

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Paresh Sampat	: Non Executive Chairman
Mr. V.I. Garg	: CEO, Director
Mr. Ashish Garg	: Managing Director
Mr. Vineet Garg	: Executive Director
Mr. Yuvraj Karan	: Non Executive Director
Mr. Deenbandhu Upasani	: Non Executive Director

COMPANY SECRETARY

Mr.Dinesh Modi

AUDITORS

M/s.Ajmera Ajmera & Associates.
Chartered Accountants

BANKERS

Vijaya Bank, Mumbai

REGISTRAR & SHARE TRANSFER AGENTS

M/s. Link Intime India Pvt. Ltd.
C - 13, Pannalal Silk Mill Compound,
L.B.S Marg, Bhandup (West),
Mumbai - 400 078
Tel. Nos.: 022-25963838

REGISTERED OFFICE

Anandi, 68, TMV Colony
Mukund Nagar,
Off Pune-Satara Road,
Pune-411037
Email:investor.relations@hazoormulti.com

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DIRECTORS' REPORT

To,
The Members,

Your Directors have pleasure in presenting their Eighteenth Annual Report of the company together with the Audited Accounts for the year ended August 31st, 2010.

FINANCIAL RESULTS:

The salient features of the Company's standalone and consolidated financial results for the year under review are as follows:

(Rs. in Lacs)

	STANDALONE		CONSOLIDATED	
	31.08.2010	31.08.2009	31.08.2010	31.08.2009
Income from Operations	NIL	NIL	1490.75	NIL
Other Income	28.61	136.15	28.61	57.34
Total Income	28.61	136.15	1519.36	57.34
Profit / (Loss) before Interest, depreciation & impairment and tax	(17.69)	(169.42)	171.92	(248.22)
Less: Interest and Finance Charges	1.12	0.16	1.12	0.16
Less: Depreciation and Impairment	13.44	1082.43	13.95	1082.43
Profit/(Loss) before tax	(32.25)	(1252.01)	156.85	(1330.81)
Less: Provision for tax	8.29	NIL	8.29	NIL
Profit / (Loss) after tax	(40.54)	(1252.01)	148.56	(1330.81)
Share of Profit from Associates	NIL	NIL	NIL	10.29
Profit / (Loss) for the year	(40.54)	(1,252.01)	148.56	(1,320.52)
Paid Up Equity Share Capital	1,015.00	1,015.00	1,015.00	1,015.00

PERFORMANCE REVIEW:

During the year under review, the total income of your company was lower at Rs. 28.61 Lacs as against Rs. 136.15 lacs in the previous year. The company has incurred Standalone operating loss before interest, depreciation & impairment and tax of Rs. 17.69 lacs as against operating loss of Rs. 169.42 Lacs in the previous year.

The consolidated revenue of the company was higher at Rs.1,519.36 lacs as against Rs. 57.34 lacs in the previous year. The Consolidated Operating Profit before interest, depreciation & impairment and tax is Rs. 171.92 lacs in the current year as against operating loss of Rs 248.22 lacs in the previous year. The Consolidated Net profit was Rs.148.56 lacs as against loss of Rs. 1,320.52 lacs in the previous year.

APPROPRIATION:

During the year, Rs. 31.12 lacs have been appropriated from General Reserves. In order to conserve resources for future growth, your Directors do not recommend any dividend for the year under review.

CHANGES IN REGISTERED OFFICE:

The company's registered office is shifted from Hazoor House, Plot No. 3/2, Anand Nagar, Service Road, Off Pune - Bangalore Highway, Pune- 411051 to Anandi, 68, TMV Colony Mukund Nagar, Off Pune-Satara Road, Pune-411037 w.e.f. 29th November, 2010.

AUDITORS REPORT:

The observations made by the Auditors in their Report are Self Explanatory and need no further elaboration u/s 217(3) of the Companies Act, 1956.

CONSOLIDATED ACCOUNTS:

In accordance with Accounting Standard AS-21, AS-23 & AS-27 prescribed by the Institute of Chartered Accountants of India, the Consolidated Accounts of the Company and its Subsidiaries, Associates and Joint Ventures along with Auditors Report thereon is annexed to this report.

FIXED DEPOSITS:

Your company has not invited or renewed deposits from the public/shareholders in accordance with Section 58 A of the Companies Act, 1956.

MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)

The details of the operations and future outlook of the Company are given in the MD& A as per Annexure I

CORPORATE GOVERNANCE:

Your Company attaches considerable significance to good Corporate Governance as an important step towards building investor confidence, improve investors' protection and maximize long term shareholder value.

As required by the Clause 49 of the Listing Agreement(s) entered into with the Stock Exchange(s), a Compliance Report on Corporate Governance is attached as per Annexure II. A certificate from the practicing Company Secretary confirming compliance with the conditions of the Clause 49 of the Listing Agreement(s) is also attached.

The Company is in compliance with the requirements and disclosures that have to be made in this regard. In terms of sub-clause (v) of Clause 49 of the Listing Agreement, a certificate from CEO/CFO, inter alia, confirming the correctness of the financial statements, adequacy of internal control measures and reporting of matters to the Audit and Compliance Committee in terms of the said Clause, is also enclosed as a part of the said Report.

SUBSIDIARIES:

During the year under review, Hazoor Aambey Valley Developers Private Limited and Hazoor Township Developers Private Limited Subsidiary Companies are non-material, non-listed subsidiary companies as defined under Clause 49 of the Listing Agreement entered into with the Stock Exchanges. Hazoor Aambey Valley Developers Private Limited is wholly owned subsidiary and Hazoor Township Developers Private Limited is a (55%) subsidiary company. A statement pursuant to Section 212 of the Companies Act, 1956 relating to Subsidiary Companies is attached to the accounts. During the year, the company has divested its holding in Hazoor Township Developers Pvt. Ltd. by 45% and 55% of its capital is held by the company. This strategic divestment by the company has augmented the financial resources of the subsidiary company and has enabled it to scale up its operations in the field of Infrastructure & Real Estate Development. In terms of the application made to Central Government under Section 212(8) of the Companies Act, 1956, a copy of the Balance Sheet, Profit & Loss Account, Report of the Board of Directors and the Report of the Auditors of the Subsidiary Companies have not been attached with the Balance Sheet of the Company. Annual Accounts of the subsidiary companies and the related detailed information will be made available to the investors for inspection at its registered office.

JOINT VENTURE (J.V.):

The Company's subsidiary Hazoor Township Developers (HTD) are developing a Real estate housing project through the Special Purpose Vehicle M/s. "ZERO DEVELOPERS", who have formed a Joint Venture(A.O.P.) viz. "HAZOOR HOMES" for carrying out the Real Estate Housing Projects in the mid of City, near Sinhagad Road, Pune. The Housing Project will comprise of affordable apartments and convenient shopping catering to middle income group. The formal J. V. agreement between the landowners, and the developers M/s. "ZERO DEVELOPERS" have been duly Registered for formation of the J.V. "HAZOOR HOMES".

During the year M/s Hazoor Multi Corp. ceased to be J.V. of the company w.e.f. 31st March, 2010.

ASSOCIATES:

The Company also operates its activities like Real Estate, Infrastructure development activities through its associates. The revenues will accrue to the company from its associates by way of its share of profit which will be recognized at the year end as per principles and procedures for consolidation as laid out in the Accounting Standard-23 (AS-23) issued by the Institute of Chartered Accountants of India (ICAI)/ Company (Accounting Standards) Rules, 2006. During the year M/s Land Aggregator & Realtors ceased to be Associates of the company w.e.f.31st March, 2010.

DIRECTORS:

As per the Articles of Association of the company, Mr. Paresh Sampat and Mr. Yuvraj Karan retire by rotation at this Annual General Meeting and being eligible are proposed to be re-appointed. Profiles of these Directors, as required by Clause 49 of the Listing Agreements are given in the Section on 'Corporate Governance'.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to Section 217 (2AA) of the Companies Act 1956, it is hereby confirmed:

- i) that in the preparation of the Annual accounts, the applicable accounting standards have been followed and there has been no material departure;
- ii) that the selected accounting policies were applied consistently and the Directors made judgments and estimate that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at 31st August, 2010 and of the profit or loss of the company for the year ended on that day;
- iii) that proper and sufficient care has been taken for the maintenance of the adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the company and or preventing and detecting fraud and other irregularities; and
- iv) that the Annual accounts have been prepared on a going concern basis.

AUDITORS:

M/s Ajmera Ajmera & Associates, the auditors of the company retires as statutory auditors at the conclusion of this Annual General Meeting and offers themselves for re-appointment. A certificate from them has been received to the effect that their re-appointment as statutory auditors, if made, would be within the limits prescribed u/s 224(1B) of the Companies Act, 1956.

GENERAL SHAREHOLDER'S INFORMATION:

Detailed information in this regard is provided in this section 'General Shareholder's Information as Annexure III.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS & OUTGO:

Additional Information required under provision of the Section 217 (1) (e) of the Companies Act, 1956, with the companies (Disclosure of particulars in the report of Board of Directors) Rules, 1988, regarding a). Conservation of Energy b). Technology Absorption is not applicable as the Company is not carrying out any manufacturing operations. There were no Foreign Exchange Earnings and outgo during the year.

EMPLOYEES:

The professional pool of directors continues to be the biggest asset of the Company. Your Company aims at creating a corporate culture that respects people, develops and trains them to deliver high quality performance and rewards talent and performance with growth opportunities. The Board of the Company comprises of highly qualified and experienced professionals from various faculties like engineering, finance, legal, and management. Employee relations continue to be cordial.

During the year under review ,there was no employee employed throughout the financial year who was in receipt of remuneration in excess of the limits prescribed under section 217 (2A) of the Companies Act, 1956, read with companies (Particulars of Employee) Rules, 1975.

GROUP:

Pursuant to an intimation from the promoters, the names of the promoters and entities comprising 'Group' as defined under the Monopolies and Restrictive Trade Practices (MRTP) Act, 1969 are disclosed in the Annual Report for the purpose of the SEBI(Substantial Acquisition of Shares and Takeovers) Regulations, 1997.

CORPORATE SOCIAL RESPONSIBILITY INITIATIVES (CSR):

As a socially responsible organization, Hazoor Group has contributed not only to the economic well being of the communities it interacts with but has also enhanced their social well being. The Company has been sponsoring time and again, the spiritual discourses and meditation camps conducted by "Guru Rajendraji" an internationally acclaimed spiritual guru for the benefit of the community at large.

APPRECIATION:

Your Directors wish to place on record their sincere appreciation and thanks for the valuable co-operation and support received from the Registrar of Companies, Maharashtra, Regional Director, Western Region, Ministry of Company Affairs, Company's bankers, financial institutions, business associates, suppliers, consultants, customers, contractors and shareholders at large and look forward to the same in greater measure in the coming years. The Directors also wish to place on record their appreciation of the unstained efforts and contributions made by the Management Team and the employees of the Company at all levels.

For and on behalf of the Board

Place: Mumbai
Date: 31.01.2011

V.I. Garg
CEO, Director

ANNEXURE I: MANAGEMENT'S DISCUSSION AND ANALYSIS COMPANY'S SUSTAINABILITY INITIATIVES FOR RE-ENGINEERING:

The year 2009-2010 has been a year of total re-engineering for the Company. In the midst of the economic and liquidity crisis, the Company was able to sustain tougher times largely due to the following initiatives undertaken:

- adopted the concept of economical apartment in the residential segment;
- focus to affordable housing segments which is perceived to have maximum demand;
- to curtail the land trading activities project having long gestation period;
- to maintain the Zero Debt Status.
- boosting confidence of contractors, suppliers and creditors by initiating confidence building measures;
- revisiting effectiveness of internal and external audit mechanism in order to ensure greater transparency for regulators and other statutory authorities.
- slashing overheads and improving cost efficiencies;
- exploring newer construction techniques that would result in substantial savings over conventional techniques exploring the use of new construction materials, better mechanization and technology for green and environment friendly approach or accreditation for the development of the project undertaken by J.V.,

THE BUSINESS:

The Company currently operates either on its own or through its subsidiaries / joint ventures / associate companies in the Residential segment of the Real Estate business, and has focused on affordable housing segment. The companies indentified the land owners and forms joint venture and assist them in obtaining necessary approvals, planning, execution and marketing of the projects on behalf of the joint Venture, Associate etc.

BUSINESS ANALYSIS & OUTLOOK:

The Residential project 'High Life' comprising of 77 Luxury Apartments at affordable price have been fully completed under the Joint Venture Hazoor City Developers. Majority of Apartments have been sold and possession has been handed over to the purchasers. The project has become the signature project of the company and has created goodwill for the company in Pune City.

Anticipating the huge demand potential in the low cost housing segment, the Company has planned to launch affordable housing scheme project in Pune in the forthcoming financial Year under the J.V. Hazoor Homes formed by its subsidiary. The Company's low land acquisition cost and execution expertise through its J.V. will ensure profitability in these projects.

During the previous year, the real estate project Hazoor Hill Grand near Aambey Valley, Lonavala had been recognized as impaired in accordance with the Accounting Standard 28 (AS-28) - "Impairment of Assets" issued by ICAI. During the year no provision of impairment loss or reversal has been recognised and provided in the profit & loss Account.

ECONOMIC OVERVIEW:

The year 2009-10 was one filled with surprises. After flirting with financial disaster a little over a year back, the world economy engineered a remarkable turnaround, albeit a slow one, lifting capital markets considerably. Several cyclical parts of the global economy reported robust numbers, including industrial output, automobile and truck sales, bank lending and imports as well as exports during Q1 2010. Therefore, as swift as the revival seems, the global economy is not completely out of the woods yet. Fears of a 'jobless recovery' in US, inflationary pressures in emerging markets and currency fluctuations in export-oriented economies, loom large. The specter of recession looms large over the horizon on account of yet turmoil in the European countries namely Greece, Spain, Portugal and Italy.

