOANS AND ADVANCES (Unsecured and considered good)		
Advances recoverable in cash or in kind or for value to be received	2,167,989,466	3,470,347,810
Advance income tax	456,478,283	561,267,664
Interest accrued but not due	87,803,758	56,158,313
Security deposits	29,358,639	17,937,968
(d)	2,741,630,146	4,105,711,755
(a+b+c+d)	10,150,052,106	12,894,376,971

	As at March 31st 2010 Rs.	As at March 31st 2009 Rs.
9. CURRENT LIABILITIES AND PROVISIONS		
Current liabilities		
Sundry creditors for goods, services and expenses	**59,376,306**	91,659,631
Sundry creditors for capital goods	**629,031,012**	7,114,580
Other liabilities	**317,186,446**	160,007,245
Security deposits	**68,028,657**	65,264,148
Provisions		
Proposed dividend	**177,057,800**	177,057,800
Corporate dividend tax	**29,407,087**	30,090,973
Income tax	**596,859,993**	714,668,009
Fringe benefit tax	**-**	4,475,021
Gratuity	**9,702,139**	6,671,265
Leave encashment	**2,865,115**	2,247,568
Wealth tax	**594,253**	390,602
	1,890,108,810	**1,259,646,842**
10. MISCELLANEOUS EXPENDITURE		
(to the extent not written off or adjusted)		
Miscellaneous expenditure	**44,697,868**	6,387,589
Add: Additions during the year	**1,946,618**	48,688,112
	46,644,486	**55,075,701**
Less: Written off during the year	**19,986,049**	10,377,833
	26,658,437	**44,697,868**

	For the year ended March 31, 2010 Rs.	For the year ended March 31, 2009 Rs.
11. TURNOVER - CERAMIC TILES		
Domestic sales	**86,581,567**	166,407,876
Export sales and benefits	**1,478,204**	-
	88,059,771	166,407,876
Less: Excise duty	**9,277,771**	11,151,545
	78,782,000	155,256,331
12. SALE OF ASSETS/INVESTMENTS (NET)		
Profit on sale of assets	**1,039,864,240**	2,110,163,759
Profit on sale of investments	**1,238,460,042**	82,473,317
Work contract receipts	**15,648,932**	16,361,702
Profit on sale of shares	**882,234**	-
	2,294,855,448	2,208,998,778
13. OTHER INCOME		
Interest receipts	**459,583,301**	601,354,166
Income from units of mutual fund	**27,951,284**	6,144,459
Dividend	**15,102,425**	-
Others	**31,973,920**	71,579,739
	534,610,931	679,078,364

	For the year ended March 31st 2010 Rs.	For the year ended March, 31st 2009 Rs.
14. (DECREASE)/INCREASE IN FINISHED GOODS AND WORK IN PROCESS		
Opening inventory		
Finished goods	**54,447,313**	44,650,748
Work in process	**5,535,320**	4,950,250
(a)	**59,982,633**	**49,600,998**
Closing inventory		
Finished goods	**55,900,455**	54,447,313
Work in process	**3,450,400**	5,535,320
(b)	**59,350,855**	**59,982,633**
(c=b-a)	**(631,778)**	**10,381,635**
15. MANUFACTURING AND OTHERS		
Raw materials consumed	**27,698,343**	48,158,018
Stores and fuel consumed	**27,748,449**	38,151,575
Cost of sales	**8,222,108**	9,643,076
Power consumed	**10,957,358**	13,965,607
Salaries and wages	**69,560,894**	68,180,599
Contribution to provident and other funds	**4,629,582**	4,689,002
Gratuity	**3,375,391**	1,841,013
Leave encashment	**1,073,669**	755,047
Travelling and conveyance	**23,359,357**	18,151,983
Advertisement and sales promotion	**18,786,368**	18,284,356
Legal and professional	**13,092,807**	15,542,132
Communication	**5,474,243**	6,496,410
Security expenses	**4,685,629**	4,618,768
Electricity and water	**3,300,863**	2,042,453
Printing and stationery	**2,146,351**	2,588,857
Insurance	**1,996,646**	2,870,018
Repair and maintenance		
Plant and machinery	**378,295**	1,394,621
Vehicle running and maintenance	**9,339,716**	10,717,924
Building	**807,319**	241,300
Let out property	**5,194,802**	9,517,778
Others	**3,565,172**	3,653,672
Discount and commission	**2,651,375**	2,985,710
Rent	**834,513**	3,210,612
Freight and cartage	**743,320**	271,282
Donation	**887,490**	4,000,904
Bad debts written off	**5,608,421**	2,024,964
Loss from partnership firm	**13,487**	11,057
Miscellaneous	**21,500,092**	21,577,225
	277,632,062	**315,585,964**
16. FINANCIAL EXPENSES		
Interest	48,534,801	4,206,019
Bank charges	323,324	489,028
	48,858,125	**4,695,047**

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, 2010.

