

HILL ROCK CONSTRUCTION LIMITED

11-B, Mittal Towers, Free Press Journal Marg, Nariman Point, Mumbai – 400 021.

Tel. No. 22042554 / 22047164

DIRECTORS' REPORT

Your Directors are pleased to present the fifth Annual Report and the Audited Accounts for the year ended 31st March, 2010.

FINANCIAL RESULTS:

Particulars	(Rs.)	
	Year Ended 31-03-2010	Year Ended 31-03-2009
Total Income	32,917	Nil
Total Expenditure including Depreciation	69,261	1,90,727
Loss before depreciation and tax	36,344	1,90,727
Depreciation	82,718	75,640
Loss after depreciation and before Tax	1,19,062	2,66,367
Less: Provision for Tax	11,860	62,824
Loss after Tax	1,30,922	3,29,191

OPERATIONS:

Your Company has further received Rs. 11.3 lakhs as unsecured interest free loans from its holding Company, Jai Realty Ventures Limited. Your Company has invested Rs. 417 lakhs in real estate and infrastructure projects.

DIVIDEND:

In view of the loss for the year, your Directors do not recommend any dividend.

DIRECTORS:

Mr. Atul Pawar retires by rotation and being eligible have offered himself for re-appointment. The Director who is being re appointed has intimated to your Company that he is eligible for being re appointed.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, it is, hereby, confirmed:

(i) that in the preparation of the accounts for the financial year ended 31st March, 2010, applicable accounting standards have been followed along with proper explanation relating to material departure;

(ii) that appropriate accounting policies have been selected and applied consistently and judgments and estimates have been made 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 March, 2010 and of the loss of the Company for the year ended on that date;

(iii) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(iv) that accounts for the financial year ended 31st March, 2010 have been prepared on a 'going concern' basis.

AUDITORS AND AUDITORS' REPORT:

Messrs Pathak H. D. & Associates, Chartered Accountants, Mumbai, hold office as statutory auditors of the Company until the conclusion of the ensuing Annual General Meeting. It is proposed to re-appoint them as Statutory Auditors of the Company from the conclusion of the ensuing Annual General Meeting until the conclusion of the next Annual General Meeting. Pursuant to the provisions of Section 224 (1B) of the Companies Act, 1956 your Company has received a certificate from Messrs Pathak H. D. & Associates, Chartered Accountants confirming their eligibility for re-appointment.

FIXED DEPOSIT:

Your Company has not accepted any fixed deposit during the year under review.

DISCLOSURE OF PARTICULARS RELATING TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

Nil

ACKNOWLEDGEMENT:

Your Directors express their grateful appreciation for the assistance and co-operation received from the Banks, Institutions, Government Authorities and Shareholders during the year under review.

For and on behalf of the Board of Directors

A. Datta
Director

Date: 21/05/2010
Place: Mumbai

AUDITORS' REPORT

To the Members of Hill Rock Construction Limited

1. We have audited the attached Balance Sheet of '**HILL ROCK CONSTRUCTION LIMITED**' as at 31st March, 2010, the Profit and Loss Account and also the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with Auditing Standards generally accepted in India. 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 the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order 2003 issued by the Central Government of India in terms of Sub-section (4A) of Section 227 of the Companies Act, 1956, we give in the Annexure, a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to in paragraph 3 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 those books;

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- c) The Balance Sheet, Profit and Loss Account and Cash Flow Statement referred to in this report are in agreement with the books of account;
- d) In our opinion the Balance Sheet, Profit and Loss Account and Cash Flow Statement referred in this report comply with the mandatory Accounting Standards referred to in Sub-section (3C) of Section 211 of the Companies Act, 1956;
- e) On the basis of the written representations received from the directors as on 31st March, 2010 and taken on records by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2010 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act 1956.
- f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with significant accounting policies and other notes thereon, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India: -
 - (i) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2010;
 - (ii) In the case of Profit and Loss Account, of the loss of the Company 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 PATHAK H.D. & ASSOCIATES
Firm Reg No: -107783W
Chartered Accountants