INDIAN ECONOMY:

Last year was when the ghosts of great economic depression returned and haunted the businesses worldwide. But, through collective action, the Western economies were able to avert a catastrophe. However, the economic growth took a severe blow. Amidst such shake-up, Indian economy showed resilience, the primary reason being that India is a domestic demand driven economy. The government stimulus further fuelled domestic demand. Another reason for Indian economy performing better than the others is our demographics. India is a much younger nation as compared to its western counterparts. Moreover, savings rate in India is far higher compared to international standards. This has enabled India to fund its investments

through domestic sources rather than borrowings. The actual turnaround in the Indian Economy came in the second quarter of 2009-2010 when the economy grew by 7.9 % and was estimated to grow by 8.5 % in the current fiscal. The performance of the Indian economy during the last year combined with an analysis of the economic trends over the last couple of years confirm the underlying strength of the fundamentals in India, which is now unarguably one of the world's fastest growing economies. Given the steadily improving fundamentals of the economy, the medium term prospects of the Indian economy certainly look consistently good and given the improvements in infrastructure and reforms in governance, the prospects of India moving into a double digit growth trajectory is high.

INDUSTRY OVERVIEW:

The real estate sector was in the eye of the financial hurricane that tore across markets and geographies, devastating people, companies and even entire countries leaving an estimated 20 million unemployed. Today, though the Sector is struggling in many countries, the Indian Real Estate Sector is witnessing a revival of its fortune with developers having raised capital through QIP route and prices taking on an upward trajectory. The downturn gave the real estate industry a fresh perspective on different levels. During the downturn, 'affordable housing' became a new mantra. A number of affordable projects launched in 2009-10 received good response. The real estate market in India has resumed activity with segments such as affordable housing and commercial real estate witnessing definite revival of interest. Drop in property prices; reduced home loan interest rates and job market stability have brought investors and end-users, in equal measures, back to the market. The earlier catalyst to increased demand was the lowering of interest rates on housing loans, downward revision to 8 % - 8.25 % p.a. which could be neutralized by the upward revision of interest rates on housing loans by the bankers.

OPPORTUNITIES AND THREATS:

The Indian economy has thoroughly improved & the global economy appears to have absorbed the shock & is approaching stability. Infrastructure development continues to be a priority area for the Indian Government & many such projects are on going at present. Most of the real estate indices are positive, demand for housing is strong at the right price, and Economic growth has brought back need & demand for good commercial spaces. Inflation all around, however, is a major concern. Economic & Fiscal Policies to contain inflation without unduly affecting business growth will have to be of utmost importance for the authorities. For the developers of real estate, delivery as per users' preferences & pricing will have to be properly synchronized.

RISKS AND CONCERNS:

The Company operates in an environment which is affected by various factors, some of which are controllable while some are outside the control of the Company. The management monitors the risk management activities on a regular basis in addition to scanning for any new risks that may arise due to changes in business environment. While the possibility of a negative impact due to one or more such risks cannot be totally precluded, the Company proactively takes reasonable steps to mitigate significant risks that may affect it.

INTERNAL CONTROLS:

Your Company has adequate system of internal controls to ensure that all assets are safeguarded, transactions are authorized, optimum utilization of resources, costs are controlled, reporting of financial transactions and compliance with applicable law and regulations.

CAUTIONARY STATEMENT:

Certain statements in this Directors' Report and Management Discussion and Analysis describing the Company's objectives, estimates, expectations or predictions may be forward looking statements within the meaning of applicable securities laws and regulations. Actual results could differ from those expressed or implied. Important factors that could make a difference to the Company's operations include material availability and prices, cyclical demand and pricing in the Company's principal markets, changes in government regulations, tax regimes, economic developments within India and other incidental factors.

ANNEXURE II: CORPORATE GOVERNANCE REPORT

A. MANDATORY REQUIREMENTS:

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

'Good Corporate Governance' is governance with professionalism, integrity, accountability, fairness, transparency and social responsibility and leads to long term shareholder value and enhances interest of other stakeholders. It brings into focus the fiduciary and trusteeship role of the Board to align and direct the actions of the organization towards creating wealth and shareholder value. Transparency, accountability and integrity form the cornerstone of effective governance.

The responsibility of effective corporate governance rests not with a single authority. However, the Board of Directors has the primary responsibility of ensuring that the fundamentals of corporate governance - as expressed in law and regulation are complied with. Corporate governance is a state of mind and a set of principles based on relationships and can only work if people charged with these responsibilities believe and are committed to the principles that underlie effective corporate governance. An effective corporate governance strategy can only emanate by constantly reviewing corporate governance practices.

The detailed report on implementation by the Company, of the Corporate Governance Code as enshrined in Clause 49 of the Listing Agreements with the Stock Exchanges, is set out below:

2. BOARD OF DIRECTORS:

COMPOSITION AND CATEGORY:

The Board consists of the Highly Qualified and eminent persons with vast experience in industry, finance, management and law. The Company is in full compliance with the Clause 49(I) (A) of the Listing Agreement(s).

The present strength of the Board is of 6 (Six) Directors. The Board does not have Nominee Director representing any institution. None of the Directors on the Board is a member of more than ten Committees and Chairman of more than five Committees (as specified in Clause 49 of the Listing Agreements) across all companies in which they are Directors.

Name of the Director	Category *	Attendance		No. of directorship Committee positions in other companies \$		
		Board Meeting	Last AGM	Directorship #	Member	Chairman
Mr. Paresh Sampat	NEC	6	Present	-	NIL	NIL
Mr. V.I. Garg	CEO, Director	6	Present	3	4	NIL
Mr. Ashish Garg	M.D.	6	Present	-	NIL	NIL
Mr. Vineet Garg	E.D.	6	Present	-	NIL	NIL
Mr. Yuvraj Karan	NED(I)	2	L.A.	-	NIL	NIL
Mr. Deenbandhu Upasani	NED(I)	1	L.A	-	NIL	NIL

*NEC- Non Executive Chairman

NED (I)- Non Executive Director (Independent)

M.D.- Managing Director

ED - Executive Director

L.A.- Leave of Absence

Excludes Alternate Directorships, and Directorships in Private Companies.

\$ As required by the existing Clause 49 of the Listing Agreement entered into with the Stock Exchanges, only Memberships/Chairmanships of the Audit Committee, Shareholder/Investor's Grievances and Remuneration Committee of public companies have been considered.

As on August 31st, 2010, Mr. Vineet Garg holds 5,000 Equity Shares and Mr. Ashish Garg holds 5,000 Equity Shares of the Company.

TENURE:

Except for the Managing Director, the other Directors of the Company, as eligible, are liable to retire by rotation. One-third of the said Directors are liable to retire every year and if eligible, offer themselves for reappointment.

Accordingly, Mr. Paresh Sampat and Mr. Yuvraj Karan retire by rotation at the ensuing Annual General Meeting and being eligible, are proposed to be reappointed.

RESPONSIBILITIES:

The Board of Directors represents the interests of the Company's shareholders, in optimizing long term value by providing the management with guidance and strategic direction on the shareholders' behalf. The Board's mandate is to oversee the Company's strategic operations, review corporate performances, authorise and monitor strategic investments, ensure regulatory compliances and safeguard interests of the stakeholders.

ROLE OF INDEPENDENT DIRECTORS:

Independent Directors play a key role in the decision-making process of the Board by participating in framing the overall strategy of the Company. The Independent Directors are committed to acting in what they believe to be in the best interest of the Company and its stakeholders. The Independent Directors are professionals, with expertise and experience in general corporate management, legal, public policy, finance, banking Architecture and other allied fields. This wide knowledge of both, their field of expertise and boardroom practices helps foster varied, unbiased, independent and experienced perspective. The Company benefits immensely from their inputs in achieving its strategic direction.

BOARD PROCEDURE:

During the year 2009-10, Six (6) meetings were held on 26.11.2009, 14.12.2009, 20.01.2010, 30.03.2010, 05.04.2010 and 24.06.2010. The gap between two Board Meetings did not exceed Four Months as mentioned in clause 49 of the listing agreement. The dates of the meeting were generally decided in advance. Key information is placed before Board of Directors to appraise corporate governance.

NOTES ON DIRECTORS SEEKING RE-APPOINTMENT:

Mr. Paresh Sampat and Mr. Yuvraj Karan retire by rotation and being eligible, are proposed to be re-appointed.

Mr. Paresh Sampat

Shri Paresh Sampat aged 41 years is a B.COM. LL.B., I.C.W.A. and A.C.S. Shri. Paresh Sampat has worked at senior executive levels in big Industrial units and has experience of almost 14 years. He is an expert having extensive knowledge in related fields. He is a Non-Executive Chairman on the Company's Board.

Mr. Yuvraj Karan

Shri Yuvraj Karan aged 79 years is a qualified Arts graduate (Economics). He retired as an Executive Director of Union Bank of India in 1992-93. He has vast experience and knowledge in the field of Banking and Insurance. Shri Yuvraj Karan is a Non-Executive Independent Director on the Company's Board.

3. AUDIT AND COMPLIANCE COMMITTEE:

The Audit committee of the Board has been constituted in compliance with the provisions of Section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement relating to the composition and terms of reference of the Audit Committee. Audit Committee is, inter alia, responsible for the financial reporting and ensuring compliance with the Accounting Standards and reviewing the financial policies of our company and to recommend the appointment of statutory auditors and internal auditors and to fix their remunerations. The Committee is responsible for reviewing the reports from internal auditors as well as the group Companies. The Committee will review all quarterly reports before submission of the same to the Board. Shri Yuvraj karan was replaced by Shri Ashish Garg from 01st September, 2009. Name of the directors who are members of the Committee and the details of meeting attended by directors are as under:-

Name	Designation	Category
Mr. V.I. Garg	Chairman	CEO, Director
Mr. Ashish Garg	Member	Managing Director
Mr. Paresh Sampat	Member	Non Executive Chairman

The Heads of Accounts and Internal Audit Departments are permanent invitees to the Audit Committee Meetings. The Statutory Auditor is also invited to attend the Audit Committee Meetings, as and when required. The Audit Committee is vested with the necessary powers, as defined in its Charter, to achieve its objectives.

Meetings and Attendance during the year

During the Financial Year 2009-2010, four meeting of the Audit Committee were held on 26.11.2009, 14.12.2009, 30.03.2010 and 24.06.2010. The details of attendance of the members at these audit committee meetings are as follows:

Sr.No.	Name of Directors	No. of Meetings Attended
1	Mr. V. I. Garg	4
2	Mr. Ashish Garg	4
3	Mr. Paresh Sampat	4

4. SHAREHOLDERS'/ INVESTORS GRIEVANCES COMMITTEE:

All the Investor Grievances are quickly attended and resolved by the Secretarial Department of the Company and M/s. Link Intime India Pvt. Ltd., Registrar and Share Transfer Agents of the Company. The committee along with overseeing share transfer work looks into the complaints received from investors. The Name of the directors who are members of the Committee and the details of meeting attended by directors is as under:-

Name	Designation	Category
Mr. Paresh Sampat	Chairman	Non Executive Chairman
Mr. Vineet Garg	Member	Executive Director
Mr. Dinesh Modi	Compliance Officer	Executive

Meetings and Attendance during the year

During the Financial Year 2009-2010, three meeting of the share transfer and Investor Grievances Committee were held on 14.12.2009, 30.03.2010 and 24.06.2010. The details of attendance of the members of these committee meetings are as follows:

Sr. No.	Name of Directors	No. of Meetings Attended
1	Mr. Paresh Sampat	3
2	Mr. Vineet Garg	3
3	Mr. Dinesh Modi	3

Mr. Dinesh Modi, Company Secretary is the Compliance Officer. The Corporate Secretarial Department of the company and the Registrar and Share Transfer Agents, attend to all grievances of the shareholders and investors received directly or through SEBI, Stock Exchanges, Department of Company Affairs, Registrar of Companies, etc.

Details of complaints received and redressed during the Financial Year are given below:

Nature of complaints	2009-10	
	Received (Nos.)	Resolved (Nos.)
Number of complaints received from shareholders	10	10
Total	10	10

No application for share transfers was pending as on 31st August 2010.

5. REMUNERATION COMMITTEE:

The company had constituted a remuneration committee in accordance with the requirements specified under the provisions of Companies Act, 1956 and Clause 49 of the listing agreement. The terms of reference of the Remuneration Committee is to determine Company's policy on specific remuneration packages to Executive Directors and any compensation payments and also to approve payment of remuneration to Managing or Whole-Time Directors. The Name of the directors who are members of the Committee and the details of meeting attended by directors is as under:-

Name	Designation	Category
Mr. Paresh Sampat	Chairman	Non Executive Chairman
Mr. Vineet Garg	Member	Executive Director
Mr. V.I. Garg	Member	CEO& Director

Meetings and attendance during the year

During the F.Y.2009-10, one meeting of the Remuneration Committee was held on 05.04.2010.

Sr. No.	Name of Directors	No. of Meetings Attended
1	Mr. Paresh Sampat	1
2	Mr. Vineet Garg	1
3	Mr. V.I. Garg	1

6. SHARE TRANSFER COMMITTEE (STC):

The STC has been set up for approving the transfer / transmission of shares, allotment of share warrants and consolidation, splitting of folios, issue of share certificates in exchange for sub-divided, consolidated, defaced, etc., for ensuring compliance with legal requirements of share transfers and co-ordination with the Registrar and Share Transfer Agent, Depositories, etc. The Name of the directors who are members of the Committee and the details of meeting attended by directors is as under:-

Name	Designation	Category
Mr. Paresh Sampat	Chairman	Non Executive Chairman
Mr. Vineet Garg	Member	Executive Director
Mr. V.I.Garg	Member	CEO& Director

Meetings and attendance during the year

During the Financial Year 2009-2010, four meetings of the Share Transfer Committee were held as on 26.11.2009, 20.01.2010, 30.03.2010 and 24.06.2010.

