



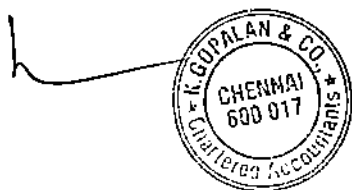
K Gopalan & Co.

CHARTERED ACCOUNTANTS

AUDITORS' REPORT

TO THE SHAREHOLDERS OF AMBAR NIVAS PVT LTD

1. We have audited the attached Balance Sheet of **AMBAR NIVAS PVT LTD** as on 31st March 2010 and the Profit & Loss Account and Cash Flow Statement for the year ended 31st March 2010. 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 about whether the financial statements are free of material misstatements. Our audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003, issued by the Central Government of India in terms of subsection (4A) of Section 227 of the Companies Act, 1956, we enclose in the annexure hereto a statement on the matters specified in paragraphs 4 and 5 of the said order to the extent they are applicable to this Company.
4. We have obtained all the information and explanations, which to the best of our knowledge were necessary for the purpose of our Audit.
 - a. In our opinion, proper Books of Accounts as required by law have been kept by the Company so far as it appears from our examination of the books.
 - b. The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the Books of Accounts of the Company.
 - c. According to the best of our information and explanations given to us, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in accordance with the accounting standards referred to u/s 211(3C) of the Companies Act, 1956.

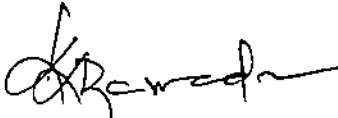


K Gopalan & Co.

CHARTERED ACCOUNTANTS

- d. On the basis of the written representations received from the Directors of the Company and taken on record by the Board of Directors, we report that none of the Directors are disqualified as on 31st March 2010 from being appointed as a director in terms of Section (g) of subsection (1) of Section 274 of the Companies Act, 1956.
- e. In our opinion and to the best of our information and according to the explanations given to us, the accounts read with the notes give the information required by the Companies Act, 1956 in the manner as required and give a true and fair view :
- i. in the case of Balance Sheet, of the State of Affairs of the Company as at 31st March 2010;
 - ii. in the case of Profit and Loss Account, of the Loss for the year ended 31st March 2010; and
 - iii. in the case of Cash Flow Statement, of the Cash Flows for the year ended 31st March 2010.

For K GOPALAN & Co.,
Regn. No:000975S
Chartered Accountants


K L Ramadurai
Partner
Membership No : 20625
Place : Karaikal
Date : 17th May 2010



K Gopalan & Co.

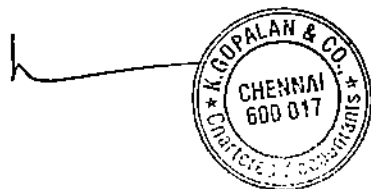
CHARTERED ACCOUNTANTS

ANNEXURE TO THE AUDITORS REPORT (Referred to in our report of even date to the members of AMBAR NIVAS PVT. LTD [UNDER THE COMPANIES (AUDITORS' REPORT) ORDER 2003] FOR THE YEAR ENDED 31ST MARCH, 2010.

1. Based on our scrutiny of the books of accounts and other records and according to the information and explanations received by us from the management we are of the opinion that the question of commenting on maintenance of proper records of fixed assets, physical verification of fixed assets and any substantial sale thereof does not arise, since the Company had no fixed assets excepting Land and Capital Work in progress during the year.
2. The Company had no inventory at any point of time and as such Verification of inventory by the Management does not arise.
3. a] The Company has not given unsecured loan to a Company covered in the register maintained under Section 301 of the Companies Act, 1956.

b] The Company has taken unsecured loan during the year from the Holding Company .The maximum amount involved during the year was Rs.4,985,000 and the amount outstanding as on 31st March 2010 in respect of the above said loan is Rs.4,374,810.
4. Having regard to the nature of the Company's business and based on our scrutiny of the records and the information and explanation received by us, we report that the Company's activities do not include purchase of inventory and sale of goods. In our opinion and according to the information and explanation given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of the business, with regard to purchase of fixed assets.
5. a] In our opinion and according to the information and explanation given to us, the transactions that need to be entered in the register maintained under Section 301, of the Companies Act, 1956 have been entered.

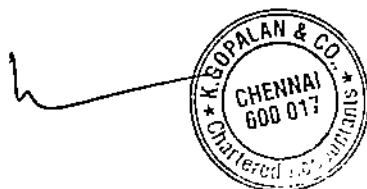
b] In our opinion and according to the information and explanation given to us, these transactions have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
6. The Company has not accepted any deposit from the public.
7. The Company is not required to have a separate internal audit system for the period under consideration.



