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COMPANY INFORMATION

BOARD OF DIRECTORS

Shri Sushil Ansal	<i>Chairman & Whole Time Director</i>
Shri Pranav Ansal	<i>Vice Chairman & Managing Director</i>
Shri Anil Kumar	<i>Dy. Managing Director & Chief Executive Officer</i>
Shri D.N. Davar	Director
Dr. R. C. Vaish	Director
ACM O. P. Mehra (Retd.)	Director
Shri Rahul C. Kirloskar	Director
Shri Lalit Bhasin	Director
Shri P. R. Khanna	Director

AUDIT COMMITTEE MEMBERS

Shri D.N. Davar	Chairman
Dr. R. C. Vaish	Vice-Chairman
ACM O. P. Mehra (Retd.)	Member
Shri P. R. Khanna	Member

SR. VICE PRESIDENT (CORP. AFFAIRS) & COMPANY SECRETARY

Shri Amitav Ganguly

CHIEF FINANCIAL OFFICER

Shri Mahesh C Maheshwari

STATUTORY AUDITORS

M/s Khanna & Annadhanam
Chartered Accountants
New Delhi

FINANCIAL INSTITUTIONS

Housing Development Finance Corporation Limited
Infrastructure Leasing & Financial Services Limited

BANKERS

Punjab National Bank
UCO Bank
The Jammu & Kashmir Bank Ltd.
Oriental Bank of Commerce
Syndicate Bank
Yes Bank Ltd.
HDFC Bank Ltd.
IDBI Bank Ltd.
Central Bank of India

REGISTERED OFFICE

115, Ansal Bhawan
16, Kasturba Gandhi Marg
New Delhi-110001

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 41st Annual General Meeting of the members of the Company will be held on Tuesday, the 30th day of September, 2008 at 11.00 A.M. at Sri Sathya Sai International Centre & School, Lodhi Road, New Delhi-110003 to transact the following business :

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2008 and the Profit & Loss Account together with the Consolidated Financial Statement of Accounts for the year ended on that date, together with the Directors' Report and Auditors' Report thereon.
2. To declare Dividend on Equity Shares.
3. To appoint a Director in place of Dr. Ramesh C. Vaish who retires by rotation and, being eligible, offers himself for re-appointment.
4. To appoint a Director in place of ACM O.P. Mehra (Retd.) who retires by rotation and, being eligible, offers himself for re-appointment.
5. To appoint Statutory Auditors of the Company and to fix their remuneration.

Regd. Office:

115, Ansal Bhawan,
16, Kasturba Gandhi Marg,
New Delhi - 110 001

By Order of the Board
for **Ansal Properties & Infrastructure Ltd.**

(Amitav Ganguly)

Dated: 30th August, 2008

Sr. Vice President (Corp. Affairs) & Co. Secretary

NOTES:

- a) A Member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member. Proxies in order to be effective must be received at the Registered Office of the Company not less than forty-eight hours before the schedule time for commencement of Annual General Meeting.
- b) The Register of Beneficial Owners, Register of Members and the Share Transfer Books of the Company shall remain closed from Tuesday, 23rd September, 2008 to Tuesday, 30th September, 2008 (both days inclusive).
- c)
 - i) Dividend, if declared, will be payable to those members whose names appear in the Register of Members/Beneficial Owners as will be provided by the Depository (i.e. National Securities Depositories Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL)) at the close of business hours on the 30th September, 2008, for this purpose.
 - ii) No tax at source shall be deducted from the Dividend amount payable to the members. Tax will be paid by the Company at the flat rate of 15% and surcharge there on @ 10% of tax and cess @ 3% of tax and surcharge (aggregating to 16.995%).
- d) Members are already aware that M/s. Intime Spectrum Registry Limited, A-40, Naraina Industrial Area, Phase-II, Near Batra Banquet Hall, New Delhi-110028, is the Share Transfer Agent (STA) of the Company, both for electronic connectivity and Share Transfer work w.e.f, 30th January, 2003. Members can make correspondence with STA for Share Transfer requests, dividend and change of address related queries.

To avoid misuse of Dividend Warrants/ cheques, members are requested to send details of Bank / its address and Account number, for printing on Dividend Warrants/cheques. This should be sent to reach the Registered Office of the Company before the Annual General Meeting.

- e) Members having multiple accounts in identical names or joint accounts in the same order are requested to intimate the Company / STA, the ledger folio of such accounts to enable the Company to consolidate all such shareholdings into one account.
- f) Members are hereby informed that pursuant to Section 205A (5) of the Companies Act, 1956, (The Act) the Company is obliged to transfer any money lying in the Unpaid Dividend Account, which remains unpaid or unclaimed for a period of seven years from the date of such transfer to the Unpaid Dividend Account, to the credit of Investors Education and Protection Fund established by the Central Government under sub section (1) of Section 205C of the Act. No claim shall lie against the Company or the Fund in respect of individual amounts of dividends remaining unclaimed and unpaid for a period of seven years and transferred to the Fund, as aforesaid.

In accordance with above provisions, unclaimed / unpaid Dividend amount for the years ended 31st March, 1995, 31st March, 1996, 31st March, 1997, 31st March, 1998, 31st March, 1999 & 31st March, 2000 have been transferred to Investor Education and Protection Fund. Dividend for the year ended 31st March, 2001, declared in the 34th Annual General Meeting of the Company held on the 28th September, 2001, shall be transferred to the said Fund within 30 days of 3rd November, 2008 as per aforesaid provisions.

- g) Pursuant to Section 205A of the Companies Act, 1956 all unclaimed dividends up to the dividend for the period ended 31st March, 1994 have been transferred to the General Revenue Account of the Central Government. Any claim for payment of such unclaimed dividend should be made by an application in the prescribed form to the **Registrar of Companies, NCT of Delhi & Haryana, New Delhi, at the address: 4th Floor, IFCI Tower, Nehru Place, New Delhi - 110019.**
- h) Those Members who have not so far encashed their Dividend Warrants/cheques for the Accounting Year ended 31st March, 2001, or any subsequent years may immediately approach the Company / STA for revalidation of Unclaimed Dividend Warrants/Cheques or for fresh Warrants/ Cheques. Dividend for the year ended 31st March, 2001, shall be transferred to Investor Education and Protection Fund, very shortly, as stated in note (f) above.
- i) The Company is registered with the following depositories for dematerialization of its Equity Shares:-
 - i) National Securities Depositories Ltd. (NSDL) at Trade World, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai- 400013
 - ii) Central Depository Services (India) Ltd. (CDSL), at Phiroze Jeejeebhoy Towers, 28th Floor, Dalal Street, Mumbai- 400001

The Registration no. granted by NSDL & CDSL is ISIN INE-436A01026.

- j) As per the provisions of Section 109A of the Companies Act, 1956, facility for making nominations is available to the Members, in respect of Equity Shares, held by them. Requests for nomination facility should be made in the prescribed form (Form 2B) a copy of which can be obtained on request from the Registered Office of the Company.
- k) Members desiring any information/clarification on the Annual Accounts are requested to write to the Company at its Registered Office at least 15 days before the date of Annual General Meeting so that the same may be attended to, well in advance.
- l) The relevant information of Directors, by way of brief resume, seeking reappointment under items nos. 3 and 4 of the notice as required under Clause – 49 of the Listing Agreement entered with the Stock Exchanges is given herein below:

Name of the Director/s	Dr. Ramesh C Vaish	ACM O.P. Mehra (Retd.)
Date of Birth	19.06.1941	19.01.1919
First date of Appointment	11.02.1992	23.03.2000
Expertise in specific functional areas	An eminent practicing Chartered Accountant having over 40 years of rich and varied experience with specialization in international taxation and finance, tax planning and off-shore investment. Dr. Vaish has an outstanding academic record and after teaching at University of Florida, USA, has worked with Coopers and Lybrand in New York, Singapore, London and New Delhi.	Ex-Chief of Air Staff and Ex-Governor of States of Maharashtra and Rajasthan. He has immense and varied experience in administration, planning and management of the affairs of several organizations/institutions. After retiring as Chief of Air Force & Governor of States of Maharashtra and Rajasthan, he is at present associated with eminent Corporate Groups.
Qualification/s	M.A. (Accounting) M.Com, LL.B, Ph.D (Eco), FCA	M.A. (History)
Name of other Companies in which Directorship held (as per latest disclosure)	1. Express News Papers Limited 2. Mayar India Limited 3. Jaiprakash Hydropower Limited 4. Omax Autos Limited 5. OCL India Limited 6. Bharat Consultants Private Limited	1. Ropssa Properties & Enterprises Private Limited 2. C J International Hotels Limited 3. Polyplex Corporation Limited 4. Mayar India Limited
Shareholding in the Company	Nil	Nil

**MEMBERS ARE REQUESTED TO BRING THEIR COPY OF ANNUAL REPORT AT THE MEETING.
NO ADDITIONAL COPIES SHALL BE SUPPLIED AT THE VENUE.**

DIRECTORS' REPORT

Dear Members,

Your Directors are pleased to present the 41st Annual Report along with the Audited Statements of Accounts of your Company for the Financial Year ended the 31st March, 2008.

1. COMPANY PERFORMANCE

A. Financial Highlights

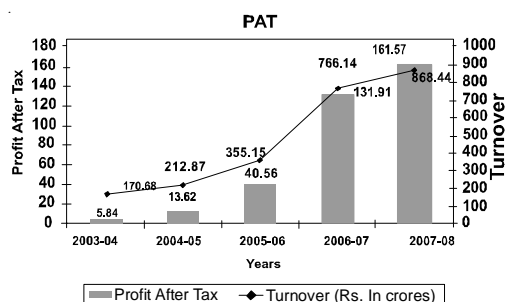
(Rupees in lacs)

Particulars	For the year ended 31.03.2008		For the year ended 31.03.2007	
Sales & Other Income		86884		76614
Profit (Before Interest, Depreciation Exceptional Items and Taxes)		25448		22018
Less : Interest	2001		1943	
Depreciation	780	2781	311	2254
Profit Before		22667		19764
Less : Provision for taxation		6510		6573
Profit After Tax		16157		13191
Add : Surplus Profit brought forward from previous year		6887		2345
Disposable Profit :-		23044		15536
APPROPRIATIONS				
- Interim Dividend including Dividend Tax		-		485
- Proposed Dividend including Dividend Tax		1660		664
- Transfer to General Reserve		10000		7500
- Debenture redemption reserve		2500		-
Surplus carried to Balance Sheet		8884		6887

B. Operations

Net Profit for the year 2007-08 stood at Rs 16,157 Lacs as against Rs.13,191 Lacs in the year 2006-07, thus showing an increase of 22%. Further the total turnover for the year ended March 31, 2008 also saw a rise to Rs 86,844 Lacs, compared to Rs 76,614 Lacs for 2006-07, posting a growth of 13%.

The table given below illustrates the growth of the Company during the last five years



2. REDEMPTION OF DEBENTURES ALLOTTED ON 28.11.2006

The Company on 28.11.2006, had allotted 8,19,659 nos. of Secured Redeemable Optionally Convertible Debenture (ROCD), on preferential basis, having a tenure of 18 months, to HDFC Venture Trustee Company Limited at a price of Rs. 610.01 per ROCD calculated in terms of Chapter XIII of SEBI {DIP} Guidelines, 2000 aggregating to Rs. 50 crores in terms of the approval granted by the members vide Special Resolution dated 18.11.2006. The same stood redeemed on 27.05.2008.

3. ISSUE AND ALLOTMENT OF ROCDs ON PREFERENTIAL ALLOTMENT BASIS

In terms of the approval of the members given u/s 81 (1A) of the Companies Act, 1956, through Postal Ballot, result of which was declared on August 26, 2008, 20,73,770 (Twenty Lacs Seventy Three Thousand Seven Hundred Seventy) nos. of Secured Redeemable Optionally Convertible Debentures ("ROCDs") of Rs 100/- each of the Company bearing interest of 16.5% p.a., redeemable at redemption premium of 10% or 6.67% p.a., were issued and allotted, on preferential basis, on August 26, 2008 to M/s HDFC Venture Trustee Company Limited at a price of Rs. 305/- per ROCD aggregating to Rs. 63.25 crores.

The price computed in terms of Chapter XIII of SEBI {DIP} Guidelines 2000 is approximately Rs. 151/- per Equity Share. The price has been calculated, as quoted on the National Stock Exchange, in which highest trading volume of the shares of the Company has been recorded during the preceding six months prior to the relevant date of the 26th July 2008. The price of the ROCDs fixed at Rs. 305/- per ROCD is higher than the price of Equity Shares so determined under the said Guidelines and it is permitted therein.

National Stock Exchange of India Limited ("NSE") and The Bombay Stock Exchange Ltd. ("BSE") having nationwide trading terminals have granted the requisite "in-principle" approval under Clause 24(a) of the Listing Agreement.

4. ANSAL API EMPLOYEES / DIRECTORS STOCK OPTION SCHEME

Ansal Api Employee Stock Option Scheme 2006 {Scheme} was approved by the Board of Directors and the Remuneration/ Compensation Committee at their respective meetings held on the 20th October, 2006 & 26th October, 2006, respectively, in terms of the approval granted by the members of the Company by way of passing Special Resolutions in their Extra Ordinary General Meeting, held on 2nd May, 2006. SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 was complied in this regard.

In terms of the referred Scheme, 1,16,700 Options were granted on 26th October, 2006. However, subsequently, due to steep fall in the price of shares of the Company, the said Options have become unattractive to the Option Holders. Vide Special Resolution passed through Postal Ballot on 26th August, 2008, the members have, inter alia, approved the termination / closure of the Scheme. The detailed information on the Scheme, more particularly the present status, appears in the Corporate Governance Report forming the part of Directors' Report.

Details of the Options granted upto March 31, 2008 and other disclosure as required under Clause 12 of the referred guidelines are also enclosed as **Annexure A**. Moreover, the complete scheme is available on the website of your Company viz. www.ansalapi.com

5. **DIVIDEND**

Your Directors are pleased to recommend, for approval of the members at the ensuing 41st Annual General Meeting, payment of Dividend at the rate of 25% on the paid up equity share capital of Rs. 56,75,05,500/- for the year ended the 31st March, 2008, which if approved, will absorb Rs. 1659.88 lacs including Dividend Tax.

6. **BUSINESS**

Your Company is one of the front runner real estate development companies in India. The business of real estate comprises development of residential and commercial estates on its own as well as through joint ventures and collaborations. As a major developer, the Company has successfully developed the entire range of real estate from plots, single homes, multi family homes, group housing, residential colonies, commercial properties to farm land and resorts. The Management's Discussion and Analysis Report forming part of the Directors' Report gives a detailed overview about the nature of business, state of affairs and performance of the Company. This MD&A Report also covers the general economic scenario of the Country, and beyond, which has and shall have impact on the nature of Company's business and generally in the classes of business in which the Company has interest. The Company has ambitious growth plans to be achieved both by expansion of existing real estate activities as well as through diversifying into new fields. It is expected that with these endeavors your Company shall grow further its competitive benefits and continue to build upon its well acknowledged brand image.

Power Project / Joint Venture with NTPC

In terms of the approval granted by the members on 10th July, 2007 through Postal Ballot, your Company has commissioned a 12MW Wind Power Project in Gujarat in the month of September, 2007.

Your Company has now entered into a Heads of Agreement (normally known as Memorandum of Understanding) on 30th July, 2008 with NTPC Electric Supply Company Limited, a wholly owned subsidiary of NTPC Limited, for harnessing business opportunities in retail distribution and generation through mini gas engines / turbines on captive mode in green field projects through formation of a proposed Joint Venture Company.

Education/ Schools

Your Company has signed a Collaboration Agreement with Edu Infrastructure Pvt. Ltd., a Subsidiary of Educomp Solutions Ltd, India's largest Education Company (Educomp) and Knowledge Tree Infrastructure Ltd (KTIL), a Subsidiary of the Company, for the purpose of operating and managing various schools / other educational institutions developed and/or to be developed at the various sites/projects of the Company. In furtherance to this, construction work for setting up first Millennium School, located within the Ansals Sushant City at Panipat has been initiated. This School, will be a part of a countrywide chain of schools leveraging the Millennium Learning System, India's first fully-integrated learning delivery system for Schools developed by Educomp.

IT / ITES SEZs/Parks

Your Company is one of the first developers in India to obtain notification for setting up of IT/ITES SEZs in the country. The Company, with requisite approval, is setting up directly and / or through joint ventures, IT/ITES SEZs in Greater Noida, Gurgaon and Mumbai. The particulars of IT SEZs/ Parks to be developed by the Company are as follows:-

IT /ITES SEZs

- 'The Campus', Greater Noida (notified) spread over 75 acres
- Notified IT SEZ, 'The Campus', Sohna Road Gurgaon, Haryana spread over approx. 27 acres (Phase I). To be increased in phases to approx. 106 acres
- 'The Campus', Lucknow spread over approx. 32 acres (*under approval*)
- 'The Campus', Khapoli, Mumbai spread over approx. 28.73 acres (*formally approved*)

IT Parks

- 'Net City', Lucknow, spread over approx. 18 acres
- 'Net City', Noida IT Park spread over approx. 10 acres

Construction for some of the projects has already commenced and they are expected to be completed in the next five to seven years.

Hi-Tech City - "Megapolis"

The Housing & Urban Planning Department, Government of Uttar Pradesh, keeping in view the mandates of the National and State Housing Policies, announced a Hi-Tech Township Policy to promote and facilitate private sector participation in the development of Hi-Tech Townships with World class infrastructure. The High Powered Committee constituted by the Government of Uttar Pradesh has selected the Consortium viz "Uttam Steels & Associates", wherein your Company is having majority stake, for the development of the Hi-Tech Townships in Dadri, Gautam Budh Nagar, Uttar Pradesh under Hi-Tech Township Policy-2003 of U.P. Govt.

The said Hi-Tech Township namely "Megapolis" will be developed by Ansal Hi-Tech Townships Limited (Ansal Hi-Tech) a Subsidiary of the Company, which is also a Special Purpose Vehicle Company formed under the said Consortium.

With a view to execute the said Township Project various arrangements have been entered amongst, Consortium Members and HDFC Asset Management Company Limited- Portfolio Management Services – Real Estate Portfolio I (in short HDFC-AMC), pursuant to which HDFC-AMC has invested Rs. 225 crores in Ansal Hi-Tech (i.e. Rs. 75 crores in the Equity Capital and Rs. 150 crores in the Debentures of Ansal Hi-Tech). As per one of the requirements, in this regard, the Company has provided Corporate/Performance Guarantee of Rs. 750 crores in favor of HDFC-AMC on behalf of Ansal Hi-Tech and / or others, among others, to ensure the execution / implementation of construction and development of Hi-Tech Township at Dadri by Ansal Hi-Tech. The requisite confirmation of the members has been obtained through Postal Ballot result of which were announced on 26.08.2008.

7. CORPORATE SOCIAL RESPONSIBILITY

At the outset your Company acknowledges the right to housing for everyone and offers full support to Governments' Schemes for economically weaker sections. The importance of Corporate Social Responsibility arises when the Company embarks on the responsibility to contribute to the society where it exists. Therefore the essential responsibility is to take due care for the community. Your Company endeavours to make a positive contribution to the underprivileged communities by supporting socio-economic initiatives. In addition, environmental issues have always been given due significance. All the projects of your Company are aimed at environmental protection, up gradation, conservation, water harvesting etc. and plantation of trees etc., which are important steps in this direction. It is the strong faith of your Company that benefit comes as much from its strong organizational pledge to Corporate Governance, as from its pursuit and fulfillment of Corporate Social Responsibility.

8. **SUBSIDIARY COMPANIES**

During the year under review, the Company has invested in the Equity Shares of Ansal API Power Limited, Star Facilities Management Limited and Knowledge Tree Infrastructure Limited, consequent upon which the said companies have become the Wholly Owned Subsidiaries (WOS) of the Company.

The Company has applied for exemption from attaching the Annual Accounts of the fourteen (14) Subsidiaries as on March 31, 2008, with Audited Annual Accounts of the Company pursuant to the provisions of Section 212(8) of the Companies Act, 1956.

In terms of the approval granted by the Ministry of Corporate Affairs (MCA), Government of India, vide its letters No. 47/492/2008-CL-III dated July 22, 2008 the provisions of section 212 (1) shall not apply in respect of all the fourteen (14) Subsidiaries of the Company, as on March 31, 2008, as mentioned below. The said exemption has been granted on the condition of preparing and circulating the Audited Consolidated Accounts of your Company and its Subsidiary Companies along with the standalone Audited Accounts of the Company. In compliance with the said conditions, the Audited Balance Sheets as at the March 31, 2008 and Profit and Loss Accounts for the year ending as on that date together with the Reports of Directors' and Auditors' thereon of the said Subsidiaries have not been attached with the Balance Sheet of the Company for the financial year ended March 31, 2008

Sl. No.	Name of the Co.	Status
1.	Delhi Towers Ltd. (DTL)	Wholly Owned Subsidiary (WOS)
2.	Star Estates Management Ltd.	Wholly Owned Subsidiary
3.	Ansal IT City & Parks Ltd.	Subsidiary
4.	Ansal Condominium Ltd.*	Chain Subsidiary, as 100% share capital is held by DTL which is WOS of APIL
5.	Ansal SEZ Projects Ltd. (Ansal SEZ)	Wholly Owned Subsidiary
6.	Ansal Townships Infrastructure Ltd.	Wholly Owned Subsidiary
7.	Ansal API Power Limited	Wholly Owned Subsidiary
8.	Star Facilities Management Ltd.	Wholly Owned Subsidiary
9.	Haridham Colonizers Ltd. **	Chain Subsidiary, as 100% share capital is held by Ansal SEZ which is WOS of the Company
10.	Knowledge Tree Infrastructure Limited	Wholly Owned Subsidiary
11.	Sukhdham Colonisers Ltd.	Chain Subsidiary, as 100% share capital is held, (as on 31.03.2008) by DTL which is WOS of the Company.
12.	Dreams Infracon Ltd.	
13.	Effulgent Realtors Ltd.	
14.	Mangal Murthi Realtors Ltd.	

However, the Annual Accounts of the aforesaid Subsidiary Companies and related detailed information can be inspected by / shall be made available to the members of the Company and its subsidiaries, seeking such accounts/ information, at any time, during the working hours at the Registered office of the Company and at the offices of the respective Subsidiaries.

As per another condition for grant of exemption, information relating to the capital, reserves, assets, liabilities and turnover etc. of the Subsidiary Companies is given at the end of the Consolidated Balance Sheet of the Company.

The Statement pursuant to Section 212 of the Companies Act, 1956, containing the details of the Subsidiary Companies as on the 31st March 2008 is enclosed and marked as **Annexure B**

Subsequent to the end of the financial year, the Company has also invested in the Equity Shares of Ansal Hi-Tech Townships Limited consequent upon which the said company became a Subsidiary of the Company.

As on the date of report there are total thirty five (35) Subsidiaries of the Company which includes seven (7) Wholly Owned Subsidiaries, two (2) Subsidiaries and twenty six (26) Chain Subsidiaries.

9. **STATUTORY STATEMENTS**

A. **Conservation of energy and technology absorption**

The information relating to Conservation of Energy and Technology Absorption as required to be disclosed under Section 217(1)(e) of the Companies Act, 1956, read with Rule 2 of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, is not applicable to the Company.

B. **Foreign Exchange Earnings and outgo**

Information about the foreign exchange earnings and outgo, as required to be given under Section 217(1)(e) of the Companies Act, 1956 read with Rule 2(c) of the Companies (Disclosure of Particulars in Report of Board of Directors) Rules, 1988, is given as follows:-

Sl. No.	Particulars	{Rs. in lacs}	
		For the Year ended on 31.03.2008	For the Year ended on 31.03.2007
(i)	<u>Expenditure in Foreign Currency</u>		
	Traveling expenses	93.79	27.94
	Payment to contractors/cost of lift	396.90	584.80
	Professional Fee	25.05	163.90
	Advertisement	174.78	7.21
	Architect Fee	338.08	195.01
	Membership Fee	4.96	1.63
(ii)	<u>Earnings in Foreign Currency</u>		
	Sale of Flats/Plots/Farms etc.	313.66	587.75

C. **Amount due to Small-Scale Industries**

During the Financial Year 2007-08, an amount of Rs. 1.22 lacs is due to small scale industrial undertakings as on March 31, 2008, (previous year Rs. 0.01 lacs) and the same has also been disclosed in the financial statement.

D. **Particulars of Employees**

During the year under review, seventeen (17) employees/directors were in receipt of remuneration of Rs. 24 lacs or more per annum or Rs. 2 lacs per month if employed for part of the year. In accordance with the provisions of Section 217(2A) of the Companies Act, 1956 and the Rules made thereunder, the names and other particulars of employees are set out in the annexure to the Directors Report (**Annexure C**)

10. CORPORATE GOVERNANCE

Your Company constantly strives to uphold high standards of Corporate Governance norms. It believes that for sustainable and extended growth and that of every stake holder, the essential requirements are the judicious and effectual uses of available resources, unswerving efforts to attain excellence in business along with active participation in the growth of society, building of environmental balance, contribution to the economic growth, and laying emphasis on integrity, accountability, and regulatory compliances. These are the building blocks of Corporate Governance. Moreover, the Corporate Governance practices embody the dual goals of protecting the interests of all stakeholders while respecting the duty of the Board to oversee the affairs of the Company in the best interest of its business.

- a) A report on Corporate Governance together with a certificate received from M/s Khanna & Annadhanam, Statutory Auditors of the Company, confirming the compliance with the provisions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement are given separately which forms part of this Report.
- b) Management's Discussion and Analysis Report is also given separately and also forms part of this Report.

11. FIXED DEPOSITS

As on March 31, 2008 fixed deposits stood at Rs. 567.91 lacs as against Rs. 727.48 lacs in the previous year. Deposits amounting to Rs. 6.29 lacs (as on 31.03.2008) have not been claimed by the depositors. Since then deposit amounting to Rs. 0.65 lacs have been renewed or claimed during the current year. Depositors are being intimated regarding the maturity of deposit with a request to either renew or claim their matured deposit amounts. Your Company has a track record of extending consistently good services to its fixed deposit holders. Therefore, the payment of deposits on maturity and interest thereon, in terms of the Company's Deposit Schemes, has been timely.

12. TRANSFER OF UNCLAIMED DEPOSIT / DIVIDEND TO IEPF

As per the provisions of Section 205C of the Companies Act, 1956, deposits / dividend remaining unclaimed for a period of seven years from the date they become due for payment have to be transferred to Investors Education & Protection Fund (IEPF) established by the Central Government.

Accordingly, the Unclaimed Dividend for the Financial Year 1994-95, 1995-96, 1996-97, 1997-98, 1998-99 & 1999-2000 have been transferred to said IEPF.

13. DIRECTORS

In accordance with the provisions of the Companies Act, 1956, Dr. R.C. Vaish, and ACM O.P. Mehra (Retd.), Directors of the Company are due to retire by rotation at the ensuing AGM. They are eligible for re-appointment and offer themselves for re-appointment. The matter of re-appointing them appears as Agenda items in the Notice of the 41st Annual General Meeting.

None of the Directors is disqualified from being appointed/re-appointed as Director in terms of Section 274(1)(g) of the Companies Act, 1956.

During the Year under review, Shri Pranav Ansal, who joined the Company as a Director {w.e.f. 22.04.2006 and confirmed by the Members at the Annual General Meeting held on 28th September, 2006} has been appointed as a Vice Chairman & Managing Director of the Company by the Board on

31st October, 2007, with effect from the 1st November, 2007. His appointment and remuneration are in terms of provisions of Section 269 read with Schedule XIII of the Companies Act, 1956 and other applicable provisions of the Act, and, were subject to the approval of the Members. The matter of confirming his appointment and remuneration was placed before the members through Postal Ballot, results of which have been declared on August 26, 2008 indicating due approval.

Shri Anil Kumar, who was appointed as Whole Time Director & CFO (re-designated as WTD & CEO w.e.f. 14.12.2005) for a period of five years w.e.f. 01.04.2005 by the Members, by way of passing an Ordinary Resolution at the Annual General Meeting of the Company held on September 26, 2005 was promoted as Dy. Managing Director and CEO of the Company by the Board on 31st October, 2007, with effect from the 1st November, 2007

14. AUDITORS' REPORT AND AUDITORS

The Notes to Accounts, forming part of Balance Sheet as at 31st March, 2008 and Profit & Loss Account for the year ended on that date, referred to in the Auditors' Report are self explanatory.

The tenure of the Statutory Auditors M/s. Khanna & Annadhanam, Chartered Accountants, New Delhi, comes to an end at the conclusion of this Annual General Meeting and are eligible for re-appointment. The Company has received Certificate from the Statutory Auditors to the effect that their appointment, if made, would be within the limit prescribed under Section 224 of the Companies Act, 1956.

The Board of your Company recommends their re-appointment for the Financial Year 2008-09.

15. LISTING INFORMATION

During the year under review, and as already reported in the Annual Report of the last year, the Company has issued and allotted 5,67,50, 550 fully paid up Bonus Equity Shares in the ratio of 1:1 on 04.05.2007, in terms of approval of the members given on 19.03.2007 through Postal Ballot. The said shares have also been listed and permitted to be traded at DSE, BSE & NSE. There has been no trading at DSE since considerable number of years.

Listing fees for the Financial Year 2008-09 has been paid by the Company to all the Stock Exchanges (i.e. DSE, BSE & NSE) in time and no amount is outstanding.

16. CONSOLIDATED FINANCIAL STATEMENT

In accordance with Accounting Standard (AS -21) on Consolidated Financial Statement, the Company has prepared the Audited Consolidated Financial Statement for the Year 2007-08 which forms the part of this Annual Report. These Statements have been prepared on the basis of financial statements received from subsidiaries and joint venture companies, as approved by their respective Boards.

17. DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 217(2AA) of the Companies Act, 1956 and based on the information provided by the Management, your Directors hereby confirm:

- i) That in the preparation of the Annual Accounts, the applicable Accounting Standards have been followed and no material departures have been made from the same.
- ii) That appropriate accounting policies have been selected and applied them consistently, and, judgments and estimates that are reasonable and prudent have been made so as to give a true and fair view of the state of affairs of the Company as at the end of the

financial year on March 31, 2008 and of the profit or loss of the Company for the year ended on that date.

- iii) That proper and sufficient care has been taken for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv) That the Annual Accounts have been prepared on a going concern basis.

18. ACKNOWLEDGMENT

Your Directors would like to express their sincere appreciation and gratitude to:-

- all the regulatory authorities including SEBI, Stock Exchanges, Ministry of Corporate Affairs, Registrar of Companies and the Depositories.
- all Bankers and Financial Institutions, the Central and State Governments as well as their respective Departments and Development Authorities in India and abroad connected with the business of the Company for their co-operation and continued support.
- the members, depositors, suppliers, contractors and customers for the trust and confidence reposed by them in the Company

Your Directors also deeply appreciate the hard work, competence, loyalty, cooperation and professionalism of the employees of the Company and its subsidiaries, at all levels. The employees continue to remain the Company's most valuable assets and their relentless efforts have enabled the Company to achieve praiseworthy growth during the year under review.