Sr. No.	Name of Directors	No. of Meetings Attended
1	Mr. Paresh Sampat	4
2	Mr. Vineet Garg	4
3	Mr. V.I.Garg	4

The Non Executive Directors are paid remuneration by way of sitting fees @ Rs.5,000/- for each Board Meeting and Rs. 3750/- for each committee meeting attended by them.

7. GENERAL BODY MEETINGS:

Details of venue, date and time of the last three Annual General Meetings held:

Year	Locations	Date	Time	Special Resolutions passed
2008-09	Landmark Building, Link Road, Mith Chowki, Malad (West), Mumbai - 400 064	27.02.2010	10.30 a.m.	-
2007-08	Landmark Building, Link Road, Mith Chowki, Malad (West), Mumbai - 400 064	24.02.2009	10.30 a.m.	-
2006-07	Goregaon Sports Clubs, Link Road, Malad (W), Mumbai - 400 064	29.02.2008	11.00 a.m.	-

- i) All Ordinary Resolutions were put to vote by show of hands and were passed unanimously by the members of the company.
- ii) During the year, a postal ballot was conducted pursuant to the provisions of section 192A of the Companies Act, 1956 read with the Companies (Passing of Resolution by Postal Ballot) Rules, 2001, on the special resolution as set out in the notice dated 20th January, 2010, seeking consent of the members for shifting of Registered office of the company from Mumbai to Pune within the state of Maharashtra. The said resolution was passed by the requisite majority and the result of the postal ballot was declared by the Chairman on 26th February, 2010.
- ii) At the forthcoming Annual General Meeting, there is no Agenda that need approval by Postal ballot.

8. SUBSIDIARIES:

The Company does not have any material unlisted Indian subsidiary whose turnover or net worth exceeds 20% of the consolidated turnover or net worth respectively of the listed holding company and its subsidiaries in the immediately preceding accounting year as defined under clause 49 of the Listing Agreement(s).

The Company monitors the performance of its Subsidiaries, inter-alia by the following means:

- The minutes of the Board Meetings of the Subsidiary Companies are noted at the Board Meetings of the Company.
- The investments made by the Subsidiary Companies are reviewed by the Audit Committee from time to time.
- Details of significant transactions and arrangements, if any, entered into by Subsidiary Companies are regularly placed at the Board Meetings of the Company.

9. CODE OF CONDUCT:

The Board of Directors has adopted the Code of Business Conduct and Ethics, one each for Directors and Employees of the Company. For the year under review, all Directors and employees of the Company have confirmed their adherence to the provisions of the said Codes.

10. INSIDER TRADING:

Code of Conduct for Prevention of Insider Trading:

The Securities and Exchange Board of India (SEBI) has, effective February 20, 2002 introduced amendments to the existing Insider Trading Regulations of 1992 which ordain new action steps by corporate and other market intermediaries for the purposes of prevention of Insider Trading. Pursuant to the above requirements of SEBI (Prohibition of Insider Trading) Regulations, 1992 as amended, the Company has adopted a 'Code of Conduct for Prevention of Insider Trading'. The Code is applicable to all Directors, Senior Management Personnel and such other designated employees of the Company who are expected to have access to unpublished price sensitive information relating to the Company. Mr. Dinesh N. Modi - Company Secretary has been appointed as the Compliance Officer for monitoring and adherence to the Regulations.

By its terms, all Directors, their relatives, Senior Management Personnel and designated employees, etc. are restricted from dealing in the shares of the Company during 'restricted periods' notified by the Company from time to time.

In compliance with the provisions of the said Code, all Directors and designated employees have disclosed their dealings in the shares of the Company including disclosures regarding changes in their shareholding during the financial year and position as at the end of the financial year.

11. DISCLOSURES:

a. Disclosure on materially significant related party transactions that may have potential conflict with the interests of the Company at large:

The Company has not entered into any other transaction of a material nature with the Promoters, Directors or the Management, their Subsidiaries or relatives, etc. that may have potential conflict with the interests of the Company at large. All transactions were carried out on an arms length basis and were not prejudicial to the interest of the Company. Transactions with related parties entered into by the Company in the normal course of business were placed before the Audit and Compliance Committee. Details of related party transactions as per requirements of Accounting Standard - AS 18 - 'Related Party Disclosures' are disclosed in Note No.11 in Schedules to the Account in the Annual Report. The Company has received disclosures from Senior Executives confirming that they have not entered into any financial or commercial transactions in which they or their relatives may have a personal interest. The related party transactions have been reviewed by the Audit and Compliance Committee as required under Clause 49 of the Listing Agreements and found them to be not materially significant.

b. Disclosure of Accounting Treatment:

In the preparation of the financial statements, the Company follows the Accounting Standards prescribed by 'The Companies Accounting Standards Rules, 2006' and relevant provisions of the Companies Act, 1956 and in preparation of financial statements, the Company has not adopted a treatment different from that prescribed in the Accounting Standard(s). The significant accounting policies which are consistently applied are set out in the Annexure to Notes to the Accounts.

c. Risk Management:

An analysis of the Company's risks covering business, finance, legal and compliance risks as perceived by the management are being made and reviewed. The Audit and Compliance Committee of the Board is regularly informed about the business risks and steps taken to mitigate the same.

d. Details of non-compliance by the Company, penalties, and strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets, during the last three years:

The Company has complied with all requirements of the Listing Agreements entered into with the Stock Exchanges as well as the regulations and guidelines of SEBI. Consequently, there were no strictures or penalties imposed by either SEBI or the Stock Exchanges or any statutory authority for non-compliance of any matter related to the capital markets during the last three years.

e. Proceeds from Public Issue:

During the year under review, the Company did not raise any proceeds through a public issue or rights issue.

f. Disclosure by Senior Management to the Board:

Senior Management Personnel have confirmed that they have not entered into any material financial or commercial transactions, where they have personal interest that may have a potential conflict with the interest of the Company at large.

g. Mandatory requirements:

The Company is fully compliant with all mandatory requirements of Clause 49 of the Listing Agreements with the Stock Exchanges.

B. Non-mandatory requirements:

- aa. The Company has constituted a Remuneration Committee. The Remuneration Committee determines the remuneration payable to the Executive Directors. The Chairman of the Remuneration Committee was present at the Annual General Meeting of the Company held on 27.02.2010.
- bb. Since the financial results are published in leading newspapers as well as promptly displayed on the Company's website, the same are not sent to each household of the shareholders.
- cc. The Company is in the regime of unqualified financial statements.
- dd. The Company has not adopted Whistle Blower Policy.
- ee. The Board of Directors comprises of highly qualified professionals possessing wide and varied knowledge and experience in their respective fields, which is considered adequate for enabling them to discharge their responsibilities as Directors. As such, there is no formal training programme for the Directors.

12. MEANS OF COMMUNICATION:

- (i) the main channel of communication to the shareholders is through Annual Report which includes inter-alia, the Directors' Report, Corporate Governance Report and Audited Financial Statements.
- (ii) the Annual General Meeting of the Company is the principal forum for face-to-face communication with the shareholders.
- (iii) the Board of Directors of the Company approves and takes on record the quarterly, half yearly and yearly financial results in the proforma prescribed by Clause 41 of the Listing Agreements within 45 days of the close of the respective period.

- (iv) the approved financial results are forthwith sent to the Listed Stock Exchanges and are published in widely circulated national and local daily newspapers such as 'Free Press Journal', 'Navshakti', "Financial Express", Pune and "Loksatta", Pune within forty-eight hours of approval thereof. The same are not being sent to the shareholders separately.
- (v) the Company also informs through intimation to the Stock Exchanges all price sensitive information.
- (vi) the Company's financial results / official news releases, presentations made to institutional investors and analysts and other important investor related information are periodically displayed and updated on the Company's website www.hazoormulti.com
- (vii) Management Discussion & Analysis forms part of the Annual Report, which is posted to the shareholders of the Company.

13. GENERAL SHAREHOLDER INFORMATION:

Detailed information in this regard is provided in the Section 'Shareholder Information' which forms part of this Annual Report.

14. COMPLIANCE CERTIFICATE OF THE PRACTICING COMPANY SECRETARY:

The Company has complied with the mandatory requirements of the Code of Corporate Governance as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges. The Practicing Company Secretary have certified that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreements with the Stock Exchanges and the same is annexed to the Directors' Report and Management Discussion and Analysis. The Certificate from the Practicing Company Secretary will be sent to the Listed Stock Exchange along with the Annual Return of the Company.

Declaration by the Managing Director under Clause 49 of the Listing Agreements regarding compliance with Code of Business Conduct and Ethics:

As provided under Clause 49 of the Listing Agreement(s) with the Stock Exchange, the Board Members and the designated senior management personnel have confirmed compliance with the Code of Conduct in respect of the financial year 2009-10.

Place: Mumbai
Date: 31.01.2011

Ashish Garg
Managing Director

Practising Company Secretary Certificate on Corporate Governance:

To The Members of
Hazoor Multi Projects Limited

We have reviewed the records concerning the Company's compliance of conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreements entered into, by the Company, with the Stock Exchanges of India, for the financial year ended 31st August, 2010.

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.

We have conducted our review on the basis of the relevant records and documents maintained by the Company and furnished to us for the review, and the information and explanations given to us by the Company.

Based on such a review, and to the best of our information and according to the explanations given to us, in our opinion, the Company has complied with the conditions of Corporate Governance, as stipulated in Clause 49 of the said Listing Agreements.

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

Place: Mumbai
Date: 31.01.2011

S. Mahadevan
(Company Secretary)
COP No. 4515

CERTIFICATION UNDER CLAUSE 49 OF THE LISTING AGREEMENT

Pursuant to Clause 49 of the Listing Agreements with the Stock Exchanges, we, the undersigned hereby certify that:

- a. we have reviewed the financial statements and the cash flow statement for the year ended August 31st, 2010 and that to the best of our knowledge and belief:
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain any statement that might be misleading; and
 - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with the existing generally accepted 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 ended August 31st, 2010 which are fraudulent, illegal or violative of the Company's Code of Conduct;
- c. we are responsible for establishing and maintaining internal controls for financial reporting in the Company and we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting. We have disclosed to the Auditors of the Company and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies; and
- d. (i) There has not been any significant change in internal control over financial reporting during the year under review;
 - (ii) There has not been any significant change in the accounting policies during the year under review requiring disclosure in the notes to the financial statements;
 - (iii) There were no 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 over financial reporting.

For and on behalf of the Board

Place: Mumbai
Date: 31.01.2011

V.I.Garg
CEO, Director

ANNEXURE III: GENERAL SHAREHOLDER'S INFORMATION

a. Registered office:	Anandi, 68, TMV Colony Mukund Nagar, Off Pune-Satara Road, Pune-411037
b. Date & Time of Annual General Meeting:	February 28, 2011 at 4.30 P.M.
c. Venue of Annual General Meeting:	High Life, Hazoor City, Anand Nagar, off Sinhgad Road, Pune 411 051
Book closure:	From 21 st February 2011 to 28 th February 2011 (both days inclusive)
Financial Year:	01.09.2009 to 31.08.2010
Listing of shares with Stock Exchanges:	
Bombay Stock Exchange Ltd. (BSE) Pune Stock Exchange Ltd. Ahmedabad Stock Exchange Ltd. BSE Scrip Code :- 532467 ISIN Code :- INE550F01023	
*The company's share is actively traded on BSE. BSE had permitted trading of the company's shares under INDONEXT 'S' category. The company hereby confirms that the listing fee for the year 2009-10, payable to each of the stock exchanges pursuant to Clause 38 of the listing Agreement in which the company's shares are listed, have been paid.	
Registrars and share transfer agent:	Link Intime India Private Limited C - 13, Pannalal Silk Mill Compound, L.B.S Marg, Bhandup (West), Mumbai - 400 078 Time: 10:00AM to 5:00PM (Monday - Friday) Phone: 0091 - 22 - 2596 3838

DIVIDEND:

In order to conserve resources for future growth, your Directors do not recommend any dividend for the year under review.

MARKET PRICE DATA:

The market price of the Company's Shares traded on the Bombay Stock Exchange Ltd., (BSE) during September 2009 to August, 2010, is as follows:

(Amt.in Rs.)

Mth	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.
High	5.12	4.99	5.65	5.20	6.60	6.70	5.74	5.60	5.00	4.50	4.69	5.69
Low	4.22	3.82	3.71	4.33	4.70	4.50	4.32	4.44	3.98	3.97	4.00	4.00

DISTRIBUTION OF SHAREHOLDING AS ON 31ST AUGUST, 2010:

Shareholding (range)	No. of holders	% of holders	No. of Shares	% of Shares
Upto - 5,000	3,857	59.06	9,33,468	3.68
5,001 - 10,000	1,221	18.70	10,75,763	4.24
10,001 - 20,000	646	9.89	10,74,777	4.24
20,001 - 30,000	203	3.11	5,41,327	2.13
30,001 - 40,000	133	2.04	4,87,823	1.92
40,001 - 50,000	129	1.97	6,20,764	2.45
50,001 - 1,00,000	170	2.61	12,53,513	4.94
1,00,001 and above	171	2.62	1,93,87,565	76.40
TOTAL	6,530	100.00	2,53,75,000	100.00

SHAREHOLDING PATTERN AS ON 31.08.2010:

CATEGORY	No. of shares	% of Capital
Promoter's & Promoters Group	1,18,55,000	46.72
Private Corporate Bodies	35,83,340	14.12
Public (In India)	94,59,499	37.28
NRIs/ OCBs	2,51,411	1.00
Clearing Member	2,25,750	0.88
TOTAL...	2,53,75,000	100.00

SHARE TRANSFER SYSTEM:

The applications for transfers, transmission and transposition are received by the Company at its Registered Office address or at M/s. Link Intime India Pvt. Ltd., Registrar and Transfer Agents of the Company. As the Company's shares are currently traded in demat form, the transfers are processed and approved by NSDL/CDSL in the electronic form through its Depository Participants having ISIN No: INE550F01023. The Registrar & Share Transfer Agent on a regular basis processes the physical transfers and the share certificates are being sent to the respective transferees.