- 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 sharholders 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 finanical 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 cost or marked to market values, whichever is lower. Loss or gain 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**

Inventories are valued as follows:

Raw material, stores, spares and consumables: At lower of cost of 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.

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.

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

Net market value is the estimated selling price in the ordinary course of business.

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 (i) below.

i) **DEPRECIATION**

Depreciation on fixed assets is charged on the written down value method except Buildings (Other than Factory Building) 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**

- Revenue from constructed properties is recognized on the `Percentage of Completion method'. Total sale consideration as per the agreement to sell, of construction properties entered into is recognized as revenue, based on the percentage of actual project cost incurred thereon to total estimated project cost, subject to such actual cost incurred being 30% or more of the total estimated project cost. Project cost includes cost of land, estimated construction and development cost of such properties. 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. However, when the total project cost is estimated to exceed total revenues from the project ,the loss is recognized immediately.

- 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. The related costs there against are charged to the Profit and Loss Account for the year.

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

- 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.

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

- 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, provided the payment is certain in all material respects.

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 Finance Charges 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 & provision for contingencies and 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 is 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. Finance charges are charged directly against income.

u) **MISCELLANEOUS EXPENDITURE**

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

18. NOTES TO ACCOUNTS

		Particulars	As at March 31st 2010 Rs.	As at March 31st 2009 Rs.
i)	**Contingent liabilities not provided for in respect of:**			
	a)	Claims against the Company not acknowledged as debts*	**63,960,510**	93,948,778
	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. 82,522,560 (Rs. 83,918,233) under EPCG license for import of capital goods (to be fulfilled by June 18, 2010)]		
		[Unfulfilled export obligation of Rs. 7,489,456 (Rs. 7,489,456) under EPCG license for import of capital goods (to be fulfilled by January 23, 2013)]		
		[Unfulfilled export obligation of Rs. 186,026,102 (Rs. 186,026,102) under EPCG license for import of capital goods (to be fulfilled by March 15, 2013)]		
		[Unfulfilled export obligation of Rs. 9,941,224 (Rs. 9,941,224) 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. 6,37,092 (Rs. 5,82,838) held by bank as margin		
		[Unfulfilled export obligation of Rs. 7,513,096 (Rs. 7,513,096) under EPCG license for import of capital goods (to be fulfilled by June 6, 2016)]		
	ii)	Guarantee given to Delhi VAT authorities [Deposits, inclusive of accrued interest Rs. 120,599 (Rs. 111,701) held by bank as margin]	**111,701**	100,000
	iii)	Guarantee given to Governer of Haryana, through the Director, Town & Country Planning Department of Haryana [Deposits, inclusive of accrued interest of Rs. 100,014,204 (Nil) held by bank as margin] The deposits are shown under the head 'Bank Balances'	**86,118,000**	-
	iv)	Guarantee given to Sales tax Authorities [Deposits, inclusive of accrued interest of Rs. 519,388 (Rs. 319,388) held by bank as margin]	**500,000**	300,000
	d)	Borrowings by affiliate companies whose loans have been guaranteed by the Company as at the close of the year	**58,093,593**	107,964,510
	*	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		

		As at March 31st 2010 Rs.	As at March 31st 2009 Rs.
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)	**407,384,856**	9,443,320,083
	b) Land and building	**155,738,944**	951,763,800
iii)	Unexpired installments of assets purchased on hire purchase basis [Amount due within 1 (one) year is Rs. 481,350 (Rs. 2,504,744)]	**481,350**	2,986,094
		For the year ended March 31st, 2010	For the year ended March 31st 2009
iv)	**Payment to directors#**		
	Remuneration to managing director	**12,768,000**	12,768,000
	Sitting fees	**75,000**	77,500
	# 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	**2,945,683**	2,235,096
	For certification services including service tax	-	12,257

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
1	Advance Buildcon Pvt. Ltd.*	India	100%
2	Anant Raj Cons. & Development Pvt. Ltd.	India	100%
3	Anant Raj Hotels Ltd.	India	100%
4	Anant Raj International FZE	U.A.E.	100%
5	A plus Estates Pvt. Ltd.*	India	100%
6	Anant Raj Projects Ltd.	India	74%
7	Ankur Buildcon Pvt. Ltd.*	India	100%
8	Blossom Buildtech Pvt. Ltd.	India	100%
9	Capital Buildcon Pvt. Ltd.*	India	100%

