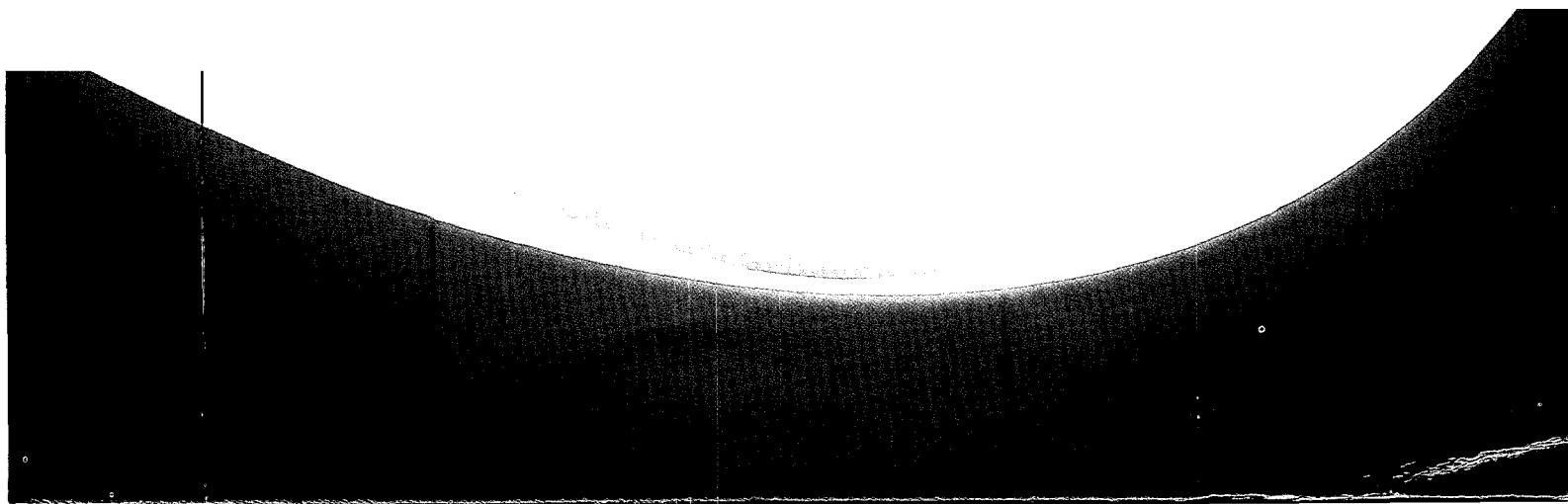


17th Annual Report 2008 - 2009



PRIME[®]

Property Development Corporation Ltd.





Institute of Economic Studies, New Delhi, conferred "Udyog Rattan Award" to Mr. P. L. Soni & "Excellence Award" to the Company

Chairman's Message :

The year 2008-09 was a difficult year indeed. The global meltdown has impacted every economy: Resilience of Indian economy notwithstanding, such important segments as IT / ITES, Real Estate, Hospitality, Retail and Automobiles, did undergo a severe testing time.

Even in the surrounding gloom, your Company has achieved a Turnover of Rs. 8774.94 lacs and PBT of Rs 2219.76 lacs. The operational result, though lower than the previous year, is still creditworthy, considering the turmoil in the industry.

The outlook for the year 2009-10, however, looks much brighter. First, the market sentiments have become upbeat with the general elections giving a stable government. Secondly, the Authorities have taken necessary fiscal and monetary measures to support economic activities. Thirdly, major global economies have extended heavy bail-out packages which are expected to infuse liquidity and revive their economies.

The results are already visible and I am optimistic that 2009-10 will be a much better year for all of us.

My sincere thanks to all of you for your support and hoping we will continue to receive your co-operation in future as well.



17th ANNUAL GENERAL MEETING

Day & Date : Wednesday, September 30, 2009
Time : 11.30 A.M.
Venue : Santokba Sanskar Sadan, Next to Bhaidas Maganlal Sabhagriha,
 Bhaktivedant Swami Marg, Vile Parle (West), Mumbai – 400056.

BOARD OF DIRECTORS

Shri Padamshi L. Soni	Chairman
Shri Y. C. Pawar	Independent Director
Shri K. Nalinakshan	Independent Director
Shri S. Bhatnagar	Independent Director
Shri I. G. Shah	Independent Director (Additional Director)
Shri Manish P. Soni	Whole Time Director
Shri Vishal P. Soni	Whole Time Director
Shri Alok Chowdhury	Whole Time Director & C.E.O.

COMPANY SECRETARY & COMPLIANCE OFFICER

Ms. Zarana Jhaveri

AUDITORS

Vora & Associates
 Chartered Accountants, Mumbai

ADVOCATE & SOLICITORS

M. T. Miskita & Company
 Advocates & Solicitors, Mumbai

BANKERS

Indian Overseas Bank
 Syndicate Bank
 Axis Bank Ltd.

REGISTERED OFFICE

101, Soni House, Plot No. 34,
 Opp. Copper Chimney,
 Gulmohar Road No. 1,
 J.V.P.D. Scheme, Vile Parle (West),
 Mumbai - 400 049.
 Email: primeproperty@vsnl.net
 Website: www.ppdcl.com

REGISTRAR AND

SHARE TRANSFER AGENTS

Link Intime India Pvt. Ltd
 C-13, Pannala Silk Mills Compound,
 L.B.S. Marg, Bhandup (W),
 Mumbai 400 078
 Email: mumbai@linkintime.co.in
 Ph. No.: 25963838, Fax No.: 25962691

<u>CONTENTS</u>	<u>Pg No.</u>
Notice to Members	2
Directors' Report	6
Management Discussion And Analysis	9
Corporate Governance Report	11
Auditor's Certificate on Corporate Governance	16
Auditor's Report	17
Balance Sheet	20
Profit and Loss Account	21
Cash Flow Statement	22
Schedules to the Accounts	23
Notes to Accounts	27
Financial Highlights	32



NOTICE

NOTICE is hereby given that the 17th Annual General Meeting of the members of **PRIME PROPERTY DEVELOPMENT CORPORATION LIMITED** will be held on Wednesday, September 30, 2009 at Santokba Sanskar Sadan, Next to Bhaidas Maganlal Sabhagriha, Bhaktivedant Swami Marg, Vile Parle (W), Mumbai - 400056 at 11.30 A.M. to transact the following business.

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet as on March 31, 2009 and Profit and Loss Account for the year ended on that date and the Reports of Board of Directors and Auditors thereon.
2. To declare dividend on Equity Shares.
3. To appoint a Director in place of Shri Y. C. Pawar, who retires by rotation, and being eligible offers himself for re-appointment.
4. To appoint Auditors and fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as on ordinary resolution:

"RESOLVED THAT M/s Vora & Associates, Chartered Accountants, Mumbai, the retiring Auditors, be and are hereby appointed as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration and reimbursement of expenses as agreed upon by the Board of Directors and the Auditors in connection with the audit of the accounts of the Company for the year ending on 31.03.2010."

SPECIAL BUSINESS:

5. To consider, and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT Shri I. G. Shah who was appointed as an Additional Director pursuant to the provisions of section 260 of the Companies Act, 1956, be and is hereby appointed as an Independent Director of the Company pursuant to section 257 and other applicable provisions, if any, of Companies Act, 1956 and Articles of Association of Company, subject to retirement by rotation.

RESOLVED FURTHER THAT Shri P.L. Soni, Chairman of the Company, be and is hereby authorised to file Form 32 with Registrar of Companies and to do all such acts, deeds matters and things as is necessary to appoint Shri I. G. Shah as an Independent director of the Company."

By order of the Board of Directors

Sd/-
P. L. SONI
CHAIRMAN

Date : July 29, 2009

Registered office:
101, Soni House, Plot No.34,
Gulmohar Road No.1,
Juhu scheme, Vile Parle (W),
Mumbai - 400049.



NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ALSO ENTITLED TO APPOINT A PROXY TO ATTEND AND, ON A POLL, TO VOTE INSTEAD OF HIMSELF. SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENTS APPOINTING PROXY SHOULD BE DULY STAMPED COMPLETED AND SIGNED AND MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF ANNUAL GENERAL MEETING.
2. The Explanatory Statement pursuant to section 173(2) of the Companies Act, 1956, relating to the Special Business to be transacted at the ensuing Annual General Meeting is annexed hereto and forms part of the Notice.
3. The Register of Members & the Share Transfer Books of the Company will remain closed from 26th September, 2009 to 30th September, 2009 (both days inclusive).
4. Shareholders seeking any information with regard to accounts are requested to write to the Company at least seven days in advance so as to enable the Company to keep the information ready.
5. Members/Proxy holders are requested to bring their Attendance slip duly completed and signed along with their copy of Annual Report to the Meeting.
6. Shareholders are requested to immediately notify change in address, if any, to the Depository Participant with whom they maintain demat account for shares held in electronic mode and to the Company's Registrar & Transfer Agents for the shares held in physical mode.
7. Members, who are holding shares in identical order of names in more than one folio are requested to write to the Company enclosing their share certificate to consolidate their holdings in one folio.
8. Members holding shares in electronic form may kindly note that their Bank details as furnished by the respective depositories to the Company will be printed on their dividend warrants as per the applicable regulations of the Depositories and that Company will not entertain any direct request from such members for deletion of/change in such bank details. Further, instructions if any, already given by them in respect of shares held in physical form will not be automatically applicable to dividend paid on shares in electronic form. Members may, therefore, give instructions regarding Bank accounts in which they wish to receive dividend.
9. Pursuant to section 205A of the Companies Act, 1956, no unclaimed dividend is required to be transferred to Investors Education and Protection Fund as the period of seven years since the transfer of any dividend to Unpaid Dividend Account has not lapsed.
10. Corporate members intending to send their authorised representative are requested to send a duly certified copy of the Board Resolution authorising their representative to attend and vote at the Annual General Meeting.
11. Members who hold shares in dematerialized form are requested to bring their client ID and DP ID numbers for easy identification.
12. Members wishing to claim dividend of previous years, which remain unclaimed are requested to correspond with Ms Zarana Jhaveri, Company Secretary and Compliance Officer at the Company's Registered Office.
13. Consequent upon introduction of section 109A of the Companies Act, 1956, shareholders are entitled to make nomination in respect of shares held by them in physical form. Shareholders desirous of making nominations are requested to send their request in FORM 2B (which will be made available on request) to the Registrar and Share Transfer Agents, **LINK INTIME INDIA PRIVATE LIMITED.**



ANNEXURE TO THE NOTICE

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

Item No. : 5

Shri I.G.Shah was appointed as an Additional Director of the company w.e.f. January 22, 2009 pursuant to Articles of Association of the company read with section 260 of the Companies Act, 1956. Accordingly, his term of office expires at the ensuing Annual General Meeting.