OUTSTANDING GDRS / ADRS AND THEIR IMPACT ON EQUITY:

The Company has not issued any GDRs, ADRs.

INVESTORS RELATION SECTION:

Investors grievances/queries may be addressed to the Share Department, Anandi, 68, TMV Colony Mukund Nagar, Off Pune-Satara Road, Pune-411 037 E-mail address: investor.relations@hazoormulti.com Tel: 91- 020 - 24267591 Fax: 91 - 020 - 24267591

ELECTRONIC CLEARING SERVICE (ECS facility):

Under ECS facility, shareholders get an option to receive the dividend directly to their bank account rather than receiving the same through dividend warrants. Shareholders holding shares in physical form, who wish to avail this facility, are requested to send the ECS mandate to the Company's Registrar and Share Transfer Agent. Shareholders holding shares in electronic form are requested to give the ECS mandate to their respective Depository Participants directly. The ECS mandate form can be obtained from the Company's Registrar and Share Transfer Agent.

NOMINATION FACILITY:

Section 109A of the Companies Act, 1956 facilitates shareholders to make nominations in respect of shares held by them. Shareholders holding shares in physical form who are desirous of making a nomination are requested to send their requests in Form No. 2B to the Company's Registrar and Share Transfer Agent. Shareholders holding shares in electronic form are requested to give their nomination request to their respective Depository Participants directly.

SECRETARIAL AUDIT FOR RECONCILIATION OF CAPITAL:

As stipulated by SEBI, a qualified practising Company Secretary carries out Secretarial Audit to reconcile the total admitted capital with NSDL and CDSL and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to the Listed Stock Exchanges where the securities of the company are listed within 30 days of the end of each quarter and the certificate is also placed before the Board of Directors of the Company. The audit confirms that the total listed and paid-up capital is in agreement with the aggregate of the total number of shares in dematerialised form (held with NSDL and CDSL) and the total number of shares in physical form.

GROUP:

Persons constituting group within the definition of 'Group' as defined in the Monopolies and Restrictive Trade practices Act, 1969, for the purpose of Regulation 3(1)(e)(i) of the Securities and exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulation, 1997, include the following:

Sr.No.	Name of Entity
1	M/s Eaugu Udyog Ltd.
2	M/s Mantra Day Traders Pvt. Ltd.
3	M/s Fortune Point Exports Pvt. Ltd.

Report of the Auditors' to the Members

We have audited the attached Balance Sheet of HAZOOR MULTI PROJECTS LIMITED, as at 31st August 2010 and also the annexed Profit and Loss Account and the statement of Cash Flows 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.

(1) 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 misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in financial statements. An audit also includes, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of financial statement. We believe that our audit provides a reasonable basis for our opinion.

(2) As required by the Companies (Auditor's Report) Order, 2003 (CARO, 2003), and the Companies (Auditor's Report) (Amendment) Order, 2004 issued by the Central Government of India in terms of Section 227(4A) of the Companies Act, 1956, we annexed hereto a Statement on the matters specified in paragraphs 4 and 5 of the said Order.

(3) Further to our comments in Annexure referred to paragraph 2 above, we report that:

(a) We have obtained all the information and explanations, which, to the best of our knowledge and belief, were necessary for the purposes of our audit;

(b) In our opinion, proper books of account, as required by law, have been kept by the Company so far as appears from our examination of the Books of the Company;

(c) The Balance Sheet, Profit and Loss Account and the Cash Flow Statement dealt with by the report are in agreement with the Books of Account of the Company;

(d) In our opinion, the Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in Section 211 (3C) of the Companies Act, 1956, to the extent applicable.

(e) On the basis of the written representations received from the Directors as at 31st August, 2010, and taken on record by the Board of Directors, we report that none of the Directors are disqualified as on 31st August, 2010 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

(f) In our opinion and to the best of our information and according to the explanations given to us, the said Financial Statements, and read together with the notes thereon, give the information required by the Companies Act, 1956, in the manner so required and present a true and fair view in conformity with the accounting principles generally accepted in India:

(i) In case of Balance Sheet, of the state of the affairs of the Company as at 31st August, 2010,

(ii) In the case of the Profit and Loss A/C, of the Loss for the year ended on that date, &

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

For Ajmera Ajmera & Associates
Chartered Accountants
Firm Registration No.123989W

Sandeep Ajmera
Partner
(Membership No.48277)

Place: Mumbai
Date: 31.01.2011

Annexure to the Auditors' Report

(Referred to in Paragraph 2 of the Auditors' Report of even date to the members of HAZOOR MULTI PROJECTS LTD. on the Accounts for the year ended 31st August, 2010)

- i. a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
b) As explained to us, considering the nature of the fixed assets, the same have been physically verified by the management at reasonable intervals during the year in accordance with the verification policy adopted by the company. According to the information and explanations given to us and the records produced to us for our verification discrepancies noticed on such physical verification were not, in our opinion, material and the same have been properly dealt with in the books of accounts.
c) The Company has not disposed off any substantial part of its fixed asset so as to affect its going concern;
- ii. a) As explained to us, inventories have been physically verified by the management at intervals which are, in our opinion, reasonable in relation to the size of the Company and the nature of its business;
b) The procedures explained to us, which are followed by the management for physical verification of inventories, are, in our opinion, reasonable and adequate in relation to the size of the Company and the nature of its business;
c) On the basis of our examination of the records of the Company, we are of the opinion that, the Company has maintained proper records of inventory as explained to us. There was no material discrepancies noticed on physical verification of inventories as compared to books of record;
- iii. a).The Company has not granted any loans, secured or unsecured to Company, Firms or other parties covered in the Register maintained under section 301 of the Companies Act, 1956.
b). The Company has not taken any loans, secured or unsecured from Company, Firms or other parties covered in the Register maintained under section 301 of the Companies Act, 1956.
- iv. In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business with regard to purchase of inventory and fixed assets and for sale of properties and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control;
- v. a).According to the information and explanations given to us, we are of the opinion that the particulars of contracts or arrangements that need to be entered in the register maintained under section 301 of the companies Act, 1956 have been so entered.

b).In our opinion and according to the information and explanations given to us, the transactions referred to in (a) above have been made at the prices which are reasonable having regard to the prevailing market prices at the relevant time.
- vi. As per explanation given to us, the company has not accepted any deposits from public to which the provisions of Section 58A and 58AA of the companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 would apply.
- vii. In our opinion, the Company has an internal audit system which is commensurate with its size and nature of its business;
- viii.The Central Government has not prescribed maintenance of cost records under section 209(1) (d) of the companies Act, 1956. Therefore the provisions of clause 4(viii) of the Order are not applicable to the Company.

- ix. a) According to the records of the Company, the Company has been regular in depositing undisputed statutory dues including Income tax and any other statutory dues with the appropriate authorities.
- b) According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31.08.2010 for a period of more than six months from the date they became Payable. The Company does not have any disputed statutory dues that have not been deposited on account of matters pending before appropriate authorities.
- x. The Company does not have accumulated losses at the end of the financial year and has incurred cash loss in the financial year under report and immediately preceding financial year;
- xi. In our opinion and according to the information and explanation given to us, the company has not made any default in repayment of dues payable to any financial institution or bank.
- xii. As explained to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures or any other securities;
- xiii. In our opinion, the company is not a chit fund or a nidhi / mutual benefit fund/ society. Therefore the provisions of clause 4(xiii) of the Order are not applicable to the Company.
- xiv. The Company, in our opinion, is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Order are not applicable to the Company.
- xv. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions. Accordingly, paragraph 4(xv) of the Order is not applicable.
- xvi. As per the information and explanation given to us, the term loans was applied for the purpose for which it was obtained.
- xvii. According to the information and explanations given to us and on examination of the financial statements of the Company, we are of the opinion that, prima facie, short term funds have not been used for long term investment;
- xviii. According to the information and explanations given to us, the Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956.
- xix. The Company has not issued any secured debentures. Therefore the provisions of clause 4(xix) of the Order are not applicable to the Company.
- xx. The Company has not raised any money by way of Public Issue during the year. Therefore, the provisions of clause 4(xx) of the Order are not applicable to the Company.
- xxi. According to the information and explanations given to us, no fraud on or by the Company, has been noticed or reported during the course of our Audit.

For Ajmera Ajmera & Associates
Chartered Accountants
Firm Registration No.123989W

Sandeep Ajmera
Partner
(Membership No.48277)

Place: Mumbai
Date: 31.01.2011

BALANCE SHEET AS AT 31ST AUGUST , 2010			
Particulars	Sch.	31.08.2010 (Rupees)	31.08.2009 (Rupees)
<u>SOURCES OF FUNDS:</u>			
Shareholders' Funds			
Share Capital	A	101,500,000	101,500,000
Reserves & Surplus	B	124,348,644	142,284,234
Loan Funds			
Secured Loan	C	1,127,796	8,500,000
Deferred Tax Liability (Net) (Refer Note 5)		699,881	112,929
TOTAL		227,676,321	252,397,163
<u>APPLICATION OF FUNDS:</u>			
Fixed assets			
Gross Block	D	211,650,236	229,968,407
Less : Depreciation and Impairment		110,618,542	113,728,316
Net Block		101,031,694	116,240,090
Add: Capital Work In Progress		44,218,876	-
		145,250,570	116,240,090
Investments			
	E	37,823,500	133,576,131
Current Assets, Loans and Advances			
Inventories	F	1,051,498	1,051,498
Sundry Debtors	G	55,774,279	58,580,813
Cash and Bank Balances	H	4,281,010	16,056,206
Loans and Advances	I	9,439,601	44,071,181
		70,546,387	119,759,698
Less : Current Liabilities & Provision			
Current Liabilities	J	25,702,136	117,178,757
Provision		242,000	-
		25,944,136	117,178,757
Net Current Assets		44,602,251	2,580,941
TOTAL		227,676,321	252,397,163
Notes forming part of the Accounts	O		
As per our Report of even date			
For Ajmera Ajmera & Associates		For and on behalf of the Board	
Chartered Accountants (Firm Registration No. 123989W)			
Sandeep Ajmera Partner (Membership No. 48277)		V.I. Garg CEO, Director	Ashish Garg Managing Director
Place: Mumbai Date: 31.01.2011		Dinesh N. Modi Company Secretary Place: Mumbai Date: 31.01.2011	

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST AUGUST, 2010			
Particulars	Sch.	31.08.2010 (Rupees)	31.08.2009 (Rupees)
<u>INCOME</u>			
Other Income	K	2,860,999	13,614,638
TOTAL		2,860,999	13,614,638
<u>EXPENDITURE</u>			
Employees Cost	L	1,163,102	4,856,598
Administrative , Selling & General Expenses	M	3,467,243	19,724,004
Loss on Sale of Fixed Assets		-	5,976,323
Interest & Finance Charges	N	111,176	15,511
Depreciation and Impairment	D	1,344,111	108,243,162
TOTAL		6,085,632	138,815,598
Profit / (Loss) Before Tax		(3,224,633)	(125,200,960)
Add / (Less) : Provision for Taxation			
Current Tax		242,000	-
Deferred Tax (Credit)/ Charge (Refer Note 5)		586,952	-
Profit / (Loss) After Tax		(4,053,585)	(125,200,960)
Add: Balance B/F from previous year		941,405	126,142,365
Profit / (Loss) Available for Appropriation		(3,112,180)	941,405
<u>APPROPRIATIONS:</u>			
General Reserve		(3,112,180)	-
Surplus carried to Balance Sheet		-	941,405
		(3,112,180)	941,405
Basic earnings per share of Rs. 4/- each before exceptional / extra ordinary items (Rupees)	} Refer Note 10	(0.16)	(4.93)
Diluted earnings per share of Rs. 4/- each before exceptional / extra ordinary items (Rupees)		(0.16)	(4.98)
Basic earnings per share of Rs. 4/- each after exceptional / extra ordinary items (Rupees)		(0.16)	(4.93)
Diluted earnings per share of Rs. 4/- each after exceptional / extra ordinary items (Rupees)		(0.16)	(4.98)
Notes forming part of the Accounts	O		
As per our Report of even date			
For Ajmera Ajmera & Associates		For and on behalf of the Board	
Chartered Accountants (Firm Registration No. 123989W)			
Sandeep Ajmera Partner (Membership No. 48277)		V.I. Garg CEO, Director	Ashish Garg Managing Director
Place: Mumbai Date: 31.01.2011		Dinesh N. Modi Company Secretary Place: Mumbai Date: 31.01.2011	

