



RADHE DEVELOPERS (INDIA) LIMITED

15th ANNUAL REPORT **2008-2009**

REGISTERED OFFICE

1ST Floor, Chunibhai Chambers,
Ashram Road, Ahmedabad-380009

AUDITORS

M/S. R CHOUDHARY & ASSOCIATES
Chartered Accountants

NOTICE

Notice is hereby given that 15th Annual General Meeting of the Members of RADHE DEVELOPERS (INDIA) LIMITED will be held on Tuesday, 29th September, 2009 at 9.00 a.m. at the Registered office of the Company situated at 1st Floor, Chunibhai Chambers, Ashram Road, Ahmedabad – 380009, Gujarat to transact the following business :

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as on March 31, 2009 and Profit & Loss Account on that date together with the Reports of Directors' and Auditors' thereon.
2. To appoint Director in place of Shri Praful C. Patel, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Director in place of Shri Prakash C. Shah, who retires by rotation and being eligible offers himself for reappointment.
4. To appoint Statutory Auditors M/s. R. Choudhary & Associates, Chartered Accountants, Ahmedabad to hold the office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

By Order of the Board
For RADHE DEVELOPERS (INDIA) LIMITED

Date : 28/08/2009
Place : Ahmedabad

Sd/-
ASHISH P. PATEL
MANAGING DIRECTOR

NOTES:

1. A Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and proxy need not be the member of the Company.
2. The Instrument of proxies in order to be effective must be deposited at the registered office of the Company not later than 48 hours before the commencement of the meeting.
3. The register of members and share transfer book shall remain closed on 25.09.2009 to 29.09.2009 (both days inclusive) for the purpose of Annual General Meeting.
4. Members are requested to intimate the change in their address, if any, immediately to the Company's Registrars, M/s, MCS Limited, 201, Shatdal Complex, 2nd Floor, Ashram Road, Ahmedabad - 380009.
5. Members/Proxies are requested to bring their Attendance Slip duly filled up for attending the Meeting.

By Order of the Board
For RADHE DEVELOPERS (INDIA) LIMITED

Date : 28/08/2009
Place : Ahmedabad

Sd/-
ASHISH P. PATEL
Managing Director

RADHE DEVELOPERS (INDIA) LIMITED1ST Floor, Chunibhai Chambers, Ashram Road, Ahmedabad-380009**DIRECTORS' REPORT**

To the Members,

Your Directors have pleasure for presenting you the 15th Annual Reports of the Company together with the Audited Accounts for the year ended on March 31, 2009.

FINANCIAL RESULTS:

The Operating results of your Company for the period under review are as follows:

(Amt. in Rs.)

Particulars	Current Year 31.03.2009	Previous Year 31.03.2008
Profit / (Loss) before Depreciation & Tax	(5079040)	28774783
Less : Depreciation	848949	776272
Profit / (Loss) before Tax	(4230091)	27998511
Less : Tax Provisions	0	10450000
Less : Deferred Tax	(88293)	(37251)
Less : Fringe Benefit Tax	0	50000
Profit / (Loss) after tax	(4141798)	17535762
Add : Prior Period Expenses	696332	0
Balance of previous year brought forward	593907	(16941855)
Profit/(Loss) carried forward to Balance Sheet	(4244223)	593907

DIVIDEND:

Your Directors do not recommend any dividend for the year.

PERFORMANCE:

Loss before depreciation and tax was at Rs. 5079040 as against previous year Profit before depreciation and tax was Rs.28774783. The depreciation was at Rs.848949 as against previous year Rs.776272. Loss after tax was at Rs.4141798 as against Rs.17535762. The Board is exploring possibility of other profitable venture and is hopeful of improved result in years to come.

DIRECTORS:

Shri Praful C. Patel and Shri Prakash C. Shah, Directors of the Company retire by rotation and being eligible offers themselves for reappointment. Members are requested to reappoint them.

SUB-DIVISION OF EQUITY SHARES:

The Company has sub-divided its Equity shares from Rs.10/- to Re.1/- each. The paid-up Equity Share Capital of the Company has been increased from Rs.101799000 to 251799000 on 02/07/2009 pursuance to conversion of warrant into Equity Shares.

CORPORATE GOVERNANCE:

Pursuant to Clause 49 of the listing agreement the report on Corporate Governance is attached which forms part of the Directors Report.

AUDITORS AND AUDIT REPORT:

M/s R. Choudhary & Associates, Chartered Accountants, the Auditors of the Company retire at the conclusion of the 15th Annual General Meeting & being eligible offer themselves for re-appointment. The Company has received a letter from the auditors of the Company stating that their appointment, if made will be within the limits specified in Section 224 (1B) of the Companies Act, 1956. Your Directors recommend their appointment.

With regards to the qualification made in the Annexure to the Auditors' Report, your Directors hereby state that during the year due to recession around the world, the real estate business has suffered most as it is a capital industry. Further the

Company has not availed any significant credit facilities from market. Which has resulted into liquidity crunch. Hence the Company could not pay the Income tax amounting to Rs.104.50 Lacs and Fringe Benefit Tax of Rs.0.50 Lacs. As soon as the liquidity position is improve the Company will pay the same.

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

The Company has no manufacturing activities. Hence no information is to submit in respect of conservation and absorption of technology. There is no foreign exchange earnings and outgo of the Company.

DEPOSITS:

The Company has not accepted any deposits coming under the provisions of Section 58A of the Companies Act, 1956 read with Companies (Acceptance of deposits) Rules 1975.

LISTING FEES:

The Company has paid the Listing Fees of the Bombay Stock Exchange Limited and Ahmedabad Stock Exchange Limited for the year 2009-10.

PARTICULARS OF EMPLOYEES UNDER SECTION 217(2A):

The provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules 1988, as amended are not applicable to the Company, as there are no employees whose remuneration is in excess of the limits prescribed.

DIRECTORS' RESPONSIBILITY STATEMENT:

As required under Section 217 (2AA) of the Companies Act, 1956 your Directors' confirm that:

- i. In the preparation of the annual accounts, the applicable accounting standards have been followed.
- ii. The Directors had 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 for the period ended on March 31, 2009 and of the loss of the Company for the year ended on that date.
- iii. 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.
- iv. The Directors have prepared the annual accounts on a going concern basis.

ACKNOWLEDGEMENT:

Your Directors take this opportunity to express their gratitude for the valuable assistance and co-operation extended by the Bankers, vendors, customers, advisors, the general public and for the valued efforts and dedication shown by the Company employees at all levels. Your Directors also sincerely acknowledge the confidence and faith reposed by the shareholders of the Company.

**By Order of the Board
For RADHE DEVELOPERS (INDIA) LIMITED**

Date : 28/08/2009
Place : Ahmedabad

CHAIRMAN

Annexure to the Directors Report

CORPORATE GOVERNANCE REPORT

COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

CORPORATE GOVERNANCE DISCLOSURE

In Compliance with clause 49 of the Listing Agreement with Stock Exchange, the matters mentioned in the said clause and practice as followed by the Company:

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

The Company's philosophy is to conduct its affairs in a manner which is transparent, Clear and evident to those dealing with or having a stake in the company namely shareholders, lenders, creditors and employees. The Company's philosophy on corporate Governance is thus concerned with the ethics and values of the Company and its Directors, who are expected to act in the best interest of the Company and remain accountable to share holders and other beneficiaries for their action.

The Company is committed to provide high quality product and services to its customers and stakeholders, because the company believes that its long-term survival is entirely dependent on good corporate governance.

2. BOARD OF DIRECTORS:

The present strength of the Board of Directors is 5 (five). The Board of the Company comprises of a 2 Executive Director and 3 Independent Directors as on 31st March, 2009.

