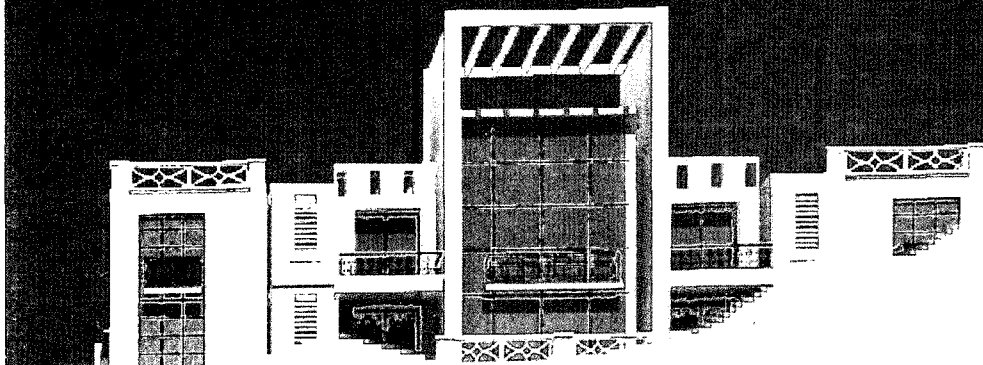
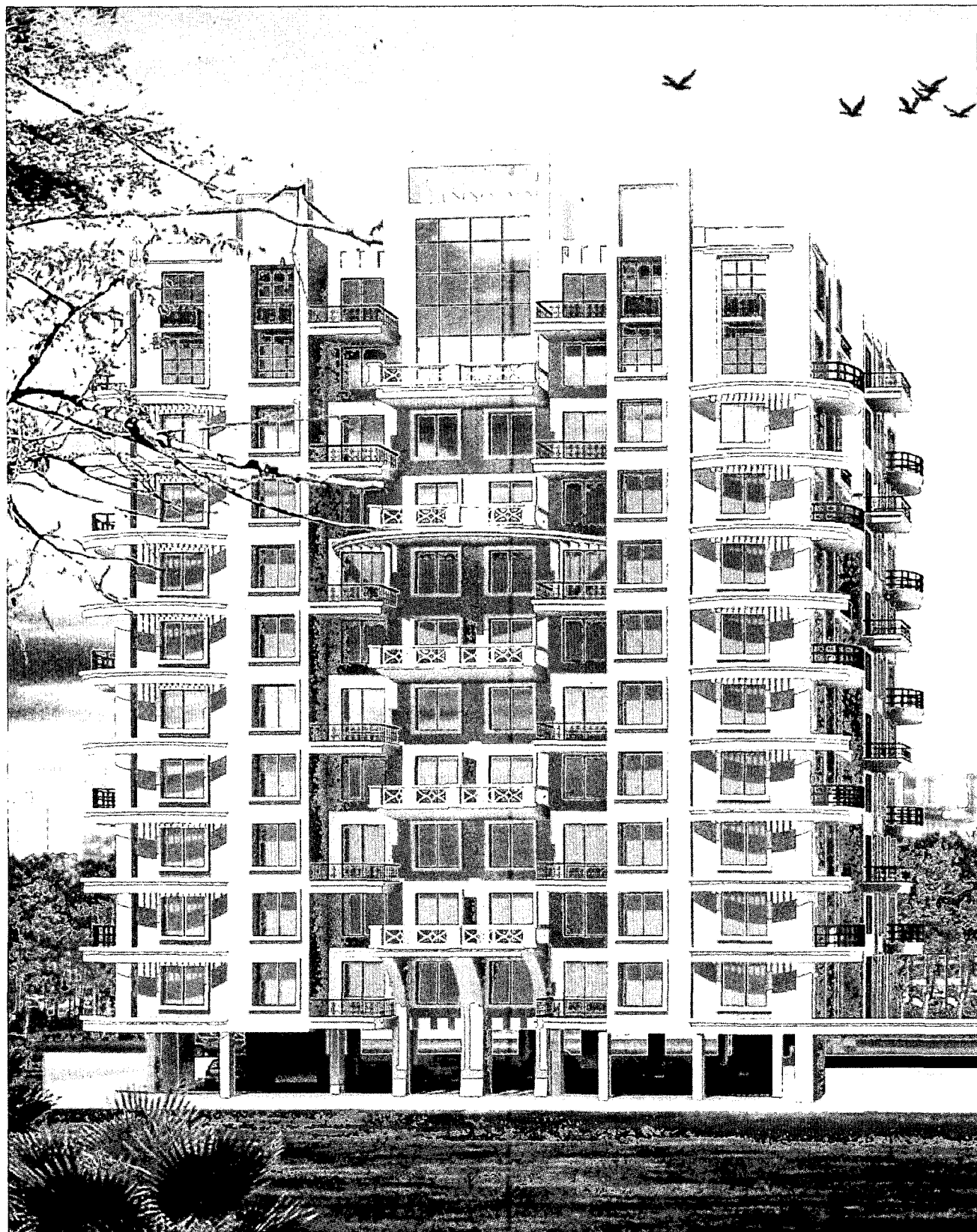


Opening doors to fortune



Annual Report 2008-09
HAZOOR MULTI PROJECTS LIMITED



High Life, "A" Tower, at Pune
Ready Possession

CORPORATE INFORMATION

BOARD OF DIRECTORS

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

COMPANY SECRETARY

Mr. Dinesh Modi

AUDITORS

M/s. S.M. Shidhaye & Co.
Chartered Accountants

BANKERS

Vijaya Bank, Mumbai

REGISTRAR & SHARE TRANSFER AGENTS

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

REGISTERED OFFICE

6B, Knox Plaza,
Mind Space, Malad (W),
Mumbai - 400 064.
Email: investor.relations@himplindia.com

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NOTICE

Notice is hereby given that the Seventeenth Annual General Meeting of the Members of Hazoor Multi Projects Limited will be held on Saturday, February 27, 2010 at 10:30 a.m. at Landmark Building, Link Road, Mith Chowki, Malad (West), Mumbai – 400 064 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st August, 2009 and the Profit & Loss Account of the company for the year ended on that date together with reports of the Auditors and Directors thereon.
2. To appoint a Director in place of Shri.V.I.Garg, who retires by rotation, and being eligible, offers himself for re- appointment.
3. To appoint a Director in place of Shri.Vineet Garg, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditors and fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT M/s Ajmera Ajmera & Associates, Chartered Accountants, be and are hereby appointed as Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as may be fixed by the Board of Directors”.

Place : Mumbai

Date : January 20, 2010

Registered Office:

6B, Knox Plaza, Mindspace,
Malad West, Mumbai – 400 064

By Order of the Board

For Hazoor Multi Projects Limited

S/d

Dinesh Modi

Company Secretary

[NOTES]

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF, AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING PROXY SHOULD HOWEVER BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
2. The Explanatory Statement pursuant to Section 173 (2) of the Companies Act, 1956, relating to the Special Business to be transacted at the ensuing Annual General Meeting is annexed hereto and forms part of the Notice.
3. The Register of Members and the Share Transfer Books of the Company will remain closed from 22nd February 2010 to 27th February 2010 (both days inclusive).
4. Members /Proxies should bring their Attendance Slips along with copy of the Annual Report to the meeting.
5. Members who are holding Company's shares in dematerialized form are required to bring details of their Depository Account Number for identification.
6. Queries on account and operations of the company, if any, may be sent to the Company Secretary seven days in advance of the meeting so as to enable the Management to keep the information ready at the meeting.
7. All documents referred to in the Notice are open for inspection at the Registered Office of the Company during office hours between 11.00 a.m. to 1.00 p.m. on all working day except Sunday & holiday, upto the date of the Annual General Meeting.
8. Under Section 109A of the Companies Act, 1956, shareholders are entitled to make nomination in respect of shares held by them in physical form Shareholders desirous of making nomination are requested to send their request in Form No. 2B in duplicate (which will be made available on request) to M/s. Link Intime India Private Limited.
9. Members are requested to notify immediately any change of address to their Depository Participants (DPs) in respect of their electronic share holding and to the Company at its registered office in respect to their physical shareholding, if any.

10. Corporate members intending to send their authorized representatives are requested to send a duly certified copy of the Board Resolutions authorizing their representatives to attend and vote at the Annual General Meeting.
11. Re-appointment of Directors: At the ensuing annual general meeting, Shri V.I.Garg and Shri Vineet Garg retires by rotation, and being eligible, offer themselves for re-appointment.

The details pertaining to these directors required to be provided pursuant to clause 49 (IV) (G) of the listing agreement are furnished in the statement on corporate governance published elsewhere in this report.

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

Item No. 4

- (a) M/s S M Shidhaye & Co., Chartered Accountants were appointed as Statutory Auditors of the Company for the year ended August, 2009. The term of their appointment expires at the conclusion of this AGM. They expressed their unwillingness to continue as Auditors. M/s Ajmera Ajmera & Associates, Chartered Accountants have conveyed their willingness to be appointed as the Statutory Auditors of the Company at the ensuing Annual General Meeting. Special Notice has been received by the Company from a Member proposing the appointment of M/s Ajmera Ajmera & Associates as Auditor for the financial year 2009-10.

The Directors recommend the resolution at item no. 4 for the approval of the members. None of the Directors of the Company is, in any way, concerned or interested in the resolution.

Place : Mumbai
Date : January 20, 2010
Registered Office:
6B, Knox Plaza, Mindspace,
Malad West, Mumbai – 400 064

By Order of the Board
For Hazoor Multi Projects Limited
S/d
Dinesh Modi
Company Secretary

DIRECTORS' REPORT

**To,
The Members,**

Your Directors have pleasure in presenting their Seventeenth Annual Report of the company together with the Audited Accounts for the year ended August 31st, 2009.

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	
	31.08.2009	31.08.2008	31.08.2009	31.08.2008
Income from Operations	NIL	2060.90	NIL	1548.90
Other Income	136.15	58.85	57.34	58.85
Total Income	136.15	2,119.75	57.34	1,607.75
Profit / (Loss) (before Interest, depreciation and tax)	(169.42)	503.37	(248.22)	248.16
Less: Interest and Finance Charges	0.16	14.49	0.16	14.49
Less: Depreciation	11.83	38.67	11.83	38.67
Profit/(Loss) before tax	(181.40)	450.22	(260.21)	195.00
Less: Provision for tax	NIL	43.76	NIL	43.76
Profit / (Loss) after tax	(181.40)	406.46	(260.21)	151.24
Less: Exceptional item	1,070.61	NIL	1,070.61	NIL
Less : Prior Period adjustments	NIL	286.55	NIL	286.55
Share of Profit from Associates			10.29	11.97
Profit / (Loss) for the year	(1,252.01)	119.91	(1,320.52)	(123.33)
Paid Up Equity Share Capital	1,015.00	1,001.00	1,015.00	1,001.00

PERFORMANCE REVIEW:

During the year under review, the total income of your company was lower at Rs.136.15 lacs as against Rs. 2,119.75 lacs in the previous year. The company has incurred Standalone operating loss before interest, depreciation and tax of Rs.169.42 lacs as against operating profit of Rs. 503.37 lacs in the previous year. The impairment loss of Rs. 1070.61 lacs is charged to the profit and loss account as exceptional item in the current year and the Standalone net loss stood at Rs. 1252.01 lacs as against net profit of Rs. 119.91 lacs in the previous year.

The consolidated revenue of the company was lower at Rs. 57.34 lacs as against Rs. 1607.75 lacs in the previous year. The Consolidated Operating loss before interest, depreciation and tax is Rs. 248.22 lacs in the current year as against operating profit of Rs. 248.16 lacs in the previous year. The Consolidated Net loss was higher at Rs. 1320.52 lacs as against Rs. 123.33 lacs in the previous year after adjustment of impairment of loss of Rs. 1070.61 lacs in the current year.

APPROPRIATION:

NIL amounts (Previous year Rs. 12.00 lacs) are credited to General Reserves. In order to conserve resources for future growth, your Directors do not recommend any dividend for the year under review.

CHANGES IN SHARE CAPITAL:

During the year, Company has made an allotment of 3,50,000 Equity Shares of Rs.4/- at a premium of Rs 12/- each upon conversion of equivalent number of Share Warrants issued on preferential basis, and issue proceeds of Rs. 50.40 lacs have been deployed as per the objects of the issue.

During the year, Board had approved to extinguish 46, 25,000 share warrants and forfeited an amount of Rs. 74.00 Lacs as per terms and conditions of issue of share warrants, as warrant holders had not exercised their rights to convert warrants into shares within 18 months of the issue.

CHANGE IN REGISTERED OFFICE

The Company has shifted its Registered office from 215, 2nd Floor, Raheja Plaza, behind Fun Republic, Off Link Road, Andheri West, Mumbai 400 053 to 6/B Knox Plaza, Mindspace, Malad west, Mumbai 400 064 with effect from August 31, 2009.