CASH FLOW STATEMENT AS AT 31ST AUGUST, 2010			
Particulars		31.08.2010	31.08.2009
		(Rupees)	(Rupees)
I	<u>CASH FLOW ARISING FROM OPERATING ACTIVITIES</u>		
	Net Profit (Loss) Before Tax As per Profit and Loss Account	(3,224,633)	(125,200,960)
	Add / (Deduct) :		
	Interest & Finance Charges	111,176	15,511
	Depreciation	1,344,111	108,243,162
	(Profit)/Loss on Sale of Fixed Assets	(2,589,893)	5,976,323
	(Profit)/Loss on Sale of investment	1,744,727	-
	Other Income	-	(13,614,638)
	Operating Profit before Working Capital changes	(2,614,512)	(24,580,602)
	Add / (Deduct) :		
	(Increase)/Decrease in Trade and Other receivables	2,806,534	78,650,820
	(Increase)/Decrease in Loans & Advances	(1,559,152)	(154,684,610)
	Increase/(Decrease) in Trade Payables	2,511,636	(24,306,108)
	Increase/(Decrease) in Inventories	-	1,146,325
	Less: Taxes Paid	(1,098,496)	-
	Net Cash Flow in the Course of Operating Activities	46,010	(123,774,175)
II	<u>CASH FLOW ARISING FROM INVESTING ACTIVITIES</u>		
	Inflow/ (Out Flow) on Account of :		
	Other Income	-	13,614,638
	(Purchase) /Sale of Fixed Assets	2,572,175	178,879,270
	Purchase/Sale of Investments (Net)	(6,910,000)	(66,283,950)
	Net Cash Flow in the Course of Investing Activities	(4,337,825)	126,209,958
III	<u>CASH FLOW ARISING FROM FINANCING ACTIVITIES</u>		
	Inflow/ (Out Flow) on Account of :		
	Increase/(Decrease) in Secured Loans	(7,372,204)	(6,080,000)
	Decrease in share warrant	-	5,600,000
	Interest & Finance Charges	(111,176)	(15,511)
	Net Cash Flow in the Course of Financing Activities	(7,483,380)	(495,511)
	Net Increase/(Decrease) in Cash & Cash Equivalents (I+II+III)	(11,775,195)	1,940,272
	Add: Balance at the begining of the year	16,056,206	5,615,933
	Cash and Cash Equivalent at the Close of the Year	4,281,011	7,556,205
	Reconciliation of Cash and Bank Balances:		
	Cash and Bank Balances	4,281,010	16,056,206
	Add / (Deduct) :		
	Margin Money Balances	-	(8,500,000)
	Cash and Cash Equivalent at the Close of the Year	4,281,011	7,556,205
Note: 1). The above cash flow statement has been prepared under the indirect method as set out in Accounting Standard-3, "Cash Flow Statement" issued by The Institute of Chartered Accountants of India. 2). Figures of the previous year have been regrouped/reclassified wherever necessary.			
As per our Report of even date		For and on behalf of the Board	
For Ajmera Ajmera & Associates			
Chartered Accountants			
(Firm Registration No. 123989W)			
Sandeep Ajmera		V.I. Garg	Ashish Garg
Partner		CEO, Director	Managing Director
(Membership No. 48277)			
Place: Mumbai		Dinesh N. Modi	
Date: 31.01.2011		Company Secretary	
		Place: Mumbai	
		Date: 31.01.2011	

SCHEDULES TO THE FINANCIAL STATEMENT AS AT 31ST AUGUST, 2010		
Particulars	31.08.2010 (Rupees)	31.08.2009 (Rupees)
SCHEDULE A		
SHARE CAPITAL:		
Authorised		
4,75,00,000 Equity Shares of Rs. 4/- & 25,00,000 Un-Classified Shares of Rs.4/- each (Prev. Yr. 4,75,00,000 Equity Shares of Rs.4/- each & 25,00,000 Un-Classified Shares of Rs. 4/- each)	200,000,000	200,000,000
	200,000,000	200,000,000
Issued, Subscribed and Paid up		
2,53,75,000 Equity Shares (Previous year: 2,53,75,000) of Rs.4/- each fully paid up	101,500,000	101,500,000
Notes:		
I) Out of above Equity Shares :		
a). 1,07,50,000 Equity Shares of Rs.4/- each were allotted as fully paid Bonus Shares by way of capitalisation of Profit & Loss Reserves Account.		
b). 38,75,000 Equity shares of Rs.4/- each at premium of Rs. 12/- per share were issued on preferential allotment basis against the conversion of equivalent number of share warrants.		
Per Balance Sheet	101,500,000	101,500,000
SCHEDULE B		
RESERVES AND SURPLUS		
Securities Premium :		
As per last Account	68,500,000	64,300,000
Add: On exercise of conversion of warrants into equity	-	4,200,000
	68,500,000	68,500,000
Share Warrant Forfeiture Reserve	7,400,000	7,400,000
Revaluation Reserves :		
As per last Account	13,882,005	71,303,268
Less: Impairment loss	-	57,421,263
Less: Adjusted against sale of Office Premises	13,882,005	-
	-	13,882,005
General Reserve :		
As per last Account	51,560,824	51,560,824
Less : Appropriated during the year	3,112,180	-
	48,448,644	51,560,824
Surplus as per Profit & Loss Account	-	941,405
Per Balance Sheet	124,348,644	142,284,234
SCHEDULE C		
LOAN FUNDS		
(i) Short Term Loan against Term Deposit (LTD) (Secured by pledge of fixed deposit and the same is guaranteed by the promoters, availed on 31.08.2009 and repaid on 10.09.2009)	-	8,500,000
(ii) Vehicle Loans [Secured by a hypothecation of respective vehicles)	1,127,796	-
Per Balance Sheet	1,127,796	8,500,000

SCHEDULES TO THE FINANCIAL STATEMENT AS AT 31ST AUGUST , 2010		
Particulars	31.08.2010 (Rupees)	31.08.2009 (Rupees)
Schedule E		
Investments (at Cost)		
Long Term NonTrade- Unquoted In fully paid equity shares		
In Subsidiaries		
<u>Hazoor Ambey Valley Developers Pvt. Ltd.</u>		
2,00,000 shares (P.Y. 2,00,000) of Rs.10/- each (Extent of holding 100.00 %)	13,800,000	13,800,000
Share Application Money - Pending Allotment	8,700,000	8,700,000
	22,500,000	22,500,000
<u>Hazoor Township Developers Pvt. Ltd.</u>		
1,65,000 shares (P.Y. 2,50,000) of Rs.10/- each (Extent of holding 55.00 %)	8,523,500	4,900,000
Share Application Money - Pending Allotment	6,800,000	100,000
	15,323,500	5,000,000
In Joint Ventures		
Hazoor City Developers (Extent of ownership interest 56.00 %)	93,969,038	41,343,315
Add: Contributions made to the Joint Venture during the year	37,661,699	52,625,723
Less: Withdrawals from Joint Venture	131,630,737	-
	-	93,969,038
Hazoor Multi Corp (Extent of ownership interest 50.00%)	-	100,000
In Associates		
Land Aggregator & Realtors (Extent of ownership interest 30.00%)	-	2,500,000
Others		
NIL (P.Y. 85,000) shares of Rs.10/- each in Pag International Pvt. Ltd.	-	5,158,227
Other Investments	-	4,348,866
Per Balance Sheet	37,823,500	133,576,131
Schedule F		
Inventories		
Raw Materials (Building Materials at site)	1,051,498	2,197,823
Less: Transferred to Fixed Assets (HHG)	-	1,146,325
Per Balance Sheet	1,051,498	1,051,498
Schedule G		
Sundry Debtors		
(Unsecured, Considered Good unless otherwise specified)		
More than six months (Rs.5,56,55,875 due from Subsidiaries)	55,774,279	55,789,330
Others	-	2,791,484
Per Balance Sheet	55,774,279	58,580,813
Schedule H		
Cash and Bank balance		
Cash in hand	1,319,326	170,776
Balances with scheduled banks :		
- In Current Accounts	2,961,684	5,885,430
-In Deposit Accounts	-	1,500,000
-In Margin Money Accounts	-	8,500,000
Per Balance Sheet	4,281,010	16,056,206
Schedule I		
Loans and Advances		
Advances recoverable in cash or in Kind or for Value to be received :	4,935,197	41,056,283
Advance Taxes	4,094,176	3,014,898
Prepaid Expenses	110,228	-
Deposit	300,000	-
Per Balance Sheet	9,439,601	44,071,181
Schedule J		
Current Liabilities		
Sundry Creditors	5,545,484	13,231,535
Advance from Joint Venture Hazoor City Developers	11,870,896	94,567,460
Other Liabilities	8,285,756	9,379,762
Per Balance Sheet	25,702,136	117,178,757

SCHEDULES TO THE PROFIT AND LOSS FOR THE YEAR ENDED 31ST AUGUST , 2010		
Particulars	31.08.2010 (Rupees)	31.08.2009 (Rupees)
Schedule K		
Other Income		
Compensation Income	1,791,055	-
Sale of Investment	(1,744,727)	-
Sale of Fixed Asset	2,589,893	7,880,506
Other Income	16,575	-
Contract Charges (TDS C.Y. NIL , P.Y.53410)	-	5,566,850
Interest on:		
Loans (TDS C.Y.4,500 P.Y. 24,963)	137,467	157,305
Bank Fixed Deposits (TDS C.Y. 12,216 , P.Y NIL)	70,736	9,977
Per P& L Account	2,860,999	13,614,638
Schedule L		
Employees Cost		
Salaries, Allowances and Bonus	1,095,730	4,734,050
Staff Welfare expenses	67,372	122,548
Per P& L Account	1,163,102	4,856,598
Schedule M		
Administrative, Selling & General Expenses		
Advertisement & Publicity	97,104	654,498
AGM Expenses	60,156	202,778
Bank Charges	29,087	380,699
Business Promotion Expenses	44,800	2,695,874
Commission and Brokerage	-	549,578
Communication Expenses	103,974	640,288
Director Remuneration	580,000	860,000
Director Siting Fees	91,074	52,000
Electricity Charges	55,700	179,379
Equipment Hiring Charges	-	432,267
Exhibition & Erection Charges	-	5,379,002
Legal & Professional Charges	241,675	1,329,656
Listing Fees	40,172	111,535
Membership & Subscription	2,112	85,178
Miscellaneous Expenses	5,991	627,901
Office Maintenance	41,576	333,034
Audit Fees	110,300	55,000
Postage & Courier Charges	1,786	382,793
Power & Fuel	-	430,535
Printing & Stationery	94,062	949,056
Registrar & Share Transfer Charges	238,855	227,880
Rent, Rates & Taxes	846,965	1,330,036
Repairs and Maintenance :		
-Building	69,946	72,526
-Others	23,117	36,208
ROC Fees	18,600	122,517
Security, Watch & Ward Expenses	95,540	607,691
Travelling & Conveyance expenses	459,875	106,506
Vehicle Maintenance & Insurance	95,777	374,253
Website Maintenance Charges	19,000	515,336
Per P& L Account	3,467,243	19,724,004
SCHEDULE N		
Interest & Finance Charges		
Interest		
-On Term Loan	37,144	-
-On Vehicle Loan	74,032	15,511
Per P& L Account	111,176	15,511

**NOTES ANNEXED TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED
31ST AUGUST, 2010**

SCHEDULE O:

A. Significant Accounting Policies

a. Basis of Preparation of financial Statement:

The financial statements have been prepared and presented under the historical cost convention using the accrual basis of accounting in accordance with the accounting principles generally accepted in India and are in accordance with the applicable Accounting Standards, Guidance Notes and the relevant provisions of the Companies Act, 1956.

b. Use of Estimates:

The preparation of financial statements is in conformity with the generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of financial statements and the reported amounts of revenues and expenses during the reporting period. Differences between actual results and estimates are recognized in the period in which the results are known / materialized.

c. Revenue Recognition:

Income

- i. Revenue from sale of finished properties / buildings / Land are recognized on transfer of property and once significant risks and rewards of ownership have been transferred to the buyer. Similarly, revenue from sale of Transferable Development Rights (TDR) is recognized on transfer of the rights to the buyer. Revenue recognition is postponed to the extent of significant uncertainty.
- ii. Revenue from sale of incomplete properties is recognized on the basis of percentage of completion method, determined on the basis of physical proportion of the work completed, as certified by the Company's technical personnel, in relation to a contract or a group of contracts within a project, only after the work has progressed to the extent of 40% of the total work involved. Variations in estimates are updated periodically by technical certification. Further, revenue recognized in the aforesaid manner and related cost are both restricted to 90% until the construction activity and related formalities are substantially completed. Costs relating to construction / development are charged to the Profit and Loss Account in proportion with the revenue recognized during the year. The balance costs are carried as part of 'Incomplete Projects' under inventories. Amounts receivable / payable are reflected as Debtors / Advances from Customers, respectively, after considering income recognized in the aforesaid manner. Recognition of revenue relating to agreements entered into with the buyers, which are subject to fulfilment of obligations / conditions imposed by statutory authorities is postponed till such obligations are discharged.
- iii. Interest income is recognised on time proportion basis.
- iv. Dividend income is recognized when the right to receive dividend is established and/ or receipt.

Expenses

All revenue expenses are accounted on accrual basis except, expenses pertaining to specific projects, which are considered as paid towards work in progress until the specific project is completed.

d. Fixed Assets and Depreciation:

- (i) Assets are stated at actual cost less accumulated depreciation, less impairment if any. The actual cost capitalised includes material cost, freight, installation cost, duties and taxes, finance charges and other incidental expenses incurred during the construction/installation stage.
- (ii) Depreciation has been provided for on straight-line method at the rates prescribed in Schedule XIV to the Companies Act, 1956.
- (iii) The cost of and the accumulated depreciation of fixed assets sold, retired or otherwise or disposed off are removed from the stated values and the resulting gains and losses are included in the profit and loss Accounts.

e. Investments:

Investments are classified into current and long term investments. Current investments are stated at lower of cost and fair value. Long term investments are stated at cost. A provision for diminution is made to recognize decline, other than temporary, in the value of long term investments.

f. Inventories

Items of inventories are measured at lower of cost or net realisable value. Cost of inventories comprises of all cost of purchase, cost of conversion and other costs incurred in bringing them to their respective present location and condition. Cost of stores and spares, trading and other products is determined on weighted average basis. Work in Progress of Real Estate Projects is valued at cost.

g. Borrowing Costs:

Interests and other borrowing costs attributable to qualifying assets (including projects undertaken for sale by the Company directly or through its Subsidiaries, Joint Ventures, Associates etc.) are allocated as part of the cost of construction/development of such assets. The borrowing costs incurred during the period in which activities, necessary to prepare the assets for their intended use or sale, are in progress, are allocated as aforesaid. Such allocation is suspended during extended periods in which active development is interrupted and, no costs are allocated once all such activities are substantially complete. All other borrowing costs are charged to the Profit and Loss Account.

h. Taxation:

- i) Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income-tax Act.
- ii) Deferred tax resulting from "timing differences" between book and taxable profit is accounted for using the tax rates and laws that have been enacted or substantively enacted as on the Balance Sheet date. The deferred tax asset is recognised and carried forward only to the extent that there is a reasonable /virtual certainty that the asset will be realised in future. At each balance sheet date, the carrying amount of deferred tax assets, if any, are reviewed to reassure realization.

i. Provision, Contingent Liabilities and Contingent Assets:

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognised but are disclosed in the notes. Contingent Assets are neither recognised nor disclosed in the financial statements.

j. Impairment of Assets:

Consideration is given at each balance sheet date to determine whether there is any indication of impairment of the carrying amount of the Company's fixed assets. If any indication exists, an asset's recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount.