		Country of incorporation	Proportion of ownership interest
10	Century Promoters Pvt. Ltd.	India	100%
11	Capital Buildtech Pvt Ltd.*	India	100%
12	Carnation Buildtech Pvt Ltd.*	India	100%
13	Echo Buildtech Pvt. Ltd.	India	100%
14	Echo Properties Pvt. Ltd.	India	100%
15	Elegant Buildcon Pvt. Ltd.	India	100%
16	Elegant Estates Pvt. Ltd.	India	100%
17	Elevator Builders Pvt. Ltd.	India	100%
18	Elevator Buildtech Pvt. Ltd.	India	100%
19	Elevator Promoters Pvt. Ltd.	India	100%
20	Elevator Properties Pvt. Ltd.	India	100%
21	Empire Promoters Pvt. Ltd.	India	100%
22	Equinox Properties Pvt. Ltd.@	India	100%
23	Fabulous Builders Pvt. Ltd.	India	100%
24	Gadget Builders Pvt. Ltd.	India	100%
25	Goodluck Buildtech Pvt. Ltd.	India	100%
26	Grand Buildtech Pvt. Ltd.	India	100%
27	Grand Park Buildtech Pvt. Ltd.	India	100%
28	Grand Park Estates Pvt. Ltd.	India	100%
29	Greenline Buildcon Pvt. Ltd.	India	100%
30	Greatway Estates Ltd.	India	100%
31	Green Line Promoters Pvt. Ltd.	India	100%
32	Green Retreat and Motels Pvt. Ltd.	India	100%
33	Greenview Buildwell Pvt. Ltd.	India	100%
34	Greenway Promoters Pvt. Ltd.	India	100%
35	Greenwood Properties Pvt. Ltd.	India	100%
36	Gujarat Anant Raj Vidhyanagar Ltd.	India	100%
37	Gagan Buildtech Pvt Ltd.*	India	100%
38	Greatway Buildtech Pvt Ltd.*	India	100%
39	Hemkunt Promoters Pvt. Ltd.	India	100%
40	Highland Meadows Pvt. Ltd.	India	80%
41	Kalinga Buildtech Pvt. Ltd.	India	100%
42	Krishna Buildtech Pvt. Ltd.*	India	100%
43	Kalinga Realtors Pvt. Ltd.	India	100%
44	Lucky Meadows Pvt. Ltd.	India	100%

		Country of incorporation	Proportion of ownership interest
45	Monarch Buildtech Pvt Ltd*	India	100%
46	Noval Buildmart Pvt. Ltd.	India	100%
47	Noval Housing Pvt. Ltd.	India	100%
48	One Star Realty Pvt. Ltd.*	India	100%
49	Oriental Meadows Ltd.	India	100%
50	Oriental Promoters Pvt Ltd.*	India	100%
51	Parkland Developers Pvt. Ltd.	India	80%
52	Parkview Promoters Pvt. Ltd.	India	85%
53	Pasupati Aluminium Ltd.	India	100%
54	Pelikan Estates Pvt. Ltd.	India	100%
55	Pioneer Promoters Pvt. Ltd.	India	100%
56	Papillon Buildcon Pvt.Ltd.*	India	100%
57	Pappilon Buildtech Pvt. Ltd.*	India	100%
58	Rapid Estates Pvt. Ltd.@	India	100%
59	Rapid Realtors Pvt. Ltd.	India	100%
60	Rising Realty Pvt. Ltd.*	India	100%
61	Roseview Buildtech Pvt. Ltd.	India	100%
62	Rolling Construction Pvt. Ltd.	India	50.10%
63	Romano Tiles Pvt. Ltd.	India	80%
64	Roseview Properties Pvt. Ltd.	India	100%
65	Sandstorm Buildtech Pvt. Ltd.	India	100%
66	Silvertown Inn & Resorts Pvt. Ltd.@	India	100%
67	Sovereign Buildwell Pvt. Ltd.	India	100%
68	Springview Developers Pvt. Ltd.	India	75%
69	Springview Properties Pvt. Ltd.	India	100%
70	Suburban Farms Pvt. Ltd.	India	100%
71	Townsend Construction and Equipments Pvt. Ltd.	India	100%
72	Twenty First Developers Pvt.Ltd.	India	100%
73	Vibrant Buildmart Pvt. Ltd.	India	51%
74	White Diamond Construction and Equipments Pvt. Ltd.	India	100%
75	Woodland Promoters Pvt. Ltd.	India	100%
76	West Land Buildcon 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. 1,424,936,579 (Rs. 1,414,462,072) 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

From State Bank of India (SBI)

a) Working capital facilities of Rs. 0.45 lacs (Rs. 0.88 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) equitable mortagage of factory land building, and hypothecation of machinery/fixtures, etc. thereat, (b) personal guarantees of 2 (two) promoters/directors and 2 (two) family members of promoters/directors.

