

PODDAR DEVELOPERS LIMITED

Notice

Notice is hereby given that the Twenty Eight Annual General Meeting of the members of PODDAR DEVELOPERS LIMITED will be held on Tuesday 7th September 2010 at 3.00 p.m. at Kilachand Conference Room, 2nd Floor, India Merchant Chamber, Churchgate, Mumbai 400020 to transact the following business:

Ordinary Business

1. To consider and adopt the Audited Balance Sheet as at 31st March 2010 and the Profit and Loss Account for the year ended 31st March 2010 and the Directors' and Auditors' Reports thereon.
2. To declare a dividend.
3. To appoint a Director in place of Mr. Dilip Thakkar who retires by rotation and is eligible for reappointment.
4. To appoint auditors of the Company for the period commencing from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting and to fix their remuneration.

By order of the Board

Jayshankar Menon
Company Secretary

Place: Mumbai

Date: 30th April 2010

Notes

1. A member entitled to attend at the meeting is entitled to appoint a proxy to attend and vote in a poll in his stead. A proxy need not be a member of the company. Proxy forms duly completed should be deposited at the Company's registered Office at least 48 hours before the commencement of the meeting.
2. The Register of Members and the Share Transfer Books of the Company will remain closed from 1st September 2010 to 7th September 2010 both days inclusive for the purpose of Annual General Meeting and payment of

Dividend. The payment of Dividend when declared, will be made on or after 14th September 2010 to those shareholders whose name appear

- a) As Members in the Register of Members of the Company after giving effect to all valid share transfers in physical form lodged with the Company on or before 3rd September 2010
 - b) As Beneficial Owners as at the end of the day on 3rd September 2010, as per data to be furnished by the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL), in respect of the shares held in electronic form.
3. As required under the revised Clause 49 IV G of the Listing Agreement with the Stock exchange, brief profiles of Director seeking reappointment is given in the Corporate Governance Report.
 4. As required under the revised Clause 49 IV E (v) of the Listing Agreement with the Stock exchange, the shareholding of Director in the Company who is seeking reappointment is given below:

Mr. Dilip Thakkar

Nil

5. Pursuant to Section 205A to 205C of the Companies Act, 1956, any amount of dividend not claimed for a period of seven years is required to be transferred to an "Investor Education and Protection Fund". Hence shareholders who have not so far encashed their Dividend Warrants for the erstwhile financial years may immediately approach the Company with their Dividend Warrants for revalidation. As per the amended provisions, once the amount of unclaimed dividends are transferred to the Fund on their respective due dates, no claims shall lie against the Fund or the Company

BY ORDER OF THE BOARD

Jayshankar Menon
Company Secretary

PLACE: Mumbai

DATED: 30th April 2010

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DIRECTORS' REPORT

1. The Directors present their Twenty Eight Annual Report and Audited Statements of Accounts for the year ended 31st March 2010.

2. FINANCIAL RESULTS

	2009-2010 (Rupees) (Consolidated)	2009-2010 (Rupees) (Stand-alone)	2008-2009 (Rupees) (Consolidated)	2008-2009 (Rupees) (Stand-alone)
TURNOVER & OTHER INCOME	24,47,62,237	3,96,69,540	37,13,24,717	14,84,98,870
GROSS PROFIT/ BEFORE DEPRECIATION	2,34,33,939	1,20,57,757	4,59,13,375	1,89,48,254
DEPRECIATION	15,60,518	15,48,995	20,20,012	20,20,012
PROFIT BEFORE TAXATION	2,18,73,421	1,05,08,762	4,38,93,363	1,69,28,242
PROVISION FOR TAXATION				
CURRENT	1,45,155	60,000	46,90,367	11,00,000
DEFERRED	11,49,606	11,49,606	(22,93,678)	(22,93,678)
FRINGE BENEFIT	-	-	4,60,000	4,60,000
ADD/(LESS) PRIOR YEAR ADJUSTMENT	(4,87,936)	(9,77,695)	38,635	38,635
LESS: MINORITY INTEREST	92,415	-	-	-
NET PROFIT AFTER TAX	1,99,98,309	83,21,461	4,10,75,309	1,77,00,555
PROFIT / (LOSS) BROUGHT FORWARD FROM PREVIOUS YEAR	25,25,51,537	23,01,41,281	22,40,60,233	22,40,74,233
SURPLUS AVAILABLE FOR APPROPRIATION	27,25,49,846	23,84,62,742	26,51,35,542	24,17,74,788
TRANSFER TO GENERAL RESERVE	5,00,000	5,00,000	25,00,000	25,00,000
TRANSFER TO STATUTORY RESERVE	-	-	9,50,498	-
PROPOSED DIVIDEND	78,06,750	78,06,750	78,06,750	78,06,750
DIVIDEND DISTRIBUTION TAX	12,96,604	12,96,604	13,26,757	13,26,757
BALANCE CARRIED TO BALANCE SHEET	26,29,46,492	22,88,59,388	25,25,51,537	23,01,41,281

3. DIVIDEND

The Directors have pleasure in recommending for consideration of the Members at the Annual General Meeting, payment of Dividend of Re 1.50 per share (15%), (Previous Year 15%), for the year ended 31st March 2010. The total dividend outgo including tax thereon will be Rs. 91.03 Lacs (previous year Rs. 91.34 Lacs.)

4. PERFORMANCE DURING THE YEAR

The Company launched the marketing of its Low Cost Housing Project - SAMRUDDHI COMPLEX on 16th March 2010. The Project is located at Bhivpuri, near Karjat in the Raigad District of Maharashtra. This Project comprises of 1 Room Kitchen, 1 Bed Room Hall Kitchen and 2 Bedroom Hall Kitchen, totaling approximately 1200 Flats. The Marketing launch was for 1 Room Kitchen and 1 Bedroom Hall Kitchen. The response for these budget flats has been very positive.

Till date the Company has sold over 600 - 1 Room Kitchen and 1 Bedroom Hall Kitchen Flats. The Company is hopeful of selling the complete Project by the end of the 2nd Quarter of the current Financial year and completing the construction by 31st March 2011. During the year under consideration, the Company is taking all expenditure in the Real Estate Division as Work-in Progress

The Company achieved a consolidated Turnover and Other Income of Rs. 24.48 crores as against Rs. 37.13 crores during the previous year. The company ended the year with a Net Profit of Rs. 2.00 crores after providing depreciation and Tax as against a profit of Rs. 4.11 crores during the previous year.

FUTURE OUTLOOK

In view of the very positive response to the marketing launch of the Bhivpuri Project and the desire to cater to the ever increasing demand for budget houses, the Company plans to continue the model of construction of Low Cost Houses in its future Projects. In this connection, the Company has entered into an Agreement for Purchase of Development Rights at Badlapur for an aggregate consideration of Rs. 10.75 crores.

The Company has been listed as CAT-A contractor by Maharashtra State PWD, vide Certificate # 34/2009-2010. This Registration is valid till 3rd March 2013. The Company proposes to bid for the State government contracts floated by the PWD against their various requirements

The business operation of the Garment Division continues through the Company's two overseas subsidiaries. The US market's recovery continues to be slow paced. Hence the export to the US market during the year under review has not grown to the extent expected. However the recent positive economic numbers from the US market is indicative of the potential growth in garment exports. The management is confident that our foray into export of garments will grow.

5. PERSONNEL

Industrial relations during the year were satisfactory. Your Directors wish to place on record their appreciation of contribution made by the employee at all levels.

6. PARTICULARS OF EMPLOYEES

Information as required under Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended are given in the Annexure forming part of this report.

7. SUBSIDIARY COMPANY

The Audited statement of Accounts of the subsidiary companies are annexed as required u/s 212 of the Companies Act, 1956.

8. DIRECTORS RESPONSIBILITY

Pursuant to Section 217(2AA) of the Companies Amendment) Act, 2000 the Directors confirm that:

- In preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- The Directors have selected such Accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the company for that period.
- The Directors have taken proper and sufficient care 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.
- The Directors have prepared the annual accounts on a going concern basis

9. CONSERVATION OF ENERGY AND TECHNOLOGIES

Information relating to Conservation of Energy, Technology absorption etc. pursuant to Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules 1988 is not provided as the same is not applicable to the Company.

Foreign Exchange earnings and outgo are furnished in Annexure 'A'

10. FIXED DEPOSIT

During the year the company has not accepted any deposit in terms of Section 58-A of the Companies Act, 1956.

11. DIRECTORS

Mr.. Dilip Thakkar retires by rotation and being eligible offers himself for reappointment.

The information on the particulars of Directors seeking reappointment as required under Clause 49 of the Listing Agreement with the Stock exchange has been given under the report on Corporate Governance

12. AUDITORS

M/s. R. S. Shah & Company, Chartered Accountants, Mumbai retire at the ensuing Annual General Meeting and are proposed for re-appointment.

The Qualifications made by the Auditor in their Report are self explanatory and require no separate comments

13. CORPORATE GOVERNANCE

Your company complies with all the mandatory requirements pertaining to Corporate Governance in terms of revised Clause 49 of the Listing Agreement with the Stock Exchange. A detailed report on the Corporate Governance has been included in this report along with a certificate from the auditors of the company regarding compliance of conditions of Corporate governance. Further a separate Management Discussion and Analysis report is also given in this report.

For and on Behalf of the Board

Place: Mumbai
Date: 30th April 2010

DIPAK KUMAR PODDAR
EXECUTIVE CHAIRMAN

ANNEXURE TO THE DIRECTORS REPORT

A] FOREIGN EARNINGS & OUTGO:

	2009-2010 (Rupees)	2008-2009 (Rupees)
a) Total Earning for Foreign Exchange FOB Value of Exports	1,04,18,750	8,50,04,072
b) Total Outgo in Foreign Exchange		
CIF Value of Imports	-	4,98,53,463
Commission	-	10,51,107
Other Expenses	-	20,02,657

B] Information Under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules 1975 and forming part of the Directors Report for the Year ended 31st March 2010.

Employed throughout the Year and was in receipt of Remuneration aggregating to Rs. 2,00,000 or more per month

Name	Mr. Dipak Kumar Poddar
Designation	Executive Chairman
Qualification	MIIT, USA
Remuneration	2792484
Experience (Years)	35 years
Date of Appointment	31 st March 2008
Age (Years)	66
Last employment held (Employer/Designation)	Managing Director- Bajaj Auto Finance Limited

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Employed for part of the Year and was in receipt of Remuneration aggregating to Rs. 2,00,000 or more per month

Name	Mr. Kalyan Dey
Designation	President-Construction Division
Qualification	B.E. Civil (AMIE)
Remuneration	223740
Experience (Years)	22 years
Date of Appointment	16 th March 2010
Age (Years)	46 years
Last employment held (Employer/Designation)	CEO - Sterling Construction Systems Pvt. Ltd

For and on Behalf of the Board

Place: Mumbai
Date: 30th April 2010

Dipak Kumar Poddar
Executive Chairman

MANAGEMENT DISCUSSION AND ANALYSIS

Industry Structure and Development:

During the year under consideration, the recovery in the Global economy has been slow, resulting in a slower recovery in the Garment Division business. The Indian economy was in a relatively healthier position and the Real Estate Sector has made a modest recovery.

Outlook

As a continuation of the previous year the company increased its Turnover during the year. The company has diversified in to new garments for which there is a good export potential. The Company is confident that the performance during the current year will improve.

The company launch of affordable Housing has got a very positive response. There is a tremendous demand for these type of housing. Your company is confident that its venture in to this new business will be profitable

Consolidated Financial Performance:

	2009-2010 (Rupees)	2008-2009 (Rupees)
TURNOVER & OTHER INCOME	24,47,62,237	37,13,24,717
GROSS PROFIT BEFORE DEPRECIATION	2,34,33,939	4,59,13,375
DEPRECIATION	15,60,518	20,20,012
PROFIT BEFORE TAXATION	2,17,81,006	4,38,93,363

Unit wise Performance:

The Company has Two Divisions - Garment Division and Real Estate Division.

The Garment Division has two departments viz Local Sales and Export Division. However since the Company is concentrating

in the Real Estate business, the bulk of the exports are through two of its subsidiaries i.e. Wearology LLC, USA and Wearology FZC, Sharjah, UAE. The Company achieved a Turnover of Rs. 1.12 crores during the current year as against a Turnover of Rs. 10.61 crores in the previous year. The subsidiary companies achieved a Turnover of Rs. 20.10 crores during the current year (Previous Year 22.25 crores). The Company has made a consolidated Net Profit of Rs. 2.00 crores as against Rs. 4.11 crores in the previous Year. The Company proposes to continue to concentrate on the Trading business.

The Company began sale of Low Cost Flats from March 2010. The Sales will be considered on handing over the possession of the flat to the flat owner. There is huge potential for these type of housing.

Internal Controls Systems and their adequacy

Poddar Developers Limited has adequate internal control systems to ensure operational efficiency, protection and conservation of resources, accuracy and promptness in financial reporting and compliance of law and regulations. The internal control system is supported by the internal audit process. The Internal Auditor reviews and ensures that the audit observations are acted upon. The Audit Committee of the Board reviews the Internal Audit reports and the adequacy and effectiveness of internal controls.

Human Resources

The relationship with the employees continues to be cordial. The Company recognizes the importance and contribution of its employees for its growth and development and constantly endeavors to train nurture and groom its people. The Company puts emphasis on attracting and retaining the right talent. The company places emphasis on training and development of employees at all levels and has introduced methods and practices for Human Resource Development.

Management of Risks

The recovery in the European and US markets has been slow and this can affect the fortunes of the Garment industry. The recent introduction of Service Tax (approx 2.575%) by the Central Government on under construction buildings and VAT (1%) by the State Government for residential buildings will increase the cost to that extent. This can prove to be a negative factor especially in the Low Cost Housing sector.

The industry faces the risks of changes in government policies and regulations.

Cautionary Statement:

Statements in this Management Discussion and Analysis describing the company's objectives, projections, estimates and expectations may be forward looking statements within the meaning of applicable laws and regulations. Actual results might differ materially from those either expressed or implied.

REPORT ON CORPORATE GOVERNANCE

Brief statement of company's philosophy on code of governance

The Company strongly believes in fair, efficient and transparent business operations, fairness to all stakeholders in the company, proper disclosure of relevant financial and non-financial information and enhancing shareholder value on a continuous basis.

Board of Directors

Composition and Category of Directors

The Board consists of 6 Directors of whom, 4 are non-Executive Independent Directors, 1 Executive Chairman and 1 Managing Director. 4 out of the 6 non-executive Directors are independent. According to clause 49, if the Chairman of the Board is an Executive Director, at least one half of the Board should comprise of independent directors. This provision is thus met by the Company.

Name of Director	Executive/ Non Executive/ Independent	No. of other Directorship in public Ltd. companies	No. of Board Committee position held
Shri. Dipak Kumar Poddar	Chairman – Executive	8	5
Shri. Rohitashwa Poddar	Managing Director – Executive	2	1
Shri. Dilip J. Thakkar	Non Executive, Independent	13	10
Shri. Shishir Diwanji	Non Executive, Independent	6	6
Shri Shrikant Tembey	Non Executive, Independent	Nil	1
Shri Brian Brown	Non Executive, Independent	1	1

Note: Private Limited companies, foreign companies and companies under Section 25 of the Companies Act, 1956 are excluded for the above purpose.

Attendance of each Director at the Board Meeting and at the last AGM.

	Attendance at the Board Meeting	Attendance at the last A G M
Shri. Dipak Kumar Poddar	4	No
Shri. Rohitashwa Poddar	4	Yes
Shri. Dilip J. Thakkar	4	No
Shri. Shishir Diwanji	4	No
Shri Shrikant Tembey	4	Yes
Shri Brian Brown	4	No

Number of Board Meetings held during 2009-2010 and the dates on which held:

4 Board meetings were held during the year 2009-2010. The dates on which the meetings were held are as follows: 28th April 2009, 29th July 2009, 28th October 2009 and 29th January 2010

The gap between any two meetings is less than 4 months, thus complying with Clause 49 requirement.

Code of Conduct

The Board has laid down a Code of Conduct for all Board Members and senior management of the company. All the Board members

and senior management personnel have affirmed compliance with the code for the year 31 March 2009. A declaration to this effect signed by the Managing Director is given elsewhere in this Annual Report.

Brief Resume of Directors offering for appointment / reappointment:

Mr. Dilip Thakkar, 73, is the Senior Partner of Jayantilal Thakkar & Co., and is a well known FEMA expert. He is on the Board of a number of companies including Essar Oil Ltd, Panasonic Energy India Co. Ltd, Thirumala Chemicals Ltd, The Ruby Mills Ltd., PAE Ltd., Himatsingka Seide Ltd., Walchandnagar Industries Ltd., Garware Offshore Services Ltd., Garware Polyester Ltd, Indo Count Industries Ltd., Essar Shipping Ports & Logistics Ltd., Modern India Ltd, Aegis Ltd. He is also on the Board of Trustees of HSBC Mutual Fund.

He holds no equity shares of the Company

Audit Committee

The terms of reference of the Audit Committee apart from those specified in the Listing Agreement with the Stock exchange broadly pertain to review of business practices, review of investment policies, reviews of compliances and review of systems and controls.

	Attendance at the Audit Meeting
Shri Shrikant Tembey	4
Shri Brian Brown	4
Shri Dipak Kumar Poddar	4

The Audit committee of Directors as on 31st March 2010, consists of three directors viz Mr. Shrikant Tembey, Mr. Brian Brown and Mr. Dipak Kumar Poddar. In addition to the Audit committee members, the Managing Director, General Manager Finance and statutory auditors attend the meeting. The Company Secretary acts as the Secretary to the Audit committee.

The Audit committee met 4 times during 2009-2010, on 27th April, 2009, 29th July 2009, 28th October 2009 and 29th January 2010. The gap between any two meetings is less than 4 months, thus complying with Clause 49 requirement.

Remuneration Committee

The company has no formal remuneration committee. However all decisions regarding the remuneration of the Managing Director Mr. Rohitashwa Poddar and Executive Chairman Mr. Dipak Kumar Poddar is taken by the Board of Directors.

Remuneration of Directors (during 2009-2010)

Name of Director	Sitting Fees Rupees	Salaries & perquisites Rupees	Total Rupees
Shri Dipak Kumar Poddar	Nil	27,92,484	27,92,484
Shri Dilip J Thakkar	20,000	-	20,000
Shri Shishir Diwanji	20,000	-	20,000
Shri Shrikant Tembey	40,000*	-	40,000
Shri Brian Brown	40,000*	-	40,000
Shri Rohitashwa Poddar	Nil	6,26,620	6,26,620

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*Also includes sitting fees for attending Committee Meetings. The Company has not paid any Sitting Fees to Mr. Rohitashwa Poddar, Managing Director and Mr. Dipak Kumar Poddar Executive Chairman as they are paid salaries and perquisites.

Shareholders/Investors Grievance Committee

The Shareholders/Investors Grievance committee of Directors as on 31st March 2010, consisted of Mr. Dipak Kumar Poddar and Mr. Rohitashwa Poddar

Name and designation of Compliance Officer:
Mr. Jayshankar Menon, Company Secretary

Number of Pending Share Transfers as on 31st March 2010:
NIL

General Body Meetings

Location and time of last three Annual General Meetings held:

Year	Location	Date
25 th Annual General Meeting	Kilachand Conference Room, Indian Merchant Chambers, Churchgate, Mumbai 400021.	20th September 2007
26 th Annual General Meeting	Kilachand Conference Room, Indian Merchant Chambers, Churchgate, Mumbai 400021.	20th June 2008
27 th Annual General Meeting	Kilachand Conference Room, Indian Merchant Chambers, Churchgate, Mumbai 400021.	25th June 2009

Postal ballots were used /invited for voting for passing Resolution U/s 293(1)(a) and 372A of the Companies Act, 1956 on 20th June 2008.

No Postal ballot were used/invited for any other Meetings

Extraordinary General meeting was held on 21st April 2008 for approval of change of name of the Company from Wearology Limited to Poddar Developers Limited

Details of voting pattern of Postal Ballot

	Votes in favour	Votes against
Under Section 372A	100%	0%
Under Section 293 (1) (a)	100%	0%

Subsidiary Companies:

Following companies are subsidiaries of the Company

Name	% of Holding
W earology LLC USA	100%
Makara Real Estate Limited	100%
Poddar Infrastructure Private Limited	100%
Poddar Leisure Infrastructure Private Limited	100%
Poddar Habitat Private Limited	100%
W earology FZC, Sharjah UAE	90%

Disclosures:

Disclosures on materially significant related party transactions i.e. transactions of the company of material nature with its

promoters, the directors or the management, their subsidiaries or relatives etc. that may have potential conflict with the interest of the company at large:

None of the transactions with any of the related parties were in conflict with the interest of the company. A statement in summary form of transactions with related parties is placed periodically before the Audit Committee

Details of non-compliance by the company, penalties, and strictures imposed on the company by the Stock Exchange or SEBI or any statutory authority on any matter relating to capital markets, during the last three years: NONE

Details of accounting Treatment: In the preparation of financial statements, the company has followed the treatment as prescribed in Accounting Standards

Risk Management : The Company has defined Risk Management framework. The company has laid down procedures to inform the Board members about the risk assessment and minimization procedures

CEO/CFO Certification:

The CEO i.e. the Managing Director and the CFO i.e. the General Manager Finance appointed for the purpose of Clause 49 have been given the necessary certificate to the Board in the prescribed format

Means of Communication

The Quarterly, half-yearly and annual financial results are normally published in the Business Standard / Financial Express in English and in Daily Sagar in Marathi

General Shareholder Information

28th Annual General Meeting: Date:
Tuesday 7th September 2010
Time: 3.00 P.M.
Venue:
Kilachand Conference Room
Indian Merchants Chamber,
Churchgate, Mumbai 400020.

Financial Calendar (tentative)

Annual General Meeting	7th September 2010
Unaudited results for the Quarter ended 30 th June 2010	4 th week of July 2010
Annual General Meeting	7 th September 2010
Unaudited results for the Quarter ended 30 th September 2010	4 th week October 2010
Unaudited results for the Quarter ended 31 st December 2010	4 th week January 2011
Audited results for the year ended March 2011	4 th week April 2011

Date of Book closure:

1st September 2010 to 7th September 2010

Dividend Payment Date: On or after 14th September 2010 but within the statutory time limit

PODDAR DEVELOPERS LIMITED

Listing on Stock Exchanges:

The Stock Exchange- Mumbai
Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400001

Stock Code on The Stock Exchange, Mumbai (BSE): 523628
Demat ISIN for NSDL and CDSL: INE888B01018

Annual Listing Fees has been paid to the above Stock Exchanges up to 31st March 2011

Market Information

Market price data- monthly high/low and trading volumes during the last financial year on the BSE

	High (Rs.)	Low (Rs.)	Volume (Nos)
April 2009	48.70	32.65	19,570
May 2009	56.90	32.30	27,117
June 2009	48.00	31.00	70,792
July 2009	51.90	28.20	41,099
August 2009	63.55	42.00	1,31,492
September 2009	73.90	53.00	38,006
October 2009	77.55	58.30	25,054
November 2009	60.95	47.75	17,285
December 2009	56.90	48.40	51,554
January 2010	117.00	52.25	1,12,719
February 2010	90.00	74.10	29,497
March 2010	88.80	76.00	17,320

Register and Share Transfer Agents

For all work related to share registry in terms of both physical and electronic segment, the company has appointed Register and Share Transfer Agents whose details are given below:
Computech Sharecap Limited
147 MG Road, Fort Mumbai 400023
Tel: 022 - 22635000 / 22635001
e-mail: helpdesk@computechsharecap.com
web site: www.computechsharecap.com

Distribution of Shareholding (as on 31st March 2010)

Range of Holding	No. of Share-holders	% of total Share-holders	No. of Shares held	% of total shares
Upto 500	2157	89.50	320477	6.16
501 - 1000	109	4.52	91280	1.75
1001 - 2000	54	2.24	79661	1.53
2001 - 3000	15	0.62	41147	0.79
3001- 4000	9	0.37	33100	0.64
4001- 5000	6	0.25	29532	0.57
5001 - 10000	18	0.75	142681	2.74
10001 and above	42	1.74	4466622	85.82
Total	2410	100.00	5204500	100.00

Shareholding Pattern (as on 31st March, 2010)

Category	No. of Shares held	% of total shares
Promoters	6,31,450	12.13
Persons acting in Concert	25,63,125	49.25
Others	20,09,925	38.62
Total	52,04,500	100.00

Dematerialisation of shares and liquidity

The Equity Shares of your company are traded in compulsory dematerialisation form by all investors.

The company has entered into agreements with both the depositories viz National Securities Depository Ltd. (NSDL), and Central Depository Services (India) Ltd (CDSL) enabling the investors to hold shares of the company in electronic form through the depository of their choice. As on 31st March 2009 - 49,14,990 Equity Shares (94.44%) of the company was held in dematerialized form.

Address for

correspondence: Poddar Developers Limited
Unit 3-5 Neeru Silk Mills
Mathuradas Mill Compound
126 NM Joshi Marg, Lower Parel (W)
Mumbai 400013
Tel: 66164444 / Fax: 66164409
e-mail: menon@poddardevelopers.com

Name of Company Secretary/Compliance Officer:

Mr. Jayshankar Menon

Additional Information:

- Report on relatives of Directors
Mr. Dipak Kumar Poddar, Executive Chairman is related to the following Director:
- Mr. Rchitashwa Poddar, Managing Director is his son
- Your company, during the year under review has not sanctioned any loan to any of the Directors and there is no outstanding towards loans to Director as on date.
- None of the employees of the company is related to any of the Directors of the company.
- From the date of the Balance Sheet till the date of this report, there is no significant event, which will have an impact on the performance of the company during the year 2010-2011

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DECLARATION ON CODE OF CONDUCT

I, Rohitashwa Poddar, Managing Director of Poddar Developers Limited hereby declare that all the Board Members and senior management personnel have affirmed compliance with the code of Conduct of the Company for the year ended 31st March 2010 as required by Clause 49(1D) of the Listing Agreement with the Stock exchange.