Reversal of impairment losses recognised in prior years is recorded when there is an indication that the impairment losses recognised for the asset no longer exist or have decreased. However, the increase in carrying amount of an asset due to reversal of an impairment loss is recognised to the extent it does not exceed the carrying amount that would have been determined (net of depreciation) had no impairment loss been recognised for the assets in prior years.

k. Earning Per Share:

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earning per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

1. Dues to Small Scale industrial undertaking:

There are no Micro and Small Enterprises to whom the company owes dues, for more than 45 days as at August 31st 2010. This information as required to be disclosed under the micro, Small and Medium Enterprises development Act, 2006 has been determined to the extent such parties have been identified on the basis of Information available to the company.

B. NOTES FORMING PART OF THE ACCOUNTS

1. Capital Commitment – Rs NIL (P.Y. 3.03 Crores) in respect of the Joint Venture Project by Hazoor City Developers.

2. Interest of the Company in Joint Venture is as under:

Sr. No.	Name of the Joint Venture	Share of Interest
1.	M/s. Hazoor City Developers	56.00%

3. Interest in the Assets, Liabilities, and Income & Expenditure with respect to Jointly Controlled entities are as follows: 2009-10

a)	Assets:	(Rs. in lakhs)
	a) Fixed assets (Net Block)	3.60
	b) Current assets, Loans and Advances:	
	i) Sundry Debtors	78.62
	ii) Cash and Bank Balances	23.22
	iii) Loans and Advances	19.00
	iv) Inventories	123.03
b)	Liabilities:	
	a) Current Liabilities & Provisions	177.08
c)	Total Income:	1490.75
d)	Expenditure:	
	a) Cost of Construction	1261.80
	b) Increase/Decrease in Inventories	(123.03)
	c) Employee Cost	44.99
	d) Administrative Selling & General Expenses	117.38
	e) Depreciation & Amortisation	0.51

4. Amount Paid/Payable to Auditors (including Service Tax):

	31.08.2010	31.08.2009
Audit Fees	1,10,300	55,000

5. Deferred Taxation for the year ended 31st August, 2010.

	As At 01.09. 2009 (Rupees)	Charge/(Credit) during the year (Rupees)	As at 31.08.2010 (Rupees)
Deferred Tax Liability/ (Asset) on account of:			
i. Depreciation	112,929	5,86,952	6,99,881
Net Deferred Tax Liability / (Asset)	112,929	5,86,952	6,99,881
Previous Year.	112,929	NIL	112,929

6. Remuneration Paid/Payable to Directors and other Chief Managerial Person:

As per Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended. The number of employees employed for the whole year drawing salary of Rs. 24,00,000/- per annum or more is NIL and the number of employees employed for part of the year drawing salary of Rs. 2,00,000/- per month or more is also NIL.

Remuneration paid to the Directors		
	31/08/2010	31/08/2009
Executive Director	5,80,000	3,60,000
CEO, Director	NIL	3,00,000
Managing Director	NIL	2,00,000

7. The provisions of PF / ESIC Act are not applicable to the company.

8. In accordance with the provisions of the Accounting Standard -28 on Impairment of Assets notified by the Companies (Accounting Standards) Rules 2006, the Company had identified certain fixed assets in previous year, that were impaired mainly on account of conditions prevailing in real estate market, affecting the value of such assets. Accordingly during current year no amount of impairment Loss/Reversal has been recognized and provided in the profit and loss account (Previous Year loss of Rs. 574.21 lakhs) in respect of Hazoor Hill Grand.

9. Segment Reporting:

The Company operates through its subsidiaries, associate and joint ventures engaged in the Real Estate Development, which as per Accounting Standards AS-17-'Segment Reporting' is considered to be the only reportable business segment. The Company is also operating within the same geographical segment.

10. Earnings per Share Face Value of Rs.4/- each

Particulars		Before exceptional/ prior period items		After exceptional/ prior period items	
		2009-10	2008-09	2009-10	2008-09
Basic					
Profit/(Loss) After Tax as per the Accountants	A	(40,53,585)	(125,200,960)	(40,53,585)	(125,200,960)
Weighted average number of shares outstanding	B	25,375,000	25,375,000	25,375,000	25,375,000
Basic EPS	A/B	(0.16)	(4.93)	(0.16)	(4.93)
Diluted					
Profit/(Loss) After Tax as per the accountants	A	(40,53,585)	(125,200,960)	(40,53,585)	(125,200,960)
Weighted average number of shares outstanding	B	25,375,000	25,148,958	25,375,000	25,148,958
Diluted EPS	A/B	(0.16)	(4.98)	(0.16)	(4.98)

11. **Related Party Disclosures:**

a). List of Related Party and relationships

i. Subsidiaries

M/s. Hazoor Aambey Valley Developers Pvt. Ltd.

M/s. Hazoor Township Developers Pvt. Ltd.

ii. Partnership Firm of Subsidiary (HTDPL)

M/s. Zero Developers

iii. Unincorporated Joint Ventures (JV)

M/s. Hazoor City Developers

M/s. Hazoor Multi Corp.

iv. Associates

M/s. Infra Engineers & Contractors.

M/s. Land Aggregators and Realtors.

v. Companies in which promoters have significant influence

Parle Software Ltd.

Optilum Business Enterprises Pvt. Ltd.

vi. Key Management Personnel

Mr. V.I.GargCEO, Director

Mr. Ashish GargManaging Director

Mr. Vineet GargExecutive Director

Mr. Dinesh Modi Company Secretary

Note: Related party relationships are as identified by the Company and relied upon by the Auditors.

b. Disclosure of Transactions with related parties as required by the AS - 18

Details relating to parties referred to in item no. 11 (a) above:

(Rs. In Lacs)

Sr. No.	Nature of Transactions	Nature of Relationship & Transaction Value				
		Subsidiary	Associates/ Promoters	Joint Venture	Group Co.	Director / Key Management Personnel
1	Investment-contribution to Equity	59.15 (-)	-	-	-	-
2	Contribution in Joint venture	-	-	376.62 (526.26)	-	-
3	Contribution to Share Application	67.00 (85.00)	-	-	-	-
4	Sundry Debtor:					
	Addition during the year	112.00 (-)	-	-	-	-
	Sale of Investment	-	-	-	45.00 (-)	-
5	Advance Received	19.68 (-)	5.00 (-)		134.83 (-)	
6	Advance Paid	-	5.00 (-)		148.93 (-)	-
7	Advance received from JV	-	-	1435.02 (-)	-	-
8	Key Management Personnel :	-	-	-	-	2.41 (10.24)
	Remuneration to Directors	--	-	-	-	5.8 (8.60)
	* Directors Sitting fees	-	-	-	-	- (0.31)
9	Term Deposit Security Against LTD	100.00 (100.00)	-	-	-	-
	Outstanding :					
	Investment in Equity	223.24 (187.00)	-	-	-	-
	Share application	155.00 (88.00)	-	-	-	-
	Investment in Asso.	-	(25.00)	-	-	-
	Investment In Joint venture	-	-	(1.00)	-	-
	Sundry Debtors	556.56 (444.56)	-	-	-	-
	Advance Received from Joint venture (Net of contribution)	-	-	118.71 (5.98)	-	-
	Advance Received	19.68 (-)	-	-	78.47 (92.58)	-
	Term Deposit Security Against LTD	- (100.00)				
	Director Remuneration	-	-	-	-	0.50 (0.30)
	Key management Personnel	-	-	-	-	- (4.26)

* - The above sitting fees are given only to directors whose names are shown in Note 11.

12. Quantitative Information: The provisions of clause 3 (ii) of Schedule VI of Part II of Companies Act, 1956 are not applicable to the company and hence no Quantitative details are given.
13. Retirement Benefits: The provisions of payment of Gratuity Act, 1972 are not applicable to the company.
14. The Company carries out the development activities through various projects that are executed / undertaken through its Associates, Joint Ventures, etc. The company has not incurred any direct cost for execution of such projects which are, undertaken by the associates, joint ventures etc.
15. There are no amounts due and outstanding to be credited to Investor Education and Protection Fund.
16. Being the initial engagement of the statutory auditors, opening balances are duly Certified by the management and relied upon by the auditors.
17. Figures for the previous year have been regrouped wherever necessary to conform to the current year's classification.
18. Figures have been rounded off to nearest rupee wherever applicable.
19. The figures in brackets are those in respect of the previous accounting year.

As per our Report of even date Attached

For Ajmera Ajmera & Associates
Chartered Accountants
Firm Registration No.123989W

Sandeep Ajmera
Partner
(Membership No.48277)

Place: Mumbai
Date: 31st January, 2011

For & on behalf of the Board

V.I. Garg Ashish Garg
CEO, Director Managing Director

Dinesh N Modi
Company Secretary

Place: Mumbai
Date: 31st January, 2011

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. REGISTRATION DETAILS

Registration No.	69794	State Code	11
Balance Sheet Date	31.08.2010		

II. CAPITAL RAISED DURING THE YEAR (Amount Rs. in Thousand)

Public Issue	NIL	Right Issue	NIL
Bonus Issue	NIL	Private Placement	NIL

III. POSITION OF MOBILISATION & DEPLOYMENT OF FUND (Amount Rs. in Thousand)

Total Liabilities	227,676	Total Assets	227,676
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SOURCES OF FUNDS

Paid-up Capital	101,500	Reserves & Surplus	124,349
Secured Loans	1,128	Unsecured Loans	-
Deferred Tax Liability	700		

APPLICATION OF FUNDS

Net Fixed Assets	101,032	Investments	37,824
Net Current Assets	44,602	Misc. Expenditure	-
Accumulated Losses	NIL	Capital work in progress	44,219

IV. PERFORMANCE OF COMPANY (Amount Rs. in Thousand)

Total Income	2,861	Total Expenditure	6,086
Profit & Loss before Tax	(3,225)	Profit & Loss after Tax	(4,054)
Earning Per Share in Rs.	(0.16)	Dividend Rate %	NIL

V. NAMES OF PRINCIPAL PRODUCTS/SERVICES OF THE COMPANY

Item Code no. (ITC Code) :	N.A.
Product Description	Real Estate Development

For and on behalf of the Board

V.I. Garg	Ashish Garg
CEO, Director	Managing Director

Dinesh N. Modi
Company Secretary

Place: Mumbai
Date: 31.01.2011

Place: Mumbai
Date: 31.01.2011

CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED AUDITOR'S REPORT

Report of the Auditors' to the Members

1. We have examined the attached Consolidated Balance Sheet of Hazoor Multi Projects Ltd. and its subsidiaries, Associates and joint venture as at August 31, 2010 and also the consolidated Profit and Loss Account and the Consolidated Cash Flow Statement for the year then ended. These financial statements are the responsibility of the Group's management. Our responsibility is to express opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing Standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes, examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. In respect of Consolidated financial statement, we did not audit the financial statement of subsidiaries & Joint venture whose financial statements reflect total assets of Rs 773.04 Lacs as at August 31, 2010, the total revenue of Rs 2881.76 Lacs and the net cash flow amounting to Rs 32.10 lacs, which have been audited by other auditors, whose report have been furnished to us, and our opinion is based solely on the report of other auditors.
4. We have relied upon the unaudited financial statement/ information as provided by the Management in respect of its Associates in which share of profit of the company is Nil and our opinion in so far as it relates to the amounts included in respect of this associate, is based solely on such un audited financial statement/information.
5. We report that the consolidated financial statements have been prepared by the Company in accordance with the requirements of the Accounting Standards (AS) 21, "Consolidated Financial Statements", and Accounting standard (AS) 23, "Accounting for Investments in Associates in Consolidated Financial Statements" and Accounting Standard (AS) 27 "Financial Reporting of Interests in Joint Ventures", in Consolidated Financial Statements as notified by the Companies (AS) Rules, 2006.
6. Based on our audit and on consideration of the separate audit reports on the individual audited financial statement of the Company , its subsidiaries and its Joint venture and on the other financial information of the component and management accounts referred to in paragraph 4 above , and to the best of our information and according to the explanations given to us, we are of the opinion that the attached consolidated financial statement give true and fair view in conformity with the accounting principles generally accepted in India.
 - a) In the case of the consolidated balance sheet, of the consolidated state of affairs of Group as at 31st August, 2010
 - b) In the case of the Consolidated Profit and Loss Account, of the profit for the year ended on that date; and
 - c) In the case of the Consolidated Cash Flow Statement of the consolidated cash flows of the group for the year ended on that date.