The company has received notice from a member along with deposit amount, as required under section 257 of the Companies Act, 1956, proposing his name as an Independent Director of the Company.

Shri I.G.Shah is a Senior Supreme Court counsel and a retired High Court Judge. Considering that, his wide experience will be very useful to the Company, your Directors recommend his appointment as an Independent Director.

None of the Directors of the Company is concerned or interested in the resolution, except Shri I.G.Shah, himself.

By Order of the Board of directors

**Sd/-
P. L. Soni
Chairman**

Date : July 29, 2009

**Registered office :
101, Soni House, Plot No.34,
Gulmohar Road No.1,
Juhu scheme, Vile Parle (W),
Mumbai - 400049.**



THE BRIEF RESUME / DETAILS OF DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT

(Forming part of the explanatory statement to the notice in pursuance of Clause 49 of the Listing Agreement)

Name of the Director	Shri I.G.SHAH	Shri Y.C.PAWAR
Date of Birth	19.09.1932	25.07.1941
Date of Appointment	22.01.2009	16.01.2006
Qualifications	B.A.,LLB	B.SC.; LL.B.; I.P.S
Expertise in specific functional areas	<p>Sr. Counsel Supreme Court of India</p> <p>Retired Judge of High Court Mumbai</p>	<p>Twice awarded with President's Police Medal.</p> <p>Jt. Commissioner (law & order) Mumbai.</p> <p>Deputy Director - Maharashtra Police Academy, Nasik.</p> <p>Commandant, SRPF G.R. VIII.</p> <p>Deputy Commissioner of Police in Thane Commissionerate.</p> <p>Supdt. of Police, Nanded.</p> <p>Tahasildar, Ratnagiri.</p>
List of Companies in which Directorship held as on 31st March, 2009	NIL	NIL
Chairman / member of the Committee of the Boards of the other Companies on which he is a Director as on 31st March 2009.	NIL	NIL

**DIRECTORS' REPORT**

To
The Members,
Prime Property Development Corporation Limited

Your Directors have pleasure in presenting the 17th Annual Report of your Company along with the Audited Statement of Accounts for the year ended March 31, 2009.

A. Financial Results:

(Rs. In lacs)

Particulars	2008-2009	2007-2008
Business Income	8774.94	10850.93
Profit before Interest, Depreciation & Tax	2372.35	5157.92
Less :		
a. Interest	71.17	56.43
b. Depreciation	81.42	78.50
Profit before tax	2219.76	5023.00
Provision for Tax :		
a. Current Year	787.00	1788.93
b. Deferred Tax	(19.08)	(20.22)
c. Fringe Benefit Tax	2.40	2.09
Profit after tax but before Extraordinary items	1449.44	822.40
Add: (Short)/Excess provision for taxes of earlier years	0.21	0.25
Profit after tax	1449.65	3252.44
Proposed Dividend	300.00	300.00
Corporate Dividend Tax	50.99	50.99
Transfer to General Reserve	145.00	320.00
Balance brought forward from Previous Year	4208.51	1627.06
Balance carried to Balance Sheet	5162.18	4208.51

B. Dividend :

Your Directors are pleased to recommend a Dividend of 30% on the equity shares, i.e. Rs. 1.50 per equity share of Rs. 5/- each, for the financial year ended 31.03.2009.

C. Current Year's Operation :

The Year 2008-2009, as you all know, has been a difficult year as a whole, for most business segments, and Real Estate Industry was no exception to it. The subprime crisis in USA, continued inflationary pressure, rise in input prices, stock market downturn & high oil prices, have affected the market sentiments. Rise in prices of essential commodities, in particular, had prompted the Government to balance between economic progress & fighting inflation.

In view of present economic condition, your company has achieved Sales & Other Income for the Current year of Rs. 8774.94 Lacs (Previous year Rs. 10850.93 Lacs) & Net Profit of Rs. 1449.65 Lacs (Previous year Rs. 3252.44 Lacs). Thus, Sales & Net Profit have recorded a negative growth of 19% & 55%, respectively, over the previous year. During the year, your Company has received the balance of sale proceeds from Prime Tech Park Project, Vile Parle (E). Prime Square Project, Goregaon (West) was completed and sold. Prime Down Town Mall, Hughes Road and Prime Mall, Pune Projects are completed as semi finished and interior work remains to be done as per customers choice in the future. The joint developers of Hughes Road Project are considering certain changes in the project and future activity would be decided after their decision. The project loan obtained by your company towards Pune project has been substantially repaid even before it fell due. Project loan outstanding as on 31.03.2009 was at Rs. 698.64 Lacs, which will be repaid as and when they fall due.

**D. Future Prospects :**

The year 2009-2010, appears to have started with many positives. First the general elections has brought a stable government and is expected to encourage free economy. The stock market has responded well and has revived interest in shares. Inflation is under control. GDP growth, by different market estimates, is expected to be between 6-7 percent. Most importantly, overall sentiments have changed for the better.

Your Company is in the look out for acceptable proposals for higher-end real estate assets. It has also decided to start its next commercial project at Vile Parle (W), on a plot of land which was bought outright sometime back.

Your Directors therefore are confident of fairly good performance of your Company in future, considering the above developments.

E. Directors' Responsibility Statement :

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

- In the preparation of the Annual Accounts for the financial year ended March 31, 2009, the applicable accounting standards have been followed and there has been no material departure;
- The Directors have selected such accounting policies in consultation with statutory auditors and applied them consistently and made judgments and estimates that were reasonable and prudent to maintain the matching of revenue concept, so as to give a true and fair view of the state of affairs of the Company as on March 31, 2009 and of the Profit of the Company for that period;
- The Directors have taken proper and sufficient care to the best of their knowledge and ability for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956. They confirm that there are adequate systems and controls for safeguarding the interest of the Company and for preventing and detecting fraud and other irregularities;
- The Annual Accounts for the financial year ended March 31, 2009, is prepared on a 'going concern' basis.

F. Directors :

Shri Y. C. Pawar, Independent Director, retires by rotation at the ensuing Annual General Meeting & being eligible, offers himself for re-appointment. The Board recommends his re-appointment.

Shri I. G. Shah was inducted as an Additional Director with effect from January 22, 2009 and holds office upto the ensuing Annual General Meeting. The Company has received notice from a member pursuant to section 257 of the Companies Act, 1956, signifying his intention to propose him as a Director of the Company.

The brief resume / details relating to Directors seeking appointment / re-appointment are furnished in the explanatory statement to the Notice of the Annual General Meeting.

G. Fixed Deposits :

The Company has not accepted any deposits from the public and the shareholders, during the year under review.

H. Corporate Governance :

A separate section on Corporate Governance is included in the Annual Report and the certificate from the Company's Auditors confirming the compliance of the conditions on the Corporate Governance as stipulated in clause 49 of the Listing Agreement with the Stock Exchange is annexed thereto.

Disclosure of particulars :**(1) Material Changes after the Date of Balance Sheet**

Pursuant to provisions of Section 217(1)(d) of the Companies Act, 1956, there has been no material change and commitment affecting the financial position of the Company, which have occurred between the end of the financial year of the Company to which the Balance Sheet relates and the date of the Report.

**(2) Particulars Under Section 217 (1) (e) Of The Companies Act, 1956**

Additional information required under the provisions of the above Section read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988, regarding a) Conservation of Energy and b) Technology Absorption, is not applicable, as the Company is not carrying out any manufacturing operation.

c) Foreign Exchange Earnings and Outgo:

Particulars (Rs.)	As on 31.03.2009 (Rs.)	As on 31.03.2008
(a) Earnings in foreign exchange	NIL	NIL
(b) Expenditure / Outgo in foreign exchange (Material & Travelling)	2,00,000	28,05,181

(3) Particulars of Employees

There are no employees in receipt of remuneration exceeding the limit prescribed under the provisions of Section 217 (2A) of the Companies Act 1956 and rules framed there-under read with the Companies (Particulars of Employees) Rules, 1975.

The Company however on recommendation of Remuneration Committee held on July 29, 2009 proposes to pay a performance commission to Shri P. L. Soni, the Chairman of the Company. The details of the same are given below:

Name of the Recipient	:	Shri P. L. Soni
Gross Commission	:	Rs. 1,20,00,000/-
Nature of Duties	:	Chairman
Qualifications & Experience	:	Graduate, 31 years of experience
Age	:	61 Years

J. Company Secretary and Compliance officer

Miss Zarana Jhaveri is appointed as Company Secretary and Compliance Officer w.e.f. 23rd March, 2009.

K. Auditor's Report :

The observations of the Auditors in their Report have been dealt with in the Notes forming part of the accounts and other statements, which are self-explanatory.

L. Auditors :

M/s. Vora & Associates, Chartered Accountants, Statutory Auditors, retire at the conclusion of the ensuing Annual General Meeting and are eligible for reappointment. They have furnished a certificate to the effect that their proposed appointment, if made, will be in accordance with the limit specified under section 224 (1B) of the Companies Act, 1956.

M. Acknowledgement :

Your Directors would like to express their grateful appreciation for assistance and co-operation received from Banks, Customers and Members during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed services of the Employees of the Company.

For and On behalf of the Board of Directors

Place : Mumbai
Date : July 29, 2009

Sd/-
P. L. Soni
Chairman



MANAGEMENT DISCUSSION & ANALYSIS

Industrial Development :

The year gone by has witnessed a very depressed period for the real estate industry. All the components generating high demand & pushing prices to dizzy heights seemed to have vanished. Many players found themselves overstretched and share prices hammered down to a mere fraction.

The downfall was signalled by defaults in sub prime lendings in the USA & slowly engulfed the entire economic world. Most developed economies took a severe beating and markets started tumbling all around.

The Champions of Free Market Economy were forced to attempt bailing out giant enterprises by injecting huge doses of Public funds. Collapse of great Lehman Brothers in September, 2008 was the proverbial last straw to break the camel's back.

Credit and liquidity crisis plunged market sentiments everywhere. Recession set in over almost the entire developed nations. Unemployment levels reached such unacceptable proportions that many nations even resorted to protectionist policy. The IT/ITES & other outsourcing activities, in particular, came in their scanners to save local employment.

While the Indian Economy apparently remained unaffected almost upto the beginning of year 2008, thereafter markets gave in under tremendous external & internal pressures. Global oil prices had zoomed, exports dwindled, inflation went up & stock market crashed. Certain actions to arrest inflation resulted in drying up liquidity, hardening interest rates and lowering demand for goods & services. Industrial production took a hit and finally growth in GDP actually achieved, hovered around 6.7% in 2008-2009, much lower than what was forecast.

Real Estate industry which lead the growth in Indian economy, was amongst the worst affected on the downturn. Demand for quality commercial/residential properties from multinationals, IT/ITES, hospitality and retail industry almost vanished & with it, the flow of foreign funds. As a result, not only the high property prices could not be sustained, there were very few real deals.