Attendance of each Director at the Board Meetings and last Annual General Meeting:

Sr.No	Name of Directors	Designation	Board Meeting Attended	Attendance at Last AGM	No. of Directorship in other Public Companies	No. of Chairmanship Membership in other Board/ Committees
1.	Ashish P. Patel	Managing Director	9	Yes	Nil	Nil
2.	Praful C. Patel	Chairman cum Director	9	Yes	Nil	Nil
3.	Prakash C. Shah	Independent and Non Executive Director	8	Yes	Nil	Nil
4.	Nirav D. Desai	Independent and Non Executive Director	9	Yes	Nil	Nil
5.	Alok Vaidya	Independent and Non - Executive Director	9	Yes	Nil	Nil

Directorship has been computed with respect to Section 275 of the Companies Act, 1956.

Nine Board meetings were held during the year. The dates of Board meeting are:

17/04/2008, 21/04/2008, 30/04/2008, 05/05/2008, 13/06/2008, 31/07/2008, 02/09/2008, 22/10/2008 and 29/01/2009.

The information required to be given for the Directors seeking reappointment at the Annual General Meeting as per clause 49 (VI) is as under:

Name of the Director	Praful Patel
Father Name	Chunibhai Patel
Date of Birth	22.11.1938
Date of Appointment	03.02.1995
Qualification	Diploma in Civil Engineer
Name of the Public Ltd. Companie(s) in which he is a director other than Radhe Developers (India) Limited	Nil
Specific functional Areas	He has experience in the field of Construction line since last 3 decades.

Name of the Director	Prakash Shah
Father Name	Chinubhai Shah
Date of Birth	04.11.1953
Date of Appointment	31.07.2006
Qualification	B.Com, LLB.
Name of the Public limited Companie(s) in which he is a director other than Radhe Developers (India) Limited	Nil
Specific functional Areas	He is Parctising Advocate and help in Companies legal matters

3. REMUNERATION TO DIRECTORS :

Sr. No.	Name of Directors	Salary Rs.	Benefits Rs.	Commission Rs.	Meeting Fees Rs.	Total Rs.
1.	Ashish P. Patel	Nil	Nil	Nil	Nil	Nil
2.	Praful C. Patel	Nil	Nil	Nil	Nil	Nil
3.	Prakash C. Shah	Nil	Nil	Nil	Nil	Nil
4.	Nirav Desai	Nil	Nil	Nil	Nil	Nil
5.	Alok Vaidya	Nil	Nil	Nil	Nil	Nil

4. BOARD COMMITTEES:

The Company is following the procedures and practices in conformity with the code of corporate governance in keeping with the spirit of the code. The Board has constituted the following committees:

A. AUDIT COMMITTEE:

The Board of Directors of the Company has constituted an Audit Committee pursuant to the provisions of Section 292A of the Companies Act, 1956 to ensure full compliance will all the relevant provisions including code of corporate governance. The Audit Committee is comprising of 3 (three) members composed of Shri Nirav Desai as a Chairman, Shri Alok Vaidya, Member and Shri Prakash Shah, Member of the Audit Committee. The Audit Committee carries out functions enumerated in the Listing Agreement and Section 292A of the Companies Act, 1956.

During the year under the review the Audit Committee meet 4 (four) times on 30/4/2008, 31/07/2008, 22/10/2008 and 29/01/2009.

B. REMUNERATION COMMITTEE:

- I. Remuneration committee not being a statutory requirement has not been constituted.
- II. Remuneration of employees mainly consists of fixed salaries i.e. Basic pay allowances and perquisites, which varies with different grades and is related to the qualification experience and responsibilities shared by the employees:-

C. SHAREHOLDERS COMMITTEE:

The Shareholder's investors Grievance Committee comprises of Mr. Alok Vaidya – Chairman, Shri Prafulbhai Patel and Shri Ashish Patel - as members. The Share Transfer committee approves transfers, transmission issue of duplicate share certificates, approval of demat position, approval of sub-divided shares. The investors Grievance committee consisted of the aforesaid members look after the matters related to the grievances of the shareholders as and when received. During the period all the complaints received by the Company were resolved to the satisfaction of the complainants. At the end of the period there is no pending share transfer of complaints.

5. CEO/CFO certification of financial statements and cash flow statements for the year is enclosed separately at the end of this report.

6. GENERAL BODY MEETINGS:

The last three years Annual General Meetings were held as under:

Sr. No.	Financial Year	Date	Time	Location
1	2007-2008	30/09/2008	10.00 a.m.	Registered office of the Company situated at 1 st Floor, Chunibhai Chambers, Ashram Road, Ahmedabad – 380009
2	2006 - 2007	28/09/2007	9.30 a.m.	Registered office of the Company situated At 1 st Floor, Chunibhai Chambers, Ashram Road, Ahmedabad – 380009
3	2005-2006	07/07/2006	9.30 a.m.	Registered office of the Company situated at 1 st Floor, Chunibhai Chambers, Ashram Road, Ahmedabad – 380009

The Company has passed special resolutions at their Annual General Meeting held on 28th September, 2007 and as on 7th July, 2006 and also in the Extra Ordinary General Meeting held on 6th December, 2007, 22nd December, 2006. No resolutions were proposed to be passed through postal ballot in the AGM & EGM earlier. Also there is no resolution will propose to be pass through postal ballot at this Annual General Meeting.

7. MEANS OF COMMUNICATION:

Your company complies with Clause 41 of the Listing Agreement. Quarterly Results, Annual Result and other statutory publications are being normally published in The News Line (Gujarati) & Chanakya Ni Pothi (English).

8. CODE OF CONDUCT:

The Board of Directors has already adopted the Code of Ethics and Business Conduct for the Directors and Senior Management personnel. This code is a comprehensive code applicable to all Directors, Executive as well as Non – Executive and members of the Senior Management. The Code has been circulated to all the members of the Board and Senior Management Personnel and compliance of the same has been affirmed by them. A declaration given by the Managing Director and CEO is given below:

The Company has obtained from all the members of the Board and Senior Management Personnel of the Company, affirmation that they have complied with the Code of Ethics and Business Conduct framed for Directors and Senior Management Personnel in respect of the financial year 2008–09."

Sd/-
Ashish P. Patel
Managing Director

9. Subsidiary Company :

The Company does not have any subsidiary company.

10. CEO/CFO certification of financial statements and cash flow statements :

The Managing Director & CEO of the Company heading the Finance function has certified to the Board that:

- a) he has reviewed the financial statements and the Cash flow statements of Radhe Developers (India) limited for the year ended on 31st March, 2009 and the best of his knowledge & belief :
- (i) These statements do not contain any material untrue statement or omit any material fact or contains.
 - (ii) These statements together present a true and fair views of the Company's affairs and are in compliance with the existing accounting standards, applicable law, statutory regulations.

- b) There are, to the best of his knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the company's code of conducts.
- c) They accept responsibility for establishing and maintaining internal controls for financial reporting and they have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and they have disclosed to the auditors and the Audit Committee deficiency in the design or operation of internal control if any, of which we are aware and the steps we have taken or proposed to be taken to rectify the deficiencies.
- d) He has indicated to the Auditors and the Audit Committee
 - (i) Significant changes in the Companies internal control over financial reporting during the year.
 - (ii) Significant changes in the Accounting policies during the year and that the same have been disclosed in the notes to the financial statements and
 - (iii) Instances of significant frauds of which he has become aware and the involvement therein, if any of the management or the other employees having significant role in the company's internal control system over the financial reporting.