For Ajmera Ajmera & Associates
Chartered Accountants
Firm Registration No.123989W

Sandeep Ajmera
Partner
(Membership No.48277)

Mumbai: 31st January, 2011

CONSOLIDATED BALANCE SHEET AS AT 31ST AUGUST, 2010

Particulars	Sch.	31.08.2010 (Rupees)	31.08.2009 (Rupees)
SOURCES OF FUNDS:			
Shareholders' Funds			
Share Capital	A	101,500,000	101,500,000
Reserves & Surplus	B	112,083,618	111,109,164
Minority Interest			
Share Capital		1,350,000	-
Reserve & Surplus		5,026,500	-
Share Application		7,815,000	-
		14,191,500	-
Loan Funds			
Secured Loan	C	1,127,796	8,500,000
Deferred Tax Liability (Net) (Refer Note 5)		699,881	112,929
TOTAL		229,602,795	221,222,093
APPLICATION OF FUNDS:			
Fixed assets			
Gross Block	D	245,660,148	263,965,069
Less : Depreciation and Impairment		110,669,538	113,728,316
Net Block		134,990,610	150,236,753
Add: Capital Work In Progress		44,218,876	-
		179,209,486	150,236,753
Investments			
	E	50,000	14,233,786
Current Assets, Loans and Advances			
Inventories	F	13,354,698	95,790,638
Sundry Debtors	G	10,207,203	14,225,813
Cash and Bank Balances	H	9,723,891	18,288,754
Loans and Advances	I	61,183,186	53,232,850
		94,468,977	181,538,055
Less : Current Liabilities & Provision			
Current Liabilities	J	44,423,972	125,206,616
Provision		242,000	-
		44,665,972	125,206,616
Net Current Assets			
		49,803,005	56,331,438
Miscellaneous Expenditure			
(To the extent not written-off)	K	540,306	420,116
TOTAL		229,602,795	221,222,093
Notes forming part of the Accounts	R		
As per our Report of even date			
For Ajmera Ajmera & Associates		For and on behalf of the Board	
Chartered Accountants			
(Firm Registration No. 123989W)			
Sandeep Ajmera		V.I. Garg	Ashish Garg
Partner		CEO, Director	Managing Director
(Membership No. 48277)			
Place: Mumbai		Dinesh N. Modi	
Date: 31.01.2011		Company Secretary	
		Place: Mumbai	
		Date: 31.01.2011	

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST AUGUST, 2010

Particulars	Sch.	31.08.2010 (Rupees)	31.08.2009 (Rupees)
<u>INCOME</u>			
Income from Operations	L	149,075,142	-
Other Income	M	2,860,999	5,734,132
TOTAL		151,936,141	5,734,132
<u>EXPENDITURE</u>			
(Increase) / Decrease in Real Estate Projects in Progress		(12,303,200)	-
Construction & Development Expenditure	N	126,180,291	-
Employees Cost	O	5,661,853	4,856,598
Administrative . Selling & General Expenses	P	15,205,503	19,724,004
Loss on Sale of Fixed Assets		-	5,976,323
Interest & Finance Charges	Q	111,176	15,511
Depreciation and Impairment	D	1,395,107	108,243,162
TOTAL		136,250,730	138,815,598
Profit / (Loss) Before Tax		15,685,411	(133,081,466)
Add / (Less) : Provision for Taxation			
Current Tax		242,000	-
Deferred Tax (Credit)/ Charge (Refer Note 5)		586,952	-
Profit / (Loss) After Tax		14,856,458	(133,081,466)
Add: Share of profit from associates		-	1,029,259
		14,856,458	(132,052,207)
Add: Balance B/F from previous year		(30,233,665)	101,818,542
Profit / (Loss) Available for Appropriation		(15,377,206)	(30,233,665)
<u>APPROPRIATIONS:</u>			
General Reserve		(3,112,180)	-
Surplus carried to Balance Sheet		(12,265,026)	(30,233,665)
		(15,377,206)	(30,233,665)
Basic earnings per share of Rs. 4/- each before exceptional / extra ordinary items (Rupees)	} Refer Note 10	0.59	(5.24)
Diluted earnings per share of Rs. 4/- each before exceptional /extra ordinary items (Rupees)		0.59	(5.29)
Basic earnings per share of Rs. 4/- each after exceptional / extra ordinary items (Rupees)		0.59	(5.20)
Diluted earnings per share of Rs. 4/- each after exceptional / extra ordinary items (Rupees)		0.59	(5.25)
Notes forming part of the Accounts		R	
As per our Report of even date			
For Ajmera Ajmera & Associates		For and on behalf of the Board	
Chartered Accountants			
(Firm Registration No. 123989W)			
Sandeep Ajmera	V.I. Garg	Ashish Garg	
Partner	CEO, Director	Managing Director	
(Membership No. 48277)	Dinesh N. Modi		
	Company Secretary		
Place: Mumbai	Place: Mumbai		
Date: 31.01.2011	Date: 31.01.2011		

CONSOLIDATED CASH FLOW STATEMENT AS AT 31ST AUGUST, 2010			
Particulars		31.08.2010	31.08.2009
		(Rupees)	(Rupees)
I	<u>CASH FLOW ARISING FROM OPERATING ACTIVITIES</u>		
	Net Profit (Loss) Before Tax As per Profit and Loss Account	15,685,411	(133,081,466)
	Add / (Deduct) :		
	Interest & Finance Charges	111,176	15,511
	Depreciation	1,395,107	108,243,162
	(Profit) / Loss on Sale of Fixed Assets	(2,589,893)	5,976,323
	Other Income	-	(13,614,638)
	(Profit) / Loss on Sale of Investment	3,953,227	-
	Operating Profit before Working Capital changes	18,555,028	(32,461,108)
	Add / (Deduct) :		
	(Increase)/Decrease in Trade and Other receivables	6,145,303	85,705,820
	(Increase)/Decrease in Loans & Advances	(44,141,068)	(144,997,730)
	Increase/(Decrease) in Trade Payables	(80,763,425)	(21,972,475)
	Increase/(Decrease) in Inventories	82,435,940	(52,174,629)
	Less: Taxes Paid	(1,098,496)	-
	Net Cash Flow in the Course of Operating Activities	(18,866,718)	(165,900,122)
II	<u>CASH FLOW ARISING FROM INVESTING ACTIVITIES</u>		
	Inflow/ (Outflow) on Account of :		
	Other Income	-	5,734,132
	(Purchase) /Sale of Fixed Assets	2,558,925	171,021,807
	(Purchase) /Sale of Investments	1,155,000	(6,187,486)
	Miscellaneous Expenditure	(120,190)	-
	Net Cash Flow in the Course of Investing Activities	3,593,735	170,568,453
III	<u>CASH FLOW ARISING FROM FINANCING ACTIVITIES</u>		
	Inflow/ (Out Flow) on Account of :		
	Increase/(Decrease) in Secured Loans	(7,372,204)	(6,080,000)
	Increase in Share Capital & Share Premium	-	5,600,000
	Increase in Minority Interest	14,191,500	-
	Interest & Finance Charges	(111,176)	(15,511)
	Net Cash Flow in the Course of Financing Activities	6,708,120	(495,511)
	Net Increase/(Decrease) in Cash & Cash Equivalents (I+II+III)	(8,564,863)	4,172,820
	Add: Balance at the beginning of the year	18,288,754	5,615,933
	Cash and Cash Equivalent at the Close of the Year	9,723,890	9,788,754
	Reconciliation of Cash and Bank Balances :		
	Cash and Bank Balances	9,723,891	18,288,754
	Add / (Deduct) :		
	Margin Money Balances	-	(8,500,000)
	Cash and Cash Equivalent at the Close of the Year	9,723,890	9,788,754
Note: 1). The above cash flow statement has been prepared under the indirect method as set out in Accounting Standard-3, "Cash Flow Statement" issued by The Institute of Chartered Accountants of India. 2).Figures of the previous year have been regroup/reclassified wherever necessary.			
As per our Report of even date			
For Ajmera Ajmera & Associates		For and on behalf of the Board	
Chartered Accountants (Firm Registration No. 123989W)			
Sandeep Ajmera Partner (Membership No. 48277)		V.I. Garg CEO, Director	Ashish Garg Managing Director
Place: Mumbai Date: 31.01.2011		Dinesh N. Modi Company Secretary Place: Mumbai Date: 31.01.2011	

SCHEDULES TO THE CONSOLIDATED FINANCIAL STATEMENT AS AT 31ST AUGUST, 2010

Particulars	31.08.2010 (Rupees)	31.08.2009 (Rupees)
SCHEDULE A		
SHARE CAPITAL:		
Authorised		
4,75,00,000 Equity Shares of Rs. 4/- & 25,00,000 Un-Classified Shares of Rs.4/- each (Prev. Yr. 4,75,00,000 Equity Shares of Rs.4/- each & 25,00,000 Un-Classified Shares of Rs. 4/- each)	200,000,000	200,000,000
	200,000,000	200,000,000
Issued, Subscribed and Paid up		
2,53,75,000 Equity Shares (Previous year: 2,53,75,000) of Rs.4/- each fully paid up	101,500,000	101,500,000
Notes:		
I) Out of above Equity Shares :		
a) 1,07,50,000 Equity Shares of Rs.4/- each were allotted as fully paid Bonus Shares by way of capitalisation of Profit & Loss Reserves Account.		
b) 38,75,000 Equity shares of Rs.4/- each at premium of Rs. 12/- per share were issued on preferential allotment basis against the conversion of equivalent number of share warrants.		
Per Balance Sheet	101,500,000	101,500,000
SCHEDULE B		
RESERVES AND SURPLUS		
Securities Premium :		
As per last Account	68,500,000	64,300,000
Add: On exercise of conversion of warrants into equity	-	4,200,000
	68,500,000	68,500,000
Share Warrant Forfeiture Reserve	7,400,000	7,400,000
Revaluation Reserves :		
As per last Account	13,882,005	71,303,268
Less: Impairment loss	-	57,421,263
Less: Adjusted against sale of Office Premises	13,882,005	-
	-	13,882,005
General Reserve :		
As per last Account	51,560,824	51,560,824
Less : Appropriated during the year	3,112,180	-
	48,448,644	51,560,824
Surplus as per Profit & Loss Account	(12,265,026)	(30,233,665)
Per Balance Sheet	112,083,618	111,109,164
SCHEDULE C		
LOAN FUNDS		
(i) Short Term Loan against Term Deposit (LTD) (Secured by pledge of fixed deposit and the same is guaranteed by the promoters, availed on 31.08.2009 and repaid on 10.09.2009)	-	8,500,000
(ii) Vehicle Loans (Secured by a hypothecation of respective vehicles)	1,127,796	-
Per Balance Sheet	1,127,796	8,500,000

Schedule D : Fixed Assets and Depreciation

Description	(Rupees)											
	Gross Block			Depreciation/Impairment				Net Block				
	As at 31.08.09	Additions	Deductions	Impairment Adjustment	As on 31.08.10	As at 31.08.09	For the year	Impairment	Deductions	As on 31.08.10	As on 31.08.10	As on 31.08.09
Land	33,599,112	-	-	-	33,599,112	-	-	-	-	-	33,599,112	33,599,112
Hazoor Hill Grand- Land	197,406,195	-	-	-	197,406,195	107,060,546	-	-	-	107,060,546	90,345,649	90,345,649
Office Premises	22,686,400	-	22,686,400	-	-	446,028	169,867	-	615,895	-	-	-
Furniture & Fixture	1,577,339	-	1,577,339	-	-	456,957	45,477	-	502,434	-	-	-
Vehicles	2,146,538	2,512,948	-	-	4,659,486	2,146,538	160,134	-	-	2,306,672	2,352,814	-
Equipments	3,215,747	48,428	449,063	-	2,815,112	682,059	212,435	-	109,674	784,820	2,030,292	2,533,688
Computer Software	-	6,769,443	-	-	6,769,443	-	466,504	-	-	466,504	6,302,939	-
Temporary Erection	2,936,188	486,193	3,422,381	-	-	2,936,188	289,693	-	3,225,881	-	-	-
Add Share in Joint Venture	397,550	13,250	-	-	410,800	-	50,996	-	-	50,996	359,804	397,550
TOTAL	263,965,069	9,830,262	28,135,183	-	245,660,148	113,728,316	1,395,107	-	4,453,884	110,669,538	134,990,610	150,236,753
Previous Year	327,605,555	1,532,684	7,751,907	57,421,263	263,965,069	6,346,996	1,182,616	107,060,546	861,842	113,728,316	150,236,753	321,258,559
Capital work in progress, at cost (including capital advances)	-	-	-	-	-	-	-	-	-	-	44,218,876	-

SCHEDULES TO THE CONSOLIDATED FINANCIAL STATEMENT AS AT 31ST AUGUST , 2010		
Particulars	31.08.2010 (Rupees)	31.08.2009 (Rupees)
<u>Schedule E</u>		
Investments (at Cost)		
Long Term Non Trade- Unquoted In fully paid equity shares		
In Associates		
Land Aggregator & Realtors (Extent of ownership interest 30.00%)	-	3,697,434
Infra Engineers & Contractors (Extent of ownership interest 35.00%)	-	1,029,259
Other		
NIL (P.Y. 85,000) shares of Rs.10/- each in Pag International Pvt. Ltd.	-	5,158,227
Other Investments	50,000	4,348,866
Per Balance Sheet	50,000	14,233,786
<u>Schedule F</u>		
Inventories		
Raw Materials (Building Materials at site)	1,051,498	2,197,823
Less: Transferred to Fixed Assets (HHG)	-	1,146,325
Add: Share in Joint Venture	12,303,200	94,739,140
Per Balance Sheet	13,354,698	95,790,638
<u>Schedule G</u>		
Sundry Debtors		
(Unsecured, Considered Good unless otherwise specified) :		
More than six months	2,345,097	11,434,329
Others	-	279,1484
Add: Shares in Joint Venture	7,862,106	-
Per Balance Sheet	10,207,203	14,225,813
<u>Schedule H</u>		
Cash and Bank balance		
Cash in hand	4,306,521	374,958
Add: Shares in Joint Venture	563,266	319,075
Balances with scheduled banks :		
- In Current Accounts	3,095,507	5,897,504
Add: Shares in Joint Venture	1,758,597	1,697,217
-In Deposit Accounts	-	1,500,000
-In Margin Money Accounts	-	8,500,000
Per Balance Sheet	9,723,891	18,288,754
<u>Schedule I</u>		
Loans and Advances		
Advances recoverable in cash or in Kind or for Value to be received :	54,778,782	45,707,614
Advance Taxes	4,094,176	3,014,898
Prepaid Expenses	110,228	-
Deposit	300,000	-
Add: Share in Joint Ventures	1,900,000	4,510,338
Per Balance Sheet	61,183,186	53,232,850
<u>Schedule J</u>		
Current Liabilities		
Sundry Creditors	5,545,484	13,231,535
Other Liabilities	21,170,664	9,813,339
Add: Share in Joint Ventures	17,707,824	102,161,742
Per Balance Sheet	44,423,972	125,206,616
<u>Schedule K</u>		
Miscellaneous Expenditure		
(to the extent not written off or adjusted)	540,306	420,116
Per Balance Sheet	540,306	420,116

