

Advantage Anant Raj

Anant Raj Industries Limited • Annual Report 2007-08

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Mission

To position itself as an integrated Infrastructure Development Enterprise in the NCR with high quality of construction, ethics, business standards and customer satisfaction on continuing basis.

Vision

To significantly contribute in the development of the nation through building high quality infrastructure.

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Disclaimer

In this Annual Report we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify

such statements by using words such as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance.

We cannot guarantee that these forward-looking statements will be realized, although we believe we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should

known or unknown risks or uncertainties materialize, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

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Advantage India

India has been through rapid and transformational economic growth making it one of the fastest growing economies in the world. As India experienced economic momentum, there was growth and opportunity all round. As the country grew, demand for infrastructure surged. Almost every part of India saw land prices rising, infrastructure and development activity stepping up and creating an inflection point which this sector had never experienced before. The Indian advantage created opportunities a plenty and everyone benefited. The first phase of Advantage India was well participated.

Anant Raj too capitalised this by aggressively focusing on the National Capital Region (NCR) and growing the opportunity and delivered robust growth.

Time for the second phase has begun. In the second phase, it's not going to be so easy. Strategies will be tested. Thinking will be questioned. Promises will meet expectation.

Time for us.

Advantage Anant Raj

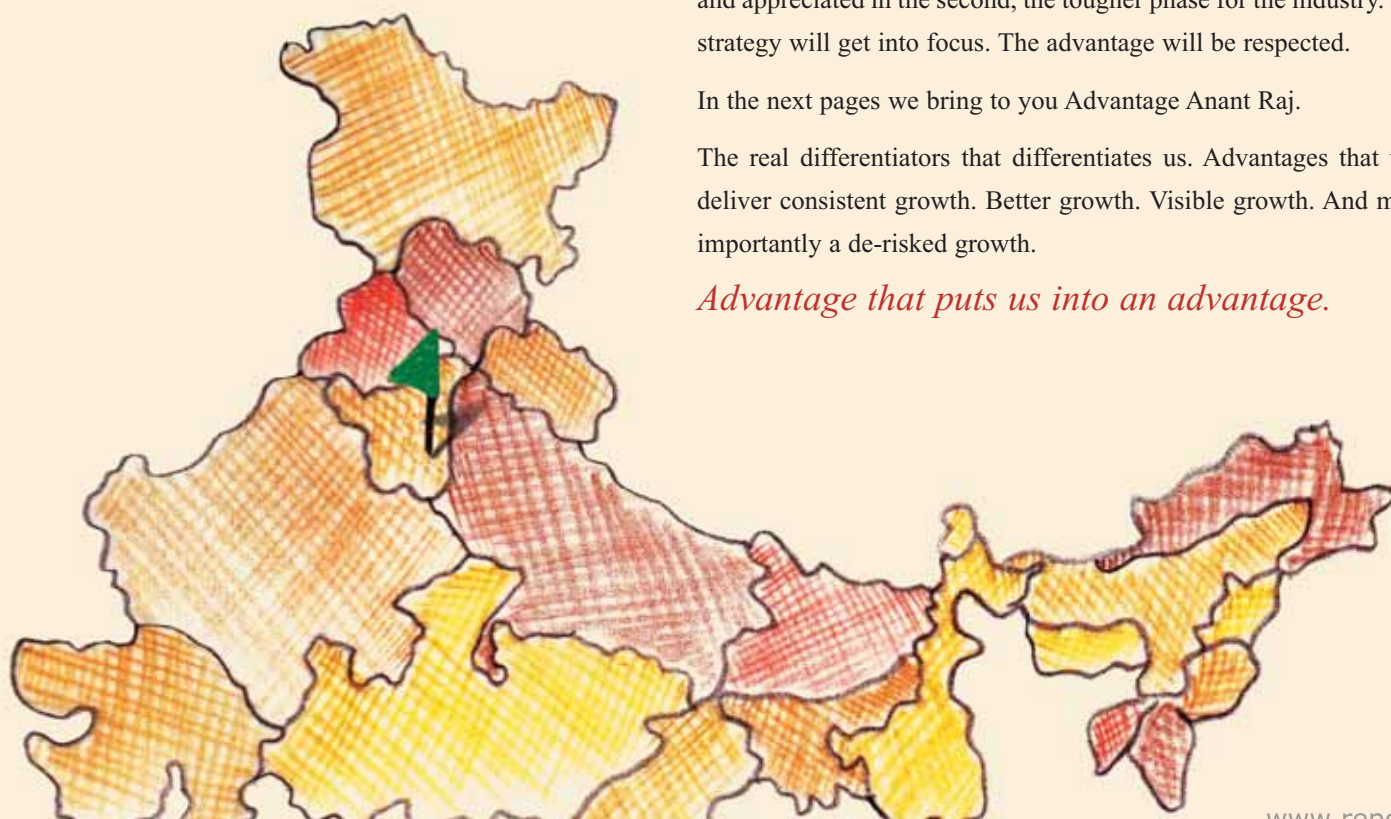
As we move into the next phase of India's infrastructure development, we are in a much stronger position than ever before, thanks to our thinking, our strategies and our approach. We call it Advantage Anant Raj.

Every move that was getting hidden in the first phase will get visible and appreciated in the second, the tougher phase for the industry. The strategy will get into focus. The advantage will be respected.

In the next pages we bring to you Advantage Anant Raj.

The real differentiators that differentiates us. Advantages that will deliver consistent growth. Better growth. Visible growth. And more importantly a de-risked growth.

Advantage that puts us into an advantage.



Advantage

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thinking

IT'S ALL IN THE MIND. THAT'S WHAT MAKES THE DIFFERENCE. IN THE LONG RUN. AND WE HAVE HAD A MIND OF OUR OWN.