Date : 28.08.2009
Place : Ahmedabad

Sd/-
Ashish P. Patel
Managing Director

11. GENERAL SHAREHOLDER INFORMATION:

(i)	Annual General Meeting Date, Time and Venue	Date : 29th September, 2009 Time : 9.00 A.M. Venue : Registered Office of the Company situated at 1 st Floor, Chunibhai Chambers, Ashram Road, Ahmedabad – 380009
(ii)	Financial Calendar Year	1 st April, 2008 to 31 st March, 2009
(iii)	Date of Book Closure	25th September, 2009 to 29 th September, 2009 (both days inclusive)
(iv)	Dividend Payment Date	Not applicable
(v)	ISIN No. for ordinary shares of the company in Demat form	INE986B01028
(vi)	Registered Office	1 st Floor, Chunibhai Chambers, Ashram Road, Ahmedabad – 380009
(vii)	Registrar and Transfer Agent	MCS Limited, 201, Shatdal Complex, 2 nd Floor, Ashram Road, Ahmedabad – 380 009.
(viii)	Plant Locations	Not applicable
(ix)	Investor Correspondence	Radhe Developers (India) Limited 1 st Floor, Chunibhai Chambers, Ashram Road, Ahmedabad – 380009
(x)	Means of Communication	The Company sent its quarterly results to Stock Exchange. The Company also publishes the quarterly results in newspaper.
(xi)	Any Website where it displays official releases	www.radheinfra.com
(xii)	Any presentation made to the institutional investor & analyst	No
(xiii)	Is half yearly report sent to the shareholders	No
(xiv)	Whether Management Discussion & Analysis is a part of this report	Yes
(xv)	Share Transfer System	The work of physical share transfer is handled by Registrar and Transfer Agent.
(xvi)	Listing and Stock Code	Bombay Stock Exchange – 531273 Ahmedabad Stock Exchange Ltd - 47711
(xvii)	The Name and Address of Stock Exchanges where Company is listed	1. Bombay Stock Exchange Ltd. Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001 2. Ahmedabad Stock Exchange Ltd. Kamdhenu Complex, Panjrapole, Ahmedabad - 380015
(xviii)	Email Address for Investors Correspondence / Complaints	jigarshah@radheinfra.com

12. FINANCIAL CALENDER :

Report Period	:	1 st April, 2008 to 31 st March, 2009
First Quarter Result	:	Last week of July, 2008
Half Quarter Result	:	Last week of October, 2008
Third Quarter Result	:	Last week of January, 2009
Fourth Quarter Result	:	Last week of April, 2009

13. STOCK PRICE DATA :

Price Information :

High and low price of shares and its comparison with BSE sensex				
Month and Year	Share Prices of the Company quoted on Bombay Stock Exchange		BSE Sensex	
	High	Low	High	Low
April, 2008	136.10	54.65	17480.74	15297.96
May, 2008	165.55	91.85	17735.70	16196.02
June, 2008	96.00	59.85	16632.72	13405.54
July, 2008	87.00	57.05	15130.09	12514.02
August, 2008	78.25	56.95	15579.78	14002.43
September, 2008	65.50	40.20	15107.01	12153.55
October, 2008	62.00	26.00	13203.86	7697.39
November, 2008	32.65	22.85	10945.41	8316.39
December, 2008	37.00	23.25	10188.54	8467.43
January, 2009	30.10	19.90	10469.72	8631.60
February, 2009	31.55	18.95	9724.87	8619.22
March, 2009	25.00	21.00	10127.09	8047.17

The Stock price data is furnished on the basis of the data available on the website of Bombay Stock Exchange.

14. SHARE HOLDING PATTERN (AS ON 31-03-2009) :

(a) Categories of Shareholders

(in %)

Category	No. of Shares	% of holding to total
Promoters, Directors, & Associates	3362803	33.03
Bodies Corporate	967490	9.50
NRIs	188954	1.86
Mutual Funds, Financial Institution/ Banks	68200	0.67
HUF	393766	3.87
Others	5198687	51.07
Total	10179900	100.00

(b) Distribution of Shares holding as on 31.03.2009

Number of Equity Shares	Number of Equity shareholders	Total number of Equity shares
1 – 500	7772	1118683
501 – 1000	570	473845
1001 – 2000	292	461291
2001 – 3000	123	318168
3001 – 4000	53	191807
4001 – 5000	49	229610
5001 – 10000	77	574134
10001 – 50000	99	2102755
50001 – 100000	14	973564
100001 & Above	7	3736043
TOTAL	9056	10179900

15. DEMATERIALISATION OF SHARES & LIQUIDITY:

As on 31st March, 2009, 2071086 Equity Shares of the Company are dematerialized with CDSL representing 20.34% of total capital. 6203304 Equity Shares are dematerialized with NSDL representing 60.94% of total capital. The Balance 1905510 Equity Shares representing 18.72% of total capital are held in physical form.

AUDITORS : M/s. R. Choudhary and Associates,
Chartered Accountants

**COMPANY SECRETARY
& COMPLIANCE OFFICER** : Mr. Jigar Harshadkumar Shah

16. CORPORATE OFFICE & REGISTERED OFFICE:

1st Floor, Chunibhai Chambers, Ashram Road, Ahmedabad - 380009

17. DISCLOSURES:

Outstanding Warrants:

The Company has issued 15,000,000 optional convertible warrants on 04.01.2008 with a option attached to it for conversion of warrant in to Equity Shares with in 18 months of issue of warrant. The Allottee of warrant has opted an option for conversion of warrant in to Equity shares and the Company has allotted Equity Shares pursuant to conversion of warrants into Equity Shares on 02.07.2009.

18. Materially significant related party transactions:

All the Related Party Transactions are forming part of the notes to the Balance Sheet. Other than those there was no materially significant related party transaction with its promoters, directors or the management, their subsidiaries or relatives etc. that had a potential conflict with the interest of the Company at large

Details of non compliance by the Company, penalties and strictures imposed on the Company by the Stock Exchange or Securities and Exchange Board of India (SEBI) or any Authority on any matter related to capital markets during last three years : NIL

**By Order of the Board
For Radhe Developers (India) Limited**

Date : 28/08/2009
Place : Ahmedabad

**Sd/-
CHAIRMAN**

MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

The Board of Directors of the company during the year have explored all the possibilities to develop the business so as to get the maximum returns to its shareholders. During the year the construction industry have witnessed bad period. Further the demand for infrastructure is increasing day by day. With the increase in expenditure for infrastructure sector the Company is hopeful that the construction industry will be highly beneficial. However at the same time rise in input costs, like steel, cement, labour and other charges have gone up substantially, which requires more capital for the operations of the Company. The company expects that in near future the input costs will come down and which will be more profitable for the company.

Human Resources:

The Company has good cordial relation with the employees of the company. As on 31st March, 2009 there were 13 number of employees.

Internal Control:

The Company has an adequate internal control system. The audit committee frequently meets to review the financial performance of the Company.

Cautionary Statement:

Statements in this report on Management Discussion and Analysis may be forward looking statements within the meaning of applicable security laws or regulations. These statements are based on certain assumptions and expectations of future events. Actual results could however, differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include global and domestic demand supply conditions, finished goods prices, raw material cost and availability and changes in government regulation and tax structure, economic development within India and the countries with which the Company has business contacts and other factors such as litigation and industrial relations. The Company assumes no responsibility in respect of forward looking statements which may be amended or modified in future on the basis of subsequent developments, information of events.

Auditors Certificate on Compliance with the condition of Corporate Governance under Clause 49 of the listing agreement.

To the members of Radhe Developers (India) Limited

We have examined the compliance of corporate governance by Radhe Developers (India) Limited for the financial year ended on 31st March, 2009 stipulated in clause 49 of the listing agreement of the said Company with the stock exchange of India.

The compliance of the conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation there of, adopted by the Company for ensuring the compliance of the condition of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and explanation given to us, we certify that the Company has complied with the conditions of corporate governance as stipulated in the above mentioned Listing agreement.