The worst however appears to be over & the future looks bright again. Most developed nations have pumped in large resources to revive their economies. The result is expected to bring much needed stability. India has gone through its general elections, results of which promise a fairly stable government. Most importantly, sentiments have decisively turned to be extremely positive and hopeful. The government has gone through budget exercise that is expected to provide inter alia stability, provide liquidity, contain inflation and also keep the interest rates under control.

Indian economy, in any case, was the least affected amongst the large economies. In the face of global meltdown, it had recorded GDP growth of about 6.7% even in the year 2008-2009, which though lower than the previous years and also lower than the anticipated growth, was still quite a decent growth.

Real Estate assets had negligible real transactions during 2008-2009, owing as much to the vanishing demand & market sentiments, as to the unrealistically high prices for the properties. With prices coming down to a fair level, along with the revival of demand and interest in properties, quite a few new projects launched in the market, have received encouraging response and bookings in the real sense.

Government Initiatives :

Government has introduced many progressive reform measures to unlock the potential of the sector and also meet increasing demand levels. The government's recently announced stimulus package, coupled with the Reserve Bank of India's move allowing banks to provide special treatment to the real estate sector, is likely to impact the Indian real estate sector in a positive way.

In a move well coordinated with the Central government, the Reserve Bank of India has been easing key interest rates to infuse liquidity in the market.

A refinance facility of Rs 40 bn is also being worked upon for the National Housing Bank to lend directly to Housing finance Companies. Further, to prevent banks from accumulating large real estate - linked NPAs, the RBI has extended an 'exceptional/concessional treatment' to loans disbursed to the sector.

RBI allowed banks to treat restructured loans extended to companies in Real Estate Sector as a "Standard Account" instead of classifying them as non-performing assets.

Department of Industrial Policy & Promotion is planning to allow FDI to flow into realty projects of 10 acres & above.

The Government has liberalized the External Commercial Borrowings to raise funds for development of integrated townships.

Residex, an index planned to benchmark the housing sector is expected to serve as an indicator of property prices, the Housing Start-up Index planned by the National Housing Bank aims to indicate the volume of construction taking place in a particular location. The real estate sector is likely to get a boost from Real Estate Mutual Funds and Real Estate Investment Trusts.



Moreover, excise duty cuts on cement and steel will bring down construction costs.

Sources : Press Note 3 (2002 Series) dated January 04, 2002, issued by DIPP,
Ministry of Commerce & Industry, Government of India
indianrealtynews.com
Business-standard.com
nhb.org.in

Opportunities & Threats :

Sentiments have turned positive, several incentives have been announced by the Government to help the industrial production, in general and real estate industry, in particular. Your Company has resisted over-stretching, as a prudent policy and has a sound financial position. It would accept new projects that meet its high standards and hope to perform well. The budgetary deficit of the country & continued global recession might discourage the investors and prove to be real threat to the industry.

Segment wise Performance :

The Company operates in a single business segment namely 'Property Development'; hence no further disclosure is required under Accounting Standard (AS) 17 on segment reporting.

Business Analysis & Outlook :

During the year, your Company has realized the balance of sale proceeds from Prime Tech Park Project, Vile Parle (East). Prime Square Project, Goregaon (West), is also completed and major sale proceeds have been accounted for in the year. Prime Down Town Mall, Hughes Road project, has been completed as per the present sanctioned plan. The partners are considering certain changes in the project and future activity would be decided after their decision. Civil work has been completed & only interior work remains to be done in the Prime Mall, Pune.

Barring unforeseen circumstances, therefore, the Company expects to earn fair profit, in future.

Internal Control System & Their Adequacy :

The Company has a regular System of Internal check & control, costing, budgeting, forecasting, monitoring projections and efforts are put to further strengthen the system.

Financial Performance :

The Company has adopted fair accounting policy as regards the revenue recognition and expenses. The Accounts are maintained in accordance with the Accounting Standards generally accepted in India for the nature of its business as prescribed by ICAI to the extent applicable and as required by the Companies Act, 1956.

Even in the face of a severely depressed market, the company has managed a turnover of Rs. 8774.94 lacs and has posted a net profit of Rs. 1449.65 lacs in 2008-2009. The company has recommended & proposed to pay dividend @ 30 % to the Shareholders for the financial year ended March 2009. The Company has repaid all debts in time in accordance with the arrangements with the banks.

Material Development In Human Resources :

The Company uses the services of a fairly good team of Engineers, Architects, Contractors, Suppliers and Legal Advisors. The people employed by the Company and other agencies working for the project, are technically qualified and help in successful and timely execution of projects. The Company has appointed a qualified Chartered Secretary and Compliance Officer to deal with all secretarial work and service to shareholders.

Disclaimer :

Statements in this Management Discussion and Analysis describing the Company's objectives, projections and expectations may be "forward looking statement" within the meaning of applicable laws and regulations. Actual results might differ materially from those either expressed or implied. Important factors that might materially affect the future performance of the Company include the state of the Indian economy, changes in government regulations, tax laws, input availability and prices, and the state of the financial markets and other factors such as litigation over which the Company does not have direct control.

For and On behalf of the Board of Directors

Place : Mumbai
Date : July 29, 2009

Sd/-
P. L. Soni
Chairman



CORPORATE GOVERNANCE REPORT FOR THE YEAR 2008-2009

The Corporate Governance code is a professional system framed for directing and controlling the organization. The purpose is to ensure compliance of local statutes and ensure safeguard and value addition in long term to the interest of its members, creditors, customers and employees.

The company has initiated the practice of incorporating the Corporate Governance Report in the Annual Report in compliance with clause 49 of Listing agreement of BSE. A concerted attempt has been made to bring in transparency and professionalism to ensure ethical standard in business activities while implementing the Corporate Governance Code. The management places on record that the mandatory compliances to constitute various committees as required by clause 49 of the listing agreement of the BSE, are in place.

The detailed report on Corporate Governance as per the format prescribed by SEBI and incorporated in clause 49 of Listing Agreement as applicable to the Company is set out below :

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE :

The Company is committed to good corporate governance and has implemented the corporate governance norms as prescribed by SEBI. The Company's philosophy of corporate governance is based on preserving core values and ethical business conduct which enhances the efficiency of the Board and inculcates a culture of transparency, accountability and integrity across the company.

2. BOARD OF DIRECTORS :

The Company is fully compliant with the Corporate Governance Norms in terms of constitution of the Board which is well blended with a good combination of Executive and Independent Non-Executive Directors. The Board has complete access to any information within the company & to any employee of the Company.

Pursuant to clause 49 of listing agreement, the Board meets at least once in every quarter to review quarterly results and other items of the agenda and, if necessary, additional meetings are held. The Board meets 4 times in a year and gap between two board meetings is not more than 4 months. The Board is apprised and informed of all the important information relating to the business of the Company including those listed in Annexure 1A of the revised clause 49 of the Listing Agreement.

Present strength of the Board of Directors is eight whose composition is given below :

Promoter, Chairman	-	1
Promoter, Whole Time Directors	-	2
Whole time Director & CEO	-	1
Independent Directors	-	4

During the financial year ended March 31, 2009, four Board Meetings were held on 24th April, 2008, 23rd July, 2008, 21st October, 2008 and 22nd January, 2009

Attendance of Directors at Board Meetings during the financial year and the last AGM and details of Membership in other Boards and Committees are as under:

Name of the Director	Composition and Category	No. of Board Meetings attended	Attendance at last AGM held on Sept. 30, 2008	No. of Directorship in other public companies		No. of Committee positions held in other public companies	
				Member	Chairperson	Member	Chairperson
Shri Padamshi L. Soni	Chairman	4	Yes	0	0	0	0
Shri Nalinakshan S. Kolangaradath	Independent director	4	Yes	1	0	0	0
Shri Yadavrao. C. Pawar	Independent director	4	Yes	0	0	0	0
Shri Satendrakumar C. Bhatnagar*	Independent director	3	Yes	0	0	0	0
Shri Ishwarchand G. Shah**	Independent director	0	No	0	0	0	0
Shri Manish P. Soni	Whole time Director	4	Yes	0	0	0	0
Shri Vishal P. Soni	Whole time Director	4	Yes	0	0	0	0
Shri Alok A. Chowdhury	Whole time Director, CEO	4	Yes	0	0	0	0

**Note :**

- i) *Shri Satendrakumar C. Bhatnagar was appointed on board as an Additional Director on 23.07.2008 and as Director in last AGM on 30.09.2008
- ii) ** Shri Ishwarchand G. Shah was appointed as an Additional Director in the meeting dated 22.01.2009.

3. DISCLOSURE REGARDING APPOINTMENT / RE-APPOINTMENT OF DIRECTORS :

In accordance with the provisions of the Companies Act, 1956 and Articles of Association of the Company, Shri Y. C. Pawar, Director, retires by rotation at the forthcoming Annual General Meeting and has expressed his willingness to be re-appointed at the ensuing Annual General Meeting.

In terms of applicable provisions of Companies Act, 1956, Shri Ishwarchand G. Shah was appointed as an Additional Director in the Meeting of Board of Directors dated 22.01.2009. A suitable proposal to appoint him as an Independent Director has been put up for consideration by the members.

4. AUDIT COMMITTEE :

The terms of reference of this Committee are wide enough to cover the matters specified for Audit Committee under clause 49 of the Listing Agreement as well as section 292A of the Companies Act, 1956.

The primary role of Audit Committee is:

- To oversee the Company's financial reporting process and disclosure of financial information.
- To review the financial statements, adequacy of internal control systems, and periodic audit reports.
- To recommend to the Board the matters relating to the financial management of the Company.
- To recommend appointment/re-appointment of Statutory Auditors and fixation of their remuneration.
- To hold discussions with Statutory Auditors periodically.

The Statutory Auditors of the Company are invited to attend Audit Committee Meetings to discuss and review the quarterly/half yearly unaudited results, the annual audited accounts, internal audit, matters relating to the compliance with accounting standards, auditor's observations arising from the audit of the Company's accounts and other related matters.

During the financial year ended March 31, 2009, four Audit Committee Meetings were held on 24th April, 2008, 23rd July, 2008, 21st October, 2008 and 22nd January, 2009.

The names of the Committee Members and number of Meetings attended during the year are as follows:

Name of the Members	Composition and Category	Total Meetings Attended
Shri Nalinakshan S.Kolanganadath	Chairman of the Committee	4
Shri Satendrakumar C. Bhatnagar *	Member	1
Shri Padamshi L. Soni	Member	4
Shri Vishal P. Soni	Member	4

Note: * Shri Satendrakumar C. Bhatnagar was appointed as a member of the Committee w.e.f. 22.01.2009.