b) Term loan of Rs. 2,497 lacs (Rs. 2,907 lacs) of demerged construction and development division of Anant Raj Agencies Pvt. Ltd. one of the transferor division, merged with the Company on January 1, 2007) is in the nature of loan against assignment of lease rentals receivable from specified tenants at Jhandewalan Extension, New Delhi, The loan is collaterally secured by way of equitable mortgage of Company's property at Jhandewalan Extension, New Delhi. The loan is further secured by, (a) personal guarantees of 2 (two) directors/ promoters of the Company, and (b) personal guarantee of 2 (two) family member of promoter/director.

c) Term loan of Rs. 581 lacs (Rs. 1,080 lacs) of Anant Raj Cons. and Development Pvt. Ltd., a subsidiary of the Company, 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 guarantees of 5 (five) family members of directors, and (c) corporate guarantee of the holding company and post dated cheques bearing due date of installment issued in favour of SBI.

From Oriental Bank of Commerce (OBC)

d) Term loan of Rs. 4,912 lacs (Rs. 5,559 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 additionaly secured against land at Village Khera Kalan, Nangli Poona, Delhi, in the name of the Company. The term loan is also collaterally secured by way of personal guarantees of 2 (two) directors/ promoters of the Company, and (b) personal guarantee of 2 (two) family members of directors/promoters of the Company.

From Central Bank of India (CBI)

e) Term loan of Rs. 1,989 lacs (Rs. 2,591 lacs), is secured against first charge by way of equitable mortgage of land and proposed building of the project located at IMT Manesar 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 additionaly secured against land at Village Khera Kalan, Nangli Poona, Delhi, in the name of the company . The term loan is also collaterally secured by way of personal guarantees of 2 (two) directors/ promoters of the Company, and (b) personal guarantee of 2 (two) family members of directors/promoters of the Company.

Term loans repayable within 1 (one) year Rs. Rs. 231,548,226 (Rs. 153,429,938).

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

xiv) Vehicle loans are secured against hypothecation of respective vehicles.

xv) Dealership deposits, shown under the head 'Unsecured Loans', are interest bearing deposits received by the Company from dealers of its products.

xvi) During the year the Company has changed the method of charging depreciation on buildings (other than Factory Building) from written down value method to straight line method, resulting in the depreciation charge for the current year being lower by Rs. 3,205,477, and consequently the profit for the current year stands overstated by equivalent amount.

xvii) The Company had issued during the year, 20,000,000 Convertible warrants of face value Rs. 2 each, for cash at a premium of Rs. 85 per warrant , aggregating to Rs. 1,740,000,000 to 'Anant Raj Meadows Private Limited' (Promoter Group Compay). As per terms of issue the Company has received 25% of excercise price amounting Rs. 43.50 crores as upfront payment and balance 75% will be received on excercise of warrant (excercise period of 18 months from July 10, 2009 to January 09, 2011). Further, each warrant to be converted into one common equity share on successful payment of balance amount.

xviii) The Company issued 20,144,000 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 in the Luxemberg Stock Exchange. The funds so raised have been/would be utilised for development and construction of special economic zones, information and technology parks, hospitality sector, augmenting long term resources and working capital requirements and unutilised funds have been places as fixed deposits with Bank.

Utilisation status of GDR proceeds, during the year 2009-10 is as under:

Particulars	Opening balance as at April 1, 2009 (Rs.)	Amount utilised during the year (Rs.)	Closing balance as at March 31,2010 (Rs.)
Construction and development	1,908,164,021	632,965,951	2,541,129,972
Loan to Subsidiaries for Construction & Development	-	187,950,000	187,950,000
Land acquired	-	16,537,911	16,537,911
Investment in Subsidiaries for acquisition of Land	429,392,000	899,150,000	1,328,542,000
Others	-	336,604,817	336,604,817
	2,337,556,021	**2,073,208,679**	**4,410,764,700**

During the year 13846500 (5334500) GDRs have been converted into fully paid up equity shares.

xix) The Company has entered into Joint venture agreements with, (i) Monsoon Capital for construction and development of an Information and Technology Park at Panchkula, Haryana; (ii) Swan Consultants, a Reliance (ADAG) company for development of two hospitality projects in New Delhi, and (iii) Lalea Trading Ltd., Cyprus, for development of project land by construction thereon of retail mall.

xx) Roseview Buildtech Pvt. Ltd., a subsidiary of the Company, paid an advance for purchase of agricultural land. Since the vendor was delaying execution of requisite documents, which are pre-requisite for conveying of agricultural land, the company filed the suit before the Hon'ble High Court of Delhi, against the vendor for specific performance of the agreement and also seeking injunction against the vendor from selling to or creating interest in the said agricultural land in favour of any third party. The Hon'ble High Court of Delhi, has since restrained the vendor from alienating, transferring or entering into agreement with regard to the said agricultural land with any third party. The Company as directed by the Hon'ble High Court of Delhi, had further deposited a sum of Rs. 9,171,875, being the balance cost of land in the Court. The Company proposes to develop the land after setting the said land registered the name of the Company.