K Gopalan & Co.

CHARTERED ACCOUNTANTS

8. The Central Government has not prescribed the maintenance of Cost Records under section 209 (1) (d) of the Companies Act, 1956.
9. The Company is regular in depositing undisputed statutory dues including Income tax, Sales tax, Customs duty and any other applicable statutory dues with the appropriate authorities
10. The Company was incorporated on 7th August 2008. Since a period of five years has not elapsed since the date of incorporation as at the balance sheet date, no comment is required under clause (x) of para 4 of the order regarding the erosion of more than fifty percent or more of net worth and cash losses in the current and immediately preceding financial years.
11. The Company has not taken loans from financial institutions/banks or issued debentures till 31st March, 2010. Hence, the question of reporting on defaults in repayment of dues to financial institutions/banks or debentures does not arise.
12. The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The Company is not a chit fund or a Nidhi/Mutual Benefit Fund/Society. Therefore clause 4(xiii) of the order is not applicable to the Company.
14. According to the information and explanation given to us, the Company is not dealing or trading in shares, securities, debentures and other investments.
15. According to the information and explanation given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
16. According to the records of the Company, the Company has not obtained term loans. Hence, comments under the clause 4 (xvi) are not applicable.
17. As per the books of accounts and according to the information and explanation given to us, we report that no funds raised on short term basis have been used for long term investment by the Company.
18. According to the information and explanation given to us, the Company has not made any preferential allotment of shares to parties and Companies during the year.
19. The Company has not issued any debentures during the year.
20. The Company has not raised any money by public issues during the year.

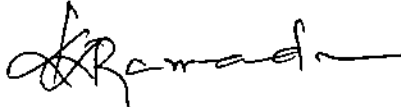


K Gopalan & Co.

CHARTERED ACCOUNTANTS

21. According to the information and explanation given to us, no fraud on or by the Company has been noticed or reported during the financial year.

For K GOPALAN & Co.,
Regn. No:000975S
Chartered Accountants



K I Ramadurai
Partner

Membership No : 20625

Place : Karaikal

Date : 17th May 2010.



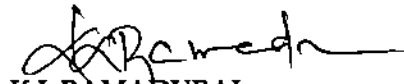
AMBAR NIVAS PVT LTD
PROFIT & LOSS ACCOUNT

PARTICULARS	Schedule	Year Ended 31-Mar-2010 Rs	Period Ended 31-Mar-2009 Rs
INCOME		-	-
		<u>-</u>	<u>-</u>
EXPENDITURE			
Personnel Expenses	6	12,000	6,500
Administrative Expenses	7	18,755	16,881
Interest & Finance Charges	8	23,499	28
		<u>54,254</u>	<u>23,409</u>
PROFIT / (LOSS) BEFORE TAX		(54,254)	(23,409)
PROVISION FOR TAXATION		-	-
PROFIT / (LOSS) AFTER TAX		<u>(54,254)</u>	<u>(23,409)</u>
PROFIT / (LOSS) BROUGHT FORWARD		(23,409)	-
PROFIT / (LOSS) CARRIED OVER TO BALANCE SHEET		<u>(77,663)</u>	<u>(23,409)</u>
EARNINGS PER SHARE			
Basic		(5.43)	(2.34)
Diluted		(5.43)	(2.34)

NOTES ON ACCOUNTS

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As per our Report of even date attached
For K GOPALAN & CO.,
Regn No: 000975S
Chartered Accountants



K L RAMADURAI
Partner

Membership No : 20625

Place : Karaikal
Date : 17-May-10



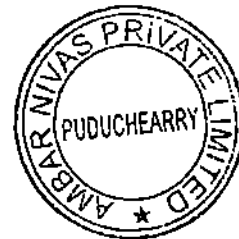
For and on behalf of Board of Directors



RABINDRA KUMAR SAMAL
Director

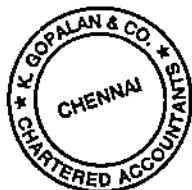


SUSANTA KUMAR DEHURY
Director



AMBAR NIVAS PVT LTD
SCHEDULES TO ACCOUNTS

PARTICULARS	As At 31-Mar-2010 Rs	As At 31-Mar-2009 Rs
SCHEDULE 1 : SHARE CAPITAL		
Authorised Capital		
10,000 Equity Shares of Rs.10 each (Perious period 10,000 Equity Shares of Rs.10 each)	100,000	100,000
Issued, Subscribed & Paid Up Capital		
10,000 Equity Shares of Rs.10 each (Perious period 10,000 Equity Shares of Rs.10 each)	100,000	100,000
	<u>100,000</u>	<u>100,000</u>
SCHEDULE 2 : UNSECURED LOAN		
Loan From Holding Company	4,374,810	-
Loan From Other Company	502,488	-
	<u>4,877,298</u>	<u>-</u>