Anuj Bhatia
Partner
Membership No. 122179
Place: Mumbai
Dated: 21st May 2010

ANNEXURE TO AUDITOR'S REPORT
Referred to in paragraph 3 of our report of even date

- i. In respect of its fixed assets:
 - (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
 - (b) As explained to us, all the fixed assets have been physically verified by the management, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No discrepancies were noticed on such verification as compared to the book records.
 - (c) In our opinion and according to the information and explanations given to us, the Company has not disposed off any fixed assets during the year and hence the going concern status of the Company is not affected.
- ii. In respect of its inventories:

The Company has inventories only in relation to the development projects in progress including Land. It does not have any other inventories during the year. The management has physically verified the project under development and no discrepancies were noticed. The Company has maintained the proper records for these projects.
- iii. The Company has neither granted nor taken any loan, secured or unsecured, to/from companies, firm or other parties covered in the register maintained under Section 301 of the Companies Act, 1956 and hence provisions of Clause 4 (iii) of the Companies (Auditor's Report) Order 2003, are not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory. During the year, the Company did not undertake any activity of purchase of fixed assets and sale of goods & service however expenses has been incurred in relation to purchases of inventory. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.

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- v. According to the information and explanations given to us, there are no contracts or arrangements referred to in section 301 of the Companies Act, 1956 that need to be entered in the register required to be maintained under that section.
- vi. The Company has not accepted any deposits and hence provisions of the clause 4 (vi) of the Companies (Auditor's report) Order, 2003 are not applicable to the Company.
- vii. In our opinion, the Company has an adequate internal audit system commensurate with the size and nature of its business.
- viii. The Central Government has not prescribed maintenance of cost records under Section 209 (1) (d) of the Companies Act, 1956 in respect of activities carried on by the Company, hence the provisions of the clause 4 (viii) of the Companies (Auditor's Report) order, 2003 are not applicable to the Company.
- ix. According to the information & explanations given to us in respect of statutory and other dues:
 - a. The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Investor Education & Protection Fund, and Employees' State Insurance, Income tax, Sales tax, Wealth tax, Service tax, Customs Duty, Excise Duty, Cess and any other material statutory dues as applicable with the appropriate authorities during the year.
Further, since the Central Government has till date not prescribed the amount of cess payable under section 441A of the Companies Act, 1956, we are not in a position to comment upon the regularity or otherwise of the Company in depositing the same.
 - b. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid statutory dues were outstanding as at 31st March, 2010 for a period of more than six months from the date they became payable.
 - c. According to the information and explanations given to us, there are no dues of sales tax, income tax, Custom duty, Wealth tax, Service tax and Excise Duty, Cess, as applicable, which have not been deposited on account of any dispute.

- x. The Company has been registered for a period of less than five years and hence the provisions of clause 4 (x) of the Companies (Auditor's Report) order 2003 are not applicable to the Company.
- xi. Based on our audit procedures and on the information and explanations given by the management, the Company has not taken any borrowings from financial institutions, banks or debenture holders, hence the provisions of the clause 4 (xi) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- xii. In our opinion and according to the explanations given to us and based on the information available, no loans and advances have been granted by the Company on the basis of security by way of pledge of shares, debentures and other securities.
- xiii. In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/society, hence provisions of clause 4 (xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- xiv. The Company has no transactions and contracts in respect of dealing and trading in shares and other securities, hence the provisions of the clause 4 (xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- xv. As per the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- xvi. To the best of our knowledge & belief and according to the information & explanations given to us, the Company has not taken any term loan.
- xvii. During the year the Company has not raised any short term funds.
- xviii. During the year the Company has not made any preferential allotment of shares to the parties covered in the register maintained under section 301 of the Companies Act,1956.
- xix. The Company has not issued any Debentures during the year.
- xx. The Company has not raised any money by way of Public issue during the year.

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- xxi. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit

For PATHAK H.D. & ASSOCIATES
Firm Reg. No: -107783W
Chartered Accountants

Anuj Bhatia
Partner
Membership No. 122179
Place: Mumbai
Dated: 21st May2010

HILL ROCK CONSTRUCTION LIMITED
BALANCE SHEET AS AT 31ST MARCH, 2010

Amount in (Rs.)

