

NOTICE

NOTICE is hereby given that the 25th Annual General Meeting of the members of Matra Realty Limited will be held as under:

DAY: Wednesday

VENUE: Plot No. 8
Shah Industrial Estate
Off. Veera Desai Road,
Andheri (W)
Mumbai-400 058

DATE: 29th September, 2010

TIME: 11.00 A.M.

To transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Profit and Loss Account for the year ended 31st March, 2010, the Balance Sheet as at that date and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Santoshkumar Pandey who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting, to authorize the Board of Directors to fix their remuneration.

By Order of the Board

Director

Registered Office:
Plot No. 8
Shah Industrial Estate
Off. Veera Desai Road,
Andheri (W)
Mumbai-400 058

Dated: 2nd August, 2010

NOTES:

A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HER SELF AND SUCH PROXY NEED NOT BE A MEMBER. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED AT THE COMPANY'S REGISTERED OFFICE AT PLOT NO. 8, SHAH INDUSTRIAL ESTATE OFF. VEERA DESAI ROAD, ANDHERI (W), MUMBAI-400 058. NOT LESS THAN FORTY EIGHT HOURS BEFORE THE MEETING.

1. An Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of Special Business under Item No. 4 to 7 to the notice is annexed
2. The Register of Members and Share Transfer Books of the Company will remain closed from 20th September, 2010 to 25th September, 2010 (both days inclusive) .

In compliance with SEBI Circular No. D&CC/FITT/CIR-15/2002 dated December 27, 2002 read with circular No. D&CC/FITTC/CIR-18/2003 dated February 12, 2003, mandating a Common Agency for Share Registry Work (Physical & Electronic), the company has already Big Share Services Pvt. Ltd., E-2 Ansa Industrial Estate, Sakivihar Road, , Andheri (East). Mumbai-400058. Members are requested to notify immediately any change in their address to the share transfer Big Share Services Pvt. Ltd., E-2 Ansa Industrial Estate, Sakivihar Road, , Andheri (East). Mumbai-400058.

3. Members who have multiple accounts in identical names or joint accounts in the same order are requested to send all the Share Certificate(s) to the Company's registered office for consolidation of all such shareholdings into one account to facilitate better service.
4. Members may please bring the Admission Slip duly filled in and may hand over the same at the entrance to the Meeting Hall and is/are requested to bring the copy of the Annual Report sent to them .
5. Members desirous of obtaining any information concerning accounts and operations of the Company are requested to address their questions in writing to the Board of Directors of the Company at least 7 days before the date of the Meeting so that the information required may be made available at the Meeting.
6. Information required to be furnished under the Listing Agreement. As required under the listing Agreement with the Stock Exchanges, the particulars of Directors who are proposed to be appointed/reappointed is given below:

Name of Appointee	Date of Birth	Expertise/ Experience	Date of Appointment	Other Directorships, If Any
Mr. Santosh Kumar Pandey	10/08/1962	Administration, Accounts, Finance and corporate law and is expert in merger, Acquisition, Takeover and Company Law .	04/09/2008	1.Sri Multiservice & Financial Consultancy Private Limited 2.Online Capital & Securities Pvt.Ltd

By order of the Board

Registered Office:

Plot No. 8
Shah Industrial Estate
Off. Veera Desai Road,
Andheri (W)
Mumbai-400 058

Director

Dated: 2nd August, 2010

DIRECTORS' REPORT

Your Directors have pleasure in presenting their 25th Annual Report on the business and operation of the company and Financial accounts for the year ended 31st March, 2010.

SUMMARISED FINANCIAL RESULTS:

	Year ended 31.3.2010	Year ended 31.3.2009
Income from Operation	-	-
Other Income	821,417	691,878
Expenditure	550.503	111,802,069
Profit/(Loss) Before tax	(286,063)	(11,307,665)
Profit / (Loss) After Taxes	(750,735)	(11,080,097)

(Rs.)

THE YEAR UNDER REVIEW

Due to change in political scenario and alternative choices of the occupants of the SRA project and considering the profitability, future litigation and execution problem the company decided to assign and transfer at cost to cot basis the redevelopment project to other Realty developers.

FUTURE OUTLOOK

The Board feels that the Future of India lies with the Infrastructure Development of the country to develop India. Considering the Growth of the Company and taking into account the available opportunities in the Infrastructure Business, the Board has recommended to venture into new Infrastructure projects.