Regd. Office:

115, Ansal Bhawan
16, Kasturba Gandhi Marg,
New Delhi-110001

Date:30th August, 2008

For and on behalf of the Board

(Sushil Ansal)
Chairman

ANNEXURE-A

Statement as at March 31, 2008, pursuant to Clause 12 regarding disclosure in the Director's Report of the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999:-

a) Total number of Options granted	1,16,700 nos. granted on 26.10.2006	
b) Pricing Formula	The pricing formula, as approved by the members of the Company on 02.05.2006, is at a 20% discount of the latest available closing price of the Equity shares traded on Bombay Stock Exchange on the date of grant of Option, calculated as rounded off to the nearest integer. Upfront payment of 10% of the price, received at the time of grant of option.	
c) Options Vested	1,16,700	
d) Options Exercised	NIL	
e) The Total number of shares arising as a results of exercise of options	NA	
f) Options lapsed	NA	
g) Variations of the terms of Options	NA	
h) Money realized by exercise of options	NIL	
i) Total number of options in force	1,16,700 nos.	
j) Employees wise details of options granted to:-	As per details given below:-	
k) Senior Managerial Personnel of the Company (APIL) and Star Estates Management Limited (SEML), Wholly Owned Subsidiary:-		
	Name	Designation
	Employees of APIL	No. of Options granted
	1. Shri P.N. Misra	Executive Director 8000
	2. Shri V.K. Saigal	Executive Director 10000
	3. Shri R.C. Roongta	Executive President 4000
	4. Shri N.K. Sehgal	President 300
	5. Shri Deepak Khanna	Chief Operating Officer 8000
	6. Shri Amitav Ganguly	Sr. V.P. (Corp. Affairs) & Company Secretary 1000
	7. Shri Narinder Kumar	Sr. Vice President (since ceased to be in employment) 400
	8. Shri Lalit Rustagi	Addl. Vice President 6000
	9. Shri Surinder Kapoor	Dy. General Manager 5000
	10. Shri Z. Khan	Dy. General Manager 5000
	Employees of SEML	
	11. Brgd. Deepak Kapoor	General Manager 2500
	12. Shri Vivek Arora	(Since ceased to be in employment) At the time of grant of Options, he was the Company Secretary of SEML a subsidiary company 500
	Directors of APIL	
	1. Dr. Ramesh C. Vaish	Director 10000
	2. Shri Prithvi Raj Khanna	Director 10000
	3. Shri Lalit Bhasin	Director 10000
	4. ACM O.P. Mehra	Director 10000
	5. Shri D.N. Davar	Director 10000
	6. Shri Anil Kumar	Dy. Managing Director & CEO 10000
	Director of SEML	
	7. Shri Rajat Biswas	At the time of grant of Options, he was the Whole Time Director of SEML. 6000

ii)	Any other employees of the Company who received a grant in any one year of option amounting to 5% or more of the options granted during that year	None																						
iii)	Identified employees who were granted options, during any one year, equal to or exceeding 1% of the issued Capital (excluding outstanding warrant and conversions) of the Company at the time of grant.	None																						
k)	Diluted Earning Per Share (EPS) pursuant to issue of shares on exercise of share on exercise of option calculated in accordance with AS 20.	Rs. 14.21																						
l)	(i) Method of Calculation of employees Compensation cost.	The employee Compensation cost has been calculated using the intrinsic value method of accounting to account for Options issued under the "Ansal Api Employee/ Directors Stock Option Scheme". The stock based compensation as per the intrinsic value method for the financial year 2007-08 is Rs.70.73 lacs																						
	(ii) The difference between the employee compensation cost so computed at (i) above and the employee compensation cost that shall have recognized if it had used the fair value of the options, shall be disclosed.	Rs.57.07 lacs																						
	(iii) The Impact of this difference on profits and on EPS of the Company.	<p>The effect on the net income and earning per share, has the fair method been adopted, is presented below:</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td></td> <td style="text-align: right;">Rs. in lacs</td> </tr> <tr> <td>Net Income</td> <td style="text-align: right;">16156.97</td> </tr> <tr> <td>Add: Intrinsic value compensation cost</td> <td style="text-align: right;">70.73</td> </tr> <tr> <td>Less: Fair value compensation cost (Black-Scholes method)</td> <td style="text-align: right;">127.80</td> </tr> <tr> <td></td> <td style="text-align: right; border-top: 1px solid black;">16099.90</td> </tr> </table> <table style="width: 100%; border-collapse: collapse;"> <tr> <td></td> <td colspan="2" style="text-align: right;">(Rs.)</td> </tr> <tr> <td>Earning per share</td> <td style="text-align: center;">Basic</td> <td style="text-align: center;">Diluted</td> </tr> <tr> <td>As reported</td> <td style="text-align: center;">14.24</td> <td style="text-align: center;">14.21</td> </tr> <tr> <td>As adjusted</td> <td style="text-align: center;">14.18</td> <td style="text-align: center;">14.16</td> </tr> </table>		Rs. in lacs	Net Income	16156.97	Add: Intrinsic value compensation cost	70.73	Less: Fair value compensation cost (Black-Scholes method)	127.80		16099.90		(Rs.)		Earning per share	Basic	Diluted	As reported	14.24	14.21	As adjusted	14.18	14.16
	Rs. in lacs																							
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	(Rs.)																							
Earning per share	Basic	Diluted																						
As reported	14.24	14.21																						
As adjusted	14.18	14.16																						
m)	Weighted –average exercise prices and weighted average fair values of the options granted for option whose exercise price either equals or exceeds or is less than the market price of the Stock.	(In Rs.)																						
	Weighted average exercise Price per option	145.45																						
	Weighted average fair value per option	262.84																						
n)	A description of the method and significant assumptions used during the year to estimate the fair values of options	<p>The fair value of each option is estimated using the Black-Scholes option pricing model after applying the following key assumption on a weighted average basis:</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td>(i) Risk free interest rate</td> <td style="text-align: right;">7.51%</td> </tr> <tr> <td>(ii) Expected life</td> <td style="text-align: right;">3 years</td> </tr> <tr> <td>(iii) expected volatility</td> <td style="text-align: right;">5.27%</td> </tr> <tr> <td>(iv) Expected Dividend</td> <td style="text-align: right;">Rs.1.67</td> </tr> <tr> <td>(v) Price of the under lying shares in market at the time of option grant.</td> <td style="text-align: right;">Rs.727.43</td> </tr> </table>	(i) Risk free interest rate	7.51%	(ii) Expected life	3 years	(iii) expected volatility	5.27%	(iv) Expected Dividend	Rs.1.67	(v) Price of the under lying shares in market at the time of option grant.	Rs.727.43												
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(v) Price of the under lying shares in market at the time of option grant.	Rs.727.43																							

ANNEXURE - B

ANNEXURE TO DIRECTORS' REPORT

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956, RELATING TO SUBSIDIARY COMPANIES

1. Name of the Subsidiary Company	2. No. of Shares held by the Company in the Subsidiary Company as on 31.03.2008	3. Percentage of holding in the Subsidiary Company	4. Financial Year ended	5. Profit/(Losses) of the subsidiary Company for its financial year so far as it concerns the members of Ansal Properties & Infrastructure Ltd. which have not been dealt with in the accounts of Ansal Properties & Infrastructure Ltd. for the year ended the 31 st March, 2008	6. The net aggregate of Profits/ (Losses) of the subsidiary Company which have been dealt with in the account of Ansal Properties & Infrastructure Ltd., for the year ended the 31 st March, 2008		
						For the year (Rs.)	For the previous year (Rs.)
Star Estates Management Ltd (SEML)	55000 Equity Shares of Rs.100/- each fully paid up.	100%	31 st March, 2008	1,30,49,935	2,30,33,223 *	NIL	NIL
Delhi Towers Limited (DTL)	5000 Equity Shares of Rs.100/- each fully paid up.	100%	31 st March, 2008	(20,74,321)	(60,10,435)	NIL	NIL
Ansal IT City & Parks Limited (AITCPL)	1530000 Equity Shares of Rs. 10/- each fully paid up.	66.23%	31 st March, 2008	(2,46,439)	(75,045)	NIL	NIL
Ansal SEZ Projects Limited (ASPL)	51000 Equity Shares of Rs. 10/- each fully paid up, 10,20,000 Preference Shares of Rs. 10/- each fully paid up.	100%	31 st March, 2008	(4,02,686)	(50,543)	NIL	NIL
Ansal Township & Infrastructure Limited (ATIL)	51000 Equity Shares of Rs.10/- each fully paid up, 10,20,000 Preference Shares of Rs. 10/- each fully paid up.	100%	31 st March, 2008	79,91,230	23,41,530	NIL	NIL
Ansal Condominium Limited \$	50000 Equity Shares of Rs. 10/- each fully paid up held by DTL	100%	31 st March, 2008	12,44,669'	7,98,035	NIL	NIL
Ansal API Power Limited	50,000 Equity Shares of Rs. 10/- each fully paid up	100%	31 st March, 2008	(52,383)	N.A. **	NIL	N.A.**

1. Name of the Subsidiary Company	2. No. of Shares held by the Company in the Subsidiary Company as on 31.03.2008	3. Percentage of holding in the Subsidiary Company	4. Financial Year ended	5.		6. The net aggregate of Profits/ (Losses) of the subsidiary Company which have been dealt with in the account of Ansal Properties & Infrastructure Ltd., for the year ended the 31st March, 2008	
				For the year (Rs.)	For the previous year (Rs.)		
Star Facilities Management Ltd.	50,000 Equity Shares of Rs. 10/- each fully paid up	100%	31 st March, 2008	40,54,122	N.A. **	NIL	N.A. **
Knowledge Tree Infrastructure Limited	50,000 Equity Shares of Rs. 10/- each fully paid up	100%	31 st March, 2008	(39,392)	N.A. **	NIL	N.A. **
Haridham Colonizers Ltd. #	50,000 Equity Shares of Rs. 10/- each fully paid up held by ASPL	100%	31 st March, 2008	92,922	(94,039)	NIL	NIL
Sukhdham Colonisers Ltd. \$	50,000 Equity Shares of Rs. 10/- each fully paid up, held by DTL on 31.03.2008	100%	31 st March, 2008	1,04,716	(40,771)	NIL	NIL
Dreams Infracon Ltd. \$	50,000 Equity Shares of Rs. 10/- each fully paid up, held by DTL on 31.03.2008	100%	31 st March, 2008	(14,580)	N.A. @	NIL	N.A. @
Effulgent Realtors Ltd. \$	50,000 Equity Shares of Rs. 10/- each fully paid up, held by DTL on 31.03.2008	100%	31 st March, 2008	(904)	(16,268)	NIL	NIL
Mangal Murthi Realtors Ltd. \$	50,000 Equity Shares of Rs. 10/- each fully paid up, held by DTL on 31.03.2008	100%	31 st March, 2008	(13,750)	N.A. @	NIL	N.A. @

Haridham Colonizers Limited is the Wholly Owned subsidiary (WOS) of ASPL which is a WOS of the Company.

\$ As on 31.03.2008, Ansal Condominium Limited, Sukhdham Colonisers Limited, Dreams Infracon Limited, Effulgent Realtors Limited & Mangal Murthi Realtors Limited are the Wholly Owned (WOS) of DTL which is a WOS of the Company.

* Profit excluding Exceptional Item.

** Not applicable as these companies are incorporated during the financial year 2007-08 i.e. on or after 01.04.2007 but on or before 31.03.08.

@ Not applicable as these companies are incorporated during the month of January, 2007 and first Accounts have been prepared from the date of incorporation to 31st March, 2008.

Place : New Delhi
Date : 30th August, 2008

ANNEXURES TO DIRECTORS' REPORT

ANNEXTURE C

Particulars of employees as required u/s 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended by Amendment Rules, 2002 and forming part of the Directors' Report for the period ended 31st March, 2008.

Name of Employee	Designation/ Nature of Duties	Age (Years)	Gross Remunera- -tion (Rs.)	Qualification	Experience (Years)	Date of Commen- -cement of employment	Previous Employment & position held	Period during which post held in last employment.
EMPLOYED FOR THE WHOLE YEAR								
Ansal Sushil	Chairman & Whole Time Director	68	6,04,79,756	B. A.(Hons.)	44	30.06.1967	SelfEmployment	N.A
Kumar Anil	Dy. Managing Director & CEO	48	65,46,038	D.C.L. F.C.A. A.C.S. LL.B	24	08.07.1999 as Vice President (Finance)	Superior Air Product Ltd. As Vice President & Secretary	15 years
Saigal Vinod Kumar	Executive Director (Projects)	69	50,79,885	B.Sc. (Mechanical Engineer)	30	01.08.1998 As President (Project)	Maxwin Ansal Limited As Resident Director	7 years
Misra Prabhu Nath	E.D. (B.D.)	69	57,94,404	M.Sc.(Maths)	45	12.06.2004	Govt. of Uttar Pradesh	36 years
Jain Rakesh Kumar	Executive Director (Marketing)	49	41,41,254	B.Sc.C.A.	26	01.02.2006 As Executive Director (Marketing)	Omaxe Construction Ltd As President	11 Months
Katyal Rajesh	Cheif Opera- -ting Officer. (Haryana)	47	38,15,280	Chartered Accountant	21	04.04.2002	Ansal Buildwell Ltd. Addl. Gen. Mgr.	3 ½ years
Sachdev Deepak	Chief Operating Officer (Punjab)	47	37,77,884	B.Sc.PGDM	27	16.04.2003 As Addl. Vice President	AEZ Group Head of Business Development and Sale & Marketing	2 years
Khanna Deepak	Chief Opera- -ting Officer (Rajasthan)	54	41,25,600	MBA - Marketing & M.A.	28	01.08.2005 As Whole Time Director of Ansal Township & Projects Ltd. (ATPL) amalgamated with the Company effective from 12.09.2006	Omaxe Construction and Real Estate Ltd. As C.O.O.	3 months
Tiku Vinod	C.O.O. (U.P.)	54	40,85,545	B.Sc. (Civil Engg.)	31	15.10.2004	Krishna Buildwell & Developer Pvt. Ltd. - as Executive President	1Year 4 months.
Katyal Vijay	President (Land Pur- -chase)	60	30,66,120	M.B.A.	26	15.02.1982	Jay Engineering Works - as officer on special duty	9 years

Name of Employee	Designation/ Nature of Duties	Age (Year)	Gross Remunera- tion (Rs.)	Qualification	Experience (Year)	Date of Commen- cement of employment	Previous Employment & position held	Period during which post held in last employment.
Soni Mange Lal	President (Taxation)	62	30,52,384	B.Com.	43	15.12.1969	Eastern Navigation Pvt. Ltd. – as Accounts Officer.	5 Years.
Sehgal Narinder Kumar	President (Sanction)	68	33,73,040	PGDCM, FICC, MIUT, FIE.	49	01.12.1983	Syndicate Engineering Company in Iraq.	2 Years 2 Months
Gandhi Vivek	Vice President (HR & Admn.)	37	26,88,744	M.B.A.	15	24.07.2006	PVR Ltd. - as Head of H.R Deptt.	1 Year 8 Month

EMPLOYED FOR PART OF THE YEAR

Pranav Ansal	Vice Chairman & Managing Director (appointed w.e.f. 01.11.2007)	40	49,70,000	B.Com	15	01.11.2007 (Hons.)	Ansal Township Projects Ltd. As its non- executive chairman (ATPL amalgamated with the Company effective from 12.09.2006)	3 years
Yadav Ramesh	E.D. (Operation)	67	19,36,384	M.A., M.Sc. Ph.D.	37	01.08.2007	U. P.Khadi Village Industries Board As Vice Chairman	5 Years
Singh Akhand Pratap	E.D. (Projects)	64	9,70,692	LL.B. M.A. LL.M	36	27.12.2006	Govt. of India	35
Vijay Wanchoo	Vice President (Hospitality)	50	2,07,942	Dip. In Hotel Mgt.	20 Hotel	18.12.2006	Fortune Park	1year 3 Month

NOTES:-

- Gross remuneration includes Basic Salary, House/HRA, Employer's contribution to Provident Fund and Family Pension Fund, L.T.A., medical reimbursement, club fees, electricity expenses, personal accident insurance and commission, wherever applicable. Also entitled to gratuity.
- The appointments of Shri Sushil Ansal, Chairman & Whole Time Director, Shri Pranav Ansal, Vice Chairman & Managing Director and Shri Anil Kumar, Dy. Managing Director & CEO are contractual and as per Company Rules. Their nature of duties includes supervision and control of affairs of the Company subject to superintendence, control and directions of the Board of Directors.
- Appointments of other Executives other than Whole Time Director and / or Managing Director are regular and as per Company Rules and their duties as assigned to them, from time to time, include supervision and control of various projects, marketing, operation and other activities of the Company.
- There is no employee who holds by himself or along with his spouse and dependent children, not less than 2% equity share of the Company and has been in receipt of remuneration in excess of that drawn by the Whole-time Director and/or Managing Director/s.

REPORT ON CORPORATE GOVERNANCE

1) COMPANY'S PHILISOPHY ON CORPORATE GOVERNANCE

Commitment to good corporate governance for enhancing the shareholders' value is the "mantra" of your Company and the same remains unchanged. More so, its belief that such governance is critical in supporting corporate development, improving access to capital and increasing productivity and competitiveness. To enable attainment of the avowed objectives of the good corporate governance, the Company is continuing to follow transparency in its dealings and laying emphasis on integrity, accountability and regulatory compliances. Moreover, improvements in quality of life and meeting social responsibility have been its important objectives. Your Company is of the opinion that good corporate governance would protect, augment and meet the trust and expectations of the shareholders, customers, employees, suppliers, government agencies and the society. Your Board of Directors fully support and endorse corporate governance practices in accordance with the provisions of Clause 49 of the Listing Agreement and generally in all its aspects and implications. Your Company has complied with the mandatory requirements of the said Clause.

2) BOARD OF DIRECTORS

The Directors of the Company are in a fiduciary position, empowered to see the management functions with a view to ensure its effectiveness and enhancement of Shareholders value. The Board regularly reviews and approves the Management's strategic plan and business objectives and monitors the Company's strategic directions, reviews corporate performance and ensures regulatory compliances and safeguard interests of all stakeholders.

a) The composition of the Board

The Company's Board of Directors consists of judicious mix of Executive, Non-Executive and Independent Directors. The Non-Executives Directors play a critical role in improving the Board effectiveness with their independent judgment on issues of strategy, performance, resources, standards of conduct etc. besides providing the Board with valuable inputs.

As on date, the Board of your Company consists of 9 (Nine) Directors comprising 3 (three) executive directors, 5 (five) non executive and independent directors and 1 (one) non executive promoter related directors. Over fifty percent of Board comprises of non executive and independent directors. Therefore, the composition of the Board, which is as follows, is in conformity with the requirements of the Listing Agreement:-

Sl. No.	Name of Director	Status (Executive / Non-Executive and Independent)	No. of			No. of Shares held in the Company
			Other Director ships*	Other Committee memberships**		
				As Member	As Member & Chairman	
1.	Shri Sushil Ansal	Chairman, Executive	1	-	-	13671000
2.	Shri Pranav Ansal #	Vice Chairman & Managing Director, Executive	1	-	-	9743500
3.	Shri Anil Kumar##	Dy. Managing Director & CEO, Executive	1	-	-	-
4.	Shri D. N. Davar	Non Executive & Independent	14	4	4	-
5.	Dr. R. C. Vaish	Non Executive & Independent	5	2	-	-
6.	ACM O. P. Mehra (Retd.)	Non Executive & Independent	3	2	-	-
7.	Shri Lalit Bhasin	Non Executive & Independent	8	5	-	-
8.	Shri Rahul C. Kirloskar	Non-Executive	6	1	-	2700
9.	Shri P. R. Khanna	Non-Executive & Independent	5	3	1	-

- # Appointed as Vice Chairman & Managing Director w.e.f. 01.11.2007 by the Board of Directors at their meeting held on 31.10.2007
- ## Promoted from Whole Time Director & CEO to Dy. Managing Director & CEO w.e.f. 01.11.2007 by the Board of Directors at their meeting held on 31.10.2007
- * excludes Directorships in private companies and foreign companies, and companies registered under section 25 of the Companies Act, 1956.
- ** Represents Memberships/Chairmanships of Audit Committee and Shareholders / Investor Grievance Committee of other Indian Companies.

Shri Sushil Ansal and Shri Pranav Ansal are related to each other as father and son. Shri Rahul C. Kirloskar is the son-in-law of Shri Sushil Ansal and Brother-in-Law of Shri Pranav Ansal. None of the other directors are related to each other.

All the Directors are above 21 years of age.

b) Meetings held in Financial Year 2007-08 and attendance of the Directors in the Board Meetings and last Annual General Meeting (AGM):

The Board of your Company comprises of professionals, experienced and active members. The presence of Independent Directors brings to the Company a wide spectrum of experience, knowledge and judgment in view of their vast knowledge and expertise both in their fields and boardroom practices. The Board meetings are held regularly, at least once in quarter, inter alia, to review/ approve the quarterly results. Additional meetings are held, whenever necessary, to review strategic, operational and to chart out policies and practices.

The Company Secretary prepares the Board agenda and the explanatory notes in consultation with Chairman, Managing Director, and Dy. Managing Director & CEO. All the key issues included in the agenda for consideration of the Board are backed by detailed background information to enable the Board to take informed decisions and the Chairman ensures that all the Directors are properly briefed on the matters being discussed. Every Director is free to suggest inclusion of items on the agenda with the permission of the Chair. Board Meetings are scheduled well in advance, dates of the Board meetings are usually informed to all directors and auditors and other concerned officer/s two to three weeks in advance and agenda papers are circulated about five to six days prior to the meeting. Senior management personnel are called to provide additional information / inputs for the items being discussed by the Board of Directors, as and when necessary.

The draft minutes of proceedings of the meetings of each Board/Committee are circulated to all Directors for their confirmation before being recorded in the Minute Books. Comments, if any, received from the Directors are incorporated in the minutes. All circulatory resolutions passed by the Directors are also placed before the Board, for noting.

The Board periodically reviews compliance reports of all laws applicable to the Company and takes steps to rectify non-compliances, if any. The Board also regularly considers the compliance of Code of Conduct for the Board Members and Senior Management and also the norms of the Corporate Governance. The members of the Board have access to all information of the Company. Every Board Meeting is well attended by sufficient number of Directors.

During the Year under review, seven meetings of the Board of Directors were held on the May 4, 2007, June 25, 2007, July 28, 2007, August 24, 2007, October 31, 2007, January 30, 2008 and February 27, 2008. Your Company ensures that the gap between two consecutive meetings is not more than four months. The provisions of the Companies Act, 1956 and the requirements of the Listing Agreement are duly complied.

All the five Non-Executive and Independent Directors have extensive professional and business experience and they are free from any material business or other relationships with the Company, which could interfere with the exercise of their independent judgments.

The attendance of each Director at these meetings and at the last Annual General Meeting was as follows:

Dates of Board Meeting	Name of Directors								
	Shri Sushil Ansal,	Shri Pranav Ansal	Shri Anil Kumar,	Shri D N Davar	Dr R C Vaish	ACM O P Mehra (Retd.)	Shri Lalit Bhasin	Shri Rahul CKirloskar	Shri P R Khanna
04.05.2007	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
25.06.2007	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes
28.07.2007	Yes	No	Yes	Yes	Yes	No	No	No	Yes
24.08.2007	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes
31.10.2007	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes
30.01.2008	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes
27.02.2008	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes
Attendance At the last AGM held on 22.09.07	Yes	Yes	Yes	Yes	No	No	Yes	No	Yes

3. **VARIOUS COMMITTEES OF DIRECTORS**

The Board is responsible for constituting, assigning and co-opting the members of the Committee. The Board has constituted various Committees to deal with a variety of specialized issues with appropriate delegations for better and more focused attention to the affairs of the Company. The role and the functions of the Committees of the Board are described hereunder:

(a) **The Audit Committee**

The Board of your Company has constituted the Audit Committee on the 31st January, 2001 as per the provisions of Section 292A of the Companies Act, and it was reconstituted on the 31st January, 2002 in consonance with Clause 49 of the Listing Agreement.

The Audit Committee comprises of Non-Executive and Independent Directors, as detailed here-in-below. The Chairman of the Committee and other members have accounting and financial management expertise/background.

The Minutes of the Audit Committee meeting/s are placed before the Board meeting for noting and wherever required, for further deliberations, and the Chairman of the Committee apprises the Board of the recommendations made by the Committee.

Dates of the meetings are fixed two to three weeks in advance and advised to all including the Auditors and the agenda is circulated to the Directors about five to six days in advance. During the year under review, 10 (ten) meetings of the Audit Committee were held in due compliance with the Listing Agreement and other relevant laws and adequate quorum was present at every Audit Committee Meeting.

The composition of the Committee, which comprises of Independent Directors only, and the attendance of each member, at the Committee meetings, are as follows:

Date of the Meeting	Name of the Directors & Position			
	Shri D.N. Davar, Chairman	Dr. R.C. Vaish, Vice Chairman	ACM O.P.Mehra (Retd.), Member	Shri P.R. Khanna, Member
04.05.2007	Yes	Yes	Yes	Yes
22.06.2007	Yes	Yes	Yes	Yes
25.07.2007	Yes	No	Yes	Yes
28.07.2007	Yes	Yes	No	Yes
24.08.2007	Yes	Yes	Yes	Yes
03.09.2007	Yes	Yes	Yes	Yes
27.10.2007	Yes	Yes	Yes	Yes
31.10.2007	Yes	Yes	Yes	No
28.01.2008	Yes	Yes	Yes	Yes
30.01.2008	Yes	Yes	Yes	Yes

The scope of the Audit Committee function includes review of the Accounting Systems and procedures and overseeing the functioning of the internal audit, the effectiveness of control and regulatory compliances. It also reviews changes in accounting policy/ies and practices, major accounting entries, auditors' qualifications and their removal, matters relating to disclosure of financial information, business plans, etc. After the review, the matters are submitted to the Board for consideration.

Broad Terms of Reference of the Audit Committee:

1. The members of the Audit Committee shall have discussion/s with the Auditors periodically about adequacy of internal control systems and control procedures, scope of audit including the observations of the Auditors, and review the quarterly / half yearly and annual financial statements, before submission to the Board, and also ensure compliance of internal control systems.
2. The Audit Committee shall have authority to investigate into any matter in relation to the items specified in Section 292A of the Companies Act, 1956 or referred to it by the Board and for this purpose it shall have full access to information contained in the records of the Company.
3. Any recommendation given by the Audit Committee on any matter relating to financial management including the Audit report, shall be binding on the Board. If any recommendation is not accepted by the Board, it shall record the reasons therefor and also communicate such reasons to the members.
4. The Audit Committee shall meet periodically and carry out the functions as may be prescribed under the rules framed by the Central Government and/or as required by the Listing Agreement with Stock Exchanges, from time to time. However, it will be essential to have such meetings for review of quarterly / half yearly and annual financial statements, before these are submitted to the Board.

The Audit Committee invites such executives, as it consider appropriate to be present at its meetings. The Chairman of Company, Dy. Managing Director & CEO, Chief Financial Officers, Statutory Auditors and Internal Auditors are also invited to the Audit Committee meetings on a regular basis. Company Secretary acts as the Secretary of the Audit Committee.

The Audit Committee reviews/ notes/ recommends/decides various matters as required under Clause 49 of the Listing Agreement which includes, among others, management discussion & analysis of the business, significant related party transactions, if any, internal audit reports, directors responsibility

statements, directors report, statutory auditors remuneration, etc. and also the internal audit functions. The Chief Internal Audit Coordinator coordinates the internal audit functions.

b) The Compensation/ Remuneration Committee

The Board of your Company has constituted the Remuneration Committee on June 25, 2002 (renamed as Compensation / Remuneration Committee by the Board on January 31, 2006) to consider and approve the remuneration package payable to Executive Director(s) of the Company. The Committee sets the overall policy of the remuneration and other terms of the employment of the Executives Directors.

The composition of the Committee, which comprises of Independent Directors only, and the attendance of each member, at the Committee meetings, are as follows:

Sl. No	Name of the Directors	Dates of the Committee Meeting		
		04.05.2007	24.08.2007	31.10.2007
1.	ACM O.P.Mehra (Retd.), Chairman	Yes	Yes	Yes
2.	Shri P.R. Khanna, Member	Yes	Yes	Yes
3.	Shri Lalit Bhasin, Member	Yes	Yes	Yes

Dates of the meeting/s are fixed in advance and agenda is circulated to the Directors about five to six days in advance. The Minutes of the Remuneration Committee meeting/s are placed before the following Board Meeting and the Chairman of the Committee apprises the Board on the recommendations/decisions made by the Committee.

Remuneration Policy:

The Company is transparent in the Remuneration Policy of the Directors. The Committee recommends remuneration package of the Executive Directors to the Board after considering the relevant provisions of the Companies Act, 1956 and their performance, experience and market conditions with a view to providing a package which is appropriate for the responsibilities involved and which is aimed at attracting and retaining the best manpower talent keeping in view their criticality to the attainment of the corporate goals and targets.

Details of remuneration paid to the Executive Director(s) during the Financial Year 2007-08 are as follows:

(Amount in Rupees)					
Name of the Director(s)	Salary	HRA	Perquisites@	Commission#	Total
Shri Sushil Ansal, Chairman & Whole Time Director	81,00,000	40,50,000	16,54,756	4,66,75,000	6,04,79,756
Shri Pranav Ansal, Vice Chairman & Managing Director (appointed w.e.f. 01.11.2007)	30,00,000	13,75,000	5,95,000	-	49,70,000
Shri Anil Kumar, Dy. Managing Director & CEO	46,13,500	6,10,000	13,22,538	-	65,46,038
Total	1,57,13,500	60,35,000	35,72,294	4,66,75,000	7,19,95,794

- @ Perquisites include Company's contribution towards provident fund and family pension fund, club fees, medical reimbursement, leave travel assistance, electricity expenses and personal accident insurance, and Gratuity as per Company Rules. {As may be applicable in each case}.
- # Commission @ 2% on the Net Profit {computed in accordance with the provisions of Section 349 & 350 of the Companies Act, 1956} for the year ended 31.03.2008, paid to Shri Sushil Ansal in terms of his remuneration approved by the Members at the Annual General Meeting held on the 26th September, 2005.

The Non-Executive Directors do not draw any remuneration from the Company other than sitting fees. Sitting fees is paid @ Rs. 20,000/- per meeting for the Board / Audit / Directors Committee, and for other Committee/s {other than Share Transfer Committee} @ Rs. 7,500/- per meeting. Reimbursement of the conveyance expenses is made for attending the Board/ Committee meeting(s). This is subject to revision/s as per applicable law/s prevailing from time to time. As required by Clause 49 of the Listing Agreement criteria for making payment to non executives directors is made available on the Company's website viz www.ansalapi.com.

Ansal API Employees / Directors Stock Option Scheme, 2006

In terms of Ansal Api Employee Stock Option Scheme 2006 {Scheme} brought into existence as per SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, employees/directors of the Company as well as that of Subsidiary company were granted 1,16,700 Options at a price of Rs. 582/- per Option which was at 20% discount of the closing market price of shares at BSE on 23rd October 2006, and, the amount paid by such employees/directors was 10% of Rs 582/- being the upfront payment, totaling to Rs 67,91,940/-.

As per the Scheme, these Options are to be exercised in three installments {i.e. 25%, 25% and 50% of the total number granted to each person} in three years during the exercise period commencing on 26th October, 2008 and ending on 26th October, 2010.

However, since the grant of the Options in October 2006, the market price of equity shares of the Company on the stock exchanges has gone down drastically for a sustained period along with general fall in the SENSEX and NIFTY of Bombay and National Stock Exchanges respectively. In view of such fall in prices and the Options becoming unattractive, the Option Holders have been giving written notice/s to the Company that they are not exercising their rights to apply for Equity shares of the Company in respect of the Options granted to them and also not receive any Bonus Shares which were kept in reserve against these shares.

In the event all the Option holders give the said notice/s to the Company for not exercising the Options, the Scheme becomes in operative and would need to be terminated/ closed.

The Board of Directors and Compensation/ Remuneration Committee of the Company at their respective meetings held on 30.06.2008, keeping in view the said written notice/s of the Option holders, have decided pursuant to the Scheme to refund the said upfront amount to those directors/ employees who do not want to exercise the Options granted to them and, recommended the same for noting by the members as well as seek their approval for consequent termination/closure of the Scheme.

The members of the Company have noted and approved the same by way of voting through Postal Ballot, results of which have been declared on 26th August, 2008, and, published in the newspapers namely Financial Express and Jansatta on 27th August, 2008. The same is also available on the website of the Company viz www.ansalapi.com.

(c) The Share Transfer Committee

The Share Transfer Committee was originally constituted by the Board on the 20th March, 1993 to approve transfer / transmission / transposition /replacement of mutilated share certificates etc. Thereafter, for operational convenience and keeping in view the various statutory provisions, it has been re-constituted, from time to time, as and when required, (lastly reconstituted on the 30th June, 2003).

The Board at its meeting held on the 30th March, 2005 has also authorized the Committee for subdividing and consolidation of Equity Shares of the Company. The Committee also approves the dematerialization / rematerialization of Equity shares of the Company.

The Committee consists of following members:

1. Shri Sushil Ansal -Chairman & Whole Time Director
2. Shri Anil Kumar -Dy. Managing Director & CEO
3. Shri Amitav Ganguly - Sr. V.P. (Corp. Affairs) & Company Secretary

Shri Amitav Ganguly, Sr. Vice President (Corporate Affairs) & Company Secretary of the Company acts as 'Compliance Officer' to monitor the share transfer process and liaison with regulatory authorities.

Requests received for transfer of Equity Shares in physical mode are registered, after satisfying the required compliances and Share Certificate/s are returned within the prescribed time limit. The Share Transfer Committee meets approximately once in a fortnight. During the Year under review, 24 (Twenty Four) Share Transfer Committee meetings were held on the following dates:

10.04.2007	25.04.2007	15.05.2007	31.05.2007	15.06.2007	29.06.2007
14.07.2008	30.07.2008	16.08.2007	31.08.2007	13.09.2007	25.09.2007
12.10.2007	31.10.2007	15.11.2007	28.11.2007	15.12.2007	26.12.2007
15.01.2008	31.01.2008	15.02.2008	29.02.2008	15.03.2008	31.03.2008

The decisions of the Share Transfer Committee are noted by the Board, subsequently.

(d) The Shareholders/Investors Grievance Committee

The Board in its meeting held on the 26th April, 2002 had constituted a Shareholders/ Investors Grievance Committee of Directors.

The Committee specifically looks into redressal of the Shareholder's/Investor's complaints/ grievances like transfer/ transmission of shares, non-receipt of balance sheet, and other related issues etc., under the Chairmanship of a non- executive and independent Director, in compliance with the requirements of the Listing Agreement, and, to strengthen investor relations.

The composition of the Committee is as follows:-

Sl. No.	Name of Member	Chairman/ Member	Nature of Directorship
1.	ACM O. P. Mehra (Retd.)	Chairman	Non-Executive Independent Director
2.	Shri P. R. Khanna	Member	Non-Executive Independent Director
3.	Shri Lalit Bhasin	Member	Non-Executive Independent Director

The Company addresses all the complaints/grievances of the shareholders/ investors expeditiously and the replies are sent/ issues are resolved promptly, as and when received by your Company and its Registrar, and, it is a continuing process. A meeting of the Committee was held on the 28.03.2008 to take note of the overall status of the complaints received and redressed.

Shri Amitav Ganguly, Sr. Vice President (Corporate Affairs) & Company Secretary is the 'Compliance Officer' of the Company and he regularly monitors for providing best investor services.

During the Financial Year 2007-08, status of the complaints/grievances received and redressed were as follows

Sl. No.	Nature of complaint	No. of complaints received	No. of complaints resolved
1.	Non-receipt of Bonus Shares* / Split Shares#	22	22
2.	Non receipt of Shares Certificates after Transfer / transmission / rejection of shares	04	04
3.	Issue of Duplicate Share Certificates	07	07
4.	Others	14	14

* Your Company had allotted the Bonus Shares on the 4th May, 2007 in pursuance of the approval given by the Members on the 19th March, 2007 by way of voting through postal ballot process.

Your Company had subdivided the shares from Rs 10/- each to Rs 5/- each in pursuance of the approval given by the Members on May 02, 2006.

As per the requirement of the Listing Agreement, the details of the investors' grievances / complaints received and redressed, during the year, are also published by the Company in its quarterly/half yearly/annual financial results on a regular basis.

(e) The Directors Committee

The Directors Committee was constituted by the Board on the 30th March, 1996 to expedite the day to day functioning and exercise of delegated powers of the Board. Thereafter, for operational convenience, it has been re-constituted, from time to time, as and when required, (lastly reconstituted on the 31st January, 2006). The Committee meets, as and when required, to take decisions on the policy matters and also to provide guidance to the operating management. They also monitor and control the actions of the operating management.

The various decisions taken by the Directors Committee are confirmed and noted by the Board and the minutes of the Directors Committee Meeting/s are placed before the Board, subsequently.

The composition of the Committee is as follows:-

<u>S.No</u>	<u>Name of the Director</u>	<u>Chairman/ member</u>
1.	Shri Sushil Ansal	Chairman
2.	Shri D.N. Davar	Member
3.	Dr. R.C. Vaish	Member
4.	ACM O.P.Mehra (Retd.)	Member
5.	Shri P. R. Khanna	Member
6.	Shri Anil Kumar	Member

During the year under review, one meeting of the Committee was held on October 4, 2007 and all the members have attended the said meeting except Shri P.R. Khanna and Dr. R.C. Vaish.