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.

INFORMATION TECHNOLOGY:

The Company is planning to implement a comprehensive ERP package to better manage its systems and processes. This ERP will be implemented across the organization integrating the work of various departments, line function, improve management information systems and enable better management control of operations and activities.

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:

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 Statutory Auditors of the Company, M/s. S.M.Shidhaye & Co. confirming compliance with the conditions of the Clause 49 of the Listing Agreement(s) is also attached.

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. Pursuant to Clause 49 of the Listing Agreements with the Stock Exchanges, a compliance report on Corporate Governance has been annexed hereto as Annexure II.

The Company is in compliance with the requirements and disclosures that have to be made in this regard. The Auditors' Certificate on compliance with Corporate Governance requirements by the Company forms part of the said report. 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 and they are wholly owned subsidiaries. A statement pursuant to Section 212 of the Companies Act, 1956 relating to Subsidiary Companies is attached to the accounts.

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.

ASSOCIATES:

The Company also operates its activities like Real Estate and 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.

JOINT VENTURE:

The Management of the Company had formed Special Purpose Vehicles (SPV) in Joint Venture namely "Hazoor City Developers" with Bansal Builders. The said Joint Venture has implemented Real Estate Residential Complex at Pune. The construction work of Residential Complex comprising of 11 storied Towers viz. 'HIGH LIFE' at Pune, is at advance stage of completion and possession will be handed over on obtaining Building Completion Certificate (B.C.C.) from the corporation. This Revenue from J.V. Project will be recognized in the books of J.V. and it will be shown in the consolidated financial results in the forthcoming financial year of the company, in accordance with the principles and procedures set out in Accounting Standard AS-27 – 'Financial Reporting of Interest in Joint Ventures'.

DIRECTORS:

As per the Articles of Association of the company, Mr. V.I.Garg and Mr. Vineet Garg who retire by rotation at this Annual General Meeting and being eligible offer themselves for re-appointment. The Board of Directors recommends their re-appointment. 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, 2009 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 S M Shidhaye & Co., Chartered Accountants were appointed as Statutory Auditors of the Company for the year ended August, 2009. The term of their appointment expires at the conclusion of this AGM. They expressed their inability to continue as Auditors.

In view of the above, the board of directors at its meeting held on 20th January, 2010, proposed the appointment of M/s Ajmera Ajmera & Associates, Chartered Accountants as the statutory auditor of the company in the place of the retiring statutory auditor M/s S. M. Shidhaye & Co., Chartered Accountants and further recommended subject to approval by members to appoint such qualified persons to audit the accounts of the company.

The Company has duly received communication from proposed statutory auditor that there appointment if made shall be within the limits prescribed under section 224 of the companies act, 1956 (The Act) and they do not suffer any disqualifications as laid down in section 226 of the act.

GENERAL SHAREHOLDER'S INFORMATION:

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

SECRETARIAL COMPLIANCE REPORT:

As a reflection of your Company's commitment to transparency, the Board is pleased to enclose the Secretarial Compliance Report for the financial year 2008-2009 as a part of this Directors' Report.

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

Since your company does not own any manufacturing facility, the requirements pertaining to disclosure of particulars relating to conservation of energy, research and development and technology absorption, as prescribed under the Companies (Disclosure of particulars in the report of Board of Directors) Rules, 1988 are not applicable. There were no Foreign Exchange Earnings and outgo during the year.

EMPLOYEES:

Human resources continue 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 staff strength of the Company comprises of few selected 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.

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.

ACKNOWLEDGEMENT:

The Board of directors' places on record its sincere appreciation for the dedicated efforts put in by all employees, their commitment and contribution at all levels, in most difficult and challenging environment during the year. Your Directors would like to record their sincere appreciation for the support and co-operation that your Company received from all the distributors, suppliers and business associates whom your company regards as partners in progress.

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, and shareholders at large and look forward to the same in greater measure in the coming years.

For and on behalf of the Board

Place: Mumbai
Date: 20th January, 2010

V.I. Garg
CEO, Director

Annexure I to the Directors' Report

MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)

The management of Hazoor Multi Projects Limited presents the analysis of the company for the year 2008-09 and its outlook for the future. This outlook is based on an assessment of the current business environment. It may vary due to future economy and other developments both in India and Abroad.

GOVERNMENT INITIATIVES:

The Government of India announced stimulus package which, coupled with the Reserve Bank of India's move allowing banks to provide special treatment to the real estate sector, is likely to impact the Indian real estate sector in a positive way. Foreign Investment Promotion Board (FIPB) announced new foreign direct investment policy (FDI) during the current year aimed at simplifying existing norms to attract foreign investment into India. Besides the above measures, the government also announced an economic stimulus package keeping in mind the impact of the global slowdown on the Indian real estate sector. Public sector banks and private sector banks announced a package for home loan borrowers in various categories. This is expected to increase borrowing for homes and in turn give a boost to the realty sector. Moreover, excise duty cuts on cement and steel are expected to bring down construction cost.

COMPANY'S SUSTAINABILITY INITIATIVES FOR RE-ENGINEERING:

The year 2008-2009 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;
- deferred development activities in respect of luxurious holiday home villas curtail the land trading activities and project having long gestation period;
- process of disposal of long gestation period land and not to avail the sanctioned borrowings by the bank and decided to maintain the Zero Debt Status.
- 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.,
- slashing overheads and improving cost efficiencies;
- 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.

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 planned forays into affordable housing segment. Operations of the Company include identification and acquisition of land / development rights, obtaining necessary approvals, planning, execution and marketing of the projects on behalf of the joint Venture, Associate etc.

OPERATIONS:

Residential:

Anticipating the huge demand potential in the low cost housing segment the company has implemented the Residential project viz High Life comprising of compact size flats with luxurious amenities providing Luxurious Flats to common man at affordable price. The Company has planned to launch affordable housing scheme project in Pune in the

forthcoming financial Year. ('affordable housing') The Company's low land acquisition cost and execution expertise through its J.V. will ensure profitability in these projects. Pre launching response of investors in booking flats in the said project has been encouraging.

Hazoor Hill Grand:

The company has made a total outlay of Rs. 2548.27 lacs on the Land Layout of the project "Hazoor Hill Grand" near Aambey Valley, sahara Lake, city Lonavala and during the financial year 2007-08, the further development of Phase II of the Project was withheld by the company in view of the recessionary economic conditions.

Owing to sudden downfall of the real estate market, the said project is recognized as impaired in accordance with the Accounting Standard 28 (AS-28) - "Impairment of Assets" issued by ICAI. The impairment loss provided during the year is subject to reversal on improvisation of the economic conditions and the Real Estate markets, in the forthcoming years.

ECONOMIC AND INDUSTRY OVERVIEW:

The global financial crisis which began in 2007 took a turn for the worse in the year under review beginning September 2008, with the collapse of several international financial institutions, including investment banks, mortgage lenders and insurance companies. There has been a severe choking of credit since then and a global crash in stock markets. The slowdown intensified with the US, Europe and Japan sliding into recession. Current indications of the global situation is not encouraging. Forecasts indicate that the World economy in fiscal year 2008- 2009 may fare worse than in 2007-2008. A crisis of such magnitude in developed countries is bound to have an impact around the world. Most emerging market economies have slowed down significantly. India too has been affected. For the first nine months of the year under review, the growth rate of exports has come down to 17.1 per cent. According to the latest figures available, the industrial production has fallen by 2 per cent year-on-year basis in December 2008. In these difficult times, when most economies are struggling to stay afloat, a healthy 7.1 per cent rate of GDP growth in 2008-09 driven by combined forces of booming economy, favourable demographics and liberalized Foreign Direct Investment (FDI) regime, still makes India the second fastest growing economy in the world.

OTHER OPPORTUNITIES:

The Company has also entered into strategic joint venture arrangements with other real estate development enterprise / landowners for some of its projects on a revenue sharing basis. Collaborating strategically with other firms reduces the capital investment requirement and helps leverage development capabilities. It also allows the Company to benefit from an enhanced pool of construction and marketing expertise and experience, and facilitates expansion into additional geographies and business lines.

All the aforesaid business initiatives would enable the Company to enhance long term shareholder value.

Steps have been initiated to manage the downturn by way of strong and sustainable cost reduction initiatives across all areas of operations. Tools of innovation are considered for any new project / marketing initiative, the purpose being to constantly stay ahead in terms of ideas.

OPPORTUNITIES AND THREATS:

With the downturn in the housing market caused by the global economic slowdown, there is an opportunity of creating portfolios in the affordable housing market and to grow the largely untapped mid-market segment. There is tremendous potential in the mid-housing segment which is seen as having maximum demand in the near future.

Real estate companies have seized the opportunity to re-classify their products / offerings in order to cater to the high volume affordable housing segment. Other measures include postponing new launches, re-allocating funds and focusing on completion of pre-committed projects, undertaking by Joint Venture, re-orienting product portfolio in favour of mid-

income / affordable homes and cutting construction cost via value engineering to survive the ongoing slump.

The present crisis presents an opportunity to every real estate company to correctly identify end-user needs and keep affordability in mind before embarking on newer projects. There is also an urgent need for deregulation of most of the laws pertaining to the real state sector.

RISKS AND CONCERNS:

Macro risks

- Global geo-political risk, economic shocks and policy reversals
- Economic risks – rising interest rates, inflation and currency risks
- Event risks – riots, natural calamities, etc.
- Rising costs of operation
- Constrained urban and physical infrastructure in cities
- Disparities in regional development within States
- Declining property rates

Real Estate Sector Specific Risks

- Oversupply – in few product classes - IT SEZs, luxury end residential.
- Land acquisition – the land acquisition process in India and its entitlement is anything but simple. It is a very long drawn complicated affair.
- Lack of verifiable records – the serious gap in ownership records as well as land titles being unclear, could pose several hurdles.
- Regulatory risk – several regulatory issues remain.
- Transparency risk – Indian real estate market transparency is rated low as compared to international real estate transparency levels. Although market transparency has improved, it is still hard to get reliable and verifiable information.
- Lack of title insurance – The real estate market in India does not have title insurance. There is a risk of latent ownership issue in transactions with individual land owners.
- Property linked infrastructure risks – At major locations, the public infrastructure is under strain. Though development and construction is proceeding at a furious pace, required urban infrastructure is not catching up fast enough.
- Lack of real estate securities legislation.
- Lack of uniform land laws – varying rules, regulations, standards, practices from town to town across India.
- Lack of institutional mechanism to review and regulate the conduct of valuation professionals as well as the qualifications and conduct of bodies certifying their expertise.
- Distress sale by other developers likely to push down prices.
- Demand becoming increasingly price and product sensitive.

The Company is mitigating these risks by way of qualitative market research, faster decision making, and by taking a fresh look at its entire set of processes, apart from undertaking proactive approach towards problem resolution.

Property financing remains largely conducted through conventional mortgages, with the volume of more modern, transparent and liquid products still negligible. This is partly due to high registration charges and transaction costs and structural impediments in the securitization legal framework. Industry database on transaction volumes, structures and prices are also largely undeveloped.

BUSINESS OUTLOOK:

The organized real estate sector is just crossing the 'infancy' stage in its growth profile and needs all the policy and regulatory support to emerge stronger in the light of the significant demand-supply gaps across real estate asset segments, the multiplier effect on plethora of industries, the employment generation potential of this sector. Policy reforms such as according 'infrastructure' status, updating and maintenance of land records, appointment of real estate regulatory body, reduction and simplification in development rules and regulations would go a long way in helping this sector to grow in an organized manner.

The Real Estate Investment Trusts (REITs) and Real Estate Mutual Funds (REMFs) are expected to transform the ownership pattern of real estate and may lead real estate developers to reinvent their business models and generate new revenue streams.

Opportunities have also begun to emerge in sectors such as healthcare, hospitality, logistics and education. Global slowdown is expected to push relocation of production and research centers to India. Another sector that promises to emerge as star of the next growth phase is the education sector. The government is focused on the expansion of higher education infrastructure and accessibility of higher education in India. It has made efforts in the public investment sphere like the setting up of new IITs and IIMs. Despite government initiatives, there exists a significant gap in the demand for higher education and the supply of infrastructure facilities. Restrictions have to be liberalized, policies updated and a new strategy has to be implemented to tackle the challenge of providing adequate infrastructure. Some analysts believe that domestic demand for both consumption and investments is likely to remain subdued in the near term, given the uncertain economic prospects and limited funding options. Further, the demographics remain favourable for real estate demand – a large and growing population, population pyramid skewed towards a younger population base, shift from joint family to nuclear families and increasing urbanization. Hence the long term story remains intact.