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

xxii) Deposits with Bank include Rs. 1,186,132 (Rs. 1,252,580) pledged with Sale tax Department/Excise Authorities.

xxiii) 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, 2010 payable to SSI undertakings is Rs. 1,490,197 (Rs. 2,503,032). 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.

xxiv) 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, 2010 (Rs., lacs)	For the year ended March 31, 2009 (Rs., lacs)
1.	**Segment revenue**		
a)	Ceramic tiles	**796**	1,697
b)	Real estate/investments	**33,182**	30,385
c)	Total	**33,978**	32,082
d)	Less: Inter segment revenue	-	-
e)	Net sales/income from operations	**33,978**	32,082
2.	**Segment results**		
a)	Profit before interest and tax from each segment		
i)	Ceramic tiles	**(587)**	(195)
ii)	Real estate/investments	**30,751**	28,305
b)	Total	**30,163**	28,110
	Less:		

Particulars		For the year ended March 31, 2010 (Rs., lacs)	For the year ended March 31, 2009 (Rs., lacs)
c)	Interest	**489**	47
d)	Unallocable income	**44**	26
e)	Profit before tax	**29,630**	28,037
3.	**Assets and liabilities**		
a)	Segment assets		
i)	Ceramic tiles	**4,516**	4,468
ii)	Real estate/investments	**391,721**	362,105
iii)	Total segment assets	**396,237**	366,573
b)	Segment liabilities		
i)	Ceramic tiles	**278**	803
ii)	Real estate/investments	**24,474**	23,457
iii)	Total segment liabilities	**24,752**	24,260
c)	Corporate unallocable liabilities	**3,694**	3,743
4.	**Capital expenditure**		
i)	Ceramic tiles	**8**	20
ii)	Real estate/investments	**61,199**	16,132
5.	**Depreciation**		
i)	Ceramic tiles	**349**	409
ii)	Real estate/investments	**719**	453

xxv) 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. 4,031,902 (Rs. 3,031,511) and deferred tax liability of Rs. 13,468,754 (Rs. 29,379,008) as at March 31, 2010. Major components of deferred tax are as follows:

		As at March 31, 2009 (a)	As at March 31, 2010 (b)	For the year 31, 2010 (b-a)
i)	Deferred tax assets			
	- Gratuity	2,267,563	**3,217,620**	950,057
	- Leave encashment	763,948	**814,282**	50,334
		3,031,511	**4,031,902**	1,000,391
ii)	Deferred tax liability			
	- Fixed assets	29,379,008	**13,468,754**	(15,910,254)
	Net deferred tax liability; (i)-(ii)	(26,347,497)	**(9,436,851)**	16,910,646

The net deferred tax liability amounting to Rs. 16,910,646 (Rs. 7,376,110) for the year has been recognised in the Profit and Loss Account.

xxvi) 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, 2010 Rs.	As at March 31, 2009 Rs.
a)	Net profit available for equity shareholders (in Rs.)	**2,381,872,690**	2,062,974,087
b)	Weighted average number of equity shares outstanding for calculation of		
	- Basic EPS	**295,096,335**	294,642,835
	- Diluted EPS	**301,981,306**	294,642,835
c)	Nominal value of per equity share (in Rs.)	**2**	2
d)	Earning per share (a)/(b) (in Rs.)		
	- Basic EPS	**8.07**	7.00
	- Diluted EPS	**7.89**	7.00

xxvii) 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.

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

	Particulars	2009-10	2008-09
a)	Number of non-resident shareholders	**77**	77
b)	Number of equity shares held by them	**401,500**	405,500
c)	Year to which the dividend related	**2008-09**	2007-08
d)	Gross amount of dividends (in Rs.)	**240,900**	608,250

xxix) Bank balances include with foreign banks as under:

Particulars	As at March 31, 2010 Rs.	Maximum balance during the year Rs.
National Bank of Fujairah, Dubai, UAE	**1,347,731**	1,347,731

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

xxxi) 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.

xxxii) 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.

xxxiii) The Income tax Authorities set aside the assessments framed for 2 (two) earlier years and reopened the assessments framed in respect of other 2 (two) years. The aforesaid Authorities had since re-framed reassessments in respect of all the 4 (four) abovementioned assessment years against the Company, which were set aside in by the First Appellate Authority (Commissioner of Income tax (Appeals)) in disposing appeals filed by the Company against the re-assessments. The Assessing Authority has preferred appeals before the Second Appellate Authority (the Hon'ble Income tax Appellate Tribunal). The Hon'ble Appellate Tribunal (ITAT) while setting aside appeal of the Income tax Department for one of the years, has allowed the other appeals preferred by the Department. The Company filed an appeal with Hon'ble High Court of Delhi, against the order of Hon'ble ITAT in case of 3 appeals of the Income tax Department, which have been allowed by the Hon'ble ITAT.