(f) Sub Committee for raising Funds

The Board at its meeting held on the 29th June, 2006 has constituted the Sub Committee of Directors to consider, evaluate and negotiate the various alternatives for raising funds to meet the requirements of the Company and take appropriate decision/s for raising such funds. The composition of the Committee is as follows:-

<u>Sl. No</u>	<u>Name of the Director</u>	<u>Chairman/ member</u>
1.	Shri Sushil Ansal	Chairman
2.	Shri Pranav Ansal	Member
3.	Shri Anil Kumar	Member
4.	Shri P. R. Khanna	Member

During the year under review, meetings of the said Committee were held on the 21st December, 2007 and the 26th August 2008.

(g) Resource Planning and Review Committee

The Board at its meeting held on the 28th August, 2006 has constituted the Sub Committee of Directors (i.e. Issue Committee) to take necessary action/s, inter alia, to make a follow on public offer and/ or any other offer of Equity shares of the Company. The said Committee was renamed as “**Resource Planning and Review Committee**” by the Board at its meeting held on October 20, 2006. The composition of the Committee is as follows:-

<u>Sl. No</u>	<u>Name of the Director</u>	<u>Chairman/ member</u>
1.	Shri Sushil Ansal	Chairman
2.	Shri Pranav Ansal	Member
3.	Shri Anil Kumar	Member
4.	Shri P. R. Khanna	Member
5.	Shri Lalit Bhasin	Member

During the year under review, no meeting was held

4. GENERAL BODY MEETINGS

(a) Last Annual General Meeting/s

Details of the Annual General Meetings {AGM} of the Company held during the last three years are as follows:-

For the Financial Year	Venue	Day and date	Time
2006-07	Sri Sathya Sai International Centre & School, Lodhi Road, New Delhi-110003	Saturday, the 22 nd September, 2007	11.00 A.M.
2005-06	Sri Sathya Sai International Centre & School, Lodhi Road, New Delhi-110003	Thursday, the 28 th September, 2006	10.00 A.M.
2004-05	FICCI Auditorium, Tansen Marg, New Delhi – 110 001	Monday, the 26 th September, 2005	10.00 A.M.

The following were the Special Resolutions duly passed during the previous three AGMs

Financial Year	Date of AGM	Particulars
2006-07	22 nd September, 2007	(i) Authorization for issue of securities on public issue / rights / qualified institutions placement basis / any other basis (ii) Authorization for increasing the limit of 24% for holding by registered FII up to Sectoral Cap / Statutory ceilings, as applicable
2005-06	28 th September, 2006	NIL
2004-05	26 th September, 2005	NIL

All the other Ordinary resolutions as set out in the respective AGM notices were duly passed by the members.

(b) Resolutions passed through Postal Ballot Process

During the period under review, the following resolutions have been passed by way of voting through Postal Ballot Process as per the procedure prescribed under the provisions of Section 192A of the Companies Act, 1956 read with the Companies (Passing of Resolution by Postal Ballot) Rules, 2001 and other applicable provisions, if any.

(i) Special Resolutions duly passed on 10th July, 2007

- Approve the alteration of Memorandum of Association by way of insertion of new Objects relating to Power and IT/ITES Business in "Other Objects" Clause.
- Approve the commencement of such new business u/s 149 (2A) of the Companies Act, 1956.

Voting Pattern of the votes cast by the members of the Company is:-

Particulars	Resolution No. 1	Resolution No. 2
Number of Valid Postal Ballot Forms received	659	659
Votes in favor of the Resolution	7,52,02,815 (99.9995%)	7,51,74,107 (99.9996%)
Votes against the Resolution	400 (0.0005%)	300 (0.0004%)

ii) Special / Ordinary Resolutions duly passed on 26th August, 2008

- Confirm as a special resolution, the providing of Corporate / Performance Guarantee on behalf of Ansal Hi-Tech Townships Limited and others.
- Note and approve as a special resolution, matters in respect of Ansal Api Employees Stock Options Scheme, 2006
- Approve as an ordinary resolution, the increase in remuneration of Shri Sushil Ansal, Chairman
- Confirm as an ordinary resolution, the appointment of Shri Pranav Ansal as Vice Chairman & Managing Director and approval of his remuneration

- Approve as an ordinary resolution, the increase in remuneration of Shri Anil Kumar, Dy. Managing Director & CEO.
- Approve as a special resolution, the issue of 16.5 % Secured Redeemable Optionally Convertible Debentures by way of Preferential Issue to M/s HDFC Ventures Trustee Company Limited

Voting Pattern of the votes cast by the members of the Company is:-

Particulars	Resolution/s					
	No. 1	No. 2	No. 3	No. 4	No. 5	No. 6
Number of Valid Postal Ballot Forms received	309	309	309	309	309	309
Votes in favor of the Resolution	7,32,56,308 (99.992%)	7,29,88,006 (99.626%)	7,32,32,844 (99.960%)	7,32,36,443 (99.965%)	7,32,43,074 (99.974%)	7,32,56,739 (99.993%)
Votes against the Resolution	6037 (0.008%)	2,74,023 (0.374%)	29,185 (0.040%)	25,586 (0.035%)	18,905 (0.026%)	5210 (0.007%)

In both the above cases, Shri V. P. Kapoor, B.A., LL.B., FCS, AICWA, Company Secretary in practice, New Delhi, was appointed as Scrutinizer for conducting the Postal Ballot process in a fair and transparent manner.

Brief procedure for Postal Ballot:-

After the decision of the Board of Directors, the postal ballot notices, explanatory statement, forms, along with the self addressed postage pre-paid envelop are sent to the members to enable them to consider the proposal/s and vote for or against the proposals within 30 days from the date of dispatch. An advertisement containing the details of proposal and date of dispatch and last date of receiving is published in the leading newspapers. After the last date for receipt of ballots, the Scrutinizer, an eminent independent professional appointed by the Board, verifies the ballots and submits his report to the Chairman. Thereafter, the Chairman declares the results of voting through Postal Ballot. The same is also published in the newspapers and also posted on the Company's website.

5. DISCLOSURES

a) Disclosures on materially significant related party transactions

No transaction of material nature has been entered into by the Company with its promoters, directors, management or their relatives etc. that may have potential conflict with the interest of the Company at large. The Transactions with Related Parties as per requirement of Accounting Standard No. 18 of ICAI are disclosed in Schedule 17, Financial Notes of Balance Sheet forming part of the Annual Report.

b) Legal Compliance

No penalties or strictures have been imposed by SEBI or Stock Exchanges or any other statutory authorities on matters relating to capital markets during the last three years. All the requirements of the Listing Agreements with the Stock Exchanges as well as regulations and guidelines of SEBI are strictly being followed.

c) Code of Conduct

The Board at its meeting held on the 31st October, 2005, had approved the Code of Conduct for the Board Members and Senior Management (i.e. from the ranks of General Manager and above). As required by Clause 49 of the Listing Agreement Code of Conduct is made available on the Company's Website viz www.ansalapi.com.

The Board Members and Senior Management Personnel have given the declaration affirming compliance and adherence to the said Code of Conduct for the year ended the 31st March, 2008.

The Annual Report also contains a declaration that the Code of Conduct has been complied with by the Board Members and the Senior Management.

d) Risk Management Policy

The Board at its meeting held on the 31st October, 2005, had approved the Risk Management Policy for Risk Assessment and its Minimization and the same has been posted on the Company's website.

The Board of your Company at its meeting held on 4th May, 2007 had appointed M/s Pricewater House Coopers {PWC} for the purpose of expert assessment of the Risks of the Company and their Management, and, for suggesting Minimization Procedures. PWC has carried out detailed and elaborate exercise in consultation with the Company for developing a Risk Register and a Risk Manual.

e) Subsidiary Companies

During the Year, none of the subsidiaries was a material non-listed Indian subsidiary company as per the criteria given in the Clause 49 of the listing Agreement.

f) CEO/CFO Certificate

In compliance with Clause 49 of the Listing agreement, a Certificate dated June 28, 2008 certifying:

- (i) truthfulness of the financial statements of the Company;
- (ii) fairness and legality of the financial statements of the Company;
- (iii) adequacy and effectiveness of the internal controls of the Company; and
- (iv) availability of adequate information to the auditors and the Audit Committee of the Company.

has been given, jointly by Shri Anil Kumar, Dy. Managing Director & CEO and Shri Mahesh C Maheshwari, Chief Financial Officer of the Company, for the year ended the 31st March 2008. This certificate was placed before the Board at its meeting held on the 30th June 2008 in which the Board approved the Audited Accounts for the year ended on the said date. This certificate forms part of the Annual Report.

6. MEANS OF COMMUNICATION

a) Financial Results:

During the Financial Year 2007-08, the quarterly/half-yearly unaudited financial results, subjected to limited review, and the annual audited financial results have been placed on Company's web site: [http:// www.ansalapi.com](http://www.ansalapi.com) and also posted on SEBI's Electronic Data Information Filing and Retrieval (EDIFAR) website to comply with Clause 51 of the Listing Agreement, on a regular basis.

The other information on Company's business/projects and management, and also for the investors is also available on the Company's website. It also has the Company's policy and code for dealing in the securities of the Company as per SEBI (Prohibition of Insider Trading) Regulations, 1992. Moreover, the shareholding pattern, financial results and other related information is also uploaded on the Company's website on regular basis.

As per the requirement of the Clause 41 of the Listing Agreement, the Financial Results are published in leading national newspapers as detailed here-in-below, on regular basis:-

Quarter	Name of the Newspaper	Date of Publication
Quarter ended 30.06.2007	The Financial Express (English) Jansatta (Hindi)	July 30, 2007
Quarter/half year ended 30.09.2007		November 1, 2007
Quarter ended 31.12.2007		February 2, 2008
Year ended 31.03.2008(Audited)		July 2, 2008
Quarter ended 30.06.2008		August 1, 2008

b) Other information

Various notices/other information required to be published as per the provisions of the Companies Act, 1956 / Listing Agreement etc., are published in the leading newspapers, from time to time.

Various Press Releases of the Company relating to various projects and business are sent in advance to the Stock Exchanges which are uploaded by them on their web sites.

The investor/others can have e-mail communication with the Company at email ID info@ansalapi.com / shareholderservice@ansalapi.com. They may also directly write to the Company at its Registered Office in New Delhi.

c) Management's Discussion and Analysis Report

The Managements' Discussion and Analysis Report is placed in the separate section of the Annual Report.

7. GENERAL SHAREHOLDERS INFORMATION

a) Forthcoming Annual General Meeting

Day, Date and Time	Tuesday, the 30 th September, 2008 At 11.00 A.M.
Venue	Sri Sathya Sai International Centre & School, Lodhi Road, New Delhi-110003

b) Directors retiring by rotation and eligible for re-appointment:

(i) Dr. Ramesh C Vaish

Dr. Vaish, 67 years, is an eminent practicing Chartered Accountant having over than 40 years of rich and varied experience with specialization in international taxation and finance, tax planning and off-shore investment. Dr. Vaish has an outstanding academic record and after teaching at University of Florida, USA, has worked with Coopers and Lybrand in New York, Singapore, London and New Delhi.



He has been a Senior Counsel, Tax and Business Advisory Services at Pricewaterhouse Coopers, New Delhi, besides being a member of the Company Law Advisory Committee, Regional Tax Advisory Committee, and, various fiscal committees of FICCI and ASSOCHAM.

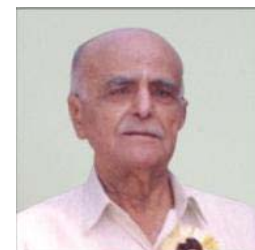
He joined the Board of the Company on 11th February, 1992 and was last re-appointed as a director, liable to retire by rotation, at the Annual General Meeting held on the 28th September, 2006, and is due to retire by rotation in the ensuing Annual General Meeting.

His Directorships in other companies (as per latest declaration given u/s. 299/305 of the Companies Act, 1956) are as follows:

1. Express News Papers Limited
2. Mayar India Limited*
3. Jaiprakash Hydropower Limited
4. Omax Autos Limited*
5. OCL India Limited
6. Bharat Consultants Private Limited

(ii) ACM O.P. Mehra (Retd.):

Air Chief Marshal O. P. Mehra (Retd.), 90 years, has immense and varied experience in administration, planning and management of the affairs of several organizations/institutions. After retiring as Chief of Air Force & Governor of States of Maharashtra and Rajasthan, he is at present associated with eminent Corporate Groups.



He joined the Board of the Company on 23rd March, 2000 and was last re-appointed as a director, liable to retire by rotation, at the Annual General Meeting held on the 28th September, 2006, and is due to retire by rotation in the ensuing Annual General Meeting.

His Directorships in other companies (as per latest declaration given u/s. 299/305 of the Companies Act, 1956) are as follows:

1. Ropssa Properties & Enterprises Private Limited
2. C J International Hotels Limited*
3. Polyplex Corporation Limited*
4. Mayar India Limited

* Represents the Membership(s)/ Chairmanship(s) of the Committee/s formed by these Companies.

c) Financial Calendar

Calendar of the events for the Financial Year 2008-09 (April, 2008 to March,2009), excluding Extra Ordinary General Meeting, if any, that may be required to be held:-

Results for Quarter and for the Year ended 31.03.2008.	Approved by the Board on the 30 th June, 2008
First Quarter Results – 30.06.2008	Approved by the Board on the 30 th July, 2008
Annual General Meeting	30 th September, 2008
Second Quarter/half yearly Results - 30.09.2008	Will be considered by the Board during the 3 rd /4 th week of October, 2008 (indicative)
Third Quarter results - 31.12.2008	Will be considered by the Board during the 3 rd /4 th week of January, 2009 (indicative)

d) Dividend

The Board of Directors of your Company has recommended Dividend @ 25% on the paid up equity share capital of Rs. 56,75,05,500/- for the year ended the 31st March, 2008, at its meeting held on the 30th June, 2008 wherein the Annual Account for the year ended on that was approved by the Board. Dividend will be paid to the members whose names shall appear on the Company's Register of Members / Register of Beneficial Owners as on the last date of the book closure i.e. September 30, 2008 if declared by the members at the Annual General Meeting to be held on the 30th September 2008.

e) Book Closure/ Record Dates

Your Company's Register of Beneficial Owners, Register of Members and Share Transfer Books shall remain closed for the purpose of payment of dividend from Tuesday, the 23rd September, 2008, to Tuesday the 30th September, 2008 (both days inclusive).

f) Listing on the Stock Exchanges

The Company's Equity Shares are listed on the Stock Exchanges located at	Address of the Stock Exchanges
Delhi (DSE)	The Delhi Stock Exchange Asso. Ltd. D.S.E. House, Turkman Gate,3/1, Asaf Ali Road, New Delhi - 110 002
Mumbai (BSE & NSE)	i) Bombay Stock Exchange Ltd 25, P J Towers, Dalal Street, Mumbai – 400 001 ii) National Stock Exchange of India Ltd. Exchange Plaza, Bandra – Kurla Complex, Bandra (East) Mumbai – 400 051
Stock Code/ Symbol for Equity Shares	500013 – BSE 01188 – DSE ANSAL INFRA - NSE.
ISIN No. of the Company's Equity Shares in the Demat Form	INE-436A01026 as allotted by NSDL & CDSL after subdivision of Equity Shares
Depositories Connectivity	i) National Securities Depository Limited (NSDL) ii) Central Depository Service (India) Limited (CDSL)


Listing fee has been duly paid to all the Stock Exchanges for the Financial Year 2008-09.

g) Market Price Data

- (i) The Market Price data and volume of the Company's shares traded in Bombay Stock Exchange Ltd, during the Financial Year 2007-08 and during the 1st quarter of the Financial year 2008-09 were as follows:-

Month/Year	Open (Rs.)	High (Rs.)	Low (Rs.)	Close (Rs.)	No. of Shares Traded	No. of Trades	Net Turnover (Rs.)
(During the Financial Year 2007-2008)							
April, 2007	515.50	515.90	250.00	287.70	2008944	37499	83,55,55,974
May, 2007	294.90	366.95	270.05	330.90	3432658	64413	1,12,44,60,795
June, 2007	335.05	347.00	255.00	267.15	4674487	92188	1,35,87,94,266
July, 2007	271.50	333.00	238.00	270.35	6564364	116746	1,99,30,16,560
Aug., 2007	268.00	272.90	225.00	249.65	4127215	47276	1,06,29,23,665
Sep, 2007	254.70	311.75	243.80	280.90	2456198	39374	66,86,84,111
Oct, 2007	284.70	302.00	232.00	248.90	2247242	29843	57,94,30,845
Nov, 2007	254.90	285.70	216.00	248.95	2336175	33105	58,62,37,688
Dec, 2007	254.95	469.00	249.00	424.80	12499921	155789	4,77,16,62,088
Jan,2008	428.50	435.00	146.05	250.95	3664742	52649	1,19,22,59,735
Feb,2008	254.95	262.00	184.50	215.40	2644461	53078	58,90,22,104
Mar.,2008	207.30	212.90	132.25	153.90	2319453	27600	36,80,42,295
During the Quarter ended 30th ,June ,2008 (i.e., 1st Quarter of the Financial Year 2008-09)							
April, 2008	157.00	183.30	137.10	178.55	4383762	47503	70,81,48,157
May, 2008	183.30	191.70	129.40	131.60	3499663	43748	58,74,02,235
June, 2008	133.90	134.70	68.15	69.15	4730316	50878	47,09,71,626

- (ii) Performance of the Share price of the Company in comparison to BSE Sensex

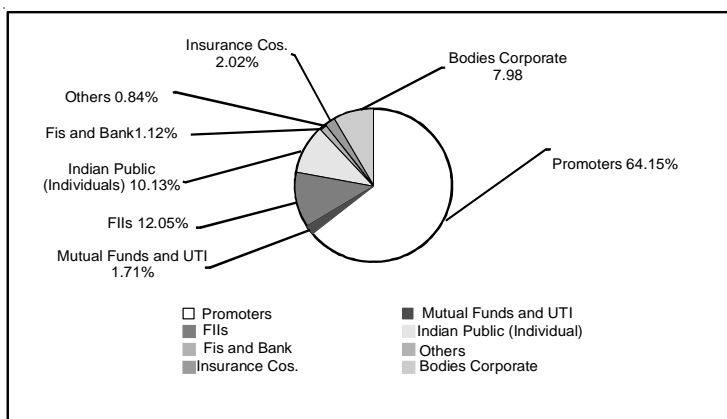
Year	BSE Sensex	Share Price of the Company (Rs.)	% Change (as compared to last year) 	
			Sensex	Shares Price
2004	6602.69	74.00	13.080%	93.971%
2005	9397.93	378.70	42.335%	411.756%
2006	13786.91	890.60	46.70%	135.17%
2007	20286.09	424.80	47%	* Not comparable as price is ex-bonus
2008	14564.53	100.55	(28.21%)	(76.33%)

Source : BSE Website (closing price){no specific date mentioned in historical data}

* The Company has issued and allotted on 04.05.2007 Bonus Shares in the ratio of 1:1

h) Category of Shareholders as on the 30.06.2008

Sl. No.	Category	No. of Shares held	% Shareholding
A.	Shareholding of Promoter and Promoter Group		
1.	Indian Promoters: Individual / HUF Bodies Corporate	47368050 25440870	41.73356 22.41465
2.	Foreign Promoters		
B	Public Shareholding Institution		
1.			
(a)	Mutual Funds/UTI	1944214	1.71295
(b)	Financial Institutions/Banks	1266150	1.11554
(c)	Central Government/State Government(s)	-	-
(d)	Venture Capital Funds	-	-
(e)	Insurance Companies	2292677	2.01996
(f)	Foreign Institutional Investors	13676607	12.04976
(g)	Foreign Venture Capital Investors	-	-
(h)	Any other	574	0.00051
2.	Non-institutions		
(a)	Bodies Corporate	9060978	7.98316
(b)	Individuals-		
i)	Individual shareholders holding nominal share capital upto Rs.1 lac	10156732	8.94858
ii)	Individual shareholders holding nominal share capital in excess of Rs.1 lac	1345646	1.18558
(c)	Others-		
i)	Non Resident Indians	375351	0.33070
ii)	Clearing Members	282953	0.24930
iii)	Hindu Undivided families	290287	0.25576
vi)	Overseas Corporate Bodies	11	0.00001
	Total :-	113501100	100.00000



i) **Distribution of Shareholding as on the 30.06.2008**

Sl. No.	Shareholding of Nominal Value * of Rs.	Shareholders holding Shares in each category		Nominal value of Shares held in each category		% of Equity Capital held in each category	
		No.	%	Physical Form	Demat Form	Physical Form	Demat Form
01.	1 to 2500	41343	87.229	1079770	19813550	0.190	3.491
02.	2501 to 5000	4285	9.041	6568020	10776620	1.157	1.899
03.	5001 to 10000	903	1.905	647250	6196700	0.114	1.092
04.	10001 to 20000	381	0.804	368750	5247465	0.065	0.925
05.	20001 to 30000	145	0.306	86250	3493590	0.015	0.616
06.	30001 to 40000	66	0.139	36000	2294860	0.006	0.404
07.	40001 to 50000	49	0.103	0	2251925	0.000	0.397
08.	50001 to 100000	92	0.194	60000	6432415	0.011	1.133
09.	100001 and above	132	0.279	0	502152335	0.000	88.484
	Total	47396	100.000	8846040	558659460	1.559	98.441
	Net Total of both columns			567505500		100.000	

* Nominal Value of each share is Rs. 5/- each fully paid up.

j) **Share Transfer Process**

The Company's Shares are required to be compulsorily traded in the Stock Exchanges in dematerialized form.

M/s Intime Spectrum Registry Ltd., having its office at A - 40, 2nd Floor, Naraina Industrial Area, Phase-II, Near Batra Banquet Hall, New Delhi-110028 is the Share Transfer Agent (RTA) for all the work related to Share Registry, both in terms of physical and electronic, in terms of the Securities & Exchange Board of India's (SEBI) Circular No. D&CC/FITTC/CIR-15/2002 dated 27th December, 2002,

Applications / requests along with the relevant documents, for registration of transfer of shares in physical form, are received at RTA's office and/ or at the Registered office of the Company, and after being found in order in all respects, are recommended for approval of registration of transfer to the "Share Transfer Committee" of your Company. The Committee meets approximately once in a fortnight and transfer process is generally completed within prescribed time.

Your Company is adhering to all the guidelines /regulations issued by SEBI/Stock Exchanges in relation to or in connection with transfer/ transmission, dematerialization/ rematerialization of shares and has adopted administrative set up, which is always investors friendly

k) **Dematerialization of Shares**

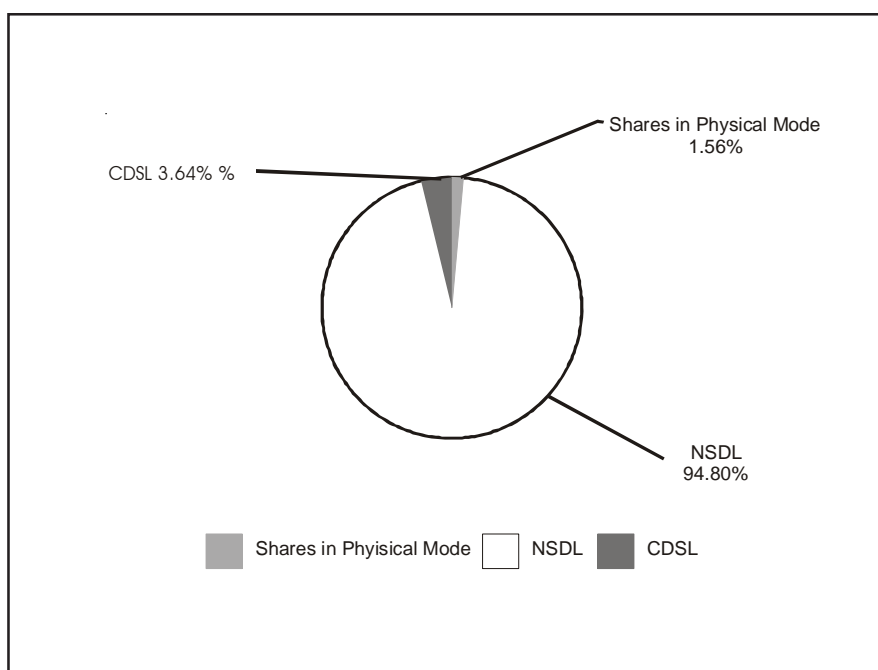
As stated, the trading in the Equity Shares of the Company is in dematerialized form which became mandatory w.e.f. 28th May, 2001. In order to facilitate trading in demat form your Company has entered into the agreements with both National Securities Depository Limited (NSDL) and Central Depository Service (India) Limited (CDSL).

Shares Certificates received for dematerialization are processed and recorded through RTA with NSDL and CDSL Depositories. The dematerialization takes place within the stipulated period. Bad deliveries are promptly returned to the Depository Participants (DP's) under intimation to the Stock Exchanges.

Shares held in dematerialized form are electronically traded in the Depository and RTA of the Company receive from the Depository the beneficiary holdings, periodically, so as to enable them to update their records for sending all corporate communications, Annual Reports, benefits like dividend, etc.

The positions of dematerialized shares as well as physical shares as on 30th June, 2008, are as under:-

Particulars	No. of Shares	% of total Shares
Shares in Physical mode	1769208	1.56
Shares in Demat mode:-		
NSDL	107604001	94.80
CDSL	4127891	3.64
Total :	11,35,01,100	100.00



l) Address for Correspondence/information

<p>Registrar and Share Transfer Agent (for Dematerialization and Share transfer related queries) M/s. Intime Spectrum Registry Ltd. A-40,2nd Floor,Naraina Industrial Area, Phase -II, Near Batra Banquet Hall New Delhi - 110028 Tel. No. 41410592-94</p>	<p>The Company (for dividend, Annual Report, and any other related matters) Company Secretary Ansal Properties & Infrastructure Ltd. 115, Ansal Bhawan, 16 Kasturba Gandhi Marg, New Delhi - 110001 Tel. : 23353550, 66302269-77</p> <p>Corporate Website: http://www.ansalapi.com E.mail: info@ansalapi.com shareholderservice@ansalapi.com</p>
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m) Address of Registrar/ Statutory Auditors

Registrar and Share Transfer Agent

Shri Swapan K. Naskar
M/s. Intime Spectrum Registry Ltd.,
A-40, 2nd Floor, Naraina Industrial Area,
Phase-II, Near Batra Banquet Hall,
New Delhi-110028
Tel. No. 41410592-94
Email- delhi@intimespectrum.com

Statutory Auditors

M/s Khanna & Annadhanam
Chartered Accountants
706, Akash Deep Building,
Barakhamba Road,
New Delhi- 110001
Tel. No. 23315110, 119

8. SECRETARIAL AUDIT REPORT

As stipulated by SEBI, a Qualified Practicing Company Secretary carries out the Secretarial Audit to reconcile the total admitted capital with Depositories (i.e. with the NSDL or CDSL) and in Physical Form, tallying with the admitted, issued / paid-up and listed capital. This audit is carried out every quarter and the Report thereon is submitted to the Stock Exchanges and is also placed before the Board of Directors for their noting. The audit, inter alia, confirms that the total listed and paid – up capital of the Company is in agreement with the aggregate of the total number of shares in dematerialized form (held with NSDL and CDSL) and total number of shares in physical form.

9. NON-MANDATORY REQUIREMENTS UNDER CLAUSE 49 OF THE LISTING AGREEMENT

The status of compliance with the non-mandatory requirements of Clause 49 of the Listing Agreement is provided below:

- 1. Non- Executive Chairman's Office:** The Chairman of your Company holds the position of the Executive Chairman and hence this provision is not applicable.
- 2. Tenure of Independent Directors:** In terms of the Governance Policy of the Company, all Directors, including Independent Directors, are appointed/ re-appointed in terms of the provisions of Companies Act, 1956. No maximum tenure for Independent Directors has been specifically determined by the Board.
- 3. Remuneration Committee:** The Company has a Remuneration Committee under the nomenclature 'Compensation / Remuneration Committee', the details of which are provided in this Report under the section 'Committees of the Board –Compensation / Remuneration Committee'.

4. **Shareholder Rights:** The quarterly, half-yearly and annual financial results of the Company are published in newspapers on an all India basis and are also posted on the Company's corporate website. Significant events are also posted on this website viz www.ansalapi.com. The complete Annual Report is sent to every Shareholder of the Company.
5. **Audit Qualifications:** It is always the Company's endeavor to present the unqualified financial statements.
6. **Training of Board members:** The Board of Directors of the Company is briefed, on a regular basis, by the Chairman, Vice Chairman and Managing Director, and, Deputy Managing Director & CEO, with the developments and performance of the Company and the real estate sector as a whole so as to enable them to understand and monitor the working of your Company in an effective manner.
7. **Mechanism for evaluation of Non-Executive Directors:** The Board of Directors including non-executive directors are vested with responsibility of strategic supervision of your Company. In view of the same, the Board, informally, evaluates non-executive directors on the basis of individual contribution towards fulfillment of this responsibility.
8. **Whistle-Blower Policy:** The Company encourages an open door policy where employees have access to the senior management. In terms of APIL's Code of Conduct, any instance of non-adherence to the Code is to be brought to the attention of the immediate reporting authority, who is required to report the same appropriately to the Board.

Declaration for compliance of Code of Conduct

I, Anil Kumar, Dy. Managing Director & CEO of the Company hereby confirm that all the Board Members and Senior Management have affirmed, individually, compliance with the Code of Conduct for the period ended the 31st March, 2008.

For Ansal Properties & Infrastructure Ltd

(Anil Kumar)
Dy. Managing Director & CEO

Place : New Delhi
Date : 30th August, 2008

Certificate under clause 49 (V) of the Listing Agreement

The Board of Directors
Ansal Properties & Infrastructure Ltd
115, Ansal Bhawan
16, K G Marg
New Delhi – 110 001

We, the undersigned certify to the Board that:

- (a) We have reviewed the financial statements and the cash flow statement for the financial year ending 31st March, 2008 and that to the best of our knowledge and belief:
 - (i) These statements do not contain any materially untrue statement or omit any material fact 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 maintaining the internal controls in the Company and that we have evaluated the effectiveness of the internal control systems of the company and to the best of our knowledge and belief, there are no deficiencies in the design or operation of internal controls, of which we are aware and which are needed to be disclosed to the auditors and the Audit Committee and the steps we have taken or propose to take to further rectify the internal control systems of the Company.
- (d) We have indicated to the auditors and the Audit Committee, as may be applicable:
 - (i) Significant changes in internal control during the year;
 - (ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system.

For Ansal Properties & Infrastructure Ltd

(Mahesh C Maheshwari)
Chief Financial Officer

(Anil Kumar)
Dy. Managing Director & CEO

Place : New Delhi
Date : 28th June, 2008

Compliance Certificate from the Statutory Auditors of the Company

The Members of
Ansal Properties & Infrastructure Ltd.,
New Delhi.

We have examined the compliance of conditions of Corporate Governance by Ansal Properties & Infrastructure Limited for the year ended 31st March, 2008, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges in India.

We have conducted our examination on the basis of the relevant records and documents maintained by the Company for the year ended 31st March, 2008 and furnished to us for the purpose of the review and the information and explanations given to us by the Company during the course of such review.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

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

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

for Khanna & Annadhanam
Chartered Accountants

Place : New Delhi.
Dated : 30th August, 2008

(P. S. Pabreja)
Partner
Membership No. 10692

MANAGEMENT'S DISCUSSION AND ANALYSIS.*

1. Operating Results of the Company

Net Profit for the year 2007-08 have increased by 22% i.e. Rs 16157 lacs as against Rs. 13,191 lacs in the year 2006-07. The sales and other income have also increased by 13% i.e. Rs. 86844 lacs against Rs. 76,614 lacs.

Your Directors have recommended for your approval in the ensuing Annual General Meeting, payment of the Dividend at the rate of 25% on the paid up equity share capital of Rs. 56,75,05,500/- for the year ended the 31st March, 2008 which will absorb Rs. 1660 lacs including Dividend Tax. An amount of Rs. 10000 lacs has been transferred to General Reserve.

2. Industry Structure and Development

Internationally, USA which continues to be a major symbol of growth across the World has been reeling under pressure from defaults in housing loans, mortgage subprime crisis and rising crude prices.

All these negative sentiments have had an impact on the optimism. This has resulted in withdrawal of capital from more risk prone countries. The matter has not been helped by the food shortage and the spiraling inflation across the globe.

The Investors – financial institutions, funds, and private equity players etc. have all suffered and presently have a significantly lower appetite for investment. Real estate business in India being highly resource oriented has also felt the constraints. Though money is available for right kind of deals, the investors are getting very selective. But despite increasing interest rates, inflation, cash reserve ratio mandated by the RBI and political uncertainties, the GDP of the Country has grown at around 9% in the year 2007-08, making it a 3 years in a row for over 9 % growth resulting in a compound annual growth rate of 8.8% for the period 2003-04 to 2007-08 . The per capita income increased from Rs. 11,672 in 2003-04 to Rs. 24,321 in 2007-08. The services and industry sectors continue to drive the Indian economy, having growth at an estimated 10.8% and 8.5% respectively while the agricultural sector grew at 4.5%. Direct tax collections were extremely buoyant during the year, having growth by over 40%. However GDP is expected to be lower for the year 2008-09.

The key concern for the economy is controlling the inflation due to sharp increase in the price of oil and primary commodities. The increasing inflation has prompted the RBI to squeeze out the money supply but with a very clear indication that Housing Loans below Rs. 20 lacs will continue to get a preferred treatment from the banks. Over the coming years, RBI is willing to sacrifice a part of growth to control inflation, but the mid level housing will continue to be the focus of the policies.

The real estate sector is anticipated to grow at the rate of 30% annually over the next decade to reach to US \$ 45 to 50 billions by 2010. With real estate investments yielding huge dividends and 70% of the foreign investors making profit in India, the real estate sector is expected to attract foreign investment worth US \$ 30 billions in future.

The real estate market has stabilized with speculative investors withdrawing or holding back but the demand from genuine buyers continues. The real estate companies should exercise caution in repositioning themselves and ensure the progress of their projects as per the schedules. Such changes in the market will weed out the companies which are not fundamentally strong.

2007-08 has been a challenging year, but it has to be seen in a long term perspective. Minor aberrations will continue to happen, but the long term opportunities are there to stay. The Company has always been able to avail the opportunities in the market, supported by strong fundamentals and cautious approach.