According to Ernst & Young, a consultancy firm, 'the current bearish trend of the real estate sector is a transitory slowdown. However, considering the opportunities present as well as the strong economic fundamental drivers, the outlook for the mid to-long term is positive. The momentum of the market in the mid-to-long term would be sustained by the emergence of new markets, innovative products, ongoing corporatisation of the sector, integration with global markets, greater transparency and new funding mechanism. What will drive the progress of this sector will be investment vehicles such as real estate investment trusts (REITs) and real estate mutual funds (REMFs), introduced in the regulatory scenario which is witnessing a positive change.'

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.

For and on behalf of the Board

Place: Mumbai
Date: 20th January, 2010

V.I. Garg
CEO, Director

Annexure II to the Directors' Report**CORPORATE GOVERNANCE REPORT****A. MANDATORY REQUIREMENTS****1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:**

'Good Corporate Governance' is governance with the highest standards of 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 any 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. Yuvraj Karan	NE (C)	5	L.A.	3	NIL	NIL
Mr. V.I. Garg	CEO, Director	11	Present	2	3	NIL
Mr. Ashish Garg	M.D.	11	Present	-	NIL	NIL
Mr. Vineet Garg	E.D.	11	Present	-	NIL	NIL
Mr. Paresh Sampat	NED (I)	11	Present	-	NIL	3
Mr. Deenbandhu Upasani	NED (I)	4	L.A	-	NIL	NIL
*NE(C)- 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, 2009, Shri Yuvraj Karan holds 3,500 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. V.I.Garg and Mr. Vineet Garg retire by rotation at the ensuing Annual General Meeting and being eligible, have offered themselves for reappointment.

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 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 2008-09, Eleven (11) meetings were held on 15.09.2008, 29.11.2008, 1.12.2008, 10.12.2008, 19.01.2009, 24.02.2009, 18.03.2009, 21.04.2009, 23.04.2009, 26.06.2009 and 28.08.2009. The gap between two Board Meetings did not exceed Four Months 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. V.I.Garg and Mr. Vineet Garg retire by rotation and being eligible, offer themselves for reappointment.

Mr. V.I. Garg

Shri V.I.Garg aged 57 years is a qualified Commerce graduate. He is Management consultant and has 25 years of experience in management development and Project Execution and Land Development. Shri V.I.Garg is a CEO, Director on the Company's Board.

Mr. Vineet Garg

Shri Vineet Garg aged 34 years is a qualified Commerce graduate and he is a Diploma holder in Business Management. He has 11 years of experience in Project Execution and Land Development. Shri Vineet Garg is a non independent executive 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. 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. Yuvraj Karan	Chairman	Non Executive Chairman
Mr. V.I. Garg	Member	CEO, Director
Mr. Paresh Sampat	Member	Non Executive and Independent Director

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 2008-2009, four meeting of the Audit Committee were held on 29.11.2008, 10.12.2008, 18.03.2009 and 26.06.2009. 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. Yuvraj Karan	3
2	Mr. V. I. 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 and Independent Director
Mr. Vineet Garg	Member	Executive Director
Mr. Dinesh Modi	Compliance Officer	Executive

Meetings and Attendance during the year

During the Financial Year 2008-2009, four meeting of the share transfer and Investor Grievances Committee were held on 29.11.2008, 10.12.2008, 18.03.2009, 26.06.2009. 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	4
2	Mr. Vineet Garg	4
3	Mr. Dinesh Modi	4

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	2008-09	
	Received (Nos.)	Resolved (Nos.)
Number of complaints received from shareholders	8	8
Letters from SEBI	NIL	NIL
Letters from Stock Exchange (s)	NIL	NIL
Total	8	8

No application for share transfers was pending as on 31st August 2009.

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 and Independent Director
Mr. Vineet Garg	Member	Executive Director
Mr. V.I. Garg	Member	CEO, Director

Meetings and attendance during the year

During the Financial Year 2008-2009, one meeting of the Remuneration Committee was held on 26.12.2008.

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 and Independent Director
Mr. Vineet Garg	Member	Executive Director
Mr. V.I. Garg	Member	CEO, Director

Meetings and attendance during the year

During the Financial Year 2008-2009, three meetings of the Share Transfer Committee were held as on 19.01.2009, 23.04.2009 and 03.07.2009.

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

The Non Executive Directors are paid remuneration by way of sitting fees @ Rs.1500/- for each Board or 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
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.	—
2005-06	Goregaon Sports Clubs, Link Road, Malad (W), Mumbai – 400 064	04.01.2007	11.00 a.m.	Change in name of Company

- All the above resolutions were put to vote by show of hands and were passed unanimously by the members of the company.
- At the forthcoming Annual General Meeting, there is no Agenda that need approval by Postal ballot.

A Special resolution under Section 146(2) of the Companies Act, 1956 was proposed to be passed through Postal ballot for shifting of Registered Office of the Company from Mumbai to Pune. The Company had appointed Mr. Amit Trivedi, Practicing Company Secretary as the Scrutinizer for conducting the aforesaid Postal Ballot in a fair and transparent manner. The last date for receipt of the Postal Ballot is 25th February, 2010 and the result will be declared on 26th February, 2010. The resolution has been passed with requisite majority.

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 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 transactions of material nature, with its promoters, the directors, or the senior management personnel, their subsidiaries or relatives etc. that may have potential conflict with the interests of the Company. The disclosure in respect of related party transactions is provided in the notes to the accounts. All contracts with the Hazoor Multi Projects Ltd. affiliates entered into during the year are in the normal course of business and have no potential conflict with the interest of the company at large and are carried out on an arm's length basis at fair market value.

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, 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, rights issue but an amount of Rs. 50.40 lacs have been received on account of

conversion of 3,50,000 partly paid warrants into equity shares @ of Rs. 14.40/- per warrant, issued on preferential allotment basis in the previous year. The issue proceeds of Rs. 50.40 lacs have been deployed as per the object of the 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.

h. 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 24th February, 2009.
- 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 one month 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' and 'Navshakti', 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.hazoormultiprojects.com**
- (vii) Management Discussion & Analysis forms part of the Annual Report, which is posted to the shareholders of the Company.

14. COMPLIANCE CERTIFICATE OF THE AUDITORS:

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 Statutory Auditors 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 Statutory Auditors will be sent to the Listed Stock Exchange along with the Annual Report of the Company.

For and on behalf of the Board

Place: Mumbai
Date: 20.01.2010

V.I. Garg
CEO, Director

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 2008-09.

Place: Mumbai
Date: 20.01.2010

Ashish Garg
Managing Director

AUDITORS CERTIFICATE ON CLAUSE 49 COMPLIANCE-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, 2009.

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.

For S.M. SHIDHAYE & Co.,
Chartered Accountants

S.M.SHIDHAYE
Proprietor
(Membership No.: 33157)

Mumbai: 20th January 2010.

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 31st August, 2009 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 31st August, 2009 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 and Compliance 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; and

(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: 20th January, 2010

V.I.Garg
CEO, Director

Anneure III to the Directors' Report**GENERAL SHAREHOLDER'S INFORMATION**

a. Registered office:	6B, Knox plaza, Mindspace Malad (West), Mumbai – 400 064
b. Date & Time of Annual General Meeting:	February 27, 2010 at 10.30 am
c. Venue of Annual General Meeting:	Landmark Building, Link Road, Mith Chowki, Malad (West), Mumbai – 400 064.
Book closure:	From 22 nd February 2010 to 27 th February 2010 (both days inclusive)
Financial Year:	01.09.2008 to 31.08.2009
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 2008 to August, 2009, is as follows: (Amt. in Rs.)

Mth	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.
High	9.91	8.15	6.50	5.80	5.20	4.74	4.88	7.09	6.88	7.52	5.91	5.53
Low	7.10	3.86	4.53	3.97	3.95	3.30	2.71	4.20	4.17	5.45	4.40	4.60

DISTRIBUTION OF SHAREHOLDING AS ON 31ST AUGUST, 2009:

Shareholding (range)	No. of holders	% of holders	No. of Shares	% of Shares
Upto --- 5,000	4,234	60.04	10,33,371	4.07
5,001 -- 10,000	1,293	18.33	11,38,479	4.49
10,001 – 20,000	679	9.63	11,29,821	4.45
20,001 – 30,000	216	3.06	5,72,728	2.26
30,001 – 40,000	134	1.90	5,01,480	1.98
40,001 – 50,000	143	2.03	6,93,625	2.73
50,001 -- 1,00,000	185	2.62	13,73,401	5.41
1,00,001 and above	168	2.39	1,89,32,095	74.61
TOTAL	7,052	100.00	2,53,75,000	100.00

SHAREHOLDING PATTERN AS ON 31.08.2009:

CATEGORY	No. of shares	% of Capital
Promoter's & Promoters Group	1,18,55,000	46.72
Private Corporate Bodies	40,49,214	15.96
Public (In India)	89,87,070	35.42
NRI's/ OCBs	2,51,626	0.98
Clearing Member	2,32,090	0.92
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 during the year.

INVESTORS RELATION SECTION:

Investors grievances/queries may be addressed to the:

Share Department,

Hazoor Multi Projects Ltd.

6B, Knox Plaza, Mindspace, Malad West, Mumbai - 400 064

E-mail address: investor.relations@hmplindia.com

Tel: 91- 022 - 42663848/42663850, Fax: 91 - 022 - 40037491

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. 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.

For and on behalf of the Board

Place: Mumbai
Date: 20th January, 2010

V.I.Garg
CEO, Director

SECRETARIAL COMPLIANCE CERTIFICATE

To
The Members of
Hazoor Multi Projects Limited

1. I have examined the Compliance of the conditions of Corporate Governance by Hazoor Multi Projects Limited for the year ended 31st August, 2009, as stipulated in Clause 49 of the Listing Agreement entered into by the Company with the Bombay Stock Exchange Ltd., Pune Stock Exchange and Ahmedabad Stock Exchange.
2. 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 compliance of conditions of corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. I further state that such compliance is neither an assurance as to future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.
4. (a) The Board of Directors comprise of Six Directors, three non- executive and independent directors, one CEO, one Managing Director and one Executive Director thus the composition of the Board is in accordance with the requirements of clause 49 of the Listing Agreement(s).

(b) Subject to 4(a) above, in our opinion and to the best of our information and according to the explanations given to us, the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement(s) with the Bombay Stock Exchange Ltd., Pune Stock Exchange and Ahmedabad Stock Exchange have been complied with by the Company.

Swaminathan Mahadevan
(Company Secretary)
Certificate of Practice No. 4515

Place: Mumbai
Date: 20th January, 2010

Report of the Auditors' to the Members

We have audited the attached Balance Sheet of HAZOOR MULTI PROJECTS LIMITED, as at 31st August 2009 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 in 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, 2009, and taken on record by the Board of Directors, we report that none of the Directors are disqualified as on 31st August, 2009 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 the case of the Balance Sheet, of the state of the affairs of the Company as at 31st August, 2009,

(ii) In the case of the Profit and Loss Account, of the Loss for the year ended on that date, and

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

For S. M. SHIDHAYE & CO.
Chartered Accountants

S. M. SHIDHAYE
Proprietor
(Membership No. 33157)

Mumbai: 20th January 2010

Annexure to the Auditors' Report

Statement referred to in Paragraph 2 of the Auditors' Report of even date to the Members of HAZOOR MULTI PROJECTS LIMITED. on the Accounts for the year ended 31st August, 2009

- 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 is maintaining proper project-wise records. Looking to the nature of the inventory, there are no discrepancies as compared to the stage of completion recorded;
- 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 for any of the companies' products 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 31.08.2009 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 no cash loss has been incurred in the 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 given corporate guarantee for a loan taken by its Associates from banks and in our opinion, prima facie; the terms and conditions are not prejudicial to the interest of the company.
- xvi. As per the information and explanation given to us, no term loans were acquired during the reporting year by the company.
- 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 S.M. SHIDHAYE & Co.,
Chartered Accountants

S.M.SHIDHAYE
Proprietor
(Membership No.: 33157)

