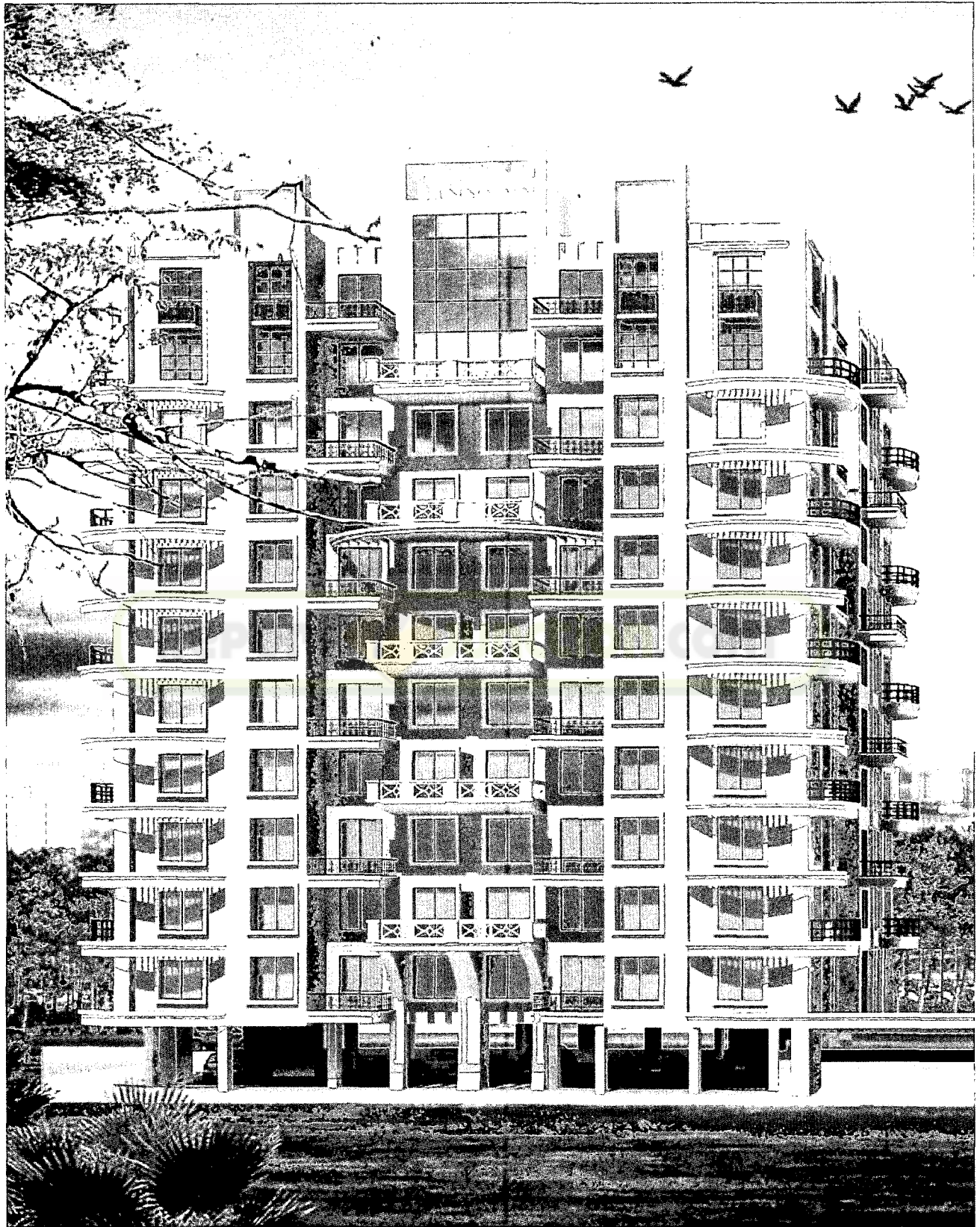


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Annual Report 2008-09

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

Hazoor Multi Projects Ltd.

CONTENTS

| | |
|---|----|
| Notice..... | 03 |
| Directors' Report..... | 05 |
| Management Discussion and Analysis..... | 10 |
| Corporate Governance Report..... | 14 |
| Shareholders Information..... | 24 |
| Secretarial Compliance Report..... | 27 |
| Auditors' Report..... | 28 |
| Balance Sheet | 31 |
| Profit and Loss Accounts..... | 32 |
| Cash Flow Statements..... | 33 |
| Schedules forming part of account | 34 |
| Notes forming part of Accounts | 38 |
| Statement pursuant to Section 212..... | 46 |
| Auditor's Report on Consolidated Financial Statements | 48 |
| Consolidated Accounts | 49 |
| Particulars of Subsidiary Companies | 64 |

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.

Hazoor Multi Projects Ltd.

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.

Hazoor Multi Projects Ltd.

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 "Hazoar 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.

Hazoor Multi Projects Ltd.

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.