Housing

Housing, constitutes about 80% of the total real estate market. There is still huge gap between demand and supply in residential segment. There will be housing shortage of about 26.53 million units by 2012 from the current shortage of about 24.7 million units. Though the steep increase in interest rates on housing loans by banks is dampening the spirits of consumers, the increase in the number of dual income families, high salaried employees with high purchasing and borrowing powers will contribute to the continued growth of this segment.

The market has matured over the past few quarters with more focus on end users getting into residential space. The increase in the housing loans has supported the off take of the residential houses. During the year National Housing Bank issued operational guidelines for reverse mortgages. RBI has also finalized guidelines for setting up a mortgage guarantee company. The Company's strategy to get into low cost affordable housings as a large part of its development plan, has found a growing market of consumers buying houses for the first time. Your Company is in the process of launching new projects which will contribute to growth in the residential segments which is around 70% of overall portfolio of its development.

Commercial

The low cost alternates in the smaller cities compared to the high priced metro cities are to be the favorites for the commercial space seekers. The key demand comes from the ITES / BPO /Insurance/ Financial services / Banking sectors. IT and ITES alone are estimated to require 150 million sq ft by the year 2010. IT and ITES sector is creating over 2,00,000 jobs per annum which will propel demand for commercial space. Many global firms are setting up back offices and outsourcing their work to India. Given, its presence in the low cost smaller Tier-II emerging cities, the customers have been showing interest in the projects of the Company in these areas. The focus will now be on developing built to operate properties, lease them and monetizing them over a period of time for generating additional cash inflows into the Company.

Retail

India is ranked as fifth largest retail destination. The industry which is growing at an annual rate of 30% is currently worth US\$ 12 billions. Purchasing power of Indian middle class is growing substantially with a year on year growth rate of 5% in its household income

Retail is still to a large extent unorganized in India. Your Company believes that Retail experience goes beyond setting up of the four walls. The retailer & developer work hand in hand to ensure and create a retail destination. With more than 4 malls operational and around 5 more coming up in the year 2008-09 the Company will play an important role in development of the retail culture in India.

There is a need for opening up FDI in the retail business. It is expected that Government would further liberalize FDI in retail, which would increase demand for shopping malls, multiplexes, etc. in the Country. The entry of international retailers would bring in the required expertise to set up the supply chain resulting in elimination of wastage, lower prices and better quality for consumers.

Retail rents in India are still the lowest in the world. However, opening up of FDI in retail trading will not necessarily cause rents to rise, as this new demand will be more than offset by the additional stock.

Tier -2 cities

A significant shift in the real estate market has been a move from metros to its suburbs and to tier two cities having a population of about one million and it is expected that there will be a gradual shift to tier three cities and to rural areas. A number of townships are being developed in tier two cities all over the Country and over 100 such townships, each with over one hundred acres of land in various stages of planning and development. There is tremendous scope for more townships to come up in the next three to four years.

Special Economic Zones (SEZ)

SEZs are specifically delineated duty free enclaves deemed to be foreign territories for purposes of Indian custom controls, duties and tariffs. There are three main types of SEZs: integrated SEZs, which may consist of a number of industries; services SEZs, which may operate across a range of defined services; and sector specific SEZs, which focus on one particular industry line. SEZs, by virtue of their size, are expected to be a significant new source of real estate demand. Employment hubs, SEZs are also supporting employment growth. SEZs can help create high quality infrastructure in pockets, provide a liberal and supportive business policy environment, thus giving a fillip to the industry.

Ministry of Commerce and industry has notified two hundred fifty SEZs covering an areas of 29398 hectares of land and investment to the tune of 73348 crores. SEZs have generated employment to 100885 and the export in 2007-08 was to the tune of Rs. 66,638 crores. Your Company is already in SEZs in a big way and increasing its exposure in the SEZ vertical. It has already undertaken projects of six IT SEZs/IT Parks across UP, Haryana and Maharashtra over 270 acres

Price trends

Property prices in India which had sharply risen in the recent past are seeing a subdued trend. The Reserve Bank of India (RBI) has been trying to slow credit growth to the housing sector and interest rates are moving up. However, it is believed that the prices will remain steady and could be on a secular uptrend over the long term given the strength of the economy. Your Company sees other drivers for property prices as demand from real estate mutual funds and REITs, which are being allowed in India.

3. Opportunities

The Real Estate Sector in India has assumed growing importance with the liberalization of the economy. Developments in the real estate sector as a whole are being driven by demand for:

- more housing units in cities and towns because of growing urbanization of Indian population, burgeoning middle class, increased disposable income, easy availability of housing finance at cheaper rates and tax incentives;
- office premises by growing IT/ITES industry especially BPO;
- shopping malls by growing retail segment;
- multiplexes by evolving entertainment and hospitality sectors;
- hotels/resorts by growing tourism industry;
- SEZs by various sectors; and
- better infrastructure by the growing Indian Economy through all its sectors.

Opportunities seen in the Indian real estate sector are as follows:

- A shortage of 12 million housing units in urban areas.
- Scope for 400 township projects over the next five years spread across 30 to 35 cities, each having a population of about 0.5 million.
- Total project value dedicated to low and middle income housing in the next seven years is estimated at \$40 billion.
- The retail market for mortgages is currently valued at slightly over \$5 billion.
- low outstanding loan to GDP ratio in India, the mortgage market is expected to grow in excess of 25% over the next five years.
- Income classes with annual incomes between Rs. 2 million and Rs. 5 million per year, Rs. 5 million and Rs. 10 million per year, and in excess of Rs. 10 million per year are expected to increase in size by 23%, 25% and 28% respectively from fiscal 2005 to fiscal 2010.
- The recently announced Urban Infrastructure Renewal Mission is expected to give a boost to the sector, wherein \$11.5 billion has been earmarked over the next five years for 60 cities.
- Investment opportunities exist in almost every segment of the business:-
 - Housing: About 20 million new units expected to be built in five years.

- Office Space for IT/ITES: Five-fold increase in office space requirement over the next three years.
- Commercial space for organized retailing.
- Hotels & Hospitality.

4. **Threats**

Following one or more of the perceived threats could negatively affect the business of your Company:-

- Sanctioning process through the authorities is slow and time consuming.
- Archaic tenancy laws.
- The industry is highly disjointed and competitive and increased competitive pressure may adversely affect our results.
- Fluctuations in market conditions may affect our ability to sell our projects at expected prices, which could adversely affect our revenues and earnings.
- The projects in the real estate business involve purchasing small parcels of lands within a large area and failure to purchase any strategically located parcels may lead to failure of the entire project.
- The growth of the Company requires further capital, which may not be available on terms acceptable to it.
- Potential limitations on the supply of land could reduce our revenues or negatively impact the results of the Company's operations.
- Considerable increases in prices or shortage of building materials could harm the Company's delivery schedules, results of operations and financial condition.
- The Company undertakes projects jointly with third parties, which involve certain risks of third parties slowing down the speed of implementation and abandoning the projects mid way.
- The Company is reliant on its directors and senior management team and the loss of key members or failure to attract skilled personnel may adversely affect the business.
- The Company conducts due diligence and assessment exercises prior to undertaking a project, but may not be able to assess or identify certain risks and liabilities.
- The business is subject to extensive statutory or governmental regulations.
- A number of the Company's projects in the real estate business and construction business are not covered by insurance or such insurance as in place may not be sufficient to cover all risks in these projects.
- The ability to sell the Company's products will be adversely affected by the availability of finances at reasonable cost to potential customers, especially buyers of residential properties.
- Delay in payment of installments by the customers may result in delay in completion of the project and consequent legal hassles.
- The Company is dependent on various sub-contractors or specialist agencies to construct and develop projects.
- Covenants with institutional lenders and other contractual commitments may restrict operations and ability to expand which may hurt the business and results of operations and financial condition.
- Work stoppages and other labor problems could adversely affect the business.
- Change in the business policies of the Government.

5. **Performance**

Presently your Company is undertaking its Projects mainly in four states of India i.e. Uttar Pradesh, Haryana, Rajasthan & Punjab on its own or through joint ventures/ collaborators. Some of the projects in the process of various stages of development in these states are as follows:-

Projects in the State of Uttar Pradesh

IT Park, Greater Noida
Hi-Tech City, Dadri
Sushant Taj City, Agra
Aquapolis Lake Front township, Ghaziabad
Sushant City, Meerut
Sushant Golf City, Lucknow
Net City – Sector 142, Noida
Group Housing – ETA –II, Greater Noida

Projects in the State of Haryana

Ansal Highway Plaza, Sonapat
Sushant City, Kundli
Sunshine County, Kundli
Sushant Royal, Karnal
Sushant City, Karnal
Sushant City, Panipat
Roman Court, Sonapat
Sushant Homez, Sonapat
Sushant Homes, Panipat
Galaxy Court, Panipat
Ansal Plaza-Palam Vihar, Gurgaon
Ansal Plaza, Panipat
Valley View Estate, Gawalpahari
Sushant City, Badshahpur
Group Housing, Badshahpur
IT SEZ, Badshahpur
Engg. SEZ, Murthal, Sonapat
Sushant City, Kurukshetra
Sushant City, Yamuna Nagar
Group Housing (IVY-I), Gurgaon

Projects in the State of Rajasthan

Sushant City, Ajmer
Sushant City, Jaipur
Sushant City, Jodhpur
Ansal Plaza, Jodhpur
Ansal Plaza, Ajmer

Projects in the State of Punjab

Boulevard, Ludhiana
Hampton Court, Ludhiana
Business Park, Ludhiana

Orchard County, Mohali
Golf links Mohali
The Ansal Highway Plaza, Jalandhar
Sushant City, Jalandhar
Sushant City, Bhatinda
Aerodrome, Amritsar

6. **Prospect & Outlook**

The important thrust area of your Company, being on smaller cities or better known as Tier 2 cities, is proving to be a benign step. In its attempt to provide the residents of these cities with world-class real estate solutions your Company has undertaken / is under the process of launching the projects in various States like Rajasthan, Haryana, U.P., Punjab, NCR regions. It is in the process of developing Integrated Townships in cities like Meerut, Karnal, Yamuna Nagar, Kurukshetra, Agra, Ambala, Ghaziabad, Lucknow, Bhatinda etc.

Your Company is also growing its competitive benefit by moving to strategic segments i.e. Special Economic Zones (SEZ) and IT Parks. It has recognized potential locations for establishing world class IT Parks and SEZs all over Northern India. The Company already has following 3 (three) notified SEZs and more are expected :-

- a. IT SEZ in Greater Noida
- b. IT SEZ in Gurgaon
- c. Engineering SEZ in Murthal

Your Company continues to emphasize and build upon its well acknowledged brand image of "Ansal Plaza" and "Sushant City". It has successfully launched Ansal Plaza, Greater Noida and Palam Vihar and is in advance stages of launching Ansal Plazas in various locations like Meerut, Agra, Lucknow, Panipat to name a few. Similarly the Company has successfully launched Sushant City projects in various Tier-II cities like Meerut, Sonapat.

Quality being the most emphatic priority of your Company, all efforts is being made to use the best of construction, architecture and allied inputs, both from highly reputed national and international Companies. Sensing the need for the focus on quality & timely delivery, the Company already has tied up with UEM group, a Joint Venture for the construction.

Education is also destined to be an important business driver for the future. Your Company intends to fully utilize the education plots in its projects & provide good quality education to the residents of its townships. This will further enhance the prospects of your Company in the extremely competitive environment.

7. **Risks and concerns**

- Price risk
- Demand risk
- Increased cost of development and timely execution
- Rising interest rate
- Political risk

Price: Real estate price cycles have the greatest impact on the margins of the developers, because land costs account for a large portion of the constructed property. Real estate prices in the past have fluctuated in respect of procuring land, construction of the project and its eventual completion, thereby exposing project developers to the volatility of prices.

Demand: Demand risk for real estate developers indicates the ability to sell properties based on location, brand, track record, quality and timeliness of completion. In addition, demand is also strongly influenced by policy decisions relating to housing incentives.

Cost of development & execution: The costs in a housing project consist of land costs, construction costs and employee costs. The prices of steel and cement, which comprise a major portion of the construction cost, have rising very sharply over the last years. This increase in cost, however, is expected to be outpaced by the growth rate of individual disposable income and therefore is not likely to depress the demand growth for housing units. Moreover, supply and delivery of principal raw materials like cement and steel depend on the factors which are not in the control of the Company can adversely affect the execution and development schedule of various projects.

Interest rate: The interest rates have already increased. Banks are already seeing a lesser off take in the housing loans and this may adversely affect the sales of your Company

Political risk: Change in the Government may lead to change in the policies of the state. This may lead to delay in the sanctioning of the projects or adversely affect the growth plans of the Company

8. Internal control system and their adequacy

Your Company has a separate department to oversee the Internal Controls both from the business process and regulatory compliance point of view. The Company has also formulated a Policy/ Systems on Internal Controls to provide a framework for identifying and rectifying Internal Control weaknesses and to monitor and report the same to the Corporate Management as well as Audit Committee of the Board.

Apart from a framework, the Company has well documented policies, procedures and authorization guidelines (Delegated Authority Limits) commensurate with the level of responsibility and standard operating procedures specific to the respective businesses. The effectiveness of internal control mechanism is reviewed by independent Internal Auditors at regular intervals.

The significant observations made in internal audit reports on internal control deficiencies, if any, and the status on implementation of recommended remedial measures, are regularly presented to and reviewed by the Audit Committee of the Board.

During the year under review, ten meetings of the Audit Committee of the Board (Audit Committee comprises of independent and non executive Directors) were held to review, inter alia, the internal audit reports along with management comments and the follow up actions taken thereon.

9. Financial Performance (1st April, 2007 to 31st March, 2008)

- a) **Share Capital:** Paid up equity share capital of your Company, as on March 31, 2008 stood at Rs. 56,75,05,500/- (i.e. 11,35,01,100 Equity Shares of Rs. 5/- each, fully paid up).
- b) **Reserve & Surplus :** An amount of Rs. 10,000 lacs has been transferred to General Reserve out of the Net Profit for the year ended 31.03.2008 as compared to the Rs. 7500 lacs in the previous year.
- c) **Loans:** Secured loans stood at Rs. 68673 lacs as compared to Rs. 19181 lacs in the previous year. Unsecured loans stood at Rs.14748 lacs as compared to Rs. 4901 lacs in the previous year.
- d) **Current Assets :**
 - i) **Inventories :** During the year, Inventory level has increased by Rs. 59145 lacs i.e.from Rs. 49461 lacs to Rs. 108606 lacs.
 - ii) **Sundry Debtors:** There is also an increase in Sundry Debtors of Rs. 24828 lacs i.e. from Rs. 13207 lacs to Rs. 38035 lacs.
 - iii) **Loans & Advances :** During the year, the loans and advances also increased by Rs. 9220 lacs i.e. from Rs. 91365 lacs to Rs. 100585 lacs.

- iv) **Current Liabilities** : Current Liabilities stood at Rs. 86373 lacs as compared to Rs. 63533 lacs in the previous year.
- e) **Net Current Assets** : During the year, the net current assets of the Company have increased by Rs. 58158 lacs i.e. from Rs. 112980 lacs to Rs. 171138 lacs
- f) **Interest**: During Financial 2007-08, Company has paid an amount of Rs. 2001 lacs as interest as compared to Rs. 1943 lacs in the previous year.
- g) **Staff Expenses**: During the year, the staff cost of the Company stood at Rs. 3359 lacs as compared to Rs. 2256 lacs in the previous year.
- h) **Depreciation**: During Financial 2007-08, depreciation increased from Rs. 311 lacs to Rs. 780 lacs.

10. Human Resources

Your Company firmly believes that its employees are the most critical assets and keeps focus on its human resource. Training programmes are conducted, on a regular basis, for the employees at all levels, for improvement of job skills, growth and quality of their work, empowering and motivating them, and thereby raising their productivity. The delegation of authorities and responsibilities are also key to the empowerment of the employees. A system of evaluation of employees, their performance, need for training and consequent rewards by way of increased salaries and perquisites, and their advancement through promotion/elevation in the hierarchy, is well established.

With the economy is in a consolidating mode, and the real estate activities of your Company remain unabated, the need for increased skilled man power for timely and effective delivery continues and efforts are being made and achieved towards building teams. Moreover, all steps are being taken for retaining best talents. Increased benefits and remuneration to the employees are going a long way to your Company remaining competitive in a highly demanding man power environment. There has been continuous increase in the manpower strength and as of present there are about 1240 employees on the rolls of the Company. They are working in a harmonious and teamwork atmosphere and employee relations are at all time high.

*** Note:-**

Statements in this Report on Management's Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may be termed as forward looking statements within the meaning of applicable laws and regulations. Actual results may differ substantially or materially from those expressed or implied. Important developments that could affect your Company's operations include, apart from any force majeure situation, a downtrend in the real estate sector, significant changes in political and economic environment in India or tax laws, litigation, labour relations, interest and other costs.

AUDITORS' REPORT

1. We have audited the attached Balance Sheet of **Ansal Properties & Infrastructure Limited** as at 31st March, 2008, the annexed Profit and Loss Account and Cash Flow Statement of the Company for the year ended on that date. 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. These standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free of material mis-statement. 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. **Without qualifying our opinion, we draw reference to the Note 4 regarding some of the accounts being remapped and reconciled while implementing ERP.**
4. As required by the Companies (Auditors Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order to the extent applicable.
5. Further to our comments in the annexure referred to in paragraph 4 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 purpose 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 the books.
 - c) The Balance Sheet and Profit & Loss Account dealt with by this report are in agreement with the books of account.
 - d) In our opinion, the Balance Sheet and Profit & Loss account dealt with by this report comply with Accounting Standards referred to in Section 211 (3C) of the Companies Act, 1956.
 - e) On the basis of the written representations received from the directors, we report that none of the directors is disqualified as on 31st March, 2008, from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956
 - f) the accounts read with Accounting Policies and other notes in our opinion and to the best of our information and according to the explanations given to us, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the Accounting Principles generally accepted in India:-
 - i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2008 and;
 - ii) in the case of the Profit and Loss Account, of the profit for the year ended on that date.
 - iii) in the case of Cash-Flow Statement, of Cash Flows for the year ended on that date.

For **KHANNA & ANNADHANAM**
Chartered Accountants

Place : New Delhi
Dated: 30th June, 2008

(P.S. Pabreja)
Partner
Membership No.10692

**ANNEXURE TO THE AUDITORS' REPORT
(REFERRED TO IN PARAGRAPH 4 THEREOF)**

Based on the audit procedures performed for the purpose of reporting a true and fair view on the Financial Statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, we report that :

1. In respect of its fixed assets :
 - (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - (b) All fixed assets have not been physically verified by the management during the year but there is a regular programme of verification in a phased manner which in our opinion is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such fixed assets verified during 2007-2008.
 - (c) In our opinion, the Company has not disposed of a substantial part of its fixed assets during the year.
2. In respect of its inventories
 - (a) **We were informed that due to ERP implementation of the inventory module, the inventory of building materials valued at Rs.463.75 lacs has not been physically verified during the year by the management but this process has been started after the close of the year. (Refer Note 4).**
 - (b) **Subject to comment in para 2(a) in our opinion the procedures of physical verification of inventories 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 has maintained records of inventory in ERP inventory module which is under implementation and reconciliation.** The inventory consisting of flats / shops / houses etc. were physically verified during the year. As explained to us there were no material discrepancies noticed on physical verification of such inventory as compared to the book records.
- 3.(a) The Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, the provisions of clause 4(iii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- (b) The Company has taken deposits from Companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. In our opinion the rate of interest and other terms and conditions of such deposits are not prima facie, prejudicial to the interest of the Company. The maximum amount and year end balance involved was Rs.15 lacs.
- (c) In respect of deposits taken repayment of principal and interest has been regular.
4. Having regard to the explanation that certain items purchased are of special nature for which suitable alternative sources do not exist for obtaining comparative quotations, there is an adequate internal control system 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 and services. Further, on the basis of our examination of the books and records of the Company, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in the aforesaid internal control system.
- 5.(a) In our opinion, the particulars of all contracts or arrangements that need to be entered into the register maintained under Section 301 of the Act have been so entered.

- (b) In our opinion the transactions made in pursuance of contracts or arrangements entered into the register in pursuance of section 301 of the Companies Act,1956 and exceeding the value of Rs.5,00,000/- in respect of any party during the year have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
6. In our opinion the Company has complied with the provisions of section 58A, 58AA or any other relevant provisions of the Companies Act,1956 and the Companies (Acceptance of Deposits) Rules, 1975 with regard to the deposits accepted from the public. In this regard, no order under aforesaid sections has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal on the Company.
7. In our opinion the Company has an internal audit system which is commensurate with its size and nature of its business.
8. The Central Government has not prescribed the maintenance of cost records U/s209 (1)(d) of the Companies Act, 1956 for any of the products of the Company.
- 9(a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other statutory dues, wherever applicable. No undisputed amounts payable in respect of these dues were outstanding at the year end for a period of more than six months from the date they became payable.
- (b) According to the records of the Company examined by us, the disputed amounts in respect of income-tax, sales tax, wealth tax, service tax, custom tax and excise duty / cess not deposited with the appropriate authorities are as follows.

Sr.No.	Name of Statute	Nature of Dues	Amount (Rs.in Lacs)	Assessment Year	Forum where pending
(i)	Income Tax	Miscellaneous matters	4.18	1995-96	Deputy Commissioner of Income Tax (Appeals)
(ii)	Income Tax	Disallowance of expenses claimed & miscellaneous matters	59.70	2003-04	Commissioner of Income Tax (Appeals)
(iii)	Income Tax	Disallowance of expenses claimed & miscellaneous matters	213.98	2004-05	Commissioner of Income Tax (Appeals)
(iv)	Income Tax	Disallowance of expenses claimed & miscellaneous matters	121.38	2005.06	Commissioner of Income Tax (Appeals)
(v)	Wealth Tax	Re-computation of deductions as per appeal order	2.15	1992-93	Deputy Commissioner of Wealth Tax
(vi)	Wealth Tax	Re-computation of deductions as per appeal order	0.65	1997-98	Deputy Commissioner of Wealth Tax
(vii)	Wealth Tax	Re-computation of deductions as per appeal order	0.96	2000-01	Deputy Commissioner of Wealth Tax

Sr.No.	Name of Statute	Nature of Dues	Amount (Rs.in Lacs)	Assessment Year	Forum where pending
(viii)	Local Area Development Tax (HR)	Local Area Development Tax	8.72	2003-04	Joint Excise & Taxation Commissioner (Appeal), Gurgaon
(ix)	Sales Tax (Delhi)	Sales Tax	4.48	1999-2000	Joint Commissioner (Appeal) Delhi sales tax
(x)	Sales Tax (Delhi)	Sales Tax	43.52	2004-05	Addl. Commissioner (Appeal) Delhi sales tax

10. The Company does not have any accumulated losses. The Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
11. In our opinion, the Company has not defaulted in the repayment of dues to financial institutions and banks during the year.
12. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The provisions of any special statutes applicable to chit fund/ nidhi /mutual benefit fund/societies are not applicable to the company.
14. In our opinion, the company is not a dealer or trader in shares, securities, debentures and other investments.
15. The Company has given guarantees for loans taken by other Companies from Banks or Financial Institutions during the year. In our opinion the terms and conditions of the guarantees are prima facie not prejudicial to the interest of the Company.
16. In our opinion on an overall basis, the Company has applied term loans for the purpose for which the loans are obtained.
17. On the basis of an overall examination of the Balance Sheet and cash flow statement of the Company, in our opinion, there are no funds raised on short term basis which have been used for long term investments.
18. The Company has not made any preferential allotment of shares during the year to parties and companies covered in the Register maintained under section 301 of the Companies Act, 1956.
19. The Company has created security in respect of debentures issued during the year in accordance with the terms of issue of debentures. (Refer Note No.5)
20. We have verified the end use of money raised by the Company on issue of equity shares under Qualified Institutional Placement Scheme of SEBI. Details are disclosed in Note No.14.
21. No fraud on or by the Company has been noticed or reported during the year.

For **Khanna & Annadhanam**
Chartered Accountants

Place: New Delhi
Date : 30th June 2008

(P.S. Pabreja)
Partner
Membership No.10692

BALANCE SHEET AS AT 31ST MARCH, 2008

	SCHEDULE		As at 31st March, 2008 Rs. in Lacs		As at 31st March, 2007 Rs. in Lacs
SOURCES OF FUNDS					
Shareholders Funds					
Share Capital	1	5,675.06		2,837.53	
Reserves & Surplus	2	<u>101,987.69</u>	107,662.75	<u>90,353.07</u>	93,190.60
Loan Funds					
Secured Loans	3	68,673.20		19,181.03	
Unsecured Loans	4	<u>14,748.25</u>	83,421.45	<u>4,901.25</u>	24,082.28
Total Funds Employed			<u>191,084.20</u>		<u>117,272.88</u>
APPLICATION OF FUNDS					
Fixed Assets					
Gross Block	5	16,104.93		5,013.01	
Less: Depreciation		<u>2,538.73</u>		<u>1,986.28</u>	
Net Block			13,566.20		3,026.73
Investments	6		6,018.78		1,121.57
Deferred Tax Asset (Net)			360.76		144.89
Current Assets, Loans & Advances					
Inventories	7	108,606.34		49,461.36	
Sundry Debtors	8	38,034.74		13,207.19	
Cash & Bank Balances	9	10,285.28		22,479.31	
Loans & Advances	10	<u>100,584.95</u>		<u>91,364.58</u>	
		257,511.31		176,512.44	
Less: Current Liabilities & Provisions					
Current Liabilities	11	83,066.06		61,465.42	
Provisions	12	<u>3,306.79</u>		<u>2,067.33</u>	
		86,372.85		63,532.75	
Net Current Assets			<u>171,138.46</u>		112,979.69
Total Assets (Net)			<u>191,084.20</u>		<u>117,272.88</u>
Accounting Policies & Notes	17				

As per report of even date attached

for KHANNA & ANNADHANAM
Chartered Accountants

(P.S.PABREJA)

Partner

Membership No. 10692

Place: New Delhi

Date: 30th June,2008

SUSHIL ANSAL
Chairman

AMITAV GANGULY
Sr.V.P.(Corporate Affairs)
& Company Secretary

For and on behalf of the Board

ANIL KUMAR
Dy. Managing Director & CEO

MAHESH C MAHESHWARI
Chief Financial Officer

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2008

	SCHEDULE	2007-08 Rs. in Lacs	2006-07 Rs. in Lacs
INCOME			
Sales & Other Income	13	86,844.10	76,614.37
Increase/(Decrease) in Stocks	14	<u>1,741.74</u>	<u>(659.08)</u>
		88,585.84	75,955.29
EXPENDITURE			
Cost of Construction	15	53,886.22	46,639.87
Selling & Administrative Expenses	16	11,207.05	9,198.07
Depreciation	5	<u>779.79</u>	<u>310.64</u>
		65,873.06	56,148.58
Profit before Tax, Prior Period adjustments and exceptional items		22,712.78	19,806.71
Less: Prior Period Adjustments (Net)		<u>45.73</u>	<u>42.77</u>
		22,667.05	19,763.94
Less: Provision for Tax			
Current Tax		6,659.97	6,353.81
Deferred Tax		(215.88)	138.28
Fringe Benefit Tax		<u>66.00</u>	<u>51.00</u>
		16,156.96	13,220.85
(Add)/Less Income Tax Pertaining to Earlier Years		-	30.14
Profit for the Year		<u>16,156.96</u>	<u>13,190.71</u>
Provision for amounts relating to earlier years		-	698.70
Less: Amounts adjusted from General Reserve		<u>-</u>	<u>698.70</u>
		16,156.96	13,190.71
Add: Balance of Profit from Previous Year		6,887.04	2,345.60
Balance available for appropriation		23,044.00	15,536.31
Appropriations			
Final/ Interim Dividend		1,418.76	993.13
Dividend Tax		241.12	156.14
Transfer to Debenture Redemption Reserve		2,500.00	-
Transferred to General Reserve		<u>10,000.00</u>	<u>7,500.00</u>
		14,159.88	8,649.27
Balance Carried to Balance Sheet		8,884.12	<u>6,887.04</u>
Earning per share (Rs.)			
- Basic		14.24	11.62
- Diluted		14.21	11.60
Accounting Policies & Notes	17		

As per report of even date attached

For and on behalf of the Board

for KHANNA & ANNADHANAM

Chartered Accountants

(P.S.PABREJA)

Partner

Membership No. 10692

SUSHIL ANSAL

Chairman

AMITAV GANGULY

Sr.V.P.(Corporate Affairs)
& Company Secretary

ANIL KUMAR

Dy. Managing Director & CEO

MAHESH C MAHESHWARI

Chief Financial Officer

Place: New Delhi

Date:30th June,2008

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2008

	Rs. in Lacs 2007-08	Rs. in Lacs 2006-07
A. Cash flow from Operating Activities :		
Net profit before tax, prior period adjustments & exceptional Items	22,712.78	19,806.71
Adjusted for		
Adjustments pertaining to earlier years	(45.73)	(42.77)
Depreciation	779.79	310.64
Deferred Expenses	-	0.26
Employee stock option expenses	70.73	45.97
Provision for Doubtful Debts	134.25	-
Interest Expenses	2,001.50	1,943.41
Interest Income	(1,626.19)	(1,827.78)
Amounts Written back	(95.83)	(441.57)
Amounts written off	4.43	370.12
Profit on Sale of Investments	(77.49)	-
Dividend Income	(10.58)	(110.62)
Loss on sale of Fixed Assets	14.79	0.44
Profit on sale of Fixed Assets	(3.28)	(2.00)
Operating Profits before Working Capital Changes	<u>23,859.16</u>	<u>20,052.81</u>
Adjusted for		
Increase in Trade Payables & Others	21,055.43	1,214.81
Increase in Inventories	(59,144.98)	(11,708.83)
Increase in Trade and Other Receivables	(24,961.79)	(7,439.55)
Increase in Loans and Advances	<u>(10,316.59)</u>	<u>(53,824.95)</u>
Cash generated from Operations	<u>(49,508.77)</u>	<u>(71,758.52)</u>
Taxes Paid	(5,634.19)	(7,321.55)
Cashflow From Operating Activities	<u>(55,142.96)</u>	<u>(59,027.26)</u>
B. Cash flow from Investing Activities :		
Dividend received	10.58	110.62
Interest received	1,626.19	1,827.78
Sale of Fixed Assets	36.94	7.66
Purchase of Fixed Assets	(11,392.63)	(659.50)
Sale of Investments	730.28	-
Purchase of Investments	<u>(5,550.00)</u>	<u>(160.00)</u>
NET CASH FROM INVESTING ACTIVITIES	<u>(14,538.64)</u>	<u>1,126.56</u>
C. Cash Flow from Financing Activities :		
Interest & Finance Charges	(1,187.65)	(1,786.59)
Proceeds from Long Term Borrowings	77,477.50	39,096.72
Repayment of Long Term Borrowings	(18,138.33)	(25,361.96)
Dividend paid including Dividend Tax	(663.95)	(874.75)
Proceeds from Issue of Shares (Net)	-	66,438.42
NET CASH USED IN FINANCING ACTIVITIES	<u>57,487.57</u>	<u>77,511.84</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	<u>(12,194.03)</u>	<u>19,611.14</u>
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	22,479.31	2,868.17
CASH AND CASH EQUIVALENTS AT THE CLOSING OF YEAR	<u>10,285.28</u>	<u>22,479.31</u>

Note:

1. Previous year figures have been regrouped/rearranged, wherever considered necessary, to make them comparable with current year's figures.

2. Interest received from Banks on deposits and from Customers for delayed payments is classified as Cash flow from Investing Activities.

3. The Cash flow Statement has been prepared under indirect method as per Accounting standard (AS-3) 'Cash flow Statement' i.

As per report of even date attached

for KHANNA & ANNADHANAM
Chartered Accountants

(P.S.PABREJA)
Partner
Membership No. 10692

Place: New Delhi
Date: 30th June, 2008

SUSHIL ANSAL
Chairman

AMITAV GANGULY
Sr.V.P.(Corporate Affairs)
& Company Secretary

For and on behalf of the Board

ANIL KUMAR
Dy. Managing Director & CEO

MAHESH C MAHESHWARI
Chief Financial Officer

SCHEDULE 1 SHARE CAPITAL	As at 31st March, 2008 Rs. in Lacs	As at 31st March, 2007 Rs. in Lacs
AUTHORISED		
24,00,00,000 (Previous Year 16,00,00,000) Equity Shares of Rs.5/- each (See Note 1)	12,000.00	8,000.00
30,00,00,000 Preference Shares of Rs.100/- each	3,000.00	<u>3,000.00</u>
	<u>15,000.00</u>	<u>11,000.00</u>
ISSUED, SUBSCRIBED AND PAID UP		
113,501,100 (Previous Year 5,67,50,550) Equity Shares of Rs.5/- each fully paid up (See note -2)	5,675.06	2,837.53
	<u>5,675.06</u>	<u>2,837.53</u>

Notes

- (1) Authorised Equity Share Capital of the Company has increased from 16,00,00,000 to 24,00,00,000 of Rs. 5/- each during the year.
- (2) 1,50,07,125 Equity Shares of Rs.10/- each issued upto 31.3.07 and 5,67,50,550 Equity Shares of Rs.5/- each issued during the year as Bonus Shares by capitalisation of Share Premium/General reserve.