The income tax demand of Rs. 27,912,346 (excluding interest and additional tax) has been raised by the Income tax Department in respect of these appeals. No provision has been made in the books of account as the Company has been advised that no liability is likely to crystalize on this account.

xxxiv) During the year the Company has not charged and consequently, not deposited service tax amounting to Rs. 18,273,032 on renting of immovable property, relying on Order dated April 18,2009 of the Hon’ble High Court of Delhi, Delhi, wherein the Hon’ble Court had categorically concluded that renting of immovable property by itself cannot be regarded as a service. The Hon’ble Court reiterated its stand in its order dated May 18, 2010 while deciding the Appeal no. W.P. (C) 3398/2010. In view of the same, and as per legal opinions obtained by the Company, no liability on the above account is likely to crystallize on the said account, hence not provided in the books during the year.

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 by virtue of any future order/amendments. However, the respective lessees have undertaken to indemnify the Company, for any loss that the Company might have to incur, in the event such a liability crystallizes.

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

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

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

xxxviii) **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

Advance Buildcon Pvt. Ltd.*	Kalinga Buildtech Pvt. Ltd.
Anant Raj Cons. & Development Pvt. Ltd.	Krishna Buildtech Pvt. Ltd.*
Anant Raj Hotels Ltd.	Kalinga Realtors Pvt. Ltd.
Anant Raj International FZE	Lucky Meadows Pvt. Ltd.
A plus Estates Pvt. Ltd.*	Monarch Buildtech Pvt Ltd*
Anant Raj Projects Ltd.	Noval Buildmart Pvt. Ltd.
Ankur Buildcon Pvt. Ltd.*	Noval Housing Pvt. Ltd.
Blossom Buildtech Pvt. Ltd.	One Star Realty Pvt. Ltd.*
Capital Buildcon Pvt. Ltd.*	Oriental Meadows Ltd.
Century Promoters Pvt. Ltd.	Oriental Promoters Pvt Ltd.*
Capital Buildtech Pvt Ltd.*	Parkland Developers Pvt. Ltd.
Carnation Buildtech Pvt Ltd.*	Parkview Promoters Pvt. Ltd.
Echo Buildtech Pvt. Ltd.	Pasupati Aluminium Ltd.
Echo Properties Pvt. Ltd.	Pelikan Estates Pvt. Ltd.
Elegant Buildcon Pvt. Ltd.	Pioneer Promoters Pvt. Ltd.
Elegant Estates Pvt. Ltd.	Papillon Buildcon Pvt.Ltd.*
Elevator Builders Pvt. Ltd.	Pappilon Buildtech Pvt. Ltd.*
Elevator Buildtech Pvt. Ltd.	Rapid Estates Pvt. Ltd.@
Elevator Promoters Pvt. Ltd.	Rapid Realtors Pvt. Ltd.
Elevator Properties Pvt. Ltd.	Rising Realty Pvt. Ltd.*
Empire Promoters Pvt. Ltd.	Roseview Buildtech Pvt. Ltd.
Equinox Properties Pvt. Ltd.@	Rolling Construction Pvt. Ltd.
Fabulous Builders Pvt. Ltd.	Romano Tiles Pvt. Ltd.
Gadget Builders Pvt. Ltd.	Roseview Properties Pvt. Ltd.
Goodluck Buildtech Pvt. Ltd.	Sandstorm Buildtech Pvt. Ltd.
Grand Buildtech Pvt. Ltd.	Silvertown Inn & Resorts Pvt. Ltd.@
Grand Park Buildtech Pvt. Ltd.	Sovereign Buildwell Pvt. Ltd.
Grand Park Estates Pvt. Ltd.	Springview Developers Pvt. Ltd.