5. REMUNERATION COMMITTEE :

The terms of reference of the Remuneration Committee is to determine, review and recommend the Company's policy on specific remuneration packages for Whole Time Directors and Non-Executive Directors. The remuneration payable to Directors as reviewed by the Committee is put up to the Board of Directors and Shareholders of the Company.

The Remuneration Committee also recommends commission payable to the Chairman of the Company.

The Remuneration Committee met once in the year on 23.07.2008.

The names of the Committee Members, their composition and meetings attended during the year are as follows :

Name of the Members	Designation	Meetings attended
Shri Padamshi L. Soni	Chairman	1
Shri Nalinakshan S.Kolanganadath	Member	1
Shri Yadavrao C. Pawar	Member	1

The Company has not issued any stock options to any of its Directors and Employees.

6. SHAREHOLDERS / INVESTORS GRIEVANCES COMMITTEE :

The Committee reviews all matters connected with the securities transfer. The Committee also looks into redressal of shareholders complaints relating to transfer of shares, non-receipt of balance sheet, non-receipt of dividends, issue of share certificates on account of bonus, split or any other matter related to securities of the Company. The Committee oversees the performance of the Registrar and Transfer Agents and recommends measures for overall improvement in the quality of investor services. The Committee meets as and when required, depending upon grievances and/or request for physical transfer of securities received by the Company.



The report received from the Share Transfer Agents as reviewed by the Committee are placed at the Board Meetings from time to time. During the financial year ended March 31, 2009, four Shareholders/Investors Grievance Committee Meetings were held on 24th April, 2008, 23rd July, 2008, 21st October, 2008 and 22nd January, 2009.

The names of the Committee Members, and meetings attended during the year are as follows :

Name of the Members	Designation	Meetings attended
Shri Padamshi L. Soni	Chairman	4
Shri Manish P. Soni	Member	4
Shri Yadavrao. C. Pawar	Member	4

The Company has attended the investors' grievances / correspondence promptly. There were no investors' complaints pending as on March 31, 2009. There were no outstanding requests for transfer & no pending requests for dematerialization of shares as on March 31, 2009.

Name and designation of Compliance officer

Miss Zarana Jhaveri

Company Secretary and Compliance officer
Prime Property Development Corporation Limited
101, Soni House, Plot No.34, Gulmohar Road No.1,
JVPD Scheme, Vile Parle (West),
Mumbai- 400049.
Email:compliance_officer@ppdcl.com
Ph.No.26208000, Fax:26235076

7. GENERAL BODY MEETINGS :

The last three Annual General Meetings of the Company were held as under :

Financial Year	Date	Time	Venue
2005-2006	Sept.27, 2006	11.30a.m.	Santokba Sanskar Sadan, Next to Bhaidas Maganlal Sabhagriha, Bhaktivedant Swami Marg, Vile Parle (W), Mumbai 400 056.
2006-2007	Sept. 24, 2007	11.30a.m.	Santokba Sanskar Sadan, Next to Bhaidas Maganlal Sabhagriha, Bhaktivedant Swami Marg, Vile Parle (W), Mumbai 400 056.
2007-2008	Sept. 30,2009	11.30a.m.	Santokba Sanskar Sadan, Next to Bhaidas Maganlal Sabhagriha, Bhaktivedant Swami Marg, Vile Parle (W), Mumbai 400 056.

The special resolutions as stated in the respective notices were passed in the meetings by the shareholders.

No extraordinary general meeting was held during the year

No postal ballot was conducted during the year 2008-2009.

8. DISCLOSURES :

There are no materially significant related party transactions, which have the potential to conflict with the interest of the company at large. The Company has complied with all the requirements of the Listing Agreement with the Bombay Stock Exchange (BSE) as well as the regulations and guidelines of SEBI. No penalties were imposed or strictures passed against your Company by SEBI, Stock Exchange or any other statutory body on any matter relating to capital markets during last 3 years.

The Company has received the consent order disposing adjudication proceedings against the Company and Chairman vide SEBI letter dated March 24, 2009.

9. CODE OF CONDUCT :

The Company has formulated and implemented a Code of Conduct for all Board Members and Senior Management of the Company which is in compliance with clause 49(1)(D) of Listing Agreement.

10. MEANS OF COMMUNICATION :

The quarterly, half-yearly and yearly financial results of the Company are sent to the Bombay Stock Exchange immediately after they are approved by the Board and these are published in the leading newspapers.

Management Discussion & Analysis Report for the year ended March 31, 2009 forms a part of this Annual Report and is given under the section so captioned.

Company has created a website addressed as www.ppdcl.com



As per the requirements of Clause 51 of the Listing Agreement, all the data relating to quarterly financial results, shareholding pattern etc. are being electronically filed on the SEBI website www.sebidifar.nic.in within the timeframe prescribed in this regard.

11. INTERNATIONAL SECURITIES IDENTIFICATION NUMBER (ISIN) :

ISIN is a unique identification number of traded scrip. The number has to be quoted in each transaction relating to the dematerialized equity shares of the Company. The Company's ISIN is INE233CO1023.

12. SECRETARIAL AUDIT REPORT REGARDING RECONCILIATION OF CAPITAL :

As required by regulation 55A of SEBI (Depositories and Participants) Regulations, 1996, a quarterly audit is conducted by a Practising Company Secretary, reconciling the Issued and Listed Share Capital of the Company with the aggregate of the shares held by the investors in physical form and in demat form in CDSL and NSDL and said certificates are submitted to the Stock Exchange within the prescribed time limit.

As on March 31, 2009, there was no difference between the Issued capital and the aggregate of shares held by the investors in both physical form and in electronic form with depositories.

13. GENERAL SHAREHOLDER INFORMATION :

a) Annual General Meeting

Day, Date and Time : Wednesday, September 30, 2009, at 11.30 a.m
Venue : Santokba Sanskar Sadan, Next to Bhaidas Maganlal Sabhagriha, Bhaktivedant Swami Marg, Vile Parle (W), Mumbai - 400 056.

b) Financial Calender

Results for quarter ending June, 2009	On 29 th July, 2009
Results for quarter ending Sept., 2009	Last week of October, 2009
Results for quarter ending Dec, 2009	Last week of January, 2010
Results for Year ended March, 2010	Last week of April, 2010

c) Date of Book Closure : September 26, 2009 to September 30, 2009
(both days inclusive)

d) Dividend : After approved by the shareholder in the Annual General Meeting within the specified time

e) Listing on Stock Exchange : Shares of the Company are listed on Bombay Stock Exchange Limited

f) Stock Codes / Symbol (for shares) :
The Stock Exchange Code, Mumbai : 530695
Bombay Stock Exchange of India Ltd. : PRIMEPROP
Demat ISIN Number in NSDL & CDSL : INE233C01023

g) Market Price Data of the Company and comparison with BSE Sensex

Month	High Price	Low Price	No. of Shares	Sensex	
				High	Low
April 2008	93.75	67.00	499725	17,480.74	15,297.96
May 2008	95.65	68.05	1422464	17,735.70	16,196.02
June 2008	73.00	58.30	510590	16,632.72	13,405.54
July 2008	75.00	54.00	396312	15,130.09	12,514.02
August 2008	68.00	59.00	771548	15,579.78	14,002.43
September 2008	66.45	55.15	1293636	15,107.01	12,153.55
October 2008	63.80	31.70	549804	13,203.86	7,697.39
November 2008	62.50	42.00	534371	10,945.41	8,316.39
December 2008	67.50	46.65	795641	10,188.54	8,467.43
January 2009	66.50	52.55	475701	10,469.72	8,631.60
February 2009	57.80	47.00	397156	9,724.87	8,619.22
March 2009	58.60	45.00	276478	10,127.09	8,047.17

**h) Registrar and Transfer Agents :**

M/s LINK INTIME INDIA PVT LIMITED
(earlier known as Intime Spectrum Registry Limited)
C-13, Parnalal Silk Mills Compound,
L. B. S. Marg, Bhandup (W), Mumbai 400 078
Tel: 25963838 Fax: 25962691.
Website : www.linkintime.co.in

i) Share Transfer System :

The Company's shares are traded on Bombay Stock Exchange mandatorily in demat mode. Physical Shares which are lodged with the Registrar and Transfer Agents/ or with the Company for transfer are processed and returned to the Shareholders duly transferred within the time limit stipulated under the Listing Agreement subject to the documents being in order.

j) Distribution of Shareholding as on March 31, 2009 :

No. of Equity Shares Held		Shareholders		No. of Shares Rs. 5/- each	
		No.	% of Total	No. of Shares Held	% of Total
UPTO	500	3170	79.69	478956	2.39
501 -	1000	353	8.87	297321	1.49
1001 -	2000	202	5.08	319347	1.60
2001 -	3000	61	1.53	155336	0.78
3001 -	4000	35	0.88	126497	0.63
4001 -	5000	25	0.63	120872	0.60
5001 -	10000	52	1.31	388339	1.94
10001 -	And Above	80	2.01	1811332	90.57
TOTAL		3978	100.00	20000000	100.00

k. Share Holding Pattern as on March 31, 2009 :

Category	No. of Shares Held Rs. 5/- each	Percentage of Shareholding
a. Promoter's holding	115,99,394	57.99%
b.* FII's	4,32,353	2.16%
c. Corporate Bodies	2941483	14.70%
d. Public (In India)	4853392	24.26%
e.* NRIs / OCBs	82976	0.41%
f. Clearing Member	89727	0.44%
g. Any Other (Trust)	675	0.003%
GRAND TOTAL...	20,000,000	100.00%

* Note: The total foreign shareholding is 515329 i.e. 2.58% equity shares.

l. Dematerialisation of shares :

89.25% of the Company's paid up equity share capital has been Dematerialized up to March 31, 2009. Trading in the equity shares of the Company at Bombay Stock Exchange is permitted only in dematerialized form.

The details of dematerialized of shares as on March 31, 2009 are as under :

Depository	No. Of Shareholders	No. Of Shares	% Of Capital
NSDL	2369	16257868	81.29%
CDSL	1328	1593468	7.96%
TOTAL	3697	11306126	89.25%



Request for dematerialization of shares are processed and confirmation is given to the respective depositories i.e. National Security Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) within 15 days. Shares of the Company are regularly traded on BSE.

14. Addresses for Correspondence :

All Correspondence relating to the shares and debentures of the Company should be forwarded to the below mentioned address

:Link Intime India Private Limited

Unit: Prime Property Development Corporation Limited
C-13, Pannalal Silk Mills Compound, L. B. S. Marg,
Bhandup (W), Mumbai - 400 078
Tel: 25963838 Fax: 25962691.
Email: mumbai@linkintime.co.in

For and On behalf of the Board of Directors

Place : Mumbai
Date : 29 July, 2009

Sd/-
P. L. Soni
Chairman

CEO CERTIFICATE

In terms of the requirement of the amended Clause 49 of the Listing Agreements with the Stock Exchange, the certificates from CEO have been obtained.