Particulars	Schedule	As at	
		31.03.2010	31.03.2009
SOURCES OF FUNDS			
Shareholders' Funds			
Share Capital	A	595,500	595,500
Reserve and Surplus	B	9,454,500	9,454,500
		10,050,000	10,050,000
Loan Fund			
Unsecured Loan	C	32,614,994	31,476,988
Deferred Tax Liability (Net) (Refer Note No. 4 of schedule 'K')			
		24,684	12,824
Total		42,689,678	41,539,812
APPLICATION OF FUNDS			
Fixed Assets			
Gross Block	D	859,347	859,347
Less: Depreciation		158,409	75,691
Net Block		700,938	783,656
Current Assets, Loans and Advances			
Inventories	E	41,675,923	41,022,526
Cash & Bank Balance		40,062	99,530
Loans and Advances		110,628	300,663
		41,826,613	41,422,719
Less: Current Liabilities & Provisions			
Current Liabilities	F	415,795	1,030,646
Provisions		-	82,917
		415,795	1,113,563
Net Current Assets		41,410,818	40,309,156
Profit & Loss Account		577,922	447,000
Total		42,689,678	41,539,812
Significant Accounting Policies & Notes on Accounts	K		

As per our report of even date
For Pathak H. D. & Associates
Chartered Accountants

For and on behalf of the Board of Directors

Anuj Bhatia
Partner
Place : Mumbai
Date: 21.05.2010

Subodh Agarwal
Director

Ananjan Datta
Director

HILL ROCK CONSTRUCTION LIMITED

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2010

Amount in (Rs.)

Particulars	Schedule	Year Ended 31.03.2010	Year Ended 31.03.2009
A) INCOME			
Other Income -Sundry Balance Written Back		32,917	-
Variation in Inventory	G	653,397	19,175,582
		686,314	19,175,582
B) EXPENDITURE			
Land and Development Expenses	H	20,491	14,288,454
Employees Remuneration & Benefits	I	-	3,687,511
Administration & General Expenses	J	700,202	1,377,804
Bank Charges		1,965	12,540
Depreciation		82,718	75,640
		805,376	19,441,949
Profit /(Loss) Before Tax		(119,062)	(266,367)
Less: Provision for Tax		-	-
- Fringe Benefit Tax		-	50,000
- Deferred Tax		11,860	12,824
Profit /(Loss) After Tax		(130,922)	(329,191)
Balance as per the last Balance sheet		(447,000)	(73,776)
Prior period adjustment		-	(44,033)
Balance Carried to Balance Sheet		(577,922)	(447,000)
Basic and Dilutive earning per Equity Share of Rs.10 each (Refer note number 3 of Schedule "K")		(2.62)	(11.81)
Significant Accounting Policies & Notes on Accounts	K		

As per our report of even date

For Pathak H. D. & Associates
Chartered Accountants

For and on behalf of the Board of Directors

Anuj Bhatia
Partner
Place : Mumbai
Date:21.05.2010

Subodh Agarwal
Director

Ananjan Datta
Director

HILL ROCK CONSTRUCTION LIMITED

Cash Flow Statement for the year ended 31st March, 2010

	Amount in (Rs.) 2009-2010	Amount in (Rs.) 2008-2009
A. Cash Flow from Operating Activities		
Net Profit /(Loss) before tax as per P & L Account	(119,062)	(266,367)
	(119,062)	(266,367)
Adjusted for		
Depreciation	82,718	75,640
Sundry Balance Written Back	(32,917)	-
Operating Profit /(Loss) before Working Capital Changes	(69,261)	(190,727)
Adjusted for		
Trade and other receivables	140,735	388,879
Inventories	(653,397)	(19,175,582)
Trade Payables	(614,851)	(623,974)
Cash Generated from Operation	(1,196,774)	(19,601,404)
Direct Taxes Paid	(700)	(59,733)
Prior Period Adjustment	-	(44,033)
Net Cash from / (used in) Operating Activities	(1,197,474)	(19,705,170)
B. Cash Flow from Investing Activities		
Purchase of fixed assets	-	(851,247)
Net Cash (used in) / From Investing Activities	-	(851,247)
C. Cash Flow from Financing Activities		
Proceeds of Long term Loans	1,278,006	22,957,000
Repayment of Long term Loans	(140,000)	(2,450,000)
Net Cash From /(used in) Financing Activities	1,138,006	20,507,000
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	(59,468)	(49,417)
Opening Balance of Cash and Cash Equivalents	99,530	148,947
Closing Balance of Cash and Cash Equivalents	40,062	99,530