Greenline Buildcon Pvt. Ltd.	Springview Properties Pvt. Ltd.
Greatway Estates Ltd.	Suburban Farms Pvt. Ltd.
Green Line Promoters Pvt. Ltd.	Townsend Construction and Equipments Pvt. Ltd.
Green Retreat and Motels Pvt. Ltd.	Twenty First Developers Pvt.Ltd.
Greenview Buildwell Pvt. Ltd.	Vibrant Buildmart Pvt. Ltd.
Greenway Promoters Pvt. Ltd.	White Diamond Construction and Equipments Pvt. Ltd.
Greenwood Properties Pvt. Ltd.	Woodland Promoters Pvt. Ltd.
Gujarat Anant Raj Vidhyanagar Ltd.	West Land Buildcon Pvt Ltd.*
Gagan Buildtech Pvt Ltd.*	
Greatway Buildtech Pvt Ltd.*	
Hemkunt Promoters Pvt. Ltd.	
Highland Meadows 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.

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

^ Appointed on August 20, 2009

* Appointed on May 29, 2009

Enterprise over which key management personnel exercises control

1	AAA Realty Pvt. Ltd.	30	Jasmine Buildwell Pvt. Ltd.
2	Aakash Ganga Realty Pvt. Ltd.	31	Mayur Buildcon Pvt. Ltd.
3	Anant Raj Agencies Pvt. Ltd.	32	Monarch Estates Pvt. Ltd.
4	Anant Raj Estates Pvt. Ltd.	33	North South Properties Pvt. Ltd.
5	Anant Raj Infrastructure Pvt. Ltd.	34	Olympia Buildtech Pvt. Ltd.
6	Anant Raj Meadows Pvt. Ltd.	35	Olympia Builders Pvt. Ltd.
7	Anant Raj Farms Pvt. Ltd.	36	Parkland Construction and Equipments Pvt. Ltd.
8	Anant Raj Property Management Pvt. Ltd.	37	Rapid Estates Pvt. Ltd
9	Associated Buildtech Pvt. Ltd.	38	Red Sea Realty Pvt. Ltd.
10	Anant Raj Power Limited	39	Romano Estates Pvt. Ltd.
11	BBB Realty Pvt. Ltd.	40	Romano Infrastructure Pvt. Ltd.
12	Blue Diamond Estates Pvt. Ltd.	41	Romano Projects Pvt. Ltd.
13	Bolt Properties Pvt. Ltd.	42	Rockfield Developers Pvt. Ltd.
14	Carnation Promoters Pvt. Ltd.	43	Roseland Buildtech Pvt. Ltd.
15	CCC Realty Pvt. Ltd.	44	Rose Realty Pvt. Ltd.
16	Consortium Holding Pvt. Ltd.	45	Roseview Promoters Pvt. Ltd.
17	Delhi Motels Pvt. Ltd.	46	SS Aamouage Trading Pvt. Ltd.]
18	EEE Realty Pvt. Ltd.	47	Saffronview Properties Pvt. Ltd.
19	Elevators Realtors Pvt. Ltd.	48	Skipper Travels International Pvt. Ltd.
20	Four Construction Pvt. Ltd.	49	Three Star Realty Pvt. Ltd.
21	Four Star Realty Pvt. Ltd.	50	Tumhare Liye Realty Pvt. Ltd.
22	Green Valley Builders Private Limited	51	Two Star Realty Pvt. Ltd.
23	GGG Realty Pvt. Ltd.	52	Townsend Promoters Pvt. Ltd.
24	Glaze Properties Pvt. Ltd.	53	Townsend Properties Pvt. Ltd.
25	Goodwill Estates Pvt. Ltd.	54	Tricolor Hotels Ltd.
26	Goodwill Meadows Ltd.		
27	Hamara Realty Pvt. Ltd.		
28	HBP Estates Pvt. Ltd.		
29	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, 2010 Rs.	For the year ended March 31, 2009 Rs.
Services as Managing Director	Anil Sarin	**12,768,000**	12,768,000
Services as Executive Director	Amit Sarin	**54,720**	218,880
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	**25,000**	40,000
Sitting fees paid	Maneesh Gupta	**27,500**	37,500
Sitting fees paid	Brajindar Mohan Singh	**22,500**	-
Interest receipts from associates company	Rapid Estates Pvt. Ltd.	**13,170,395**	-
Sale of investment in subsidiary	Amar Sarin	**-**	250,000
Sale of investment in subsidiary	Ashim Sarin	**-**	250,000
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**	-
Loans paid back during the year	Ashok Sarin	**-**	5,666,500
Investment in associates companies		**120,549,000**	92,730,000
Share application money received back from associate companies		**600,420**	-
Share application money paid to associate companies		**116,649,420**	26,200
Loan given to associate companies		**424,011,366**	202,673,874
Loan received back from associate companies		**424,011,366**	380,826,074
Expenses incurred on behalf of Associate Companies		**38,520,357**	-
Guarantee - Corporate	Anant Raj Cons. & Development Pvt. Ltd.	**58,093,593**	107,964,510
Personal guarantees given by Directors & relatives in respect of:		**-**	
- Term loans	Ashok Sarin, Anil Sarin, Amit Sarin	**939,830,266**	1,105,710,575
- Working capital facilities	and Aman Sarin	**45,435**	88,358