Place: Mumbai
Date: 30th April 2010

Rohitashwa Poddar
Managing Director

- iii) There have been 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.

Rohitashwa Poddar
Managing Director

Chandrakant Ghanekar
General Manager Finance

Place: Mumbai
Date: 30th April 2010

DECLARATION ON FINANCIAL STATEMENTS

We hereby certify that:

- a) We have reviewed financial statements and the cash flow statement for the Twelve months period ended 31st March 2010 and that to the best of our knowledge and belief:

- i) These statements do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading
- ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations

- b) They are to the best of our knowledge and belief, no transactions entered into by the Company during the period 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 and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and steps we have taken or propose to take to rectify these deficiencies.

- d) We have indicated to the auditors and the Audit committee that

- i) There have been no significant changes in internal control over financial reporting during the year
- ii) There has been no significant change in accounting policies during the year

To the Members of
Poddar Developers Ltd

Re: Auditors Certificate on Corporate Governance

We have reviewed the compliance of conditions of corporate governance of Poddar Developers Limited for the year ended on March 31, 2010, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

The compliance of conditions of corporate governance is the responsibility of the Management. Our review was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion of the financial statements

On the basis of review and according to the information and explanations given to us and the representations made to us by the Management, we state that to the best of our knowledge and belief, the Company has complied in all material respects with the conditions of corporate governance stipulates in Clause 49 of the above mentioned Listing Agreements

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

Place: Mumbai
Date: 30th April 2010

For and on behalf of
R.S. Shah & Company
Chartered Accountants

R. S. Shah
Proprietor

R. S. SHAH & COMPANY
Chartered Accountants
217, Vardhaman Chambers,
Cawasji Patel Street,
Fort, MUMBAI - 400 001.
Tel Nos: 22042469/ 22824736

AUDITORS' REPORT

To,
THE MEMBERS OF
PODDAR DEVELOPERS LIMITED

- (1) We have audited the attached Balance Sheet of PODDAR DEVELOPERS LIMITED (Formerly known as WEAROLOGY LIMITED) as at 31st March 2010, the relative Profit and Loss Account and the Cash Flow statement for the year ended on that date, all of which have been signed by us under reference to this report. 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 have 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 misstatement. An audit includes, examining on test basis, evidence supporting the amounts and disclosures in the financial statements. An Audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
- (3) As required by the Companies (Auditors' Report) Order, 2003 issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956, and on the basis of such checks as we considered appropriate and according to the information and explanations given to us, we set out in the Annexure a statement on the matters specified in paragraphs 4 & 5 of the said order.
- (4) Further to our comments in the Annexure referred to in paragraph (3) above we report that:
1. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
 2. In our opinion, proper books of accounts as required by law, have been kept by the Company so far as appears from our examination of books. However, the liability in respect of retirement benefits are not actuarially determined and provision has not been made for impairment of the assets
 3. The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report, are in agreement with the books of account.
 4. In our opinion, the Balance Sheet, Profit & Loss Account, and Cash Flow statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3c) of Section 211 of the Companies Act, 1956 except for provision for liability in respect of employees' benefits as strictly required by AS-15 (revised 2005) and for impairment of assets as required under AS-28 issued by the Council of the I.C.A.I.
5. On the basis of written representation received from the Directors and taken on records by the Board of Directors, we report that none of the Directors is disqualified as at 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.
6. We draw your attention to Schedule 'O' to the financial statement in respect of :-
- a) Note no. 4 regarding non-provision for impairment of assets as required under AS-28.
 - b) Note no. 5 regarding non-provision for doubtful advances of Rs. 25 lacs.
 - c) Note no. 8 regarding recovery of stagnant advances of Rs. 28.33 lacs given for Tisgaon project.
 - d) Note no. 9d regarding the recovery/realization of advances of Rs. 25.27 lacs given for purchase of land at Bhivpuri.
 - e) Note No. 10 regarding the acquisition of Land development right of Rs. 1075.25 lacs pending approvals from statutory authorities.
- We are unable to express the exact impact on the profit and the reserves of the Company for the points referred herein above.
7. Subject to above in our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the Notes thereon, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view:
- a) In case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2010 and;
 - b) In case of Profit and Loss Account, of the profit of the Company for the year ended on that date.
 - c) In case of Cash Flow Statement, of the cash flows for the year ended on that date.

For R. S. SHAH & COMPANY
CHARTERED ACCOUNTANTS

Place : MUMBAI
Dated : 30th April, 2010

R. S. SHAH
(PROPRIETOR)
Membership No. 30108

ANNEXURE TO AUDITORS' REPORT

Annexure referred to in Paragraph 3 of the Auditors Report of even date to the Members of PODDAR DEVELOPERS LIMITED (Formerly known as WEAROLOGY LIMITED)

- a) The Company has maintained records showing full particulars including quantitative details and situation of the Fixed Assets
- b) We are informed that the management has physically verified some of the fixed assets and the necessary effects have been given in the accounts

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- c) Fixed Assets disposed off during the year were not substantial, and therefore, do not affect the going concern assumption.
- ii) a) The inventory has been physically verified by the management during the year and also obtained the confirmations for the goods lying with the third parties. In our opinion the frequency of verification is reasonable.
- b) The procedures for physical verification of Inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- c) In our opinion, the Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.
- iii) The Company has neither granted nor taken any loans, secured or unsecured, to or from companies, 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 procedures commensurate with the size of the Company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods & services. During the course of our audit, no major weakness has been noticed in the internal controls.
- v) a) According to the information and explanations given to us, we are of the opinion that the transactions that need to be entered into the register maintained under section 301 have been so entered.
- b) In our opinion and according to the information and explanations given to us, the Company has made certain transactions pursuant to the contract or arrangement entered into the registered maintained under section 301 of the Act for the value exceeding Rs. 5.00 lakhs in respect of the subsidiaries which are prima facie not prejudicial to the interests of the Company.
- vi) In our opinion, and according to the information and explanations given to us, the Company has not accepted any fixed deposits which are covered under provision of section 58A and section 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rule 1975.
- vii) In our opinion and according to the information and explanations given to us, Company has an internal audit system commensurate with the size and nature of its business.
- viii) The Central government has not prescribed any records pursuant to Rules for the maintenance of cost records under section 209 (1) (d) of the Companies Act, 1956.
- ix) a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, customs duty, excise duty, cess and other material statutory dues as applicable with the appropriate authorities. However as per the information verbally provided to us, Income Tax liabilities of Rs. 6,11,194/- in respect of various assessments is outstanding for a period more than six months is still to be paid. Reference is invited to note no. 3b & 3c of Notes on accounts
- b) According to the information and explanations given to us, there are no disputed liability of the Company in respect of income-tax, sales tax, customs duty, wealth tax, excise duty and cess as at 31st March 2010. However, reference is invited to Note No. 3 in Schedule 'O' of Notes on Accounts
- x) The Company has not incurred cash losses in the current year and in the immediately preceding year. The Company has no accumulated losses as at 31st March 2010.
- xi) According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in making the repayment of any Term Loan or any dues to the financial institutions or Banks and since the Company has not issued any debentures till date, therefore the question of default does not arise.
- xii) During the year, the Company has neither taken any loan from Financial Institution nor issued any debentures.
- xiii) The provisions of any special statute applicable to chit fund/nidhi/mutual benefit fund/societies are not applicable to the Company.
- xiv) In our opinion, the Company has maintained proper records of the transactions and contracts relating to trading in shares, securities, debentures and other investments and timely entries thereof have been made.
- xv) The Company has not given any guarantee to the Bank during the year for the loans taken by other parties.
- xvi) The Company has not taken any term loan during the year. Therefore, the question of its application does not arise.
- xvii) On the basis of an overall examination of the balance sheet of the Company and according to the information and explanations given to us, in our opinion, funds raised on a short-term basis have not been used for long-term investment and vice versa.
- xviii) The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act during the year.
- xix) The Company has not issued any debenture till date. Therefore creation of securities in respect of debentures does not arise.
- xx) The Company has not raised any money by public issues during the year.
- xxi) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the Management.

For R. S. SHAH & COMPANY
CHARTERED ACCOUNTANTS

R. S. SHAH
(PROPRIETOR)

Place : MUMBAI
Dated : 30th April, 2010

Membership No. 30108

PODDAR DEVELOPERS LIMITED

PODDAR DEVELOPERS LIMITED

PODDAR DEVELOPERS LIMITED

BALANCE SHEET AS AT 31ST MARCH 2010

PROFIT AND LOSS ACCOUNT FOR THE
YEAR ENDED 31ST MARCH 2010

	SCHEDULE	AS AT 31.03.2010 (Rs.)	AS AT 31.03.2009 (Rs.)
SOURCES OF FUNDS			
SHAREHOLDERS FUNDS			
Share Capital	A	52045000	52045000
Reserves & Surplus	B	440449911	442429145
LOAN FUNDS			
Secured Loans	C	35062607	6104153
Deferred Tax Liability (See Note No. 13 in Schedule 'O')		2237901	1088295
TOTAL		<u>529795419</u>	<u>501666593</u>
APPLICATION OF FUNDS			
FIXED ASSETS			
Gross Block	D	22695437	22635582
Less: Depreciation		4759696	3630768
Net Block		<u>17935741</u>	<u>19004814</u>
Add : Capital WIP		<u>-</u>	<u>1300888</u>
		<u>17935741</u>	<u>20305702</u>
INVESTMENTS			
	E	212368541	420792369
CURRENT ASSETS LOANS AND ADVANCES			
	F		
Inventories		188378569	4250797
Loans and advances		61028002	60260849
Sundry Debtors		-	1268989
Cash & Bank Balances		84546018	15614126
		<u>333952589</u>	<u>81394761</u>
Less: CURRENT LIABILITIES AND PROVISIONS	G	34461452	20826239
NET CURRENT ASSETS		<u>299491137</u>	<u>60568522</u>
TOTAL		<u>529795419</u>	<u>501666593</u>
NOTES ON ACCOUNTS			
Schedules Attached form part of the Accounts			

As per our report of even date For and on behalf of the Board

For R. S. SHAH & CO.
CHARTERED ACCOUNTANTS

Dipak Kumar Poddar-
Executive Chairman

R. S. SHAH
(Proprietor)
Membership No. : 30108

Rohitashwa Poddar-
Managing Director

Shrikant Tembey - Director

J. MENON- Secretary

PLACE : MUMBAI
DATED : 30th April 2010

	SCHEDULE	2009-2010 (Rs.)	2008-2009 (Rs.)
INCOME			
Sales & Services	H	11230651	106068213
Other Income	I	28438889	42430657
Increase/(Decrease) in stocks	J	(1041036)	(1179942)
TOTAL		<u>38628504</u>	<u>147318928</u>
EXPENDITURE			
Cost of Construction	K	-	-
Raw Materials consumed		1084945	12907436
Manufacturing Expenses	L	1590328	14909851
Purchase for Resales		433111	52765511
Administrative Expenses	M	21974771	41873372
Selling and distribution Expenses	N	920751	4854200
Interest		566841	1060304
Depreciation		1548995	2020012
TOTAL		<u>28119742</u>	<u>130390686</u>
Profit/(Loss) before Taxation		<u>10508762</u>	<u>16928242</u>
Provision for Taxation			
Income Tax		(60000)	(1100000)
Deferred Tax		(1149606)	2293678
Fringe Benefit Tax		-	(460000)
Profit for the year		<u>9299156</u>	<u>17661920</u>
Prior years Adjustment (Incl. Income tax for earlier year)		<u>(977695)</u>	<u>38635</u>
Profit After Tax		<u>8321461</u>	<u>17700555</u>
Profit B/F from previous year		<u>230141281</u>	<u>224074233</u>
Surplus available for Appropriation		<u>238462742</u>	<u>241774788</u>
Less : Transferred to General Reserve		<u>(500000)</u>	<u>(2500000)</u>
Proposed Dividend		<u>(7806750)</u>	<u>(7806750)</u>
Tax on Proposed Dividend		<u>(1296604)</u>	<u>(1326757)</u>
Balance carried to Balance Sheet		<u>228859388</u>	<u>230141281</u>
Earning per Share (in Rs.)			
Basic & Diluted E.P.S.		1.60	3.40
NOTES ON ACCOUNTS			
Schedules Attached form part of the Accounts			

As per our report of even date For and on behalf of the Board

For R. S. SHAH & CO.
CHARTERED ACCOUNTANTS

Dipak Kumar Poddar-
Executive Chairman

R. S. SHAH
(Proprietor)
Membership No. : 30108

Rohitashwa Poddar-
Managing Director

Shrikant Tembey - Director

J. MENON- Secretary

PLACE : MUMBAI
DATED : 30th April 2010

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PODDAR DEVELOPERS LIMITED

CASH FLOW FOR THE YEAR ENDED 31ST MARCH, 2010

PARTICULARS	YEAR ENDED 31st March 2010	YEAR ENDED 31st March 2009
A. Cash Flow from operating Activities		
Net Profit/(Loss) after Tax and Extra-Ordinary Items	8321461	17700555
Adjustments For		
Depreciation	1548995	2020012
(Profit) / Loss on Sale of Fixed Assets	(655871)	(14649574)
Interest Received	(5095479)	(2930553)
Interest Paid	566841	1060304
(Profit) / Loss on sales of Investment	(9892524)	(1094995)
Dividend Received	(10944076)	(21558929)
Deferred Tax	1149606	(2293678)
(Profit) / Loss in Equity Derivatives	(836724)	369118
Diminution in value of short term Investments	-	98322
Discarded Assets written off	-	642264
Share of Loss/(Profit) in Partnership LLC (Associates)	(272259)	(1553198)
Operating Profit(Loss) before Working Capital changes	(16110030)	(22190352)
Adjustments For		
Trade & Other Receivables	501836	6775030
Inventories	(184127772)	2818099
Trade Payable	13635213	(89784290)
Net Cash Flow from Operating Activity (A)	(186100753)	(102381513)
B. Cash Flow from Investing Activities		
(Purchase) / Sales of Fixed Assets	820966	8566416
(Purchase) / Sales of Investments	208423828	47411684
Profit / (Loss) on Sale of Fixed Assets	655871	14649574
Profit / (Loss) on sales of Investment	9892524	1094995
Profit / (Loss) in Equity Derivatives	836724	(369118)
Diminution in value of short term Investments	-	(98322)
Discarded Assets Written Off	-	(642264)
Share of Profit/(Loss) in Partnership LLC (Associates)	272259	1553198
Foreign Currency Translation Reserve on Foreign Investments	(1197341)	1796163
Interest Received	5095479	2930553
Dividend Received	10944076	21558929
Receivable	235744386	98451808
Net Cash Flow from Investing Activities (B)	235744386	98451808
C. Cash Flow from Financing Activities		
Proceeds from Borrowing	28958454	(8836542)
Dividend Paid including Tax thereon	(9103354)	(9133507)
Interest Paid	(566841)	(1060304)
Net Cash Flow from Financing Activity (C)	19288259	(19030353)
Net Increase/(Decrease) in Cash & Cash Equivalents (A + B + C)	68931892	(22960058)
Cash & Cash Equivalents (Opening Balance)	15614126	38574184
Cash & Cash Equivalents (Closing Balance)	84546018	15614126

Notes: The above cash flow statement has been prepared under the 'Indirect Method' as set out in the AS-3 on the cash flow statement issued by the ICAI.

As per our report of even date
FOR R. S. SHAH & CO.
CHARTERED ACCOUNTANTS

R. S. SHAH
(PROPRIETOR)
Membership No. : 30108
PLACE : MUMBAI
DATED: 30th April, 2010

J. Menon
Secretary

For and on behalf of the Board

Dipak Kumar Poddar - Executive Chairman

Rohitashwa Poddar - Managing Director

Shrikant Tembey - Director

SCHEDULES ATTACHED TO AND FORMING PART OF THE ACCOUNTS

	<u>AS AT 31.03.2010 (Rs.)</u>	<u>AS AT 31.03.2009 (Rs.)</u>
SCHEDULE 'A'		
SHARE CAPITAL		
AUTHORISED 70,00,000 Equity Shares of Rs. 10/- each	<u>70000000</u>	<u>70000000</u>
ISSUED, SUBSCRIBED AND PAID UP		
52,04,500 Equity Shares of Rs. 10/- each fully paid up	<u>52045000</u>	<u>52045000</u>
	<u>52045000</u>	<u>52045000</u>
NOTE : 172450 Equity shares were allotted pursuant to schemes of amalgamation without payments being received in cash. 3240000 shares were allotted as bonus shares by capitalisation of reserves.		
SCHEDULE 'B'		
RESERVES & SURPLUS		
GENERAL RESERVE		
Balance as per Last Balance Sheet	210491701	207991701
Add : Transferred from Profit & Loss Account	<u>500000</u>	<u>2500000</u>
	210991701	210491701
Foreign Currency Translation Reserve		
Balance as per Last Balance Sheet	1796163	-
Add/(Less) : During the year	<u>(1197341)</u>	<u>1796163</u>
	598822	1796163
Balance in Profit & Loss Account	<u>228859388</u>	<u>230141281</u>
	<u>440449911</u>	<u>442429145</u>
SCHEDULE 'C'		
SECURED LOANS		
From a Bank		
Working Capital Project Finance	30350343	-
(Mortgage of the Project Land, approx. 8.83 acres, located at village Garpoli-Bhivpuri, Taluka Karjat, District Raigad and also collaterally secured by personal guarantee of a Director of the company)		
From Others		
Under Hire Purchase schemes from different parties (Secured by hypothecation of specific vehicles Payable within one year Rs. 16,02,938/-) (Prev. Yr. Rs. 14,45,925/-)	4712264	6104153
	<u>35062607</u>	<u>6104153</u>

PODDAR DEVELOPERS LIMITED

SCHEDULES ATTACHED TO AND FORMING PART OF THE ACCOUNTS

SCHEDULE 'D'

FIXED ASSETS

Sl. No.	PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK			
		As at 01.04.2009 RS.	Additions During the Year RS.	Deductions During the Year RS.	Total as at 31.03.2010 RS.	Up to 01.04.2009 RS.	For the Year RS.	Deduction For the Year RS.	Up to 31.03.10 RS.	As at 31.03.2010 RS.	As at 31.03.2009 RS.
1	Building	7147764	-	-	7147764	931151	116509	-	1047660	6100104	6216613
2	Office Equipment	1199493	206615	572957	833151	60913	32040	2610	90343	742808	1138580
3	Vehicles *	11713712	-	417457	11296255	1909554	1094018	417457	2586115	8710140	9804158
4	Furniture & Fixture	1250574	293109	-	1543683	140477	81562	-	222039	1321644	1110097
5	Data Processing Machine	1324039	550545	-	1874584	588673	224866	-	813539	1061045	735366
	TOTAL	22635582	1050269	990414	22695437	3630768	1548995	420067	4759696	17935741	19004814
	Previous Year	47912536	1045638	26322592	22635582	17020406	2020012	15409650	3630768	19004814	

* Certain vehicles are registered in the name of the Director & Employee.

PODDAR DEVELOPERS LIMITED

PODDAR DEVELOPERS LIMITED

SCHEDULES ATTACHED TO AND FORMING PART OF THE ACCOUNTS

	AS AT 31.03.2010 (Rs.)	AS AT 31.03.2009 (Rs.)
SCHEDULE 'E'		
INVESTMENT (AT COST)		
QUOTED SHARES - LONG TERM		
24000 Equity Shares of Rs. 10/- each fully paid up of Janpriya Traders Ltd. (Prev. Yr. 24000 Sh.)	50652	50652
22550 Equity Shares of Rs. 10/- each fully paid up of Brite Merchants Ltd. (Prev. Yr. 22550 Sh.)	45553	45553
5000 Equity Shares of Rs. 10/- each fully paid up of Bharat Earth Movers Ltd. (Prev. Yr. 5000 Sh.)	6680656	6680656
95000 Equity Shares of Rs. 10/- each fully paid up of GTL Ltd. (Prev. Yr. 95000 Sh.)	23952145	23952145
37049 Equity Shares of Rs. 10/- each fully paid up of NHPC Ltd (Prev. Yr. Nil Sh.)	1333764	-
Cost of Quoted Shares (A)	32062770	30729006
MUTUAL FUNDS - SHORT TERM UNLESS SPECIFICALLY STATED		
2302615.910 Birla Sun Life Dynamic Bond Fund Retail Quarterly Dividend Payout (Prev. Yr. 2302615.910 units)	25185552	25185552
- Birla Sun Life Fixed Term Plan Series BH Institutional - Growth (Long Term) (Prev. Yr. 8800000 Units)	-	88000000
1255560.777 Birla Sun Life Savings Fund Inst. - Daily Dividend Reinvestment (Prev. Yr. Nil Units)	12564146	-
2102224.423 Reliance Medium Term Fund Daily Dividend Plan (Prev. Yr. 15465862.311 units)	35938578	264396649
4886017.400 Reliance Short Term Fund Retail Plan-Div. Plan (Prev. Yr. Nil Units)	51998115	-
136555.771 T&A Floter Fund Daily Dividend (Prev. Yr. Nil Units)	1370419	-
1975213.712 HDFC High Interest Fund Short Term Plan Div. Option (Prev. Yr. Nil Units)	20960234	-
19468.392 Templeton India Short Term Income Retail Plan Weekly Dividend Reinvestment (Prev. Yr. Nil Units)	20934847	-
Cost of Mutual Funds (B)	168951891	377582201
Total Cost of Quoted Investments (A + B)	201014661	408311207

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UNQUOTED SHARES - LONG TERM

I) IN SUBSIDIARY

50000	Equity Shares of Rs. 10/- * each fully paid up of Makara Real Estate Ltd. 100% ownership (Prev. Yr. 50000 Sh.)	500000	500000
10000	Equity Shares of Rs. 10/-** each fully paid up of Poddar Habitat P.Itd. 100% ownership (Prev. Yr. Nil Sh.)	100000	100000
10000	Equity Shares of Rs. 10/-*** each fully paid up of Poddar Leisure Infrastructure P.Itd. 100% ownership (Prev. Yr. Nil Sh.)	100000	100000
10000	Equity Shares of Rs. 10/-**** each fully paid up of Poddar Infrastructure P.Itd. 100% ownership (Prev. Yr. Nil Sh.)	100000	100000
1	W earology Limited LLC (\$ 500/- twds 100% ownership) (Prev. Yr. Nil Sh.)	22320	25245
90	W earology Limited FZE (AED 150000/- twds 90% ownership) (Prev. Yr. 100 Sh.)	1607850	2022000

II) OTHERS

500	Equity Shares of Rs. 100/- each fully paid up of The Janta Sahakari Bank Ltd. (Prev. Yr. 500 Sh)	50000	50000
19000	Equity Shares of Rs. 10/- each fully paid up of Santosh Trading & Invest. P.Itd. (Prev. Yr. 19000 Sh)	95475	95475
1900	Equity Shares of Rs. 10/- each fully paid up of Kamdhenu Technologies P.Itd. (Prev. Yr. 1900 Sh)	19000	19000
	Total Cost of Unquoted Investments	<u>2594645</u>	<u>3011720</u>

III) INVESTMENT IN PARTNERSHIP

	Organically Grown Group LLC Refer Note No. 11 in Schedule 'O'	7769235	8479442
	Nav Nirman Agro Refer Note No. 11 in Schedule 'O'	990000	990000
	Total Cost of Investment in Partnership	<u>8759235</u>	<u>9469442</u>
	Total Cost of Quoted/Unquoted Investments	<u>212368541</u>	<u>420792369</u>
	Market Value of Quoted Investment	<u>214866944</u>	<u>406487816</u>

* 6 Shares are held in the name of the nominee.