We state that in respect of investor grievances received during the financial year ended 31.03.2009, no investor grievances are pending against the Company for a period exceeding one month as per record maintained by the Company which are presented to the share holders/ investors grievance 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 R. CHOUDHARY & ASSOCIATES,
CHARTERED ACCOUNTANTS

Place: Ahmedabad

Date : 28/08/2009

Sd/-
RAMCHANDRA CHOUDHARY
PROPRIETOR

AUDITORS' REPORT

To,
The Members of
RADHE DEVELOPERS (INDIA) LIMITED
Ahmedabad

1. We have audited the attached Balance Sheet of RADHE DEVELOPERS (INDIA) LIMITED as at 31st March 2009, the Profit and Loss Account and also the Cash Flow Statement for the year ended on that date annexed thereto (together read as financial statements). These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. These 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 also 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 audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors' Report) Order, 2003 issued by the Company Law Board in terms of section 227(4 A) of the Companies Act, 1956, we enclose 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:
 - (i) We have obtained all the information and explanations, which are 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;
 - (iii) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - (iv) In our opinion, the Balance Sheet, Profit and 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;
 - (v) On the basis of written representation received from Directors as on 31st March 2009 and taken on records by the Board of Directors, we report that none of the directors are disqualified as on 31st March, 2009 from being appointed as director of the company in terms of clause (g) of subsection (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 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 the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2009; and
 - (b) In the case of the Profit and Loss Account, of the Loss of the Company for the year ended on that date; and
 - (c) In the case of Cash Flow Statement, of the cash flows for the year ended on that date.

For, R. CHOUDHARY & ASSOCIATES
Chartered Accountants
Sd/-
RAMCHANDRA CHOUDHARY
Proprietor
Membership No. 43979

Place: Ahmedabad
Date: 28.08.2009

ANNEXURE TO THE AUDITORS REPORT

(Referred to in paragraph 3 of our Report of even date)

1. In respect of Fixed Assets:
 - a. The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b. Some of the fixed assets have been physically verified during the year by the management in accordance with a programme of verification, which in our opinion provides for physical verification of all the fixed assets at reasonable intervals having regard to the size of the company and nature of its business. According to the information and explanations given to us no material discrepancies were noticed on such verification.
 - c. The company has not disposed off substantial part of fixed assets during the year under audit and thus the going concern concept of the company has not been affected.
2. The company does not have inventories and therefore, the provisions of clause 4(ii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
3. In respect of loans, secured or unsecured, granted or taken by the company to/from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.
 - a. The Company has granted loans to two parties covered in the register maintained under section 301 of the Companies Act, 1956, the year-end balances is Rs. 420.05 and the maximum amount involved during the year was Rs. 528.68 Lacs.
 - b. The terms and condition of such loans are, in our opinion are prima facie not prejudicial to the interest of the Company.
 - c. The terms on which the principle and interest are repayable are not stipulated hence we are not in a position to comment on the same.
 - d. There is no amount which remains overdue amounts at the year-end.
 - e. The Company has taken loans from Two parties during the year under review, the year-end balances of such loans taken aggregate of Rs. 4.27 Lacs and the maximum amount involved during the year was Rs. 8.77 Lacs.
 - f. The rate of interest and other terms and condition of such loans are, in our opinion, prima facie not prejudicial to the interest of the Company.
 - g. The terms of repayments of principal amounts and interest thereon in respect of such loans are not stipulated hence we are not in a position to comment on the same.
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 the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weakness in the internal controls system.
5. In respect of contracts or arrangements covered under Section 301 of the Companies Act, 1956:

Based on the audit procedures applied by us and according to the information and explanations provided by the management, we are of the opinion that there are no contracts or arrangements that needs to be entered into the register maintained under section 301
6. The company has not accepted any deposits from public.
7. In our opinion, the company does not have any formal internal audit system.
8. According to the information and explanation provided to us, the company is not required to maintain cost records pursuant to the rules made by the Central Government for the maintenance of cost records under Section 209 (1) (d) of the Companies Act, 1956.

9. In respect of Statutory Dues:

- a. As per records of the company, the company is normally regular in depositing with appropriate authorities undisputed statutory dues including income tax, wealth tax, service tax and other statutory dues applicable to it.
- b. *According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, wealth tax and other statutory dues applicable to it except income tax and Fringe Benefit Tax for the assessment year 2008-2009 amounting to Rs. 104.50 lacs and 0.50 Lacs respectively and interest thereon, were outstanding as at 31st March, 2009 for a period of more than six months from the date they became payable.*
- c. There are no disputed statutory dues that have not been deposited on account of matter pending before any authority except for following.

Assessment Year	Tax Applicable	Amount Involved	Authority where Appeal is pending
2005-2006	Income Tax Act, 1961	5.11 Lac	CIT Appeals, A'bad
2006-2007	Income Tax Act, 1961	3.14 Lac	
2007-2008	Income Tax Act, 1961	0.81 Lac	

10. The company has accumulated losses at the end of the year. The company has not incurred cash losses during the immediately preceding financial year.
11. In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to financial institutions, banks or debenture holders.
12. Based on our examination of documents and records and information and explanations 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. The provisions of any special statute applicable to Chit Fund, Nidhi or Mutual benefit Fund/Societies are not applicable to the Company. Therefore, clause 4 (xiii) of the Companies (Auditor's Report) Order, 2003 is not applicable to the company.
14. Based on our examination of documents and records and information and explanations given to us, the company is not dealing in or trading in shares, debentures and other securities. Accordingly, provisions of clause 4 (xiv) of the Companies (Auditors Report) Order, 2003 are not applicable
15. As per the information provided to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
16. To the best of our knowledge and belief and according to the information and explanations given to us, in our opinion, term loans availed by the Company were prima facie applied for the purpose for which loans are obtained.
17. According to the information and explanations given to us, and on an overall examinations of the balance sheet of the company, there are no funds raised that have been raised on short term basis.
18. The Company has not made any preferential allotment of shares to the parties and companies/firms covered in the Register maintained under Section 301 of the Companies Act, 1956.
19. During the year, the company has not issued any debentures.
20. During the year, the Company has not raised any money by way of Public issues.
21. To the best of our knowledge and belief and according to the information and explanation given to us, no fraud on or by the company has been noticed or reported during the year under audit.

For, R. CHOUDHARY & ASSOCIATES
Chartered Accountants
Sd/-
RAMCHANDRA CHOUDHARY
Proprietor
Membership No. 43979

RADHE DEVELOPERS (INDIA) LIMITED
1ST FLOOR, CHUNIBHAI CHAMBERS, ASHRAM ROAD, AHMEDABAD

BALANCE SHEET
AS AT 31ST MARCH 2009

SCH.	AMOUNT (RS.) AS AT 31-03-2009	AMOUNT (RS.) AS AT 31-03-2008
SOURCES OF FUNDS:		
1 SHARE HOLDERS FUNDS:		
(a) Share Capital	101799000.00	101799000.00
(b) Reserves And Surplus	2500000.00	3093907.10
(c) Warrant Application Money	27000000.00	27000000.00
2 LOAN FUNDS :		
(a) Secured Loans	1029822.03	Nil
(b) Unsecured Loans	1835503.00	2285503.00
3 DEFERRED TAX LIABILITY :		
	405224.00	493517.00
TOTAL RS.	134569549.03	134671927.10
APPLICATION OF FUNDS:		
1 FIXED ASSETS :		
Gross Block	13614631.88	12663886.88
Less : Depreciation	7396540.80	6547591.80
Net Block	6218091.08	6116295.08
Capital Wrok in Progress	1559344.30	7777435.38
	50000.00	Nil
2 INVESTMENTS :		
3 CURRENT ASSETS, LOANS AND ADVANCES:		
(a) Work in Progress	1011240.00	Nil
(b) Sundry Debtors	2766543.00	8215854.00
(c) Cash and Bank Balances	293548.44	4470783.44
(d) Loans and Advances	252182979.85	276495991.85
	256254311.29	289182629.29
LESS: CURRENT LIABILITIES AND PROVISIONS:		
(a) Current Liabilities	107628425.47	134469432.27
(b) Provisions	26127996.00	26207565.00
NET CURRENT ASSETS	133756421.47	122497889.82
4 MISCELLENEOUS EXPENDITURE :		
Preliminary and Public Issue expenses (to the extent not written off)	Nil	Nil
5 PROFIT AND LOSS ACCOUNT:		
	4244223.83	Nil
TOTAL RS.	134569549.03	134671927.10
Significant Accounting Policy and Notes to Accounts	15	