C. Amount outstanding as at March 31, 2010:

Account head	As at March 31, 2010 Rs.	As at March 31, 2009 Rs.
Investments	**1,479,867,250**	1,359,318,250
Loans and advances		
Associate companies	**-**	4,500,000
Share application money		
Associate companies	**2,952,200**	2,952,200
Sundry debtors		
Associate companies	**-**	666,671

Consolidated Cash Flow Statement for the year ended March 31, 2010

	Particulars		For the year ended March 31, 2010 Rs.	For the year ended March 31, 2009 Rs.
A.	**CASH FLOW FROM OPERATING ACTIVITIES**			
	Net profit before tax and extraordinary items		2,963,820,709	2,806,928,134
	Adjustment for:			
	Depreciation		116,397,822	97,727,781
	Depreciation written back		3,205,477	-
	Adjustment of brought forward loss on acquisition/disposal of subsidiaries		(24,002,497)	(3,426,928)
	Share of loss transferred to minority		(619,048)	1,907,987
	Miscellaneous expenditure		18,039,431	(38,310,279)
	Interest paid		48,534,801	4,206,019
	Interest received		(459,583,301)	(601,354,166)
	Operating profit before working capital changes		**2,665,793,394**	**2,267,678,548**
	Adjustment for:			
	Sundry creditors and other payables		630,461,968	(1,198,293,083)
	Trade and other receivables		1,370,089,116	619,737,451
	Inventories		8,314,662	650,963,678
	Cash generated from operations		**4,674,659,140**	**2,340,086,594**
	Provision for fringe benefit tax		-	(4,768,652)
	Provision for income tax and wealth tax		(597,454,246)	(720,813,019)
	Cash flow before extraordinary items		4,077,204,894	1,614,504,923
	Prior year adjustments		(3,990,847)	(12,904,254)
	NET CASH FROM OPERATING ACTIVITIES		**4,073,214,047**	**1,601,600,669**
B.	**CASH FLOW FROM INVESTING ACTIVITIES**			
	Additions to fixed assets		(6,120,740,095)	(1,615,164,159)
	Minority interest		169,418,800	683,260,270
	Additions to capital work-in-progress		165,190,458	(3,355,577,930)
	Sale of fixed assets		104,381,685	256,637,062
	Interest received		459,583,301	601,354,166
	Investments		139,809,283	(1,603,157,920)
	NET CASH USED IN INVESTING ACTIVITIES		**(5,082,356,567)**	**(5,032,648,511)**
C.	**CASH FLOW FROM FINANCE ACTIVITIES**			
	Proceeds from issuance of equity share capital		907,000	-
	Share premium received		175,699,397	2,154,683,899
	Subscription money received against warrants		435,000,000	175,528,000
	Share application money		(17,628,000)	-
	Increase in capital reserve		16,508,807	-
	Proposed dividend and tax thereon		(206,464,887)	(207,148,773)
	Increase in secured loans		(218,188,521)	646,955,204
	Increase in unsecured loans		(494,077,560)	874,793,747
	Interest paid		(48,534,801)	(4,206,019)
			(356,778,565)	**3,640,606,058**
	NET INCREASE IN CASH AND CASH EQUIVALENTS	(A+B+C)	(1,365,921,087)	209,558,216
	Cash and cash equivalents opening balance		6,257,124,031	6,047,565,815
	Cash and cash equivalents closing balance		4,891,202,944	6,257,124,031

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	Ashok Sarin Chairman	Anil Sarin Managing Director	Amit Sarin CEO & Director
By the hand of			
Kamal Ahluwalia Partner Membership no. 093812	Brajindar M. Singh Director	Ambarish Chatterjee Director	Maneesh Gupta Director
New Delhi. May 28, 2010	Yogesh Sharma Sr. Vice President-Finance	Manoj Pahwa Company Secretary	Omi Chand Rajput G.M.-Finance

NOTES

ANANT RAJ INDUSTRIES LIMITED

Regd. Office : 85.2 Km. Stone, Delhi-Jaipur Highway,
Village Bhudla, P.O. Sangwari, Distt. Rewari, - 123401, (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 Fifth 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 22nd day of July, 2010 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

Regd. Office : 85.2 Km. Stone, Delhi-Jaipur Highway,
Village Bhudla, P.O. Sangwari, Distt. Rewari, - 123401, (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 22nd day of July, 2010 at 9.30 A.M. or at any adjournment thereof.

Signed this________day of_______2010.

Affix Re. 1/- Revenue Stamp

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.