** 2 Shares are held in the name of the nominee.

*** 2 Shares are held in the name of the nominee.

**** 2 Shares are held in the name of the nominee.

PODDAR DEVELOPERS LIMITED

PODDAR DEVELOPERS LIMITED

SCHEDULES ATTACHED TO AND FORMING PART OF THE ACCOUNTS

SCHEDULE 'F'	AS AT 31.03.2010 (Rs.)	AS AT 31.03.2009 (Rs.)
CURRENT ASSETS, LOANS AND ADVANCES INVENTORIES (As taken, valued & Certified by the management)		
Garment		
- Raw Materials	2555570	1096827
- Semi finished Goods	-	3112417
- Finished Goods	3209761	41553
Construction		
- Land Development Rights (Refer Note No. 10 a & b of Schedule 'O')	107525051	-
- Construction Material	2011097	-
- Work in Progress		
- Land & Related Expenses	28305021	
- Construction, Development, Administration Marketing & Finance cost	44772069	-
	188378569	4250797
SUNDRY DEBTORS (Unsecured)		
Outstanding for the period of more than six months Considered Good	-	52090
Considered Doubtful	770362	1036623
Less : Provision	(770362)	266261
Other Debtors - Considered Good	-	446537
	-	1268989
CASH AND BANK BALANCES		
Cash on hand	408198	213798
With Scheduled Banks in		
Current A/c. (including cheques on hand Rs. 7,41,320/-)	22536097	13939373
Term Deposit (Including Rs. 6 crores with Citibank given as lien for opening Standby L/C on behalf of a subsidiary company)	61601723	1460955
	84546018	15614126
LOANS AND ADVANCES (Unsecured, considered good except stated otherwise)		
Loans	1700000	1955000
Inter Corporate Deposits	31250000	-
Deposits	301278	359278
Advances recoverable in cash or kind or for value to be received		
Considered Doubtful	2500000	2500000
(Refer Note No. 5 of Schedule 'O')		
Considered Good	16255978	16993880
	18755978	19493880
Advance and Other Incidentals for Bhivpuri Project (Refer Note No. 9 of Schedule 'O')	6565747	38452691
Advances and Other Incidentals for Badlapur Project (Refer Note No. 10 C of Schedule 'O')	2454999	-
	61028002	60260849

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PODDAR DEVELOPERS LIMITED

SCHEDULES ATTACHED TO AND FORMING PART OF THE ACCOUNTS

	AS AT 31.03.2010 (Rs.)	AS AT 31.03.2009 (Rs.)
SCHEDULE 'G'		
CURRENT LIABILITIES AND PROVISIONS		
CURRENT LIABILITIES		
Sundry Creditors	8014342	3734470
Other Liabilities	3374394	7544116
Unclaimed Dividend	712182	414146
Amount payable against Land Development Rights	8580000	-
Advance against sales of Flat	4677180	-
	<u>25358098</u>	<u>11692732</u>
PROVISIONS		
Proposed Dividend	7806750	7806750
Tax Payable on Proposed Dividend	1296604	1326757
	<u>34461452</u>	<u>20826239</u>
	<u>2009-2010</u> (Rs.)	<u>2008-2009</u> (Rs.)
SCHEDULE 'H'		
SALES & SERVICES		
Sales-Export & Export Incentives	3206526	82110137
Sales-Local	197992	16848677
Service charges received	7826133	7109399
	<u>11230651</u>	<u>106068213</u>
SCHEDULE 'I'		
OTHER INCOME		
Dividend Received	10944076	21558929
Profit on sales of Fixed Assets	655871	14649574
Profit on Sales of Investments	9892524	1094995
Profit in Equity Derivatives	836724	-
Rent Received	85500	28000
Sundry Balances written back	621456	-
Miscellaneous Income	35000	311063
Share of profit in Partnership LLC (Associate)	272259	1553198
Insurance Claim Received	-	304345
Interest Received	5095479	2930553
	<u>28438889</u>	<u>42430657</u>
SCHEDULE 'J'		
Increase/(Decrease) in stocks		
Closing Stocks		
Finished goods	3209761	41553
Semi finished goods	-	3112417
Work in progress	-	-
	<u>3209761</u>	<u>3153970</u>
Less : Opening Stocks		
Finished goods	1138380	444147
(Incl. Rs. 1096827/- trfd. from raw material)		
Semi finished goods	3112417	3401145
Work in progress	-	488620
	<u>4250797</u>	<u>4333912</u>
	<u>(1041036)</u>	<u>(1179942)</u>

PODDAR DEVELOPERS LIMITED

SCHEDULES ATTACHED TO AND FORMING PART OF THE ACCOUNTS

		AS AT 31.03.2010 (Rs.)	AS AT 31.03.2009 (Rs.)
SCHEDULE 'K'			
COST OF CONSTRUCTION			
Opening Work in Progress			
Add : Expenses incurred during the Year			
Land / Land related cost	K1	28305021	-
Development & Construction Cost	K2	24798822	-
Administrative Cost	K3	7098091	-
Marketing Cost	K4	2990196	-
Finance Cost	K5	1022576	-
Project consultancy charges		8862384	-
		73077090	
Less : Closing Work in Progress		73077090	-
		-	-
SCHEDULE 'K1'			
LAND / LAND RELATED COST			
- Land		26513211	-
- Land Related Expenses		1791810	-
		28305021	-
SCHEDULE 'K2'			
DEVELOPMENT & CONSTRUCTION COST			
Material Consumed :			
Opening Stock of Materials			
Add : Purchase during the year			
		-	-
		11044104	-
		11044104	-
Less : Closing Stock of raw Material		2011097	-
		9033007	-
Labour cost		2329499	-
Other Construction Expenses		13436316	-
(Including cost of abandoned project expenses Rs. 15 lacs)		24798822	-
SCHEDULE 'K3'			
ADMINISTRATION COST			
Salaries		3265649	-
Contribution to Provident & other funds		133185	-
Staff Welfare Expenses		98148	-
Miscellaneous Expenses		1664467	-
Legal & Professional Fees		1065703	-
Travelling & Conveyance		174475	-
Postage, Telegram & Telephone		196840	-
Printing & Stationary		263665	-
Rent Paid		148942	-
Bank Charges		29889	-
Insurance		57128	-
		7098091	-
SCHEDULE 'K4'			
MARKETING COST			
Advertisements		1922058	-
Brokerage		53400	-
Sales Promotion Expenses		1014738	-
		2990196	-
SCHEDULE 'K5'			
FINANCE COST			
Interest and Other Finance Charges			
		1022576	-
		1022576	-

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PODDAR DEVELOPERS LIMITED

SCHEDULES ATTACHED TO AND FORMING PART OF THE ACCOUNTS

		AS AT 31.03.2010 (Rs.)	AS AT 31.03.2009 (Rs.)
SCHEDULE 'L'			
MANUFACTURING EXPENSES			
Processing & Packing Charges		1365374	12673633
Accessories & Packing Materials		224954	2127308
Power & Fuel		-	108910
		<u>1590328</u>	<u>14909851</u>
	2009-2010 (Rs.)		2008-2009 (Rs.)
SCHEDULE 'M'			
ADMINISTRATIVE EXPENSES*			
Payments to & provisions for employees			
- Salaries & Bonus	8017662	12199339	
- Company's Contribution to Provident & other Funds	514678	742510	
- LIC Premium Gratuity	264984		
- Staff Welfare Expenses	108778	185544	13127393
Managerial Remuneration		3419104	3370675
Board Meeting Fees		120000	120000
Travelling Expenses		292915	3007437
Telephone & Postage Expenses		1486902	2017260
Repairs & Maintenance			
- Plant & Machinery	-	3930	
- Others	370594	378973	
		370594	382903
Rent		182750	507000
Rates & Taxes		4479	243095
Service Tax		135666	1668452
Printing & Stationery		507467	768074
Conveyance Expenses		515758	474235
Securities Exp		112100	212237
Electricity Expenses		568279	869417
Insurance Expenses		340847	280332
Legal & Professional Charges		1453584	7833665
Internal Audit Fees		100000	90000
Auditors remuneration :			
Audit fee	550000	420000	
Tax Audit	100000	90000	
Other Services	135000	59986	
		785000	569986
Miscellaneous Expenses		1293184	2649253
Service Charges		391199	564080
Bank Charges & Overseas Bank Chgs		218433	1550584
Sundry Debit Balance written off		-	158373
Discarded Assets written off		-	642264
Provision for Doubtful Debts		770362	190994
Security Transaction Tax		46	108223
Loss in Equity Derivatives		-	369118
Diminution in value of short term investments		-	98322
* Excluding the expenses related to construction debited to cost of construction in Schedule 'K3'		<u>21974771</u>	<u>41873372</u>
SCHEDULE 'N'			
SELLING AND DISTRIBUTION EXPENSES			
Freight & Forwarding		195523	609093
Sample Expenses		491277	910590
Insurance		-	79375
Business Promotion		232951	765228
E.C.G.C. Premium		1000	82084
Warehousing & Loading Unloading Charges		-	510
Commission Paid		-	2407320
* Excluding the expenses related to construction debited to cost of construction in Schedule 'K4'		<u>920751</u>	<u>4854200</u>

PODDAR DEVELOPERS LIMITED

SCHEDULES ATTACHED TO AND FORMING PART OF THE ACCOUNTS

SCHEDULE 'O'

NOTES ON ACCOUNTS

I STATEMENT ON SIGNIFICANT ACCOUNTING POLICIES:

A. Method of Accounting

- a) The Company follows the mercantile system of accounting and recognizes income and expenditure on an accrual basis except in case of Insurance claim.
- b) Financial statements are based on historical cost in accordance with the applicable mandatory accounting standards issued by The Institute of Chartered Accountants of India and the relevant provisions of Companies Act, 1956. These costs are not adjusted to reflect the impact of the changing value in the purchasing power of money.

B. Fixed Assets and Depreciation

a) Fixed assets:

Fixed Assets are stated at cost of acquisition less accumulated depreciation. Cost comprises of the purchase price and any attributable cost of bringing the assets to its working conditions for its intended use.

b) Depreciation:

Depreciation is provided on Straight Line Method at the rates specified in Schedule XIV to the Companies Act, 1956.

C. Investments

Long-term Investments are valued at cost of acquisition (including cost of purchase, brokerage, and other related expenses incurred thereon). However, provision is made for any diminution in value, other than temporary, in which case the carrying value is reduced to recognize the decline. Short-term investments are valued at lower of the cost or market price at the end of the year.

D. Exchange Fluctuations

Sundry Debtors and credit balance in debtors in foreign currencies, which are outstanding as on the date of Balance Sheet, are converted on the basis of rates prevailing at the year-end. Net difference due to such conversion is adjusted to sales. Similarly, the Current Liabilities in foreign currency which are outstanding as on the date of balance sheet are converted on the basis of rates prevailing at the year-end. Exchange differences arising on settlement of monetary items during the year are recognized as Forex gain or loss of that year. Investments in Foreign Subsidiaries and Partnership Firms are converted on the basis of rates prevailing at the year-end. Exchange differences for the same are credited / debited to Foreign currency translation reserve and effect to the Profit & Loss is given only when the investment is actually realized.

E. Inventories

a) Garment Division

Finished Goods are valued at lower of cost (ascertained on first-in-first-out basis) or net realizable value. Raw Materials and Semi-finished goods are valued at direct cost.

b) Realty & Construction

- i) Land and Land Development Right in hand are valued at cost including incidental and development expenses.
- ii) Construction materials are valued at cost.
- iii) Work in progress are valued at costs consisting of Land, construction, development, administration, marketing and finance expenses, and also effect of profit/loss where the construction is substantially completed, in respect of unit sold as determined on technical estimates.
- iv) Finished goods are valued at cost, consisting of Land and Land development rights, construction, development, administration, marketing and finance expenses, or market value whichever is lower. For this purpose items of similar nature are compared in totality.

F. Revenue Recognition

a) Garment Division

- i) Export Sales are accounted for on the basis of the date of Bill of Lading/Airway bill and other sales are accounted for on the basis of actual dispatches.

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ii) Services are accounted for on time proportion basis which are covered under agreement. Other services are accounted for as and when rendered.

b) Real Estate and Construction Division

i) The Company follows completed contract method of accounting in respect of its construction activity. Under this method profit in respect of units sold is recognised only when the work in respect of the relevant units are completed or substantially completed, which is determined on technical estimates.

ii) The construction and development cost for completion relating to the sold units, which are considered for profit are estimated on the basis of technical evaluation.

iii) Revenue recognition in respect of property sale transaction is on the basis of agreement to sale and on the transfer of all significant risks and rewards of ownership to the buyers.

c) Others

i) Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

ii) Dividend income is recognized when the shareholders' right to receive the payment is established.

G. Gratuity, Leave Encashment & Retirement Benefits

a) The Company has taken group insurance policy in respect of future Gratuity liability for all its employee and contributes annual premium on the basis of liability determine by LIC on actuarial basis.

b) The Company provides for unutilised privilege leave available to its employees on the basis that as if all the employees will retire at the end of the year.

H. Taxation

Tax expenses include current and deferred tax. Provision for Income tax is made on the basis of the taxable income as per the provisions of Income Tax Act, 1961 and the relevant Finance Act. Tax payments are set-off against provisions.

Deferred tax reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured on the basis of the tax rate and the tax laws enacted or subsequently enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

I. Earnings per Share

Basic and diluted earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period.

J. Provisions and contingent liabilities

Provisions are recognized when the company has a present obligation as a result of past events for which it is probable that cash outflow will be required and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates.

Contingent liabilities are disclosed when the company has a possible obligation and it is probable that a cash outflow will not be required to settle the obligation.

K. Other Accounting Policies

These are consistent with the generally accepted accounting policies.

II. NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2010:

1. Contingent liabilities not provided for:

a) Claims against the Company not acknowledged as debt Rs. 14.85 lacs .The matter was decided in favour of company. However, the bank has preferred an appeal against the order which is pending before the Debt Recovery Tribunal. The Company had deposited Rs. 1.00 lac as earnest money.

b) Capital contract remaining to be executed not provided for net of advance of Rs. 27.50 lacs.

2. Sundry Debtors, Creditors and Loans & Advances are subject to confirmation and reconciliation.

3. Income Tax

- a) In respect of A.Y. 1993-94, the CIT (Appeals) had decided the matter in favour of the Company and directed Income Tax Officer to give necessary effects of the said order which would result in significant reduction in the demand. However, the Company had made a provision of Rs. 4 lacs against which Rs. 3 lacs has already been paid. The balance payment if any will be made as and when final demand is received from the Department.
- b) Income tax order for the A.Y. 1995-96 were set aside by the appellant tribunal and fresh orders were passed raising aggregating demand of Rs. 455770/- net of refund, has been provided in accounts
- c) In respect of A.Y. 2001-02 Income tax authorities have raised the demand for Rs. 155424/- against which company has requested to the income tax authorities to appropriate the refund of Rs. 138350/- in respect of TDS relating to A.Y. 2004-05 and balance amount will be paid after necessary adjustment. However, the necessary provision has been made in the accounts

4. The Company has not considered the effect of impairment loss on the fixed assets as required under AS - 28 on 'Impairment of assets' issued by the Institute of Chartered Accountants of India. However, in the opinion of the management, there would not be significant effect of the impairment as the major assets of the Company comprises of Building in addition to vehicles which have been procured in last two to three years.

5. Loans and Advances include Rs. 25 lacs (Prev.Yr. 25 lacs) which is considered doubtful of recovery for which no provision has been made in the accounts

6. The Company has not provided for employee benefit such as Gratuity, Leave Encashment and other retirement benefits as per AS-15 on "Employee benefits" (revised 2005). However, the Company has taken group gratuity policy from the LIC of India and contributed full premium up to 31st March 2010. The net amount of contribution, after adjusting provision for gratuity upto previous year, of Rs. 2,64,984/-, exclusive of Rs. 58,690/- that has been debited to construction expenses as shown in Schedule 'K', has been charged to profit & loss account. Moreover, the Company has provided for accrued privileged leave on the basis as if all employees will retire at the end of the year. The overall liability in respect of employees' retirement benefit has been fully provided for in the accounts

7. Segment Information

(Figures in Rs.)

Particulars				
	Garment	Realty	Unallocated	Total
Business Segment				
REVENUE				
External Revenue	11852107 (106683621)	- -	27817433 (41815249)	39669540 (148498870)
RESULT				
Segment Result before Unallocated Expenses	2118796 (8947798)	- (-10599175)	27817433 (41815249)	29936229 (40163872)
Less : Unallocated Expenses				20405162 (23196995)
Taxes				-1209606 (733678)
Net Profit after Tax				8321461 (17700555)
OTHER INFORMATION				
Segment Assets	12606920 (1119662)	176889493 (50062395)	- -	189496413 (51182057)
Other Unallocated Assets				340299006 (450484536)
TOTAL Assets				529795419 (501666593)
Segment Liabilities		30350343 -	- -	30350343 -
Other Unallocated Liabilities				6950165 (7192448)
Total Liabilities				37300508 (7192448)

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(Figures in Rs.)

Particulars			
	Outside India	W ithin India	Total
Geographical Segment Revenue	11128980 (88899126)	28540560 (59599744)	39669540 (148498870)

a) Business Segment

For Management reporting purposes, the Company is organized into two operating divisions - Garments and Realities. The divisions are on the basis of which the Company reports its primary segment information. The above segments have been identified taking into account the organization structure as well as the differing risk and returns of these segments

- i Garments segment comprises of Export of the goods and trading in textiles and also providing services to its subsidiaries towards merchandising and documentations.
- ii Realty segment comprises of Land bank and Land development Rights and construction of Low-Cost housing project.
- iii Others segment mainly comprises of income from investments of surplus funds.

b) Geographical Segment

The Company caters to Indian as well as to export markets. The separate geographical segment information has already been given herein above.

8. Advances recoverable in cash/kind or for value to be received include advances aggregating to Rs. 26,87,759/- given in the earlier year for procurement of land at Tisgaon-Dombivali, Maharashtra. In addition to above the Company has also given further advance of Rs. 1,45,000/- during the year. There is no significant development on such procurements during the year. The recovery thereof would depend upon further development of the project and market conditions.

9. Bhivpuri Project -

- a) The Company has acquired 8.83 acres of Land at Bhivpuri for construction of low-cost housing project in a phased manner. The necessary approvals for construction from various authorities have been obtained and the Company has commenced the construction of the first phase of 1193.55 Sq mtrs. All the expenses up to 31.03.2010 related thereto have been shown at cost under Work-in-Progress in Schedule 'F' and 'K'.
- b) The Company has also commenced the booking of flat under construction and received advance towards booking which have been shown as Advance against sale of flat under the head 'Current Liabilities' in Schedule 'G'.
- c) The Company has also given advances/token of Rs. 20.61 lacs towards purchase of additional land, which is under process of registration in favour of the Company.
- d) The Company has also given advances of Rs. 25.27 lacs towards purchase of Land, which is not prima facie suitable for the construction and necessary steps are being taken to recover/realize the same. The necessary effect, if any, on account of non/short realization will be given in the accounts as and when the matter is resolved.

10. Badlapur Project -

- a) The Company has entered into agreements for purchase of Development rights on agricultural land at Badlapur site for aggregate consideration of Rs. 945.07 lacs which is subject to approvals/permission of various government authorities. The total amount including stamp duty and other expenses amounting to Rs. 1075.25 lacs has been shown as Land Development Rights under the head 'Inventories'.
- b) The above purchases have been made at prevailing market price as approved by the Board of Directors in the Board Meeting held on 28.10.2009. The Company has also obtained a valuation report from an independent valuer to verify the prices paid as it is significantly higher than valuation price as reckoned by stamp authorities.
- c) The Company has also given advances/token of Rs. 24.55 lacs towards purchase of additional land, which is under process of registration in favour of the Company.

11. List of Investments in Partnership Firms (Associates):-

Name of Firm	Ownership (%)	Capital as on 31-3-10	Company's Share Profit/(Loss)	Year Ending
Organically Grown LLC, USA Partners				
1) Poddar Developers Ltd	50%	7769235	272259	*31-12-2009
2) MJIR Inc., USA	50%			
Nav Nirman Agro ** Partners				
1) Poddar Developers Ltd	99%	9,90,000	NIL	31-03-2010
2) Six Individuals	1%			

* Equivalent of USD 6099/-

** Activity yet to be commenced.

12. a) Total Outstanding Dues of Small Scale Industrial Undertaking Rs. 12,55,277/- (Pr. Yr. Rs. 1414/-). The name of the Small Scale Industrial Undertaking, to whom the Company owes a sum, outstanding for more than 30 days are 'Industrial Box Co. 'and ' Ridham Texport P.It'd'. The information regarding the small scale industrial undertakings have been determined to the extent such parties have been identified on the basis of information available with the Company and the Auditors have relied thereon.
- b) The Company has not received any intimation from its suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006. Hence, disclosures, if any, relating to the amounts unpaid as at the year end together with interest paid/payable as required under the said Act have not been given.
13. The Deferred Tax Liability / (Asset) comprises of tax effect of timing differences on account of:

	Up to 31.03.2009 Rs.	For the Current Year Rs.	As at 31-03-2010 Rs.
Deferred Tax liability-			
Difference between the Net Block as per Books & Net Block after allowing the Depreciation U/s 32 of Income Tax Act, 1961	2649252	133599	2782851
Deferred Tax (Asset)-			
Provision for Gratuity	(977995)	977995	
Provision for Leave Encashment	(379434)	18543	(360891)
Provision for Bonus	(203528)	19469	(184059)
TOTAL	1088295	1149606	2237901

As per the prudent accounting principles, Deferred Tax Asset on carried forward loss for earlier years has not been recognized.

14. Related Party Disclosures

1. Related party disclosures, as required by AS-18, "Related Party Disclosures" are given below:

- (i) List of Subsidiaries
Makara Real Estate Ltd
Poddar Infrastructure Pvt. Ltd
Poddar Habitat Pvt. Ltd
Poddar Leisure Infrastructure Pvt. Ltd
W earology Ltd. - LLC
W earology Ltd. - FZC
- (ii) List of Partnership Firms (Associates)
Organically Grown Group LLC
Nav Nirman Agro
- (iii) Enterprises over which Key Management personnel/Relatives have significant influence
Suvijay Exports Ltd
Tiaza Trading & Investment Pvt. Ltd
Gleam Trading & Investment Pvt. Ltd
Sapphire Advisors Pvt. Ltd
Brite Merchants Ltd
Citron Finlease Pvt. Ltd
Knitrite Apparelco Ltd
Santosh Trading & Investment Pvt. Ltd
Kamdhenu Technologies Pvt. Ltd
- (iv) Key Managerial Person:
Shri Dipak Kumar Poddar - Executive Chairman
Shri Rohitashwa Poddar - Managing Director

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2. The following transactions were carried out with the related parties in the ordinary course of business:

(i) Details relating to parties referred to in Items 1(i), (ii) and (iii) above.

(Figures in Rs.)

Particulars	A		B		C		Ttd A + B + C	
	2009-10	2008-09	2009-10	2008-09	2009-10	2008-09	2009-10	2008-09
	Subsidiary		Investment in Joint Ventures/ Partnership		Enterprise over which key Management personnel/Relatives have significant influence			
Opening Balance	(53787)	-	1106484	-	-	10367043	1052697	10367043
Loan given	-	-	-	-	-	-	-	-
Loan Repaid by Party	-	-	-	-	-	(5000000)	-	(5000000)
Interest Receivable	-	-	-	-	-	173220	-	173220
Receipt against interest Receivable	-	-	-	-	-	(331704)	-	(331704)
Advance Received	-	(177600)	-	-	-	-	-	(177600)
Advance repaid	-	-	-	-	-	-	-	-
Advance Given	-	17191978	-	25000000	-	6448949	-	48640927
Advance Recovered	-	(17191978)	-	(23918049)	-	(4851881)	-	(45961908)
Expenses incurred on our behalf	-	-	-	-	-	(414679)	-	(414679)
Amt. paid against Exp. incurred on our behalf.	-	-	-	-	-	393226	-	393226
Expenses incurred by us on behalf of others	6028565	4364920	700	81480	87211	15355	6116478	4461755
Amount recovered against exp. incurred on behalf of others	(3968617)	(4245872)	(700)	(56947)	(87211)	-	(4056528)	(4302819)
Rent Receivable/(Payable)	-	-	-	-	-	(80000)	-	(80000)
Paid/(Received) against Rent	-	-	-	-	-	99042	-	99042
Sales fabrics/Garment/ Job work	1059714	1304397	-	174548	-	-	1059714	1478945
Amt. paid / (received) against Garment Purchase/Sale	(1059714)	(1299632)	-	(174548)	-	-	(1059714)	(1474180)
Service Charges received	8741840	4018500	-	-	-	-	8741840	4018500
Amount received against service charges	(6604572)	(4018500)	-	-	-	-	(6604572)	(4018500)
Processing chgs done by others	-	-	-	-	-	(6818571)	-	(6818571)
Amt. receivable/payable last year (received)/Paid during the year.	(30042)	-	-	-	-	-	(30042)	-
Balance Receivable/ payable as at year end	4113387	(53787)	1106484	1106484	-	-	5219871	1052697

(b) Details relating to parties referred to in Items 14 (1) (iv) above

Amt. in Rs.

Managerial Remuneration	Executive Chairman	Managing Director
Salary & Allowances	2376000 (2376000)	546000 (546000)
Perquisites	416484 (334315)	70000 (105000)
Contribution to PF & Other fund	- -	10620 (9360)
Total	2792484 (2710315)	626620 (660360)

The above payment has been made pursuant to Section II of Part II of Schedule XIII of the Companies Act, 1956, on account of inadequate profits, as passed by the shareholders in the general meeting.

15. Disclosure of provision as required under AS - 29 on 'Provisions, Contingent Liabilities and Contingent Assets' issued by the institute of chartered accountants of India.

Rs.