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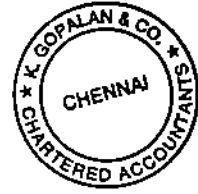
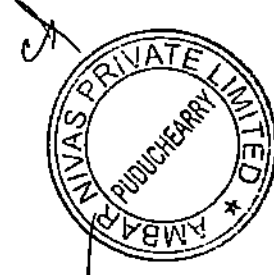
AMBAR NIVAS PVT LTD

SCHEDULE 3 : FIXED ASSETS

Particulars	Gross Block			Depreciation As at 31-Mar-2010	Net Block	
	As at 31-Mar-2009	Additions	Deletion		As at 31-Mar-2010	As at 31-Mar-2009
Land		4,110,832		-	4,110,832	-
Capital Work in Progress		17,256,683		-	17,256,683	-
Grand Total	-	21,367,515	-	-	21,367,515	-
Previous Year	-	-	-	-	-	-

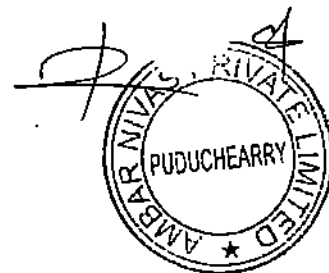
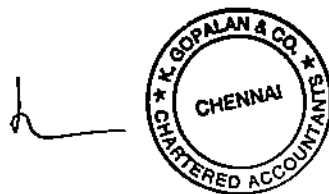
Breakup of the CWIP

Construction Cost	16,779,037
Interest	477,646
Advances	-
Pre-operative Expenses	-
Total	17,256,683



AMBAR NIVAS PVT LTD
SCHEDULES TO ACCOUNTS

PARTICULARS	As At 31-Mar-2010 Rs	As At 31-Mar-2009 Rs
SCHEDULE 4 : CURRENT ASSETS, LOANS & ADVANCES		
Cash & Bank Balances		
Cash Balance	35,962	90,060
Balances with Scheduled Banks In Current Accounts	52,526	-
	88,488	90,060
SCHEDULE 5 : CURRENT LIABILITIES & PROVISIONS		
Current Liabilities		
Sundry Creditors	16,444,956	1,454
Expenses Payable	11,030	5,515
Statutory Dues	88,382	-
Due to Directors	12,000	6,500
	16,556,368	13,469
	Year Ended 31-Mar-2010 Rs	Period Ended 31-Mar-2009 Rs
SCHEDULE 6 : PERSONNEL EXPENSES		
Directors Sitting Fees	12,000	6,500
	12,000	6,500
SCHEDULE 7 : ADMINISTRATIVE EXPENSES		
Secretarial Expenses	4,650	1,400
Printing & Stationery	2,775	1,513
Audit Fee	11,030	5,515
Legal and professional Charges	300	572
Preliminary Expenses Written Off	-	7,881
	18,755	16,881
SCHEDULE 8 : INTEREST AND FINANCE CHARGES		
Interest	1,227	-
Bank Charges	22,272	28
	23,499	28



AMBAR NIVAS PVT LTD

SCHEDULES TO ACCOUNTS

SCHEDULE 9: NOTES ON ACCOUNTS

SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

1. The financial statements have been prepared under the historical cost convention in accordance with the generally accepted accounting principles and the provisions of the Companies Act, 1956.
2. Use of Estimates: The preparation of financial statements requires the Management of the Company to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) as of the date of the financial statement & reported income & expenses during the reporting period. Examples of such estimates include provisions for doubtful debts, employee retirement benefit plans, provisions for income taxes, useful life of fixed assets, accounting for work executed etc.
3. Method of Accounting - The Company maintains its accounts on accrual basis.
4. The Accounting Standards recommended by The Institute of Chartered Accountants of India have been followed wherever applicable to the Company.