Notes :

- 1 The above Cash Flow Statements has been prepared under the "Indirect Method" as set out in Accounting Standard-3 "Cash Flow Statement" as notified in the Companies (Accounting Standards) Rules, 2006.
- 2 Bracket indicates cash outflow.
- 3 The Previous year's figures have been regrouped, rearranged, restated and reclassified wherever necessary.

As per our report of even date
For Pathak H. D. & Associates
Chartered Accountants

For and on behalf of the Board of Directors

Anuj Bhatia
Partner
Place : Mumbai
Date :21.05.2010

Subodh Agarwal
Director

Ananjan Datta
Director

HILL ROCK CONSTRUCTION LIMITED

SCHEDULE FORMING PART OF THE BALANCE SHEET

Amount in (Rs.)

	As at 31 March 2010	As at 31 March 2009
SCHEDULE "A"		
SHARE CAPITAL		
AUTHORISED		
85,000 (Previous Year 85,000) Equity shares of Rs 10 each	850,000	850,000
15,000 (Previous Year 15,000) 1% Optionally Convertible Non Cumulative Redeemable Preference Shares of Rs.10 each	150,000	150,000
	1,000,000	1,000,000
ISSUED, SUBSCRIBED AND PAID UP		
50,000 (Previous Year 50,000) Equity Shares of Rs 10 each fully paid up Of the above Equity Shares :	500,000	500,000
9,550 (Previous Year 9,550) 1% Optionally Convertible Non Cumulative Redeemable Preference Shares of Rs.10 each	95,500	95,500
	595,500	595,500
Notes:- (i) Above Shares are held by the Jai Realty Venture Limited, the holding Company includes 5000 equity shares held jointly with nominnees (ii) 1% Optionally Convertible Non Cumulative Redeemable Preference Shares are redemmmable at any time from the date of allotment i.e .31.01.2008 at the option of the Company or at the end of 20 years from the date of allotment at a premium of Rs.990 each share. (iii) 1%Optionally Convertiabile Non-Cumulative Redeemable Preference Share (OCPS) holders have also the option to convert each OCPS at any time prior to the redemption into One Equity Share of Rs. 10 each fully paid up. (iv) Redemption premium on preference shares as mentioned above will be paid out of the Securities Premium and hence no provision has been considered necessary.		
SCHEDULE "B"		
RESERVE AND SURPLUS		
Securities Premium	9,454,500	9,454,500
	9,454,500	9,454,500
SCHEDULE "C"		
UNSECURED LOAN		
Long Term Loan From Holding Company	32,614,994	31,476,988
	32,614,994	31,476,988

HILL ROCK CONSTRUCTION LIMITED

SCHEDULE FORMING PART OF THE BALANCE SHEET

Amount in (Rs.)

	As at 31 March 2010		As at 31 March 2009
SCHEDULE "E"			
CURRENT ASSETS, LOANS & ADVANCES			
CURRENT ASSETS			
INVENTORIES			
(Certified & Valued by the Management)			
Work In Progress*		41,675,923	41,022,526
CASH AND BANK BALANCES			
Balance with Scheduled Banks			
In Current Account		40,062	99,530
LOANS AND ADVANCES			
(Unsecured, Considered Good and Subject to Confirmation)			
Advances recoverable in cash or in kind or for value to be received	1,795		42,530
Advances towards purchase of land	-		100,000
Deposits	102,400		102,400
Income Tax (Net)	6,433		55,733
		110,628	300,663
		41,826,613	41,422,719
* Convenyance deed is yet to be executed			
SCHEDULE "F"			
CURRENT LIABILITIES AND PROVISIONS			
CURRENT LIABILITIES			
Sundry Creditors			
(i) Micro and Small Enterprises		-	-
(ii) Others		389,966	580,740
		389,966	580,740
Other Liabilities		25,828	449,906
		415,794	1,030,646
PROVISIONS			
Fringe Benefit Tax		-	50,000
Staff Benefit Schemes		-	32,917
		-	82,917
		415,794	1,113,563