SCHEDULE - 2. RESERVES & SURPLUS	As at 31st March, 2008 Rs. in Lacs	As at 31st March, 2007 Rs. in Lacs
Capital Reserve 1	160.50	160.50
Securities Premium Account		
As per last Balance Sheet	66,151.87	118.87
Add: Received during the year	-	67,837.50
Less: Expenses incurred on issue of shares under QIP scheme	-	1,804.50
Less: Utilised for Issue of Bonus Shares	2,837.53	-
	<u>63,314.34</u>	<u>66,151.87</u>
Revaluation Reserve		
As per last Balance Sheet	498.56	524.80
Less: Transferred to Profit & Loss Account	24.93	26.24
	<u>473.63</u>	<u>498.56</u>
Debenture Redemption Reserves		
As per last Balance Sheet	-	-
Add : Transferred from Profit & Loss Account	2,500.00	-
	<u>2,500.00</u>	<u>-</u>
General Reserve		
As Per last Balance Sheet	16,655.10	9,293.77
Add : Transfer From Profit & Loss Account	10,000.00	7,500.00
Add : Adjustment on merger of ATPL with the company	-	560.03
Less: Transfer to Profit & Loss Account against provision for amounts relating to earlier year	-	698.70
	<u>26,655.10</u>	<u>16,655.10</u>
Profit and Loss Account - Balance	<u>8,884.12</u>	<u>6,887.04</u>
	<u>101,987.69</u>	<u>90,353.07</u>

1 Represents forfeiture of Warrants

SCHEDULE - 3	As at		As at
SECURED LOANS*	31st March, 2008	Rs. in Lacs	31st March, 2007
			Rs. in Lacs
0% Redeemable Optionally Convertible Debentures- Nominal Value	819.66		819.66
From Banks			
- Cash Credits	14,102.63		2,335.13
- Term Loan	17,100.00		6,058.73
- Vehicle Loans	146.37	31,349.00	<u>228.50</u>
From Corporate Bodies - Term Loan		36,504.54	<u>9,739.02</u>
		68,673.20	<u>19,181.03</u>
* Due within one year (Rs.in Lacs)		16,367.92	6,735.99

Securities

1. Nominal value of debentures is secured by mortgage of flats owned by the Company
2. Loans from Banks are secured by mortgage/hypothecation of immovable/movable assets on parri-passu basis, assignment of receivables including rent etc and Land & Buildings belonging to/ corporate guarantees given by subsidiaries / associate Companies. The loans are additionally secured by the personal guarantee of the two Directors who are shown Promoter directors as per SEBI disclosure.
3. Term Loans from Corporate Bodies are secured by mortgage/hypothecation of immovable/movable assets of the Company and Land & Building belonging to associate Companies and charge on future rents. The loans are additionally secured by personal guarantee of the two Directors and pledge of shares of the company owned by promoters/ persons acting in concert with promoters.
4. Vehicle loans are secured by hypothecation of vehicles.

SCHEDULE - 4	As at		As at
UNSECURED LOANS*	31st March, 2008	Rs. in Lacs	31st March, 2007
			Rs. in Lacs
0% Redeemable Optionally Convertible Debentures (Refer note 6)	4,180.34		4,180.34
11.5% Redeemable Non Convertible Debentures(Refer note 5)	10,000.00		-
FIXED DEPOSITS			
From Shareholders	4.36		6.03
From Public	563.55	567.91	<u>714.88</u>
		14,748.25	<u>4,901.25</u>
* Due within one year (Rs. in Lacs)		14,631.73	4,768.96

Sl. Particulars No.		GROSS BLOCK			DEPRECIATION			NET BLOCK		
		As at Additions during the year	Sale/ Adjustment/ Transfer	Total Cost as at 31.03.2008	Upto 31.03.2007	For the Year	Sale/ Adjustment/ Transfer	Total upto 31.03.2008	As at 31.03.2008	As at 31.03.2007
1	Land Freehold	0.19	-	0.19	-	-	-	-	0.19	0.19
2	Land (Lease Hold) 1	-	96.00	96.00	-	2.46	2.46	-	93.54	-
3	Office & Residential Premises 2	2,746.86	3,288.63	6,035.49	771.74	231.70	1,003.45	-	5,032.05	1,975.12
4	Plant & Machinery 3	919.14	7,762.41	8,570.60	597.15	358.79	851.45	104.48	7,719.16	321.99
5	Furniture & Fixtures & Office Equipments	333.95	175.57	493.59	160.54	71.80	221.43	10.91	272.16	173.41
6	Air Conditioning Plant & Air Conditioners	108.15	22.13	126.30	67.19	7.74	71.18	3.75	55.12	40.95
7	Vehicle	904.72	47.89	782.76	389.67	132.23	388.76	133.14	393.99	515.06
	TOTAL	5,013.01	11,392.63	16,104.93	1,986.29	804.72	2,538.73	252.28	13,566.20	3,026.73
	PREVIOUS YEAR	4,085.30	927.53	5,013.01	1,643.12	336.88	1,986.29	(6.29)	3,026.73	

1. Cost of Leasehold land is being writtenoff in 20 years i.e. during the life of the lease. The depreciation shown against this asset represents amortisation amount.

2. Include Rs. 2607.15 Lacs held in Inventories upto 31st March, 2007 and capitalised during the year.

3. Includes Rs. 7269.24 Lacs Cost of Wind Mill installed during the year

	Current Year (Rs. in Lacs)	Previous Year (Rs. in lacs)
Depreciation	804.72	336.88
Less: Transferred from Revaluation Reserve	24.93	26.24
Charged to Profit & Loss Account	<u>779.79</u>	<u>310.64</u>

**SCHEDULE - 6
INVESTMENTS**

Rs. in Lacs

PARTICULARS	Number of Shares	Face value of Rs.10/- each unless otherwise stated	As at 01.04.2007	Additions during the year	Deletions during the year	Balance as at 31.03.2008
INVESTMENTS [AT COST] - LONG TERM						
(A) SHARES IN COMPANIES						
(a) UNQUOTED						
TRADE						
(i) Nirman Overseas Pvt. Ltd.	1,000	100	1.00	-	-	1.00
(b) QUOTED						
OTHER THAN TRADE						
(i) Ballarpur Industries Ltd.	100	2	0.13	-	0.05	0.08
(ii) ITC Ltd.	-	1	552.74	-	552.74	-
(iii) PNB Principal Mutual Fund	1,000,000		100.00	-	100.00	-
(B) SHARES IN SUBSIDIARY COMPANIES						
UNQUOTED						
TRADE						
(i) Star Estate Management Ltd.	55,000	100	83.88	-	-	83.88
(ii) Delhi Towers Ltd.	5,000	100	19.82	-	-	19.82
(iii) Ansal IT City & Parks Ltd.	1,530,000		153.00	-	-	153.00
(iv) Ansal Township Infrastructure Ltd.	50,000		5.00	-	-	5.00
(v) Ansal SEZ Projects Ltd- Equity Shares. - Compulsorily Convertible Cumulative Preference Share	51000 1020000	-	5.00	0.10	-	5.10 5534.90
(vi) Ansal API Power Ltd.	50,000		-	5.00	-	5.00
(vii) Knowledge Tree Infrastructure Ltd.	50,000			5.00	-	5.00
(vii) Star Facility Management Ltd.	50,000			5.00	-	5.00
(C) SHARES IN JOINT VENTURE COMPANIES						
UNQUOTED						
TRADE						
(i) Ansal Mittal Township Pvt. Ltd.	255,000		25.50	-	-	25.50
(ii) Ansal Landmark Township Pvt Ltd.	400,000		100.00	-	-	100.00
(iii) Green Max Estates Pvt. Ltd.	250,000		25.00	-	-	25.00
(iv) Ansal Lotus Melange Projects Pvt. Ltd.	5,000		0.50	-	-	0.50
(v) Ansal Seagull SEZ Developers Ltd.	500,000		50.00	-	-	50.00
			1,121.57	5,550.00	652.79	6,018.78
			Current Year	Previous Year		
			Rs. In lacs	Rs. In lacs		
Cost of quoted shares			0.08	652.87		
Market value of quoted shares			0.08	612.13		
Cost of Unquoted Shares			6,018.70	468.70		

SCHEDULE 7 INVENTORIES	As at 31st March, 2008 Rs. in Lacs	As at 31st March, 2007 Rs. in Lacs
(As Taken, Valued and Certified by the Management)		
Building materials, Stores & Spare Parts	463.76	249.22
Flats/Shops/Houses/Farms/Traded Goods etc.	2,688.87	3,554.28
Projects in Progress (Schedule 15)	105,453.71	45,657.86
	<u>108,606.34</u>	<u>49,461.36</u>

Note:- For Valuation of Inventories, refer Accounting Policy No-5 in significant accounting policies

SCHEDULE - 8 SUNDRY DEBTORS (UNSECURED)	As at 31st March, 2008 Rs. in Lacs	As at 31st March, 2007 Rs. in Lacs
OUTSTANDING FOR A PERIOD EXCEEDING SIX MONTHS		
Considered Good *	2,130.43	1721.48
Considered Doubtful	134.25	698.70
Less: Provision for Doubtful Debts	<u>(134.25)</u>	<u>(698.70)</u>
	2,130.43	1721.48
OTHER DEBTS		
Considered Good	35,904.31	11,485.71
	<u>38,034.74</u>	<u>13,207.19</u>
* Includes amount due from a Subsidiary Company (Rs..in Lacs)	216.48	216.48

SCHEDULE - 9 CASH AND BANK BALANCES	As at 31st March, 2008 Rs. in Lacs	As at 31st March, 2007 Rs. in Lacs
Cash in Hand -1	616.26	1,295.36
BANK BALANCES:		
With Scheduled Banks:		
- In Current Accounts	3,648.75	2,597.40
- In Fixed Deposit Accounts -2	5,677.28	18,299.13
- Add: Interest accrued	342.99	287.42
	<u>9,669.02</u>	<u>21,183.95</u>
	<u>10,285.28</u>	<u>22,479.31</u>

1 Cash in hand includes imprest with staff for payment of duty, registration fee etc.

2 Includes deposits under Bank lien for issue of Bank Guarantees (Rs. in Lacs) 5,199.93 2,005.20

SCHEDULE - 10.	As at		As at	
LOANS & ADVANCES	31st March, 2008		31st March, 2007	
	Rs. in Lacs		Rs. in Lacs	
Unsecured considered good unless otherwise stated.				
Loans				
Considered Good				
Subsidiary Companies	523.87		152.01	
Joint Venture Companies	5,576.44		1,677.18	
Others	2.24	6,102.55	<u>2.24</u>	1,831.43
Advances *				
For purchase of land				
- Subsidiary Companies & Joint venture Companies/Entities	25,198.00		7,889.97	
- Land holding Companies	24,906.97		40,822.57	
-Collaborators	24,729.78		18,842.36	
-Others	4,032.93	78,867.68	<u>8,018.23</u>	75,573.13
Security Deposits		5,709.72		4,879.77
Suppliers/Contractors		7,597.73		6,056.41
Advance Tax paid (Net of provisions)		(570.38)		521.41
Advance recoverable in Cash or in kind of for value to be received		2,877.65		2,502.43
		<u>100,584.95</u>		<u>91,364.58</u>

* Includes advance for purchase of land to a Private Limited Company in which a Director of the company is a Director (Rs. in Lacs) **Nil** 26.45

SCHEDULE - 11	As at		As at	
CURRENT LIABILITIES	31st March, 2008		31st March, 2007	
	Rs. in Lacs		Rs. in Lacs	
Sundry Creditors - 1		30,422.50		14,324.07
Book Overdraft		800.21		117.82
Advances from Customers against Flats/Shops/Houses/Plots etc. - 2		46,002.22		42,094.75
Security Deposits from Contractors/Customers/Suppliers etc		3,831.28		3,306.08
Other Liabilities		959.65		1,386.35
Interest accrued but not due on				
-Loans	1,005.11		179.15	
-Deposits	45.09	1,050.20	<u>57.20</u>	<u>236.35</u>
		<u>83,066.06</u>		<u>61,465.42</u>

There are no amounts due and outstanding to be credited to the Investor Education & Protection Fund.

- 1 Includes due to Small Scale Industrial Undertakings (Rs. in Lacs) **1.22** 0.01
- 2 Represents advances against Plots/Flats/Houses net Debtors of long term nature adjustable against sale consideration of Plots/Flats/Houses etc and generally not refundable.

SCHEDULE - 12 PROVISIONS	As at 31st March, 2008 Rs. in Lacs	As at 31st March, 2007 Rs. in Lacs
Proposed Dividend Including Dividend Tax	1,659.88	663.95
Stamp Duty	902.75	902.75
Gratuity	558.59	378.54
Leave Encashment	165.72	102.23
Superannuation (Discontinued scheme)	19.85	19.85
	<u>3,306.79</u>	<u>2,067.33</u>
SCHEDULE -13 SALES & OTHER INCOME	2007-08 Rs. in Lacs	2006-07 Rs. in Lacs
Sales		
- Real Estate	82,301.93	71,825.36
- Wind Power	311.13	-
- Traded Goods	-	17.66
Know-How Fees	684.96	549.82
Interest Received (Gross)		
-Deposits with Banks (TDS Rs. 108.82 Lacs Previous year Rs.144.63 lacs)	541.37	660.69
-Delayed payments from Customers (TDS Nil, Previous year Rs.0.63 lacs)	530.78	779.17
-Loans (TDS Rs. 96.48 Lacs, Previous year Rs.66.04 Lacs)	465.12	294.34
-On Income Tax Refund	51.53	91.25
-Others	<u>37.39</u>	<u>2.32</u>
	1,626.19	1,827.78
Rent Received (Gross)	919.77	966.71
(Tax Deducted at Source Rs. 171.59 Lacs , Previous Year Rs.199.74 Lacs)		
Administration Charges	626.81	719.80
Forfeitures	28.55	6.88
Other Receipts	157.58	147.57
(Tax Deducted at Source Rs.3.40 Lacs , Previous Year Rs.1.68 lacs)		
Amounts Written Back	95.83	441.57
Profit on Sale of Fixed Assets	3.28	0.60
Profit on sale of shares	77.49	-
Dividend from Investments	10.58	110.62
	<u>86,844.10</u>	<u>76,614.37</u>

SCHEDULE - 14

INCREASE(+)/DECREASE(-) IN STOCKS

		2007-08		2006-07
		Rs. in Lacs		Rs. in Lacs
Stock As on 01.04.2007 (Flats/Shops/Houses/Plots/Farm /Traded Goods etc.)	3,554.28		2,998.30	
Less: Capitalised during the year	2,607.15		-	
Add: Additions on Merger of ATPL	-	947.13	1,215.06	4,213.36
Less : Stock As on 31.03.2008 Flats/Shops/Houses/Plots/Farm / Traded Goods etc.		2,688.87		3,554.28
		1,741.74		(659.08)

SCHEDULE - 15

PROJECTS IN PROGRESS

		2007-08		2006-07
		Rs. in Lacs		Rs. in Lacs
Balance As Per Last Year	(4,5657.86)		27,471.78	
Addition on Merger of ATPL	-		5,859.09	
Cost of Land - 1(Refer Note no. 3(b))	33,926.00		9,567.25	
Materials Consumed	13,448.41		4,942.65	
Salaries, Wages & Other Amenities to Employees	1,701.60		677.78	
Surrender of Rights	1,042.08		761.79	
Commission & Brokerage	2,343.06		1,454.34	
Expenses through Collaborators	1,078.90		2,309.04	
Expenses through Contractors	33,886.73		17,415.42	
External /Infrastructure Development Charges	7,945.29		9,282.31	
Architects Fees	1442.65		838.98	
Miscellaneous Expenses	5,967.81		2,499.88	
License/Scrutiny /Conversion Charges	5,952.67		9,692.70	
Compounding Fee	0.87		1.21	
Commercialization Charges	8.50		11.52	
Interest on Loans/Deferred Credits	5,117.09	159,519.52	1,455.26	94,241.00
Less:-				
Miscellaneous Income/Adjustments	39.59		73.36	
External development charges relating to completed projects recovered from Customers and Included in Advances adjusted	-		1,637.21	
Expenditure relating to other project -transferred to other entities	140.00		232.70	
Cost of Construction Charged to Profit & Loss Account	53,886.22	54,065.81	46,639.87	48,583.14
Balance Carried to Balance Sheet		105,453.71		45,657.86

1 - Includes Rs. 6.407.54 Lacs relating to previous year included under advances.

SCHEDULE - 16

SELLING & ADMINISTRATIVE EXPENSES

	2007-08		2006-07
	Rs. in Lacs		Rs. in Lacs
Salaries, Wages, Allowances & Commission	2,682.23		1,693.38
Contribution to Gratuity, Provident and Other Funds	378.36		283.84
Other Benefits to Employees	227.46		232.78
Employee Stock Option Compensation Expenses`	70.73		45.97
Rent	298.77		205.23
Lease Rental, Hire & Other Charges	92.60		23.79
Rates & Taxes	111.24		9.53
Advertisement & Publicity	809.16		830.37
Discounts & Rebates	87.25		200.25
Interest on			
- Public Deposits	59.62	89.20	
- Debentures	643.58	168.49	
- Term Loans	5,287.73	1,810.93	
- Others	1,127.66	1,088.03	
	7118.59	<u>3156.65</u>	
Less: Interest on borrowed funds transferred to cost of Construction	(5117.09)	2,001.50	<u>(1,213.25)</u>
Repairs and Maintenance			
- Machinery	4.74	5.48	
- Building	70.71	39.73	
- Others	342.75	<u>210.76</u>	255.97
Directors' Meeting Fees	16.23		13.34
Travelling & Conveyance	936.25		413.27
Stationery & Printing	150.19		194.50
Postage, Telegrams, Telephone & Telex	160.89		111.96
Legal & Professional Charges	1,608.81	3,391.11	
Less: Relating to Share Issue	-	1,608.81	<u>1,804.50</u>
Expenses adjusted against Securities Premium Account			
Insurance	103.43		91.99
Bank Commission & Other Charges	273.48		187.17
Electricity Expenses	54.28		48.87
Amounts/Assets Written Off	717.92	820.12	
Less: Provision made in earlier year	698.70	19.22	<u>450.00</u>
Provision for Doubtful Debts, Advances & Others	134.25		370.12
House Tax	27.49		31.12
Ground Rent	166.84		99.81
Expenses on Completed Projects	167.03		62.54
Miscellaneous Expenses	211.15		262.24
	11,207.05		<u>9,198.07</u>

SCHEDULE 17
ACCOUNTING POLICIES AND NOTES

A. SIGNIFICANT ACCOUNTING POLICIES

1. NATURE OF OPERATION

Ansal Properties and Infrastructure Ltd. ("APIL" or the "Company"), was incorporated in 1967. The Company's main business is real estate promotion and development in residential and commercial segment.

2. Basis of Preparation of Accounts

The Financial Statements have been prepared to comply in all material respects with the mandatory Accounting Standards issued by the Central Government as per the Companies Accounting Standard Rules, 2006 and the relevant provisions of the Companies Act, 1956. The Financial Statements have been prepared under the historical cost convention, on the basis of going concern and on an accrual basis except as stated elsewhere.

3. USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses for the year presented. Actual results could differ from these estimates.

4. FIXED ASSETS

Fixed Assets are stated at cost less accumulated depreciation. Flats held by the Company which have been revalued are stated at revalued amounts.

5. INVENTORIES

Inventories are valued as under:-

- | | |
|--|----------------------------------|
| i) Building Materials, Stores, Spare Parts | at cost on FIFO basis |
| ii) Shuttering & Scaffolding Materials | at depreciated cost |
| iii) Apartments / Houses / Shops/
Flats (unsold)/Traded Goods | at lower of cost or market value |
| iv) Projects in Progress | at cost |

6. DEPRECIATION

Depreciation is provided on pro-rata basis at rates prescribed in Schedule-XIV of the Companies Act, 1956 on written down value method except wind energy equipment (Wind mills) which is depreciated on straight line method. Assets costing up-to Rs.5,000/- are fully depreciated in the year of purchase.

7. INVESTMENTS

Current investments are stated at lower of cost and market value. Long term investments are stated at cost. Decline in value of long term investments is recognized, if considered other than temporary.

8. REVENUE RECOGNITION

- a) The Company follows "Percentage of Completion Method" of accounting for contracts and constructed residential, Institutional and commercial properties. As per this method, the revenue is recognized in proportion to the actual costs incurred as against the total estimated cost of the projects under execution subject to actual cost being 30% or more of the total estimated cost.

- b) The revenue on sale of residential, institutional and commercial plots is recognized on a proportionate basis when 30 %, (previous year 50%) of the progress has been achieved as measured in terms of actual cost incurred to total estimated cost.
- c) Income from know how fee is recognized in terms of the agreement with the recipient of know how.
- d) The estimates relating to saleable area, sale value, estimated costs etc., are revised and updated periodically by the management and necessary adjustments are made in the current year's accounts.
- e) Indirect costs (as detailed in Schedule 16) are treated as "Period Costs" and are charged to the Profit & Loss Account in the year in which they are incurred.
- f) Surrender of flats by buyers are valued at cost and accounted for as 'Cost of Construction'. When sold, proceeds are treated as 'Sales'.
- g) For recognizing income and working out related cost of construction, major self contained residential township projects are divided into various schemes such as plotted area, constructed houses and commercial area, Malls etc.
- h) Whereas all income and expenses are accounted for on accrual basis, interest on delayed payments by customers against dues and holding charges is taken into account on acceptance or realization owing to practical difficulties and uncertainties involved.
- i) The maintenance and other expenses which are obligatory and are incurred subsequently, after completion of project(s), are booked as expenses under the head "Real Estate Completed Projects".
- j) Income from Windmill is accounted on the basis of power supplied to the Customers.

9. RETIREMENT AND OTHER BENEFITS

- a) Contribution to the Provident Fund is charged to the revenue each year.
- b) Provisions for Gratuity and leave encashment are made on the basis of actuarial valuation at the year end in accordance with accounting standard 15 (Revised 2005) on 'Employee Benefits'.

10. FOREIGN CURRENCY TRANSLATION/CONVERSION

Transactions in foreign currency are recorded at the exchange rate prevailing on the date of transactions. Gains / Losses arising out of fluctuations in the exchange rates are recognized in the Profit & Loss Account in the period in which they arise.

Gains / Losses on foreign exchange rate fluctuations relating to monetary items at the year end are accounted for in the Profit & Loss Account

11. BORROWING COSTS

Borrowing costs that are attributable to the projects are charged to the respective Project. Other borrowing costs are expensed as period costs.

12. TAXES ON INCOME

Income tax expenses are accounted for in accordance with AS-22, Accounting for Taxes on Income, as stated below;

- a) Provision for current tax is made based on taxable income for the year computed in accordance with provisions of the Income Tax Act, 1961.

- b) Deferred tax is recognized, subject to the consideration of prudence, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent years.
- c) Deferred tax assets are recognized and carried forward to the extent that there is a reasonable certainty of realization. In the case unabsorbed depreciation and carry forward losses deferred tax assets are recognized, to the extent there is virtual certainty, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

13. IMPAIRMENT

At each Balance Sheet date, the management reviews the carrying amounts of Fixed Assets to determine whether there is any indication that these assets suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss and necessary provisions are made against such impairment. Reversal of impairment loss is recognized as income in the Profit & Loss Account.

14. LEASE RENTALS

Rentals in respect of leased equipment are charged to the Profit and Loss Account.

15. PROVISIONS CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions for expenses are recognized for liabilities that can be measured only by using a substantial degree of estimation, if

- a) The Company has a present obligation as a result of past event.
- b) A probable outflow of resources is expected to settle the obligation, and
- c) The amount of the obligation can be reliably estimated.

Contingent liability is disclosed in the case of

- a) 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.
- b) A possible obligation, unless the probability of outflow of resources is remote.
- c) Contingent assets are neither recognized nor disclosed.

B. FINANCIAL NOTES

1. Contingent Liabilities.

Particulars	As at 31st March, 2008 (Rs.in lacs)	As at 31st March, 2007 (Rs.in lacs)
(i) Claims by customers/ex-employees for interest, damages etc. (to the extent quantified) (See foot note i)	1833	1924
(ii) Claims by local authorities etc.		
a) Ground Rent	291	291
b) Other Claims	93	62
(iii) Income/Wealth Tax Demands disputed by the Company. (See foot note ii & iii)		
On completion of regular assessment.	330	667
On completion of block assessment.	1884	1884
(iv) Guarantees given by the Company to Banks / Institutions on behalf of other Companies	29775	23150

NOTE

- (i). In respect of claims at (i) above, the management is of the opinion that in majority of the cases claims will be successfully resisted or settled out of court on payment of nominal compensation.
 - (ii) As regards Income / wealth tax demands of Rs.330 lacs disputed by the Company, similar demands have been set aside by the Appellate Authorities in most of the cases in the past.
 - (iii) In respect of block assessment for the year 1.4.1989 to 12.2.2000, cross appeals filed by the Company and the tax department, Income Tax Appellate Tribunal (ITAT) has given full relief to the Company and rejected department's grounds of appeal and tax claim of Rs.4,409 lacs. The tax department has gone for further reference to the High Court. The Company, based on an arbitration award, had accounted for income of Rs. 4,200 lacs in the year 2002-03 and paid/provided income tax accordingly. The contingent liability not provided in the accounts in respect of block assessments is estimated at Rs1884 lacs. The Company has been legally advised that it has a good case to succeed in the High Court.
2. (a) To bring in uniformity in revenue recognition on constructed properties and developed plots and as per general practice followed by the real estate development companies in India, with effect from 1st April, 2007, the revenue on sale of plots has also been recognized on proportionate basis when 30% of the progress has been generally achieved as against 50% of the progress achieved in the previous year.
(b) In the case of sale of developed plots as Floor Space Index, Group Housing Schemes, use for Commercial, Schools, Hospitals etc. (FSI's), where the internal development is the responsibility of the buyer and the Company has no further obligation to perform, the revenue is recognized to the extent of 50% of the sale consideration when at least 20% of the sale consideration has been received and 100 % of the sale consideration when at least 50% of the sale consideration has been received and sale agreement executed between the Company and the buyer.
(c) Due to the above changes in the basis of accounting, the sales and profit after tax are higher by Rs.5708 lacs and Rs.1801 lacs respectively.
 3. (a) Advances include Rs.78867.68 lacs (previous year Rs.75573.13 lacs) representing payments to subsidiaries, land holding companies and others towards cost of land acquired / to be acquired under collaboration / other arrangements. The land acquired is registered in the name of these companies but under possession, control of the Company and is being developed and sold by the Company. Advances against purchase of land are adjusted against sale proceeds of land/flats / houses etc., developed by the Company in terms of the collaboration agreements entered with these companies.
(b) In the previous years advances given to subsidiary companies and land holding companies for acquiring land were initially classified as 'Advances' under Loans & Advances and transferred to 'Cost of land' in Projects in Progress Account (Schedule 15) to the extent of percentage of completion achieved by the project beyond 30% benchmark. During the year once a project has achieved 30% or more completion and reaches revenue recognition stage in terms of accounting policy No.8, the full cost of licensed land has been transferred to 'Cost of land' from 'Advances'. The change in accounting treatment has no impact on the profit & loss account of the year.
(c) Advances include:
 - i) Rs.3154 lacs (previous year Rs 2400 lacs) for purchase of land for which agreements are under execution.
 - ii) Rs.1067 lacs (previous year Rs.643 lacs) for purchase of land and other advances which are more than three year old but considered good by the Management.
 4. a) The Company is implementing ERP (Oracle). While most of the areas have been stabilized, there are some accounts which need to be remapped and reconciled. No material adjustments are likely to arise on completion of mapping and reconciliation of accounts.

- b) Due to ERP implementation of the inventory module, the inventory of building materials valued at Rs.463.76 lacs could not be physically verified and reconciled. This process has started after the close of the year.
5. On 14.02.2008 LIC Mutual Fund subscribed to Secured Non Convertible Debentures (the Debentures) of Rs. 100 each aggregating to Rs. 100 crores. These debentures carry a coupon rate 11.5% p.a. and are due for redemption on 12.02.2009. The Debentures are secured by legal mortgage of property in Gujrat and creation of equitable mortgage by deposit of title deeds of land owned by the Company with IDBI Trusteeship Services limited (Debenture Trustees). The legal mortgage was created on 06.05.2008 and the equitable mortgage on June 26, 2008. Accordingly, the debentures have been classified as 'Unsecured Loan' on March 31, 2008. A debenture redemption reserve of Rs.25 crores have been created out of profits of the year.
6. During the previous year the Company had Issued and allotted 8,19,659 Zero Coupon Secured Redeemable Optionally Convertible Debenture (ROCDs) of face value of Rs.100/- each at a premium of Rs.510.01 per ROCD aggregating to Rs.5000 lacs by way of Preferential Issue to HDFC Venture Trustee Company Limited (" Hi- REF") as per the SEBI (DIP) Guidelines 2000. Out of this amount, value of debentures of Rs.819.66 lacs is secured by mortgage of flats belonging to the Company has been treated as secured loan and balance amount of Rs.4180.34 lacs as unsecured loan. The ROCDs are optionally convertible into equity shares at a premium of Rs 605.01 per share or are redeemable between 12 months to 18 months from 28 November, 2006 the date of allotment of Debentures
7. During the year, the Company has issued and allotted 5,67,50,550 Bonus Equity shares in the ratio of 1:1 to all the shareholders whose names appeared in the register of members / beneficial ownership on 24.04.2007.

8. **Prior Period Income/ Expenses**

	(Rs.in lacs)	
	Current Year	Previous Year
Expenses	45.78	43.41
Income	(0.06)	(0.64)
Net Adjustments	<u>45.72</u>	<u>42.77</u>

9. a) The information about Small scale Industrial Undertakings to whom amounts are due, has been determined to the extent information is available with the company and is given below:
- (i) Rubyco International
(ii) Jagjit Engineering Industries (P) Ltd.
- b) The Company has not received intimation from suppliers regarding the status under Micro Small and Medium Enterprises Development Act, 2006 and hence disclosure if any, relating to the amounts unpaid at the year end together with interest payable as required under the said Act have not been given.

10. **Construction Contracts.**

In accordance with Accounting Standard (AS-7), following disclosure is being made relating to Construction Contracts:

	(Rs.in lacs)	
	Current Year	Previous Year
Revenue recognition	25.22	1087
Aggregate amount of costs incurred upto the reporting date	24.67	1004
Surplus / (Losses) recognized upto the reporting date	0.55	83
Advances received	56.04	1568
Amount retained by contractees	Nil	423

11. Payment to Auditors (EXCLUSIVE OF SERVICE TAX)	(Rs.in lacs)	
	Current Year	Previous Year
Audit fee	20.00	13.00
Tax Audit Fee	2.75	1.50
Limited Review /quarterly audit	17.05	9.26
For Certification/Other Services	2.28	7.70

12. (a) **Deferred Tax Adjustments (Net)**

Deferred Tax Credit(Net) of Rs 215.88 lacs arising on account of timing differences as per Accounting Standard-22 for the current year (previous year deferred tax credit (net) of Rs.138.28 lacs) has been recognized in the accounts. Calculation of Deferred Tax Asset (Net) as on 31st March, 2008 is as given below:

	(Rs.in lacs)	
Particulars	Current Year	Previous Year
Deferred Tax Asset/(Liabilities)		
Expenses allowable on actual payment under Section 43 B of the Income Tax Act	327.92	175.01
Provision for doubtful debts	45.63	-
Depreciation	(12.79)	(30.12)
Deferred Tax Asset / Net	<u>360.76</u>	<u>144.89</u>

- (b) In Case of Windmill project, the deferred tax asset due to depreciation originating during the year on account of timing difference is liable for being reversed during the tax holiday itself. Accordingly no deferred tax asset has been created in the book.
- (c) The Company has income from windmill power project, which became operational in the last week of September, 2007. In terms of revenue and assets employed, it is not a reportable segment as per the Accounting Standard AS 17 on Segment reporting issued by the institute of Chartered Accountants of India.

13. **Leases**

The Company has taken vehicles on non cancelable operating lease. The future minimum lease payments in respect of the same are as under :

	(Rs.in lacs)
Not later than one year	106.17
More than one year but not later than five years	40.20

It has also taken houses on lease for its employees and for office use. The rent paid during the year and charged to the profit & Loss Account for such leases is Rs.20.94 lacs (previous year Rs.12.81 lacs).

14. During the previous year the Company had issued and allotted 6,750,000 equity shares of Rs.5/- each at a premium of Rs.1,005/- per share under Qualified Institutions Placement Scheme (QIP) as per guidelines issued by SEBI in this regard. The proceeds of shares issued were utilized as under:

	(Rs.in lacs)	
	Current Year	Previous Year
Acquisition of Land	318.92	223.96
Construction and development in various projects	154.63	108.59
Repayment of Loans	108.08	108.08

QIP Expenses	18.04	18.04
Working Capital	82.08	82.08
Fixed deposit with Banks	-	140.00
Investment in Mutual Fund	-	1.00
Total	<u>681.75</u>	<u>681.75</u>

15. **GRATUITY AND LEAVE ENCASHMENT**

Gratuity (being partly administered by a Trust) is computed as 15 days salary, for every completed year of service or part thereof and is payable on retirement/termination/resignation. The Gratuity plan for the Company is a defined benefit scheme where annual contributions as per actuarial valuation are charged to the Profit & Loss account.

The Provident Fund is a defined contribution scheme whereby the Company deposits an amount determined as a fixed percentage of basic pay with the Regional Provident Fund Commissioner.

The Company also has a leave encashment scheme with defined benefits for its employees. The Company makes provision of such liability in the books of accounts on the basis of year end actuarial valuation. No fund has been created for this scheme.

The following table summarise the components of net benefit expense recognized in the profit and loss account and the funded status and amounts recognized in the balance sheet for the respective plans.

Profit and loss account

Net employee benefit expense

(Rs. in lacs)

Particulars

Current service cost	67.39
Interest cost	28.54
Expected return on plan assets	(8.53)
Net actuarial (gain) / loss recognised in the year	95.80

2007-2008	
Gratuity	Leave Encashment
67.39	26.44
28.54	7.48
(8.53)	-
95.80	38.52

Balance Sheet

Details of Plan Asset/(Liability) for Gratuity and Leave Encashment

(Rs. in lacs)

Particulars

Defined benefit obligation	558.58
Fair value of plan assets	96.36
Less: Un-recognized past service cost	-
Plan asset / (liability)	(462.22)

2007-2008	
Gratuity	Leave Encashment
558.58	165.72
96.36	-
-	-
(462.22)	(165.72)

Changes in the present value of the defined benefit obligation are as follows:

(Rs.in lacs)

Particulars	2007-08	
	Gratuity	Leave Encashment
Opening defined benefit obligation	378.54	102.23
Interest cost	28.54	7.48
Current service cost	67.39	26.44
Benefits paid	(11.69)	(8.95)
Actuarial (gains) / losses on obligation	95.80	38.52
Closing defined benefit obligation	558.58	165.72

Changes in the fair value of plan assets are as follows

(Rs.in lacs)

Particulars	2007-08
Opening fair value of plan assets	-
Expected return	8.53
Contributions during the year	100.00
Benefits paid	(12.17)
Actuarial gains { (losses)	-
Closing fair value of plan assets	<u>96.36</u>

The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:

Particulars	2007-08
	(In%)
Discount rate	7.50
Expected Rate of Return on Plan Assets	10.49
Expected salary increase	5.00

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market

Contribution to Defined Benefits	(Rs.in lacs)	
Particulars	2007-08	2006-07
Provident Fund	187.90	127.13

Since the Company is implementing revised AS-15 from the current year, there are no comparative figures for the previous year.