B. REVENUE RECOGNITION

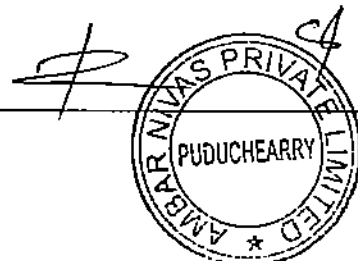
All Income and Expenses have been recognized on accrual system of accounting.

C. FIXED ASSETS & DEPRECIATION

1. The Fixed Assets are stated at cost of acquisition including interest paid on specific borrowings up to the date of acquisition / installation of the assets and improvement thereon less depreciation.
2. Depreciation is provided on fixed assets, on straight-line method, on pro-rata basis as per the rates specified in Schedule XIV of the Companies Act, 1956.
3. Advances paid towards acquisition of fixed assets and cost of assets not put to use before the year end are shown under Capital Work - in - Progress.
4. The company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists the company estimates the recoverable amount of the assets. If such recoverable amount of the asset or recoverable amount of the cash generating divisions which the assets belongs to is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as impairment loss and recognized in the profit and loss account.

D. PRELIMINARY EXPENSES

Preliminary expenses are fully charged off in the year in which they are incurred.



AMBAR NIVAS PVT LTD

SCHEDULES TO ACCOUNTS

E. OPERATING LEASES

The company does not have any obligations under any leases for office and residential space.

Assets subject to operating leases are included under fixed assets or current assets as appropriate. Lease income is recognized in the profit and loss account on a straight-line basis over the lease term. Costs, including depreciation, are recognized as an expense in the profit and loss account.

F. VALUATION OF CLOSING STOCK

- a. Raw Material: Raw Material, Stores and Spares are valued at weighted average cost. Cost comprises all costs of purchase.
- b. Work-in-progress: Work-in-progress is valued at cost or the contract rates whichever is lower.
- c. Completed projects: Completed Projects are valued at cost or net realizable value, whichever is less.

G. INVESTMENTS

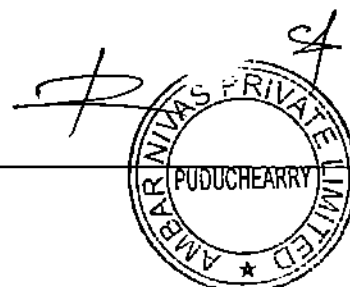
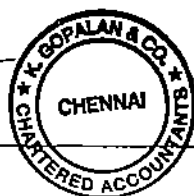
Investments are classified as long-term and current investments. Long-term investments are shown at cost or written down value (in case of other than temporary diminution) and current investments are shown at cost or market value whichever is lower.

H. FOREIGN CURRENCY TRANSACTIONS:

Foreign currency transactions are accounted on the exchange rate prevailing at the date of the transaction. Foreign currency monetary items outstanding as at the Balance sheet date are reported using the closing date. Gain and losses resulting from the settlement of such transactions and translation of monetary assets and liabilities denominated in foreign currencies are recognized in the Profit and Loss Account.

I. TAX ON INCOME

1. The accounting treatment for income Tax in respect of company's income is based on the Accounting Standard 22 on "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India. Tax on income for the current year is determined on the basis of Taxable Income computed in accordance with the provisions of the Income Tax Act, 1961.
2. Deferred Tax on timing differences between the accounting income and taxable income for the year is quantified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date.



AMBAR NIVAS PVT LTD

SCHEDULES TO ACCOUNTS

NOTES ON ACCOUNTS:

1. CONTINGENT LIABILITIES:

- Estimated amount of liability on capital contracts : Nil (Previous Period : Nil)
- The company has given its land as collateral security for loan raised by Marg Limited (Holding Company).

2. DEFERRED TAX LIABILITY

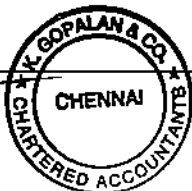
Considering the past performance of the company and the developments in the company, the management is of the opinion that there is no reasonable certainty that the company will be in a position to avail tax assets. Hence deferred tax asset has not been considered in accordance with Accounting Standard 22 issued by ICAI.