Nature of provision	Leave Encashment
Opening Balance	1116313
Additions	124575
Utilization	72953
Reversal	-
Closing Balance	1167935

16. Particulars required to be given pursuant to the provisions of Part II of the Schedule VI of the Companies Act, 1956 are given here below:

a) Details of Opening Stock

Class of Product	Unit	Qty	Value (Rs.)
Garments	Pcs	2027 (3258)	41553 (444147)
Fabric*	Mtrs	7555 (Nil)	1096827 (Nil)
Total			1138380 (444147)

* Transferred from opening stock of raw material.

b) Details of Purchases for Resale

Class of Product	Unit	Qty	Value (Rs.)
Garments	Pcs	968 (98348)	206100 (51940490)
Fabric	Mtrs	Nil (6367.90)	Nil (825021)
Yarn	Kgs.	987 (Nil)	227011 (Nil)
Total			433111 (52765511)

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c) Production

Class of Product	Unit	Licensed Capacity	Installed Capacity (Rs)	Actual Production
Garments	Pcs	N.A.	N.A.	11222* (173039)

*Excluding 61 Pcs (Pr. Yr. 571 Pcs.) used for samples, 1051 Pcs (Pr. Yr. 5050 Pcs) rejected.

d) Details of Sales

Class of Product	Unit	Qty	Value (Rs.)
Garments	Pcs	4510 (272618)	1451278 * (95704275)
Fabric	Mtrs	7555.00 (6367.90)	1579310 (1070110)
Yarn	Kgs.	987.00 (Nil)	197992 (Nil)
Total			3228580 (96774385)

** Excluding Export incentives of Rs. 1,75,938/- (Pr. Yr. Rs. 21,84,429/-)

e) Details of Closing Stock

Class of Product	Unit	Qty	Value (Rs.)
Garments	Pcs	9707 (2027)	3209761 (41553)

f) Raw Materials Consumed

Class of Product	Unit	Qty	Value (Rs.)
Fabrics & Yarn	Mtrs/Kgs.	4675.68 (96629.08)	1084945 (12907436)

g) Imported and Indigenous Raw material consumption,

	%	Rs.
Imported	Nil (Nil)	Nil (Nil)
Indigenous	100 (100)	1084945 (12907436)

Imported and indigenous Accessories and Packing Material Consumption,

	%	Rs.
Imported	- (3.29)	- (69910)
Indigenous	100 (96.71)	224954 (2057398)

h) Earning in Foreign Exchange

F.O.B. Value of Exports	Rs.
I) Garments	2592617 (77894673)
II) Services	7826133 (7109399)

i	C.I.F. Value of Import	- (49853463)
j	Expenditure in Foreign Currency : For Commission	- (1051107)

17. Details of Investments purchased, reinvested and sold during the year

	Name of the Fund	Opening Units	Purchase Units	Reinvested Units	Sales Units	Closing Balance Units
1.	Birla Sun Life Fund Instl daily Dividend Reinvestment	-	11606187.793	87207.664	10437834.680	1255560.777
2.	Reliance Medium Term Fund Daily Dividend	15465862.311	3085607.324	256905.534	16706150.746	2102224.423
3.	Reliance Short Term Fund Retail Plan Dividend Plan	-	4698144.233	187873.167	-	4886017.400
4.	Tata Floater Fund Daily Dividend	-	134034.407	2521.364	-	136555.771
5.	Tata Floater Fund Growth	-	27079.300	-	27079.300	-
6.	HDFC High Interest Fund - Short Term Plan Dividend Option Reinvest	-	1885557.428	89656.284	-	1975213.712
7.	HDFC Cash Management Fund - Treasury Advantages Plan Wholesale Daily Dividend Option.	-	996859.891	1183.085	998042.976	-
8.	Templeton India Short Term Income Retain Plan Weekly Dividend Reinvestment.	-	18668.597	799.795	-	19468.392
9.	ICICI Prudential Floating Rate Plan C Daily Dividend	-	999600.160	946.559	1000546.719	-
10.	ICICI Prudential Institutional Short Term Plan Dividend Reinvest.	-	1642976.824	18228.834	1661205.658	-

18. Consumption of Raw materials has been arrived at after deducting the sales proceeds of stock of unusable Raw materials of Fents/Regs etc.
19. The Company has not received bank statement from certain banks (outside Maharashtra) where there are either no transactions or very few transactions. Such bank accounts are mainly open for getting the credit of duty drawback in the past. The Company has already forwarded the written request to send the bank statement as well as balance confirmation as on 31st March 2010. Necessary effect if any will be given in the accounts as and when the same are received. In the opinion of the management impact of such transactions would not be material.
20. Profit on sale of Raw material & Accessories remains adjusted in consumption.
21. The figure in the bracket represents the figures of the previous year.
22. Previous year figures are regrouped/re-arranged wherever necessary.
23. Other provisions of the said Part II of the Schedule VI of the Companies Act, 1956 are Either NIL or NOT APPLICABLE.

Signature to schedule 'A' to 'O'

As per our report of even date

FOR R. S. SHAH & CO.
CHARTERED ACCOUNTANTS

R. S. SHAH
(PROPRIETOR)
Membership No. 30108

J. Menon
Secretary

For and on behalf of the Board

Dipak Kumar Poddar - Executive Chairman

Rohitashwa Poddar - Managing Director

Shrikant Tembey - Director

PLACE : MUMBAI
DATED: 30th April, 2010

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BALANCE SHEET ABSTRACT AND COMPANIES GENERAL BUSINESS PROFILE

1. Registration Details

Registration No.

L	5	1	9	0	9	M	H	1	9	8	2	P	L	C	1	4	3	0	6	6
---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---

Balance Sheet Date

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

2. Capital raised during the year (amount in Rs.)

Public Issue

NIL

Rights Issue

NIL

Private Placement

NIL

Bonus Issue

NIL

3. Position of Mobilisation and Deployment of Funds (Amount in Rs.)

Total Liabilities

529795419

Total Assets

529795419

Sources of Funds

Paid-up Equity Share Capital

52045000

Paid-up Preference Share Capital

NIL

Advance against Share Application Money

NIL

Reserve & Surplus

440449911

Unsecured Loan

NIL

Secured Loan

35062607

Deferred Tax Liability

2237901

Application of Funds

Net Fixed Assets

17935741

Investments

212368541

Net Current Assets

299491137

Miscellaneous Exp.

NIL

4. Performance of the Company (Amount in Rs.)

Turnover

11230651

Other Income

28438889

Total Expenditure

29160778

Profit Before Tax

10508762

Profit After Tax

8321461

Earning per Share

1.60

Dividend Rate %

15%

5. Generic Names of Principal Products of the Company

Not applicable, since the company is not engaged in manufacturing activities.

Place: Mumbai
Date: 30th April, 2010

For and on behalf of the Board

Dipak Kumar Poddar - Executive Chairman

Rohitashwa Poddar - Managing Director

Shrikant Tembey - Director

STATEMENT REGARDING SUBSIDIARY COMPANIES PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956

Name of Subsidiary	W earology LLC, USA	W earology FZE, UAE	Makara Real Estate Ltd.	Poddar Infrastructure Pvt. Ltd.	Poddar Habitat Pvt. Ltd.	Poddar Leisure Infrastructure Pvt. Ltd.
Financial Year of Subsidiary ended Holding Company's Interest	31st March '10	31st March '10	31st March '10	31st March '10	31st March '10	31st March '10
No. of Shares	1	90	50000	10000	10000	10000
Extent of Holding	100%	90%	100%	100%	100%	100%
Net Aggregate amount of Subsidiary's profit/(loss) not dealt with in the holding Co. A/c's.						
for subsidiary's FY	(7032175)	18797099	(34890)	(22415)	(15479)	(15292)
for previous year FY	4041685	19412389	(29699)	(27349)	(11373)	(11196)
Net Aggregate amount of Subsidiary's profit/(loss) dealt within the Holding Co. A/c's						
for subsidiary FY	NIL	NIL	NIL	NIL	NIL	NIL
for previous year FY	NIL	NIL	NIL	NIL	NIL	NIL
Material changes between end of subsidiary FY and 31st March 2010						
Subsidiary's F. Asset	NIL	NIL	NIL	NIL	NIL	NIL
Subsidiary's Investment	NIL	NIL	NIL	NIL	NIL	NIL
Monies Lent by subsidiary	NIL	NIL	NIL	NIL	NIL	NIL
Money borrowed by subsidiary	NIL	NIL	NIL	NIL	NIL	NIL

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R. S. SHAH & COMPANY
Chartered Accountants
217, Vardhaman Chambers,
Cawasji Patel Street,
Fort, MUMBAI - 400 001.
Tel Nos: 22042469/ 22824736

AUDITORS REPORT TO THE BOARD OF DIRECTORS ON THE CONSOLIDATED FINANCIAL STATEMENTS OF PODDAR DEVELOPERS LIMITED

- (1) We have audited the attached Consolidated Balance Sheet of PODDAR DEVELOPERS LIMITED (formerly known as WEAROLOGY LIMITED) and its subsidiaries as at 31st March 2010, and also the Consolidated Profit and Loss Account and the Consolidated 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 have 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 misstatement. An audit includes, examining on test basis, evidence supporting the amounts and disclosures in the financial statements. An Audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
- (3) We did not Audit the financial statements of two foreign subsidiaries, whose financial statements reflect total assets of Rs. 426.10 lacs as at 31st March 2010 and total profit (after tax) of Rs. 118.58 lacs for the year ended on that date. These financial statements and other financial information have been extracted from the audited financial statements which have been audited by other auditors whose reports have been furnished to us, and our opinion is based solely on the report of other auditors.
- (4) We report that consolidated financial statements have been prepared by the Poddar Developers Ltd's management in accordance with the requirements of Accounting standards - 21 on 'Consolidated Financial Statements' issued by the Institute of Chartered Accountants of India.

- (5) We draw your attention to Schedule 'O' to the financial statement in respect of :-
 - a) Note no. 4 regarding non-provision for impairment of assets as required under AS-28.
 - b) Note no. 5 regarding non-provision for doubtful advances of Rs. 25 lacs.
 - c) Note no. 8 regarding recovery of stagnant advances of Rs. 28.33 lacs given for Tisgaon project.
 - d) Note no. 9d regarding the recovery/realization of advances of Rs. 25.27 lacs given for purchase of land at Bhivpuri.
 - e) Note No.10 regarding the acquisition of Land development right of Rs. 1075.25 lacs pending approvals from statutory authorities.

We are unable to express the exact impact on the profit and the reserves of the Company for the points referred herein above.

- (5) Subject to above in our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the Notes thereon, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view:
 - (a) In case of the Consolidated Balance Sheet, of the state of affairs of Poddar Developers Ltd's and its subsidiaries as at 31st March 2010 and;
 - (b) In case of Consolidated Profit and Loss Account, of the profit of the Poddar Developers Ltd's and its subsidiaries for the year ended on that date.
 - (c) In case of Consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

For R. S. SHAH & COMPANY
CHARTERED ACCOUNTANTS

Place : MUMBAI
Dated : 30th April, 2010

R. S. SHAH
(PROPRIETOR)
Membership No. 30108

PODDAR DEVELOPERS LIMITED

PODDAR DEVELOPERS LIMITED

PODDAR DEVELOPERS LIMITED

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2010

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

	SCHEDULE	AS AT 31.03.2010 (Rs.)	AS AT 31.03.2009 (Rs.)
SOURCES OF FUNDS			
SHAREHOLDERS FUNDS			
Share Capital	A	52045000	52045000
Reserves & Surplus	B	480282754	474744901
MINORITY INTEREST		271065	-
LOAN FUNDS			
Secured Loans	C	35062607	6104153
Unsecured Loans		655646	742074
Deferred Tax Liability		2237901	1088295
(See Note No. 12 in Schedule 'O')			
TO TAL		<u>570554973</u>	<u>534724423</u>
APPLICATION OF FUNDS			
FIXED ASSETS			
Gross Block	D	22773780	22635582
Less: Depreciation		4771219	3630768
Net Block		<u>18002561</u>	<u>19004814</u>
Add : Capital WIP		-	1300888
		<u>18002561</u>	<u>20305702</u>
INVESTMENTS	E	234852900	437733764
CURRENT ASSETS LOANS AND ADVANCES			
Inventories	F	188378569	4250797
Loans and advances		72390612	61373415
Sundry Debtors		9584129	23720271
Cash & Bank Balances		89735486	36369601
		<u>360088796</u>	<u>125714084</u>
Less: CURRENT LIABILITIES AND PROVISIONS	G	42453047	49117398
NET CURRENT ASSETS		<u>317635749</u>	<u>76596686</u>
Miscellaneous Expenditure (To the extent not written off)		63763	88271
TOTAL		<u>570554973</u>	<u>534724423</u>
NOTES ON ACCOUNTS	O		
Schedules Attached form pat of the Accounts			
As per our report of even date		For and on behalf of the Board	
For R. S. SHAH & CO. CHARTERED ACCOUNTANTS		Dipak Kumar Poddar- Executive Chairman	
R. S. SHAH (Proprietor) Membership No. : 30108		Rohitashwa Poddar- Managing Director	
		Shrikant Tembey - Director	
PLACE : MUMBAI DATED : 30 th April 2010		J. MENON - Secretary	

	SCHEDULE	2009-2010 (Rs.)	2008-2009 (Rs.)
INCOME			
Sales & Services	H	212226150	328549334
Other Income	I	32263828	41222185
Share of profit in Partnership LLC (Associate)		272259	1553198
Increase/(Decrease)in stocks	J	(1041036)	(1179942)
TO TAL		<u>243721201</u>	<u>370144775</u>
EXPENDITURE			
Cost of Construction	K	-	-
Raw Materials consumed		1084945	12907436
Manufacturing Expenses	L	1590328	14909851
Purchase for Resales		178353718	236478252
Administrative Expenses Selling and distribution Expenses	M	34476036	50911373
Interest	N	2103761	7934007
Depreciation		2653966	1065973
Preliminary Expenses W/Off		1560518	2020012
		24508	24508
TO TAL		<u>221847780</u>	<u>326251412</u>
Profit/(Loss) before Taxation		21873421	43893363
Provision for Taxation			
Income Tax		(145155)	(4690367)
Deferred Tax		(1149606)	2293678
Fringe Benefit Tax		-	(460000)
Profit before prior years adjustment & Minority Interest		<u>20578660</u>	<u>41036674</u>
Prior year Adjustment (Incl. Income tax for earlier years)		(487936)	38635
Profit before Minority Interest		<u>20090724</u>	<u>41075309</u>
Less : Minority Interest		(92415)	-
Profit for the year		<u>19998309</u>	<u>41075309</u>
Profit B/F from previous year		<u>252551537</u>	<u>224060233</u>
Surplus available for Appropriation		272549846	265135542
Less : Transferred to General Reserve		(500000)	(2500000)
Transferred to Statutory Reserve		-	(950498)
Proposed Dividend		(7806750)	(7806750)
Tax on Proposed Dividend		(1296604)	(1326757)
Balance carried to Balance Sheet		<u>262946492</u>	<u>252551537</u>
Earning per Share (in Rs.)			
Basic & Diluted E.P.S.		3.84	7.89
NOTES ON ACCOUNTS	O		
Schedules Attached form pat of the Accounts			
As per our report of even date		For and on behalf of the Board	
For R. S. SHAH & CO. CHARTERED ACCOUNTANTS		Dipak Kumar Poddar- Executive Chairman	
R. S. SHAH (Proprietor) Membership No. : 30108		Rohitashwa Poddar- Managing Director	
		Shrikant Tembey - Director	
PLACE : MUMBAI DATED : 30 th April 2010		J. MENON - Secretary	

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PODDAR DEVELOPERS LIMITED

CONSOLIDATED CASH FLOW FOR THE YEAR ENDED 31ST MARCH, 2010

PARTICULARS	YEAR ENDED 31st March 2010	YEAR ENDED 31st March 2009
A. Cash Flow from operating Activities		
Net Profit after Tax and Extra-Ordinary Items	20090724	41075309
Adjustments For		
Depreciation	1560518	2020012
(Profit) / Loss on Sale of Fixed Assets	(655871)	(14649574)
Interest Received	(5095479)	(2930553)
Interest Paid	2653966	1065973
(Profit) / Loss on sales of Investments	(13103774)	(1094995)
Dividend Received	(10944076)	(21558929)
Deferred Tax	1149606	(2293678)
(Profit) / Loss in Equity Derivatives	(836724)	369118
Diminution in value of short term Investments	-	98322
Discarded Assets written off	-	642264
Foreign Currency Translation Reserve on Foreign Investments	(5299854)	3835135
Capital Reserve on Consolidation during the year	-	6916030
Minority Interest	178650	-
Statutory Reserve	(57248)	-
Preliminary expenses incurred	-	(67572)
Preliminary expenses written off	24508	24508
Operating Profit(Loss) before Working Capital changes	(10335054)	13451370
Adjustments For		
Trade & Other Receivables	3118945	(16788818)
Inventories	(184127772)	2818099
Trade Payable	(6664351)	(61517485)
Net Cash from Operating Activity (A)	(198008232)	(62036834)
B. Cash Flow from Investing Activities		
(Purchase) / Sales of Fixed Assets	742623	8592593
(Purchase) / Sales of Investments	202880864	29970289
Profit / (Loss) on Sale of Fixed Assets	655871	14649574
Profit / (Loss) on Sale of Investments	13103774	1094995
Profit / (Loss) in Equity Derivatives	836724	(369118)
Diminution in value of short term Investments	-	(98322)
Discarded Assets Written Off	-	(642264)
Interest Received	5095479	2930553
Dividend Received	10944076	21558929
Net cash flow from Investing Activities (B)	234259411	77687229
C. Cash Flow from Financing Activities		
Proceeds from Borrowing	28872026	(8094468)
Dividend Paid including Tax thereon	(9103354)	(9133507)
Interest (Paid)	(2653966)	(1065973)
Net cash used in Financing Activity (C)	17114706	(18293948)
Net increase (Decrease) in Cash & Cash Equivalents (A+B+C)	53365885	(2643553)
Cash & Cash Equivalents (Opening Balance)	36369601	39013154
Cash & Cash Equivalents (Closing Balance)	89735486	36369601

Notes: The above cash flow statement has been prepared under the 'Indirect Method' as set out in the AS-3 on the cash flow statement issued by the ICAI.

As per our report of even date
FOR R. S. SHAH & CO.
CHARTERED ACCOUNTANTS

R. S. SHAH
(Proprietor)

J. Menon
Secretary

For and on behalf of the Board

Dipak Kumar Poddar - Executive Chairman

Rohitashwa Poddar - Managing Director

Shrikant Tembey - Director

PLACE : MUMBAI
DATED: 30th April, 2010

CONSOLIDATED SCHEDULES ATTACHED TO AND FORMING PART OF THE ACCOUNTS

	AS AT 31.03.2010 (Rs.)	AS AT 31.03.2009 (Rs.)
	<u> </u>	<u> </u>
SCHEDULE 'A'		
SHARE CAPITAL		
AUTHORISED 70,00,000 Equity Shares of Rs. 10/- each	70000000	70000000
	<u> </u>	<u> </u>
ISSUED, SUBSCRIBED AND PAID UP		
52,04,500 Equity Shares of Rs. 10/- each fully paid up	52045000	52045000
	52045000	52045000
	<u> </u>	<u> </u>
NOTE : 172450 Equity shares were allotted pursuant to schemes of amalgamation without payments being received in cash. 3240000 shares were allotted as bonus shares by capitalisation of reserves.		
SCHEDULE 'B'		
RESERVES & SURPLUS		
GENERAL RESERVE		
Balance as per Last Balance Sheet	210491701	207991701
Add : Transferred from Profit & Loss Account	500000	2500000
	<u> </u>	<u> </u>
Balance in Profit & Loss Account	262946492	252551537
Capital Reserve on consolidation as per AS-21	6916030	6916030
Statutory Reserve	893250	950498
Foreign Currency Translation Reserve		
Balance as per Last Balance Sheet	3835135	3835135
Add/(Less) : During the year	(5299854)	3835135
	<u> </u>	<u> </u>
	480282754	474744901
	<u> </u>	<u> </u>
SCHEDULE 'C'		
SECURED LOANS		
<u>From a Bank</u>		
Working Capital Project Finance	30350343	-
(Mortgage of the Project Land, approx. 8.83 acres, located at village Garpoli-Bhivpuri, Taluka Karjat, District Raigad and aslo collaterally secured by personal guarantee of a director of the company)		
<u>From Others</u>		
Under Hire Purchase schemes from different parties (Secured by hypothecation of specific vehicles payable within one year Rs. 16,02,938/-) (Prev. Yr. Rs. 14,45,925/-)	4712264	6104153
	<u> </u>	<u> </u>
	35062607	6104153
	<u> </u>	<u> </u>

PODDAR DEVELOPERS LIMITED

CONSOLIDATED SCHEDULES ATTACHED TO AND FORMING PART OF THE ACCOUNTS

SCHEDULE 'D'

FIXED ASSETS

PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK			
	As at 01.04.2009 RS.	Additions During the Year RS.	Deductions During the Year RS.	Total as at 31.03.2010 RS.	Up to 01.04.2009 RS.	For the Year RS.	Deduction For the Year RS.	Up to 31.03.10 RS.	As at 31.03.2010 RS.	As at 31.03.2009 RS.
1 Building	7147764	-	-	7147764	931151	116509	-	1047660	6100104	6216613
2 Office Equipment	1199493	206615	572957	833151	60913	32040	2610	90343	742808	1138580
3 Vehicles *	11713712	-	417457	11296255	1909554	1094018	417457	2586115	8710140	9804158
4 Furniture & Fixture	1250574	293109	-	1543683	140477	81562	-	222039	1321644	1110097
5 Data Processing Machine	1324039	628888	-	1952927	588673	236389	-	825062	1127865	735366
TOTAL	22635582	1128612	990414	22773780	3630768	1560518	420067	4771219	18002561	19004814
Previous Year	47938713	1045638	26348769	22635582	17020406	2020012	15409650	3630768	19004814	

* Certain vehicles are registered in the name of the Director & Employee.

PODDAR DEVELOPERS LIMITED

PODDAR DEVELOPERS LIMITED

CONSOLIDATED SCHEDULES ATTACHED TO AND FORMING PART OF THE ACCOUNTS

	AS AT 31.03.2010 (Rs.)	AS AT 31.03.2009 (Rs.)
SCHEDULE 'E'		
INVESTMENT (AT COST)		
QUOTED SHARES - LONG TERM		
24000 Equity Shares of Rs. 10/- each fully paid up of Janpriya Traders Ltd. (Prev. Yr. 24000 Sh.)	50652	50652
22550 Equity Shares of Rs. 10/- each fully paid up of Brite Merchants Ltd. (Prev. Yr. 22550 Sh.)	45553	45553
5000 Equity Shares of Rs. 10/- each fully paid up of Bharat Earth Movers Ltd. (Prev. Yr. 5000 Sh.)	6680656	6680656
95000 Equity Shares of Rs. 10/- each fully paid up of GTL Ltd. (Prev. Yr. 95000 Sh.)	23952145	23952145
37049 Equity Shares of Rs. 10/- each fully paid up of NHPC Ltd (Prev. Yr. Nil Sh.)	1333764	-
Cost of Quoted Shares (A)	<u>32062770</u>	<u>30729006</u>
MUTUAL FUNDS - SHORT TERM UNLESS SPECIFICALLY STATED		
2302615.910 Birla Sun Life Dynamic Bond Fund Retail Quarterly Dividend Payout (Prev. Yr. 2302615.910 units)	25185552	25185552
- Birla Sun Life Fixed Term Plan Series BH Institutional - Growth (Long Term) (Prev. Yr. 8800000 Units)	-	88000000
1255560.777 Birla Sun Life Savings Fund Inst. - Daily Dividend Reinvestment (Prev. Yr. Nil Units)	12564146	-
2102224.423 Reliance Medium Term Fund Daily Dividend Plan (Prev. Yr. 15465862.311 units)	35938578	264396649
4886017.400 Reliance Short Term Fund Retail Plan-Div. Plan (Prev. Yr. Nil Units)	51998115	-
136555.771 T&a Floter Fund Daily Dividend (Prev. Yr. Nil Units)	1370419	-
1975213.712 HDFC High Interest Fund Short Term Plan Div. Option (Prev. Yr. Nil Units)	20960234	-
19468.392 Templeton India Short Term Income Retail Plan Weekly Dividend Reinvestment (Prev. Yr. Nil Units)	20934847	-
Cost of Mutual Funds (B)	<u>168951891</u>	<u>377582201</u>
Total Cost of Quoted Investments (A + B)	<u>201014661</u>	<u>408311207</u>

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UNQUOTED SHARES - LONG TERM

I OTHERS

500	Equity Shares of Rs. 100/- each fully paid up of The Janta Sahakari Bank Ltd. (Prev. Yr. 500 Sh)	50000	50000
19000	Equity Shares of Rs. 10/- each fully paid up of Santosh Trading & Invest. P. Ltd. (Prev. Yr. 19000 Sh)	95475	95475
1900	Equity Shares of Rs. 10/- each fully paid up of Kamdhenu Technologies P. Ltd. (Prev. Yr. 1900 Sh)	19000	19000
	UBS AG Liquid Fund	-	19788640
	J. P. Morgan International Bank Ltd. (Prev. Yr. Nil Units)	24914529	-
	Total Cost of Unquoted Investments	<u>25079004</u>	<u>19953115</u>

II INVESTMENT IN PARTNERSHIP

	Organically Grown Group LLC Refer Note No. 11 in Schedule 'O'	7769235	8479442
	Nav Nirman Agro Refer Note No. 11 in Schedule 'O'	990000	990000
	Total Cost of Investment in Partnership	<u>8759235</u>	<u>9469442</u>
	Total Cost of Quoted/Unquoted Investments	<u>234852900</u>	<u>437733764</u>
	Market Value of Quoted Investment	<u>214866944</u>	<u>406487816</u>

* 6 Shares are held in the name of the nominee.