Mumbai: 20th January 2010

HAZOOR MULTI PROJECTS LIMITED			
BALANCE SHEET AS AT 31ST AUGUST , 2009			
Particulars	Sch.	31.08.2009 (Rupees)	31.08.2008 (Rupees)
SOURCES OF FUNDS:			
Shareholders' funds			
Share Capital	A	101,500,000	100,100,000
Share Warrants	B	-	7,960,000
Reserves & Surplus	C	142,284,234	313,306,457
Loan Funds			
Secured Loan	D	8,500,000	14,580,000
Deferred Tax Liability (Refer Note 6)		112,929	112,929
TOTAL		252,397,163	436,059,386
APPLICATION OF FUNDS:			
Fixed assets	E		
Gross Block		229,968,407	301,466,356
Less : Depreciation and Impairment		113,728,316	6,346,996
Net Block		116,240,090	295,119,360
Investments	F	133,576,131	67,292,181
Current Assets, Loans and Advances			
Inventories	G	1,051,498	2,197,823
Sundry Debtors	H	58,580,813	137,231,633
Cash and Bank Balances	I	16,056,206	20,505,758
Loans and Advances	J	44,071,181	55,197,496
		119,759,697	215,132,710
Less : Current Liabilities & Provisions			
Current Liabilities & Provisions	K	117,178,757	141,484,865
		117,178,757	141,484,865
Net Current Assets		2,580,940	73,647,845
Miscellaneous Expenditure			
(To the extent not written-off)		-	-
TOTAL		252,397,163	436,059,388
Accounting Policies and Notes to Accounts	Q		
As per our Report of even date			
For S.M. Shidhaye & Co.		For and on behalf of the Board	
Chartered Accountants			
S. M. Shidhaye		V.I. Garg	
Proprietor		CEO, Director	
(Membership No.:- 33157)		Vineet Garg	
		Executive Director	
		Dinesh N. Modi	
		Company Secretary	
Place: Mumbai		Place: Mumbai	
Date: 20.01.2010		Date: 20.01.2010	

HAZOOR MULTI PROJECTS LIMITED			
PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST AUGUST, 2009			
Particulars	Sch.	31.08.2009 (Rupees)	31.08.2008 (Rupees)
Income			
Income from Operations	L	-	206,090,427
Other Income	M	13,614,638	5,884,923
TOTAL		13,614,638	211,975,350
Expenditure			
Construction & Development Expenditure	N	-	144,119,445
Employees Cost	O	5,716,598	7,900,410
Administrative , Selling & General Expenses	P	18,864,004	9,618,029
Loss on Sale of furnitures		2,354,518	-
Loss on Sale of vehicles		3,621,805	-
Finance Charges		15,511	1,448,958
Depreciation	E	1,182,616	3,866,924
TOTAL		31,755,052	166,953,766
Profit Before Tax		(18,140,414)	45,021,584
Add / (Less) : Provision for Taxation			
Current Tax		-	4,217,961
Deferred Tax (Credit)/ Charge (Refer Note 6)		-	112,929
Fringe benefit Tax		-	45,000
Profit for the Year		(18,140,414)	40,645,694
Less: Impairment of fixed Assets	E	107,060,546	-
Less: Prior Period Adjustment		-	28,654,758
		(125,200,960)	11,990,936
Add: Balance B/F from previous year		126,142,365	115,351,429
Profit Available for Appropriation		941,405	127,342,365
Appropriations:			
General Reserve		-	1,200,000
Surplus carried to Balance Sheet		941,405	126,142,365
		941,405	127,342,365
Basic earnings per share of Rs. 4/- each before exceptional / extra ordinary items (Rupees)	Refer Note 11	(0.71)	1.76
Diluted earnings per share of Rs. 4/- each before exceptional /extra ordinary items (Rupees)		(0.72)	1.48
Basic earnings per share of Rs. 4/- each after exceptional / extra ordinary items (Rupees)		(4.93)	0.52
Diluted earnings per share of Rs. 4/- each after exceptional / extra ordinary items (Rupees)		(4.98)	0.44
Accounting Policies And Notes to Accounts	Q		
As per our Report of even date			
For S.M. Shidhaye & Co.		For and on behalf of the Board	
Chartered Accountants			
S. M. Shidhaye		V.I. Garg	
Proprietor		CEO, Director	
(Membership No.:- 33157)		Vineet Garg	
		Executive Director	
		Dinesh N. Modi	
		Company Secretary	
Place: Mumbai		Place: Mumbai	
Date: 20.01.2010		Date: 20.01.2010	

HAZOOR MULTI PROJECTS LIMITED			
CASH FLOW STATEMENT AS AT 31ST AUGUST, 2009			
Particulars		31.08.2009	31.08.2008
		(Rupees)	(Rupees)
I	CASH FLOW ARISING FROM OPERATING ACTIVITIES		
	Net Profit (Loss) Before Tax As per Profit and Loss Account	(18,140,414)	45,021,584
	Add / (Deduct) :		
	Interest & Finance Charges	15,511	1,448,958
	Transfer to General Reserve	-	1,200,000
	Depreciation	1,182,616	3,866,924
	Miscellaneous Expenditure written off	-	(1,418,023)
	Loss on Sale / Discardment of Fixed Assets	5,976,323	-
	Other Income	(13,614,638)	(5,884,923)
	Operating Profit before Working Capital changes	(24,580,602)	44,234,520
	Add / (Deduct) :		
	(Increase)/ Decrease in Trade and Other receivables	78,650,820	(78,934,665)
	Increase/(Decrease) in Trade Payables	(24,306,108)	34,705,933
	Increase/(Decrease) in Inventories	1,146,325	-
	Increase/(Decrease) Advance for purchase of land for R.E.P.	-	(26,219,569)
	Net Cash Flow in the Course of Operating Activities	30,910,436	(26,213,781)
II	CASH FLOW ARISING FROM INVESTING ACTIVITIES		
	Inflow/ (Out Flow) on Account of :		
	Other Income	13,614,638	5,884,923
	(Increase) in Loans & Advances	(154,684,610)	(4,782,511)
	Change in Capital WIP	-	(208,123,913)
	(Purchase) of Fixed Assets	178,879,270	215,814,563
	Long Term Investment (Net)	(66,283,950)	(32,895,669)
	Net Cash Flow in the Course of Investing Activities	(28,474,652)	(24,102,607)
III	CASH FLOW ARISING FROM FINANCING ACTIVITIES		
	Inflow/ (Out Flow) on Account of :		
	Increase/(Decrease) in Secured Loans	(6,080,000)	5,580,000
	Dividend paid	-	(8,600,000)
	Increase in Share Capital & Share Premium	5,600,000	56,400,000
	Interest & Finance Charges	(15,511)	(1,448,958)
	Net Cash Flow in the Course of Financing Activities	(495,511)	51,931,042
	Net Increase/(Decrease) in Cash & Cash Equivalents (I+II+III)	1,940,273	1,614,654
	Add: Balance at the beginning of the year	5,615,933	4,001,279
	Cash and Cash Equivalent at the Close of the Year	7,556,206	5,615,933
	Cash and Bank Balances	16,056,206	20,505,758
	Margin Money Balances	(8,500,000)	(14,889,825)
	Cash and Cash Equivalent at the Close of the Year	7,556,206	5,615,933
As per our Report of even date			
For S.M. Shidhaye & Co.		For and on behalf of the Board	
Chartered Accountants			
S. M. Shidhaye		V.I. Garg	
Proprietor		CEO, Director	
Membership No.:- 33157		Vineet Garg	
		Executive Director	
		Dinesh N. Modi	
		Company Secretary	
Place: Mumbai		Place: Mumbai	
Date: 20.01.2010		Date: 20.01.2010	

SCHEDULES TO THE FINANCIAL STATEMENT AS AT 31ST AUGUST, 2009

Particulars	31.08.2009 (Rupees)	31.08.2008 (Rupees)
SCHEDULE A		
SHARE CAPITAL:		
Authorised		
4,75,00,000 Equity Shares of Rs. 4/- &	200,000,000	200,000,000
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

Issued, Subscribed and Paid up

2,53,75,000 Equity Shares (Previous year: 2,50,25,000) of Rs.4/- each fully paid up	101,500,000	100,100,000
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Notes:

- 1) Out of above Equity Shares :
- 1,07,50,000 Equity Shares of Rs.4/- each allotted as fully paid Bonus Shares.
 - 20,00,000 Equity shares of Rs.4/- each at premium of Rs. 11/- and 38,75,000 equity shares of Rs.4/- each at premium of Rs. 12/- per share, were issued on preferential allotment basis against conversion of warrants.

Per Balance Sheet **101,500,000** **100,100,000**

SCHEDULE B**SHARE WARRANTS**

NIL (P.Y.49,75,000) Share warrants of Rs.4/- each issued at a premium of Rs.12/- per warrant (partly paid up at Rs.1.60 per warrant . Each warrant carries an entitlement to subscribe to an equivalent no. of fully paid equity shares within a period of 18 months)	-	7,960,000
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Per Balance Sheet **-** **7,960,000**

SCHEDULE C**RESERVES AND SURPLUS****Securities Premium :**

As per last Account	64,300,000	22,000,000
Add: On exercise of conversion of warrants into equity	4,200,000	42,300,000
	68,500,000	64,300,000

Share Warrant Forfeiture Reserve

7,400,000 -

Revaluation Reserves :**a. Revaluation Surplus of HHG & Office Premises**

As per last Account	71,303,268	79,992,268
Less: Reversal of previous increase	-	8,689,000
Less: Impairment loss (Refer Note 2 of Schedule E)	57,421,263	-
	13,882,005	71,303,268

General Reserve :

As per last Account	51,560,824	50,360,824
Add: Transferred from P & L Account	-	1,200,000
	51,560,824	51,560,824

Surplus as per Profit & Loss Account

941,405 126,142,365

Per Balance Sheet **142,284,234** **313,306,457**

SCHEDULE D**LOAN FUNDS**

Secured Loan	8,500,000	14,580,000
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[Loan against Term Deposit (LTD) from Vijaya Bank, Mumbai]

Per Balance Sheet **8,500,000** **14,580,000**

SCHEDULE E

FIXED ASSETS

(Rupees)

Description	Gross Block					Depreciation/Impairment					Net Block	
	As at 31.08.08	Additions	Deductions (See Note 1)	Impairment Adjustment (See Note 2)	As on 31.08.09	As at 31.08.08	For the year	Deductions	Impairment (See Note 2)	As on 31.08.09	As on 31.08.09	As on 31.08.08
Land	7,920,369	-	7,920,369	-	-	-	-	-	-	-	-	7,920,369
Hazoor Hill Grand- Land	253,681,133	1,146,325	-	57,421,263	197,406,195	-	-	-	107,060,546	107,060,546	90,345,649	253,681,133
Office Premises	22,686,400	-	-	-	22,686,400	302,516	143,512	-	-	446,028	22,240,372	22,383,884
Furniture & Fixture	4,353,114	-	2,775,775	-	1,577,339	411,193	221,471	175,707	-	456,957	1,120,382	3,941,921
Vehicles	7,059,764	-	4,913,226	-	2,146,538	2,628,752	203,921	686,135	-	2,146,538	-	4,431,012
Equipments	3,215,747	-	-	-	3,215,747	454,706	227,353	-	-	682,059	2,533,688	2,761,041
Temporary Erection	2,549,829	386,359	-	-	2,936,188	2,549,829	386,359	-	-	2,936,188	-	-
TOTAL	301,466,356	1,532,684	15,609,370	57,421,263	229,968,407	6,346,996	1,182,616	861,842	107,060,546	113,728,316	116,240,090	295,119,360
Previous Year	114,828,833	221,005,266	34,367,743	-	301,466,356	2,480,072	3,866,924	-	-	6,346,996	295,119,360	-

Notes:

1. Deduction of Rs. 79.20 lacs represents cost of Land sold to Subsidiary company, deduction of Rs. 27.76 lacs represents cost of Furniture & Fixture sold and Rs. 49.13 represents cost of vehicle sold.

2. In accordance with the provisions of the Accounting Standard 28 on Impairment of Assets issued by the Institute of Chartered Accountants of India, the company has identified fixed assets related to Hazoor Hill Grand Project that were impaired during the year mainly on account of recessionary conditions in the real estate market. The recoverable value is the estimated net selling price based on the best information available, in the absence of an active market. Accordingly an impairment loss of Rs. 574.21 lacs has been recognized directly against the surplus lying in the Revaluation Reserves Account for the same assets and the balance impairment loss of Rs. 1070.61 lacs has been recognised in the profit and loss account for the year.