SCHEDULES TO THE CONSOLIDATED PROFIT AND LOSS FOR THE YEAR ENDED 31ST AUGUST , 2010		
Particulars	31.08.2010 (Rupees)	31.08.2009 (Rupees)
Schedule L		
Income from Operations		
Sales	149,075,142	-
Per P& L Account	149,075,142	-
Schedule M		
Other Income		
Compensation Income	1,791,055	-
Sale of Investment	(1,744,727)	-
Sale of Fixed Asset	2,589,893	-
Other Income	16,575	-
Contract Charges (TDS C.Y. NIL , P.Y.53410)	-	5,566,850
Interest on:		
Loans (TDS C.Y.4,500 P.Y. 24,963)	137,467	157,305
Bank Fixed Deposits (TDS C.Y. 12,216 , P.Y NIL)	70,736	9,977
Per P& L Account	2,860,999	5,734,132
Schedule N		
Construction & Development Expenditure		
Construction Expenses	126,180,291	-
Per P& L Account	126,180,291	-
Schedule O		
Employees Cost		
Salaries, Allowances and Bonus	1,095,730	4,734,050
Staff Welfare expenses	67,372	122,548
Add: Share in Joint Ventures	4,498,751	-
Per P& L Account	5,661,853	4,856,598
Schedule P		
Administrative, Selling & General Expenses		
Advertisement & Publicity	97,104	654,498
AGM Expenses	60,156	202,778
Bank Charges	29,087	380,699
Business Promotion Expenses	44,800	2,695,874
Commission and Brokerage	-	549,578
Communication Expenses	103,974	640,288
Director Remuneration	580,000	860,000
Director Siting Fees	91,074	52,000
Electricity Charges	55,700	179,379
Equipment Hiring Charges	-	432,267
Exhibition & Erection Charges	-	5,379,002
Legal & Professional Charges	241,675	1,329,656
Listing Fees	40,172	111,535
Membership & Subscription	2,112	85,178
Miscellaneous Expenses	5,991	627,901
Office Maintenance	41,576	333,034
Audit Fees	110,300	55,000
Postage & Courier Charges	1,786	382,793
Power & Fuel	-	430,535
Printing & Stationery	94,062	949,056
Registrar & Share Transfer Charges	238,855	227,880
Rent, Rates & Taxes	846,965	1,330,036
Repairs and Maintenance :		
-Building	69,946	72,526
-Others	23,117	36,208
ROC Fees	18,600	122,517
Security, Watch & Ward Expenses	95,540	607,691
Travelling & Conveyance expenses	459,875	106,506
Vehicle Maintenance & Insurance	95,777	374,253
Website Maintenance Charges	19,000	515,336
Add: Share in Joint Venture	11,738,260	-
Per P& L Account	15,205,503	19,724,004
SCHEDULE Q		
Interest & Finance Charges		
Interest		
-On Term Loan	37,144	-
-On Vehicle Loan	74,032	15,511
Per P& L Account	111,176	15,511

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST, 2010.

SCHEDULE R:

A. PRINCIPLES OF CONSOLIDATION

The Consolidated Financial Statements relate to Hazoor Multi Projects Limited ('the Company') and its Subsidiary Companies, Associates and Joint Ventures. The Consolidated Financial Statements have been prepared on the following basis:

- i) The Financial Statements of the Company and its Subsidiaries have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating intra-group balances, intra-group transactions and unrealized profits or losses as per Accounting Standard AS-21 - Consolidated Financial Statements.
- ii) Investments in Associate Companies have been accounted under the equity method as per Accounting Standard AS-23-Accounting for Investments in Associates in Consolidated Financial Statements.
- iii) Investments in Joint Ventures have been accounted under the proportionate consolidation method as per Accounting Standard AS-27 - Financial Reporting of Interests in Joint Ventures.
- iv) The excess of the Company's portion of equity of the Subsidiaries as at the date of its investment over the cost of its investment is treated as Capital Reserve. The excess of cost of investment over the Company's portion of equity as at the date of investment is treated as Goodwill and the same is written off in the year in which it arises. However, where goodwill arising on consolidation of entities acquired by the Group represents value of land / rights held by such entities, the same is considered as cost of construction and accordingly treated as part of cost of inventory of the group.
- v) The difference between the proceeds from disposal of investment in a Subsidiary and the carrying amount of its assets less liabilities as on the date of disposal is recognized in the consolidated statement of Profit and Loss Account as the profit or loss on disposal of investment in Subsidiary.
- vi) Intra-group balances and intra-group transactions and resulting unrealized profits have been eliminated.
- vii) As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.

B. Investments other than in Subsidiaries, Associates and Joint Ventures, have been accounted as per Accounting Standard AS-13 on "Accounting for Investments".

C. The list of Subsidiary Companies considered for consolidation, and the Company's holdings therein are as under:

Name of the Subsidiaries	C.O.I	Proportion of ownership Interest
Hazoor Aambey Valley Developers Pvt. Ltd.	India	100.00 %
Hazoor Township Developers Pvt. Ltd.	India	55.00 %

D. The Associates Company and Joint Ventures considered in the consolidated financial statements are below:

Name of the Joint Ventures	COI	Proportion of ownership Interest
M/s. Hazoor City Developers	India	56.00%

The reporting year for all the Subsidiary and Joint Venture ended on August 31st. 2010. These financial statements are audited by their respective Statutory Auditors.

B. NOTES FORMING PART OF THE ACCOUNTS

1. Capital Commitment – Rs NIL (P.Y. 3.03 Crores) in respect of the Joint Venture Project by Hazoor City Developers.

2. Interest of the Company in Joint Venture is as under:

Sr. No.	Name of the Joint Venture	Share of Interest
1.	M/s. Hazoor City Developers	56.00%

3. Interest in the Assets & Liabilities with respect to Jointly Controlled entities are as follow:

2009-10

a)	Assets:	(Rs. in lakhs)
	a) Fixed assets (Net Block)	3.60
	b) Current assets, Loans and Advances:	
	i) Sundry Debtors	78.62
	ii) Cash and Bank Balances	23.22
	iii) Loans and Advances	19.00
	iv) Inventories	123.03
b)	Liabilities:	
	a) Current Liabilities & Provisions	177.08
c)	Total Income:	1490.75
d)	Expenditure:	
	a) Cost of Construction	1261.80
	b) Increase/Decrease in Inventories	(123.03)
	c) Employee Cost	44.99
	d) Administrative Selling & General Expenses	117.38
	e) Depreciation & Amortisation	0.51

4. Amount Paid/Payable to Auditors (including Service Tax):

	31.08.2010	31.08.2009
Audit Fees	1,10,300	55,000

5. Deferred Taxation for the year ended 31st August, 2010.

	As At 01.09. 2009 (Rupees)	Charge/(Credi t) during the year (Rupees)	As at 31.08.201 0 (Rupees)
Deferred Tax Liability/ (Asset) on account of :			
i. Depreciation	112,929	5,86,952	6,99,881
Net Deferred Tax Liability / (Asset)	112,929	5,86,952	6,99,881
Previous Year.	112,929	NIL	112,929

6. Remuneration Paid/Payable to Directors and other Chief Managerial Person:

As per Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended. The number of employees employed for the whole year drawing salary of Rs. 24,00,000/- per annum or more is NIL and the number of employees employed for part of the year drawing salary of Rs. 2,00,000/- per month or more is also NIL.

Remuneration paid to the Directors		
	31/08/2010	31/08/2009
Executive Director	5,80,000	3,60,000
CEO, Director	NIL	3,00,000
Managing Director	NIL	2,00,000

7. The provisions of PF / ESIC Act are not applicable to the company.

8. In accordance with the provisions of the Accounting Standard –28 on Impairment of Assets notified by the Companies (Accounting Standards) Rules 2006, the Company had identified certain fixed assets in previous year, that were impaired mainly on account of conditions prevailing in real estate market, affecting the value of such assets. Accordingly during current year no amount of impairment Loss/Reversal has been recognized and provided in the profit and loss account (Previous Year loss of Rs. 574.21 lakhs) in respect of Hazoor Hill Grand.

9. Segment Reporting:

The Company operates through its subsidiaries, associate and joint ventures engaged in the Real Estate Development, which as per Accounting Standards AS-17-‘Segment Reporting’ is considered to be the only reportable business segment. The Company is also operating within the same geographical segment.

10. Earnings per Share Face Value of Rs.4/- each

Particulars		Before exceptional/ prior period items		After exceptional/ prior period items	
		2009-10	2008-09	2009-10	2008-09
Basic					
Profit/(Loss) After Tax as per the Accountants	A	1,48,56,458	(13,30,81,466)	1,48,56,458	(13,20,52,207)
Weighted average number of shares outstanding	B	25,375,000	25,375,000	25,375,000	25,375,000
Basic EPS	A/ B	0.59	(5.24)	0.59	(5.20)
Diluted					
Profit/(Loss) After Tax as per the accountants	A	14,8,56,458	(13,30,81,466)	1,48,56,458	(13,20,52,207)
Weighted average number of shares outstanding	B	25,375,000	25,148,958	25,375,000	25,148,958
Diluted EPS	A/ B	0.59	(5.29)	0.59	(5.25)

11. Related Party Disclosures:

a). List of Related Party and relationships

i. Unincorporated Joint Ventures (JV)

M/s. Hazoor City Developers

M/s. Hazoor Multi Corp.

ii. Associates

M/s.Infra Engineers & Contractors.

M/s.Land Aggregators and Realtors.

iii. Companies in which promoters have significant influence

Parle Software Ltd.

Optilum Business Enterprises Pvt.Ltd.

iv. Key Management Personnel

Mr. V.I.Garg CEO,Director

Mr. Ashish Garg Managing Director

Mr. Vineet Garg Executive Director

Mr. Dinesh Modi Company Secretary

Note: Related party relationships are as identified by the Company and relied upon by the Auditors.

b. Disclosure of Transactions with related parties as required by the AS - 18

Details relating to parties referred to in item no. 11 (a) above:

Sr. No	Nature of Transactions	(Rupees in Lacs)				
		Nature of Relationship & Transaction Value				
		Subsidiary	Associates / Promoters	Joint Venture	Group Co.	Director / Key Management Personnel
1	Sale of Investment	-	-	-	45.00 (-)	-
2	Advance Received	-	5.00 (-)	-	134.83 (-)	-
3	Advance Made.	-	5.00 (-)	-	148.93 (-)	-
4	Term Deposit Security Against LTD	100.00 (100.00)	-	-	-	-
5	Key Management Personnel	-	-	-	-	2.41 (10.24)
	Remuneration to Directors	-	-	-	-	5.80 (8.60)
	* Directors Sitting fees	-	-	-	-	- (0.31)
	Outstanding					
	Advance Received	-	-	-	78.47 (92.58)	-
	Term Deposit Security Against LTD	- (100.00)	-	-	-	-
	Director Remuneration	-	-	-	-	0.50 (0.30)
	Key management Personnel	-	-	-	-	- (4.26)

* - The above sitting fees are given only to directors whose names are shown in Note 11.

12. Quantitative Information:

The provisions of clause 3 (ii) of Schedule VI of Part II of Companies Act, 1956 are not applicable to the company and hence no quantitative details are given.

13. Retirement Benefits:

The provisions of payment of Gratuity Act, 1972 are not applicable to the company.

14. The Company carries out the development activities through various projects that are executed /undertaken through its Associates, Joint Ventures, etc.

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

16. Being the initial engagement of the statutory auditors, opening balances are duly Certified by the management and relied upon by the auditors.

17. Figures for the previous year have been regrouped wherever necessary to conform to the Current year's classification.
18. Figures have been rounded off to nearest rupee wherever applicable.
19. The figures in brackets are those in respect of the previous accounting year.

As per our Report of even date Attached

For Ajmera Ajmera & Associates
Chartered Accountants
Firm Registration No.123989W

Sandeep Ajmera
Partner
(Membership No.48277)

Place: Mumbai
Date: 31st January, 2011

For & on behalf of the Board

V.I. Garg
CEO, Director

Ashish Garg
Managing Director

Dinesh N Modi
Company Secretary

Place: Mumbai
Date: 31st January, 2011

Summary of financial Statement of Subsidiary Companies:

Disclosure pursuant to ministry of Corporate affairs U/S.212 (8) of the companies Act, 1956 for the year ended August 31st, 2010:

Subsidiary Company	Paid up capital	Reserve & Surplus	Total Assets	Total Liabilities	Investments	Turnover	PBT	Provision	PAT	Proposed div.
HADPL	20,00,000	2,05,00,000	2,25,00,000	2,25,00,000	NIL	NIL	NIL	NIL	NIL	NIL
HTDPL	30,00,000	2,65,15,000	2,95,15,000	2,95,15,000	50,000	NIL	NIL	NIL	NIL	NIL

Statement Pursuant to Section 212 of the Companies Act, 1956 relating to subsidiary companies:

Name of the Subsidiary Company	Hazoor Aambey Valley Developers Pvt. Ltd.	Hazoor Township Developers Pvt. Ltd.
1. Financial year ending of subsidiary ended on :	31 st August, 2010	31 st August, 2010
2. Holding Company's interest as on the date: -No. of equity shares held -% of shares held by company	2,00,000 shares 100%	1,65,000 shares 55%
3. Date from which it became a subsidiary	08.03.2007	08.03.2007
4. Net aggregate of the Profit/Loss of the Subsidiary Company a. For the Current Financial Year of the Subsidiary Company i. Deal with the Accounts of the company ii. Not Deal with the Accounts of the company b. For the Previous Financial Year of the Subsidiary Company i. Deal with the Accounts of the company ii. Not Deal with the Accounts of the company	- - - -	- - - -
5. Changes in the interest of the Company between the end of the financial year of the subsidiary and 31.08.2010	Not Applicable	Not Applicable