** 2 Shares are held in the name of the nominee.

*** 2 Shares are held in the name of the nominee.

**** 2 Shares are held in the name of the nominee.

PODDAR DEVELOPERS LIMITED

PODDAR DEVELOPERS LIMITED

CONSOLIDATED SCHEDULES ATTACHED TO AND FORMING PART OF THE ACCOUNTS

SCHEDULE 'F'	AS AT 31.03.2010 (Rs.)	AS AT 31.03.2009 (Rs.)
CURRENT ASSETS, LOANS AND ADVANCES INVENTORIES (As taken, valued & Certified by the management)		
Garment		
- Raw Materials	2555570	1096827
- Semi finished Goods	-	3112417
- Finished Goods	3209761	41553
Construction		
- Land Development Rights (Refer Note No. 10 a & b of Schedule 'O')	107525051	-
- Construction Material	2011097	-
- Work in Progress		
- Land & Related Expenses	28305021	
- Construction, Development, Administration Marketing & Finance cost	44772069	-
	188378569	4250797
SUNDRY DEBTORS (Unsecured)		
Outstanding for the period of more than six months		
Considered Good	87765	52090
Considered Doubtful	770362	1036623
Less : Provision	(770362)	266261
	-	770362
Other Debtors - Considered Good	9496364	22897819
	9584129	23720271
CASH AND BANK BALANCES		
Cash on hand	416531	222131
With Banks		
Current A/c. (including cheques on hand Rs. 7,41,320/-)	27717232	34686515
Term Deposit (Including Rs. 6 crores with Citibank given as lien for opening Standby L/C on behalf of a subsidiary company)	61601723	1460955
	89735486	36369601
LOANS AND ADVANCES (Unsecured, considered good except stated otherwise)		
Loans	1700000	2712350
Inter Corporate Deposits	31250000	-
Deposits	342963	406458
Advances recoverable in cash or kind or for value to be received		
Considered Doubtful	2500000	2500000
(Refer Note No. 5 of Schedule 'O')		
Considered Good	27576903	17301916
	30076903	19801916
Advance and Other Incidentals for Bhivpuri Project (Refer Note No. 9 of Schedule 'O')	6565747	38452691
Advances and Other Incidentals for Badlapur Project (Refer Note No. 10 c of Schedule 'O')	2454999	-
	72390612	61373415

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PODDAR DEVELOPERS LIMITED

SCHEDULES ATTACHED TO AND FORMING PART OF THE ACCOUNTS

	AS AT 31.03.2010 (Rs.)	AS AT 31.03.2009 (Rs.)
SCHEDULE 'G'		
CURRENT LIABILITIES AND PROVISIONS		
CURRENT LIABILITIES		
Sundry Creditors	13793499	24842487
Other Liabilities	5586832	14727258
Unclaimed Dividend	712182	414146
Amount payable against Land Development Rights	8580000	-
Advance against sales of Flat	4677180	-
	<u>33349693</u>	<u>39983891</u>
PROVISIONS		
Proposed Dividend	7806750	7806750
Tax Payable on Proposed Dividend	1296604	1326757
	<u>42453047</u>	<u>49117398</u>
	<u>2009-2010</u> (Rs.)	<u>2008-2009</u> (Rs.)
SCHEDULE 'H'		
SALES		
Sales-(Incl. export incentives)	212226150	328549334
	<u>212226150</u>	<u>328549334</u>
SCHEDULE 'I'		
OTHER INCOME		
Miscellaneous Income	920948	655789
Dividend Received	10944076	21558929
Profit on sales of Fixed Assets	655871	14649574
Profit on Sales of Investments	13103774	1094995
Profit in Equity Derivatives	836724	-
Rent Received	85500	28000
Sundry Balances written back	621456	-
Insurance Claim Received	-	304345
Interest Received	5095479	2930553
	<u>32263828</u>	<u>41222185</u>
SCHEDULE 'J'		
Increase/(Decrease) in stocks		
Closing Stocks		
Finished goods	3209761	41553
Semi finished goods	-	3112417
Work in progress	-	-
	<u>3209761</u>	<u>3153970</u>
Less : Opening Stocks		
Finished goods	1138380	444147
(Incl. Rs. 1096827/- trfd. from raw material)		
Semi finished goods	3112417	3401145
Work in progress	-	488620
	<u>4250797</u>	<u>4333912</u>
	<u>(1041036)</u>	<u>(1179942)</u>

PODDAR DEVELOPERS LIMITED

CONSOLIDATED SCHEDULES ATTACHED TO AND FORMING PART OF THE ACCOUNTS

		AS AT 31.03.2010 (Rs.)	AS AT 31.03.2009 (Rs.)
SCHEDULE 'K'			
COST OF CONSTRUCTION			
Opening Work in Progress			
Add : Expenses incurred during the Year			
Land / Land related cost	K1	28305021	-
Development & Construction Cost	K2	24798822	-
Administrative Cost	K3	7098091	-
Marketing Cost	K4	2990196	-
Finance Cost	K5	1022576	-
Project consultancy charges		8862384	-
		<u>73077090</u>	<u>-</u>
Less : Closing Work in Progress		73077090	-
		<u>-</u>	<u>-</u>
SCHEDULE 'K1'			
LAND / LAND RELATED COST			
- Land		26513211	-
- Land Related Expenses		1791810	-
		<u>28305021</u>	<u>-</u>
SCHEDULE 'K2'			
DEVELOPMENT & CONSTRUCTION COST			
Material Consumed :			
Opening Stock of Materials		-	-
Add : Purchase during the year		11044104	-
		<u>11044104</u>	<u>-</u>
Less : Closing Stock of raw Material		2011097	-
		<u>9033007</u>	<u>-</u>
Labour cost		2329499	-
Other Construction Expenses		13436316	-
(Including cost of abandoned project expenses Rs. 15 lacs)		<u>24798822</u>	<u>-</u>
SCHEDULE 'K3'			
ADMINISTRATION COST			
Salaries		3265649	-
Contribution to Provident & other funds		133185	-
Staff Welfare Expenses		98148	-
Miscellaneous Expenses		1664467	-
Legal & Professional Fees		1065703	-
Travelling & Conveyance		174475	-
Postage, Telegram & Telephone		196840	-
Printing & Stationary		263665	-
Rent Paid		148942	-
Bank Charges		29889	-
Insurance		57128	-
		<u>7098091</u>	<u>-</u>
SCHEDULE 'K4'			
MARKETING COST			
Advertisements		1922058	-
Brokerage		53400	-
Sales Promotion Expenses		1014738	-
		<u>2990196</u>	<u>-</u>
SCHEDULE 'K5'			
FINANCE COST			
Interest and Other Finance Charges		1022576	-
		<u>1022576</u>	<u>-</u>

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PODDAR DEVELOPERS LIMITED

CONSOLIDATED SCHEDULES ATTACHED TO AND FORMING PART OF THE ACCOUNTS

SCHEDULE 'L'	AS AT		AS AT	
	31.03.2010 (Rs.)		31.03.2009 (Rs.)	
MANUFACTURING EXPENSES				
Processing & Packing Charges		1365374		12673633
Accessories & Packing Materials		224954		2127308
Power & Fuel		-		108910
		<u>1590328</u>		<u>14909851</u>
SCHEDULE 'M'	2009-2010 (Rs.)		2008-2009 (Rs.)	
ADMINISTRATIVE EXPENSES*				
Payments to & provisions for employees				
- Salaries & Bonus	8017662		12199339	
- Company's Contribution to Provident & other Funds	514678		742510	
- LIC Premium Gratuity	264984			
- Staff Welfare Expenses	108778	8906102	185544	13127393
Managerial Remuneration		3419104		3370675
Board Meeting Fees		120000		120000
Travelling Expenses		3859471		3007437
Telephone & Postage Expenses		1590127		2029385
Repairs & Maintenance				
- Plant & Machinery	-		3930	
- Others	370594		378973	
		<u>370594</u>		<u>382903</u>
Rent		574625		799753
Rates & Taxes		4479		258425
Service Tax		135666		1668452
Printing & Stationery		507467		772474
Conveyance Expenses		515758		474235
Securities Exp		112100		212237
Electricity Expenses		568279		869417
Insurance Expenses		340847		280332
Legal & Professional Charges		1996818		11520121
Internal Audit Fees		100000		90000
Auditors remuneration :				
Audit fee	694693		706354	
Tax Audit	100000		90000	
Other Services	135000		59986	
		<u>929693</u>		<u>856340</u>
Miscellaneous Expenses		1631789		2779248
Service Charges		391199		2914426
Bank Charges & Overseas Bank Chgs		222833		3719223
Sundry Debit Balance written off		-		158373
Discarded Assets written off		-		642264
Provision for Doubtful Debts		770362		-
Bad Debt		-		282597
Security Transaction Tax		46		108223
Loss in Equity Derivatives		-		369118
Diminution in value of short term investments		-		98322
Others		2290335		-
Design & Development Expenses		1405200		-
Consultancy & Management Fees Paid		2684354		-
Office & Other Expenses		1028788		-
		<u>34476036</u>		<u>50911373</u>
* Excluding the expenses related to construction debited to cost of construction in Schedule 'K3'				

PODDAR DEVELOPERS LIMITED

CONSOLIDATED SCHEDULES ATTACHED TO AND FORMING PART OF THE ACCOUNTS

SCHEDULE 'N'	2009-2010 (Rs.)	2008-2009 (Rs.)
SELLING AND DISTRIBUTION EXPENSES		
Freight & Forwarding	195523	609093
Sample Expenses	530254	910590
Insurance	-	79375
Business Promotion	413251	765228
E.C.G.C. Premium	1000	82084
Warehousing & Loading Unloading Charges	-	510
Commission Paid	963733	5487127
	<u>2103761</u>	<u>7934007</u>

* Excluding the expenses related to construction debited to cost of construction in Schedule 'K4'

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PODDAR DEVELOPERS LIMITED

CONSOLIDATED SCHEDULES ATTACHED TO AND FORMING PART OF THE ACCOUNTS

SCHEDULE 'O'

NOTES ON ACCOUNTS

I BASIS OF CONSOLIDATION

- a) The Consolidated financial statement (CFS) relates to Poddar Developers Ltd, the Company and its following subsidiary companies collectively referred to as "the Group":-

Name of the Subsidiary	Country of Incorporation	Proportion of Ownership	Year Ending
W earology (FZE)	U.A.E.	90%*	31-03-2010
W earology Ltd. LLC	U.S.A.	100%	31-03-2010
Makara Real Estate Ltd	India	100%	31-03-2010
Poddar Habitat Pvt. Ltd	India	100%	31-03-2010
Poddar Leisure Infrastructure Pvt. Ltd	India	100%	31-03-2010
Poddar Infrastructure Pvt. Ltd	India	100%	31-03-2010

* During the year, the Company has sold 10% of its stake in Wearology (FZC).

- b) 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 expenditure, after fully eliminating intra-group balances and intra-group transactions and resulting unrealized profits and losses. as per. The financial statements of subsidiaries used in preparation of CFS are drawn up to the same reporting date as that of the Company i.e. for the year ended 31.03.2010.
- c) The CFS have been prepared in accordance with Accounting Standard - 21 on 'Consolidated Financial Statements' and Accounting Standard - 23 on 'Accounting for Investments in Associates in Consolidated Financial Statements'.
- d) In case of foreign subsidiaries being non-integral foreign operations, revenue items have been consolidated at the average of the rates prevailing during the year. All assets and liabilities are translated at the rates prevailing at the balance sheet date. The exchange difference arising on the translation is debited or credited to Foreign Currency Translation Reserve. The same is in accordance with Accounting Standard - 11 on 'The Effects of changes in Foreign Exchange Rates'.

II LIST OF ASSOCIATES

List of Investments in Partnership Firms (Associates):-

The Company has entered into partnership arrangements with the following :-

Name of Firm	Ownership (%)	Capital as on 31-3-10	Company's Share Profit/(Loss)	Year Ending
A. Organically Grown LLC, USA Partner 1) Poddar Developers Ltd 2) MJIR Inc., USA	50% 50%	7769235	272259	* 31-12-2009
B Nav Nirman Agro ** Partner 1) Poddar Developers Ltd 2) Six Individuals	99% 1%	9,90,000	Nil	31.03.2010

* Equivalent to US \$ 6099/-

** Activity yet to be commenced.

III STATEMENT ON SIGNIFICANT ACCOUNTING POLICIES:

A. Method of Accounting

- a) The Company follows the mercantile system of accounting and recognizes income and expenditure on an accrual basis except in case of Insurance claim.
- b) Financial statements are based on historical cost in accordance with the applicable mandatory accounting standards issued by The Institute of Chartered Accountants of India and the relevant provisions of Companies Act, 1956. These costs are not adjusted to reflect the impact of the changing value in the purchasing power of money.

B. Fixed Assets and Depreciation

a) Fixed assets:

Fixed Assets are stated at cost of acquisition less accumulated depreciation. Cost comprises of the purchase price and any attributable cost of bringing the assets to its working conditions for its intended use.

b) Depreciation:

Depreciation is provided on Straight Line Method at the rates specified in Schedule XIV to the Companies Act, 1956.

C. Investments

Long-term Investments are valued at cost of acquisition (including cost of purchase, brokerage, and other related expenses incurred thereon). However, provision is made for any diminution in value, other than temporary, in which case the carrying value is reduced to recognize the decline. Short-term investments are valued at lower of the cost or market price at the end of the year.

D. Exchange Fluctuations

Sundry Debtors and credit balance in debtors in foreign currencies, which are outstanding as on the date of Balance Sheet, are converted on the basis of rates prevailing at the year-end. Net difference due to such conversion is adjusted to sales. Similarly, the Current Liabilities in foreign currency which are outstanding as on the date of balance sheet are converted on the basis of rates prevailing at the year-end. Exchange differences arising on settlement of monetary items during the year are recognized as Forex gain or loss of that year. Investments in Foreign Subsidiaries and Partnership Firms are converted on the basis of rates prevailing at the year-end. Exchange differences for the same are credited / debited to Foreign currency translation reserve and effect to the Profit & Loss is given only when the investment is actually realized.

E. Inventories

a) Garment Division

Finished Goods are valued at lower of cost (ascertained on first-in-first-out basis) or net realizable value. Raw Materials and Semi-finished goods are valued at direct cost.

b) Realty & Construction

- i) Land and Land Development Right in hand are valued at cost including incidental and development expenses.
- ii) Construction materials are valued at cost.
- iii) Work in progress are valued at costs consisting of Land, construction, development, administration, marketing and finance expenses, and also effect of profit/loss where the construction is substantially completed, in respect of unit sold as determined on technical estimates.
- iv) Finished goods are valued at cost, consisting of Land and Land development rights, construction, development, administration, marketing and finance expenses, or market value whichever is lower. For this purpose items of similar nature are compared in totality.

F. Revenue Recognition

a) Garment Division

- i) Export Sales are accounted for on the basis of the date of Bill of Lading/Airway bill and other sales are accounted for on the basis of actual dispatches.
- ii) Services are accounted for on time proportion basis which are covered under agreement. Other services are accounted for as and when rendered.

b) Real Estate and Construction Division

- i) The Company follows completed contract method of accounting in respect of its construction activity. Under this method profit in respect of units sold is recognised only when the work in respect of the relevant units are completed or substantially completed, which is determined on technical estimates.
- ii) The construction and development cost for completion relating to the sold units, which are considered for profit are estimated on the basis of technical evaluation.
- iii) Revenue recognition in respect of property sale transaction is on the basis of agreement to sale and on the transfer of all significant risks and rewards of ownership to the buyers.

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c) Others

- i) Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.
- ii) Dividend income is recognized when the shareholders' right to receive the payment is established.

G. Gratuity, Leave Encashment & Retirement Benefits

- a) The Company has taken group insurance policy in respect of future Gratuity liability for all its employee and contributes annual premium on the basis of liability determine by LIC on actuarial basis.
- b) The Company provides for unutilised privilege leave available to its employees on the basis that as if all the employees will retire at the end of the year.

H. Taxation

Tax expenses include current and deferred tax. Provision for Income tax is made on the basis of the taxable income as per the provisions of Income Tax Act, 1961 and the relevant Finance Act. Tax payments are set-off against provisions.

Deferred tax reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured on the basis of the tax rate and the tax laws enacted or subsequently enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

I. Earnings per Share

Basic and diluted earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period.

J. Provisions and contingent liabilities

Provisions are recognized when the company has a present obligation as a result of past events for which it is probable that cash outflow will be required and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates.

Contingent liabilities are disclosed when the company has a possible obligation and it is probable that a cash outflow will not be required to settle the obligation.

K. Other Accounting Policies

These are consistent with the generally accepted accounting policies.

II. NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2010:

1. Contingent liabilities not provided for:

- a) Claims against the Company not acknowledged as debt Rs.14.85 lacs .The matter was decided in favour of company. However, the bank has preferred an appeal against the order which is pending before the Debt Recovery Tribunal. The Company had deposited Rs.1.00 lac as earnest money.
- b) Capital contract remaining to be executed not provided for net of advance of Rs.27.50 lacs.

2. Sundry Debtors, Creditors and Loans & Advances are subject to confirmation and reconciliation.

3. Income Tax

- a) In respect of A.Y.1993-94, the CIT (Appeals) had decided the matter in favour of the Company and directed Income Tax Officer to give necessary effects of the said order which would result in significant reduction in the demand. However, the Company had made a provision of Rs. 4 lacs against which Rs. 3 lacs has already been paid. The balance payment if any will be made as and when final demand is received from the Department.
- b) Income tax order for the A.Y.1995-96 were set aside by the appellant tribunal and fresh orders were passed raising aggregating demand of Rs.455770/- net of refund has been provided in accounts
- c) In respect of A.Y. 2001-02 Income tax authorities have raised the demand for Rs.155424/- against which company has requested to the income tax authorities to appropriate the refund of Rs.138350/- in respect of TDS relating to A.Y. 2004-05 and balance amount will be paid after necessary adjustment. However, the necessary provision has been made in the accounts

PODDAR DEVELOPERS LIMITED

4. The Company has not considered the effect of impairment loss on the fixed assets as required under AS - 28 on 'Impairment of assets' issued by the Institute of Chartered Accountants of India. However, in the opinion of the management, there would not be significant effect of the impairment as the major assets of the Company comprises of Building in addition to vehicles which have been procured in last two to three years.
5. Loans and Advances include Rs.25 lacs (Prev.Yr.25 lacs) which is considered doubtful of recovery for which no provision has been made in the accounts
6. The Company has not provided for employee benefit such as Gratuity, Leave Encashment and other retirement benefits as per AS-15 on "Employee benefits" (revised 2005). However, the Company has taken group gratuity policy from the LIC of India and contributed full premium up to 31st March 2010. The net amount of contribution, after adjusting provision for gratuity upto previous year, of Rs.2,64,984/-, exclusive of Rs. 58,690/- that has been debited to construction expenses as shown in Schedule 'K', has been charged to profit & loss account. Moreover, the Company has provided for accrued privileged leave on the basis as if all employees will retire at the end of the year. The overall liability in respect of employees' retirement benefit has been fully provided for in the accounts

7. Segment Information

(Figures in Rs.)

Particulars				
	Garment	Realty	Unallocated	Total
Business Segment				
REVENUE				
External Revenue	213733554 (329509468)	-	31028683 (41815249)	244762237 (371324717)
RESULT				
Segment Result before Unallocated Expenses	10360281 (38711099)	-	31028683 (41815249)	41388964 (69927173)
Less : Unallocated Expenses				20095894 (25995175)
Taxes				1294761 (2856689)
Net Profit after Tax				19998309 (41075309)
OTHER INFORMATION				
Segment Assets	30302538 (16568444)	176889493 (50062395)	-	207192031 (66630839)
Other Unallocated Assets				363362942 (450484536)
TOTAL Assets				570554973 (534724423)
Segment Liabilities	655646 (-)	30350343 (-)	-	31005989 (-)
Other Unallocated Liabilities				7221230 (7934522)
Total Liabilities				38227219 (7934522)

(Figures in Rs.)

Particulars			
	Outside India	W ithin India	Total
Geographical Segment			
Segment Revenue	216221677 (88899126)	28540560 (59599744)	244762237 (148498870)

a) Business Segment

For Management reporting purposes, the Company is organized into two operating divisions - Garments and Realities. The divisions are on the basis of which the Company reports its primary segment information. The above segments have been identified taking into account the organization structure as well as the differing risk and returns of these segments

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- i Garments segment comprises of Export of the goods and trading in textiles and also providing services to its subsidiaries towards merchandising and documentations.
- ii Realty segment comprises of Land bank and Land development Rights and construction of Low-Cost housing project.
- iii Others segment mainly comprises of income from investments of surplus funds.

b) Geographical Segment

The Company caters to Indian as well as to export markets. The separate geographical segment information has already been given herein above.

8. Advances recoverable in cash/kind or for value to be received include advances aggregating to Rs.26,87,759/- given in the earlier year for procurement of land at Tisgaon-Dombivali, Maharashtra. In addition to above the Company has also given further advance of Rs.1,45,000/- during the year. There is no significant development on such procurements during the year. The recovery thereof would depend upon further development of the project and market conditions.

9. Bhivpuri Project -

- a) The Company has acquired 8.83 acres of Land at Bhivpuri for construction of low-cost housing project in a phased manner. The necessary approvals for construction from various authorities have been obtained and the Company has commenced the construction of the first phase of 1193.55 Sq mtrs. All the expenses up to 31.03.2010 related thereto have been shown at cost under Work-in-Progress in Schedule 'F' and 'K'.
- b) The Company has also commenced the booking of flat under construction and received advance towards booking which have been shown as Advance against sale of flat under the head 'Current Liabilities' in Schedule 'G'.
- c) The Company has also given advances/token of Rs. 20.61 lacs towards purchase of additional land, which is under process of registration in favour of the Company.
- d) The Company has also given advances of Rs. 25.27 lacs towards purchase of Land, which is not prima facie suitable for the construction and necessary steps are being taken to recover/realize the same. The necessary effect, if any, on account of non/short realization will be given in the accounts as and when the matter is resolved.

10. Badlapur Project -

- a) The Company has entered into agreements for purchase of Development rights on agricultural land at Badlapur site for aggregate consideration of Rs. 945.07 lacs which is subject to approvals/permission of various government authorities. The total amount including stamp duty and other expenses amounting to Rs. 1075.25 lacs has been shown as Land Development Rights under the head 'Inventories'.
- b) The above purchases have been made at prevailing market price as approved by the Board of Directors in the Board Meeting held on 28.10.2009. The Company has also obtained a valuation report from an independent valuer to verify the prices paid as it is significantly higher than valuation price as reckoned by stamp authorities.
- c) The Company has also given advances/token of Rs. 24.55 lacs towards purchase of additional land, which is under process of registration in favour of the Company.

11. a) Total Outstanding Dues of Small Scale Industrial Undertaking Rs. 12,55,277/- (Pr. Yr. Rs.1414/-). The name of the Small Scale Industrial Undertaking, to whom the Company owes a sum, outstanding for more than 30 days are 'Industrial Box Co.' and 'Richam Texport P. Itd.'. The information regarding the small scale industrial undertakings have been determined to the extent such parties have been identified on the basis of information available with the Company and the Auditors have relied thereon.

- b) The Company has not received any intimation from its suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006. Hence, disclosures, if any, relating to the amounts unpaid as at the year end together with interest paid/payable as required under the said Act have not been given.

12. The Deferred Tax Liability / (Asset) comprises of tax effect of timing differences on account of:

	Up to 31.03.2009 Rs.	For the Current Year Rs.	As at 31-03-2010 Rs.
Deferred Tax liability-			
Difference between the Net Block as per Books & Net Block after allowing the Depreciation U/s 32 of Income Tax Act, 1961	2649252	133599	2782851
Deferred Tax (Asset)-			
Provision for Gratuity	(977995)	977995	
Provision for Leave Encashment	(379434)	18543	(360891)
Provision for Bonus	(203528)	19469	(184059)
TOTAL	1088295	1149606	2237901

As per the prudent accounting principles, Deferred Tax Asset on carried forward loss for earlier years has not been recognized.

13. Related Party Disclosures

1. Related party disclosures, as required by AS-18, "Related Party Disclosures" are given below:

- (i) List of Partnership Firms (Associates)
Organically Grown Group LLC
Nav Nirman Agro
- (ii) Enterprises over which Key Management personnel/Relatives have significant influence
Suvijay Exports Ltd
Tiara Trading & Investment Pvt. Ltd
Gleam Trading & Investment Pvt. Ltd
Sapphire Advisors Pvt. Ltd
Brite Merchants Ltd
Citron Finlease Pvt. Ltd
Knitrite Apparelco Ltd
Santosh Trading & Investment Pvt. Ltd
Kamdhenu Technologies Pvt.Ltd
- (iii) Key Managerial Person:
Shri Dipak Kumar Poddar - Executive Chairman
Shri Rohitashwa Poddar - Managing Director

2. The following transactions were carried out with the related parties in the ordinary course of business:

(a) Details relating to parties referred to in Items 1(i), and (ii) above. (Figures in Rs.)

Particulars	A		B		Total A + B	
	Investment in Joint Ventures/ Partnership		Enterprise over which key management personnel/Relatives have significant influence			
	2009-10	2008-09	2009-10	2008-09	2009-10	2008-09
Opening Balance	1106484	-	-	10367043	1106484	10367043
Loan Given	-	-	-	-	-	-
Loan Repaid by Party	-	-	-	(5000000)	-	(5000000)
Interest Receivable	-	-	-	173220	-	173220
Receipt against int. Receivable	-	-	-	(331704)	-	(331704)
Advance Given	-	25000000	-	6448949	-	31448949
Advance Recovered	-	(23918049)	-	(4851881)	-	(28769930)
Expenses incurred on our behalf	-	-	-	(414679)	-	(414679)
Amt. paid against Exp. incurred on our behalf.	-	-	-	393226	-	393226
Expenses incurred by us on behalf of others	700	81480	87211	15355	87911	96835
Amount recovered against exp. incurred on behalf of others	(700)	(56947)	(87211)	-	(87911)	(56947)
Rent Receivable/(Payable)	-	-	-	(80000)	-	(80000)
Paid/(Received) against Rent	-	-	-	99042	-	99042
Sales fabrics/Garment/Job work	-	174548	-	-	-	174548
Amt. paid / (received) against Garment Purchase/Sale	-	(174548)	-	-	-	(174548)
Processing chgs done by others	-	-	-	(6818571)	-	(6818571)
Balance Receivable/payable as at year end	1106484	1106484	-	-	1106484	1106484

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b) Details of Related party transaction of Subsidiary :=

Name of Subsidiary: Wearology FZC (UAE)

Name of Related Party: Organically Grown Group LLC (USA)

	(Rs.)
Loan Taken	655646
Interest on Loan	26238
Sales	113400

(c) Details relating to parties referred to in Items 13 (1) (iii) above

Amt. in Rs.

Managerial Remuneration	Executive Chairman	Managing Director
Salary & Allowances	2376000 (2376000)	546000 (546000)
Perquisites	416484 (334315)	70000 (105000)
Contribution to PF & Other fund	- -	10620 (9360)
Total	2792484 (2710315)	626620 (660360)

The above payment has been made pursuant to Section II of Part II of Schedule XIII of the Companies Act, 1956, on account of inadequate profits, as passed by the shareholders in the general meeting.

14. Disclosure of provision as required under AS - 29 on 'Provisions, Contingent Liabilities and Contingent Assets' issued by the institute of chartered accountants of India.

Rs.