SCHEDULES TO THE FINANCIAL STATEMENT AS AT 31ST AUGUST , 2009

Particulars	31.08.2009 (Rupees)	31.08.2008 (Rupees)
SCHEDULE F		
INVESTMENTS (AT COST)		
Long Term		
NonTrade- Unquoted		
In fully paid equity shares		
In Subsidiaries		
Hazoor Ambey Valley Developers Pvt. Ltd.		
2,00,000 shares (P.Y. 2,00,000) of Rs. 10 each, out of which 10,000 shares of Rs. 10 each allotted at par, 50,000 shares of Rs. 10 each at a premium of Rs. 40/- and 1,40,000 shares of Rs. 10 each at a premium of Rs. 70 /-	13,800,000	13,800,000
Share Application Money - Pending Allotment- Hazoor Aambey Valley	8,700,000	200,000
	22,500,000	14,000,000
Hazoor Township Developers Pvt. Ltd.		
2,50,000 shares (P.Y. 2,50,000) of Rs. 10 each out of which 10,000 shares of Rs. 10 each allotted at par, and 2,40,000 shares of Rs. 10 each at a Premium of Rs. 10 per share.	4,900,000	4,900,000
Share Application Money - Pending Allotment- Hazoor Township Dev.	100,000	100,000
	5,000,000	5,000,000
In Associates		
Land Aggregator & Realtors	2,500,000	2,500,000
In Joint Ventures		
Hazoor City Developers	41,343,315	20,218,686
Add: Contributions made to the Joint Venture during the year	52,625,723	21,124,629
	93,969,038	41,343,315
Hazoor Multi Corp.	100,000	100,000
Others:		
Pag International Pvt. Ltd.	5,158,227	-
85,000 share (P.Y. NIL) of Rs. Rs. 10 each purchase during the year		
Other Investments	4,348,866	4,348,866
	9,507,093	4,348,866
Per Balance Sheet	133,576,131	67,292,181
SCHEDULE G		
INVENTORIES		
Raw Materials (Building Materials at site)	2,197,823	2,197,823
Less: Transferred to Fixed Assets (HHG)	1,146,325	-
Per Balance Sheet	1,051,498	2,197,823
SCHEDULE H		
SUNDRY DEBTORS		
(Unsecured, Considered Good unless otherwise specified)		
More than six months	55,789,329	37,300,000
Others	2,791,484	99,931,633
Per Balance Sheet	58,580,813	137,231,633
SCHEDULE I		
CASH AND BANK BALANCE		
Cash in hand	170,776	1,082,841
Balances with scheduled banks		
- In Current Accounts	5,885,430	2,878,667
-In Deposit Accounts	1,500,000	1,654,425
-In Margin Money Accounts	8,500,000	14,889,825
Per Balance Sheet	16,056,206	20,505,758
SCHEDULE J		
LOANS AND ADVANCES		
Advances recoverable in cash or in Kind or for Value to be received :		
Advance for purchase of Fixed Assets	32,228	989,365
Loans to Employees & Others	782,766	1,245,690
Loans and Advances to Consultants	1,971,279	11,038,488
Advances towards purchase of FSI / TDR	38,270,010	41,970,510
Advance Taxes (Income Tax , Net off Provisions)	3,014,898	(46,557)
Per Balance Sheet	44,071,181	55,197,496
SCHEDULE K		
CURRENT LIABILITIES		
Sundry Creditors	13,231,535	77,454,741
Advance from Joint Ventures	94,567,460	53,009,860
Other Liabilities	9,379,762	11,020,264
Per Balance Sheet	117,178,757	141,484,865

SCHEDULES TO THE PROFIT AND LOSS FOR THE YEAR ENDED 31ST AUGUST , 2009

Particulars	31.08.2009 (Rupees)	31.08.2008 (Rupees)
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SCHEDULE L**INCOME FROM OPERATIONS**

Income from Operations	-	154,890,427
Other Operative Income	-	51,200,000
Per P& L Account	-	206,090,427

SCHEDULE M**OTHER INCOME**

Profit on Sale of Land (Net)	7,880,506	-
Interest on:		
Loans (TDS C.Y. 24963 P.Y. NIL)	157,305	-
Bank Fixed Deposits (TDS C.Y. NIL, P.Y. 23690/-)	9,977	344,250
Profit on Sale of Investments	-	5,117,713
Technical Fees (TDS C.Y. 53410, P.Y. NIL)	5,566,850	422,960
Per P& L Account	13,614,638	5,884,923

SCHEDULE N**CONSTRUCTION & DEVELOPMENT EXPENDITURE**

Land & Land Development Rights	-	58,016,733
Other Allied Development Expenses	-	7,170,607
Construction Cost	-	47,533,034
Construction Materials	-	11,839,646
Masonry and Other Works	-	11,975,856
Engineering, Technical & Consultancy fees	-	4,637,259
Power & Fuel	-	2,946,310
Per P& L Account	-	144,119,445

SCHEDULE O**EMPLOYEES COST**

Salaries, Wages, bonus etc.	5,594,050	7,501,452
Welfare expenses	122,548	398,958
Per P& L Account	5,716,598	7,900,410

SCHEDULE P**ADMINISTRATIVE, SELLING & GENERAL EXPENSES**

Electricity Charges	179,379	227,241
Repairs and Maintenance - Building	108,734	181,794
Vehicle Maintenance & Insurance	374,253	583,425
Communication Expenses	640,288	802,574
Office Maintenance	333,034	129,295
Printing & Stationery	949,056	688,784
Exhibition & Erection Charges	5,379,002	-
Listing Fees	111,535	254,350
ROC Fees	122,517	1,177,434
AGM Expenses	202,778	139,758
Membership & Subscription	85,178	179,525
Postage & Courier Charges	382,793	187,985
Registrar & Share Transfer Charges	227,880	201,000
Equipment Hiring Charges	432,267	966,785
Director Siting Fees	52,000	45,000
Security, Watch & Ward Expenses	607,691	258,487
Bank Charges	380,699	122,524
Website Maintenance Charges	515,336	135,242
Power & Fuel	430,535	97,858
Travelling & Conveyance expenses	106,506	375,873
Business Promotion	2,695,874	568,304
Rent, Rates & Taxes	1,330,036	675,748
Commission and Brokerage	549,578	125,154
Advertisement & Publicity	654,498	457,857
Miscellaneous Expenses	627,901	145,758
Payment to Auditors:		
- Towards Audit Fees	40,000	40,000
- Towards Tax Matters	10,000	10,000
- Towards Certifications	5,000	5,000
Legal & Professional Charges	1,329,656	835,274
Per P& L Account	18,864,004	9,618,029

**NOTES ANNEXED TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED
31ST AUGUST, 2009**

SCHEDULE Q:

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 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) Provision for Taxation is not made in view of the loss for the current accounting year (reporting year) in accordance with the Income Tax Act, 1961.
- 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:

The carrying amount of assets are reviewed at each Balance Sheet date if there is indication of impairment based on internal / external factors. An impairment loss will be recognised whenever the carrying amount of an asset exceeds its estimated recoverable amount. The recoverable amount is the estimated net selling price based on the best information available, in the absence of active market. Previously recognised impairment loss is further provided or reversed depending on changes in circumstances.

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.

l. Dues to Small Scale industrial undertaking:

- i. As at August 31st, 2009 and August 31st 2008, the company had no outstanding dues exceeding Rs. 1 lacs for more than 30 days to Small Scale Industrial Undertaking.
- ii. There are no Micro and Small Enterprises to whom the company owes dues, for more than 45 days as at August 31st 2009. 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 3.03 Crores (P.Y. 8.36 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%
2.	M/s. Hazoor Multi Corp.	50.00%

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

		2008-09
a)	Assets:	(Rs. in lakhs)
	a) Fixed assets (Net Block)	3.98
	b) Current assets, Loans and Advances:	
	i) Work In Progress	947.39
	ii) Cash and Bank Balances	20.16
	iii) Loans and Advances	989.78
b)	Liabilities:	
	a) Current Liabilities & Provisions	1021.62

4. During the year 3,50,000 equity shares of Rs.4/- each at a premium of Rs.12/- per share have been allotted on preferential basis to Body Corporate from public on conversion of equivalent number of warrants and issue proceeds of Rs. 50.40 lacs have been deployed as per the objects of the issue. With this there were 46, 25,000 share warrants pending for conversion and company has extinguished even number of share warrants and have forfeited Rs.74.00 lacs and it has been credited to Forfeiture Reserve Account, as warrant holders did not exercise their conversion rights within 18 months from the date of issue of share warrants.

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

	31.08.2009	31.08.2008
Audit Fees	40,000	40,000
Taxation Matters	10,000	10,000
Company Law Matters	5,000	5,000

6. Deferred Taxation for the year ended 31st August, 2009.

	As At 1.09.2008	Charge/(Credit) during the year (Rupees)	As at 31.08.2009
Deferred Tax Liability/ (Asset) on account of :			
i. Depreciation	112,929	NIL	112,929
ii. Expenses allowable for Tax purpose in subsequent year(s)	NIL	NIL	NIL
Net Deferred Tax Liability / (Asset)	112,929	NIL	112,929
Previous Year.	NIL	112,929	112,929

7. 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		
	31/08/2009	31/08/2008
*CEO, Director	3,00,000	3,00,000
*Managing Director	2,00,000	2,00,000
Executive Director	3,60,000	1,20,000

*Salary was paid to CEO upto November, 2008.

* Salary was paid to Managing Director upto November, 2008

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

9. In the Opinion of Board of Directors, all the Current Assets, Loans and Advances have a value on realization in the ordinary course of Business which may be less than the amount at which they are stated and all the known liabilities as at the end of year have been provided for.

10. 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. Hence, disclosures under AS-17 are not applicable.

11. Earnings per Share of Rs.4/- each

Particulars		Before exceptional/ prior period items		After exceptional/ prior period items	
		2008-09	2007-08	2008-09	2007-08
Basic					
Profit After Tax as per the Accountants	A	(18,140,414)	406,45,694	(125,200,960)	11,990,936
Weighted average number of shares outstanding	B	25,375,000	23,061,000	25,375,000	23,061,000
Basic EPS	A/B	(0.71)	1.76	(4.93)	0.52
Diluted					
Profit After Tax as per the accountants	A	(18,140,414)	406,45,694	(125,200,960)	11,990,936
Weighted average number of shares outstanding	B	25,148,958	23,061,000	25,148,958	23,061,000
Add: Weighted average number of potential equity shares on account of conversion of warrants	C	NIL	44,57,055	NIL	44,57,055
Weighted average number of shares outstanding for diluted EPS	D=B+C	25,148,958	27,518,055	25,148,958	27,518,055
Diluted EPS	A/D	(0.72)	1.48	(4.98)	0.44

12. Related Party Disclosures:

a). List of Related Party and relationships

i. **Subsidiaries**

Hazoor Aambey Valley Developers Pvt. Ltd.
Hazoor Township Developers Pvt. Ltd.

ii. **Unincorporated Joint Ventures (JV)**

Hazoor City Developers
Hazoor Multi Corp.

iii. **Associates**

Infra Engineers & Contractors.
Land Aggregators and Realtors.

iv. **Company under the same Management u/s. 370 (1B) of Companies Act, 1956**

Parle Software Ltd.

v. **Promoters**

Eaugu Udyog Ltd.
Optilum Business Enterprises Pvt. Ltd.

vi. **Key Management Personnel**

Mr. V.I.Garg Director, CEO
Mr. Ashish Garg Managing Director
Mr. Vineet Garg Executive Director

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

(Rs. In Lacs)

Sr. No.	Nature of Transactions	Nature of Relationship & Transaction Value				Outstanding amounts carried in the Balance Sheet
		Subsidiary Companies	Associates / Promoters	Joint Ventures	Director / Key Management Personnel	
1	Purchase of Investment					
	Eaugu Udyog Ltd.	-	51.58 (-)	-	-	- (-)
2	Contribution to Equity					
	Share Application Money- Hazoor Aambey Valley Developers Pvt. Ltd.	85.00 (2.00)	-	-	-	87.00 (2.00)
	Share Application Money- Hazoor Township Developers Pvt. Ltd.	- (1.00)	-	-	-	1.00 (1.00)
3	Sale of Fixed Assets		-			
	Hazoor Aambey Valley Developers Pvt. Ltd.	158.00 (512.00)		-	-	558.56 (487.00)
4	Forfeiture of share warrant					
	Eaugu Udyog Ltd., Forfeiture of 16,00,000 share warrants, partly paid Rs. 1.60 per warrant		25.60 (25.60)			- (25.60)
	Optilum Business Enterprises P.Ltd. Forfeiture of 1,00,000 share warrants, partly paid Rs. 1.60 per warrant		1.60 (1.60)			- (1.60)
5	Investment made		-			
	Hazoor City Developers	-		526.26 (211.24)	-	939.69 (413.43)
	Land Aggregators & Realtors	-	- (25.00)	-	-	25.00 (25.00)
6	Collateral Security given against loan availed		-			
	Infra Engineers & Contractors	-	Amount not Quantifiable (-)		-	
7	Key Management Personnel				10.24 (42.52)	4.26 (3.54)
	Remuneration to Directors				8.60 (6.20)	0.30 (1.55)
	* Directors Sitting fees				0.31 (0.23)	- (-)

* - The above sitting fees are given only to directors whose names are shown in Note 12.

13. 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.

14. Contingent liabilities (not provided for):

Corporate Guarantee issued by the company to banks on behalf of an Associate amounting to Rs. 124.00 lacs (P.Y. - NIL)

15. Retirement Benefits:

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

16. The Company carries out the development activities through various projects that are executed / undertaken through its Associates, Joint Ventures, etc. The developments activities through Associates, Joint Ventures, etc have increased substantially during the

year, which would henceforth continue to grow. The company has not incurred any cost for execution of such projects which are, undertaken by the associates, joint ventures etc.