As per our report of even date

For, **R. CHOUDHARY & ASSOCIATES**

Chartered Accountants

For **RADHE DEVELOPERS (INDIA) LTD**

Sd/-
RAMCHANDRA CHOUDHARY

Proprietor
Mem. No. 43979
Date : 28-08-2009
Place: Ahmedabad

Sd/-
MR. ASHISH PATEL
Managing Director

15

Sd/-
MR. PRAFUL PATEL
Chairman

Sd/-
MR. JIGAR SHAH
Company Secretary

RADHE DEVELOPERS (INDIA) LIMITED
1ST FLOOR, CHUNIBHAI CHAMBERS, ASHRAM ROAD, AHMEDABAD
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED ON 31ST MARCH 2009

SCH.	AMOUNT (RS.) 2008-2009	AMOUNT (RS.) 2007-2008
INCOME:		
1 Development Charges Income	3750000.00	20900000.00
2 Sale Of Land	Nil	29766000.00
3 Increase Decrease in Stock	11 1011240.00	Nil
4 Other Income	12 3968.10	67483.58
TOTAL RS.	4765208.10	50733483.58
EXPENDITURE:		
1 Development Expenses	13 1713831.00	17606181.21
2 Administrative, Operation and Est. Exps	14 6333590.00	4352519.33
3 Depreciation	5 848949.00	776272.00
4 Interest	98930.03	Nil
TOTAL RS.	8995300.03	22734972.54
Profit/(Loss) Before Tax	(4230091.93)	27998511.04
Less: Provision for Tax:		
Current Tax	Nil	10450000.00
Deferred Tax	(88293.00)	(37251.00)
Fringe Benefit Tax	Nil	50000.00
Profit/(Loss) After Tax	(4141798.93)	17535762.04
Prior Period Expenses	696332.00	Nil
	(4838130.93)	17535762.04
Balance Brought Forward	593907.10	(16941854.94)
Prior Period Adjustments	Nil	Nil
Balance Carried to Balance Sheet	(4244223.83)	593907.10
Basic Earning Per Share (Face Value Rs.10/-)	(0.41)	1.72
Diluted Earning Per Share	(0.16)	1.27
Significant Accounting Policy and Notes to Accounts	15	

As per our report of even date

For, R. CHOUDHARY & ASSOCIATES
Chartered Accountants

For RADHE DEVELOPERS (INDIA) LIMITED

Sd/-
RAMCHANDRA CHOUDHARY
Proprietor
Mem. No. 43979
Date : 28-08-2009
Place: Ahmedabad

Sd/-
MR. ASHISH PATEL
Managing Director

Sd/-
MR. PRAFUL PATEL
Chairman

Sd/-
MR. JIGAR SHAH
Company Secretary

RADHE DEVELOPERS (INDIA) LIMITED

1ST FLOOR, CHUNIBHAI CHAMBERS, ASHRAM ROAD, AHMEDABAD

	AS AT 31-03-2009	AS AT 31-03-2008
SCHEDULE - 1 SHARE CAPITAL		
AUTHORISED :		
31000000 Equity Share of Rs. 10 each (P.Y. 31000000 Equity Share of Rs. 10 each)	310000000.00	310000000.00
ISSUED, SUBSCRIBED AND PAID UP:		
10179900 Equity Share of Rs. 10 each (P.Y. 10179900 Equity Share of Rs. 10 each)	101799000.00	101799000.00
TOTAL RS.	101799000.00	101799000.00
SCHEDULE - 2 RESERVES AND SURPLUS		
1 General Reserve :		
Balance as per last year	2500000.00	2500000.00
2 Balance of Profit and Loss Account	Nil	593907.10
TOTAL RS.	2500000.00	3093907.10
SCHEDULE - 3 SECURED LOANS		
1 Car Loan (Secured against the hypothication of vehicle)	1029822.03	Nil
TOTAL RS.	1029822.03	Nil
SCHEDULE - 4 UNSECURED LOANS		
1 From Directors	426817.00	876817.00
2 From Inter Corporate Deposit	1408686.00	1408686.00
TOTAL RS.	1835503.00	2285503.00
SCHEDULE - 6 INVESTMENTS		
(A) QUOTED INVESTMENTS: (LONG TERM, NON TRADE)		
1 5000 Equity Shares of Alps Infosys Ltd. of Rs. 10.00 each fully paid up. (P.Y. 5000 Eq. Shares of Rs. 10.00 each Fully Paid Up) (Market Value AS AT 31-3-2009 - Quote Not Availible)	50000.00	50000.00
TOTAL RS.	50000.00	50000.00
SCHEDULE - 7 SUNDRY DEBTORS		
(Unsecured, Considered Good unless otherwise stated)		
1 Outstanding for more than six months	Nil	7389573.00
2 Outstanding for less than six months	2766543.00	826281.00
TOTAL RS.	2766543.00	8215854.00
SCHEDULE - 8 CASH AND BANK BALANCES		
CASH ON HAND:		
1 Cash on Hand (including petty cash balance)	206388.25	1799833.75
BALANCE WITH BANKS IN CURRENT ACCOUNTS:		
1 With Schedule Banks	25540.50	545678.00
2 With Non Schedule Banks:		
Bhuj Merchantile Co. Op. Bank Ltd. (Maximum Balance During the year Rs. 5046283.00) (P. Y. Maximum Balance During the year Rs. 5430485.69)	59240.00	2122292.00