Nature of provision	Leave Encashment
Opening Balance	1116313
Additions	124575
Utilization	72953
Reversal	-
Closing Balance	1167935

- 15 Details of Investments purchased, reinvested and sold during the year

Name of the Fund	Opening Units	Purchase Units	Reinvested Units	Sales Units	Closing Balance Units
1. Birla Sun Life Fund Instl daily Dividend Reinvestment	-	11606187.793	87207.664	10437834.680	1255560.777
2. Reliance Medium Term Fund Daily Dividend	15465862.311	3085607.324	256905.534	16706150.746	2102224.423
3. Reliance Short Term Fund Retail Plan Dividend Plan	-	4698144.233	187873.167	-	4886017.400
4. T&a Floater Fund Daily Dividend	-	134034.407	2521.364	-	136555.771
5. T&a Floater Fund Growth	-	27079.300	-	27079.300	-
6. HDFC High Interest Fund - Short Term Plan Dividend Option Reinvest	-	1885557.428	89656.284	-	1975213.712
7. HDFC Cash Management Fund - Treasury Advantages Plan Wholesale Daily Dividend Option.	-	996859.891	1183.085	998042.976	-
8. Templeton India Short Term Income Retain Plan Weekly Dividend Reinvestment.	-	18668.597	799.795	-	19468.392
9. ICICI Prudential Floating Rate Plan C Daily Dividend	-	999600.160	946.559	1000546.719	-
10. ICICI Prudential Institutional Short Term Plan Dividend Reinvest.	-	1642976.824	18228.834	1661205.658	-

- 16 Consumption of Raw materials has been arrived at after deducting the sales proceeds of stock of unusable Raw materials of Fents/Regs etc.
- 17 The Company has not received bank statement from certain banks (outside Maharashtra) where there are either no transactions or very few transactions. Such bank accounts are mainly open for getting the credit of duty drawback in the past. The Company has already forwarded the written request to send the bank statement as well as balance confirmation as on 31st March 2010. Necessary effect if any will be given in the accounts as and when the same are received. In the opinion of the management impact of such transactions would not be material.
- 18 Profit on sale of Raw material & Accessories remains adjusted in consumption
- 19 The figure in the bracket represents the figures of the previous year.
- 20 Previous year figures are regrouped/re-arranged wherever necessary.
- 21 Other provisions of the said Part II of the Schedule VI of the Companies Act, 1956 are Either NIL or NOT APPLICABLE.

Signature to schedule 'A' to 'O'

As per our report of even date

FOR R. S. SHAH & CO.
CHARTERED ACCOUNTANTS

R. S. SHAH
(PROPRIETOR)
Membership No. 30108

J. Menon
Secretary

For and on behalf of the Board

Dipak Kumar Poddar - Executive Chairman
Rohitashwa Poddar - Managing Director
Shrikant Tembey - Director

PLACE : MUMBAI
DATED: 30th April, 2010

PODDAR DEVELOPERS LIMITED

- b. We have obtained all information & explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
- c. In our opinion, proper books of accounts have been maintained by the company as far as appears from our examination of those books.
- d. We confirm, to the best of our knowledge and belief that these financial statements and the contents of the Directors' report are in agreement with the books of accounts

- e. We confirm, to the best of our knowledge and belief, that there were no violation of the provisions of the U.A.E. Commercial Law No. 8 of 1984 (as amended by Law No. 13 of 1988) and Memorandum of Association of the company that would affect materially the working of the financial statements of the company.

Date : 10th April 2010
Place : Sharjah (U.A.E.)

Kothari Auditors & Accountants
Kothari Vipul R.
Ministry of Economy Reg. No. 159

Statement of Financial Positions for the year ended 31st March 2010

Particulars	Note No.	Amount in U.A.E. Dhs. (AED)	
		31-3-2010	31-3-2009
Assets Employed :			
Current Assets			
Cash & Bank Balances	5	358,591	1,244,213
Deposits, Prepayments	6	14,912	27,500
Advance to others	7	0	1,080
Advance to related parties	8	0	6,264
Loan to others	9	1,284,500	0
Receivables	10	476,382	268,933
		2,134,385	1,547,990
Non Current assets :			
Investments	11	2,091,900	1,468,000
Total Assets		4,226,285	3,015,990
Liabilities & Equity :			
Current Liabilities :			
Payables & advances	12	441,452	268,583
Advance from related party	13	239,510	0
Loan from related party	14	221,949	898,845
Accrued Expenses		46,378	94,014
		949,289	1,261,442
Non Current Liabilities			
Loan from related party	15	55,050	55,050
		55,050	55,050
		1,004,339	1,316,492
Shareholders' Equity :			
Share Capital	16	150,000	150,000
Reserves & Surplus	17	3,071,946	1,549,498
		3,221,946	1,699,498
Total Liabilities & Equity		4,226,285	3,015,990

The enclosed note nos. 1 to 24 & schedule form an integral part of these financial statements Auditor's Report is on page 52. The manager has authorised the issuance of these financial statements on 10th April 2010.

For Wearology (FZC)

Rohitashwa Poddar
Directors

Mannan Mohammed Hussain

Statement of Comprehensive Income for the year ended 31st March 2010

Particulars	Note No.	Amount in U.A.E. Dhs. (AED)	
		1-4-2009 31-3-2010	1-9-2008 31-3-2009
Revenue		14,692,345	7,952,251
Cost of Sales	18	(13,157,228)	(6,757,141)
Gross Profit		1,535,117	1,195,110
Other Operating Income	19	140,174	522,956
Sales & Distribution cost	20	(14,424)	(7,228)
Administrative cost	21	(274,178)	(88,724)
Profit from operations		1,386,689	1,622,114
Non Operating Items :			
Profit on sale of investments		256,900	0
Finance Cost	22	(121,141)	(72,616)
		135,759	(72,616)
Net Profit		1,522,448	1,549,498
Appropriations :			
Opening Balance of		1,474,498	0
Retained Earnings			
Transfer to statutory reserve		0	(75,000)
Closing Balance of		2,996,946	1,474,498
Retained Earnings.		2,996,946	1,474,498

The enclosed note nos. 1 to 24 & schedule form an integral part of these financial statements Auditor's Report is on page 52. The manager has authorised the issuance of these financial statements on 10th April 2010.

For Wearology (FZC)

Rohitashwa Poddar
Directors

Mannan Mohammed Hussain

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Statement of Changes in Equity for the year ended 31st March 2010

Amount in U.A.E. Dhs. (AED)

Particulars	Share Capital	Statutory Reserve	Retained Earnings	Total
As at 1-9-2008	0	0	0	0
Net Profit	0	0	1,549,498	1,549,498
Transfers	0	75,000	(75,000)	0
Net Movements	150,000	0	0	150,000
As at 31-3-2009	150,000	75,000	1,474,498	1,699,498
As at 1-4-2009	150,000	75,000	1,474,498	1,699,498
Net Profit	0	0	1,522,448	1,522,448
Transfers	0	0	0	0
Net Movements	0	0	0	0
As at 31-3-2010	150,000	75,000	2,996,946	3,221,946

The enclosed note nos. 1 to 24 & schedule form an integral part of these financial statements Auditor's Report is on page 52. The manager has authorised the issuance of these financial statements on 10th April, 2010

For Wearology (FZC)

Rohitashwa Poddar
Directors

Mannan Mohammed Hussain

Statement of Cash Flows for the year ended 31st March 2010

Amount in U.A.E. Dhs. (AED)

Particulars	Note No.	1-4-2009 to 31-3-2010	1-9-2008 to 31-3-2009
Cash Flows from Operating Activities :			
Net profit		1,522,448	1,549,498
(Profit) on Sale of Investments		(256,900)	0
Finance cost		121,141	72,616
Operating Profit		1,386,689	1,622,114
No Changes in Operating Assets & Liabilities :			
Decrease / (Increase) in Deposit, Prepayments		12,588	(27,500)
Decrease / (Increase) in Receivables		(207,449)	(268,933)
Decrease / (Increase) in Advance from related party		239,510	0
Increase / (Decrease) in Payables		172,869	268,583
Increase / (Decrease) in Accrued Expenses		(47,636)	94,014
Cash Generated from Operations		1,556,571	1,688,278
Cash Flow from Investing Activities :			
Decrease / (Increase) in Advance to related party		6,264	(6,264)
Decrease / (Increase) in Advance to others		1,080	(1,080)
Sale of Investments		1,724,900	0
Purchase of Investments		(2,091,900)	(1,468,000)
Cash (Used in) Investing		(359,656)	(1,475,344)
Cash Flow from Financing Activities :			
Decrease / (Increase) in Loan to others		(1,284,500)	0
Increase / (Decrease) in Share Capital		0	150,000
Increase / (Decrease) in Loan from related parties		(676,896)	953,895
(Outflow) of Finance Charges		(121,141)	(72,616)
Cash (used in) Generated from Financing		(2,082,537)	1,031,279
Surplus (Deficit) for the year		(885,622)	1,244,213
Cash & Cash Equivalents at beginning of year		1,244,213	0
Cash & Cash Equivalents at end of year	5	358,591	1,244,213

The enclosed note nos. 1 to 24 & schedule form an integral part of these financial statements Auditor's Report is on page 52. The manager has authorised the issuance of these financial statements on 10th April 2010.

For Wearology (FZC)

Rohitashwa Poddar
Directors

Mannan Mohammed Hussain

Notes to Financial Statements for the year ended 31st March 2010

1 Status and Activity :

- 1.1 Wareology (FZC) is registered as a Free Zone Establishment with limited liability at Sharjah Airport International Free Zone (SAIF Zone) in the Emirate of Sharjah under commercial license No. 01-01-06596
- 1.2 The shareholders of the company as at 31st March 2010 and their interests on that date in the Share Capital of the company was as follows :

Name & Nationality	Capital	
	%age	Value (AED)
M/s. Poddar Developers Ltd., India	90.00%	135,000/-
Mr. Mannan Mohammed Hussein, Indian National	10.00%	15,000/-
	100.00%	1,50,000/-

During the year under review, M/s. Poddar Developers Ltd. the sole shareholder of the company sold 10% of its shareholding in the company to Mr. Mannan Mohammed Hussain vide share transfer attested with the SAIF Zone authorities dated 24th March 2010 and hence the shareholding of the company is as shown above. On the same date the legal status of the company was changed from a Free Zone Establishment to a Free Zone Company. Except for this there were no significant events occurring after the statement of financial position date that would materially affect the working of the financial statements of the company.

- 1.3 The principle place of business is at Executive Suite, R4-36, SAIF Zone, Sharjah and registered address of the company is Post Box 122093, SAIF Zone, Sharjah (U.A.E.).
- 1.4 The company is licensed to carry on the business of import and export of ladies, gents and children's garments

2 Basis of preparation :

2.1 Statement of compliance :

These financial statements have been prepared in accordance with the international financial reporting standards for small and medium sized entities (IFRS for SMEs) issued by International Accounting Standards Board (IASB).

2.2 Basis of measurement :

These financial statements have been prepared under going concern assumption and historical cost convention except in respect of those financial instruments, which are presented at their fair values and properly disclosed elsewhere in the report.

2.3 Basis of accounting & coverage :

The company follows the accrual basis of accounting. Under accrual basis of accounting, transactions and events are recognized as and when they occur and are recorded in the financial statements for the year to which they relate to.

The financial statements enclosed cover the year from 1st April 2009 to 31st March 2010. Previous year figures are for the period 1st September 2008 to 31st March 2009 and have been regrouped whenever necessary.

2.4 Functional & presentation currency :

The financial statements are presented in United Arab Emirates Dirham (AED), which is also the company's functional currency. All financial information presented in AED has been rounded off to the nearest UAE Dirhams.

2.5 Use of estimates and judgements :

The preparation of financial statements in conformity with

IFRS required management to make estimates, judgements and assumptions that effect the application of policies and reported amounts of assets and liabilities, income and expenses.

Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimate is revised and in any future year affected.

3 Summary of significant accounting policies :

The following accounting policies have been consistently applied by the management in preparation of the financial statements except where stated here under.

3.1 Receivables :

Trade receivables are recognized initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of trade receivable is established where there is objective evidence that the company will not be able to collect all amounts due according to original terms of the receivables.

3.2 Inventory :

Stock of materials, if any has been valued at lower of the cost valued on first in first out method (including applicable associated costs) or net realizable value. Assessment of inventory is being carried out at the end of the year and value of inventory is being considered after providing for obsolete inventory, if any.

3.3 Investments :

Investments represent investments by the company, to enhance the company's business interest or to effectively utilize the surplus resources. Investments are classified as either long term or short-term, based on the intention of the management, at the time of their purchase.

Long term investments are stated at cost and provision is made to recognize any decline in value, other than temporary.

All short term investments are represented at lower of cost or fair value. The write down of carrying value to fair value, is recognized in the income statement of that year.

3.4 Property, plant and equipment :

The company does not have any property, plant and equipment as at statement of financial position date.

3.5 Impairment :

A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset. All impairment losses are recognized in the income statement. A non-financial asset is assessed for impairment (its recoverable amount being less than its carrying amount) and impairment loss is immediately recognized in the income statement.

3.6 Employee benefits :

Employee benefits, if any, have been provided for in accordance with the contractual terms with the employees, but is however subject to minimum of UAE Labour Law requirements

3.7 Provisions and contingencies :

Provisions are recognized when the company has a legal or constructive obligation as a result of past events and it is probable that an outflow of economic benefits would be required to settle these obligations and a reliable estimate of the same can be made.

A disclosure of contingent liability is made when there is a possible obligation or a present obligation that may, but

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probably will not, require an outflow of resources. When likelihood of outflow is remote, no provision or disclosure is made.

3.8 Statutory reserve :

Appropriations to Statutory Reserve has been discontinued since the balance in the reserve account has reached 50% of Share Capital as per the provisions of UAE Commercial Companies Law No. 8 of 1984 (as amended by Law No. 13 of 1988). Statutory reserve is not a free reserve and is not available for distributions.

3.9 Revenue recognition :

Sales, include the invoiced value of trading goods supplied during the year less returns and discounts, if any. Sales income is recognized when the significant risk and reward of ownership have transferred to the buyer and the entity loses effective control and ownership over the goods and the amount can be measured reliably. Other income includes commission received and is recognised when due.

3.10 Expenditure :

Expenses are accounted for on the accrual basis and provisions are made for all known losses and liabilities. Expenses are presented in the statement of comprehensive income, classified according to the function of expense.

3.11 Foreign currency transactions :

- Transactions in foreign currency, if any, are converted into UAE Dhs. at prevailing exchange rate on the date such transactions are entered into.
- Monetary assets and liabilities denominated in foreign currencies are translated into AED at the foreign exchange rates prevailing at the statement of financial position date. Non-monetary assets and liabilities denominated in foreign currencies which are stated at historical cost, are translated into AED at the foreign exchange rates ruling at the date of transaction.
- Resultant loss or gain has been recognized in the income statement, in the year in which such assets are realized or liabilities are discharged.

4. Other significant disclosures :

4.1 Related party transactions :

The company enters into transactions with another firm and / or persons that falls within the definitions of related party as contained in International Financing Reporting Standards.

Related parties comprise of the shareholder, Wearology Ltd. LLC U.S.A., Organically Grown, U.S.A., Poddar Developers Ltd., India, Poddar Infrastructure Pvt. Ltd., India, Poddar Habitat Pvt. Ltd., India, Poddar Leisure Infrastructure Pvt. Ltd., India and Makara Real Estate Ltd., India.

During the year under review, following transactions were entered into with related party :

Name of transaction		2009-10		2008-09
Sales	AED	16,821/-	AED	7,624/-
Commission income	AED	61,553/-	AED	495,755/-
Purchases	AED	36,397/-	AED	96,905/-
Service charges expenses	AED	455,080/-	AED	230,100/-
Interest on loan from related party	AED	20,657/-	AED	19,478/-
Business promotion expenses	AED	179,615/-	AED	Nil/-

The company has advanced funds to, received advance from and loans from related party which is shown under the heads 'Advance to related party', 'Advance from related party' and 'Loan from related party' respectively.

4.2 Financial, capital risk management and fair value information :

4.2.1 Credit, liquidity and market rate risk :

Credit risk :

Credit risk is the risk of financial loss to the company if a customer or counter-party to a financial instrument fails to meet its contractual obligations.

The company's cash is placed with banks of repute.

The exposure to credit risk on trade receivable and amounts due from related parties is monitored on an ongoing basis by the management and these are considered recoverable by the company's management.

Liquidity risk :

Liquidity risk is the risk that the company will not be able to meet its financial obligations as and when it falls due. The company's assets are sufficient to cover its financial obligations, and the shareholders have resolved to infuse necessary funds, in case of any short fall in liquidity.

Market risk :

Market risk is the risk that changes in market prices, such as investment prices, interest rates and currency rates will affect the company's income of the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return on risk.

Investment price risk :

The company is exposed to the risk of fluctuation in the market price of quoted investment. Unquoted investments are measured on either cost model or equity model, where fair value measurement is not possible.

Interest rate risk :

The interest rate on the company's financial instruments is based on market rates.

Interest on loan from related party is being charged @ 3.00 % p.a. (previous period @ 3.00 % p.a.)

Currency risk :

Currency risk faced by the company is minimal as there are minimal foreign currency transactions. Most of the monetary assets and liabilities are denominated in UAE Dirhams or in United States Dollar (USD), which is pegged to AED. However the company is exposed to following foreign currency risk :

	2009-10	2008-09
Bank Current Account in Euro	47,045/-	103,059/-
Receivable in Euro	34,373/-	Nil/-
Payable in Euro	47,226/-	14,107/-

Any fluctuations in this currency would affect the profit ability and net worth of the company.

4.2.2 Capital management :

The company's policy is to maintain a strong base so as to maintain lender and creditor confidence and to sustain future development of the business. The company is not subject to externally imposed capital restrictions.

4.2.3 Fair value information :

Fair value represents the amount at which an asset could be exchanged or a liability settled in an arm's length transaction, between willing and knowledgeable parties. In respect of all the company's financial assets viz cash and bank balances,

PODDAR DEVELOPERS LIMITED

receivables, advances, deposits, accrued income and liabilities via dues to banks, payables, accruals and other non-current liabilities, in the opinion of the management, the book value approximates to their carrying value.

		Amount in U.A.E. Dhs (AED)				Amount in U.A.E. Dhs (AED)	
		31-3-2010	31-3-2009			1-4-2009 to 31-3-2010	1-9-2008 to 31-3-2009
5.	Cash and bank balances & Cash & cash equivalence			12.	Payables & advances :		
	Cash on hand	0	0		Trade payables	361,353	267,661
	Balance with bank in current A/c.	358,591	1,244,213		Related party payables-Poddar Developers Ltd., Mumbai, India	0	355
		<u>358,591</u>	<u>1,244,213</u>		Advance from customers	0	567
6.	Deposits & prepayments :				Other payables	80,099	0
	Deposits	3,500	3,500			<u>441,452</u>	<u>268,583</u>
	Prepayments	11,412	24,000	13.	Advance from related party :		
		<u>14,912</u>	<u>27,500</u>		Advance from related party represents advance received from Poddar Developers Ltd., Mumbai, India which is short term in nature and free of interest.		
7.	Advance to others :			14.	Loan from related party :		
	Advance to other represented advance paid to SAIF Zone which was short term in nature and free of interest.				W earology Ltd., LLC, U.S.A.	221,949	898,845
8.	Advance to related parties :					<u>221,949</u>	<u>898,845</u>
	W earology Ltd., LLC, U.S.A.	0	0		Loan from related party is short term in nature and carries interest @ 3 % p.a. (previous period 3 % p.a.)		
	Poddar Developers Ltd Mumbai, India	0	6,264	15.	Loan from related party :		
		<u>0</u>	<u>6,264</u>		Organically Grown, U.S.A.	55,050	55,050
	Advance to related party was short term in nature and free of interest.					<u>55,050</u>	<u>55,050</u>
9.	Loan to others :				Loan from related party is long term in nature and carries interest @ 3 % p.a. (previous year period 3% p.a.)		
	Loan to others represents loan to M/s. Westerman Ball Ederer Miller & Sharfstein LLP, which is short term in nature and free of interest.			16.	Share Capital :		
10.	Receivables :				Share capital comprises of 100 fully paid up equity shares of 1,500/- each. (previous year 1 fully paid equity shares of 150,000/- each)		
	Trade receivables	469,013	268,537	17.	Reserves & surplus :		
	Related party receivables - Organically Grown, U.S.A.	7,369	396		Statutory reserve	75,000	75,000
		<u>476,382</u>	<u>268,933</u>		Retained earnings	2,996,946	1,474,498
	Agewise analysis of receivables:					<u>3,071,946</u>	<u>1,549,498</u>
	Less than 3 months	469,013	178,170	18.	Cost of sales :		
	More than 3 months but less that 6 months	0	90,763		Opening stock	0	0
	More than 6 months but less than 1 year	7,369	0		Purchases	11,726,262	6,406,456
	More than 1 year	0	0		Service charges	1,204,817	230,100
		<u>476,382</u>	<u>268,933</u>		Commission	205,384	120,585
	Geographical analysis of receivable is as follows :				Other direct costs	20,765	0
	due from American countries	304,515	143,036		Closing stock	0	0
	due from Australia	0	124,780			<u>13,157,228</u>	<u>6,757,141</u>
	due from Canada	0	1,117	19.	Other operating income		
	due from European countries	171,867	0		Commission income	61,553	495,755
		<u>476,382</u>	<u>268,933</u>		Other miscellaneous income	78,621	27,201
	The company's exposure to credit risk relating to trade receivables is disclosed in note 4.2.1.					<u>140,174</u>	<u>522,956</u>
11.	Investments :			20.	Sales & distribution costs :		
	J.P. Morgan International Bank Ltd	2,091,900	0		Bad debts	0	7,228
	UBS AG - Singapore	0	1,468,000		Advertisement	14,424	0
		<u>2,091,900</u>	<u>1,468,000</u>			<u>14,424</u>	<u>7,228</u>

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21. Administration cost :			which no loss is expected, there has been no known contingent liability or commitments as at statement of financial position date.
Rent	31,350	23,100	
Communication cost	8,258	0	24. Significant events after statement of financial position date :
Fees & charges	26,326	27,255	There were no significant events occurring after the date of statement of financial position which will have any material effect on the working or the financial statements of the company.
Travel & Conveyance	125,941	0	
Office & other expenses	82,303	38,369	
	<u>274,178</u>	<u>88,724</u>	
22. Finance cost :			Signature to notes & schedule to the financial statements
Bank charges	100,484	53,138	For Wearology (FZC)
Interest on loan from related party	20,657	19,478	
	<u>121,141</u>	<u>72,616</u>	
23 Contingent liabilities :			Rohitashwa Poddar
Except for other ongoing business commitments against			Mannan Mohammed Hussein Directors

Schedule - 1 to the financial statements for the year ended 31st March 2010
Period wise breakup of income statement

Amount in U.A.E. Dhs (AED)

PARTICULARS	1-04-2009 to 23-3-2010	24-3-2010 to 31-3-2010	Total
Revenue	14,398,888	293,457	14,692,345
Cost of sales	(12,937,596)	(219,632)	(13,157,228)
Gross Profit	<u>1,461,292</u>	<u>73,825</u>	<u>1,535,117</u>
Other operating Income	116,220	23,954	140,174
Sales & distribution cost	(13,976)	(448)	(14,424)
Administration cost	(254,612)	(19,566)	(274,178)
Profit from operations	<u>1,308,924</u>	<u>77,765</u>	<u>1,386,689</u>
Non operating items :			
Profit on sale of investments	256,900	0	256,900
Finance cost	(117,308)	(3,833)	(121,141)
	<u>139,592</u>	<u>(3,833)</u>	<u>135,759</u>
NET PROFIT	<u><u>1,448,516</u></u>	<u><u>73,932</u></u>	<u><u>1,522,448</u></u>
Appropriations :			
Opening balance of retained earnings	1,474,498	2,923,014	1,474,498
Transfer to statutory reserve	0	0	0
Closing balance of related earnings	<u><u>2,923,014</u></u>	<u><u>2,996,946</u></u>	<u><u>2,996,946</u></u>

Wearology Limited LLC, USA

AUDITOR'S REPORT

To the Board of Directors of Wearology Limited LLC

We have audited the accompanying balance sheets of Wearology Ltd-LLC and the related statements of earnings, cash flow and changes in shareholders' equity for the year ended March 31, 2010. 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 audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement

presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such financial statements present fairly, in all material respects, the financial position of Wearology Limited LLC as of March 31, 2010 and the results of their operations and their cash flows for year ended March 31, 2010 in conformity with accounting principles generally accepted in the United States of America.

For MZS & Associates
Chartered Accountants

Abuali Darukhanawala
Partner (M. No. 108053)
Mumbai : April 6, 2010

Balance Sheet as on March 31, 2010

Particulars	As of	As of
	31-Mar-10	31-Mar-09
	USD	USD
Current Assets		
Cash and Cash	6,377	66,172
Trade receivables	87,599	372,964
Advance recoverable	61,712	265,102
Total Current Assets	155,687	704,238
Property, Plant & Equipment (net)	1,509	-
Total Assets	157,196	704,238
Liabilities and Shareholders' Equity		
Current Liabilities		
Accounts Payables	30,404	311,246
Advance from Customer	-	34,000
Income Tax Payable	17,382	106,338
Other Accrued Liabilities	25,311	18,220
Total Current Liabilities	73,098	469,804
Total Liabilities	73,098	469,804
Stock Holder's Equity		
Common Stock - Par value Rs. 100 (*USD 5) per Equity Shares	500	500
Retained Earnings	83,598	233,934
Total Equity Fund	84,098	234,434
Total Liabilities and Equity Fund	157,196	704,238

Accompanying Notes form an integral part of these Financial Statements

The Audit Report is set forth on Page 59

For Wearology Limited LLC

For MZS & Associates

Authorised Signatory

Authorised Signatory

Mumbai : April 6, 2010

Income Statement for the year ended March 31, 2009

Particulars	For the year	For the period
	1-Apr-09	24-Sept-08
	To	To
	31-Mar-10	31-Mar-09
	USD	USD
Revenue	559,096	2,800,847
Cost Revenue	(419,480)	(2,233,342)
Gross Profit	139,615	567,505
Operating Expenses		
Selling and Marketing Expenses	(39,458)	(168,483)
Administrative and Other Expenses	(246,762)	(209,304)
Operating Income	(146,605)	189,717
Other Income	15,635	5,185
Income before Interest and Depreciation	(130,971)	194,903
Depreciation	(246)	-
Finance Charges	(17,302)	(33,397)
Income Before Income Tax	(148,519)	161,506
Income Taxes	(1,818)	(77,287)
Net Income	(150,336)	84,219
Earning Per Share		
Basic	(150,336)	84,219
Diluted	(150,336)	84,219

Accompanying Notes form an integral part of these Financial Statements

The Audit Report is set forth on Page 59

For Wearology Limited LLC

For MZS & Associates

Authorised Signatory

Authorised Signatory

Mumbai : April 6, 2010

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Cash Flow Statement for the year ended March 31, 2010

Particulars	For the year	For the period
	1-Apr-09 To 31-Mar-10 USD	1st April 08 To 31-Mar-09 USD
Cash Flow from Operating Activities		
Net Income	(150,336)	84,219
Adjustments to reconcile net income to net cash from operating activities :		
Depreciation	246	-
Excess Tax Provision Written Back	(10,456)	-
Interest Income	(5,179)	(5,185)
Charges in assets & liabilities :		
Trade Receivables	285,366	(63,250)
Advance from customer	(34,000)	34,000
Accounts Payable	(280,841)	(37,619)
Other Current Assets	219,026	(259,917)
Accrued Expenses and Other Current Liabilities	7,091	2,677
Income Tax	(88,956)	40,178
Net Cash (Used for) / From Operating Activities	(58,040)	(204,897)
Cash Flow from Investment Activities		
Purchases of Property, Plant & Equipment	(1,755)	-
Net Cash Used for Investment Activities	(1,755)	-
Cash Flows from Financing Activities	-	500
Net Cash from Financing Activities	-	500
Net Change in Cash and Cash Equivalents	(59,795)	(204,397)
Cash and cash equivalents at the beginning of the year/period	66,172	270,569
Cash and cash equivalents at the end of the year	6,377	66,172

The Audit Report is set forth on Page 59.