17. Liabilities and Assets:

Balances group under Sundry Debtors, Sundry Creditors, and Loans and Advances are subject to confirmation from respective parties.

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

19. Sundry Creditors (due to SSI Units):

As per the information available with the company, the sundry creditors do not include any amount due to SSI exceeding Rs.1.Lacs outstanding for more than 30 days.

20. Figures for the previous year have been regrouped wherever necessary to conform to the current year's classification.

21. Figures have been rounded off to nearest rupee wherever applicable.

22. The figures in brackets are those in respect of the previous accounting year.

As per our Report of even date

For S.M. Shidhaye & Co.,
Chartered Accountants

For and on behalf of the Board

S.M. Shidhaye
Proprietor
(Membership No.: 33157)

V.I. Garg
CEO, Director

Vineet Garg
Executive Director

Place: Mumbai
Date: 20th January, 2010

Dinesh Modi
Company secretary

Statement Pursuant to Part IV of Schedule VI to the Companies Act, 1956**Balance Sheet Abstract and Company's General Business Profile****I. Registered Details**

Registration No.	69794	State Code	11
Balance Sheet Date	31(Date)	08(Month)	2009 (Year)

II. Capital Raised During the Year

(Amount in Rs. Thousand)

Public Issue	NIL	Right Issue	NIL
Bonus Issue	NIL	Private Placement	1,400

III. Position of Mobilisation and Deployment of Funds

(Amount in Rs. Thousands)

Total Liabilities	252,397	Total Assets	252,397
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Sources of Funds

Paid-up Capital	101,500	Reserves & Surplus	142,284
Secured Loans	8,500	Unsecured Loans	NIL
Share Warrant	-		
Deferred Tax Liability	113		

Application of Funds

Net Fixed Assets	116,240	Investments	133,576
Net Current Assets	2,581	Misc. Expenditure	-
Accumulated Losses	NIL	Capital work in progress	NIL

IV. Performance of Company

(Amount in Rs. Thousand)

Turnover	13,615	Total Expenditure	31,755
Profit & Loss before Tax	(18,140)	Profit & Loss after Tax	(125,201)
Earning Per Share in Rs.	(0.71)	Dividend Rate %	NIL

V. Names of Three 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
 Director

Vineet Garg
 Executive Director

 Place: Mumbai
 Date: 20.01.2010

Dinesh N. Modi
 Company Secretary

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. (Subsidiary)	Hazoor Township Developers Pvt. Ltd. (Subsidiary)
1. Financial year ending of subsidiary	30th June, 2009	30th June, 2009
2. Holding Company's interest		
- No. of equity shares held	2,00,000 shares	2,50,000 shares
- % of shares held by the company held	100%	100%
3. Net aggregate of the Profit/Loss of the Subsidiary Co.		
a. For the Current Financial Year of the Subsidiary Co.		
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 Co.		
i. Deal with the Accounts of the company	-	-
ii. Not Deal with the Accounts of the company	-	-
4. Changes in the interest of the Company between the end of the financial year of the subsidiary and 31.08.09	Not Applicable	Not Applicable

CONSOLIDATED FINANCIAL STATEMENTS

AS ON

31ST AUGUST 2009

CONSOLIDATED AUDITOR'S REPORT

TO THE MEMBERS

We have examined the attached Consolidated Balance Sheet of Hazoor Multi Projects Ltd. and its subsidiaries, Associates and joint ventures as at August 31, 2009 and also the consolidated Profit and Loss Account and the Consolidated Cash Flow Statement for the year then ended.

These consolidated financial statements are the responsibility of the Hazoor Multi Projects Limited's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with auditing Standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are prepared, in all material respects, in accordance with an identified financial reporting framework and are free of material misstatements. An audit includes, examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement. We believe that our audit provides a reasonable basis for our opinion.

The financial statement of subsidiaries, whose financial statement effect Total Assets of Rs.275.00 Lacs as at August 31, 2009 and total revenue of NIL for the year then ended are compiled by the management and have not been audited.

The financial statements of the Associates, which reflect the Company's share of Profit of Rs.10.29 Lacs for the year ended August 31, 2009 are compiled by the management and have not been audited.

The financial statements of the M/s. Hazoor City Developers for the year ended 31.08.2009, a joint venture company, which reflect Total Assets of Rs. 939.69 lacs and revenues of Rs. NIL have been audited by the independent firm of Chartered Accountants and in our opinion, in so far as it relates to the amount included in the joint venture is based on their report.

We report that the consolidated financial statements have been prepared by the Company in accordance with the requirements of the Accounting Standards issued by the Chartered Accountants of India viz. Accounting Standards (AS) 21, "Consolidated Financial Statements", (AS) 23, "Accounting for Investments in Associates in Consolidated Financial Statements" and (AS) 27 "Financial Reporting of Interests in Joint Ventures", the Accounting Standards interpretations and amendments issued thereto, to the extent applicable for the year ended 31.08.2009 and on the basis of separate audited statements of Hazoor Multi Project Ltd., its subsidiaries, associates and joint venture included in the consolidated financial statements. On the basis of the information and explanations given to us and on the consideration of the separate Audited /Certified Report, by the Management, on individuals Audited Financial statement of Hazoor Multi Projects Ltd. And it's aforesaid Subsidiaries, Associates and Joint Ventures:

a). The consolidated balance sheet read together with notes thereon gives a true and fair view of the consolidated state of affairs of Hazoor Multi Projects Limited and its subsidiaries, Associates and Joint Venture as at 31.08.2009 : and

(b) The consolidated Profit and Loss Account read together with notes thereon, gives a true and fair view of the consolidated results of operations of Hazoor Multi Projects Limited and its subsidiaries, Associates and Joint Venture for the year then ended.

(c) The consolidated Cash Flow Statement of the consolidated cash flows of the group for the year then ended.

For S.M. SHIDHAYE & Co.,
Chartered Accountants

S.M.SHIDHAYE
Proprietor
(Membership No.: 33157)

Mumbai: 20th January 2010

HAZOR MULTI PROJECTS LIMITED			
CONSOLIDATED BALANCE SHEET AS AT 31ST AUGUST, 2009			
Particulars	Sch.	31.08.2009 (Rupees)	31.08.2008 (Rupees)
SOURCES OF FUNDS:			
Shareholders' funds			
Share Capital	A	101,500,000	100,100,000
Share Warrants	B	-	7,960,000
Reserves & Surplus	C	111,109,164	288,982,634
Loan Funds			
Secured Loan	D	8,500,000	14,580,000
Deferred Tax Liability (Refer Note 5)		112,929	112,929
TOTAL		221,222,093	411,735,563
APPLICATION OF FUNDS:			
Fixed assets	E		
Gross Block		263,965,069	327,605,555
Less : Depreciation and Impairment		113,728,316	6,346,996
Net Block		150,236,752	321,258,559
Investments	F	14,233,786	8,046,300
Current Assets, Loans and Advances			
Inventories	G	95,790,638	43,616,009
Sundry Debtors	H	14,225,813	99,931,633
Cash and Bank Balances	I	18,288,754	21,272,875
Loans and Advances	J	53,232,851	64,433,056
		181,538,056	229,253,573
Less : Current Liabilities & Provision			
Current Liabilities & Provisions	K	125,206,616	147,179,091
		125,206,616	147,179,091
Net Current Assets		56,331,439	82,074,482
Miscellaneous Expenditure (To the extent not written-off)		420,116	356,222
TOTAL		221,222,093	411,735,563
Accounting Policies and Notes to Accounts	Q		
As per our Report of even date			
For S.M. Shidhaye & Co. Chartered Accountants		For and on behalf of the Board	
S. M. Shidhaye Proprietor (Membership No.:- 33157)		V.I. Garg CEO, Director	
		Vineet Garg Executive Director	
		Dinesh N. Modi Company Secretary	
Place: Mumbai Date: 20.01.2010		Place: Mumbai Date: 20.01.2010	

HAZOOR MULTI PROJECTS LIMITED			
CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST AUGUST, 2009			
Particulars	Sch.	31.08.2009 (Rupees)	31.08.2008 (Rupees)
Income			
Income from Operations	L	-	154,890,427
Other Income	M	5,734,132	5,884,923
TOTAL		5,734,132	160,775,350
Expenditure			
Construction & Development Expenditure	N	-	118,440,702
Employees Cost	O	5,716,598	7,900,410
Administrative , Selling & General Expenses	P	18,864,004	9,618,029
Loss on Sale of furnitures		2,354,518	-
Loss on Sale of vehicles		3,621,805	-
Finance Charges		15,511	1,448,958
Depreciation	E	1,182,616	3,866,924
TOTAL		31,755,052	141,275,023
Profit Before Tax		(26,020,920)	19,500,327
Add / (Less) : Provision for Taxation			
Current Tax		-	4,217,961
Deferred Tax (Credit)/ Charge (Refer Note 5)		-	112,929
Fringe benefit Tax		-	45,000
Profit for the Year		(26,020,920)	15,124,437
Less: Impairment of fixed Assets	E	107,060,546	-
Less: Prior Period Adjustment		-	28,654,758
Add: Share of profit from associates		1,029,259	1,197,434
		(132,052,207)	(12,332,887)
Add: Balance B/F from previous year		101,818,542	115,351,429
Profit Available for Appropriation		(30,233,665)	103,018,542
Appropriations:			
General Reserve		-	1,200,000
Surplus carried to Balance Sheet		(30,233,665)	101,818,542
		(30,233,665)	103,018,542
Basic earnings per share of Rs. 4/- each before exceptional / extra ordinary items (Rupees)	Refer Note 10	(1.03)	0.66
Diluted earnings per share of Rs. 4/- each before exceptional / extra ordinary items (Rupees)		(1.03)	0.55
Basic earnings per share of Rs. 4/- each after exceptional / extra ordinary items (Rupees)		(5.20)	(0.53)
Diluted earnings per share of Rs. 4/- each after exceptional / extra ordinary items (Rupees)		(5.25)	(0.45)
Accounting Policies And Notes to Accounts	Q		
As per our Report of even date			
For S.M. Shidhaye & Co.		For and on behalf of the Board	
Chartered Accountants			
S. M. Shidhaye		V.I. Garg	
Proprietor		CEO, Director	
(Membership No.:- 33157)		Vineet Garg	
		Executive Director	
		Dinesh N. Modi	
		Company Secretary	
Place: Mumbai		Place: Mumbai	
Date: 20.01.2010		Date: 20.01.2010	

HAZOOR MULTI PROJECTS LIMITED			
CONSOLIDATED CASH FLOW STATEMENT AS AT 31ST AUGUST, 2009			
Particulars		31.08.2009	31.08.2008
		(Rupees)	(Rupees)
I	<u>CASH FLOW ARISING FROM OPERATING ACTIVITIES</u>		
	Net Profit (Loss) Before Tax As per Profit and Loss Account	(26,020,920)	45,021,584
	Add / (Deduct) :		
	Interest & Finance Charges	15,511	1,448,958
	Transfer to General Reserve	-	1,200,000
	Depreciation	1,182,616	3,866,924
	Miscellaneous Expenditure written off	-	(1,418,023)
	Loss on Sale / Discardment of Fixed Assets	5,976,323	-
	Other Income	(13,614,638)	(5,884,923)
	Operating Profit before Working Capital changes	(32,461,108)	44,234,520
	Add / (Deduct) :		
	(Increase)/ Decrease in Trade and Other receivables	85,705,820	(78,934,665)
	Increase/(Decrease) in Trade Payables	(21,972,475)	34,705,933
	Increase/(Decrease) in Inventories	(52,174,629)	-
	Increase/(Decrease) Advance for purchase of land for R.E.P.	-	(26,219,569)
	Net Cash Flow in the Course of Operating Activities	(20,902,391)	(26,213,781)
II	<u>CASH FLOW ARISING FROM INVESTING ACTIVITIES</u>		
	Inflow/ (Out Flow) on Account of :		
	Other Income	5,734,132	5,884,923
	(Increase) in Loans & Advances	(144,997,730)	(4,782,511)
	Change in Capital WIP	-	(208,123,913)
	(Purchase) of Fixed Assets	171,021,807	215,814,563
	Long Term Investment (Net)	(6,187,486)	(32,895,669)
	Net Cash Flow in the Course of Investing Activities	25,570,723	(24,102,607)
III	<u>CASH FLOW ARISING FROM FINANCING ACTIVITIES</u>		
	Inflow/ (Out Flow) on Account of :		
	Increase/(Decrease) in Secured Loans	(6,080,000)	5,580,000
	Dividend paid	-	(8,600,000)
	Increase in Share Capital & Share Premium	5,600,000	56,400,000
	Interest & Finance Charges	(15,511)	(1,448,958)
	Net Cash Flow in the Course of Financing Activities	(495,511)	51,931,042
	Net Increase/(Decrease) in Cash & Cash Equivalents (I+II+III)	4,172,821	1,614,654
	Add: Balance at the beginning of the year	5,615,933	4,001,279
	Cash and Cash Equivalent at the Close of the Year	9,788,754	5,615,933
	Cash and Bank Balances	18,288,754	20,505,758
	Margin Money Balances	(8,500,000)	(14,889,825)
	Cash and Cash Equivalent at the Close of the Year	9,788,754	5,615,933
As per our Report of even date			
For S.M. Shidhaye & Co.		For and on behalf of the Board	
Chartered Accountants			
S. M. Shidhaye		V.I. Garg	Vineet Garg
Proprietor		CEO, Director	Executive Director
Membership No.:- 33157		Dinesh N. Modi	
		Company Secretary	
Place: Mumbai		Place: Mumbai	
Date: 20.01.2010		Date: 20.01.2010	