And hopefully, that will differentiate in the years to come. Because the industry is at an interesting junction.

Everyone grew in the last few years. And the momentum got many to rethink their strategies. But we did not. We believed and stuck on to our thinking. Being in the business for over 40 years, we thought for the long term, not just near term. To focus on what we know best. The next few years will signal the advantages of our thinking.

- We chose not to buy land bank across the country, like the industry was doing - we focused only on what we understood - NCR.
- We only bought location what we thought were right, futuristic and had the potential to create massive delta -

not bidding for anything that was available.

- We paid for what we thought was right - not what the market thought was right.
- Whilst others were in a hurry to exit, create REITs and generate cashflows which could leverage to create bigger and bigger land bank, we never sold. Only leased to create sustainable cash flows that will build the next phase. Low risk, high return.
- We focused on completing our projects on time - not starting as many as we could. Vision with execution is our thinking.

And all these differentiators will bring out the Anant Raj advantage in the next few years. Expect very strong execution and cash flows going forward.

Advantage Anant Raj.

MODERN
DEVELOPMENT
FUTURISTIC
ON ADV

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Advantage



Location

FOR ANY DEVELOPMENT TO BE SUCCESSFUL, LOCATION IS THE KEY.

This is one of the most important rule. Since time immemorial. And we have crafted it as part of our value system.

A location is a location. It's the understanding of the region and the understanding of the development around what helps one identify a good, futuristic location. The knowledge of the area, the surroundings, the social, economic and the cultural development and the geography all come into play to understand what will make the location great in time to come.

Advantage Anant Raj.

Focusing on the NCR for over 40 years, we have imbibed in us such a distinct understanding of the region and the developments that will shape it in the future and put us

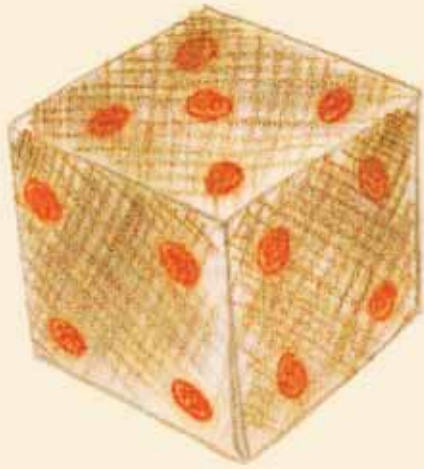
ahead of the curve. This gives us what is so important in our business - a distinctive location advantage.

We put an unprecedented effort in understanding the criticality of the Master Plan of Delhi (MPD) and the development of National Highways. The effort allowed us to gain expertise and anticipate trends successfully. To identify key locations strategically and move fast. Acquire large parcels ahead of the curve. Barren lands bought in small towns have today not only appreciated but become prime locations.

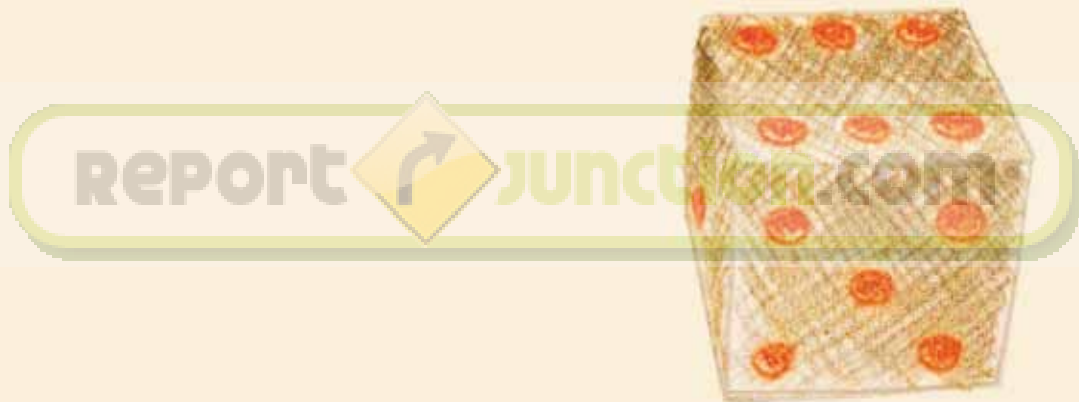
The Anant Raj advantage location, today, consists of 982 acres in the thriving NCR area with 90% within 50 km of Delhi and approximately 525 acres in Delhi.

Location. Location. Location.

Our simple yet powerful advantage!



Advantage



price

IN THE LAST FEW YEARS THE MARKET PRESENTED MANY OPPORTUNITIES. THERE WAS A LOT OF MOMENTUM AND EUPHORIA.

It was very tempting. You buy something today and its more valuable tomorrow. And land grab was normal. We too could have done many acquisitions. Our business is not a near term business, but a long term. Anant Raj believes in buying right land at right price. The price at which we can generate returns without market cycle. And that's why we acquired the best property at right price than most properties at any price.

In our business any mistake is an expensive one since land parcels that we deal in are high ticket. And that's why our philosophy of paying right has ensured we de-risk the Company from market cycles; and time will validate this view.

But how do you decide what is the right price?

That's the Anant Raj advantage.

Our focus once again comes into play. Our expertise of the understanding of the region helps us estimate the future potential of the location that we intend to invest in and helps us gauge the right price. In most instances, we may have felt that a location was attractive but the economics did not make sense and we refrained.

Anant Raj today is proud to hold very high quality assets at very attractive prices.

Our properties not only command a premium to cost because of the location, but because of the price as well. For the stakeholders it means better returns on assets. Besides, this also de-risks the company from cyclical nature of the business.

Buy right. At the right price. Always.

That's Anant Raj for you.