For and On behalf of the Board of Directors

Place : Mumbai
Date : 29 July, 2009

Sd/-
P. L. Soni
Chairman

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members of,
PRIME PROPERTY DEVELOPMENT CORPORATION LIMITED.

We have examined the compliance of conditions of Corporate Governance by Prime Property Development Corporation Limited, for the year ended March 31, 2009, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchange.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedure and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion of the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above-mentioned Listing Agreement.

As required by the Guidance Note issued by the Institute of Chartered Accountants of India, we have to state that as per the records maintained by the company, there were no Investor's grievance pending for a period extending 30 days against the Company as per the records maintained by Shareholder's/ Investors Grievances Committee.

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.

For VORA & ASSOCIATES
CHARTERED ACCOUNTANTS

Place : Mumbai
Date : July 29, 2009

Sd/-
MAYUR A. VORA
PARTNER
(Membership No. 30097)



AUDITORS' REPORT

To,
The Members Of
PRIME PROPERTY DEVELOPMENT CORPORATION LIMITED

1. We have audited the attached Balance Sheet of PRIME PROPERTY DEVELOPMENT CORPORATION LIMITED as at March 31, 2009 and also the Profit and Loss Account and the Cash Flow Statement of the Company for the year ended on that date, annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the 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 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 presentation of financial statement. We believe that our audit provides a reasonable basis for our opinion.
3. As required by Companies (Auditor's Report) Order, 2003 as amended by the Companies (Auditor's Report) (Amendment) Order, 2004 ("the order") issued by the Central Government in terms of Section 227(4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to in paragraph (3) above, we report that:
 - i. 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;
 - ii. in our opinion, proper books of account, as required by law have been kept by the Company, so far as appears from our examination of those books of accounts;
 - iii. the Balance Sheet, the Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of accounts of the company;
 - iv. in our opinion, the Balance Sheet and Profit and Loss Account and the 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;
 - v. based on the representations made by the Directors and taken on record by the Board of Directors of the Company and the information and explanations given to us, none of the Directors is, as at March 31, 2009, prima-facie disqualified from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956 and
 - vi. In our opinion and to the best of our information and according to the explanations given to us, the said accounts read 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 in conformity with the accounting principles generally accepted in India:
 - (a) In the case of the Balance Sheet, of the state of affairs of the company as at March 31, 2009 and
 - (b) In the case of the Profit and Loss Account, of the PROFIT, of the company for the year ended on that date; and
 - (c) In the case of the Cash Flow Statement, of cash flows for the year ended on that date.

FOR VORA & ASSOCIATES
CHARTERED ACCOUNTANTS

Sd/-
MAYUR A. VORA
PARTNER
Membership No. 30097

Place : Mumbai
Date : July 29, 2009



ANNEXURE TO THE AUDITORS' REPORT

(Referred to in paragraph 3 of our Report of even date on accounts of Prime Property Development Corporation Limited for the year ended 31st March 2009.)

1. In respect of its Fixed Assets :
 - (a) The company has generally maintained records showing full particulars including quantitative details and situation of fixed assets.
 - (b) As explained to us according to the practice generally followed, the fixed assets of the Company are physically verified by the management at reasonable intervals, in a proper manner, which in our opinion is reasonable looking to the size of the Company and nature of its business. According to the information and explanation given to us no discrepancies have been noticed on physical verification and does not require any adjustment in the books of accounts;
 - (c) The Company has not disposed off any of its fixed assets so as to affect its going concern status;
2. In respect of Inventories:
 - (a) As explained to us, the Management as at the end of the financial year or after the year-end has physically verified the stocks of inventory in the Company's custody.
 - (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of the stocks as 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 and according to the information and explanation given to us, the Company is generally maintaining proper records of inventory. The discrepancies noticed on verification between the physical stock and the book records were not material having regard to the size of the operations of the Company. And have been dealt with in the books of accounts.
3. In respect of the loans, Secured or Unsecured Loans, granted or taken by the company to/from companies, firms or other parties covered under register maintained u/s 301 of The Companies Act, 1956:
 - (a) The Company has not granted any secured or unsecured loans to companies, firms and other parties as covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, paragraphs 4 (iii) (b) (c) and (d) of the Order are not applicable.
 - (b) The Company has taken unsecured loan from one of the party covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount outstanding during the year is Rs. 4,90,77,547/- & year-end balance is Rs. 3,75,59,785/-
 - (c) In our opinion and according to the information and explanation given to us, the rate of interest and other terms and conditions as stipulated on which the Company has taken the loans from parties required to be listed in the register maintained under section 301 and section 370 (1B) of the Companies Act, 1956 are prima facie not prejudicial to the interest of the Company.
 - (d) The Company is regular in repaying the principal amounts as stipulated and has been regular in payment of interest as stipulated to the parties listed in the register maintained under section 301 of the Companies Act, 1956.
4. 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 nature of its business for purchase of inventories, fixed assets and for sale of goods. Further on the basis of our examination of the books and records of the Company and according to the information and explanations given to us we have neither come across nor have been informed any continuing failure to correct weaknesses in the aforesaid internal control systems.
5. In respect of contracts or arrangements entered in the Register maintained in pursuance of Section 301 of the Companies Act 1956, to the best of our knowledge and belief and according to the information and explanations given to us:
 - (a) In our opinion that the transactions in which directors were interested and which were required to be entered into the register maintained under Section 301 of the Companies Act, 1956 have been so entered.
 - (b) In our opinion and having regard to our comments in paragraph (3) above, and according to the information and explanations given to us, transactions made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956 and exceeding the value of Rs. 5,00,000/- in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time where such market prices are prima-facie made available.
6. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Section 58A and Section 58AA of the Companies Act 1956 and the rules framed there under. Therefore the provision of clause 4 (vi) of the Order are not applicable to the company.



7. In our opinion and according to the information and explanations given to us, the Company has no formal internal audit department as such, but its internal control procedures generally ensure reasonable internal check of its financial and other records, commensurate with the size of the Company and the nature of its business.
8. As informed to us, the maintenance of cost records has not been prescribed by the Central Government under Section 209 (1)(d) of the Companies Act, 1956, in respect of activities carried on by the Company.
9. According to information and explanation given to us, in respect to statutory dues :
 - (a) The company is generally regular in depositing with the appropriate authorities in India the undisputed statutory dues under Income tax Act, Wealth Tax, Value Added Tax, Service Tax, Duties and other material statutory dues as applicable to it.
 - (b) At the end of the financial year there were no undisputed amounts payable in respect of Income tax, Value Added Tax, Service Tax and other statutory dues as applicable, for a period of more than six months from the date they become payable.
10. The Company does not have accumulated losses. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
11. In our opinion and according to the information and explanation given to us, the Company has not defaulted in repayment of its dues to any bank or financial institution during the year under review.
12. In our opinion and according to the information and explanation given to us the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion and according to the information and explanation given to us the Company is not a chit fund or a nidhi/mutual benefit fund / society. Therefore, the provisions of clause 4 (xiii) of the order are not applicable to the Company.
14. In our opinion and according to the information and explanations given to us, the Company is not a dealer in or trader in shares, securities, debentures and other investments. The Company has invested surplus fund in marketable securities and are held in its own name. The Company has maintained proper records of the transaction and Contract and timely entries have been made therein.
15. In our opinion and according to the information and explanations given to us the Company has not given any guarantee for loans from bank and financial institutions on behalf of others.
16. In our opinion and according to the information and explanations given to us, the funds raised co-relating to the end use of term loans has been, prima facie, applied for the intended purpose for which they were obtained.
17. In our opinion and according to the information and explanations given to us, and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment.
18. According to the information and explanations given to us during the year covered by our audit report the Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956.
19. During the year covered by our audit report, the Company has not raised any money by way of debenture issue. Therefore, the provisions of clause 4 (xix) of the order is not applicable to the Company.
20. During the year covered by our audit report, the Company has not raised any money by way of public issues.
21. During the year covered by our audit report and as explained to us, to the best of our knowledge and belief, no material fraud has been noticed or reported by the Company.

**FOR VORA & ASSOCIATES
CHARTERED ACCOUNTANTS**

Sd/-
MAYUR A. VORA
PARTNER

Membership No. 30097

Place : Mumbai

Date : July 29, 2009

**BALANCE SHEET AS AT 31ST MARCH 2009**

PARTICULARS	SCH		As at 31/03/2009 Rs.	As at 31/03/2008 Rs.
<u>SOURCES OF FUNDS</u>				
Shareholders funds :				
Share Capital	A		100,000,000	100,000,000
Reserves & Surplus	B		588,867,698	479,001,398
Loan Funds :				
Secured loans	C		101,109,259	327,970,224
Unsecured loans	D		37,559,785	20,526,073
Deferred Tax Liability (Net)	E		32,281,481	34,189,246
TOTAL			859,818,223	961,686,941
<u>APPLICATION OF FUNDS :</u>				
Fixed Assets :				
Gross Block	F	137,311,644		134,392,483
Less : Depreciation		27,952,501		20,104,557
Net Block			109,359,143	114,287,926
Investments	G		6,467,338	8,149,483
Current Assets, Loans and Advances				
Inventory	H	611,229,942		930,720,409
Sundry Debtors		1,700,000		1,700,000
Cash & Bank Balances		125,423,598		17,004,474
Loans and Advances		264,363,227		408,180,656
Other Current Assets		-		-
		1,002,716,768		1,357,605,538
Current Liabilities & Provisions	I	258,725,025		518,356,006
Net Current Assets			743,991,742	839,249,532
TOTAL			859,818,223	961,686,941
Significant Accounting Policies and Notes on Accounts	P			

As per our attached reports of even date
For VORA & ASSOCIATES
CHARTERED ACCOUNTANTS

MAYUR A VORA
PARTNER
(Membership No.: 30097)

Place : Mumbai
Date : July 29, 2009

For and on behalf of the Board of Directors

P. L. SONI	CHAIRMAN
K. NALINAKSHAN	DIRECTOR
ALOK CHOWDHURY	WHOLE TIME DIRECTOR
MANISH P. SONI	WHOLE TIME DIRECTOR
VISHAL P. SONI	WHOLE TIME DIRECTOR
ZARANA JHAVERI	COMPANY SECRETARY