HILL ROCK CONSTRUCTION LIMITED

SCHEDULE FORMING PART OF THE PROFIT & LOSS ACCOUNT

Amount in (Rs.)

		Year Ended 31.03.2010	Year Ended 31.03.2009
SCHEDULE "G"			
VARIATION IN INVENTORY			
Closing inventory			
Work in progress		41,675,923	41,022,526
Opening Inventory			
Work in progress		41,022,526	21,846,944
Variation in Inventory		653,397	19,175,582
SCHEDULE "H"			
LAND AND DEVELOPMENTS EXPENSES			
Cost of the land		-	14,219,897
Project Expenses		20,491	8,708
Survey Charges		-	25,212
Advertisement Expenses		-	18,335
Other Expenses		-	16,302
		20,491	14,288,454
SCHEDULE "I"			
EMPLOYEE REMUNERATION & BENEFITS			
Salary, Wages & Perquisite		-	3,552,678
Staff Welfare Exp.		-	101,916
Gratuity		-	32,917
		-	3,687,511
SCHEDULE "J"			
ADMINISTRATION & GENERAL EXPENSES			
Rent		388,800	453,600
Rates & Taxes		-	23,000
Repairs & Maintance others		16,712	45,322
Professional and Consultancy Charges		277,023	196,657
Travelling and Conveyance Expenses		-	425,909
Priniting & Stationary		-	37,658
Postage & Courier		-	5,713
Electriciry Expenses		-	18,410
Telephone Expenses		-	100,451
Office Expenses		-	38,830
Payment to Auditors		13,788	13,788
Filing Fees		900	4,968
Other Expenses		2,979	13,498
		700,202	1,377,804

HILL ROCK CONSTRUCTION LIMITED

SCHEDULES FORMING PART OF THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT

SCHEDULE "K"

SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS

A, SIGNIFICANT ACCOUNTING POLICIES

1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared under historical Cost convention, in accordance with the generally accepted accounting principles and the provisions of the Companies Act, 1956 as consistently adopted by the Company.

2 USE OF ESTIMATES

The presentation of financial statements in conformity with the generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual result and estimates are recognised in the period in which the results are known/materialised.

3 FIXED ASSETS

Fixed Assets are stated at cost of acquisition less accumulated depreciation.

4 DEPRECIATION

Depreciation is provided on straight line method at the rates and in the manner prescribed in Schedule XIV of the Companies Act, 1956.

5 INVENTORIES

Inventories comprise of cost of project activities under development (W.I.P.). Cost of inventories consists of cost of land, land development expenses, material, services, construction cost, interest and financial charges and other expenses related to project under development. In general, all inventories of land are stated at lower of cost or net realisable value. Inventories of land are taken on the Agreement to sell.

6 PRELIMINARY AND SHARE ISSUE EXPENSES

Preliminary and Share issue expenses are charged to the Profit & Loss account.

7 PROVISION FOR CURRENT AND DEFERRED TAX

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income-tax Act, 1961. Deferred tax resulting from "timing difference" 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 recognized and carried forward only to the extent that there is a virtual certainty that the assets will be realized in future.

8 PROVISION ,CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions involving substantial degree of estimation in measurement are recognized 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 recognized but are disclosed in the notes on Accounts. Contingent assets are neither recognized nor disclosed in the financial statements.