RADHE DEVELOPERS (INDIA) LIMITED

1ST FLOOR, CHUNIBHAI CHAMBERS, ASHRAM ROAD, AHMEDABAD

SCHEDULE - 5 FIXED ASSETS												
SR. NO.	PARTICULARS	RATE	GROSS BLOCK				DEPRECIATION				NET BLOCK 31-Mar-09	NET BLOCK 31-Mar-08
			BALANCE AS ON 1-Apr-08	ADDITION DURING THE YEAR	DEDUCTION DURING THE YEAR	BALANCE AS ON 31-Mar-09	BALANCE AS ON 1-Apr-08	ADDITION DURING THE YEAR	DEDUCTION DURING THE YEAR	BALANCE AS ON 31-Mar-09		
1	Air Conditioner	4.75%	1062661.00	Nil	Nil	1062661.00	526983.20	50476.00	Nil	577459.20	485201.80	535677.80
2	Office Assets	4.75%	188955.00	Nil	Nil	188955.00	116773.72	8975.00	Nil	125748.72	63206.28	72181.28
3	D.G. Set	4.75%	224159.00	Nil	Nil	224159.00	137541.10	10648.00	Nil	148189.10	75969.90	86617.90
4	Aquagaurd	4.75%	16350.00	Nil	Nil	16350.00	9582.26	777.00	Nil	10359.26	5990.74	6767.74
5	Office Equipments	4.75%	104490.00	Nil	Nil	104490.00	60882.55	4963.00	Nil	65845.55	38644.45	43607.45
6	Pagers	4.75%	230280.00	Nil	Nil	230280.00	140640.60	10938.00	Nil	151578.60	78701.40	89639.40
7	Material Lift	4.75%	90415.00	Nil	Nil	90415.00	49556.42	4295.00	Nil	53851.42	36563.58	40858.58
8	Weiging Machine	4.75%	20682.87	Nil	Nil	20682.87	11264.88	982.00	Nil	12246.88	8435.99	9417.99
9	Paper Cutter	4.75%	14790.00	Nil	Nil	14790.00	8677.05	703.00	Nil	9380.05	5409.95	6112.95
10	Pump Set	4.75%	102027.00	Nil	Nil	102027.00	55423.56	4846.00	Nil	60269.56	41757.44	46603.44
11	Stabiliser	4.75%	4000.00	Nil	Nil	4000.00	2468.00	190.00	Nil	2658.00	1342.00	1532.00
12	Telephone System	4.75%	215022.00	Nil	Nil	215022.00	123190.09	10214.00	Nil	133404.09	81617.91	91831.91
13	Cellular Phones	4.75%	185284.00	Nil	Nil	185284.00	94743.98	8801.00	Nil	103544.98	81739.02	90540.02
14	Water Tank	4.75%	105667.75	Nil	Nil	105667.75	64075.36	5019.00	Nil	69094.36	36573.39	41592.39
15	Water Tank Trolly	4.75%	84375.00	Nil	Nil	84375.00	2427.00	4008.00	Nil	6435.00	77940.00	81948.00
16	Zerox Machine	4.75%	119240.00	Nil	Nil	119240.00	73709.80	5664.00	Nil	79373.80	39866.20	45530.20
17	Refrigator	4.75%	6150.00	Nil	Nil	6150.00	1974.25	292.00	Nil	2266.25	3883.75	4175.75
18	Fan Account	4.75%	16305.00	Nil	Nil	16305.00	1901.79	774.00	Nil	2675.79	13629.21	14403.21
19	Computers	16.21%	524575.00	Nil	Nil	524575.00	524575.00	Nil	Nil	524575.00	Nil	Nil
20	Maruti Fruntee - 9586	9.50%	220171.00	Nil	Nil	220171.00	220171.00	Nil	Nil	220171.00	Nil	Nil
21	Maruti Fruntee - 2350	9.50%	259406.00	Nil	Nil	259406.00	259406.00	Nil	Nil	259406.00	Nil	Nil
22	Motor Cars - 641	9.50%	250000.00	Nil	Nil	250000.00	119648.00	23750.00	Nil	143398.00	106602.00	130352.00
23	Honda City - 5545	9.50%	806241.00	Nil	Nil	806241.00	212781.46	76593.00	Nil	289374.46	516866.54	593459.54
24	Toyota Car - 5545	9.50%	1265791.00	Nil	Nil	1265791.00	259278.93	120250.00	Nil	379528.93	886262.07	1006512.07
25	Scooters	9.50%	24038.00	Nil	Nil	24038.00	24038.00	Nil	Nil	24038.00	Nil	Nil
26	Furniture and Fixtures - Swagat	6.33%	4135452.15	Nil	Nil	4135452.15	3154565.22	261774.00	Nil	3416339.22	719112.93	980886.93
27	Furniture and Fixtures - C.C.	6.33%	2387359.11	Nil	Nil	2387359.11	291312.58	151120.00	Nil	442432.58	1944926.53	2096046.53
28	Motor Cars - Ascent	9.50%	Nil	950745.00	Nil	950745.00	Nil	82897.00	Nil	82897.00	867848.00	Nil
	TOTAL		12663886.88	950745.00	Nil	13614631.88	6547591.80	848949.00	Nil	7396540.80	6218091.08	6116295.08
29	Work in Progress		Nil	1559344.30	Nil	1559344.30	Nil	Nil	Nil	Nil	1559344.30	
	Year Total		12663886.88	2510089.30	Nil	15173976.18	6547591.80	848949.00	Nil	7396540.80	7777435.38	
	Previous Year		12313835.88	350051.00	Nil	12663886.88	5771319.80	776272.00	Nil	6547591.80	6116295.08	

RADHE DEVELOPERS (INDIA) LIMITED

1ST FLOOR, CHUNIBHAI CHAMBERS, ASHRAM ROAD, AHMEDABAD

	AMOUNT (RS.) AS AT 31-03-2009	AMOUNT (RS.) AS AT 31-03-2008
BALANCE WITH BANKS IN DEPOSIT ACCOUNTS:		
1 With Non Schedule Banks:		
Relief Merchantile Co. Op. Bank Ltd. (Maximum Balance During the year Rs. 900.00) (P. Y. Maximum Balance During the year Rs.900.00)	900.00	900.00
BALANCE WITH BANKS IN DEPOSIT ACCOUNTS:		
1 With Non Schedule Banks:		
Bhuj Merchantile Co. Op. Bank Ltd. (Maximum Balance During the year Rs. 2079.69/-) (P. Y. Maximum Balance During the year Rs. 4012452/-)	1479.69	2079.69
TOTAL RS.	293548.44	4470783.44
SCHEDULE - 9 LOANS AND ADVANCES (Unsecured, Considered Good unless otherwise stated)		
1 Towards ongoing and Proposed projects	116904637.05	137270956.05
2 Corporate Advances	38955529.31	49440529.31
3 Other Advances	9572191.00	9590149.00
4 Advance Income Tax	25550622.49	21804957.49
5 Advance for Capital Goods	50575000.00	50575000.00
6 Advance Received For Property	Nil	7089400.00
7 Shantinagar Shelachsl	725000.00	725000.00
8 Advance for Purchase of Land	9900000.00	Nil
TOTAL RS.	252182979.85	276495991.85
SCHEDULE - 10 CURRENT LIABILITIES & PROVISIONS		
A CURRENT LIABILITIES:		
1 Advance against Booking	97954346.00	124232096.00
2 Other Advance	4810492.00	4810492.00
3 Sundry Creditors	4766703.47	5323440.27
4 Salary Payable	96884.00	103404.00
B PROVISIONS :		
1 Unpaid Electricity Expenses	11926.00	60776.00
2 Unpaid Professional Charges	9200.00	2000.00
3 Unpaid Telephone Expenses	3996.00	9614.00
4 TDS on Interest	3042.00	Nil
5 TDS on Contractor Payable	3543.00	3118.00
6 TDS on Professional Fees Payable	13802.00	1736.00
7 Provision for Taxation	8539482.00	8539482.00
8 Provision for Income Tax (A.Y. 2005-06)	1800000.00	1800000.00
9 Provision for Income Tax (A.Y. 2006-07)	3025873.00	3025873.00
10 Provision for Income Tax (A.Y. 2007-08)	2190000.00	2190000.00
11 Provision for Income Tax (A.Y. 2008-09)	10450000.00	10450000.00
12 Provision for FBT (A.Y. 2007-08)	Nil	45629.00
13 Provision for FBT (A.Y. 2008-09)	50000.00	50000.00
14 Employee's P.F Contribution A/C	12966.00	13746.00
15 Employer's P.F Contribution Payable	14166.00	15591.00
TOTAL RS.	133756421.47	160676997.27
SCHEDULE - 11 INCREASE / (DECREASE) IN STOCK		
Closing Work in Progress	1011240.00	Nil
Less : Opening Work in Progress	Nil	1011240.00
TOTAL RS.	1011240.00	Nil

