

CORPORATE INFORMATION

BOARD OF DIRECTORS

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

COMPANY SECRETARY

Mr.Dinesh Modi

AUDITORS

M/s.Ajmera Ajmera & Associates.
Chartered Accountants

BANKERS

Vijaya Bank, Mumbai

REGISTRAR & SHARE TRANSFER AGENTS

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

REGISTERED OFFICE

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

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DIRECTORS' REPORT

**To,
The Members,**

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

FINANCIAL RESULTS:

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

(Rs. in Lacs)

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

PERFORMANCE REVIEW:

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

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

APPROPRIATION:

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

CHANGES IN REGISTERED OFFICE:

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

AUDITORS REPORT:

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

CONSOLIDATED ACCOUNTS:

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

FIXED DEPOSITS:

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

MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)

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

CORPORATE GOVERNANCE:

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

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

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

SUBSIDIARIES:

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

JOINT VENTURE (J.V.):

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

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

ASSOCIATES:

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

DIRECTORS:

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

DIRECTORS' RESPONSIBILITY STATEMENT:

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

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

AUDITORS:

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

GENERAL SHAREHOLDER'S INFORMATION:

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

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

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

EMPLOYEES:

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

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

GROUP:

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

CORPORATE SOCIAL RESPONSIBILITY INITIATIVES (CSR):

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

APPRECIATION:

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

For and on behalf of the Board

Place: Mumbai
Date: 31.01.2011

V.I. Garg
CEO, Director

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

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

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

THE BUSINESS:

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

BUSINESS ANALYSIS & OUTLOOK:

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

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

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

ECONOMIC OVERVIEW:

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

INDIAN ECONOMY:

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

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

INDUSTRY OVERVIEW:

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

OPPORTUNITIES AND THREATS:

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

RISKS AND CONCERNS:

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

INTERNAL CONTROLS:

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

CAUTIONARY STATEMENT:

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

ANNEXURE II: CORPORATE GOVERNANCE REPORT**A. MANDATORY REQUIREMENTS:****1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:**

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

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

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

2. BOARD OF DIRECTORS:**COMPOSITION AND CATEGORY:**

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

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

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

*NEC- Non Executive Chairman

M.D.- Managing Director

L.A.- Leave of Absence

NED (I)- Non Executive Director (Independent)

ED - Executive Director

Excludes Alternate Directorships, and Directorships in Private Companies.

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

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

TENURE:

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

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

RESPONSIBILITIES:

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

ROLE OF INDEPENDENT DIRECTORS:

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

BOARD PROCEDURE:

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

NOTES ON DIRECTORS SEEKING RE-APPOINTMENT:

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

Mr. Paresh Sampat

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

Mr. Yuvraj Karan

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

3. AUDIT AND COMPLIANCE COMMITTEE:

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

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