3. RELATED PARTY DISCLOSURES :

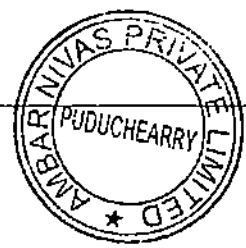
The following is the list of related parties:

- Holding Company – Marg Limited
- Fellow Subsidiaries

SL No	Name of the Company	SL No	Name of the Company
1	Aaram Constructions Private Limited	2	Abhinaya Infradevelopers Private Limited
3	Ajani Constructions Private Limited	4	Akarsh Constructions Private Limited
5	Akhil Infrastructure Private Limited	6	Amir Constructions Private Limited
7	Anumanthai Beachside Resorts Private Limited	8	Anuttam Constructions Private Limited
9	Aparajitha Infrastructure Private Limited	10	Aprati Constructions Private Limited
11	Arogya Constructions Private Limited	12	Arohi Infrastructure Private Limited
13	Aroopa Infradevelopers Private Limited	14	Atul Infrastructure Private Limited
15	Avatar Constructions Private Limited	16	Bay Infradevelopers Private Limited
17	Bharani Infrastructure Private Limited	18	Bhushan Tradelinks Private Limited
19	Darpan Houses Private Limited	20	Dasha Infradevelopers Private Limited
21	Future Parking Private Limited	22	Giri Infradevelopers Private Limited
23	Goldenview Nivas Private Limited	24	Highrise Housing Projects Private Limited
25	Hilary Constructions Private Limited	26	Indraprastha Homes Private Limited
27	Jai Ganesh Infradevelopers Private Limited	28	Kanchanajunga Infradevelopers Private Limited
29	Karaikal Infradevelopers Private Limited	30	Karaikal Port Private Limited
31	Karaikal Power Company Private Limited	32	Kirtidhara Infrastructure Private Limited
33	Kripa Infrastructure Private Limited	34	Magnumopus Infrastructure Private Limited
35	Marg Aviations Private Limited	36	Marg Business Park Private Limited
37	Marg Communications Private Limited	38	Marg Constructions (Chennai) Private Limited
39	MARG Industrial Clusters Limited	40	MARG Infrastructure Developers Limited
41	Marg International Dredging PTE Limited.	42	Marg Logistics Private Limited



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AMBAR NIVAS PVT LTD

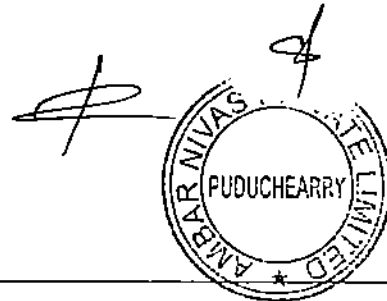
SCHEDULES TO ACCOUNTS

43	MARG Marine Infrastructure Limited	44	Marg Port Management Services Private Limited
45	Marg Power Projects Private Limited	46	MARG ProperTies Private Limited
47	Marg Renewable Power Projects Private Limited	48	Marg Swarnabhoomi Logistics Private Limited
49	Marg Swarnabhoomi Port Private Limited	50	Marg Swarnabhoomi Power Private Limited
51	Marg Trading PTE Limited.	52	Marigold Villas Private Limited
53	Mayur Habitat Private Limited	54	Mukta Infrastructure Private Limited
55	Navita Estates Private Limited	56	Navrang Infrastructure Private Limited
57	New Chennai Township Private Limited	58	New Era Land Developers Private Limited
59	O M R Developers Private Limited	60	Parivar Apartments Private Limited
61	Pathang Constructions Private Limited	62	Prospective Constructions Private Limited
63	Rainbow Habitat Private Limited	64	Riverside Infrastructure (India) Private Limited
65	Rupak Constructions Private Limited	66	Sanjog Infrastructure Private Limited
67	Saptarishi Projects Private Limited	68	Saral Homes Private Limited
69	Sarang Infradevelopers Private Limited	70	Sathsang Constructions Private Limited
71	Shubham Vihar Private Limited	72	Siddhi Infradevelopers Private Limited
73	Signa Infrastructure India Limited	74	Singar Constructions Private Limited
75	Swarnabhoomi Port Private Limited	76	Swatantra Infrastructure Private Limited
77	Veda Infradevelopers Private Limited	78	Viswadhara Constructions Private Limited
79	Wisdom Constructions Private Limited	80	Yuva Constructions Private Limited

The following transactions were carried out with the related parties during the course of the business:

Particulars	Amount in Rs	
	Holding Company	Fellow Subsidiaries
Transactions during the Year		
Loans Received(Including Interest)	5,529,762	-
Purchase of Fixed Assets(Excluding Interest)	16,688,693	
Interest Paid	424,762	
Guarantees & Collaterals Issued	18,064,462	
Balances as on 31st March 2010		
Loans Received	4,374,810	-
Sundry Creditors	16,354,919	-
Guarantees & Collaterals Issued	18,064,462	-

4. The company has not received information from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures relating to amounts unpaid as the year end together with interest paid / payable under this Act have not been given.