16. SEGMENT REPORTING

- a) Having regard to integrated nature of real estate development business of the Company, the requirement of "Segmental Reporting" pursuant to Accounting Standards (AS-17) is not applicable.

- b) The Company has income from windmill power project, which became operational in the last week of September, 2007. In terms of revenue and assets employed, it is not a reportable segment as per the Accounting Standard AS-17 on Segement Reporting issued by the Institute of Chartered Accountants of India

17. EARNING PER SHARE

Basic as well as diluted earnings per share calculated in accordance with the requirements of Accounting Standard 20-"Earnings Per Share" are given hereunder :-

Particulars of earnings per share	Current Year	Previous Year
Net Profit after Tax (Rs.in lacs)	16157	13191
Weighted Average Number of Equity shares	113501100	113501100
Diluted Number of Equity Share	113687833	113687833
Nominal value of the share (Rs.)	5.00	5.00
Basic earning per share(Rs.)	14.24	11.62*
Diluted Earning per share(Rs.)	14.21	11.60*

* - Consequent to issue of further shares, earning per share of previous year has been recalculated to make it comparable with the current year.

18) Computation of net profit in accordance with Section 198 of the Companies Act, 1956 and the commission payable to Chairman cum Whole Time Director.

	Current year	(Rs.in lacs) Previous year
Profit as per Profit and Loss Account	22667.06	19763.94
Less: Exceptional item/Amounts relating to earlier years	—	698.70
Add: Commission to Chairman	466.75	392.19
Director's remuneration	253.21	138.52
Director's fee	16.23	13.34
Fixed asset written off	14.79	-
Profit on Sale of Share	(77.49)	-
Profit on sale of fixed assets	(3.28)	-
Net Profit as per Sec 349 of the Companies Act ,1956	23337.27	19609.30
Commission @ 2 %	466.75	392.19

19) DETAILS OF MANAGERIAL REMUNERATION

(Chairman and Whole Time Director)

(Included in Schedule No .16)

	Current year	(Rs in Lacs) Previous year
Salary & Allowances	217.49	109.80
Perquisites & benefits	16.87	19.04
Contribution to Provident & Other Funds	18.85	9.68
Commission	466.75	392.19
Total	719.96	530.71

Notes:

- a) Perquisites include Company's contribution towards provident fund and family pension fund ,club fees ,medical reimbursement , leave travel assistance, leave encashment and personal accident insurance and gratuity as per the Company Rules and as may be applicable in each case .
- b) Provision for incremental gratuity liability and leave encashment for the current year in respect of directors has not been considered above, since the provision is based on an actuarial basis for the Company as a whole.

20) (a) **CONSUMPTION OF BUILDING MATERIALS FOR CONSTRUCTION.**

	Unit	Current Year		Previous Year	
		Quantity	Rs. in lacs	Quantity	Rs.in lacs
Bricks	Nos.	79000	2	159350	4
Cement	M.T.	17144	723	15213	739
Iron & Steel	M.T.	12439	3902	9022	2362
Electrical Goods*			63		747
Others* (Sand, Stone, Grit, Badarpur, Timber, Boulder, Morum, Oversize Metal & Other consumable stores).			*8758		*1091

* Other items being too many, quantitative details are not possible.

	Current Year	(Rs.in lacs) Previous Year
(b) Expenditure in Foreign Currency		
Travelling Expenses	93.79	27.94
Payments to Contractors / Cost of lifts	396.90	584.80
Professional fee / Brokerage	25.05	163.90
Advertisement	174.78	7.21
Architect's Fee	338.08	195.01
Membership fees	4.96	1.63
(c) Earnings in Foreign Currency		
Sale of Flats/Plots Farms etc.	313.66	587.75

(d) Details regarding imported and indigenous materials consumed.	Current Year		Previous Year	
	Rs.in lacs	%	Rs.in lacs	%
Indigenous	13448	100	4943	100
Imported	-	-	-	-

21) **Loans & Advances in the nature of Loans (including interest) given to Subsidiaries and Joint Ventures**

	As at 31.03.2008 (Rs. in lacs)	Maximum Balance during the year (Rs. in lacs)
I. Subsidiaries		
Ansal IT City & Parks Ltd.	523.86	523.86
TOTAL	<u>523.86</u>	

II. Joint Venture Companies

Ansal Land mark Township Pvt Ltd	5576.43	5576.43
TOTAL	<u>5576.43</u>	
TOTAL (I+II)	6100.29	

Notes:

Advance given to subsidiary and joint venture companies for purchase of Land (Refer Note no:3 (a)) have not been considered for the disclosure.

22) **INTEREST IN JOINT VENTURES:**

The Company's interest, as a venture, in jointly controlled entities.

Name	Country of Incorporation	Percentage of ownership interest as at 31.03.08
Ansal Landmark Township Pvt. Ltd	India	49.38%
Green Max Estates Pvt. Ltd	India	50%
Ansal Seagull SEZ Developers Ltd	India	50%
Ansal Mittal Township Pvt. Ltd	India	50%
Ansal Lotus Nelange Pvt. Ltd	India	50%

Interest in entity under consortium arrangement

Name	Country of Incorporation	Percentage of ownership interest as at 31.03.08
Dadri Project (Consortium arrangement)	India	65%

23) The Company's share in the assets, liabilities, income and expenses of it's joint ventures as at 31.03.2008 is given below:

	Current Year	(Rs. in lacs) Previous Year	I
ASSETS			
1 Fixed Assets(Net)	123.52	97.30	
2 Investments	-	159.78	
3 Deferred tax Assets (net)	2.06	2.21	
4 Current Assets, Loans & advances			
(a) Inventories	24430.48	19792.12	
(b) Cash and Bank Balances	1116.72	620.89	
(c) Loans & advances	7884.52	1798.10	
(d) Debtors	2318.55	464.92	
5 Miscellaneous Expenditure to the extent not written off	5.70	0.49	
II LIABILITIES			
1 Reserves & surplus	1645.10	60.72	
2 Secured Loans	9113.81	9109.47	
3 Unsecured Loans	7166.78	2362.61	

4	Current Liabilities and provisions		-
(a)	Current Liabilities	14571.37	10920.13
(b)	Provisions	3243.25	281.88
III	Income		
1	Sales	10688.10	7957.34
2	Other Income	252.99	14.39
IV.	Expenditure		
1	Cost of Construction	9158.23	7160.17
2	Operating & Other expenses	59.96	42.15
3	Interest & Finance Charges	11.00	34.78
4	Depreciation	21.58	13.27
5	Taxes	588.78	280.50
V	Contingent liabilities	108.86	83.86

24) **RELATED PARTY TRANSACTIONS**

(A) Names of related parties and description of relationship:

i)	Name of Subsidiary	Ownership
	Star Estate Management Ltd	100%
	Ansal I.T. City & Park Ltd	66.23%
	Ansal Township Infrastructure Ltd	100%
	Ansal SEZ Projects Ltd	100%
	Haridham Colonizers Ltd	100%
	(Subsidiary of Ansal SEZ Projects Ltd)	
	Ansal API Power Ltd.	100%
	Star Facilities Management Ltd.	100%
	Knowledge Tree Infrastructure Ltd.	100%
	Delhi Towers Ltd	100%
	100% Subsidiary of Delhi Towers Ltd.	
	Ansal Condominium Ltd	
	Sukhdham Colonizers Ltd	
	Dream Infracon Pvt. Ltd	
	Effulgent Realtors Pvt. Ltd	
	Mangal Murthi Realtors Pvt. Ltd	

ii) Interests in Joint Ventures:

The Company's interests in jointly controlled entities is given below :

Name	Country of Incorporation	Percentage of ownership interest as at 31 st March, 2008
Ansal Landmark Township Pvt. Ltd.	India	49.38%
Green Max Estates Pvt. Ltd.	India	50%
Ansal Mittal Township Pvt. Ltd.	India	50%
Ansal Seagull SEZ Developers Ltd	India	50%
Ansal Lotus Melange Pvt Ltd	India	50%

iii) Associates

The following are the enterprises where common control exists:-

Name of the Company

Amba Bhawani Properties Pvt. Ltd.
Ansal Colonizers & Developers Pvt. Ltd.
Ansal Housing & Estates Pvt. Ltd.
Ansal Infrastructure Projects Ltd
Ansal Project & Developers Ltd.
Ansal Theatres & Clubotels Pvt. Ltd
Ambience Hospitality Pvt. Ltd..
Apna Ghar Properties Pvt. Ltd.
Badrinath Properties Pvt. Ltd.
Bajrang Realtors Pvt. Ltd.
Chamunda Properties Pvt. Ltd.
Chandi Properties Pvt. Ltd.
Chiranjiv Investments Pvt. Ltd.
Kalka Properties Pvt. Ltd.
Naurang Investment & Financial Services Pvt. Ltd.
New Line Properties & Consultants Pvt. Ltd.
Plaza Software Pvt. Ltd.
Prime Golf Ranking Pvt. Ltd.
Prime Maxi Mall Management Pvt. Ltd.
Sampark Hotels Pvt. Ltd.
Satrunjaya Darshan Construction Co. Pvt. Ltd.
Singa Real Estates Ltd.
Delhi Towers & Estates Pvt. Ltd.
Sithir Housing & Constructions
Winsum Software Pvt. Ltd.
Medi Tree Infrastructure Ltd.

(iv) Associates in which there is “significant influence “

Associates

Global Consultants & Designers Pvt. Ltd
Feber Star facilities Management Ltd
Ansal Kamdhenu Engineering SEZ Pvt. Ltd.

v) Key Managerial Personnel and their relatives ;

Name	Designation	Relative	Relation
Mr.Sushil Ansal	Chairman	Dr.(Mrs.) Kusum Ansal	Wife
		Mrs.Alpana Kirloskar	Daughter
		Mr. Deepak Ansal	Brother
		Mr. Gopal Ansal	Brother
Mr.Pranav Ansal	Vice Chairman & Managing Director	Mrs. Sheetal Ansal	Wife
		Master Ayush Ansal	Son
		Ms. Anushka Ansal	Daughter
Mr.Anil Kumar	Deputy Managing Director & CEO	No transactions during the year	

Note: Particulars of relatives with whom transactions have taken place during the year only have been given.

24. (B)(i) The following summary transactions were carried out with the related parties in ordinary course of business

S.N.	Particulars	Enterprises under common control	Current Year						Previous year
			Subsidiaries	Key Management personnel	Relatives of Key Management personnel	Joint ventures/ Associates	Total		
1	Remuneration	-	-	719.96	-	-	-	719.96	530.72
2	Rent Paid to	-	17.62	13.80	14.64	-	-	46.06	54.02
3	Rent Received from	-	20.44	-	-	-	-	20.44	32.71
4	Interest Received	-	39.33	-	-	-	425.78	465.11	294.34
5	Security Deposit Paid	-	61.62	3.13	16.42	-	-	81.17	153.76
6	Investments made during the year	-	5,550.00	-	-	-	-	5,550.00	1,118.84
7	Advance paid for Land Purchase	7,455.94	16,656.94	-	-	-	5,297.53	29,410.41	14,435.17
8	Profit shared under land collaboration	14.75	4.09	-	-	-	-	18.84	44.01
9	Amount Outstanding for land purchase as on 31.03.2008	1,059.85	2,853.33	-	-	-	-	3,913.18	25,444.99
10	Loan given during the year	-	371.85	-	-	-	3,899.25	4,271.10	-
11	Loan repaid during the year	-	-	-	-	-	-	-	1511.14
12	Advance repaid during the year	243.42	4,118.61	-	-	-	877.50	5,239.53	10,123.98
13	Loan given outstanding as on 31.03.2008	-	523.86	-	-	-	5,576.43	6,100.29	1,829.20
14	Investments made outstanding as on 31.03.2008	-	5,816.70	-	-	-	201.00	6,017.70	467.70
15	Debtors Outstanding on 31.03.2008	-	-	-	-	29.84	-	29.84	(1,548.26)
16	Guarantees & Collaterals given	-	11,900.00	-	-	-	6,129.13	18,029.13	14,818.86
17	Advance Received	-	80.10	44.95	118.17	-	-	243.22	4,610.67
18	Dividend paid for the year 2007-2008	134.71	-	162.41	76.94	-	-	374.06	281.41
19	Supervision Charges Received	-	16.76	-	-	-	-	16.76	26.72
20	Know How Fee Received	-	-	-	-	-	639.21	639.21	489.80
21	Royalty Received	-	-	-	-	-	45.75	45.75	67.37
22	Sale of Flats/Land	-	-	469.52	2,336.52	-	-	2,806.04	2,164.21
23	Surrender of Rights	-	-	-	-	-	-	-	35.00
24	Creditors Outstanding as on 31.03.2008	2,165.12	-	-	18.97	-	-	2,184.09	28.03

Rs. in Lacs

(B)(ii) Details of significant transactions with the related parties are given below :

S.N.	Particulars	Name	Current Year				Total	Previous year
			Enterprises under common control	Subsidiaries	Key Management personnel	Relatives of Key Management personnel		
1	Remuneration	Shri Sushil Ansal			604.80		604.80	488.36
		Shri Anil Kumar			65.46		65.46	42.35
		Shri Pranav Ansal			49.70		49.70	-
2	Rent Paid to	Mr. Pranav Ansal			13.80		13.80	10.87
		Mrs. Alpana Kirloskar				11.13	11.13	9.29
		Delhi Towers Ltd.		10.98			10.98	10.82
3	Rent Received from	Star Estates Management Ltd		6.64			6.64	19.42
		Star Estates Management Ltd		20.44			20.44	32.71
4	Interest Received	Ansal Land Mark Township Pvt Ltd.				425.78	263.05	
5	Security Deposit Paid	Mrs. Alpana Kirloskar				15.70	15.70	15.70
		Delhi Towers Ltd		61.62			61.62	61.62
6	Investments made during the year	Ansal Land Mark Township Pvt. Ltd.						
		Ansal Sez Projects Pvt. Ltd.		5,535.00			5,535.00	33.34
		Ansal Mittal Township Pvt. Ltd						
		Star Facility Management Ltd		5.00			5.00	
		Knowledge Tree Infrastructure Ltd.		5.00			5.00	
		Ansal Seagull SEZ Developers Ltd.						50.00
7	Advance paid for Land Purchase	Ansal API Power Ltd.		5.00			5.00	
		Ansal Mittal Township Pvt. Ltd.				1,239.43	1,239.43	-
		Ansal Seagull SEZ Developers Ltd.					3,423.03	4,300.50
		Ansal Kamdhenu Engineering SEZ Ltd					351.15	
		Ansal Township Infrastructure Ltd.			123.20		123.20	
		Delhi Towers Ltd		10,857.78			10,857.78	2,019.74
		Ansal Housing & Estates Pvt. Ltd.		544.20			544.20	-
		Ansal Infrastructure Projects Ltd.		808.68			808.68	-
		Chamunda Properties Pvt. Ltd.		303.73			303.73	
		Nirman Overseas (P) Ltd		695.47			695.47	
		Delhi Towers & Estates Pvt. Ltd		1,155.83			1,155.83	-
		Ansal Colonizers & Developers Ltd.		407.37			407.37	-
		Bajrang Realtors Pvt. Ltd.		757.69			757.69	-
		Star Facility Management Ltd		1,952.08			1,952.08	
Ansal SEZ Projects Pvt. Ltd.		81.28			81.28	2,523.50		
Dreams Infracon Pvt Ltd		369.22			369.22			
Sukhdham Colonizers (P) Ltd.		514.63			514.63			
Mangal Murthi Realtors PVT Ltd		1,319.25			1,319.25			

S.N.	Particulars	Name	Current Year					Total	Previous year
			Enterprises under common control	Subsidiaries	Key Management personnel	Relatives of Key Management personnel	Joint ventures/ Associates		
8	Profit shared under land collaboration	Efulgent Realtors Pvt Ltd Delhi Towers & Estates Pvt. Ltd. Prime Maxi Mall Management Pvt. Ltd. Bajrang Realtors Pvt. Ltd. Badrinath Properties Pvt. Ltd. Chandi Properties Pvt. Ltd. Delhi Towers & Estates Pvt. Ltd. Delhi Towers Ltd Ansal HI- TECH Township Ltd Ansal Condominium ltd. Ansal IT City & Parks Ltd. Ansal Land Mark Township Pvt. Ltd. Ansal Landmark Township Pvt Ltd. Glorious Properties p ltd.	1,402.07 1.33 0.72 2.01 3.10 3.05	1,402.07			1,402.07	18.07 8.59	
9	Amount Outstanding for land purchase as on 31.03.2008		2,000.00				2,000.00		
10	Loan given during the year		773.87				773.87	-	
11	Loan repaid during the year		371.85			3,899.25	371.85	-	
12	Advance repaid during the year							1,011.37 194.82	
13	Loan given outstanding as on 31.03.2008	Ansal Buildwell Ltd. Ansal Seagull SEZ Developers Ltd. Star Estates Management Ltd Ansal SEZ Projects Pvt. Ltd. Ansal Landmark Township Pvt Ltd. Ansal IT City & Parks Ltd. Ansal Township & Infrastructure Ltd. Ansal Land Mark Township Pvt. Ltd. Green Max Estates Pvt. Ltd. Ansal Lotus Melange Projecis P Ltd. Delhi Towers Ltd Star Estates Management Ltd Ansal IT City & parks Ltd. Ansal Seagull SEZ Developers Ltd. Ansal API Power Ltd. Knowledge Tree Infrastructure Ltd. Stare Facility & Mangement Ltd. Ansal Mittal Township Pvt. Ltd. Mrs Sheetal Ansal Mr. Deepak Ansal	1,436.31 2,442.22		877.50		5,576.43	1,677.19	
14	Investments made outstanding as on 31.03.2008		523.86	5.00			523.86	-	
15	Debtors Outstanding as on 31.03.2008							5.00 100.00 25.00 0.50 0.50 19.82 83.88 153.00 5,540.00 50.00 5.00 5.00 5.00 25.50 2.24 18.34	5.00 100.00 25.00 0.50 0.50 19.82 83.88 153.00 5,540.00 50.00 5.00 5.00 5.00 25.50 2.24 18.34

S.N.	Particulars	Name	Enterprises under common control	Subsidiaries	Key Management personnel	Relatives of Key Management personnel	Joint ventures/ Associates	Total	Previous year
16	Guarantees & Collaterals given	Ansal Land Mark Township Pvt. Ltd. Ansal Mittal Township Pvt. Ltd. Ansal Seagull SEZ Developers Ltd. Star Estates Management Ltd. Ansal Condominium Ltd. Ansal Township Infrastructure Ltd. Star Estates Management Ltd Ansal Lotus Melange Projects P Ltd. Mr. Sushil Ansal Mrs. Kusum Ansal Chiranjiv Investment Pvt. Ltd. Apna Ghar Properties Pvt. Ltd. Shri Sushil Ansal Mrs. Kusum Ansal Mr. Pranav Ansal Star Estates Management Ltd		6,900.00 5,000.00 80.10	30.00	60.00	2,160.32 1,402.22 2,500.00	2,160.32 1,402.22 2,500.00	2,300.00 -
17	Advance Received							6,900.00 5,000.00 80.10	6,000.00 5,000.00 669.96 1,097.47
18	Dividend paid for the year 2007-08		40.00 40.00					30.00 60.00 40.00 40.00 68.36 37.66 48.72	30.00 30.00 30.00 64.67 28.24 57.13
19	Supervision Charges Received		16.76					16.76	26.72
20	Know How Fee Received	Ansal Land Mark Township Pvt. Ltd.					639.21	639.21	489.80
21	Royalty Received	Ansal Lotus Melange Projects P Ltd.					45.75	45.75	67.37
22	Sale of Flats/Land	Mr. Pranav Ansal Mrs. Sheetal Ansal			469.52			469.52	-
23	Surrender of Right	Mr. Gopal Ansal				2,309.13		2,309.13	1,874.89
24	Creditors Outstanding on 31.03.2008	Prime Maxi Mall Management (P) Ltd. Amba Bhawani Properties Pvt. Ltd.	1,204.11 890.80					1,204.11 890.80	- -

- 25) In February, 2008, the Company has entered into an agreement with ILFS Financial Services Limited and its foreign venture capital fund to convert Ansal SEZ Projects Limited, a wholly owned subsidiary of the Company into a Joint Venture for execution of one of the projects in Gurgaon. The Company has contributed Rs.5.10 lacs towards equity shares and Rs.5432.90 lacs towards Compulsorily Convertible Cumulative Preference Shares (at a premium of Rs.532.63 per share of Rs.10/-each) for 51% share in the joint venture based on independent valuation.
- 26) Previous year figures have been regrouped/rearranged wherever considered necessary, to make them comparable with current year's figures. In this connection refer to Note No.3(b) also.

For and on behalf of the Board

SUSHILANSAL
Chairman

ANIL KUMAR
Dy. Managing Director & CEO

AMITAV GANGULY
Sr.V.P.(Corporate Affairs)
& Company Secretary

MAHESH C MAHESHWARI
Chief Financial Officer

Place : New Delhi
Date : 30th June, 2008

PART IV OF SCHEDULE VI TO THE COMPANIES ACT, 1956

Rs. In Lacs

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

Registration Details Registration No.4759 Balance Sheet date 31.03.2008	State Code 55
Capital raised during the year Public Issue : Nil Right Issue : Nil Bonus Issue : 2837.53	Private Placement : NIL
Position of Mobilisation and Deployment of Funds	
Total Liabilities 191084.20	Total Assets 191084.20
Sources of Funds Paid up capital 5675.06	Reserves and Surplus 101987.69
Secured Loans 68673.20	Unsecured Loans 14748.25
Application of Funds Net Fixed Assets 13566.20	Investments 6018.78
Net Current Assets 171138.46	Misc.Expenditure -
Performance of the Company Turnover 86844.10	Total Expenditure 64177.05
Profit/(Loss) before Tax 22667.05	Profit/(Loss) after Tax 16156.96
Earnings per Share (Rs.) 14.24 Basic 14.21 Diluted	Dividend Rate 25%
Generic Names of three Principal Products/ Services of Company Item Code No. (ITC Code) Product Description	N.A Real Estate Development/ Promotion & Investment

For and on behalf of the Board

SUSHILANSAL
Chairman

ANIL KUMAR
Dy. Managing Director & CEO

Place: New Delhi
Date: 30th June , 2008

AMITAV GANGULY
Sr.V.P.(Corporate Affairs)
& Company Secretary

MAHESH C MAHESHWARI
Chief Financial Officer

TO THE BOARD OF DIRECTORS OF THE ANSAL PROPERTIES & INFRASTRUCTURE LIMITED ON THE CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP

We have audited the attached Consolidated Balance Sheet of Ansal Properties & Infrastructure limited (APIL), its Subsidiaries and Joint Ventures as per list appearing in Note 20 (hereinafter referred to as the Group), as at 31st March 2008, Consolidated Profit & Loss Account and the Consolidated Cash Flow Statement for the year ended on that date.

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 of the Parent Company, its Subsidiaries and Joint Ventures and other financial information regarding these entities. Our responsibility is to express an opinion on the Consolidated Financial Statements based on our audit.

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 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 and the reports of other auditors provide a reasonable basis for our opinion.

Without qualifying our report we draw reference to Note No.4 regarding some of the accounts being remapped and reconciled while implementing ERP.

We report that :

- 1 The Consolidated Financial Statements have been prepared by the management in accordance with the requirements of Accounting Standard 21- on "Consolidated Financial Statements" and Accounting Standard 27- on "Financial Reporting of Interests in Joint Ventures" prescribed under Companies (Accounting Standard) Rules 2006 on the basis of the separate financial statements of the Company, its Subsidiaries and Joint Ventures.
2. We did not audit the financial statements of some of the consolidated entities whose financial statements reflect total assets of Rs.65,205 lacs as at 31st March 2008 and total revenue of Rs.3,655 lacs for the year then ended and net cash flows from operating activities of Rs.(9,786) lacs. These financial statements have been audited by other auditors whose reports have been furnished to us, and our opinion, in so far as it relates to the amounts included in respect of these subsidiaries and Joint Ventures is based solely on the report of the other auditors.
3. We further report that :

Based on our audit and consideration of reports of other auditors on the separate financial statements of some consolidated entities and on the other financial information of the entities, and to the best of our information and according to the explanations given to us and subject to the effects of such adjustments, if any, as might have been required had the outcomes of the matters discussed in the preceding paragraph been known, we are of the opinion that the attached Consolidated Financial Statements give a true and fair view in conformity with the accounting principles generally accepted in India.
 - (i) in the case of Consolidated Balance Sheet, of the state of affairs of the Group as at 31st March 2008.
 - (ii) in the case of Consolidated Profit & Loss Account, of the profit of the Group for the year ended on that date.
 - (iii) In the case of Consolidated Cash Flow Statement, of consolidated cash flows of the Group, for the year ended on that date.

For **Khanna & Annadhanan**
Chartered Accountants

Place : New Delhi
Dated: 30th June 2008

(P.S. Pabreja)
Partner
Membership No.10692

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2008

	SCHEDULE	As at 31st March, 2008 Rs. In lacs		As at 31st March, 2007 Rs. In lacs	
SOURCES OF FUNDS					
Shareholders Funds					
Share Capital	1	5,675.06		2,837.53	
Reserves & Surplus	2	<u>104,069.29</u>	109,744.35	<u>91,240.40</u>	94,077.93
Share Application Money			9,032.26		
Minority Interest			438.86		439.69
Loan Funds					
Secured Loans	3	90,291.60		39,864.64	
Unsecured Loans	4	<u>18,441.23</u>	108,732.83	<u>7,325.69</u>	47,190.33
Total Funds Employed			<u>227,948.30</u>		<u>141,707.95</u>
Application of Fund					
Fixed assets					
Gross Block	5	1,8294.39		7,683.45	
Less: Depreciation		<u>2,805.41</u>		<u>2,500.58</u>	
Net Block			1,5488.98		5,182.87
Investments	6		2,973.34		2,333.45
Deferred Tax Asset (Net)			361.41		144.33
Current Assets, Loans And Advances					
Inventories	7	155,658.14		74,593.16	
Sundry Debtors	8	42,849.47		1,5641.96	
Cash & Bank Balances	9	17,887.58		23,522.17	
Loans & Advances	10	<u>114,875.88</u>	33,1271.07	<u>103,797.48</u>	217,554.77
Less: Current Liabilities & Provisions					
Current Liabilities	11	118,874.74		81,380.09	
Provisions	12	<u>3,375.40</u>	122,250.14	<u>2,128.01</u>	83,508.10
Net Current Assets			209,020.93		134,046.67
Miscellaneous Expenses (to the extent not written off or adjusted)	17		103.64		0.63
Total Assets (Net)			<u>227,948.30</u>		<u>141,707.95</u>
Accounting Policies and Notes	18				

As per report of even date attached

For and on behalf of the Board

for KHANNA & ANNADHANAM

Chartered Accountants

(P.S.PABREJA)

Partner

Membership No.10692

Place: New Delhi

Date: 30th June, 2008

SUSHILANSAL
Chairman

AMITAV GANGULY
Sr.V.P.(Corporate Affairs)
& Company Secretary

ANIL KUMAR
Dy. Managing Director & CEO

MAHESH C MAHESHWARI
Chief Financial Officer

CONSOLIDATED PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2008

	SCHEDULE		2007-08 Rs. In lacs	2006-07 Rs. In lacs
INCOME				
Sales, Maintenance charges recovered & Other Income	13	101,136.11		88,155.68
Increase/(Decrease) in Stocks	14	1,741.74	102,877.85	(659.08)
EXPENDITURE				
Cost of Construction	15	63,044.85		53,792.39
Selling , Maintenance and Administrative Expenses	16	14,388.05		12,402.34
Depreciation	5	842.13	78,275.03	375.37
Profit before Tax , Prior Period adjustments and exceptional Items			24,602.82	20,926.50
Less: Prior Period Adjustments (Net)			45.73	64.30
			24,557.09	20,862.20
Less: Provision for Tax				
Current Tax			7,345.96	6,803.84
Deferred Tax			(218.83)	136.65
Fringe Benefit Tax			76.21	56.40
			17,353.75	13,865.31
(Add)/Less Income Tax Pertaining to earlier years			1.42	38.10
Profit for the Year before exceptional Items			17,352.33	13,827.21
Exceptional Items (Gross)				616.43
Profit for the year			17,352.33	13,210.78
Provision for amounts relating to earlier years			-	698.70
Less: Amounts adjusted from General Reserve			-	698.70
			17,352.33	13,210.78
Add: Adjustments on consolidation			-	(0.82)
Add: Balance of Profit from Previous Year			6,524.88	1,963.94
Balance available for appropriation			23,877.21	15,173.90
Add: Minority Interest			0.83	0.25
Appropriations				
Final/ Interim Dividend		1,418.76		993.13
Dividend Tax		241.12		156.14
Transfer to Debenture Redemption Reserve		2,500.00		
Transferred to General Reserve		9,622.18	13,782.06	7,500.00
Balance Carried to Balance Sheet			10,095.98	6,524.88
Earning per share (Rs.)				
-Basic			15.29	11.64
-Diluted			15.26	11.62
Accounting Policies & Notes 18				

As per report of even date attached

for KHANNA & ANNADHANAM
Chartered Accountants

(P.S.PABREJA)
Partner
Membership No.10692

Place: New Delhi
Date: 30th June , 2008

SUSHILANSAL
Chairman

AMITAV GANGULY
Sr.V.P.(Corporate Affairs)
& Company Secretary

For and on behalf of the Board

ANIL KUMAR
Dy. Managing Director & CEO

MAHESH C MAHESHWARI
Chief Financial Officer

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2008

	2007-08 (Rs. in Lacs)	2006-07 (Rs. in Lacs)
A. Cash flow from Operating Activities :		
Net profit before tax, prior period adjustments & exceptional Items	24,602.82	20,926.51
Adjusted for		
Adjustments pertaining to earlier years	(45.73)	(64.30)
Depreciation	851.97	381.95
Deferred Expenses	(102.99)	0.26
Employee stock option expenses	70.73	45.97
Provision for Doubtful Debts	196.08	-
Interest Expenses	2,030.69	2,048.28
Interest Income	(2,104.39)	(2,333.09)
Amounts Written back	(109.12)	(441.57)
Amounts written off	20.44	370.12
Profit on Sale of Investments	(83.46)	-
Dividend Income	(104.72)	(159.26)
Loss on Sale of Fixed Assets	-	710.08
Profit on sale of Fixed Assets	(3.28)	(2.00)
	<u>616.22</u>	<u>556.44</u>
Operating Profits before Working Capital Changes	<u>25,219.04</u>	<u>21,482.95</u>
Adjusted for		
Increase in Trade Payables & Others	3,6941.03	2,075.63
Increase in Inventories	(8,1064.99)	(19,939.12)
Increase in Trade and Other receivables	(2,7403.59)	(8,173.67)
Increase in Loans and Advances	(12,396.26)	(6,4231.55)
Cash generated from Operating activities	<u>(58,704.77)</u>	<u>(68,785.76)</u>
Taxes Paid	<u>(6,126.17)</u>	<u>(7,432.62)</u>
CASH FLOW BEFORE EXCEPTIONAL ITEMS	<u>(64,830.94)</u>	<u>(76,218.38)</u>
Exceptional Items (Gross)	-	(616.43)
Cash flow from operations	<u>(64,830.94)</u>	<u>(76,834.81)</u>
B. Cash flow from Investing Activities		
Dividend received	104.72	159.26
Interest received	2,104.39	2,333.09
Adjustments on consolidation	(0.18)	42.44
Sales of Fixed Assets	392.23	177.67
Purchase of Fixed Assets	(11,571.94)	(784.77)
Sales of Investments	2,404.19	2.60
Purchase of Investments	(2,960.63)	(1,762.90)
NET CASH FROM INVESTING ACTIVITIES	<u>(9,527.21)</u>	<u>167.39</u>
C. Cash Flow from Financing Activities		
Interest & Finance Charges	(1,187.23)	(1608.56)
Proceeds from Share capital (Net)	9,032.26	6,6438.42
Proceeds from Long Term Borrowings	83,297.28	58,650.07
Repayment of Long Term Borrowings	(21,754.80)	(26,276.45)
Dividend paid including Dividend Tax	(663.95)	(874.75)
NET CASH USED IN FINANCING ACTIVITIES	<u>68,723.56</u>	<u>96,328.73</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	<u>(5,634.59)</u>	<u>19,661.31</u>
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	<u>23,522.17</u>	<u>3,860.86</u>
CASH AND CASH EQUIVALENTS AT THE CLOSING OF PERIOD	<u>17,887.58</u>	<u>23,522.17</u>

Note:

1. Previous year figures have been regrouped/rearranged, wherever considered necessary, to make them comparable with current year's figures.

2 Interest received from Banks on deposits and from Customers for delayed payments is classified as Cash flow from Investing Activities.

3 The Cash flow Statement has been prepared under indirect method as per Accounting standard (AS-3) 'Cash flow Statement'.

As per report of even date attached

For and on behalf of the Board

for KHANNA & ANNADHANAM
Chartered Accountants

SUSHILANSAL
Chairman

ANIL KUMAR
Dy. Managing Director & CEO

(P.S.PABREJA)
Partner
Membership No.10692

AMITAV GANGULY
Sr.V.P.(Corporate Affairs)
& Company Secretary

MAHESH C MAHESHWARI
Chief Financial Officer

Place : New Delhi
Date : 30th June, 2008

**SCHEDULE - 1
SHARE CAPITAL**

	As at 31st March, 2008 Rs. In lacs	As at 31st March, 2007 Rs. In lacs
AUTHORISED		
24,00,00,000 (Previous Year 16,00,00,000) Equity Shares of Rs.5/- each (See Note 1)	12,000.00	8,000.00
30,00,000 Preference Shares of Rs.100/- each	3,000.00	3,000.00
	<u>15,000.00</u>	<u>11,000.00</u>
ISSUED, SUBSCRIBED AND PAID UP		
113,501,100 (Previous Year 5,67,50,550) Equity Shares of Rs.5/- each fully paid up (See note -2)	5,675.06	2,837.53
	<u>5,675.06</u>	<u>2,837.53</u>

Notes

- (1) Authorised Equity Share Capital of the Company has increased from 16,00,00,000 Shares of Rs.5/- each to 24,00,00,000 Equity Shares of Rs.5/- each during the year.
- (2) 1,50,07,125 Equity Shares of Rs.10/- each issued upto 31.3.07 and 5,67,50,550 Equity Shares of Rs.5/- each issued during the year as Bonus Shares by capitalisation of Securities Premium/General Reserve.