SCHEDULES TO THE CONSOLIDATED FINANCIAL STATEMENT AS AT 31ST AUGUST, 2009

Particulars	31.08.2009 (Rupees)	31.08.2008 (Rupees)
SCHEDULE A		
SHARE CAPITAL:		
Authorised		
4,75,00,000 Equity Shares of Rs. 4/- &	200,00,000	200,00,000
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)		
	200,00,000	200,00,000

Issued, Subscribed and Paid up		
2,53,75,000 Equity Shares (Previous year: 2,50,25,000) of Rs.4/- each fully paid up	101,50,000	100,10,000

Notes:

- 1) Out of above Equity Shares :
- a) . 1,07,50,000 (P.Y. 1,07,50,000) Equity Shares of Rs.4/- each allotted as fully paid Bonus Shares by way of capitalisation of Profit & Loss Reserves Account.
- b) . 3,50,000 (PY 35,25,000) 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	101,50,000	100,10,000
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SCHEDULE B**SHARE WARRANTS**

NIL (P.Y.49,75,000) Share warrants of Rs.4/- each issued at a premium of Rs.12/- per warrant (partly paid up at Rs.1.60 per warrant . Each warrant carries an entitlement to subscribe to an equivalent no. of fully paid equity shares within a period of 18 months)	-	7,960,000
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Per Balance Sheet	-	7,960,000
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SCHEDULE C**RESERVES AND SURPLUS****Securities Premium :**

As per last Account	64,30,000	22,00,000
Addition on exercise of conversion of share warrants into equity shares.....	4,20,000	42,30,000
	68,50,000	64,30,000

Share Warrant Forfeiture Reserve

7,40,000	-
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Revaluation Reserves :**a. Revaluation Surplus of Impaired Assets**

As per last Account	71,30,268	79,92,268
Less: Reversal of previous increase	-	8,68,000
Less: Impairment loss (Refer Note 2 of Schedule E)	57,42,263	-
	13,88,005	71,30,268

General Reserve :

As per last Account	51,56,824	50,36,824
Add: Transferred from P & L Account	-	1,20,000
	51,56,824	51,56,824

Surplus as per Profit & Loss Account

(30,233,665)	101,818,542
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Per Balance Sheet	111,109,164	288,982,634
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SCHEDULE D**LOAN FUNDS**

Secured Loan	8,50,000	14,58,000
[Loan against Term Deposit (LTD) from Vijaya Bank, Mumbai]		

Per Balance Sheet	8,50,000	14,58,000
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Schedule E

Fixed Assets

Description	Gross Block					Depreciation/Impairment					Net Block	
	As at 31.08.08	Additions	Deductions (See Note 1)	Impairment Adjustment (See Note 2)	As on 31.08.09	As at 31.08.08	For the year	Deductions	Impairment (See Note 2)	As on 31.08.09	As on 31.08.09	As on 31.08.08
Land	33,599,112	-	-	-	33,599,112	-	-	-	-	-	33,599,112	33,599,112
Hazoor Hill Grand- Land	253,681,133	1,146,325	-	57,421,263	197,406,195	-	-	-	107,060,546	107,060,546	90,345,649	253,681,133
Office Premises	22,686,400	-	-	-	22,686,400	302,516	143,512	-	-	446,028	22,240,372	22,383,884
Furniture & Fixture	4,353,114	-	2,775,775	-	1,577,339	411,193	221,471	175,707	-	456,957	1,120,382	3,941,921
Vehicles	7,059,764	-	4,913,226	-	2,146,538	2,628,752	203,921	686,135	-	2,146,538	-	4,431,012
Equipments	3,215,747	-	-	-	3,215,747	454,706	227,353	-	-	682,059	2,533,688	2,761,041
Temporary Erection	2,549,829	386,359	-	-	2,936,188	2,549,829	386,359	-	-	2,936,188	-	-
Add: Share in Joint Ventures	460,456	-	62,906	-	397,550	-	-	-	-	-	397,550	460,456
TOTAL	327,605,555	1,532,684	7,751,907	57,421,263	263,965,069	6,346,996	1,182,616	861,842	107,060,546	113,728,316	150,236,752	321,258,559
Previous Year	132,279,032	221,005,266	25,678,743	-	327,605,555	2,480,072	3,866,924	-	-	6,346,996	321,258,559	70,615,797

Notes:

1. Deduction of Rs. 79.20 lacs represents cost of Land sold to Subsidiary company ,deduction of Rs. 27.76 lacs represents cost of Furniture & Fixture sold and Rs. 49.13 represents cost of vehicle sold.
2. In accordance with the provisions of the Accounting Standard 28 on Impairment of Assets issued by the Institute of Chartered Accountants of India, the company has identified fixed assets related to Hazoor Hill Grand Project that were impaired during the year mainly on account of recessionary conditions in the real estate market. The recoverable value is the estimated net selling price based on the best information available, in the absence of an active market. Accordingly an impairment loss of Rs. 574.21 lacs has been recognized directly against the surplus lying in the Revaluation Reserves Account for the same assets and the balance impairment loss of Rs. 1070.61 lacs has been recognised in the profit and loss account for the year.

SCHEDULES TO THE CONSOLIDATED FINANCIAL STATEMENT AS AT 31ST AUGUST , 2009

Particulars	31.08.2009 (Rupees)	31.08.2008 (Rupees)
Schedule F		
INVESTMENTS (AT COST)		
Long Term		
NonTrade- Unquoted		
In fully paid equity shares		
In Associates		
Land Aggregator & Realtors	3,697,434	2,500,000
Add: Share of profit from associates	-	1,197,434
	3,697,434	3,697,434
Infra Engineers & Contractors	-	-
Add: Share of profit from associates	1,029,259	-
	1,029,259	-
Others:		
Pag International Pvt. Ltd.	5,158,227	-
85000 share (P.Y. NIL) of Rs. Rs. 10 each purchase during the year	-	-
Other Investments	4,348,866	4,348,866
Per Balance Sheet	14,233,786	8,046,300
Schedule G		
Inventories		
Raw Materials (Building Materials at site)	2,197,823	2,197,823
Less: Transferred to Fixed Assets (HHG)	1,146,325	-
Add: Share in Joint Ventures	94,739,140	41,418,186
Per Balance Sheet	95,790,638	43,616,009
Schedule H		
Sundry Debtors		
(Unsecured, Considered Good unless otherwise specified)		
More than six months	11,434,329	-
Others	2,791,484	99,931,633
Per Balance Sheet	14,225,813	99,931,633
Schedule I		
Cash and Bank balance		
Cash in hand	169,901	1,082,841
Add: Share in Joint Ventures	319,075	41,583
Add: Share in Subsidiaries	205,057	471,260
Balances with scheduled banks		
- In Current Accounts	5,885,430	2,878,667
Add: Share in Joint Ventures	1,697,217	254,274
Add: Share in Subsidiaries	12,074	-
-In Deposit Accounts	1,500,000	1,654,425
-In Margin Money Accounts	8,500,000	14,889,825
Per Balance Sheet	18,288,754	21,272,875
Schedule J		
Loans and Advances		
Advances recoverable in cash or in Kind or for Value to be received :		
Advance for purchase of Fixed Assets	32,228	989,365
Advance for share application given to Subsidiary	-	-
Loans to Employees & Others	782,766	1,245,690
Loans and Advances to Consultants	1,971,279	11,038,488
Advances towards purchase of FSI / TDR	38,270,010	41,970,510
Advance Taxes (Income Tax , Net off Provisions)	3,014,899	(46,557)
Add: Share in Joint Ventures	4,510,338	4,016,628
Add: Share in Subsidiaries	4,651,331	5,218,932
Per Balance Sheet	53,232,851	64,433,056
Schedule K		
Current Liabilities		
Sundry Creditors	13,231,535	77,454,741
Other Liabilities	9,379,762	11,020,264
Add: Share in Joint Ventures	102,161,742	57,757,672
Add: Share in Subsidiaries	433,577	946,414
Per Balance Sheet	125,206,616	147,179,091

SCHEDULES TO THE CONSOLIDATED PROFIT AND LOSS FOR THE YEAR ENDED 31ST AUGUST , 2009

Particulars	31.08.2009 (Rupees)	31.08.2008 (Rupees)
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Schedule L**Income from Operations**

Income from Real Estate Activity	-	75,101,575
Income from Infrastructure Activity	-	79,788,852
Per P& L Account	-	154,890,427

Schedule M**Other Income****Interest on:**

Loans (TDS C.Y. 24963 P.Y. NIL)	157,305	-
Bank Fixed Deposits (TDS C.Y. NIL, P.Y. 23690/-)	9,977	234,779
Profit on Sale of Current Investment	-	5,227,184
Technical Fees (TDS C.Y. 53410, P.Y. NIL)	5,566,850	422,960
Per P& L Account	5,734,132	5,884,923

Schedule N**Construction & Development Expenditure**

Land & Land Development Rights	-	32,337,990
Other Allied Development Expenses	-	7,170,607
Construction Cost	-	47,533,034
Construction Materials	-	11,839,646
Masonry and Other Works	-	11,975,856
Engineering, Technical & Consultancy fees	-	4,637,259
Power & Fuel	-	2,946,310
Per P& L Account	-	118,440,702

Schedule O**Employees Cost**

Salaries, Wages, bonus etc.	5,594,050	7,501,452
Welfare expenses	122,548	398,958
Per P& L Account	5,716,598	7,900,410

Schedule P**Administrative, Selling & General Expenses**

Electricity Charges	179,379	227,241
Repairs and Maintenance - Building	108,734	181,794
Vehicle Maintenance & Insurance	374,253	583,425
Communication Expenses	640,288	802,574
Office Maintenance	333,034	129,295
Printing & Stationery	949,056	688,784
Exhibition & Erection Charges	5,379,002	-
Listing Fees	111,535	254,350
ROC Fees	122,517	1,177,434
AGM Expenses	202,778	139,758
Membership & Subscription	85,178	179,525
Postage & Courier Charges	382,793	187,985
Registrar & Share Transfer Charges	227,880	201,000
Equipment Hiring Charges	432,267	966,785
Director Siting Fees	52,000	45,000
Security, Watch & Ward Expenses	607,691	258,487
Bank Charges	380,699	122,524
Website Maintenance Charges	515,336	135,242
Power & Fuel	430,535	97,858
Travelling & Conveyance expenses	106,506	375,873
Business Promotion	2,695,874	568,304
Rent, Rates & Taxes	1,330,036	675,748
Commission and Brokerage	549,578	125,154
Advertisement & Publicity	654,498	457,857
Miscellaneous Expenses	627,901	145,758
Payment to Auditors:		
- Towards Audit Fees	40,000	40,000
- Towards Tax Matters	10,000	10,000
- Towards Certifications	5,000	5,000
Legal & Professional Charges	1,329,656	835,274
Per P& L Account	18,864,004	9,618,029

NOTES TO CONSOLIDATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST, 2009.

SCHEDULE Q:

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	100.00%

The financial statements of Subsidiary Companies used in consolidation have been drawn for the period 1st September, 2008 to 31st August, 2009 on the basis of books of account which are subject to audit except for those indicated otherwise. These financial statements are certified by the management for the purpose of consolidation.

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

Name of the Associates	COI	Proportion of ownership Interest
Land Aggregators and Realtors	India	30.00%
Infra Engineers & Contractors	India	35.00%

Name of the Joint Ventures	COI	Proportion of ownership Interest
M/s. Hazoor City Developers	India	56.00%
M/s. Hazoor Multi Corp.	India	50.00%

The reporting year for all the Associates and Joint Ventures ends on March 31. However, the financial statements of Associate Companies and Joint Ventures used in consolidation have been drawn for the period 1st September, 2008 to 31st August, 2009 on the basis of books of account which is subject to audit except for those indicated otherwise. These financial statements are certified by the management for the purpose of consolidation.