AMBAR NIVAS PVT LTD

SCHEDULES TO ACCOUNTS

5. Earnings Per Share (EPS):

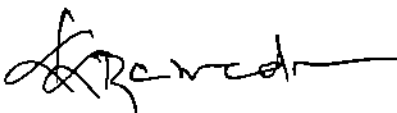
S No	Particulars	Year Ended 31st March 10	Period Ended 31st March 09
a.	Profit After Tax (Rs) For Basic & Diluted EPS	(54,254)	(23,409)
b.	Weighted average number of equity shares (Nos) For Basic & Diluted EPS	10,000	10,000
c.	Earning Per Share (Rs.) For Basic & Diluted EPS	(5.43)	(2.34)
d.	Nominal Value Per Share (Rs.)	10.00	10.00


6. In the opinion of the Management, Current Assets, Loans & Advances have a value on realisation equal to the amount at which they are stated in the Balance Sheet and provision for all known liabilities has been made.
7. The Company is a Wholly Owned Subsidiary Company of Marg Limited from 10th April 2009.
8. The Company was incorporated on 7th August 2008. The accounts relate to the previous period from 7th August 2008 to 31st March 2009
9. Previous period's figures have been regrouped / reclassified / rearranged wherever necessary to bring them in conformity with the current year figures.

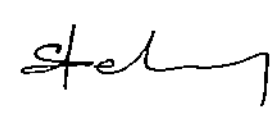
Signatories to Schedule 1 to 9

As per our Report of even date attached
For **K GOPALAN & Co.,**
Regn No.000975S
Chartered Accountants

For and on behalf of Board of Directors


K L Ramadurai
Partner
Membership No. 20625


RABINDRA KUMAR SAMAL
Director


SUSANTA KUMAR DEHURY
Director

Place : Karaikal
Date : 17-May-10

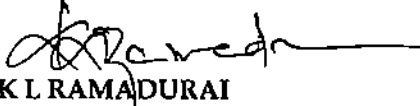


AMBAR NIVAS PVT LTD

CASH FLOW STATEMENT


S No	Particulars	Year Ended 31-Mar-2010 Rs	Period Ended 31-Mar-2009 Rs
A CASH FLOWS FROM OPERATING ACTIVITIES:			
	Net Profit before Taxation and Extraordinary Items	(54,254)	(23,409)
	Adjustment for:		
	Preliminary & Public Issue Expenses Written Off	-	7,881
	Interest & Finance Charges (Net)	23,499	28
	Operating Profit before Working Capital Changes	(30,755)	(15,500)
	Increase in Current Liabilities	99,443	13,469
	Cash Generated from Operations	68,688	(2,031)
	Income Tax Paid	-	-
	Cash Flow before Extraordinary Items	68,688	(2,031)
	Adjustment for Extraordinary Items (Preliminary Expenses)	-	(7,881)
	NET CASH FROM OPERATING ACTIVITIES (A)	68,688	(9,912)
B CASH FLOWS FROM INVESTING ACTIVITIES:			
	Purchase of Fixed Assets	(4,500,524)	-
	NET CASH FROM INVESTING ACTIVITIES (B)	(4,500,524)	-
C CASH FLOWS FROM FINANCING ACTIVITIES:			
	Proceeds from Issuance of Share Capital	-	100,000
	Proceeds from Long Term Borrowings	4,452,536	-
	Interest & Finance Charges Paid (Net)	(22,272)	(28)
	NET CASH USED IN FINANCING ACTIVITIES (C)	4,430,264	99,972
	Net Increase in Cash and Cash Equivalents (A+B+C)	(1,572)	90,060
	Cash and Cash Equivalents at beginning of Period	90,060	-
	Cash and Cash Equivalents at end of Period	88,488	90,060


As per our Report of even date attached
For K GOPALAN & CO.,
Regn No: 000975S
Chartered Accountants

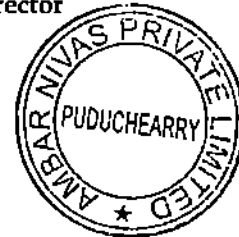

K L RAMADURAI
Partner
Membership No : 20625



For and on behalf of Board of Directors


RABINDRA KUMAR SAMAL
Director


SUSANTA KUMAR DEHURY
Director



Place : Karaikal
Date : 17-May-10