Place : Mumbai
Date : July 29, 2009



PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2009

			As at 31/03/2009 Rs.	As at 31/03/2008 Rs.
INCOME				
Sales & Service			875,800,000	1,053,500,000
Rent & Other Income			-	2,683,354
Profit on Sale of Shares			68,682	55,772
Profit on Sale of Fixed Assets			90,944	26,796,879
Dividend Income			28,004	27,653
Interest Income			1,152,632	1,998,801
Miscellaneous & Other Income			353,429	30,218
TOTAL			877,493,692	1,085,092,677
EXPENDITURE				
Property Development Expenses	J		-	523,400,000
(Increase) / Decrease in Closing Stock				
Opening Stock		930,720,409		
Add: Purchase during the year		286,714,150		
Less: Stock in Trade		(611,229,942)		
Balance debit to P & L A/c			606,204,617	
Employees Cost	K		24,533,883	32,131,602
Establishment Expenses	L		578,036	4,509,728
Administrative & Other Expenses	M		6,018,836	7,483,884
Interest Expenses	N		7,116,925	5,642,998
Selling Expenses	O		2,923,163	1,775,368
Depreciation	F		8,142,377	7,849,530
TOTAL			655,517,837	582,793,110
Profit Before Tax			221,975,855	502,299,567
Provision for Taxes (current)			78,700,000	178,893,326
Provision for F.B.T			240,000	209,000
Provision for Taxes (deferred)			(1,907,765)	(2,021,752)
Profit After Tax but before Extraordinary items			144,943,620	325,218,993
Add / (Less) : Excess / (Short) provision for taxes for earlier years			21,181	25,086
Profit After Tax			144,964,801	325,244,079
Less : Appropriation				
Transfer to General Reserve		14,500,000		
Proposed Dividend		30,000,000		
Provision for Tax on Dividend		5,098,500		
			49,598,500	67,098,500
Retained Earnings for the year			95,366,301	258,145,579
Balance brought forward from previous yrs			420,851,398	162,705,819
Balance carried to the Balance Sheet			516,217,698	420,851,398
Earning per share (Basic & Diluted) Annualised (Refer to Schedule 'O', Item X).			7.25	16.26
Significant Accounting Policies and Notes to Accounts	P			

As per our attached reports of even date
For VORA & ASSOCIATES
CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors

MAYUR A VORA
PARTNER
(Membership No.: 30097)

P. L. SONI
K. NALINAKSHAN
ALOK CHOWDHURY
MANISH P. SONI
VISHAL P. SONI
ZARANA JHAVERI

CHAIRMAN
DIRECTOR
WHOLE TIME DIRECTOR
WHOLE TIME DIRECTOR
WHOLE TIME DIRECTOR
COMPANY SECRETARY

Place : Mumbai
Date : July 29, 2009

Place : Mumbai
Date : July 29, 2009



CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2009

PARTICULARS	CURRENT YEAR (in Rs.)	PREVIOUS YEAR (in Rs.)
I CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax and Extraordinary items	221,975,855	502,299,567
Adjustment for:		
Depreciation	8,142,377	7,849,530
Profit on Sale of Fixed Assets / Investment	(159,626)	(26,852,651)
Interest Income	(1,152,632)	(1,998,801)
Dividend Income	(28,004)	(27,653)
	6,802,115	(21,029,575)
	228,777,970	481,269,992
Less: Income taxes paid	71,924,887	178,342,669
Operating Profit Before Working Capital Changes	156,853,082	302,927,323
(Increase) / Decrease in Inventories	319,490,466	(26,123,062)
(Increase)/ Decrease in Sundry Debtors	-	8,300,000
(Increase)/ Decrease in Loans and Advances	36,457,681	(113,636,726)
Increase/ (Decrease) in Sundry Creditors / Others	(64,868,654)	73,230,327
Increase/ (Decrease) in Advances from Customers	(94,600,000)	(173,600,000)
	196,479,493	(231,829,461)
Cash generated from / (Used in) operations (A)	353,332,576	71,097,862
II NET CASH FLOW FROM INVESTING ACTIVITIES		
Purchases of Fixed Assets	(3,102,513)	(29,412,981)
Sale of Fixed Assets	183,352	46,100,000
Dividend Income	28,004	27,653
Purchase / (Sale) of Investments	1,682,145	(2,429,765)
Interest Income	1,152,632	1,998,801
Profit on sale of Investment	68,682	55,772
Net cash used in Investing activities (B)	12,302	16,339,480
III CASH FLOW FROM FINANCIAL ACTIVITIES		
Secured Loans repaid	(226,860,965)	(61,291,841)
Unsecured Loans taken	17,033,712	1,805,859
Dividend Paid	(30,000,000)	(25,000,000)
Tax Paid on above dividend	(5,098,500)	(4,248,750)
Net cash generated from Financial Activities (C)	(244,925,753)	(88,734,732)
NET CHANGES IN CASH AND CASH EQUIVALENT (A+B+C)	108,419,125	(1,297,389)
Cash and Cash Equivalent (Opening Balance)	17,004,474	18,301,863
Cash and Cash Equivalent (Closing Balance)	125,423,598	17,004,474

Notes:

- The Cash flow statement has been prepared under the "Indirect method" as set out in Accounting Standard - 3 "Cash Flow Statement" issued by The Institute of Chartered Accountants of India.
- Cash and Cash Equivalents include Cash and Bank Balance.
- Figures of Previous years have been regrouped and rearranged wherever necessary to confirm with Current Years classification.

As per our attached reports of even date
For VORA & ASSOCIATES
CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors

MAYUR A VORA
PARTNER
(Membership No.: 30097)

P. L. SONI
K. NALINAKSHAN
ALOK CHOWDHURY
MANISH P. SONI
VISHAL P. SONI
ZARANA JHAVERI

CHAIRMAN
DIRECTOR
WHOLE TIME DIRECTOR
WHOLE TIME DIRECTOR
WHOLE TIME DIRECTOR
COMPANY SECRETARY

Place : Mumbai
Date : July 29, 2009

Place : Mumbai
Date : July 29, 2009



SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH 2009

PARTICULARS	As at 31/03/2009 Rs.	As at 31/03/2008 Rs.
Schedule - " A " : Share Capital		
Authorised:		
40,000,000 Equity shares of Rs. 5 /- each	200,000,000	200,000,000
Issued subscribed and paid up :		
20,000,000 Equity shares of Rs. 5/- each fully paid - up	100,000,000	100,000,000
	100,000,000	100,000,000
Schedule - " B " : Reserves & Surplus		
<u>General Reserve</u>		
Balance as per last year	58,150,000	26,150,000
Add: Transfer from Profit & Loss A/c	14,500,000	32,000,000
	72,650,000	58,150,000
Balance as per Profit & Loss Account	516,217,698	420,851,398
	588,867,698	479,001,398
Schedule - " C " : Secured Loans		
Term Loan		
From Banks	99,864,150	325,000,000
Vehicle Loans	1,245,109	2,970,224
Cash Credit/Working Capital From Banks	-	-
(See Note 10, Schedule 'P')	101,109,259	327,970,224
Schedule - " D " : Unsecured Loans		
Unsecured Loans from Directors & Relatives	37,559,785	20,526,073
	37,559,785	20,526,073
Schedule -"E" : Deferred Tax Liability		
Deferred Tax Liability	34,189,246	36,210,998
Deferred Tax Assets	(1,907,765)	(2,021,752)
	32,281,481	34,189,246

**Schedule " F " : Fixed Assets and Depreciation**

PARTICULARS	GROSS BLOCK		DEPRECIATION				NET BLOCK		
	As on 01/04/2008 Rs.	Add/(Dedn) during the Year Rs.	As on 31/3/2009 Rs.	As on 01/04/2008 Rs.	For The Year Rs.	Adjustment on Deductions Rs.	As on 31/3/2009 Rs.	As on 31/3/2008 Rs.	
(i) Premises	111,841,590	2,919,650	114,761,240	10,685,303	5,148,010	-	15,833,313	98,927,927	101,156,287
(ii) Computers	1,702,247	0	1,702,247	1,323,124	151,636	-	1,474,760	227,487	379,123
(iii) Furnitures & Fixtures	5,205,562	0	5,205,562	1,566,070	658,748	-	2,224,818	2,980,744	3,639,492
(iv) Motar Cars	13,666,918	(489)	13,666,429	6,001,386	1,982,639	294,433	7,689,592	5,976,837	7,665,532
(v) Office Equipments	1,976,166	0	1,976,166	528,674	201,344	-	730,018	1,246,148	1,447,492
Total for Current year	134,392,483	2,919,161	137,311,644	20,104,557	8,142,377	294,433	27,952,501	109,359,143	114,287,926
Total for Previous Year	127,931,448	6,461,035	134,392,483	15,903,852	7,849,530	3,648,825	20,104,557	114,287,926	112,027,594



SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH 2009

PARTICULARS	As at 31/03/2009 Rs.	As at 31/03/2008 Rs.
Schedule - " G " : Investments - At Cost		
Quoted Shares		
1170 (Previous Year 1170) Equity Shares of Surana Industries Ltd. at Rs. 108.44 each	126,875	126,875
20808 (Previous Year 20808) Equity Shares of Rathi Udyog Ltd. at Rs. 221.47 each	4,608,360	4,608,360
8803 (Previous Year 8803) Equity Shares of Khaitan Fertiliser & Chem Ltd. at Rs. 111.83 each	984,483	984,483
3200 (Previous Year 6500) Equity Shares of Reliance Power Ltd at Rs. 373.81 each	747,620	2,429,765
(Total Market Value is Rs.8,25,861/- P. Y. 31,51,891)	6,467,338	8,149,483
Schedule - " H " : Current Assets Loans and Advances		
A) <u>Inventories</u>		
Stock in Trade	611,229,942	930,720,409
	611,229,942	930,720,409
B) <u>Sundry Debtors</u>		
(Unsecured considered good)		
- Due for a period exceeding six months	1,700,000	-
- Others	-	1,700,000
	1,700,000	1,700,000
C) <u>Cash & Bank Balances</u>		
i. Cash on Hand	253,631	315,646
ii. Balances with Scheduled Banks	(25,561,054)	16,688,828
iii. Fixed Deposit with Scheduled Banks	150,731,022	-
	125,423,598	17,004,474
D) <u>Loans And Advances</u>		
i. Loans and Advances		
- Unsecured considered good	193,870,737	230,328,418
ii. Prepaid Taxes	70,492,490	177,852,238
	264,363,227	408,180,656
E) <u>Other Current Assets</u>		
Deposits & Advances	-	-
	-	-
(I + II + III + IV + V)	1,002,716,768	1,357,605,538
Schedule - " I " : Current Liabilities & Provisions		
Current Liabilities		
Sundry Creditors for Expenses	31,806,942	97,125,076
Advance from customers	111,600,000	206,200,000
Other Liability	(20,743)	-
Unclaimed Dividend 2005	373,088	382,938
Unclaimed Dividend 2007	438,006	447,165
Unclaimed Dividend 2008	489,231	-
	144,686,524	304,155,179
Provisions		
Provision for Taxation	78,700,000	178,893,326
Provision for F.B.T	240,000	209,000
Proposed Dividend	30,000,000	30,000,000
Provision for Tax on Proposed Dividend	5,098,500	5,098,500
	258,725,024	518,356,006
Schedule - " J " : Property Development Expenses		
Cost of Land and Development Rights	-	230,916,893
Consumption of Materials & Others	-	292,483,107
Labour Charges	-	-
Other Allied Development Expenses	-	-
		523,400,000

SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH 2009

PARTICULARS	As at 31/03/2009 Rs.	As at 31/03/2008 Rs.
Schedule - "K" : Personnel Expenses		
Salary, Wages and Bonus & Commision	12,448,458	6,888,487
Proposed Commission to Chairman	12,000,000	25,000,000
Staff Welfare	85,425	72,892
Gratuity Paid	-	150,000
Placement Charges	-	20,223
	24,533,883	32,131,602
Schedule - "L" : Establishment Expenses		
Property Tax	21,616	4,054,422
Maintenance charges	556,420	455,306
	578,036	4,509,728
Schedule - "M" : Administrative Expenses		
AGM Expenses	39,537	31,208
Listing Fees & ROC Fees	17,225	19,650
Electricity Charges	671,380	187,161
Repairs & Maintenance	-	-
Plant & Machinery	-	-
Buildings	-	-
Others	18,078	57,589
Motor car expenses	199,216	98,048
Membership & Subscription	1,790	16,754
Printing & Stationery	237,283	292,439
Conveyance/ Hire Charges	79,956	62,531
Postage & Courier Charges	80,337	88,226
Registrar & Share Transfer Expenses	50,718	58,344
Maintenance of Computers	111,100	-
Directors sitting fees	220,000	240,000
Demat Fees	27,478	756,356
Telephone, Fax and Internet	185,049	187,506
Security, Watch & Ward Expenses	670,106	1,195,519
Cleaning Charges	175,500	25,969
Bank Charges	62,030	80,094
Legal & Professional Fees	605,321	619,074
Auditors' Remuneration		
- Audit Fees	386,050	337,350
- Tax Matters	451,820	56,180
- Others	187,119	156,181
	1,024,989	1,150,711
Donation	301,000	2,756,100
Miscellaneous Expenses	309,333	146,314
STT Charges on Shares	2,195	8,703
Books & Periodicals	2,120	-
Professional Tax	5,500	-
Stamp Duty & Registration	26,149	6,588
SEBI	600,000	-
Travelling Expenses	200,000	-
Provision written off	95,446	-
	6,018,836	7,483,884
Schedule - "N" : Interest Expenses		
Interest on CC	-	2,770,491
Interest on Car Loans	225,185	314,094
Interest on unsecured loans/others	5,142,298	2,008,413
Prepayment of Charges on Loan	1,749,442	550,000
	7,116,925	5,642,998
Schedule - "O" : Selling Expenses		
Advertisement & Publicity	519,169	999,889
Sale Promotion Expenses	1,158,934	195,243
Exhibition Expenses	-	561,800
Website Maintenance charges	9,100	18,436
Brokerage Expenses	1,235,960	-
	2,923,163	1,775,368



SCHEDULE "P"

Significant Accounting Policies & Notes on Accounts

I. Significant Accounting Policies :

(a) Accounting convention

The financial statements are prepared under the historical cost convention, on an accrual & on going basis and in accordance with the generally accepted accounting principles in India, the applicable mandatory accounting standard and the relevant provisions of Companies Act, 1956.

(b) Use of Estimates

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimated are recognized in the period in which the result are known/ materialized.

(c) Fixed Assets

Fixed assets are valued at cost less depreciation. Cost includes all expenses incurred for acquisition of assets.

(d) Depreciation

Depreciation is provided as per written down value method at the rates and in the manner specified in schedule XIV of the Companies Act, 1956, unless stated otherwise.

(e) Impairment of Assets:

An assets is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the profit and loss account in the year in which an assets is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

(f) Investments

Investments are valued at cost plus brokerage and other charges. Profit or Losses on investment are accounted as and when realized as Capital Gain / Loss, if any. No provision is made for diminishing in value of Investment being Long Term Investment.

(g) Inventories

Inventories are valued at lower of cost or net realizable value. The Construction Work in Progress includes cost of Land, Development Rights, TDR Rights, Construction Costs and Expenses incidental to the projects (including interest on Term Loan for respective projects) undertaken by the Company. Inventories of finished units / stock in trade, if any, are valued at cost or estimated net realizable value (as certified by management) whichever is less.

(h) Revenue Recognition

Income

(i) Generally the Company is accounting sale of property / flats on completion of the projects, and / or on receipt of substantial payment and / or on agreement for sale and / or on handing over possession of the property and / or on registration of the sale agreement in favour of purchaser, whichever is earlier.

(ii) Interest Income is recognized on time proportion basis.

(iii) Dividend income is recognized when the right to receive dividend is established and / or receipts.

Expenses

All revenue expenses are accounted on accrual basis, except, expenses pertaining to specific projects, which are considered as paid towards work in progress until the specific project is completed.

(I) Borrowing Cost

Interest paid on Term Loan availed from the bank for specific projects are allocated to respective project and included into Inventory value of specific projects to give true & fair view of matching revenue & expenditure of specific projects.

Other interests are recognized as a revenue expense in the period in which it is incurred.

**(j) Retirement Benefits**

The Company has not made any provision for gratuity / Retirement Benefits payable to the employees. The amount in respect of gratuity / Retirement Benefits payable in accordance with the Payment of Gratuity Act 1972 / Other Statutory provisions, if any, shall be accounted in the year of actual payment thereof.

(k) Taxation

Income-tax expense comprises of current tax and deferred tax charge or credit. The deferred tax charge or credit is recognized using current tax rates. Deferred tax asset is recognized only if there is sufficient evidence that future taxable income will be available.

Wealth Tax for the current period is determined on basis of estimated taxable wealth under the Act.

(l) Provisions and Contingent Liabilities :

The Company creates a provision when there is a present obligation as a result of an obligation event that probably requires an outflow of resources and a reliable estimate can be made of the amounts of the outflow.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

(m) Secured Loan:

(a) Term loans obtained from the Indian Overseas Bank and Syndicate Bank are secured by an equitable mortgage of the Company's specific immovable property.

(b) Repayment of all term loans and payment of interest thereon is personally guaranteed by the Promoter Directors of the Company.

(c) Term loans of Rs.698.74 lacs (Previous Year Rs.2584 lacs) fall due for repayment within one year.

(d) Vehicles loan of Rs 12.45 Lacs (Previous Year 17.39 lacs) falls due for repayment within one year.

II. The Company has mainly one reportable business and geographical segment and hence no further disclosure is required under Accounting Standard (AS) 17 on Segment Reporting issued by the Institute of Chartered Accountants of India (ICAI).

III. In the opinion of the Directors there were no contingent liabilities as at the Balance Sheet date.

IV. During the year, the Company has transferred part of its work in progress to semi finished goods of Rs. 43,66,94,500/- at prevailing market rate of the project at Pune and the effect of the same has been given in Profit & Loss A/c.

V. Additional Information Pursuant To Section 217(1) To The Companies Act, 1956:

The Licensed capacity, installed capacity and actual production, opening and closing stock of finished goods, Sale of finished goods and Raw and Packing Material consumed in quantity and value, Classification of Raw and Packing Materials consumed, are not relevant to the Company since it is engaged in civil construction and real estate development business.

VI. Micro, Small and Medium Enterprise:

The creditors of micro, small and medium enterprise are timely paid as per terms of contract and there are no over dues to any enterprise, hence, no provision of any interest is made.

VII. Details of Managerial Remuneration:

(In Rs.)

	2008-2009	2007-2008
Salaries to Executive Directors	5,580,000	3,050,000
Director's Sitting Fees	220,000	240,000
Commission to Chairman (Proposed)	12,000,000	25,000,000
Total	17,800,000	28,290,000



VIII. Computation Of Net Profit Under Section 349 Of The Companies Act, 1956:

(In Rs.)

	2008-2009	2007-2008
Profit Before Tax	221,975,855	502,299,567
Add : Proposed Commission	12,000,000	25,000,000
Add : Managerial Remuneration	5,800,000	3,290,000
	239,775,855	530,589,567
Less : Profit on sale of assets	90,944	26,796,879
Net profit u/s 349 for the purpose of Chairman's Commission	239,684,911	503,792,688
Maximum permissible to all Directors 11%	26,365,340	55,417,196
Less: Paid to Other Directors	5,800,000	3,290,000
Balance available for Commission payable to Chairman	20,565,340	52,127,196
Maximum permissible to Chairman @ 5%	11,984,246	25,189,634
Commission payable	12,000,000	25,000,000

IX. Related Parties Disclosures Under Accounting Standard 18 Of ICAI :

(A) Particulars of Party where control exists / Relative of parties where control exists:

Name of the Related Party	Nature of Relationship
(i) M/s. Prime Property Developers	Party where control exists

(B) Key Management Personnel:

Name of the Related Party	Nature of Relationship
(i) Mr. Padamshi L. Soni	Chairman
(ii) Mr. Manish P. Soni	Whole Time Director
(iii) Mr. Vishal P. Soni	Whole Time Director

(C) Transactions with Party where control exists / Relative of parties where control exists:

Particulars	Party where control exists	Party where control exists
	31.3.2009 Rs.	31.3.2008 Rs.
(i) Loans taken during the year (Balance at year end)	37,559,785	20,526,073
(ii) Due to related parties (Balance at year end)	NIL	NIL
(iii) Sales	NIL	NIL
(iv) Interest Expenses	51,42,298 Relative of party where control exists	2,008,413 Relative of party where control exists
(v) Sales	800,000	NIL
(vi) Interest Expenses	NIL	NIL

(D) Details of transactions relating to Key Management Personnel:

Particulars	31.3.2009 Value of Transaction Rs.	31.3.2008 Value of Transaction Rs.
(i) Remuneration to Whole Time Directors	5,580,000	2,600,000
(ii) Commission payable to Chairman	12,000,000	25,000,000

X. Foreign Exchange Earnings & Outgo :

Additional information pursuant to provisions of Para 3 and 4 of schedule VI of the Companies Act, 1956.

(In Rs.)