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 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) Provision for Taxation is not made in view of the loss for the current accounting year (reporting year) in accordance with the Income Tax Act, 1961.
- 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:

The carrying amount of assets are reviewed at each Balance Sheet date if there is indication of impairment based on internal / external factors. An impairment loss will be recognised whenever the carrying amount of an asset exceeds its estimated recoverable amount. The recoverable amount is the estimated net selling price based on the best information available, in the absence of active market. Previously recognised impairment loss is further provided or reversed depending on changes in circumstances.

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:

- i. As at August 31st, 2009 and August 31st 2008, the company had no outstanding dues exceeding Rs. 1 lacs for more than 30 days to Small Scale Industrial Undertaking.
- ii. There are no Micro and Small Enterprises to whom the company owes dues, for more than 45 days as at August 31st 2009. 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 3.03 Crores (P.Y. 8.36 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%
2.	M/s. Hazoor Multi Corp.	50.00%

3. During the year 3,50,000 equity shares of Rs.4/- each at a premium of Rs.12/- per share have been allotted on preferential basis to Body Corporate from public on conversion of equivalent number of warrants and issue proceeds of Rs. 50.40 lacs have been deployed as per the objects of the issue. With this there were 46, 25,000 shares warrant pending for conversion and company has extinguished even number of share warrants and have forfeited Rs.74.00 lacs and it has been credited to Forfeiture Reserve Account, as warrant holders did not exercise their conversion rights within 18 months from the date of issue of share warrants.

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

	31.08.2009	31.08.2008
Audit Fees	40,000	40,000
Taxation Matters	10,000	10,000
Company Law Matters	5,000	5,000

5. Deferred Taxation for the year ended 31st August, 2009.

	As At 1.09.2008	Charge/(Credit) during the year (Rupees)	As at 31.08.2009
Deferred Tax Liability/ (Asset) on account of :			
i. Depreciation	112,929	NIL	112,929
ii. Expenses allowable for Tax purpose in subsequent year(s)	NIL	NIL	NIL
Net Deferred Tax Liability / (Asset)	112,929	NIL	112,929
Previous Year.	NIL	112,929	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		
	31/08/2009	31/08/2008
*CEO, Director	3,00,000	3,00,000
*Managing Director	2,00,000	2,00,000
Executive Director	3,60,000	1,20,000

*Salary was paid to CEO upto November, 2008.

* Salary was paid to Managing Director upto November, 2008

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

8. In the Opinion of Board of Directors, all the Current Assets, Loans and Advances have a value on realization in the ordinary course of Business which may be less than the amount at which they are stated and all the known liabilities as at the end of year have been provided for.

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. Hence, disclosures under AS-17 are not applicable.

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

Particulars		Before exceptional/ prior period items		After exceptional/ prior period items	
		2008-09	2007-08	2008-09	2007-08
Basic					
Profit After Tax as per the Accountants	A	(26,020,920)	406,45,694	(132,052,207)	11,990,936
Weighted average number of shares outstanding	B	25,375,000	23,061,000	25,375,000	23,061,000
Basic EPS	A/B	(1.03)	1.76	(5.20)	0.52
Diluted					
Profit After Tax as per the accountants	A	(26,020,920)	406,45,694	(132,052,207)	11,990,936
Weighted average number of shares outstanding	B	25,148,958	23,061,000	25,148,958	23,061,000
Add: Weighted average number of potential equity shares on account of conversion of warrants	C	NIL	44,57,055	NIL	44,57,055
Weighted average number of shares outstanding for diluted EPS	D=B+C	25,148,958	27,518,055	25,148,958	27,518,055
Diluted EPS	A/D	(1.03)	1.48	(5.25)	0.44

11. Related Party Disclosures:

a). List of Related Party and relationships

i). **Subsidiaries**

Hazoor Aambey Valley Developers Pvt. Ltd.
Hazoor Township Developers Pvt. Ltd.

ii). **Unincorporated Joint Ventures (JV)**

Hazoor City Developers
Hazoor Multi Corp.

iii). **Associates**

Infra Engineers & Contractors.
Land Aggregators and Realtors.

iv). **Company under the same Management u/s. 370 (1B) of Companies Act, 1956**

Parle Software Ltd.

v). **Promoters**

Eaugu Udyog Ltd.
Optilum Business Enterprises Pvt. Ltd.

vi). **Key Management Personnel**

Mr. V.I.Garg Director, CEO
Mr. Ashish Garg Managing Director
Mr. Vineet Garg Executive Director

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

(Rs. In Lacs)

Sr. No.	Nature of Transactions	Nature of Relationship & Transaction Value				Outstanding amounts carried in the Balance Sheet
		Subsidiary Companies	Associates / Promoters	Joint Ventures	Director / Key Management Personnel	
1	Purchase of Investment					
	Eaugu Udyog Ltd.	-	51.58 (-)	-	-	- (-)
2	Contribution to Equity					
	Share Application Money- Hazoor Aambey Valley Developers Pvt. Ltd.	85.00 (2.00)	-	-	-	87.00 (2.00)
	Share Application Money- Hazoor Township Developers Pvt. Ltd.	- (1.00)	-	-	-	1.00 (1.00)
3	Sale of Fixed Assets		-			
	Hazoor Aambey Valley Developers Pvt. Ltd.	158.00 (512.00)		-	-	558.56 (487.00)
4	Share of Profit from Associates					
	Infra Engineers & contractors		10.29 (-)			10.29 (-)
5	Forfeiture of share warrant					
	Eaugu Udyog Ltd., Forfeiture of 16,00,000 share warrants, partly paid Rs.1.60 per warrant		25.60 (25.60)			- (25.60)
	Optilum Business Enterprises P.Ltd. Forfeiture of 1,00,000 share warrants, partly paid Rs.1.60 per warrant		1.60 (1.60)			- (1.60)
6	Investment made		-			
	Hazoor City Developers	-		526.26 (211.24)	-	939.69 (413.43)
	Land Aggregators & Realtors	-	- (36.97)	-	-	36.97 (36.97)
7	Collateral Security given against loan availed					
	Infra Engineers & Contractors	-	Amount not Quantifiable (-)		-	
8	Key Management Personnel				10.24 (42.52)	4.26 (3.54)
	Remuneration to Directors				8.60 (6.20)	0.30 (1.55)
	* Directors Sitting fees				0.31 (0.23)	- (-)

* - 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. Contingent liabilities (not provided for):

Corporate Guarantee issued by the company to banks on behalf of an Associate amounting to Rs. 124.00 lacs. (P.Y. NIL)

14. Retirement Benefits:

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

15. The consolidated financial statements present the consolidated accounts of the Company with its Subsidiaries, Joint Ventures and Associates, which incorporate Hazoor Aambey Valley Developers Pvt. Ltd. and Hazoor Township Developers Pvt. Ltd., the subsidiaries of the Company that are yet to commence commercial operations. Further, the Group operates within a single geographical segment.
16. The Company carries out the development activities through various projects that are executed / undertaken through its Associates, Joint Ventures, etc. The developments activities through Associates, Joint Ventures, etc have increased substantially during the year, which would henceforth continue to grow. The company has not incurred any cost for execution of such projects which are, undertaken by the associates, joint ventures etc.
17. Liabilities and Assets:
Balances group under Sundry Debtors, Sundry Creditors, and Loans and Advances are subject to confirmation from respective parties.
18. There are no amounts due and outstanding to be credited to Investor Education and Protection Fund.
19. Sundry Creditors (due to SSI Units):
As per the information available with the company, the sundry creditors do not include any amount due to SSI exceeding Rs.1.Lacs outstanding for more than 30 days.
20. Figures for the previous year have been regrouped wherever necessary to conform to the current year's classification.
21. Figures have been rounded off to nearest rupee wherever applicable.
22. The figures in brackets are those in respect of the previous accounting year.

As per our Report of even date

For: S.M. Shidhaye & Co.,
Chartered Accountants

S.M. Shidhaye
Proprietor
(Membership No.: 33157)

Place: Mumbai
Date: 20th January, 2010

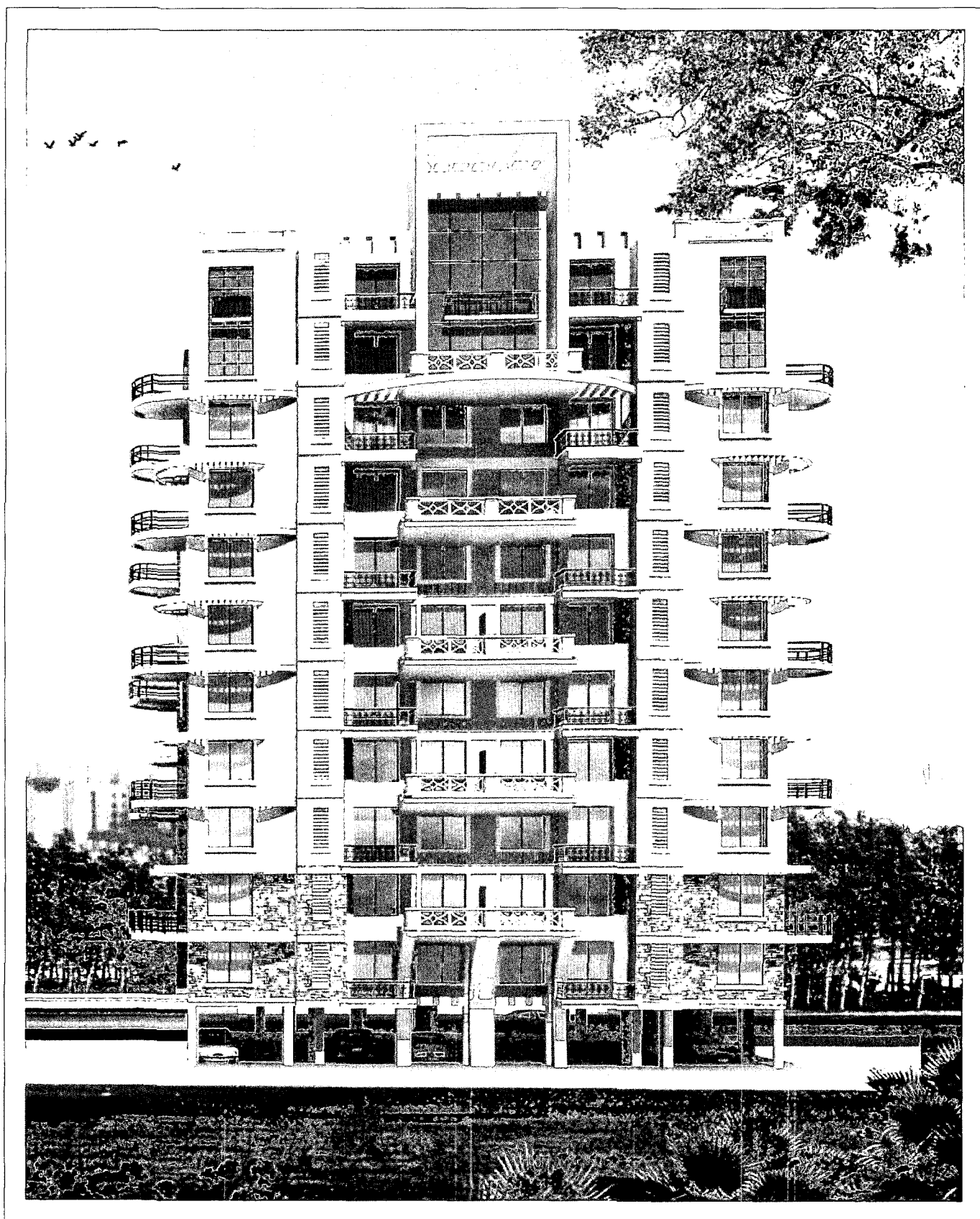
For and on behalf of the Board

V.I. Garg	Vineet Garg
CEO & Director	Executive Director

Dinesh Modi
Company secretary

PARTICULARS 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, 2009

Name of the Subsidiary Company	Issued and subscribed share capital	Reserve and Surplus	Total Assets	Total Liabilities	Investments (Current)	Turnover and other Income	Profit/ (Loss) before Taxation	Provision for Taxation	Profit/ (Loss) after Taxation	Proposed Dividend and tax therein
Hazoor Aambey Valley Developers Pvt. Ltd.	2,000,000	11,800,000	22,500,000	22,500,000	NIL	NIL	NIL	NIL	NIL	NIL
Hazoor Township Developers Pvt. Ltd.	2,500,000	2,400,000	5,000,000	5,000,000	NIL	NIL	NIL	NIL	NIL	NIL



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