SCHEDULE - 2

	As at 31st March, 2008 Rs. In lacs	As at 31st March, 2007 Rs. In lacs
RESERVES & SURPLUS		
Capital Reserve 1	160.50	160.50
As Per last Balance Sheet	34.62	18.27
Less: Adjustments on Consolidation	1.93	16.35
	<u>193.19</u>	<u>195.12</u>
Securities Premium Account		
As Per last Balance Sheet	66,875.14	842.14
Add: Received during the year		67,837.50
Less: Expenses incurred on issue of shares under QIP scheme	-	1804.50
Less: Utilised for Issue of Bonus Shares	<u>2,837.53</u>	<u>-</u>
	64,037.61	66,875.14
Debenture Redemption Reserves	2,500.00	-
Transferred from Profit & Loss Account		
Amalgamation Reserve		
As per last Balance Sheet	530.14	530.14
Less: Transferred to General Reserve	<u>530.14</u>	<u>-</u>
	-	530.14
Revaluation Reserve		
As Per last Balance Sheet	498.56	524.80
Less: Transferred to Profit & Loss Account	<u>24.93</u>	<u>26.24</u>
	473.63	498.56
General Reserve		
As Per last Balance Sheet	16,616.56	9,255.23
Add: Transfer from Amalgamation reserve	530.14	
Add : Transfer from Profit & Loss Account	9,622.18	7,500.00
Add : Adjustment on merger of ATPL with the Company	-	560.03
Less: Transfer to Profit & Loss Account against provision for amounts relating to earlier year	<u>-</u>	<u>698.70</u>
	26,768.88	16,616.56
Profit and Loss Account - Balance	<u>10,095.98</u>	<u>6,524.88</u>
	<u>104,069.29</u>	<u>91,240.40</u>

1 Represents forfeiture of Warrants

SCHEDULE - 3 SECURED LOANS	As at 31st March, 2008 Rs. In lacs	As at 31st March, 2007 Rs. In lacs
0% Redeemable Optionally Convertible Debentures -Nominal Value	819.66	819.66
From Banks :		
Cash Credits	14,102.63	2335.13
Term Loans	22,665.31	13,432.48
Vehicle Loans	<u>157.84</u>	<u>266.75</u>
	36,925.78	1,6034.36
From Corporate Bodies - Term Loan*	52,541.58	23,010.62
Add: Interest accrued & due	<u>4.58</u>	<u>-</u>
	52,546.16	23,010.62
	<u>90,291.60</u>	<u>3,9864.64</u>
Due within one year (In lacs)	26,204.98	1,5361.40

Note:

1. Nominal value of debentures is secured by mortgage of flats owned by the Company (Refer Note 6)
2. Loans from Banks are secured by mortgage/hypothecation of immovable/movable assets on parri-passu basis, assignment of receivables including rent etc and Land & Buildings belonging to corporate guarantee given by subsidiaries / associate Companies. The loans are additionally secured by the personal guarantee of the two Directors who are shown Promoter Directors as per SEBI disclosure.
3. Term Loans from Corporate Bodies are secured by mortgage/hypothecation of immovable/movable assets of the Company and Land & Building belonging to associate Companies and charge on future rents. The loans are additionally secured by personal guarantee of the two Directors and pledge of shares of the company owned by promoters/ persons acting in concert with promoters.
4. Vehicle loans are secured by hypothecation of vehicles.

SCHEDULE - 4 UNSECURED LOANS	As at 31st March, 2008 Rs. In lacs	As at 31st March, 2007 Rs. In lacs
0% Redeemable Optionally Convertible Debentures (Refer Note 6)	4,180.34	4180.34
11.5% Redeemable Non-Convertible Debentures (Refer Note 5)	10,000.00	
From Corporate Bodies	3,159.51	1,895.97
Add: Interest accrued and due	<u>35.41</u>	<u>30.41</u>
	3,194.92	1,926.38
From Shareholders (of joint ventures company)	498.06	498.06
FIXED DEPOSITS		
From Shareholders	4.36	6.03
From Public	<u>563.55</u>	<u>714.88</u>
	567.91	720.91
	<u>18,441.23</u>	<u>7,325.69</u>
* Due within one year (in lacs)	14,631.73	4,768.96

Sl. No. Particulars		(Rs. in Lacs)										
		GROSS BLOCK			DEPRECIATION			NET BLOCK				
		As at 01.04.2007	Additions during the year	Sale/Adjustment/Transfer	Total Cost as at 31.03.2008	Upto 31.03.2007	For the Year	Adjustment/Transfer	Sale/Adjustment/Transfer	Total upto 31.03.2008	As at 31.03.2007	As at 31.03.2007
1	Land Freehold	1,479.75	-	-	1,479.75	-	-	-	-	-	1,479.75	1,479.75
2	Land (Lease Hold) 1	-	96.00	-	96.00	-	2.46	-	-	2.46	93.54	-
3	Office & Residential Premises 2	3,642.06	3,288.63	482.64	6,448.05	1,178.20	250.69	228.79	1,200.10	1,200.10	5,247.95	2,463.86
4	Plant & Machinery 3	1,037.50	7,866.74	196.20	8,708.04	644.39	382.04	149.16	877.27	877.27	7,830.77	393.11
5	Furniture & Fixtures & Office Equipments	407.64	222.73	58.12	572.25	189.63	83.90	31.99	241.54	241.54	330.70	218.01
6	Air Conditioning Plant & Air Conditioners	112.56	22.29	3.99	130.86	67.84	8.28	3.75	72.37	72.37	58.49	44.72
7	Vehicle	1,003.95	75.55	220.06	859.44	420.53	149.52	158.38	411.67	411.67	447.79	583.42
TOTAL		7,683.46	11,571.94	961.01	18,294.39	2,500.59	876.89	572.07	2,805.41	2,805.41	15,488.98	5,182.87
PREVIOUS YEAR		8,338.41	784.77	1,439.73	7,683.45	2,646.37	408.19	553.98	2,500.58	2,500.58	5,182.87	5,182.87

1. Cost of Leasehold land is being writtenoff in 20 years i.e. during the life of the lease. The depreciation shown against this asset represents amortisation amount.
2. Include Rs. 2607.15 Lacs held in Inventories upto 31st March, 2007 and Capitalised during the year.
3. Includes Rs. 7269.24 Lacs Cost of Wind Mill installed during the year

	Current Year (Rs. in Lacs)	Previous Year (Rs. in lacs)
1. Depreciation for the year	876.89	408.19
Less: Transferred from Revaluation Reserve	24.93	26.24
Less : Charged to work in progress account	9.83	6.58
Charged to Profit & Loss Account	842.13	<u>375.37</u>

**SCHEDULE - 6
INVESTMENTS**

Rs. in Lacs

PARTICULARS	Number of Shares	Face value of Rs.10/- each unless otherwise stated	As at 01.04.2007	Additions during the year	Deletions during the year	Balance as at 31.03.2008
INVESTMENTS [AT COST] - LONG TERM						
SHARES IN COMPANIES						
(a) UNQUOTED						
TRADE						
(i) Nirman Overseas Pvt Ltd.	1,000	100.00	1.00	-	-	1.00
(ii) Swede (India) Teletronics Ltd.	20,000	-	2.00	-	-	2.00
(iii) Pentagon Screw & Fastners Ltd.	5,000	-	0.50	-	-	0.50
(v) Televista Electronics Ltd.	775	100.00	3.12	-	-	3.12
(vi) Ansal Housing & Estates Pvt Ltd.	100	1,000.00	1.00	-	-	1.00
(vii) Singa Real Estates Ltd.	9,500	-	9.60	-	-	9.60
(viii) Winsum Overseas Pvt Ltd.	-	-	0.25	-	-	0.25
(ix) Time Square Mega City Projects Pvt Ltd.	187,500	-	-	18.75	-	18.75
(B) QUOTED :						
OTHER THAN - TRADE						
(a) Ballarpur Industries Ltd.	100	-	0.13	-	0.05	0.08
(b) ITC Ltd.	-	-	552.74	-	552.74	-
(c) Videocon Industries Ltd.	475,287	-	-	1,786.82	-	1,786.82
(d) Uttam Galva Ltd.	331,168	-	-	204.78	-	204.78
(e) U-flex Ltd.	581,043	-	-	945.24	-	945.24
MUTUAL FUNDS -						
(a) PNB Principal Mutual Fund	-	-	594.50	-	594.50	-
(b) Principal Large Cap Fund (Dividend payout)	-	-	0.26	-	0.26	-
(c) Kotak Opportunities Fund	-	-	2.68	0.41	3.09	-
(d) Prudential ICICI Floating rate Fund	-	-	26.15	0.94	27.09	-
(e) Reliance Equity Opportunities Fund	-	-	28.35	-	28.35	-
(f) Reliance Floating Rate Fund	-	-	26.22	0.95	27.17	-
(g) Sundram Floating Rate Fund	-	-	26.05	0.76	26.80	-
(h) Sundram India Leadership Fund	-	-	5.81	0.39	6.20	-
(i) Templeton Floating Rate Fund	-	-	44.51	1.58	46.09	-
(j) Reliance Floating Rate Fund	-	-	1,008.38	-	1,008.38	-
(C) IN PARTNERSHIP FIRM - TRADE						
Ansal Industrial Financial Corporation	-	-	0.20	-	-	0.20
			2,333.45	2,960.62	2,320.73	2,973.34
				Current Year	Previous Year	
				Rs. In lacs	Rs. In lacs	
Cost of quoted shares				2,936.93	2,315.78	
Market value of quoted shares				2,936.93	2,275.05	
Cost of Unquoted Shares				36.42	17.67	

SCHEDULE 7 INVENTORIES	As at 31st March, 2008 Rs. In lacs	As at 31st March, 2007 Rs. In lacs
(As Taken, Valued and Certified by the Management)		
Building materials, Stores & Spare Parts	681.20	388.58
Flats/Shops/Houses/Farms/Traded Goods etc.	2,835.96	3,665.86
Projects in Progress (Schedule 15)	133,656.14	69,785.51
Land for Projects	18,484.84	753.21
	<u>155,658.14</u>	<u>74,593.16</u>

Note:- For Valuation of Inventories, refer Accounting Policy No-6 in significant accounting policies

SCHEDULE - 8 SUNDRY DEBTORS (UNSECURED)	As at 31st March, 2008 Rs. In lacs	As at 31st March, 2007 Rs. In lacs
OUTSTANDING FOR A PERIOD EXCEEDING SIX MONTHS		
Considered Good	4,101.55	3,159.18
Considered Doubtful	196.08	698.70
Less: Provision for Doubtful Debts (Refer Note 10)	<u>(196.08)</u>	<u>(698.70)</u>
	4,101.55	3,159.18
OTHER DEBTS		
Considered Good	38,747.92	12,482.78
	<u>42,849.47</u>	<u>15,641.96</u>

SCHEDULE - 9 CASH AND BANK BALANCES	As at 31st March, 2008 Rs. In lacs	As at 31st March, 2007 Rs. In lacs
Cash in Hand	1112.26	1,498.75
BANK BALANCES		
With Scheduled Banks:		
- In Current Accounts	10,540.79	3,287.76
- In Fixed Deposit Account *	5,874.56	18,442.25
- Add: Interest accrued	<u>359.97</u>	<u>293.41</u>
	<u>16,775.32</u>	<u>22,023.42</u>
	<u>17,887.58</u>	<u>23,522.17</u>
* Deposits under Bank lien for issue of Bank Guarantees(in Lacs)	5390.70	2141.53

SCHEDULE - 10.	As at		As at	
LOANS & ADVANCES	31st March, 2008		31st March, 2007	
	Rs. In lacs		Rs. In lacs	
Unsecured considered good unless otherwise stated				
Loans				
Considered Good		4,067.70		2,582.92
Advances				
For Purchase of land				
- Land holding Companies*	44,975.85		48,678.67	
-Collaborators	24,729.78		19,142.35	
-Others	15,872.79	85,578.42	18,991.42	8,6812.44
Security Deposits		6,273.27		4,959.53
Payment to Suppliers/Contractors		7,836.99		6,440.02
Advance Tax paid (Net of provisions)		(1,098.98)		198.44
Advances recoverable in Cash or in kind or for value to be received		12,218.48		2,804.13
Considered Doubtful	-		372.12	
Less: Provision for Doubtful Advances	-	-	(372.12)	-
		114,875.88		10,3797.48

Loans and Advances Include :

* Includes advance for purchase of land to a Private Limited

Company in which a Director of the company is a Director. (Rs. in lacs) Nil 26.45

SCHEDULE - 11	As at		As at	
CURRENT LIABILITIES	31st March, 2008		31st March, 2007	
	Rs. In lacs		Rs. In lacs	
Sundry Creditors 1		4,1492.01		16,458.27
Book Overdraft		800.21		117.82
Advances from Customers against Flats/Shops/Houses/Plots etc. 2		65,695.65		56,068.10
Common Assets replacement funds				
As per last balance sheet	2,127.80		1870.59	
Add: transferred during the year	426.52		408.48	
(Less) Assets replaced during the year	(487.24)	2,067.08	(151.28)	2,127.79
Fire Protection and other funds		102.41		127.44
Security Deposits from Contractors/Customers/Suppliers etc		4,157.80		3,641.14
Other Liabilities		3,120.57		2,243.98
Interest accrued but not due on				
Loans	1,326.50		538.35	
Deposits	112.51	1,439.01	57.20	595.55
		118,874.74		81380.09

1 Includes due to Small Scale Industrial Undertakings (in lacs) 1.22 49.23

2 Represents advances of long term nature adjustable against sale consideration of plot/flats/houses etc.

SCHEDULE - 12 PROVISIONS	As at 31st March, 2008 Rs. In lacs	As at 31st March, 2007 Rs. In lacs
Proposed Dividend Including Dividend Tax	1,659.88	663.95
Stamp Duty	902.75	902.75
Gratuity	612.92	426.81
Leave Encashment	180.00	114.65
Superannuation	19.85	19.85
	3,375.40	2,128.01

SCHEDULE -13 SALES, MAINTENANCE CHARGES RECOVERED & OTHER INCOME	As at 31st March, 2008 Rs. In lacs	As at 31st March, 2007 Rs. In lacs
SALES		
- Real Estate	92,987.86	79,782.69
- Wind Power	311.13	-
- Traded Goods	-	17.66
	93,298.99	79,800.35
Know-How Fees	523.25	440.68
Maintenance charges recovered	2,940.84	3,093.58
Interest Received (Gross)		
- Deposits with Banks	541.42	676.73
-Delayed payments from Customers	702.29	1,020.44
-Loans	497.63	541.90
-On Income Tax Refund	51.53	91.25
-Others	311.52	2.77
	2,104.39	2,333.09
Rent Received (Gross)	887.38	934.00
Administration Charges	745.17	780.16
Forfeitures	28.55	6.88
Other Receipts	198.39	133.71
Amounts Written Back	109.12	441.57
Profit on Sale of Fixed Assets	3.28	0.60
Profit on Sale of shares	83.46	31.80
Dividend from Investments	104.72	159.26
Profit on Slump Sale	108.56	-
	10,1136.11	88,155.68

SCHEDULE - 14		As at		As at
INCREASE(+)/DECREASE(-) IN STOCKS		31st March, 2008		31st March, 2007
		Rs. In lacs		Rs. In lacs
Stock As on 01.04.2007	3,554.28		3,109.88	
(Flats/Shops/Houses/Plots/Farm /Traded Goods etc.)				
Less: Capitalised during the year	2,607.15		-	
Add: Adjustments on merger of ATPL	-		<u>1215.07</u>	
		947.13		4,324.95
Less : Stock As on 31.03.2008				
Flats/Shops/Houses/Plots/Farm /Traded Goods etc.		2,688.87		3,665.87
		<u>1,741.74</u>		<u>(659.08)</u>

SCHEDULE - 15		As at		As at
PROJECT IN PROGRESS		31st March, 2008		31st March, 2007
		Rs. In lacs		Rs. In lacs
Balance as per last year	69,785.51		42,438.44	
Addition on Merger of ATPL	116.13		10,997.88	
Cost of Land 1	35,328.74		14,590.01	
Materials Consumed	15,622.87		5,875.10	
Salaries, Wages & Other Amenities to Employees	1,984.79		820.54	
Surrender of Rights	1,042.08		761.79	
Commission & Brokerage	2,745.78		1,749.29	
Expenses through Collaborators	1,078.90		2,309.04	
Expenses through Contractors	36,807.58		18,355.78	
External /Infrastructure Development Charges	8,469.42		9,826.73	
Architect Fees	1,668.36		1,140.34	
Miscellaneous Expenses	7,228.58		3,203.23	
License/Scrutiny /Conversion Charges	6,015.10		10,287.60	
Compounding Fee	0.87		1.21	
Commercialisation Charges	8.50		41.11	
Interest on Loans/Deferred Credits	8,967.54		3121.23	
Depreciation	9.83	196,880.58	<u>1.85</u>	125,521.17
Less				
Miscellaneous Income/Adjustments	39.59		73.36	
External development charges relating to completed Projects recovered from Customers and Included in advances adjusted			1,637.21	
Expenditure transferred to other entities	140.00		232.70	
Cost of Construction Charged to Profit & Loss Account	<u>63,044.85</u>	63,224.44	<u>53,792.39</u>	55,735.66
Balance Carried to Balance Sheet		<u>13,3656.14</u>		<u>69,785.51</u>

1. Includes Rs.6407.54 Lacs relating to previous year included under advances

SCHEDULE - 16	As at		As at	
SELLING , MAINTENANCE & ADMINISTRATIVE EXPENSES	31st March, 2008		31st March, 2007	
	Rs. In lacs		Rs. In lacs	
Salaries, Wages, Allowances & Commission		3,044.22		1,979.72
Contribution to Gratuity, Provident and Other Funds		410.52		333.32
Other Benefits to Employees		307.51		315.75
Employee Stock Option Compensation Expenses		70.73		45.97
Rent		289.80		195.11
Lease Rental, Hire & Other Charges		93.24		24.23
Rates & Taxes		111.35		9.53
Advertisement & Publicity		810.11		830.37
Discounts & Rebates		133.77		342.05
Interest on				
- Public Deposit	59.62		89.20	
- Debentures	643.58		168.49	
- Term Loans	5,287.73		1,915.81	
- Others	1,156.85		1,088.03	
	7,147.78		3,261.53	
Less: Interest on borrowed funds transferred to cost of Construction	5,117.09	2,029.69	1,213.25	2,048.28
Repairs and Maintenance				
- Machinery	241.20		160.68	
- Building	537.57		448.22	
- Others	683.40		967.22	1576.12
		1,462.17		
Directors' Meeting Fees		16.23		13.34
Travelling & Conveyance		956.05		428.23
Stationery & Printing		162.85		205.05
Postage, Telegrams, Telephone & Telex		182.99		130.46
Legal & Professional Charges	1,631.41		3411.43	
Less: Relating to Share Issue Expenses adjusted against Securities Premium Account	-	1631.41	(1804.50)	1,606.93
Insurance		134.70		123.57
Bank Commission and Other Charges		278.24		189.81
Electricity and Water Expenses		843.14		677.93
Amounts Written Off	719.13		820.12	
Less: Provision made in earlier years	(698.70)	20.43	450.00	370.12
Provision for Doubtful Debts, Advances & Others		196.08		5.50
Security expenses		371.87		293.58
House Tax		27.49		31.12
Ground Rent		1,66.84		99.81
Miscellaneous Expenses written off		11.51		-
Miscellaneous Expenses		457.08		370.68
Expenses on Completed Projects		167.03		62.54
Loss on sale of fixed assets				93.21
		14,388.05		12,402.34
SCHEDULE 17	As at		As at	
MISCELLANEOUS EXPENDITURE	31st March, 2008		31st March, 2007	
(to the extent not written off /adjusted)	Rs. In lacs		Rs. In lacs	
Preliminary Expenses		0.63		0.63
Add: Expenses during the year		114.52		0.72
		115.15		1.35
Less: Written off during the year		11.51		0.72
Balance carried to Balance Sheet		103.64		0.63

SCHEDULE 18

ACCOUNTING POLICIES AND NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

A. SIGNIFICANT ACCOUNTING POLICIES

1. NATURE OF OPERATION

Ansal Properties and Infrastructure Ltd. ("APIL" or the "Company"), a public limited company, together with its subsidiaries, joint ventures (collectively referred to as the "Group") is engaged primarily in the business of real estate promotion and development in residential and commercial segments. The Group is also engaged in the business of generation and transmission of power and provision of maintenance services.

2. PRINCIPLES OF CONSOLIDATION

The Consolidated Financial Statements include the financial statements of APIL, its subsidiaries and joint ventures. The Consolidated Financial Statements of the Group have been prepared in accordance with Accounting Standard AS-21 on "Consolidated Financial Statements" and AS-27 on 'Financial Reporting of Interests in Joint Ventures', issued by the Central Government under the Companies (Accounting Standards) Rules 2006.

Consolidated financial statements normally include consolidated balance sheet, consolidated statement of profit and loss, consolidated statement of cash flows and notes to the Consolidated Financial Statements and explanatory statements that form an integral part thereof. The Consolidated Financial Statements are presented, to the extent possible, in the same format as that adopted by the parent for its separate financial statements.

The Consolidated Financial Statements have been combined on a line-by-line basis by adding the book values of like items of assets, liabilities, income and expenses after eliminating intra-group balances/transactions and resulting unrealised profits in full. Financial interest in joint ventures has been accounted for under the proportionate consolidation method. For the purpose of consolidation the consortium entity where Company's interest is 63% and is controlled by the Company has been consolidated as a subsidiary.

3. BASIS OF ACCOUNTING

The Consolidated Financial Statements are prepared under historical cost- convention on an accrual basis, in accordance with the generally accepted accounting principles in India and comply with the Accounting Standards prescribed in the Companies (Accounting Standards) Rules, 2006 issued by Central Government.

4. USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses for the year presented. Actual results could differ from these estimates

5. FIXED ASSETS

Fixed Assets are stated at cost less accumulated depreciation. Flats held by the Company which have been revalued are stated at revalued amounts.

6. INVENTORIES

Inventories are valued as under:-

i) Building Materials, Stores, Spare Parts	at cost on FIFO basis
ii) Shuttering & Scaffolding Materials	at depreciated cost
iii) Apartments / Houses / Shops/ Flats (unsold)/Traded Goods	at lower of cost or market value
iv) Projects in Progress	at cost

7. DEPRECIATION

Depreciation is provided on pro-rata basis at rates prescribed in Schedule-XIV of the Companies Act, 1956 on written down value method except wind energy equipment (Wind mills) which is depreciated on straight line method. Assets costing up-to Rs.5,000/- are fully depreciated in the year of purchase.

8. INVESTMENTS

Current investments are stated at lower of cost and market value. Long term investments are stated at cost. Decline in value of long term investments is recognized, if considered other than temporary.

9. REVENUE RECOGNITION

- a) The Group follows "Percentage of Completion Method" of accounting for contracts and constructed residential, institutional and commercial properties. As per this method, the revenue is recognized in proportion to the actual costs incurred as against the total estimated cost of the projects under execution subject to actual cost being 30% or more of the total estimated cost.
- b) The revenue on sale of residential, institutional and commercial plots is recognized on a proportionate basis when 30 %, (previous year 50%) of the progress has been achieved as measured in terms of actual cost incurred to total estimated cost.
- c) Income from know how fee is recognized in terms of the agreement with the recipient of know how.
- d) The estimates relating to saleable area, sale value, estimated costs etc., are revised and updated periodically by the management and necessary adjustments are made in the current year's accounts.
- e) Indirect costs (as detailed in Schedule 16) are treated as "Period Costs" and are charged to the Profit & Loss Account in the year in which they are incurred.
- f) Surrender of flats by buyers are valued at cost and accounted for as 'Cost of Construction'. When sold, proceeds are treated as 'Sales'.
- g) For recognizing income and working out related cost of construction, major self contained residential township projects are divided into various schemes such as plotted area, constructed houses and commercial area, Malls etc.
- h) Whereas all income and expenses are accounted for on accrual basis, interest on delayed payments by customers against dues and holding charges is taken into account on acceptance or realization owing to practical difficulties and uncertainties involved.
- i) The maintenance and other expenses which are obligatory and are incurred subsequently, after completion of project(s), are booked as expenses under the head "Real Estate Completed Projects".
- j) Income from Windmill is accounted on the basis of power supplied to the Customers.
- k) Income from maintenance facilities is recognized on accrual basis.

10. RETIREMENT AND OTHER BENEFITS

- a) Contribution to the Provident Fund is charged to the revenue each year.
- b) Provisions for Gratuity and leave encashment are made on the basis of actuarial valuation at the year end in accordance with accounting standard 15 (Revised 2005) on 'Employee Benefits'.

11. FOREIGN CURRENCY TRANSLATION / CONVERSION

Transactions in foreign currency are recorded at the exchange rate prevailing on the date of transactions. Gains / Losses arising out of fluctuations in the exchange rates are recognized in the Profit & Loss Account in the period in which they arise.

Gains / Losses on foreign exchange rate fluctuations relating to monetary items at the year end are accounted for in the Profit & Loss Account.

12. BORROWING COSTS

Borrowing costs that are attributable to the projects are charged to the respective Project. Other borrowing costs are expensed as period costs.

13. TAXES ON INCOME

Income tax expense is accounted for in accordance with AS-22, Accounting for Taxes on Income, as stated below:

- a) Provision for current tax is made based on taxable income for the year computed in accordance with provisions of the Income Tax Act, 1961.
- b) Deferred tax is recognized, subject to the consideration of prudence, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent years.
- c) Deferred tax assets are recognized and carried forward to the extent that there is a reasonable certainty of realization. In the case unabsorbed depreciation and carry forward losses deferred tax assets are recognized, to the extent there is virtual certainty, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

14. IMPAIRMENT

At each Balance Sheet date, the management reviews the carrying amounts of Fixed Assets to determine whether there is any indication that these assets suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss and necessary provisions are made against such impairment. Reversal of impairment loss is recognized as income in the Profit & Loss Account.

15. LEASE RENTALS

Rentals in respect of leased equipment are charged to the Profit and Loss Account.

16. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions for expenses are recognized for liabilities that can be measured only by using a substantial degree of estimation, if

- a) the Company has a present obligation as a result of past event.
- b) A probable outflow of resources is expected to settle the obligation, and
- c) The amount of the obligation can be reliably estimated.

Contingent liability is disclosed in the case of

- a) 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.
- b) A possible obligation, unless the probability of outflow of resources is remote.
- c) Contingent assets are neither recognized nor disclosed.

B. CONSOLIDATED NOTES TO ACCOUNTS

1. CONTINGENT LIABILITIES

(Rs in Lacs)

Particulars	As at 31.03.2008	As at 31.03.2007
(i) Claims by customers/ex-employees for interest, damages etc. (to the extent quantified) (See foot note i)	1833	1924
(ii) Claims by local authorities etc.		
a) Ground Rent	291	291
b) House Tax	504	420
c) Other Claims	118	85
(iii) Income/Wealth Tax Demands disputed by the Company. (See foot note ii & iii)		
On completion of regular assessment.	330	667
On Completion of block assessment.	1884	1884
iv) Guarantees given by the Group Company to Banks / Institutions on behalf of other Companies outside the Group		
- Corporate guarantee for loans taken from Banks	1150	1150
- Others	1110	-

NOTE

- (i). In respect of claims at (i) above, the management is of the opinion that in majority of the cases claims will be successfully resisted or settled out of court on payment of nominal compensation.
 - (ii) As regards Income / wealth tax demands of Rs.330 lacs disputed by the Company, similar demands have been set aside by the Appellate Authorities in most of the cases in the past.
 - (iii) In respect of block assessment for the year 1.4.1989 to 12.2.2000, cross appeals filed by the Company and the tax department, Income Tax Appellate Tribunal (ITAT) has given full relief to the Company and rejected department's grounds of appeal and tax claim of Rs.4,409 lacs. The tax department has gone for further reference to the High Court. The Company, based on an arbitration award, had accounted for income of Rs. 4,200 lacs in the year 2002-03 and paid/provided income tax accordingly. The contingent liability not provided in the accounts in respect of block assessments is estimated at Rs1884 lacs. The Company has been legally advised that it has a good case to succeed in the High Court.
2.
 - a) To bring in uniformity in revenue recognition on constructed properties and developed plots and as per general practice followed by the real estate development companies in India, with effect from 1st April, 2007, the revenue on sale of plots has also been recognized on proportionate basis when 30% of the progress has been generally achieved as against 50% of the progress achieved in the previous year.
 - b) In the case of sale of developed plots as Floor Space Index, Group Housing Schemes, use for Commercial, Schools, Hospitals etc. (FSI's), where the internal development is the responsibility of the buyer and the Company has no further obligation to perform, the revenue is recognized to the extent of 50% of the sale consideration when at least 20% of the sale consideration has been received and 100 % of the sale consideration when at least 50% of the sale consideration has been received and sale agreement executed between the Company and the buyer.
 - c) Due to the above changes in the basis of accounting, the sales and profit after tax are higher by Rs.7771 Lacs and Rs.2457 Lacs respectively.
 3.
 - a) Advances include Rs.85578 lacs (previous year Rs.86812 lacs) representing payments to subsidiaries, land holding companies and others towards cost of land acquired / to be acquired under collaboration / other arrangements. The land acquired is registered in the name of these companies but under possession, control of the Company and is being developed and sold by the Company. Advances against purchase of land are adjusted against sale proceeds of land/ flats / houses etc., developed by the Company in terms of the collaboration agreements entered with these companies.
 - (b) In the previous years advances given to subsidiary companies and land holding companies for acquiring land were initially classified as 'Advances' under Loans & Advances and transferred to 'Cost of land' in Projects in Progress Account (Schedule 15) to the extent of percentage of completion achieved by the project beyond 30% benchmark. During the year once a project has achieved 30% or more completion and reaches revenue recognition stage in terms of accounting policy No.6, the full cost of licensed land has been transferred to 'Cost of land' from 'Advances'. The change in accounting treatment has no impact on the profit & loss account of the year.
 - (c) Advances include:
 - i) Rs.3154 lacs (previous year Rs.2400 lacs) for purchase of land for which agreements are under execution.
 - ii) Rs.1067 lacs (previous year Rs.643 lacs) for purchase of land and other advances which are more than three year old but considered good by the Management.
 4.
 - a) The Company is implementing ERP (Oracle). While most of the areas have been stabilized, there are some accounts which need to be remapped and reconciled. No material adjustments are likely to arise on completion of mapping and reconciliation of accounts.
 - b) Due to ERP implementation of the inventory module, the inventory of building materials valued at Rs.463.76 lacs could not be physically verified and reconciled. This process has started after the close of the year.
 5. On 14.02.2008 LIC Mutual Fund subscribed to Secured Non Convertible Debentures (the Debentures) of Rs.100 each aggregating to Rs.100 crores. These debentures carry a coupon rate 11.5% p.a., and are due for redemption on 10.02.2009. The Debentures are secured by legal mortgage of property in Gujarat and creation of equitable mortgage by deposit of title deeds of land owned by the Company with IDBI Trusteeship

Services limited (Debenture Trustees). The legal mortgage was created on 06.05.2008 and the equitable mortgage on June 26, 2008. Accordingly, the debentures have been classified as 'Unsecured Loans' on March 31, 2008. A Debenture Redemption Reserve of Rs.25 crores has been created out of profits of the year.

6. During the previous year the Company had Issued and allotted 8,19,659 Zero Coupon Secured Redeemable Optionally Convertible Debenture (ROCDs) of face value of Rs.100/- each at a premium of Rs.510.01 per ROCD aggregating to Rs.5000 lacs by way of Preferential Issue to HDFC Venture Trustee Company Limited ("Hi- REF") as per the SEBI (DIP) Guidelines 2000. Out of this amount, value of debentures of Rs.819.66 lacs is secured by mortgage of flats belonging to the Company has been treated as secured loan and balance amount of Rs.4180.34 lacs as unsecured loan. The ROCDs are optionally convertible into equity shares at a premium of Rs 605.01 per share or are redeemable between 12 months to 18 months from 28 November, 2006 the date of allotment of Debentures.
7. During the year, the Company has issued and allotted 5,67,50,550 Bonus Equity shares in the ratio of 1:1 to all the shareholders whose names appeared in the register of members / beneficial ownership on 24.04.2007.

8. **PRIOR PERIOD INCOME/ EXPENSES**

	(Rs. in lacs)	
	Current Year	Previous Year
Expenses	45.78	68.50
Income	0.06	(4.20)
Net Adjustment	<u>45.72</u>	<u>64.30</u>

- 9 (a) The information about Small Scale Industrial Undertakings to whom amounts are due, has been determined to the extent information is available with the Company and is given below:
- (i) Rubyco International
- (ii) Jagjit Engineering Industries (P) Limited
- b) The Company has not received intimation from suppliers regarding the status under Micro Small and Medium Enterprises Development Act, 2006 and hence disclosure if any, relating to the amounts unpaid at the year end together with interest payable as required under the said Act have not been given.

10. **CONSTRUCTION CONTRACTS**

In accordance with Accounting Standard (AS-7), following disclosure is being made relating to Construction Contracts:

	(Rs. in lacs)	
	Current Year	Previous Year
Revenue recognition	25.22	1087
Aggregate amount of cost incurred up to the reporting date	24.67	1004
Surplus /(Losses) recognized up to the reporting date	0.55	83
Advance received	56.04	1568
Amount retained by contractees	NIL	423

11. **PAYMENT TO AUDITORS (EXCLUSIVE OF SERVICE TAX)**

	(Rs. in lacs)	
	Current Year	Previous Year
Audit fee	25.67	19.92
Tax audit fee	3.35	1.60
Limited Review/ quarterly audit	17.15	9.25
For Certification / Other services	4.46	9.58

12. a) **DEFERRED TAX ADJUSTMENTS (NET)**

Deferred Tax Credit (Net) of Rs.218.83 lacs arising on account of timing differences as per Accounting Standard-22 for the current year (previous year deferred tax debit (net) of Rs.136.65 lacs) has been recognized in the accounts. Calculation of Deferred Tax Asset (Net) as on 31st March, 2008 is as given below:

Particulars	Current Year	(Rs.in lacs) Previous Year
Deferred Tax Asset/Liabilities		
Expenses allowable on actual payment under Section 43 B of the Income Tax Act	327.92	177.71
Provision for doubtful debts	45.63	-
Depreciation	(12.14)	(33.38)
Deferred Tax Asset (Net)	<u>361.41</u>	<u>144.33</u>

b) In the case of Windmill project, the deferred tax asset due to depreciation originating during the year on account of timing difference is liable for being reversed during the tax holiday period itself. Accordingly no deferred tax asset has been created in the books.

c) The Company has income from windmill power project, which became operational in the last week of September, 2007. In terms of revenue and assets employed, it is not a reportable segment as per the Accounting Standard AS 17 on Segment Reporting issued by the Institute of Chartered Accountants of India.