Particulars	For the year ended 31 st March 2009	For the year ended 31 st March 2008
(a) Expenditure in foreign exchange (traveling)	200,000	2,805,181
(b) Earnings in foreign exchange	NIL	NIL

XI. Deferred Tax Liability :

In accordance with Accounting Standard 22, relating to "Accounting on Taxes on Income", the deferred tax assets of Rs. 19,07,765/- for the current year has been shown as income for the Current year. The component of deferred tax liability and assets is as under:

(Figures in Rs)

Particulars	Opening on 01.04.2008	For the year	Closing on 31.3.2009
Deferred Tax (Liability) / Assets:			
Difference of depreciation due to rate difference	(34,189,246)	1,907,765	(32,281,481)

XII. Earnings Per Share under Accounting Standard 20 Of ICAI :

Particulars	Rs.
Net Profit as per Profit and Loss Account after tax and extra ordinary item, available for Equity Shareholders	144,964,801
Number of Equity Shares (Nominal Value of Rs. 5/- each)	20,000,000
Weighted Earnings per share (Basic & Diluted)	7.25

XIII. Previous years figures are regrouped / recast wherever necessary.

As Per our attached report of even date

Signatures to Schedules 'A' to 'O'

For VORA & ASSOCIATES
CHARTERED ACCOUNTANTS

On behalf of the Board of Directors

MAYUR A VORA
PARTNER
(Membership No.: 30097)

P. L. SONI	CHAIRMAN
K. NALINAKSHAN	DIRECTOR
ALOK CHOWDHURY	WHOLE TIME DIRECTOR
MANISH P. SONI	WHOLE TIME DIRECTOR
VISHAL P. SONI	WHOLE TIME DIRECTOR
ZARANA JHAVERI	COMPANY SECRETARY

Place : Mumbai
Date : July 29, 2009

Place : Mumbai
Date : July 29, 2009



STATEMENT PURSUANT TO PART IV, SCHEDULE VI TO THE COMPANIES ACT, 1956
BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE :

1. REGISTRATION DETAILS		
Registration No. 7 0 1 2 1	State Code 1 1	
Balance Sheet Date 3 1 0 3 0 9	Date Month Year	
2. CAPITAL RAISED DURING THE YEAR (Amount in Rupees)		
Public Issue NIL	Bonus Issue NIL	
Rights Issue NIL	Private Placement NIL	
3. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS (Amount in Rupees)		
Total Liabilities and Shareholders Funds		<u>859,818,223</u>
Total Assets		<u>859,818,223</u>
Sources of funds :		
Paid-up Capital		100,000,000
Reserves & Surplus		588,867,698
Secured Loans		101,109,259
Unsecured Loans		37,559,785
Deferred Tax Liability (Net)		32,281,481
		<u>859,818,223</u>
Application of Funds :		
Net Fixed Assets		109,359,143
Investments		6,467,338
Net Current Assets		743,991,742
		<u>859,818,223</u>
4. PERFORMANCE OF THE COMPANY (Amount in Rupees)		
Total Income		877,493,692
Total expenditure		655,517,837
Profit Before Tax		221,975,855
Profit After Tax		144,964,801
Earning Per Share Rs. 5/- each.		7.25
Dividend Rate %		30

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

Product Description
Property Development

Item Code No.
NOT APPLICABLE

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

P. L. SONI	CHAIRMAN
K. NALINAKSHAN	DIRECTOR
ALOK CHOWDHURY	WHOLE TIME DIRECTOR
MANISH P. SONI	WHOLE TIME DIRECTOR
VISHAL P. SONI	WHOLE TIME DIRECTOR
ZARANA JHAVERI	COMPANY SECRETARY

Place : Mumbai
Date : July 29, 2009

PRIME PROPERTY DEVELOPMENT CORPORATION LIMITED

Eight Years - Financial Highlights At A Glance.

(RS IN LAKHS)

PARTICULARS	2008-09	2007-08	2006-07	2005-06	2004-05	2003-04	2002-03	2001-02
SALES & OTHER INCOME	8,774.94	10,850.93	1,669.81	5,733.01	1,728.72	1,529.80	1,418.33	149.05
PROFIT BEFORE TAXES	2,239.76	5,023.00	1,269.57	2,169.83	216.30	149.34	130.22	0.98
PROFIT AFTER TAXES	1,462.65	3,252.44	822.40	1,445.95	140.27	95.20	114.54	0.91
EQUITY SHARE CAPITAL	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00
RESERVES & SURPLUS	5,901.68	4,790.01	1,888.56	1,357.66	141.20	114.56	18.89	(95.63)
TANGIABLE NET WORTH	6,901.68	5,790.01	2,888.56	2,357.66	1,141.20	1,114.56	1,018.89	904.37
BOOK VALUE PER SHARE OF Rs 5/-	34.51	28.95	14.44	11.79	5.71	5.57	5.09	4.52
E.P.S (RS) ON Rs 5 paid up	7.31	16.26	4.12	7.22	0.70	0.48	0.57	0.01
DIVIDEND %	30%	30%	25%	20%	10%	NIL	NIL	NIL
PBT TO SALES %	25.52%	46.29%	76.03%	37.85%	12.51%	9.76%	9.18%	0.66%
PAT TO SALES %	16.67%	29.97%	49.25%	25.22%	8.11%	6.22%	8.08%	0.61%
DEBT EQUITY RATIO	0.20 : 1	0.60 : 1	1.41 : 1	0.25 : 1	1.28 : 1	0.66 : 1	0.98 : 1	0.72 : 1



PRIME PROPERTY DEVELOPMENT CORPORATION LIMITED

Registered Office: 101, Soni House, Plot No. 34, Opp. Copper Chimney,
Gulmohar Road No. 1, JVPD Scheme, Vile Parle (W), Mumbai - 400 049.

PROXY FORM

I/We _____ of _____ being
a member/members of PRIME PROPERTY DEVELOPMENT CORPORATION 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 17th Annual General Meeting of the Company to be held on
Wednesday, the 30th September 2009 at Santokba Sanskar Sadan, Next to Bhaidas Maganlal Sabhagriha,
Bhaktivedant Swami Marg, Vile Parle (W), Mumbai 400056, at 11.30 A.M. and at any adjournment thereof.

Signed this _____ day of _____, 2009.

Folio No./Demat Account No.: _____



Signature of Shareholder

NOTE : This form duly completed should be deposited at the Registered Office of the Company before 48 hours
of the meeting. A Proxy need not be a Member.

PRIME PROPERTY DEVELOPMENT CORPORATION LIMITED

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Gulmohar Road No. 1, J.V.P.D. Scheme, Vile Parle (W), Mumbai: 400 049.

ATTENDANCE SLIP

(Shareholders attending the Meeting in person or by Proxy are requested to complete the Attendance Slip and
hand over at the entrance of the Meeting Hall)

I hereby record my presence at the 17th Annual General Meeting of the Company at Santokba Sanskar Sadan,
Next to Bhaidas Maganlal Sabhagriha, Bhaktivedant Swami Marg, Vile Parle (W), Mumbai 400056, on
30th September, 2009 at 11.30 A.M.

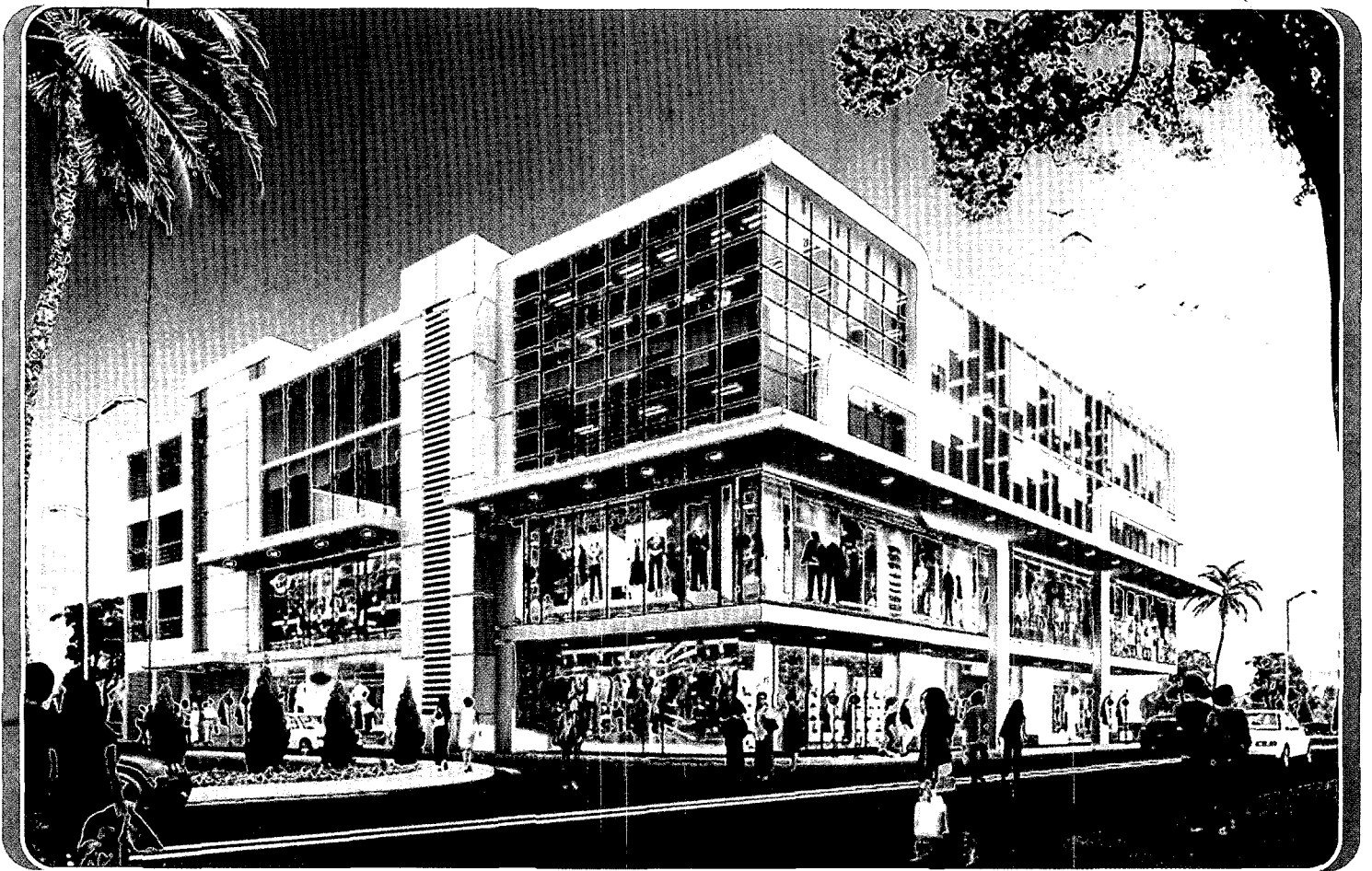
Folio No/ Demat Account No. : _____

Full name of the Shareholder/Proxy : _____

(IN BLOCK LETTERS)

Signature:

PLEASE BRING THIS ATTENDANCE SLIP TO THE MEETING, ALONG WITH THE COPY OF ANNUAL REPORT



Prime Business Park
Vile Parle (W), Mumbai.

Book-Post

To,

If undelivered, Please return to :



PRIME[®]

Property Development Corporation Ltd.

101. Soni House, Plot No. 34, Gulmohar Road No. 1,
Juhu Scheme, Vile Parle (West), Mumbai - 400 049. (India)
Tel. : 91-22-2623 5024, 91-22-2620 8507 • Fax : 91-22-2623 5076
E-mail : primeproperty@vsnl.net