For Wearology Limited LLC

Authorised Signatory
Mumbai, April 6, 2010

Statement of Shareholders' Equity and Comprehensive Income

Particulars	Common Shares	Stock Par Value	Retained Earnings	Total Shareholders' Equity
	No.	USD	USD	USD
Net Income for the year	-	-	149,716	149,716
Balance as of March 31, 2008	-	-	149,716	149,716
Issue of shares	1	500	-	500
Net Income for the year	-	-	84,219	84,219
Balance as of March 31, 2009	1	500	233,934	234,434
Net Income for the year	-	-	(150,336)	(150,336)
Balance as of March 31, 2010	1	500	83,598	84,098

The Audit Report is set forth on Page 59.

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2010

1. Background
Wearology Limited LLC ('the Company') is a Limited Liability Company incorporated on 24th day of September 2007 under section 18-201 of the Delaware Limited Liability Company Act. The company is into the business of garment trading.

The registered office of the Company is situated at 3422, Old Capitol Trail, Suite 700, Wilmington, DE 19808.

The Company is 100% owned by Poddar Developers Limited (erstwhile Wearology Limited) situated in Mumbai, India with effect from April 2008.

2. Summary of Significant Accounting Policies

a) Basis of Presentation
The Financial Statements are prepared in accordance with Generally Accepted Accounting Principles applicable in the United States for unlisted small and medium enterprises ("U.S. GAAP") as at the date of preparation.

b) Use of Estimates
The preparation of financial statements, in conformity with accounting principles generally accepted in the United States, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting periods. Such estimates include, but are not limited to, allowance for doubtful accounts, impairment of long-lived assets and goodwill, contingencies and litigation, the recognition of revenues and profits based on the proportional performance method and

potential tax liabilities. Actual results could differ from those estimates and assumptions used in the preparation of the accompanying financial statements

c) Revenue Recognition

The Company derives its revenues from sale of Garments. The revenues of the Company are recognized on the basis of terms of contracts with their customers and are net of taxes and discounts

Interest Income is recognized on a time proportion basis.

d) Cash and Cash Equivalents

Cash equivalents are stated at cost, which approximates their fair value due to the short maturity of the investments. Cash and claims to cash that are restricted as to withdrawal or use in the ordinary course of business are classified as other receivables under current assets, unless they are to be utilized for other than current operations in which case they are classified as other assets, non-current.

e) Property, Plant and Equipment

i Fixed Assets are stated at the cost of acquisition, less accumulated depreciation. Direct costs are capitalized till the assets are put to use. The costs include financing costs relating to borrowing attributable to fixed asset.

ii Depreciation is recognized on Data Processing Machine using the straight line method at the rate of 16.21% over the estimated useful lives of the assets

f) Impairment of Long - lived Assets

The Company accounts for impairment of long-lived assets in accordance with the provisions of SFAS 144 "Accounting for Impairment or Disposal of Long-Lived Assets". The company reviews long-lived assets, for impairment whenever events or changes in business circumstances indicate the carrying amount of assets may not be fully recoverable. Each impairment test is based on a comparison of the undiscounted cash flows expected to be generated from the use of the asset to its recorded value. If impairment is indicated, the asset is written down to its fair value. Assets to be disposed are reported at the lower of the carrying value or the fair value less cost to sell.

g) Earnings Per Share

In accordance with the provisions of SFAS 128, "Earnings Per Share", basic earnings per share is computed on the basis of the weighted average number of shares outstanding during the period. Diluted Earnings per Share is computed on the basis of the weighted average number of common and dilutive common equivalent shares outstanding during the period.

h) Income Taxes

In accordance with the provisions of SFAS 109, "Accounting for Income Taxes", income taxes are accounted for under the asset and liability method. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the Financial Statements carrying amounts of existing assets and liabilities and their respective tax bases and operating loss

carry forwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the Income Statement in the period of enactment. Based on management's judgment, the measurement of deferred tax assets is reduced, if necessary, by a valuation allowance for any tax benefits for which it is more likely than not that some portion or all of such benefits will not be realized.

i) Fair value of financial instruments

The fair values of the Company's current assets and current liabilities approximate their carrying values because of their short maturities. Such financial instruments are classified as current and are expected to be liquidated within the next twelve months.

3. Selling and Distribution and other Administrative Expenses:

(Amount in USD)

Particulars	Year ended 31-Mar-10	Year ended 31-Mar-09
Audit Fees	2,206	2,000
Commission	37,347	168,483
Consultancy and Management Fees	1,11,705	201,750
Professional Fees	11,421	2,178
Travelling Expenses	42,534	-
Design and Development Expenses	30,000	-
Others	51,008	3,376
Total	286,221	377,787

4. Other Income

Other income of the company disclosed in the financials comprises of:

(Amounts in USD)

Particulars	Year ended 31-Mar-10	Year ended 31-Mar-09
Excess California Franchise Tax Jan-09 to March-09) written back	3,877	-
US Federal Tax Payable (Jan-09 to Mar-09) written back	6,579	-
Interest Received on Loan Given to Wearology FZC, UAE	5,179	5,185
Total	15,635	5,185

5. Earnings per Share

Basic and Diluted earning per share is computed on the basis of the weighted average number of shares outstanding.

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The components of basic and diluted earnings per share were as follows:

(Amounts in USD)

Particulars	Year ended 31-Mar-10	Year ended 31-Mar-09
Net Income	(150,336)	84,219
Equity Shares:		
Average no. of outstanding shares	1	1
Earning Per Share:		
Basic	(150,336)	84,219
Diluted	(150,336)	84,219

6. Related Party Transactions

The Company has transactions with following related parties during the year. The transactions with related parties are within the normal course of business and at terms which correspond to those on normal arm's length transactions with third parties.

At the balance sheet date, balances with related parties were as follows:

(Amounts in USD)

Sr. Related Party	Nature of transaction	As at 31-3-10	As at 31-3-09
1. Poddar Developers Limited (erstwhile Wearology Limited, India)	Reimbursement of Expenses Service Charges	10,666 15,000	595 -
2. Wearology FZC, UAE	Advance recoverable	61,712	250,104

Significant transactions with related parties during the year were as follows:

(Amounts in USD)

Sr.	Related Party	Nature of transaction	As at 31-3-10	As at 31-3-09
1.	Poddar Developers Limited (erstwhile Wearology Limited, India)	Service Charges Business Promotion, Travelling Expenses Consultancy Purchases	60,000 33,121 5,195 8,528 12,403	90,000 - - - -
2.	Wearology Limited FZC, UAE	Commission paid Sample Expense Interest Received	16,772 2,112 5,179	135,083 - -

7. The previous year figures are regrouped / rearranged to conform to the presentation in the current year.

Authorised Signatory

Mumbai: April 6, 2010

Makara Real Estate Limited

DIRECTORS' REPORT

The Shareholders,
Makara Real Estate Limited

Your Directors have pleasure to submit their 4th Annual Report of your company along with the Audited Balance Sheet as at 31st March 2010 and Profit & Loss Account for the period ended 31st March 2010

OPERATING RESULTS

The company has incurred Loss of Rs. 34,890/- (PY Loss of Rs. 29,669/-) during the year under consideration. The same along with the carried forward loss of Rs. 69,846/- is proposed to be carried forward to the balance sheet.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 217(2AA) of the Companies Amendment) Act, 2000 the Directors confirm that:

- In preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- Appropriate accounting principles have been selected and applied consistently, and have made judgments and estimates 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 for the year ended 31st March 2010.
- Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provision of Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- The annual accounts have been prepared on a going concern basis.

DIRECTORS

Shri. Dipak Kumar Poddar retires by rotation and being eligible offer himself for reappointment.

FIXED DEPOSIT

The company has not accepted any deposits from public during the year under review.

AUDITORS

M/S. R. S. SHAH & COMPANY chartered accountants auditors of the company retire at the conclusion of the Annual General Meeting and expressed their willingness to continue in the office, if appointed. You are requested to appoint them and fix their remuneration.

PARTICULARS OF EMPLOYEES

No employees of the company are covered under section 217(2a) of the companies act, 1956.

FOR AND ON BEHALF OF THE BOARD

Place : Mumbai
Date : 10th April 2010

ROHITASHWA PODDAR
DIRECTOR

R. S. SHAH & COMPANY
Chartered Accountants
217, Vardhaman Chambers,
Cawasji Patel Street, Fort,
MUMBAI - 400 001.
Tel Nos : 22042469

AUDITORS' REPORT

To,
THE MEMBERS OF
MAKARA REAL ESTATE LTD.

- (1) We have audited the attached Balance Sheet of MAKARA REAL ESTATE LIMITED as at 31st March 2010 and Profit and Loss Account and Cash Flow Statement for the year ended on that date, all of which have been signed by us under reference to this report. 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 have conducted our audit in accordance with auditing and assurance 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 misstatement. An audit includes, examining on test basis, evidence supporting the amounts and disclosures in the financial statements. An Audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
- (3) As required by the Companies (Auditors' Report) Order, 2003 issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956 are not applicable on the company.
- (4) Further to our comments in the Annexure referred to in paragraph (3) above we report that:
 1. We have obtained all the information and explanations, which, to the best of our knowledge and belief, were necessary for the purpose of our audit.
 2. 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 books.
 3. The Balance Sheet, Profit and Loss Account dealt with by this report, are in agreement with the books of accounts
 4. In our opinion, the Balance Sheet, Profit & Loss Account, dealt with by this report complies with the Accounting Standard referred to in sub-section (3c) of Section 211 of the Companies Act, 1956.
 5. On the basis of written representation received from the Directors and taken on records by the Board of Directors, we report that none of the Directors is disqualified as at 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.
 6. In our opinion and to the best of our information and according to the explanations given to us, the said

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accounts read together with the Notes thereon, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view:

- (a) In case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2010 and;
- (b) In case of Profit and Loss Account, of the Loss of the Company for the year ended on that date.

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

FOR R. S. SHAH & COMPANY
CHARTERED ACCOUNTANTS

R. S. SHAH
(PROPRIETOR)
Membership No. 30108

PLACE : MUMBAI
DATED: 10th April, 2010

BALANCE SHEET AS AT 31ST MARCH 2010

	SCHEDULES	AS AT 31.03.2010 (RS.)	AS AT 31.03.2009 (RS.)
SOURCES OF FUNDS			
SHARE HOLDER'S FUND			
Share Capital	A	5,00,000	5,00,000
		<u>5,00,000</u>	<u>5,00,000</u>
APPLICATION OF FUNDS			
CURRENT ASSETS, LOANS & ADVANCES			
Cash and Bank Balances	B	4,25,583	4,29,437
Loans and Advances		-	5,450
		<u>4,25,583</u>	<u>4,34,887</u>
Less : Current Liabilities and Provisions	C	57,444	40,899
Net Current Assets		<u>3,68,139</u>	<u>3,93,988</u>
MISCELLANEOUS EXPENDITURE			
Preliminary Expenses	D	27,125	36,166
Profit & Loss A/c.		1,04,736	69,846
		<u>5,00,000</u>	<u>5,00,000</u>
NOTES ON ACCOUNT	F		
Schedules Attached form part of the Account			

As per our report of even date For and on behalf of the Board

For R. S. SHAH & CO.
CHARTERED ACCOUNTANTS

Dipak Kumar Poddar - Director

R. S. SHAH
(Proprietor)
Membership No. : 30108

Rohitashwa Poddar - Director

PLACE : MUMBAI
DATED : 10th April, 2010

PROFIT AND LOSS A/C. FOR THE YEAR ENDED 31ST MARCH 2010

	SCHEDULES	For the Year Ended 31-03-2010 (RS.)	For the Period Ended 31-03-2009 (RS.)
INCOME			
Income from Operation		-	-
		<u>-</u>	<u>-</u>
TO TAL		<u>-</u>	<u>-</u>
EXPENDITURE			
Administrative Expenses	E	25,849	20,628
Preliminary Expenses W/off		9,041	9,041
		<u>34,890</u>	<u>29,669</u>
TO TAL		<u>34,890</u>	<u>29,669</u>
Loss for the year		(34,890)	(29,669)
Add: Balance brought forward from previous year		(69,846)	(40,177)
		<u>(1,04,736)</u>	<u>(69,846)</u>
Loss carried to Balance Sheet		<u>(1,04,736)</u>	<u>(69,846)</u>
Earning per Share (in Rs.)			
Basic & Diluted E.P.S.		(0.70)	(0.59)
NOTES ON ACCOUNT	F		
Schedules Attached form part of the Account			

As per our report of even date For and on behalf of the Board

For R. S. SHAH & CO.
CHARTERED ACCOUNTANTS

Dipak Kumar Poddar - Director

R. S. SHAH
(Proprietor)
Membership No. : 30108

Rohitashwa Poddar - Director

PLACE : MUMBAI
DATED : 10th April, 2010

PODDAR DEVELOPERS LIMITED**CASH FLOW FOR THE YEAR ENDED 31ST MARCH, 2010**

PARTICULARS	YEAR ENDED		PERIOD ENDED	
	31st March 2010		31st March 2009	
	Rs.		Rs.	
A. Cash Flow from operating Activities				
Net Profit / (Loss) after Tax and Extra-Ordinary Items		(34890)		(29669)
Adjustments For				
Preliminary expenses written off		9041		9041
Operating Profit/(Loss) before Working Capital Charges		(25849)		(20628)
Adjustments For				
Loans and Advances	5450		(5450)	
Trade Payable	16545	21995	16545	11095
Net Cash from Operating Activity (A)		(3854)		(9533)
B. Cash Flow from Investing Activities				
Net cash flow from Investing Activities (B)		-		-
C. Cash Flow from Financing Activities				
Net cash used in Financing Activity (C)		-		-
Net increase (Decrease) in Cash &Cash Equivalents (A+B+C)		(3854)		(9533)
Cash & Cash Equivalents (Opening Balance)		429437		438970
Cash & Cash Equivalents (Closing Balance)		425583		429437

Notes: The above cash flow statement has been prepared under the 'Indirect Method' as set out in the AS-3 on the cash flow statement issued by the ICAI.

As per our report of even date

FOR R. S. SHAH & CO.
CHARTERED ACCOUNTANTS

R. S. SHAH
(PROPRIETOR)
Membership No. : 30108

For and on behalf of the Board

Dipak Kumar Poddar - Director

Rohitashwa Poddar - Director

PLACE : MUMBAI
DATED: 10th April 2010

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SCHEDULES ATTACHED TO AND FORMING PART OF THE ACCOUNT

SCHEDULE 'F'

NOTES ON ACCOUNTS :

	AS AT 31.03.10 (RS.)	AS AT 31.03.09 (RS.)
SCHEDULE 'A'		
SHARE CAPITAL AUTHORISED		
50000 Equity Shares of Rs. 10/- each	500000	500000
	<u>500000</u>	<u>500000</u>
ISSUED, SUBSCRIBED AND PAID UP		
50000 Equity Shares of Rs. 10/- each fully paid up (All the shares are held by Poddar Developers Limited)	500000	500000
	<u>500000</u>	<u>500000</u>
SCHEDULE 'B'		
CURRENT ASSETS, LOANS AND ADVANCES		
CASH AND BANK BALANCE		
Cash in Hand	4004	4004
Balance with Banks in Current Accounts	421579	425433
	<u>425583</u>	<u>429437</u>
LOANS AND ADVANCES		
Statutory Advances	-	5450
	<u>-</u>	<u>5450</u>
SCHEDULE 'C'		
CURRENT LIABILITIES AND PROVISIONS		
Other Liabilities	57444	40899
	<u>57444</u>	<u>40899</u>
SCHEDULE 'D'		
MISCELLANEOUS EXPENDITURE		
(To the extent not written off)		
Preliminary Expenses	36166	45207
Preliminary Expenses W/off	9041	9041
	<u>27125</u>	<u>36166</u>
SCHEDULE 'E'		
ADMINISTRATIVE EXPENSES		
Legal & Professional Fees	-	2247
Auditors Remuneration	16545	16545
Fringe Benefit Tax for earlier year	5450	-
Bank Charges	1100	-
Filing Fees	2754	-
Fees & Stamps	-	1836
	<u>25849</u>	<u>20628</u>

1. Significant Accounting Policies.
 - a) Income and Expenditure are recognized and accounted on accrual basis.
 - b) Assets and Liabilities are recorded at historical cost of the Company. These costs are not adjusted to reflect the changing values in purchasing power of money.

2. Related Party Disclosure

Related party disclosures, as required by AS-18, "Related Party Disclosures" are given below :-

- i Holding Company : Poddar Developers Ltd

The following transactions were carried out with the related parties in the ordinary course of business :

(Figures in Rs.)

Particulars	Total Holding Company	
	2009-10	2008-09
Opening Balance	-	-
Advance Received	-	(17180000)
Advance Repaid	-	17180000
Expenses incurred on our behalf	-	(70355)
Amount paid against Exp. incurred on our behalf	-	70355
Balance Receivable/ payable as at year end	-	-

Signature to Schedules 'A' to 'F'

For R. S. SHAH & CO.
CHARTERED ACCOUNTANTS

Dipak Kumar Poddar - Director

R. S. SHAH
(Proprietor)
Membership No. : 30108

Rohitashwa Poddar - Director

PLACE : MUMBAI
DATED : 10th April, 2010

Poddar Infrastructure Private Limited

DIRECTORS' REPORT

To,
The Shareholders,

Your Directors have pleasure to submit their 3rd Annual Report of your company along with the Audited Balance Sheet as at 31st March 2010 and Profit & Loss Account for the period ended 31st March 2010

OPERATING RESULTS

The company has incurred Loss of Rs. 22,415/- (P Y Loss of Rs. 27,349/-) during the year under consideration. After adjusting the loss of earlier year, the Net Loss of Rs. 62,347/- (PY Net Loss of Rs. 39,932/-) is proposed to be carried forward to the balance sheet.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 217(2AA) of the Companies Amendment) Act, 2000 the Directors confirm that:

- In preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- Appropriate accounting principles have been selected and applied consistently, and have made judgments and estimates 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 profit for the period ended 31st March 2010.
- Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provision of Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- The annual accounts have been prepared on a going concern basis

FIXED DEPOSIT

The company has not accepted any deposits from public during the year under review.

AUDITORS

M/S R.S.SHAH & COMPANY chartered accountants auditors of the company retire at the conclusion of the Annual General Meeting and expressed their willingness to continue in the of fice, if appointed. You are requested to appoint them and fix their remuneration.

PARTICULARS OF EMPLOYEES

No employees of the company are covered under section 217(2a) of the companies act, 1956.

FOR AND ON BEHALF OF THE BOARD

Place : Mumbai
Date : 10th April 2010

ROHITASHWA PODDAR
DIRECTOR

R. S. SHAH & COMPANY
Chartered Accountants
217, Vardhaman Chambers,
Cawasji Patel Street, Fort
MUMBAI - 400 001
Tel Nos: 22042469

AUDITORS' REPORT

To,
THE MEMBERS OF
PODDAR INFRASTRUCTURE PVT LTD

- (1) We have audited the attached Balance Sheet of PODDAR INFRASTRUCTURE PVT LTD (Previously Known as Poddar Old Lane Infrastructure Pvt.Ltd.) as at 31st March 2010, Profit and Loss Account and Cash Flow Statement for the year ended on that date, all of which have been signed by us under reference to this report. 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 have conducted our audit in accordance with auditing and assurance 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 misstatement. An audit includes, examining on test basis, evidence supporting the amounts and disclosures in the financial statements. An Audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
- (3) As required by the Companies (Auditors' Report) Order, 2003 issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956 are not applicable on the company.
- (4) Further to our comments in the Annexure referred to in paragraph (3) above we report that:
 1. We have obtained all the information and explanations, which, to the best of our knowledge and belief, were necessary for the purpose of our audit.
 2. 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 books.
 3. The Balance Sheet, Profit and Loss Account dealt with by this report, are in agreement with the books of account.
 4. In our opinion, the Balance Sheet, Profit & Loss Account, dealt with by this report complies with the Accounting Standard referred to in sub-section (3c) of Section 211 of the Companies Act, 1956.
 5. On the basis of written representation received from the Directors and taken on records by the Board of Directors, we report that none of the Directors is disqualified as at 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.

TWENTY EIGHT ANNUAL REPORT

6. In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the Notes thereon, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view:

(a) In case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2010 and;

(b) In case of Profit and Loss Account, of the Loss of the Company for the year ended on

that date.

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

FOR R. S. SHAH & COMPANY
CHARTERED ACCOUNTANTS

R. S. SHAH
(PROPRIETOR)
Membership No. 30108

PLACE : MUMBAI
DATED: 10th April, 2010

BALANCE SHEET AS AT 31ST MARCH 2010

SCHEDULES	AS AT 31.03.2010 Amount (Rs.)	AS AT 31.03.2009 Amount (Rs.)
SOURCES OF FUNDS		
Share Capital A	1,00,000	1,00,000
	<u>1,00,000</u>	<u>1,00,000</u>
APPLICATION OF FUNDS		
CURRENT ASSETS, LOANS & ADVANCES B		
	40,216	41,826
	<u>40,216</u>	<u>41,826</u>
Less : Current Liabilities and Provisions C	22,113	11,082
Net Current Assets	<u>18,103</u>	<u>30,744</u>
MISCELLANEOUS EXPENDITURE D (To the extent not written off)		
	19550	29,324
Profit & Loss A/c.	<u>62,347</u>	<u>39,932</u>
	<u><u>1,00,000</u></u>	<u><u>1,00,000</u></u>

NOTES ON ACCOUNT F

Schedules 'A' to 'F' forming part of the Account

As per our report of even date For and on behalf of the Board

For R. S. SHAH & CO.
CHARTERED ACCOUNTANTS

Dipak Kumar Poddar- Director

R. S. SHAH
(Proprietor)
Membership No.:30108

Rohitashwa Poddar - Director

PLACE : MUMBAI
DATED : 10th April, 2010

PROFIT AND LOSS A/C. FOR THE YEAR ENDED 31ST MARCH 2010

SCHEDULES	For the Year Ended 31-03-2010 (RS.)	For the Period Ended 31-03-2009 (RS.)
INCOME		
Income from Operation	-	-
	<u>-</u>	<u>-</u>
TOTAL	<u><u>-</u></u>	<u><u>-</u></u>
EXPENDITURE		
Administrative Expenses E	4,368	9,302
Preliminary Expenses W/off	9,774	9,774
Audit Fees	8,273	8,273
	<u>22,415</u>	<u>27,349</u>
TOTAL	<u><u>22,415</u></u>	<u><u>27,349</u></u>
Profit / (Loss) for the year	(22,415)	(27,349)
Add: Loss brought forward from earlier year	(39,932)	(12,583)
	<u>(62,347)</u>	<u>(39,932)</u>
Loss carried to Balance Sheet	<u><u>(62,347)</u></u>	<u><u>(39,932)</u></u>

NOTES ON ACCOUNT F

Schedules 'A' to 'F' forming part of the Accounts

As per our report of even date For and on behalf of the Board

For R. S. SHAH & CO.
CHARTERED ACCOUNTANTS

Dipak Kumar Poddar- Director

R. S. SHAH
(Proprietor)
Membership No.:30108

Rohitashwa Poddar - Director

PLACE : MUMBAI
DATED : 10th April, 2010

PODDAR DEVELOPERS LIMITED**CASH FLOW FOR THE PERIOD ENDED 31ST MARCH, 2010**

PARTICULARS	YEAR ENDED		PERIOD ENDED	
	31st March 2010		31st March 2009	
	Rs.		Rs.	
A. Cash Flow from operating Activities				
Net Profit / (Loss) after Tax and Extra-Ordinary Items		(22415)		(27349)
Adjustments For				
Preliminary expenses written off		9774		9774
Operating Profit/(Loss) before Working Capital Charges		(12641)		(17575)
Adjustments For				
Trade Payable	11031	11031	(40599)	(40599)
Net Cash from Operating Activity (A)		(1610)		(58174)
B. Cash Flow from Investing Activities				
Net cash flow from Investing Activities (B)		-		-
C. Cash Flow from Financing Activities				
Proceeds from Issue of Shares		-		-
Net cash Flow from Financing Activity (C)		-		-
Net increase (Decrease) in Cash &Cash Equivalents (A+B+C)		(1610)		(58174)
Cash & Cash Equivalents (Opening Balance)		41826		100000
Cash & Cash Equivalents (Closing Balance)		40216		41826

Notes: The above cash flow statement has been prepared under the 'Indirect Method' as set out in the AS-3 on the cash flow statement issued by the ICAI.