9 EQUITY INDEX / STOCK FUTURES

- Gains are recognized only on settlements/ expiry of the derivative instruments.
- All open positions are marked and unrealized gains/loss are netted on a scrip wise basis. Mark to market gains, if any, are not recognised.
- Debit/ Credit balances on open positions are shown as other assets/ other liabilities, as the case may be.

10 EMPLOYEES' BENEFITS

- Short term employee benefits are recognized as an expense at the undiscounted amount in the profit and loss account of the year in which the related service is rendered.
- Post employment benefits in the form of gratuity, which is defined benefit obligation, is recognized as an expense in the profit and loss account for the year in which the employee has rendered services. The expense is recognized at the present value of the amounts payable determined using actuarial valuation techniques based on Projected unit credit method. Actuarial gains and losses in respect of post employment benefits are charged to the profit and loss account.
- Compensated absences are accounted similar to the short term employee benefits.

B NOTES ON ACCOUNTS

1 In the opinion of the Management, the Current Assets, Loans and Advances are approximately of the value stated, if realized in the ordinary course of business.

2 Auditor's Remuneration

	Amount in (Rs.)	
	2008-09	2008-09
Audit Fees	13,788	13,788
	<u>13,788</u>	<u>13,788</u>

3 Basic and Diluted Earnings per Share

(a) Net Loss available for equity Shareholders (Amount used as numerator)	(130,922)	(373,224)
(b) Weighted Average Number of equity shares used as denominator for Basic Earning Per Share	50,000	31,589

(c) Basic and dilutive Earning Per Share (2.62) (11.81)

Note:-The effects of 1% Optionally Convertible Non-Cumulative Redeemable Preference Shares on the earning per share are anti dilutive and hence, the same is ignored for the purpose of calculation of dilutive earning per share

4 The deferred tax liability \ (assets) comprises of the following:

	As on 31.03.2010	As on 31.03.2009
(i) Deferred Tax Liability		
Related to fixed assets	29,863	20,593
	<u>29,863</u>	<u>20,593</u>
(ii) Deferred Tax Assets		
Disallowance under the Income Tax Act, 1961	5,179	7,769
	<u>5,179</u>	<u>7,769</u>
Deferred Tax Liability/(Assets) (net)	<u><u>24,684</u></u>	<u><u>12,824</u></u>

5 (a) The Company has been advised that the computation of net Profits for the purpose of Directors' remuneration under Section 349 of the Companies Act, 1956 need not be enumerated since no commission has been paid to the Directors. Fixed monthly remuneration has been paid to the Directors as per Schedule XIII to the Companies Act, 1956.

	(Amount in Rs.) 2009-10	(Amount in Rs.) 2008-09
(b) Directors' Remuneration		
Salary	-	1,755,000
Perquisites	-	-
	<u>-</u>	<u>1,755,000</u>

6 As per Accounting Standard 18, "Related Party Disclosures " the disclosure of transactions with the related parties as defined in the Accounting Standard are given below:

(i) List of related parties and relationship.

(i) Holding Companies:-	Jai Realty Ventures Limited Jai Corp Limited
(ii) Key Managerial Personnel:-	Shri Atul Pawar

(ii) Transactions during the year with related parties :

		(Amount in Rs.)	
Name of the Party	Nature of Transaction	2009-10	2008-09
1 Jai Realty Ventures Limited	(a) Equity shares Issued	-	400,000
	(b) Unsecured loan		
	-- Opening Balance	31,476,988	11,369,988
	-- Received During the year	1,278,006	22,957,000
	-- Refund/Adjusted During the year	140,000	2,850,000
	-- Closing Balance	32,614,994	31,476,988
2 Shri Atul Pawar	(a) Directors Remuneration	-	1,755,000

7 There is no other information which is required to be disclosed in accordance with Para 3 & 4 of Part II of Schedule VI of the Companies Act, 1956.

8 Segment Reporting

In the opinion of the Management and based on consideration of dominant source and nature of risk and returns, the Company's activities, during the year revolved around the single segment namely, "Builders and Developers". Considering the nature of Company's business and operations, there are no separate reportable segment (Business and/or Geographical) in accordance with the requirement of Accounting Standard 17-"Segment Reporting" as notified in the Companies (Accounting Standards) rules 2006.