RADHE DEVELOPERS (INDIA) LIMITED
1ST FLOOR, CHUNIBHAI CHAMBERS, ASHRAM ROAD, AHMEDABAD

	AMOUNT (RS.) AS AT 31-03-2009	AMOUNT (RS.) AS AT 31-03-2008
SCHEDULE - 12 OTHER INCOME		
1 Kasar and Vatav	3968.10	21282.58
2 Interest Income	Nil	46201.00
TOTAL RS.	3968.10	67483.58
SCHEDULE - 13 DEVELOPMENT EXPENSES		
1 Labour Expenses	267135.00	4043267.00
2 Material Purchase	361575.00	10266951.71
3 Carting Expenses	26650.00	338613.00
4 Site Expenses	35207.00	115345.00
5 Lift Exps	Nil	2795000.00
6 Sundry & Other Exps	12024.00	47004.50
7 Motibhoyan Site Expenses	1011240.00	Nil
TOTAL RS.	1713831.00	17606181.21
SCHEDULE - 14 ADMINISTRATIVE, OPERATION & GENERAL EXPENSES		
1 Advertisement Expenses	16709.00	21400.00
2 Audit Fees	15000.00	16854.00
3 Bank Charges	2410.50	1534.00
4 Annual Custodial Fees (CDSL)	22472.00	22472.00
5 Annual Custodial Fees (NSDL)	22472.00	23612.00
6 Bonous Exp	270120.00	233525.00
7 Books & Periodical Exps	Nil	757.00
8 Conveyance Expenses	61270.00	61628.00
9 Electricity Expenses	125767.00	625969.00
10 Employer's P.F Cont. Exp	179682.00	182404.00
11 Insurance Expenses	71735.00	77236.00
12 Legal and Professional Fees	1720.00	5964.00
13 Listing Fees	78195.00	30000.00
14 Loader Machine Expense	Nil	18196.00
15 Miscellineous Expenses	11220.00	3730.93
16 Octroi Expenses	Nil	14189.00
17 Office Expenses	70416.50	118543.00
18 Petrol and Diesel Exp.	10750.00	63681.80
19 Postage, Revenue and Stamp Paper Expenses	13343.00	15689.00
20 Professional Charges	2834896.00	561293.00
21 Repairs and Maintainence Exp. - Others	22029.00	168787.60
22 ROC Filling Fees	1000.00	75000.00
23 Salary Expenses	1332100.00	1301220.00
24 Security Expenses	333367.00	285264.00
25 Stationary and Printing Expenses	119447.00	194048.00
26 Telephone Expenses	83763.00	110555.00
27 Travelling Exps	591000.00	99391.00
28 Vehicle Repairing Exps	33629.00	71546.00
29 Web Hosting & Domain Regi Charges	Nil	910.00
30 Loan Processing Fees	9077.00	Nil
31 Penalty Charges	Nil	400.00
32 Prior Period Expenses	Nil	6720.00
TOTAL RS.	6333590.00	4352519.33

RADHE DEVELOPERS (INDIA) LIMITED

1ST FLOOR, CHUNIBHAI CHAMBERS, ASHRAM ROAD, AHMEDABAD

CASH FLOW STATEMENT FOR THE YEAR ENDED 31-03-2009

SR. NO.	PARTICULARS	AMOUNT (RS.) 2008-2009	AMOUNT (RS.) 2007-2008
A	CASH FLOW FROM OPERATING ACTIVITIES:		
	Net Profit before taxes and extra ordinary items	(4838130.93)	27998511.04
	Adjustments For:		
	Depreciation	848949.00	776272.00
	Deferred Tax Liability for the Year	(88293.00)	Nil
	Operating Profit before working capital changes	(4077474.93)	28774783.04
	Adjustments For:		
	Increase/Decrease in Inventory	(1011240.00)	Nil
	Increase/Decrease in Trade and other Receivables	5449311.00	38533834.00
	Increase/Decrease in Loans and Advances	28058677.00	(32373209.81)
	Increase/Decrease in Trade Payables	(26874946.80)	(54357317.77)
	Direct Taxes Paid	5621801.20 (3791294.00)	(48196693.58) (4825270.00)
	NET CASH FROM OPERATING ACTIVITIES:	(2246967.73)	(24247180.54)
B	CASH FLOW FROM INVESTING ACTIVITIES:		
	(Purchase) / Sale of Investments	Nil	Nil
	(Purchase) / Sale of Fixed Assets	(2510089.30)	(350051.00)
NET CASH FROM INVESTING ACTIVITIES:	(2510089.30)	(350051.00)	
C	CASH FLOW FROM FINANCIAL ACTIVITIES:		
	Proceed from Warrants application money	Nil	27000000.00
	Decrease in Term Borrowings	(631177.97)	(6525220.69)
	Increase in Term Borrowing	1211000.00	Nil
	NET CASH FROM FINANCIAL ACTIVITIES:	579822.03	20474779.31
	NET INCREASE/DECREASE IN CASH AND CASH EQUIVALENTS	(4177235.00)	(4122452.23)
OPENING BALANCE OF CASH AND CASH EQUIVALENTS	4470783.44	8593235.67	
CLOSING BALANCE OF CASH AND CASH EQUIVALENTS	293548.44	4470783.44	

As per our report of even date

For, **R. CHOUDHARY & ASSOCIATES**

Chartered Accountants

For, **RADHE DEVELOPERS (INDIA) LIMITED**

Sd/-
RAMCHANDRA CHOUDHARY

Proprietor

Mem. No. 43979

Date : 28-08-2009

Place: Ahmedabad

Sd/-
MR. ASHISH PATEL
Managing Director

Sd/-
MR. PRAFUL PATEL
Chairman

Sd/-
MR. JIGAR SHAH
Company Secretary

RADHE DEVELOPERS (INDIA) LIMITED

Reg.Off: Chunibhai Chambers, B/h. City Gold Cinema, Ashram Road, Ahmedabad.

SCHEDULE – 15 SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

A SIGNIFICANT ACCOUNTING POLICIES:

1 BASIS OF ACCOUNTING:

The financial statements are prepared under the historical cost convention on accrual basis in accordance with the generally accepted accounting principles and accounting standards issued by The Institute of Chartered Accountants of India and the provisions of the companies act –1956.

2 REVENUE RECOGNITION:

Revenue from property development activity is recognized based on percentage of completion method, determine by applying the cost plus contracts in which contractor is reimbursed for allowable or defined cost plus percentage of these cost or a fixed fee. The development work done on behalf of the owner is directly debited to the owner and development charges are credited as contract receipts to profit and loss account. No charges are receivable during the year in respect of assignment where no work has been done during the year.

3 FIXED ASSETS AND DEPRECIATION:

Fixed Assets are stated at cost less depreciation. Depreciation is provided under Straight Line Method and at the rates specified in Schedule IVX of the Companies Act-1956.

4 INVESTMENTS:

Investments are stated at cost.

5 TAX ON INCOME:

Current tax is the amount of tax payable on the taxable for the year as determined in accordance with the provision of income tax act 1961. Deferred tax is recognized, on timing differences, being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred Tax Assets in respect of unabsorbed depreciation and carried forward of losses are recognized if, in the opinion of the management, there is virtual certainty that there will be sufficient future income available to realize such losses.

6 DEFERRED REVENUE EXPENDITURE:

Preliminary and public issue expenses are amortized over a period of ten year.

7 INVENTORY VALUATION:

There is no stock of building materials at the end of the year under review.

8 BORROWING COST:

Interest and other borrowing costs on specific borrowings, attributable to qualifying assets, are capitalized as part of cost of assets all other borrowing costs are charged to revenue.

B NOTES TO ACCOUNTS:

1 Previous years figures have been regrouped and rearranged wherever required necessary.

2 The debit and credit balance shown in the balance sheet are subject to the confirmation by the parties concerned.

3 In the opinion of the board, current assets, loans and advances are approximately of the value stated if realized in the ordinary course of the business. The provision for all known liabilities is made.

4 Remuneration to Directors:

Previous Year Rs. NIL

Current Year Rs. NIL

RADHE DEVELOPERS (INDIA) LIMITED

Reg.Off: Chunibhai Chambers, B/h. City Gold Cinema, Ashram Road, Ahmedabad.