13. **LEASES**

The Company has taken vehicles on non cancelable operating lease. The future minimum lease payments in respect of the same are as under :

	(Rs.in lacs)
Not later than one year	107.72
More than one year but not later than five years	47.98
More than five years	34.24

It has also taken houses on lease for its employees and for office use. The rent paid during the year and charged to the profit & Loss Account for such leases is Rs.20.94 lacs (previous year Rs.12.81 lacs).

14. During the previous year the Company had issued and allotted 6,750,000 equity shares of Rs.5/- each at a premium of Rs.1,005/- per share under Qualified Institutions Placement Scheme (QIP) as per guidelines issued by SEBI in this regard. The proceeds of shares issued were utilized as under: (Rs.in lacs)

	Current Year	Previous Year
Acquisition of Land	318.92	223.96
Construction and development in various projects	154.63	108.59
Repayment of Loans	108.08	108.08
QIP Expenses	18.04	18.04
Working Capital	82.08	82.08
Fixed deposit with Banks	-	140.00
Investment in Mutual Fund	-	1.00
Total	<u>681.75</u>	<u>681.75</u>

15. **GRATUITY AND LEAVE ENCASHMENT**

Gratuity (being partly administered by a Trust) is computed as 15 days salary, for every completed year of service or part thereof and is payable on retirement/termination/resignation. The Gratuity plan for the Company is a defined benefit scheme where annual contributions as per actuarial valuation are charged to the Profit & Loss Account.

The Provident Fund is a defined contribution scheme whereby the Company deposits an amount determined as a fixed percentage of basic pay with the Regional Provident Fund Commissioner.

The Company also has a leave encashment scheme with defined benefits for its employees. The Company makes

provision of such liability in the books of accounts on the basis of year end actuarial valuation. No fund has been created for this scheme.

The following table summarise the components of net benefit expense recognized in the profit and loss account and the funded status and amounts recognized in the stand alone balance sheet for the respective plans.

Profit and loss account

Net employee benefit expense

(Rs. in lacs)

Particulars

	2007-08	
	Gratuity	Leave Encashment
Current service cost	67.39	26.44
Interest cost	28.54	7.48
Expected return on plan assets	(8.53)	-
Net actuarial (gain) / loss recognised in the year	95.80	38.52

Balance Sheet

Details of Plan Asset!(Liability) for Gratuity and Leave Encashment

(Rs. in lacs)

Particulars

	2007-08	
	Gratuity	Leave Encashment
Defined benefit obligation	558.58	165.72
Fair value of plan assets	96.36	-
Less: Un-recognized past service cost	-	-
Plan asset / (liability)	(462.22)	(165.72)

Changes in the present value of the defined benefit obligation are as follows:

(Rs. in lacs)

Particulars

	2007-08	
	Gratuity	Leave Encashment
Opening defined benefit obligation	378.54	102.23
Interest cost	28.54	7.48
Current service cost	67.39	26.44
Benefits paid	(11.69)	(8.95)
Actuarial (gains) / losses on obligation	95.80	38.52
Closing defined benefit obligation	558.58	165.72

Changes in the fair value of plan assets are as follows

(Rs. in lacs)

Particulars

	2007-08
	Gratuity
Opening fair value of plan assets	-
Expected return	8.53
Contributions during the year	100.00
Benefits paid	12.17
Actuarial gains (losses)	-
Closing fair value of plan assets	96.36

The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:

Particulars

	2007-08
	(In%)
Discount rate	7.50
Expected Rate of Return on Plan Assets	10.49
Expected salary increase	5.00

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market

Contribution to Defined Benefits

Particulars	(Rs.in lacs)	
	Current Year	Previous Year
Provident Fund	187.90	127.13

Since the Company is implementing revised AS-15 from the current year, there are no comparative figures for the previous year.

16. SEGMENT REPORTING

- a) Having regard to integrated nature of real estate development business of the Group, the requirement of "Segmental Reporting" pursuant to Accounting Standards (AS-17) is not applicable.
 - b) The Company has income from windmill power project, which became operational in the last week of September, 2007. In terms of revenue and assets employed, it is not a reportable segment as per the Accounting Standard AS-17 on Segement Reporting issued by the Institute of Chartered Accountants of India.
17. The cost of land shown in Schedule 15 is net of Rs.2,617.32 lacs being the amount due to certain parties withheld on account of their inability to comply with certain provisions of the agreements regarding procurement of land for one of the group companies.
18. In respect of shares purchased by Delhi Towers Limited at a cost of Rs.2,937 lacs, the market value is lower by Rs.532 lacs as on 31.03.2008. No provision has been made towards diminution in the value of the investments as the same is not considered permanent.
- 19 a). In February, 2008, the Company has entered into an agreement with ILFS Financial Services Limited and its foreign venture capital fund to convert Ansal SEZ Projects Limited, a wholly owned subsidiary, into a Joint Venture for execution of one of the projects in Gurgaon. The Company has contributed Rs.5.10 lacs towards equity shares and Rs.5432.90 lacs towards Compulsorily Convertible Cumulative Preference Shares (at a premium of Rs.532.63 per share of Rs.10) for 51% share in the joint venture based on independent valuation. The joint venture partners have contributed Rs.8,032.25 lacs for their 49% share. The shares have been allotted to the Company on 11.02.2009. Pending allotment of shares to the JV partners, the amount has been shown as 'Share Application' in the balance sheet.
- b) In the year 2006-07, a special purpose vehicle, Ansal Condominium Ltd., (ACL) was formed as a wholly owned subsidiary of Delhi Towers Limited and Assets, liabilities and expenditure incurred upto 31.03.2007 including a loan of Rs.60 crores was transferred by APIL to this Company. Necessary approval for transfer of project from APIL to ACL has not been received from the Greater Noida Development Authority and the project has not launched. The expenditure of Rs.1350.18 lacs (including interest on borrowings of Rs.1308.45 lacs) upto 31.03.2008 has been treated as 'Work in Progress'.
20. Consolidated financial statements comprise the financial statements of APIL, its subsidiaries and joint ventures listed below :

Name of the company	Country of incorporation	Percentage of ownership as on 31.03.2008
(A) Subsidiaries		
Delhi Towers Ltd., and its 100% subsidiaries	India	100%
(i) Sukh Dream infracon Pvt Ltd	India	
(ii) Effulgent Realtors Pvt Ltd	India	
(iii) Mangal Murti Realtors Pvt Ltd	India	
(iv) Ansal Condominium Ltd	India	
(v) Dream Infracon Pvt. Ltd.	India	
Star Estates Management Ltd.	India	100%
Ansal IT City and Parks Ltd.	India	66.23%
Ansal Township Infrastructure Ltd	India	100%
Ansal SEZ Projects Ltd and its 100% subsidiary	India	
Haridham Colonizers Ltd. (refer Note No.19)	India	100%
Ansal API Power Ltd .	India	100%
Star Facilities Management Ltd .	India	100%
Knowledge Tree Infrastructure Ltd .	India	100%

B Joint ventures

Ansal Landmark Townships Pvt. Ltd. (Consolidated)	India	49.38%
Green Max Estates Pvt. Ltd.	India	50%
Ansal Mittal Township Pvt Ltd.	India	50%
Ansal Lotus Melage Projects Ltd	India	50%
Ansal Seagull SEZ Developers Ltd and its 100% subsidiary	India	50%
Ansal Kamdhenu Engineering SEZ Ltd.		

C Consortium Entity

Dadri Project	India	63%
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21. The effect of acquisition of the subsidiaries during the year on the consolidated financial statement is as under :

Name of the subsidiary	Effect on Group profit	(Rs in lacs)
		Effect on Group net assets
Ansal API Power Ltd	-0.52	4.48
Star Facilities Management Ltd	40.54	46.78
Knowledge Tree Infrastructure Ltd	-0.39	4.61

22. The Company's share in the assets, liabilities, income and expenses of it's joint ventures as at 31-03-2008 is as under:

	Current Year	(Rs. in Lacs) Previous Year
I ASSETS		
Fixed Assets (Net)	123.52	97.30
Investment ---		159.78
Deferred Tax Asset (Net)	2.06	2.21
Current Assets, Loans & advances		
(a) Inventories	24430.48	19792.12
(b) Cash and Bank Balances	1116.72	620.89
(c) Loans & advances	7884.72	1798.10
(d) Debtor	2318.55	4649.92
Miscellaneous Expenditure to the extent not written off	5.70	0.49
II LIABILITIES		
Reserve & surplus	1645.10	60.72
Secured Loans	9113.81	9109.47
Unsecured Loans	7166.78	2362.61
Current Liabilities and provisions		
(a) Current Liabilities	14571.37	10920.13
(b) Provisions	3243.25	281.33
III Income		
Sale	10688.10	7957.34
Other Income	252.99	14.39
IV. Expenditure		
Cost of Construction	9158.23	7160.17
Operating & Other expenses	59.96	42.15
Interest & Finance Charges	11.00	34.78
Depreciation	21.58	13.27
Taxes	588.78	280.50
v Contingent liabilities	83.86	83.86

23. RELATED PARTY TRANSACTIONS

(A) Names of related parties and description of relationship:

i) Name of Subsidiary

(For details refer to Note 20)

ii) Interests in Joint Ventures:

(For details refer to Note 20)

iii) Associates

The following are the enterprises where common control exists:-

Name of the Company

Amba Bhawani Properties Pvt. Ltd.
Ansal Colonizers & Developers Pvt. Ltd.
Ansal Housing & Estates Pvt. Ltd.
Ansal Infrastructure Projects Ltd
Ansal Project & Developers Ltd.
Ansal Theatres & Clubotels Pvt. Ltd
Ambience Hospitality Pvt. Ltd..
Apna Ghar Properties Pvt. Ltd.
Badrinath Properties Pvt. Ltd.
Bajrang Realtors Pvt. Ltd.
Chamunda Properties Pvt. Ltd.
Chandi Properties Pvt. Ltd.
Chiranjiv Investments Pvt. Ltd.
Kalka Properties Pvt. Ltd.
Naurang Investment & Financial Services Pvt. Ltd.
New Line Properties & Consultants Pvt. Ltd.
Plaza Software Pvt. Ltd.
Prime Golf Ranking Pvt. Ltd.
Prime Maxi Mall Management Pvt. Ltd.
Sampark Hotels Pvt. Ltd.
Satrunjaya Darshan Construction Co. Pvt. Ltd.
Singa Real Estates Ltd.
Delhi Towers & Estates Pvt. Ltd.
Sithir Housing & Constructions
Winsum Software Pvt. Ltd.
Medi Tree Infrastructure Ltd.

iv) Associates in which there is "significant influence"

Associates

Global Consultants & Designers Pvt. Ltd
Feber Star facilities Management Ltd
Ansal Kamdhenu Engineering SEZ Pvt. Ltd.\

v) Key Managerial Personnel and their relatives;

Name	Designation	Relative	Relation
Mr.Sushil Ansal	Chairman	Dr.(Mrs.) Kusum Ansal	Wife
		Mrs. Alpana Kirloskar	Daughter
		Mr. Deepak Ansal	Brother
		Mr. Gopal Ansal	Brother
Mr.Pranav Ansal	Vice Chairman and Managing Director	Mrs. Sheetal Ansal	Wife
		Master Ayush Ansal	Son
		Ms.Anushka Ansal	Daughter
Mr.Anil Kumar	Deputy Managing Director & CEO	No transactions during the year	

Note: Particulars of relatives with whom transactions have taken place during the year only have been given.

vi) Enterprises in which parties having significant influence in Joint Venture Companies/ their relatives exercise significant influence.

Bhatinda Chemicals Ltd., Green Valley Construction Pvt. Ltd., Sarva Priya Construction Pvt. Ltd., Sarva developer Pvt. Ltd. National Synthetics Ltd., Landmark Colonizers Pvt. Ltd., First Capital Private Limited, Silver lines Holdings Pvt. Ltd., Kissan Fats Ltd.

vii) Joint Ventures (of Joint Venture companies)

OCL India Ltd., Silver glades Investments Pvt. Ltd.

viii) Parties having significant influence in Joint Venture Companies

Shri Rajinder Mittal, Shri Manoj Mittal, M/s Mridu Hari Dalmia HUF, Shri Mridu Hari Dalmia and Smt Abha Dalmia

ix) Relatives of parties having significant influence in Joint Venture Companies

Ms.Swati Mittal, Ms.Garima Mittal, Mr. Kushal Mittal, Ms. Shweta Mittal, Mr.Gaurav Dalmia.

(Rs. in Lacs)

23 (B)(i) The following summary transactions were carried out with the related parties in ordinary course of business

S.N.	Particulars	Current Year						Total	Previous year
		Parties having significant influence	Enterprises under common control	Key Management personnel	Relatives of Key Management personnel	Joint ventures/ Associates			
1	Remuneration	-	-	719.96	-	-	-	719.96	530.72
2	Rent Paid to	-	-	13.80	-	-	14.64	28.44	25.05
3	Interest Received	-	-	-	-	-	-	425.78	274.81
4	Interest Paid	356.96	0	0	0	3.13	16.42	656.94	606.02
5	Security Deposit Paid	-	-	-	-	-	-	19.55	21.81
6	Investments made during the year	-	-	-	-	-	-	-	108.84
7	Advance paid for Land Purchase	99.50	8,867.25	-	-	-	-	14,291.70	8,975.85
8	Advance received for Land Purchase	786.54	-	-	-	-	-	786.54	3,055.66
9	Profit shared under land collaboration	-	14.75	-	-	-	-	14.75	36.40
10	Amount Outstanding for land purchase as on 31.03.2008	158.22	1,059.85	-	-	-	-	3,218.07	24,914.16
11	Loan given during the year	-	-	-	-	-	-	4,724.25	1,904.81
12	Loan repaid during the year	75.00	-	-	-	-	-	325.00	3,958.19
13	Loan received during the year	1,200.00	-	-	-	-	-	1,200.00	3,023.50
14	Advance repaid during the year	-	243.42	-	-	-	-	877.50	3,950.07
15	Loan given outstanding as on 31.03.2008	-	3,211.11	-	-	-	-	8,563.68	3,460.62
16	Investments made outstanding as on 31.03.2008	-	-	-	-	-	-	201.00	201.00
17	Debtors Outstanding on 31.03.2008	-	-	-	-	-	29.84	29.84	(1,363.91)
18	Guarantees & Collaterals given	-	-	-	-	-	-	6,129.13	3,263.71
19	Advance Received	-	-	44.95	-	-	118.17	163.12	6,104.95
20	Dividend paid for the year 2007-08	-	134.71	-	-	-	76.94	374.06	281.41
21	Know How Fee Received	-	-	-	-	-	-	684.96	489.80
22	Royalty Received	-	-	-	-	-	-	-	67.37
23	Sale of Flats/Land	-	-	469.52	-	-	2,336.52	2,806.04	2,164.21
24	Surrender of Rights	-	-	-	-	-	-	-	35.00
25	Creditors Outstanding on 31.03.2008	-	2,165.12	-	-	-	18.97	2,184.09	28.03

(B)(ii) The following significant transactions were carried out with the related parties in ordinary course of business (Rs. in Lacs)

S.N.	Particulars	Name	Parties having significant influence	Enterprises under common control	Current Year			Previous year
					Key Management personnel	Relatives of Key Management personnel	Joint ventures/ Associates	
						Total		
1	Remuneration	Shri Sushil Ansal			604.80	604.80	488.36	
		Shri Anil Kumar			65.46	65.46	42.35	
		Shri Pranav Ansal			49.70	49.70	-	
2	Rent Paid to	Mr. Pranav Ansal			13.80	13.80	10.87	
		Mrs. Alpina Kirloskar				11.13	9.29	
		Mr. Ayush Ansal				3.51		
3	Interest Received	Ansal Land Mark Township Pvt Ltd.				425.78	263.05	
4	Interest Paid	Land Mark Property Development Ltd				299.98		
		Land Mark Land Holding Pvt Ltd	356.96			356.96		
5	Security Deposit Paid	Mr Pranav Ansal			3.13	3.13	-	
		Mrs. Alpina Kirloskar				15.70	15.70	
		Mr. Ayush Ansal				0.72	-	
6	Investments made during the year	Land Mark Township Pvt. Ltd.				-	33.34	
		Ansal Mittal Township Pvt. Ltd.				-	25.00	
7	Advance paid for Land Purchase	Ansal Seagull SEZ Developers Ltd.				3,423.00	4,300.50	
		Ansal SEZ Projects Pvt. Ltd.				-	2,523.50	
		Seagull Buildwell pvt ltd				2,000.00	-	
8	Advance received for Land Purchase	Swati mittal	73.18			73.18		
		Rajender Mittal	480.93			480.93		
		Garima mital	191.93			191.93		
9	Profit shared under land collaboration	Ansal Infrastructure Projects Ltd.		(0.13)		(0.13)		
		Delhi Towers & Estates Pvt. Ltd.		1.33		1.33	18.07	
		Prime Maxi Mall Management Pvt. Ltd.		0.72		0.72	8.59	
		Bairang Realtors Pvt. Ltd.		2.01		2.01	-	
		Badrinath Properties Pvt. Ltd.		3.10		3.10		
		Chandi Properties Pvt. Ltd.		3.05		3.05		
10	Amount Outstanding for land purchase as on 31.03.2008	Delhi Towers & Estates Pvt. Ltd.				-	1,659.73	
		Chiraniv Investment Pvt. Ltd.				975.05	-	
		Ansal Seagull SEZ Developers Ltd.				-	4,300.50	
11	Loan given during the year	Land mark Property Development Pvt. Ltd.				825.00		
		Ansal Land Mark Township Pvt. Ltd.				3,899.25		
12.	Loan repaid during the year	Ansal Landmark Township Pvt Ltd.				-	1,011.37	
		Glorious Properties p ltd.				-	194.82	
		New line developer pvt ltd	75.00			75.00		
		Land mark Property Development Ltd				250.00		

S.N.	Particulars	Name	Parties having significant influence	Enterprises under common control	Key Management personnel	Relatives of Key Management personnel	Joint ventures/ Associates (net)	Total	Previous year	
13	Loan received during the year	Land Mark Land Holding Pvt Ltd	1,125.00					1,125.00		
14	Advance repaid during the year	New Line Developer Pvt Ltd Ansal Buildwell Ltd. Ansal Seagull SEZ Developers Ltd. New Line Properties & Consultant Pvt. Ltd. Prime Maxi Mall Management (P) Ltd. Singa Real Estates Ltd. Midair Properties P Ltd.	75.00	85.24 129.94			877.50	75.00 - 877.50 - 85.24 129.94 -	1,036.28 - 1,071.00 -	
15	Loan given outstanding as on 31.03.2008	Ansal Landmark Township Pvt Ltd Land mark land holdings pvt. ltd Land mark Property Development ltd		3,211.11			5,576.43	5,576.43 3,211.11 2,987.25	1,677.19 - 2,987.25	
16	Investments made outstanding as on 31.03.2008	Ansal Land Mark Township Pvt. Ltd. Green Max Estates Pvt. Ltd. Ansal Lotus Melange Projects P Ltd. Ansal Seagull SEZ Developers Ltd. Ansal Mittal Township Pvt. Ltd.				18.34	100.00 25.00 0.50 50.00 25.50	100.00 25.00 0.50 50.00 25.50	100.00 25.00 0.50 50.00 25.50	
17	Debtors Outstanding on 31.03.2008	Mr. Deepak Ansal				18.34		18.34	-	
18	Guarantees & Collaterals given	Ansal Township & Projects Ltd Ansal Land Mark Township Pvt. Ltd. Ansal Mittal Township Pvt. Ltd. Ansal Seagull SEZ Developers Ltd. Ansal Condominium ltd. Ansal Township Infrastructure Ltd. Green Max Estates Pvt. Ltd.					2,160.32 1,402.22 2,500.00 -	2,160.32 1,402.22 2,500.00 -	2,300.00 - -	
19	Advance Received	Star Estates Management Ltd Ansal Lotus Melange Projects P Ltd. Shri Sushil Ansal Mr. Pranav Ansal Shri Gopal Ansal Smt Kusum Ansal MS Anuksa Ansal							2,342.17 669.96 1,097.47 -	
20	Dividend paid for the year 2007-08	Chiranjiv Investment Pvt. Ltd. Apna Ghar Properties Pvt. Ltd. Shri Sushil Ansal Mrs. Kusum Ansal		40.00 40.00					30.00 14.95 12.00 60.00 25.00 40.00 40.00 68.36 37.66	- - - - - 30.00 30.00 64.67 28.24

S.N.	Particulars	Name	Parties having significant influence	Enterprises under common control	Key Management personnel	Relatives of Key Management personnel	Joint ventures/ Associates/nnel	Total	Previous year
21	Know How Fee Received	Mr. Pranav Ansal Ansal Land Mark Township Pvt. Ltd.			48.72			48.72	57.13
22	Royalty Received	Ansal Lotus Melange Projects P Ltd.						-	67.37
23	Sale of Flats/Land	Mr. Pranav Ansal Mrs. Sheetal Ansal			469.52	2,309.13		469.52 2,309.13	- 1,874.89
24	Surrender of Rights	Mr. Gopal Ansal						-	35.00
25	Creditors Outstanding on 31.03.2008	Prime Maxi Mall Management (P) Ltd. Ansal Engineering Projects Ltd. Amba Bhawani Properties Pvt. Ltd.		890.80	1,204.11 33.62			1,204.11 33.62 890.80	- 20.56 -

- 24) Previous year figures have been regrouped/rearranged wherever considered necessary, to make them comparable with current year's figures. In this connection refer to Note No.3(b) also.

For and on behalf of the Board

Sushil Ansal
Chairman

Anil Kumar
Dy Managing Director & CEO

Amitav Ganguly
Sr. V.P. (Corporate Affairs)
& Company Secretary

Mahesh C. Maheshwari
Chief Financial Officer

Place : New Delhi

Date : 30th June, 2008

PARTICULAR OF SUBSIDIARY COMPANIES OF ANSAL PROPERTIES & INFRASTRUCTURE LTD.
(Disclosure of information under terms & condition of approval under section 212(8) of The Companies Act ,1956 vide Letter No .47/492/2008-CL-III dated 22/07/08 of Government of India , Ministry of Corporate Affairs, Shastri Bhawan, 5th Floor, A Wing ,Dr.R.P. Road New Delhi -110001)

SUBSIDIARY COMPANIES

1) DELHI TOWERS LIMITED (CONSOLIDATED WITH ANSAL CONDOMINIUM LTD, SUKHDHAM COLONISERS PVT LTD , DREAMS INFRACON PVT LTD, EFFULGENT REALTORS PVT LTD , MANGALMURTHI REALTORS PVT LTD.)

(A wholly owned subsidiary company of Ansal Properties & Infrastructure Ltd)

(Rs in Lacs)

SL NO	PARTICULARS	31-03-2008	31-03-2007
1	Capital	5.00	5.00
2	Reserve	519.11	485.95
3	Total Assets	8,064.10	6,526.36
4	Total Liabilities	8,064.10	6,526.36
5	Investment (excluding investment in subsidiary companies)	2,972.27	1,025.31
6	Turnover	76.66	88.21
7	Profit before Taxation	54.25	15.86
8	Provision for Taxation	(17.81)	(36.26)
9	Profit after Tax	36.44	(52.12)
10	Exceptional item	(3.28)	-
11	Profit /(Loss) for the year	33.16	(52.12)
12	Proposed Dividend	NIL	NIL

2) STAR ESTATE MANAGEMENT LIMITED

(A wholly owned subsidiary company of Ansal Properties & Infrastructure Ltd)

(Rs in Lacs)

SL NO	PARTICULARS	31-03-2008	31-03-2007
1	Capital	55.00	55.00
2	Reserve	55.14	(342.87)
3	Total Assets	110.14	289.09
4	Total Liabilities	110.14	289.09
5	Investment (excluding investment in subsidiary companies)	-	-
6	Turnover	2,237.96	3,550.32
7	Profit before Taxation	189.89	372.56
8	Provision for Taxation	(59.39)	(142.23)
9	Profit after Tax	130.50	230.33
10	Exceptional item	-	(616.43)
11	Profit /(Loss) for the year	130.50	(386.10)
12	Proposed Dividend	NIL	NIL

3) ANSAL IT CITY & PARKS LIMITED
(A Subsidiary company of Ansal Properties & Infrastructure Ltd)

(Rs in Lacs)

		31-03-2008	31-03-2007
SL NO	PARTICULARS		
1	Capital	231.00	231.00
2	Reserve	1,092.00	1,092.00
3	Total Assets	2,336.83	1,537.65
4	Total Liabilities	2,336.83	1,537.65
5	Investment (excluding investment in subsidiary companies)	-	-
6	Turnover	0.11	0.50
7	Profit before Taxation	(1.28)	(0.28)
8	Provision for Taxation	(1.18)	(0.47)
9	Profit after Tax	(2.46)	(0.75)
10	Exceptional item	-	-
11	Profit /(Loss) for the year	(2.46)	(0.75)
12	Proposed Dividend	NIL	NIL

4) ANSAL SEZ PROJECTS LIMITED (CONSOLIDATED WITH HARIDHAM COLONIZERS LIMITED)
(A wholly owned subsidiary company of Ansal Properties & Infrastructure Ltd)

(Rs in Lacs)

		31-03-2008	31-03-2007
SL NO	PARTICULARS		
1	Capital	107.10	5.00
2	Reserve	5,432.90	(0.50)
3	Total Assets	13,572.25	5.00
4	Total Liabilities	13,572.25	5.00
5	Investment (excluding investment in subsidiaries companies)	-	-
6	Turnover	0.26	-
7	Profit before Taxation	(4.26)	(0.50)
8	Provision for Taxation	-	-
9	Profit after Tax	(4.26)	(0.50)
10	Exceptional item	-	-
11	Profit /(Loss) for the year	(4.26)	(0.50)
12	Proposed Dividend	NIL	NIL

5) ANSAL TOWNSHIP INFRASTRUCTURE LIMITED
(A wholly owned subsidiary company of Ansal Properties & Infrastructure Ltd)

(Rs in Lacs)

		31-03-2008	31-03-2007
SL NO	PARTICULARS		
1	Capital	5.00	5.00
2	Reserve	103.33	23.42
3	Total Assets	5,108.33	5,028.41
4	Total Liabilities	5,108.33	5,028.41
5	Investment (excluding investment in subsidiary companies)	-	494.50
6	Turnover	81.85	31.79
7	Profit before Taxation	79.93	25.71
8	Provision for Taxation	(0.02)	(2.29)
9	Profit after Tax	79.91	23.42
10	Exceptional item	-	-
11	Profit /(Loss) for the year	79.91	23.42
12	Proposed Dividend	NIL	NIL

6) ANSAL API POWER LIMITED
(A wholly owned subsidiary company of Ansal Properties & Infrastructure Ltd)

(Rs in Lacs)

		31-03-2008	31-03-2007
SL NO	PARTICULARS		
1	Capital	5.00	Not Applicable
2	Reserve	-	-Do-
3	Total Assets	5.00	-Do-
4	Total Liabilities	5.00	-Do-
5	Investment (excluding investment in subsidiary companies)	-	-Do-
6	Turnover	-	-Do-
7	Profit before Taxation	(0.52)	-Do-
8	Provision for Taxation	-	-Do-
9	Profit after Tax	(0.52)	-Do-
10	Exceptional item	-	-Do-
11	Profit /(Loss) for the year	(0.52)	-Do-
12	Proposed Dividend	NIL	-Do-

Not applicable: ANSAL API POWER LIMITED was incorporated on 23-APR-2007

7) STAR FACILITIES MANAGEMENT LIMITED

(A wholly owned subsidiary company of Ansal Properties & Infrastructure Ltd)

(Rs in Lacs)

		31-03-2008	31-03-2007
SL NO	PARTICULARS		
1	Capital	5.00	Not Applicable
2	Reserve	40.54	-Do-
3	Total Assets	46.78	-Do-
4	Total Liabilities	46.78	-Do-
5	Investment (excluding investment in subsidiary companies)	-	-Do-
6	Turnover	1,258.09	-Do-
7	Profit before Taxation	64.75	-Do-
8	Provision for Taxation	(24.21)	-Do-
9	Profit after Tax	40.54	-Do-
10	Exceptional item	-	-Do-
11	Profit /(Loss) for the year	40.54	-Do-
12	Proposed Dividend	NIL	-Do-

Not applicable: STAR FACILITIES MANAGEMENT LIMITED was incorporated on 19-OCT-2007

8) KNOWLEDGE TREE INFRASTRUCTURE LIMITED

(A wholly owned subsidiary company of Ansal Properties & Infrastructure Ltd)

(Rs in Lacs)

		31-03-2008	31-03-2007
SL NO	PARTICULARS		
1	Capital	5.00	Not Applicable
2	Reserve	-	-Do-
3	Total Assets	5.00	-Do-
4	Total Liabilities	5.00	-Do-
5	Investment (excluding investment in subsidiary companies)	-	-Do-
6	Turnover	-	-Do-
7	Profit before Taxation	(0.39)	-Do-
8	Provision for Taxation	-	-Do-
9	Profit after Tax	(0.39)	-Do-
10	Exceptional item	-	-Do-
11	Profit /(Loss) for the year	(0.39)	-Do-
12	Proposed Dividend	NIL	-Do-

Not applicable: KNOWLEDGE TREE INFRASTRUCTURE LIMITED was incorporated on 19-OCT-2007

Previous year figures have been regrouped /rearranged ,wherever considered necessary to make them comparable with current year figures

**ELECTRONIC CLEARING SERVICES (ECS) MANDATE FORM FOR PAYMENT OF DIVIDEND
(FOR EQUITY SHARES HELD IN PHYSICAL FORM ONLY)**

To
Secretarial Department
Ansal Properties & Infrastructure Ltd.
115, Ansal Bhawan, 16, Kasturba Gandhi Marg
New Delhi - 110 001.

Registered Folio No.	ECS Ref. No. (for office use only)										
Name of First Holder											
Bank Name											
Branch Address											
Bank Account No. (as appearing in the Cheque Book)											
Bank Account Ledger Folio No., if any											
Account Type (Please tick the option)	<input type="checkbox"/> Savings <input type="checkbox"/> Current <input type="checkbox"/> Cash Credit										
MICR Code	<table border="1" style="width: 100%; height: 20px;"> <tr> <td style="width: 20px;"></td> <td style="width: 20px;"></td> <td style="width: 20px;"></td> <td style="width: 20px;"></td> <td style="width: 20px;"></td> <td style="width: 20px;"></td> <td style="width: 20px;"></td> <td style="width: 20px;"></td> <td style="width: 20px;"></td> <td style="width: 20px;"></td> </tr> </table> <p>(9 Digits Code Number appearing on the MICR Band of the cheque supplied by the Bank). Please attach a photocopy of a cheque or a blank cheque of your Bank Branch duly cancelled for ensuring accuracy of the Bank's name, Branch and Code Number.</p>										

I, hereby, declare that the particulars given above are correct and complete. If the payment transaction is delayed or not effected at all for any reasons including but not limited to incomplete or incorrect information supplied above, Ansal Properties & Infrastructure Ltd. will not be held responsible. I unequivocally agree to avail the ECS facility provided by RBI, as and when implemented by RBI/Ansal Properties & Infrastructure Ltd.

I, further undertake to inform the Company of any subsequent change(s) in the above particulars.

Place : _____
Date : _____ (Signature of First Holder)

- Notes :
- (1) Please fill in the information in CAPITAL LETTERS in ENGLISH LANGUAGE ONLY.
 - (2) **In case of shareholders holding the equity shares in demat form, the shareholders are requested to provide the details to NSDL/CDSL, as the case may be, through their respective depository participants. Shareholders are also requested to note that changes, if any, intimated by the Demat Account holders directly to the Company will not be considered.**



Building lifestyles since 1967

Ansal Properties & Infrastructure Limited
(AN ISO 9001: 2000, ISO 14001: 2004 AND OHSAS 18001: 2007 COMPANY)

Regd. Office : 115, Ansal Bhawan, 16, Kasturba Gandhi Marg, New Delhi - 110 001.

DP ID*	
Client ID*	

ATTENDANCE SLIP

(Please complete this attendance slip and hand it over at the registration counter for obtaining entry pass. The signature at the time of attendance at the meeting should tally with specimen signatures registered with the Company).

Regd. Folio No.No. of Shares held

I/We hereby record my/our presence at the 41st Annual General Meeting of the Company held on **Tuesday, the 30th day of September, 2008 at 11.00 A.M.** at Sri Sathya Sai International Centre & School, Lodhi Road, New Delhi-110003.

Name and Address of the Shareholder/Proxy :
(In block Letters)

I/We certify that I/We am/are registered shareholder(s)/proxy for the registered shareholder of the Company.

Signature of the Shareholder/Proxy

SHAREHOLDER INCLUDE BENEFICIAL OWNERS OF THE SHARES HELD IN DEMATERIALIZED FORM BY THEM WITH DEPOSITORY PARTICIPANT(S).

* Applicable for investors holding shares in electronic form



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Regd. Office : 115, Ansal Bhawan, 16, Kasturba Gandhi Marg, New Delhi - 110 001.

DP ID*	
Client ID*	

PROXY FORM

Regd. Folio No.No. of Shares held

I/We of being

a member/members of the above named Company, hereby appoint

of as my/our proxy or failing him

..... of or

failing him of to

vote for me/us on my/our behalf at the 41st Annual General Meeting of the Company to be held on **Tuesday, the 30th day of September, 2008 at 11.00 A.M.** at Sri Sathya Sai International Centre & School, Lodhi Road, New Delhi-110003

Signed this day of 2008

Signature

Affix Revenue Stamp of Re. 1/-

Notes : (a) The Proxy Form should be signed across the stamp as per specimen signature registered with the Company.

(b) The Proxy Form duly completed must be deposited at the Registered Office of the Company not less than FORTYEIGHT HOURS before the time fixed for holding the aforesaid Meeting.

Applicable for investors holding shares in electronic form