9 The company has adopted Accounting Standard 15 (Revised 2005) - Employee benefits ("AS 15").

The company has no obligation towards any defined contribution plan.

The disclosures of employees' benefits as defined in Accounting Standard are given below:-

Gratuity - Long Term Defined Benefit Plan :-

In accordance with revised AS-15, "Employee Benefits", the company has provided the liability on actuarial basis. As per the actuarial certificate the details of employees, benefits plan - Gratuity are:

Particulars	Gratuity (Unfunded)
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Actuarial assumptions		(Rs. In Lacs)
Particulars	2009-10	2008-09
Mortality Table (LIC)		1994-96 (ultimate)
Salary growth :-	-	5%
Discount rate	-	8.00%
Expected return on plan assets	-	0%
Amount recognised in the income statement		
Current service cost	-	32,917
Interest cost	-	-
Expected Return on Plan Assets	-	-
Net actuarial (gains)/losses recognised in the period	-	-
Total	-	32,917
Movement in present value of defined benefit obligation		
Particulars		
Obligation at the beginning of the year	-	-
Current service cost	-	32,917
Interest cost	-	-
Actuarial (gains)/losses on obligation	-	-
Benefits paid	-	-
Obligation at the end of the year	-	32,917
Movement in present value of plan assets		
Particulars		
Fair value at the beginning of the year	-	-
Expected Return on Plan Assets	-	-
Contribution	-	-
Actuarial gains and losses	-	-
Benefits paid	-	-
Fair value at the end of the year	-	-
Amount recognised in the balance sheet		
Present value of obligations at the end of the year	-	32,917
Less: Fair value of plan assets at the end of the year	-	-
Funded status	-	-
Net liability recognised in the balance sheet	-	32,917

10 The Previous year's figures have been regroup, rearrange and reclassified wherever necessary.

As per our report of even date

For Pathak H. D. & Associates
Chartered Accountants

For and on behalf of the Board of Directors

Anuj Bhatia
Partner
Place : Mumbai
Date: 21.05.2010

Subodh Agarwal
Director

Ananjan Datta
Director

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILERegistration No .

1	5	6	7	0	0
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 State Code

1	1
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Balance Sheet Date

3	1	-	0	3	-	2	0	1	0
---	---	---	---	---	---	---	---	---	---

CAPITAL RAISED DURING THE YEAR (Amount in Rs Thousands) :Public Issue

N	I	L
---	---	---

 Right Issue

N	I	L
---	---	---

Bonus Issue

N	I	L
---	---	---

 Private Placement

N	I	L
---	---	---

POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS (Amount in Rs. Thousands)Total Liabilities

4	3	1	0	5
---	---	---	---	---

 Total Assets

4	3	1	0	5
---	---	---	---	---

Sources of FundsPaid-up Capital

5	9	5
---	---	---

 Reserves and Surplus

9	4	5	5
---	---	---	---

Secured Loans

N	I	L
---	---	---

 Unsecured Loans

3	2	6	1	5
---	---	---	---	---

Deferred Tax Liability

2	5
---	---

Application of FundsNet Fixed Assets

7	0	1
---	---	---

 Investments

N	I	L
---	---	---

Net Current Assets

4	1	4	1	1
---	---	---	---	---

 Misc . Expenditure

N	I	L
---	---	---

Accumulated Losses

5	7	8
---	---	---

PERFORMANCE OF COMPANY (Amount in Rs. Thousand)Turnover (Net) & Other Income

	3	3
--	---	---

 Total Expenditure

1	5	2
---	---	---

Profit before Tax

(1	1	9)
---	---	---	---	---

 Profit after Tax

(1	3	1)
---	---	---	---	---

Earning Per Share in Rs.
(Basic & Diluted)

(2	.	6	2)
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 Dividend rate %

NIL				
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GENERIC NAMES OF THREE PRINCIPAL PRODUCTS / SERVICES OF THE COMPANY (as per monetary terms) :

Not Applicable