- 5 Information pursuant to paragraph 3, 4 and 4 D of Part II of Schedule VI to the Companies Act, 1956 does not apply to the company hence not furnished.
- 6 The company carries investments at cost. According to the management, investments in shares are long term in nature and provisions for diminution in the value of investments is not made as such diminution are temporary.
- 7 There is no foreign exchange earnings and foreign exchange outgo during the year.
- 8 Earning per Share:

Particular	Unit	31-03-09	31-03-08
Numerator used for calculating Basic and Diluted Earning per Share (Profit after Tax)	Rs.	(4141799)	17535762
Weighted average No. of shares used as denominator for calculating Basic and Diluted	No. of Shares	10179900	10179900
Nominal Value of Share	Rs.	10	10
Weighted Average No of Shares for Basic Earning per Share	No of Shares	10179900	10179900
Basic Earning per Share	Rs.	(0.41)	1.72
Weighted Average No of Shares for Diluted Earning per Share	No of Shares	25179900	13821818
Diluted Earning per Share	Rs.	(0.16)	1.27

- 9 Information relating to Deferred Tax:

Particulars	31-03-09	31-03-08
Deferred Tax Assets arising out of timing difference relating to:	0.00	0.00
Total Deferred Tax Assets	0.00	0.00
Deferred Tax Liability arising out of timing difference relating to:		
- Difference of Depreciation as per Tax Provisions and Company Law	405224.00	493517.00
Total Deferred Tax Liability	405224.00	493517.00
Net Deferred Tax Liability/Assets	405224.00	493517.00

- 10 **Related Party Disclosures:**

A List of Related Party and Relationships

Sr. No.	Party
A	Key Management Personnel
	Mr. Ashish P. Patel
B	Associates Firms/Companies
	Pratigna Properties Pvt. Ltd.
	Shantinagar Shilla Co. Op. Housing Society Ltd.
	Radhe Infra. And Projects (I) Ltd.

B Transaction with Related Party

Transaction	Key Management Personnel	Relatives of Key Management Personnel	Associates Firms/ Companies
Loans and Advances			
Pratigna Prop. Pvt. Ltd. – Amount Repaid during the year	—	—	10485000.00
	(—)	(—)	(7700221.00)
Radhe Infra. And Projects (India) Ltd. Amount Taken during the year	—	—	3642000.00
	(—)	(—)	(5855000)
Unsecured Loans(Net of Taken and Repaid)			
Mr. Ashish P. Patel Amount Repaid during the year	450000.00	—	—
	(6525221.00)	(—)	(—)
Advance Against Scheme(Net of Taken and Repaid)			
Shantinagar Shila Co. Op.	—	—	0.00
	(—)	(—)	(40476700.00)
Advance Given Against Scheme			
Shantinagar Shila Co. Op.	—	—	16425000.00
	(—)	(—)	(—)

- 11 According to the information available with the company there were no principal amount and interest due to any of the parties who are registered with the Micro, Small and Medium Enterprise Act, 2003.
- 12 Estimated amount of capital contract remaining to be executed on capital account Rs. Nil (Previous Year Rs. NIL)
- 13 Contingent Liability not provided for:

Sr. No.	Nature of Dues	2008-2009 (Rs. In Lacs)	2007-2008 (Rs. In Lacs)
1	Pending Demand with Income Tax Authorities	9.06	3722.37

Above details are certified by the management and accepted by auditors on basis of the records presented.

As per our report of even date

FOR, R. CHOUDHARY & ASSOCIATES
Chartered Accountants

Sd/-
Ramchandra Choudhary
Proprietor
Mem. No. 43979
Place : Ahmedabad
Date : 28-08-2009

FOR RADHE DEVELOPERS (INDIA) LIMITED

Sd/-
Mr. Ashish P. Patel
(M. D.)

Sd/-
Mr. Praful C. Patel
(Chairman)

Sd/-
Mr. Jigar Shah
(Company Secretary)

**BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE
RADHE DEVELOPERS (INDIA) LIMITED**

1 REGISTRATION DETAILS:		
Registration Number	:	L45201GJ1995PLC024491
State Code	:	4
Balance Sheet Date	:	31st March 2009
2 CAPITAL RAISED DURING THE YEAR: (Amount in Rs. Thousands)		
Public Issue	:	NIL
Right Issue	:	NIL
Bonus Issue	:	NIL
Private Placement	:	NIL
3 POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS: (Amount in Rs. Thousands)		
SOURCES OF FUNDS:		
Paid Up Capital	:	101799.00
Reserves and Surplus	:	2500.00
Secured Loans	:	Nil
Unsecured Loans	:	1835.50
Warrant Application Money	:	27000.00
Deffered Tax Liability*	:	405.22
TOTAL LIABILITIES	:	133539.73
APPLICATION OF FUNDS:		
Net Fixed Assets	:	Nil
Investments	:	50.00
Net Current Assets	:	122497.89
Misc. Exp.	:	Nil
Accumulated Losses	:	Nil
TOTAL ASSETS	:	122547.89
4 PERFORMANCE OF THE COMPANY: (Amount in Rs. Thousands)		
Turnover / Gross Receipts	:	4765.21
Total Expenditure	:	8995.30
Profit/(Loss) before Tax	:	(4230.09)
Profit/(Loss) after Tax	:	(4141.80)
Earning Per Share in Rupees	:	(0.41)
Dividend Rate in %	:	NIL
5 GENERIC NAME OF THREE PRINCIPAL PRODUCTS/SERVICE OF COMPANY: (As per monetary Terms)		
Item Code No.	:	N.A.
Products Description	:	N.A.

Adjustments item to match total of Balance Sheet

For, **R. CHOUDHARY & ASSOCIATES**
Chartered Accountants

For, **RADHE DEVELOPERS (INDIA) LIMITED**

Sd/-
RAMCHANDRA CHOUDHARY
Proprietor
Mem. No. 43979
Place: Ahmedabad
Date : 28/08/2009

Sd/-
MR. ASHISH PATEL
Managing Director

Sd/-
MR. PRAFUL PATEL
Chairman

Sd/-
MR. JIGAR SHAH
Company Secretary

RADHE DEVELOPERS (INDIA) LIMITED

Regd. Office : 1st Floor, "Chunibhai Chambers", B/h. City Gold Cinema, Ashram Road,
Ahmedabad – 380 009

ATTENDANCE SLIP

Registered Folio No. _____

(Please write your name in BLOCK – letters)

Client ID No. _____

Shares Held _____

I hereby record my presence at the 15th ANNUAL GENERAL MEETING of the Company held at the Registered Office of the Company at 1st Floor, "Chunibhai Chambers", B/h. City Gold Cinema, Ashram Road, Ahmedabad – 380 009 on Tuesday, September 29, 2009 at 9.00 A.M.

Member's/Proxy's Signature
(To be signed at the time of
Handing over this slip)

NOTE:

Please carry with you this attendance slip and hand over the same duly signed at the space provided, at the entrance of the Meeting Hall.

RADHE DEVELOPERS (INDIA) LIMITED

Regd. Office: 1st Floor, "Chunibhai Chambers", B/h. City Gold Cinema, Ashram Road,
Ahmedabad – 380 009

FORM OF PROXY

Registered Folio No. _____

Client ID No. _____

Shares Held _____

I/We _____ of _____ being member/
members of the above named Company (RADHE DEVELOPERS (INDIA) LIMITED) hereby appoint

_____ of _____ or failing him/ her _____
of _____ as my/ our Proxy to vote for me/ us and on my/ our behalf at the
15th ANNUAL GENERAL MEETING of the Company to be held on Tuesday, September 29, 2009 at
9.00 a.m.

Signed _____ day of _____ 2009.

Signed by the said _____



NOTE:

The Proxy to be effective should be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.

BOOK - POST

If Undelivered Please Return to

RADHE DEVELOPERS (INDIA) LIMITED

**1ST Floor, Chunibhai Chambers, Ashram Road,
Ahmedabad-380009**