As per our report of even date

FOR R. S. SHAH & CO.
CHARTERED ACCOUNTANTS

R. S. SHAH
(PROPRIETOR)
Membership No.:30108

For and on behalf of the Board

Dipak Kumar Poddar - Director

Rohitashwa Poddar - Director

PLACE : MUMBAI
DATED: 10th April 2010

TWENTY EIGHT ANNUAL REPORT

SCHEDULES ATTACHED TO AND FORMING PART OF THE ACCOUNT

SCHEDULE 'F'

NOTES ON ACCOUNTS :

	AS AT 31.03.10 (RS.)	AS AT 30.11.09 (RS.)
SCHEDULE 'A'		
SHARE CAPITAL AUTHORISED		
10000 Equity Shares of Rs. 10/- each	100000	100000
	<u>100000</u>	<u>100000</u>
ISSUED, SUBSCRIBED AND PAID UP		
10000 Equity Shares of Rs. 10/- each fully paid up	100000	100000
(All Shares are held by Poddar Developers Ltd.)	<u>100000</u>	<u>100000</u>

1. Significant Accounting Policies.
 - a) Income and Expenditure are recognized and accounted on accrual basis.
 - b) Assets and Liabilities are recorded at historical cost of the Company. These costs are not adjusted to reflect the changing values in purchasing power of money.
2. During the year the Company has not commenced any activities.
3. The figure in the bracket represents the figures of the previous year
4. Previous year figures are re-grouped / re-arranged wherever necessary.

Signature to Schedules 'A' to 'F'

For R. S. SHAH & CO.
CHARTERED ACCOUNTANTS

Dipak Kumar Poddar - Director

R. S. SHAH
(Proprietor)
Membership No. : 30108

Rohitashwa Poddar - Director

PLACE : MUMBAI
DATED : 10th April, 2010

SCHEDULE 'B'		
CURRENT ASSETS, LOANS AND ADVANCES		
Cash in Hand	3833	3833
Bank Balance	36383	37993
	<u>40216</u>	<u>41826</u>

SCHEDULE 'C'		
CURRENT LIABILITIES AND PROVISIONS		
Other Liabilities	22113	11082
	<u>22113</u>	<u>11082</u>

SCHEDULE 'D'		
MISCELLANEOUS EXPENDITURE (To the extent not written off)		
Preliminary Expenses	29324	39098
Less : Preliminary Expenses W/off	9774	9774
	<u>19550</u>	<u>29324</u>

SCHEDULE 'E'		
ADMINISTRATIVE EXPENSES		
Fees & Stamps	-	1167
Filing Fees	510	3535
Legal & Professional Fees	2758	-
Printing and Stationery	-	4400
Bank Charges	1100	200
	<u>4368</u>	<u>9302</u>

Poddar Habitat Private Limited

DIRECTORS' REPORT

To,
The Shareholders,
Poddar Habitat Private Limited

Your Directors have pleasure to submit their 2nd Annual Report of your company along with the Audited Balance Sheet as at 31st March 2010 and Profit & Loss Account for the period ended 31st March 2010

OPERATING RESULTS

The company has incurred Loss of Rs. 15,479/- (P Y Loss of Rs. 11,373/-) during the period under consideration. After adjusting the loss of earlier year, the Net Loss of Rs. 26,852/- (PY Net Loss of Rs. 11,373/- is proposed to be carried forward to the balance sheet.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 217(2AA) of the Companies Amendment) Act, 2000 the Directors confirm that:

- In preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- Appropriate accounting principles have been selected and applied consistently, and have made judgments and estimates 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 profit for the period ended 31st March 2010.
- Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provision of Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- The annual accounts have been prepared on a going concern basis

FIXED DEPOSIT

The company has not accepted any deposits from public during the year under review.

AUDITORS

M/S R.S.SHAH & COMPANY chartered accountants auditors of the company retire at the conclusion of the Annual General Meeting and expressed their willingness to continue in the office, if appointed. You are requested to appoint them and fix their remuneration.

PARTICULARS OF EMPLOYEES

No employees of the company are covered under section 217(2a) of the companies act, 1956.

FOR AND ON BEHALF OF THE BOARD

Place : Mumbai
Date : 10th April 2010

ROHITASHWA PODDAR
DIRECTOR

R. S. SHAH & COMPANY
Chartered Accountants
217, Vardhaman Chambers,
Cawasji Patel Street, Fort
MUMBAI - 400 001
Tel Nos: 22042469

AUDITORS' REPORT

To,
THE MEMBERS OF
PODDAR INFRASTRUCTURE PVT LTD

- (1) We have audited the attached Balance Sheet of PODDAR HABITAT PVT. LTD. as at 31st March 2010, Profit and Loss Account and Cash Flow Statement for the period ended on that date, all of which have been signed by us under reference to this report. 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 have conducted our audit in accordance with auditing and assurance 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 misstatement. An audit includes, examining on test basis, evidence supporting the amounts and disclosures in the financial statements. An Audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
- (3) As required by the Companies (Auditors' Report) Order, 2003 issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956 are not applicable on the company.
- (4) Further to our comments in the Annexure referred to in paragraph (3) above we report that:
 1. We have obtained all the information and explanations, which, to the best of our knowledge and belief, were necessary for the purpose of our audit.
 2. 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 books.
 3. The Balance Sheet, Profit and Loss Account dealt with by this report, are in agreement with the books of account.
 4. In our opinion, the Balance Sheet, Profit & Loss Account, dealt with by this report complies with the Accounting Standard referred to in sub-section (3c) of Section 211 of the Companies Act, 1956.
 5. On the basis of written representation received from the Directors and taken on records by the Board of Directors, we report that none of the Directors is disqualified as at 31st March 2010 from being appointed as a director in terms of clause (g) of

TWENTY EIGHT ANNUAL REPORT

Sub-section (1) of Section 274 of the Companies Act, 1956.

6. In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the Notes thereon, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view:

(a) In case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2010 and;

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

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

FOR R. S. SHAH & COMPANY
CHARTERED ACCOUNTANTS

PLACE : MUMBAI
DATED: 10th April, 2010

R. S. SHAH
(PROPRIETOR)
Membership No. 30108

BALANCE SHEET AS AT 31ST MARCH 2010

SCHEDULES	AS AT 31.03.2010 Amount (Rs.)	AS AT 31.03.2009 Amount (Rs.)
SOURCES OF FUNDS		
SHARE HOLDER'S FUND		
Share Capital A	1,00,000	1,00,000
	<u>1,00,000</u>	<u>1,00,000</u>
APPLICATION OF FUNDS		
CURRENT ASSETS, LOANS & ADVANCES		
Cash and Bank Balances B	83,625	85,133
	<u>83,625</u>	<u>85,133</u>
Less : Current Liabilities and Provisions C	19,304	8,273
Net Current Assets	<u>64,321</u>	<u>76,860</u>
MISCELLANEOUS EXPENDITURE		
Preliminary Expenses D	8,827	11,767
Profit & Loss A/c.	26,852	11,373
	<u>1,00,000</u>	<u>1,00,000</u>
NOTES ON ACCOUNT F		
Schedules attached form part of the account		

As per our report of even date For and on behalf of the board

For R. S. SHAH & CO.
CHARTERED ACCOUNTANTS

Dipak Kumar Poddar - Director

R. S. SHAH
(Proprietor)
Membership No. : 30108

Rohitashwa Poddar - Director

PLACE : MUMBAI
DATED : 10th April, 2010

PROFIT & LOSS A/C. FOR THE YEAR ENDED 31ST MARCH 2010

SCHEDULES	For the Year Ended 31-03-2010 (RS.)	For the Period Ended 31-03-2009 (RS.)
INCOME		
Income from Operation	-	-
TOTAL	<u>-</u>	<u>-</u>
EXPENDITURE		
Administrative Expenses E	12,539	8,433
Preliminary Expenses written off	2,940	2,940
	<u>15,479</u>	<u>11,373</u>
Profit/(Loss) for the year	(15,479)	-
Add : Balance brought forward from previous year	(11,373)	-
Loss for the period carried to Balance Sheet	<u>(26,852)</u>	<u>(11,373)</u>
NOTES ON ACCOUNT F		
Schedules attached form part of the account		

As per our report of even date For and on behalf of the board

For R. S. SHAH & CO.
CHARTERED ACCOUNTANTS

Dipak Kumar Poddar - Director

R. S. SHAH
(Proprietor)
Membership No. : 30108

Rohitashwa Poddar - Director

PLACE : MUMBAI
DATED : 10th April, 2010

PODDAR DEVELOPERS LIMITED

CASH FLOW FOR THE YEAR ENDED 31ST MARCH, 2010

PARTICULARS	YEAR ENDED 31st March 2010 Rs.	PERIOD ENDED 31st March 2009 Rs.
A. Cash Flow from operating Activities		
Net Profit / (Loss) after Tax and Extra-Ordinary Items	(15479)	(11373)
Adjustments For		
Preliminary expenses incurred	-	(14707)
Preliminary expenses written off	2940	2940
Operating Profit/(Loss) before Working Capital Charges	(12539)	(23140)
Adjustments For		
Trade Payable	11031	8273
Net Cash from Operating Activity (A)	(1508)	(14867)
B. Cash Flow from Investing Activities		
Net cash flow from Investing Activities (B)	-	-
C. Cash Flow from Financing Activities		
Proceeds from Issue of Shares	-	100000
Net cash Flow from Financing Activity (C)	-	100000
Net increase (Decrease) in Cash &Cash Equivalents (A+B+C)	(1508)	85133
Cash & Cash Equivalents (Opening Balance)	85133	-
Cash & Cash Equivalents (Closing Balance)	83625	85133

Notes: The above cash flow statement has been prepared under the 'Indirect Method' as set out in the AS-3 on the cash flow statement issued by the ICAI.

As per our report of even date

FOR R. S. SHAH & CO.
CHARTERED ACCOUNTANTS

R. S. SHAH
(PROPRIETOR)
Membership No.:30108

For and on behalf of the Board

Dipak Kumar Poddar - Director

Rohitashwa Poddar - Director

PLACE : MUMBAI
DATED: 10th April 2010

TWENTY EIGHT ANNUAL REPORT

SCHEDULES ATTACHED TO AND FORMING PART OF THE ACCOUNT

SCHEDULE 'F'

NOTES ON ACCOUNTS :

	AS AT 31.03.2010 (RS.)	AS AT 30.11.2009 (RS.)
SCHEDULE 'A'		
SHARE CAPITAL AUTHORISED		
10000 Equity Shares of Rs. 10/- each	100000	100000
	<u>100000</u>	<u>100000</u>

ISSUED, SUBSCRIBED AND PAID UP

10000 Equity Shares of Rs. 10/- each fully paid up	100000	100000
(All Shares are held by Poddar Developers Ltd.)	<u>100000</u>	<u>100000</u>

SCHEDULE 'B'

CURRENT ASSETS, LOANS AND ADVANCES

Cash and Bank Balances		
Balance with Banks in Current Accounts	83342	84850
Cash in Hand	283	283
	<u>83625</u>	<u>85133</u>

SCHEDULE 'C'

CURRENT LIABILITIES AND PROVISIONS

Other Liabilities	19304	8273
	<u>19304</u>	<u>8273</u>

SCHEDULE 'D'

MISCELLANEOUS EXPENDITURE

(To the extent not written off)

Preliminary Expenses	11767	14707
Less : Preliminary Expenses W/off	2940	2940
	<u>8827</u>	<u>11767</u>

SCHEDULE 'E'

ADMINISTRATIVE EXPENSES

Auditors Remuneration	8273	8273
Bank Charges	1100	160
Filing Fees Paid	408	-
Legal & Professional Fees	2758	-
	<u>12539</u>	<u>8433</u>

1. Significant Accounting Policies.

- a) Income and Expenditure are recognized and accounted on accrual basis.
- b) Assets and Liabilities are recorded at historical cost of the Company. These costs are not adjusted to reflect the changing values in purchasing power of money.

4. Previous year figures are re-grouped / re-arranged wherever necessary and the same are not comparable with the figures of current year as they were for 6 months.

Signature to Schedules 'A' to 'F'

For R. S. SHAH & CO.

CHARTERED ACCOUNTANTS

Dipak Kumar Poddar - Director

R. S. SHAH

(Proprietor)

Membership No. : 30108

Rohitashwa Poddar - Director

PLACE : MUMBAI

DATED : 10th April, 2010

Poddar Leisure Infrastructure Private Limited

DIRECTORS' REPORT

The Shareholders,
Poddar Leisure Infrastructure Private Limited

Your Directors have pleasure to submit their 2nd Annual Report of your company along with the Audited Balance Sheet as at 31st March 2010 and Profit & Loss Account for the period ended 31st March 2010

OPERATING RESULTS

The company has incurred Loss of Rs. 15,292/- (P Y loss of Rs. 11,196/-) during the period under consideration. After adjusting the loss of earlier year, the Net Loss of Rs. 26,488/- (PY Net Loss of Rs. 11,196/-) is proposed to be carried forward to the balance sheet

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 217(2AA) of the Companies Amendment) Act, 2000 the Directors confirm that:

- In preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- Appropriate accounting principles have been selected and applied consistently, and have made judgments and estimates 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 profit for the period ended 31st March 2010.
- Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provision of Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- The annual accounts have been prepared on a going concern basis

FIXED DEPOSIT

The company has not accepted any deposits from public during the year under review.

AUDITORS

M/S R. S. SHAH & COMPANY chartered accountants auditors of the company retire at the conclusion of the Annual General Meeting and expressed their willingness to continue in the office, if appointed. You are requested to appoint them and fix their remuneration.

PARTICULARS OF EMPLOYEES

No employees of the company are covered under section 217(2a) of the companies act, 1956.

For and on Behalf of the Board

Place : Mumbai
Date : 10-04-2009

Rohitashwa Poddar
Director

R. S. SHAH & COMPANY
Chartered Accountants
217, Vardhaman Chambers,
Cawasji Patel Street, Fort
MUMBAI - 400 001
Tel Nos: 22042469

AUDITORS' REPORT

To,
THE MEMBERS OF
PODDAR LEISURE INFRASTRUCTURE PVT.LTD.

- (1) We have audited the attached Balance Sheet of PODDAR LEISURE INFRASTRUCTURE PVT.LTD. as at 31st March 2010, Profit and Loss Account and Cash Flow Statement for the period ended on that date, all of which have been signed by us under reference to this report. 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 have conducted our audit in accordance with auditing and assurance 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 misstatement. An audit includes, examining on test basis, evidence supporting the amounts and disclosures in the financial statements. An Audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
- (3) As required by the Companies (Auditors' Report) Order, 2003 issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956 are not applicable on the company.
- (4) Further to our comments in the Annexure referred to in paragraph (3) above we report that:
 1. We have obtained all the information and explanations, which, to the best of our knowledge and belief, were necessary for the purpose of our audit.
 2. 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 books.
 3. The Balance Sheet, Profit and Loss Account dealt with by this report, are in agreement with the books of account.
 4. In our opinion, the Balance Sheet, Profit & Loss Account, dealt with by this report complies with the Accounting Standard referred to in sub-section (3c) of Section 211 of the Companies Act, 1956.
 5. On the basis of written representation received from the Directors and taken on records by the Board of Directors, we report that none of the Directors is disqualified as at 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.

TWENTY EIGHT ANNUAL REPORT

6. In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the Notes thereon, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view:

(a) In case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2010 and;

(b) In case of Profit and Loss Account, of the Loss of the Company for the year ended on

that date.

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

FOR R. S. SHAH & COMPANY
CHARTERED ACCOUNTANTS

PLACE : MUMBAI
DATED: 10th April, 2009

R. S. SHAH
(PROPRIETOR)
Membership No. 30108

BALANCE SHEET AS AT 31ST MARCH 2010

SCHEDULES	AS AT 31.03.2010 Amount (Rs.)	AS AT 31.03.2009 Amount (Rs.)
SOURCES OF FUNDS		
SHARE HOLDER'S FUND		
Share Capital A	1,00,000	1,00,000
	<u>1,00,000</u>	<u>1,00,000</u>
APPLICATION OF FUNDS		
CURRENT ASSETS, LOANS & ADVANCES		
Cash and Bank Balances B	84,555	86,063
	<u>84,555</u>	<u>86,063</u>
Less : Current Liabilities and Provisions C	19,304	8,273
Net Current Assets	<u>65,251</u>	<u>77,790</u>
MISCELLANEOUS EXPENDITURE		
Preliminary Expenses D	8,261	11,014
Profit & Loss A/c.	26,488	11,196
	<u>1,00,000</u>	<u>1,00,000</u>
NOTES ON ACCOUNT F		
Schedules attached form part of the account		

As per our report of even date For and on behalf of the board

For R. S. SHAH & CO.
CHARTERED ACCOUNTANTS

Dipak Kumar Poddar - Director

R. S. SHAH
(Proprietor)
Membership No. : 30108

Rohitashwa Poddar - Director

PLACE : MUMBAI
DATED : 10th April, 2010

PROFIT & LOSS A/C. FOR THE YEAR ENDED 31ST MARCH 2010

SCHEDULES	For the Year Ended 31-03-2010 (RS.)	For the Period Ended 31-03-2009 (RS.)
INCOME		
Income from Operation	-	-
TOTAL	<u>-</u>	<u>-</u>
EXPENDITURE		
Administrative Expenses E	12,539	8,443
Preliminary Expenses written off	2,753	2,753
	<u>(15,292)</u>	<u>11,196</u>
Add : Balance brought from earlier year	(11,196)	-
Loss for the period carried to Balance Sheet	<u>(26,488)</u>	<u>(11,196)</u>
NOTES ON ACCOUNT F		
Schedules attached form part of the account		

As per our report of even date For and on behalf of the board

For R. S. SHAH & CO.
CHARTERED ACCOUNTANTS

Dipak Kumar Poddar - Director

R. S. SHAH
(Proprietor)
Membership No. : 30108

Rohitashwa Poddar - Director

PLACE : MUMBAI
DATED : 10th April, 2010

PODDAR DEVELOPERS LIMITED**CASH FLOW FOR THE YEAR ENDED 31ST MARCH, 2010**

PARTICULARS	YEAR ENDED 31st March 2010 Rs.	PERIOD ENDED 31st March 2009 Rs.
A. Cash Flow from operating Activities		
Net Profit / (Loss) after Tax and Extra-Ordinary Items	(15292)	(11196)
Adjustments For		
Preliminary expenses incurred	-	(13767)
Preliminary expenses written off	2753	2753
Operating Profit/(Loss) before Working Capital Charges	(12539)	(22210)
Adjustments For		
Trade Payable	11031	8273
Net Cash from Operating Activity (A)	(1508)	(13937)
B. Cash Flow from Investing Activities		
Net cash flow from Investing Activities (B)	-	-
C. Cash Flow from Financing Activities		
Proceeds from Issue of Shares	-	100000
Net cash Flow from Financing Activity (C)	-	100000
Net increase (Decrease) in Cash &Cash Equivalents (A+B+C)	(1508)	86063
Cash & Cash Equivalents (Opening Balance)	86063	-
Cash & Cash Equivalents (Closing Balance)	84555	86063

Notes: The above cash flow statement has been prepared under the 'Indirect Method' as set out in the AS-3 on the cash flow statement issued by the ICAI.

As per our report of even date

FOR R. S. SHAH & CO.
CHARTERED ACCOUNTANTS

R. S. SHAH
(PROPRIETOR)
Membership No.:30108

PLACE : MUMBAI
DATED: 10th April 2010

For and on behalf of the Board

Dipak Kumar Poddar - Director

Rohitashwa Poddar - Director

J. Menon - Secretary

TWENTY EIGHT ANNUAL REPORT

SCHEDULES ATTACHED TO AND FORMING PART OF THE ACCOUNT

SCHEDULE 'F'

NOTES ON ACCOUNTS :

	AS AT 31.03.2010 (RS.)	AS AT 30.11.2009 (RS.)
SCHEDULE 'A'		
SHARE CAPITAL		
AUTHORISED		
10000 Equity Shares of Rs. 10/- each	100000	100000
	<u>100000</u>	<u>100000</u>
ISSUED, SUBSCRIBED AND PAID UP		
10000 Equity Shares of Rs. 10/- each fully paid up	100000	100000
(All Shares are held by Poddar Developers Ltd.)	<u>100000</u>	<u>100000</u>
SCHEDULE 'B'		
CURRENT ASSETS, LOANS AND ADVANCES		
Cash and Bank Balances		
Balance with Banks in Current Accounts	84342	85850
Cash in Hand	213	213
	<u>84555</u>	<u>86063</u>
SCHEDULE 'C'		
CURRENT LIABILITIES AND PROVISIONS		
Other Liabilities	19304	8273
	<u>19304</u>	<u>8273</u>
SCHEDULE 'D'		
MISCELLANEOUS EXPENDITURE		
(To the extent not written off)		
Preliminary Expenses	11014	13767
Less : Preliminary Expenses W/off	2753	2753
	<u>8261</u>	<u>11014</u>
SCHEDULE 'E'		
ADMINISTRATIVE EXPENSES		
Auditors Remuneration	8273	8273
Bank Charges	1100	170
Filing Fees Paid	408	-
Legal & Professional Fees	2758	-
	<u>12539</u>	<u>8443</u>

1. Significant Accounting Policies.
 - a) Income and Expenditure are recognized and accounted on accrual basis.
 - b) Assets and Liabilities are recorded at historical cost of the Company. These costs are not adjusted to reflect the changing values in purchasing power of money.
4. Previous year figures are re-grouped / re-arranged wherever necessary and the same are not comparable with the figures of current year as they were for 6 months.

Signature to Schedules 'A' to 'F'

For R. S. SHAH & CO.
CHARTERED ACCOUNTANTS

Dipak Kumar Poddar - Director

R. S. SHAH
(Proprietor)
Membership No. : 30108

Rohitashwa Poddar - Director

PLACE : MUMBAI
DATED : 10th April, 2010

PODDAR DEVELOPERS LIMITED

TWENTY EIGHTH ANNUAL REPORT
2009 - 2010

BOARD OF DIRECTORS

Mr. Dipak Kumar Poddar - Executive Chairman

Mr. Dilip J. Thakkar

Mr. Shishir K. Diwanji

Mr. Shrikant Tembey

Mr. Brian Brown

Mr. Rohitashwa Poddar - Managing Director

COMPANY SECRETARY

Mr. Jayshankar Menon

AUDITORS:

R.S.SHAH & COMPANY

Chartered Accountants, Mumbai.

BANKERS:

State Bank of India

Kotak Mahindra Bank

REGISTERED OFFICE

Unit 3-5 Neeru Silk Mills,
Mathuradas Mill Compound,
126, NM Joshi Marg,
Lower Parel (W), Mumbai 400 013.

REGISTRAR & TRANSFER AGENTS:

Computech Sharecap Limited

147, MG Road, Fort,

Mumbai 400023.

28th Annual General Meeting
On Tuesday 7th September 2010 at 3.00 p.m.
At the Kilachand Conference Room, IMC,
Churchgate, Mumbai 400020.

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BOOK-POST



If undelivered, please return to :

PODDAR DEVELOPERS LIMITED

Unit 3-5, Neeru Silk Mills
Mathuradas Mill Compound
126 N. M. Joshi Marg
Lower Parel (W), Mumbai - 400 013.

PODDAR DEVELOPERS LIMITED

Unit 3-5, Neeru Silk Mills, Mathuradas Compound, N. M. Joshi Marg, Lower Parel (W), Mumbai 400 013.

ATTENDANCE CARD

28TH ANNUAL GENERAL MEETING - TUESDAY, 7TH SEPTEMBER 2010

Mr./Mrs./Miss _____
(Shareholder's Name in Block Letters)

For Shares held in Physical Mode

For Shares held in Electronic Mode

Regd. Folio No. : _____

DPIN No. : _____ Client ID No. _____

* Please note that Folio No. must be provided * Please note that both DPID No. & Client ID No. must be provided

(To be filled by the Member)

I certify that I am a registered shareholder/proxy for the registered shareholder of the Company.

If signed by Proxy, his/her name should be written here in BLOCK letters

Member's/Proxy's Signature

NOTES :

1. This Meeting is of Members only and you are requested not to bring with you any person who is not a Member.
2. If it is intended to appoint a proxy, the Form of Proxy should be completed and deposited at the Registered Office of the Company at least 48 hours before the Meeting.

PODDAR DEVELOPERS LIMITED

Unit 3-5, Neeru Silk Mills, Mathuradas Compound, N. M. Joshi Marg, Lower Parel (W), Mumbai 400 013.

PROXY FORM

28TH ANNUAL GENERAL MEETING - TUESDAY, 7TH SEPTEMBER 2010

For Shares held in Physical Mode

For Shares held in Electronic Mode

Regd. Folio No. : _____

DPIN No. : _____ Client ID No. _____

* Please note that Folio No. must be provided * Please note that both DPID No. & Client ID No. must be provided

(To be filled by the Member)

I/We _____

of _____ in the district of _____

being a Member/Members of PODDAR DEVELOPERS LIMITED, hereby appoint _____

of _____ in the district of _____

or failing him _____ of _____ in the district of _____

as my/our proxy to vote for me/us and on my/our behalf at the 28th Annual General Meeting of the Company to be held on Tuesday 7th September, 2010 at 3.00 p.m. at Kilachand Confererence Room, 2nd Floor, Indian Merchant Chambers, Churchgate, Mumbai 400 020.

Signed this _____ day of _____ 2010

Signature of Shareholder _____

Revenue
Stamp
of Re. 1/-

NOTE : This form duly completed should be deposited at the Registered Office of the Company at least 48 hours before the Meeting.