ENERGY, TECHNOLOGY AND FOREIGN EXCHANGE:

As required under section 217(1)(e) of the Companies Act, 1956 read with the companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 the relevant information pertaining to conservation of energy, technology absorption, foreign exchange earnings and outgo are as follows:

- A) **CONSERVATION OF ENERGY:** The Company continues its policy of encouraging energy conservation measures. The regular review of energy consumption and the systems installed to control utilization of energy is undertaken.
RESERCH reliability and quality through in-house R&D efforts.
- B) **TECHNOLOGY ABSORPTION:** The Company has not imported any technology
- C) **FOREIGH EXCHANGE EARNINGS & OUTGO:**

	2009-2010 (Rs. Lacs)	2008-2009 (Rs. Lacs)
a. Foreign Exchange Used	Nil	Nil
b. Foreign Exchange Earned	Nil	Nil

DIRECTORS

Mr. Santoshkumar Pandey who retire by rotation and being eligible offered himself for re-appointment.

DIVIDEND

Considering the profitability of the Company, your Board has not recommended any dividend for the year ended 31st March 2010.

AUDITORS' REPORT

Relevant notes on accounts are self-explanatory and are as per Annexure to the Auditors' Report.

PERSONNEL

The Company has not paid any remuneration attracting the provisions (Particulars of Employees) Rules, 1975 read along with section 217(2A) of the Companies Act, 1956. Hence no information is required to be appended to this report in this regard.

AUDITORS

The company has received a letter from the present auditor M/s. Tushar Parekh & Associates.- Chartered Accountants, Mumbai to the effect that their appointment , if made , would be within the prescribed limits under section 224(1-B) of the Companies Act, 1956. Your Director recommend their re-appointment.

HUMAN RESOURCES

Your Directors would like to place on record their deep appreciation of all employees for rendering quality services to every constituent of the company.

ACKNOWLEDGEMENTS

Your Directors convey their sincere thanks to the Government, Banks, BSE, SEBI, Shareholders and customers for their continued support extended to the company at all times.

The Directors further express their deep appreciation to all employees for commendable teamwork, high degree of professionalism and enthusiastic effort displayed by them during the year

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:

- (i) That in the preparation of the accounts for the financial year ended 31st March, 2009, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (ii) That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for the year under review;
- (iii) That 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) That the Directors have prepared the accounts for the financial year ended 31st March 2009 on a 'going concern' basis.

On behalf of the Board of Directors.

Director

Director

Place: Mumbai

Dated: 2nd August, 2010

REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

Our corporate governance policies recognize the accountability of the Board and the importance of its decisions to all constituents, including customers, investors, employees and the regulatory authorities and demonstrate the same to shareholders are the cause of and ultimate beneficiaries of economic activities. The functions of the Board and the Executive Management are well defined and are distinct from one another. The Company is having sub-committees of the Board to oversee the functions of Executive Management. These sub-committees of the Board, which mainly consist of Non-Executive Directors, meet regularly to discharge their objectives.

2. BOARD OF DIRECTORS AND THEIR MEETINGS:

The Board consists of executive and non-executive directors including independent directors who have wide and varied experience in different disciplines of corporate functioning. The Board of directors of the company comprised five directors as at 31st March 2009.

a) Composition of the Board of Directors and Meetings held:

During the financial year 2009-10 the Board of directors met 6(Six) times.

The composition of the Board of directors and their attendance at the meetings during the year were as follows;

Name	Category	No. of meetings held during the last financial year	No. of Meetings attended	Attendance of director in the last AGM	No. of other Director-ships	No. of other Committee member/ Chairman
Shri Vishram S. Sawant	Chairman and NED	6	6	YES	NIL	3
Shri Santoshkumar K. Pandey	Independent Director/NED	6	6	YES	2	1
Shri Vijaykumar Gopalapillai	Independent Director/NED	6	6	YES	NIL	1
Shri Mohammed Nadim Shaikh	Independent / NED	6	6	Yes	Nil	2
Shri Renjith M. Kurup	Independent /NED	6	6	YES	NIL	2

3. AUDIT COMMITTEE:

As a measure of good Corporate Governance and to provide assistance to the Board of Directors and to meet the requirement of section 292A of the Companies Act, 1956 and the Clause 49 of the Listing Agreement and in fulfilling the Board's overall responsibilities, the Audit Committee is functioning consisting of only non executive directors and majority of them are independent. The Audit Committee inter-alia has the following mandate in terms of the Clause 49 of the Listing Agreement:

1. Oversight of company's financial reporting process and the disclosure of the financial information in the annual accounts.
2. to review and discuss with management, internal audit team and external auditors regarding any significant finding of material nature.
3. To consider and review the adequacy of management control system and internal audit function and frequency of internal audit process.
4. To review with Management the quarterly and annual financial statements before submission to the Board focusing primarily on any change in accounting policies and compliance with accounting standards, requirements of stock exchanges and other legal compliance.
5. To review Balance Sheet & Profit and Loss Accounts to be placed before the Board.
6. To consider and review the financial and risk management policy of the Company.
7. To consider and review the defaults, if any in payment to the creditors, financial institutions and reasons thereof.
8. To consider the directors responsibility statement to be given by the Board in the Directors Report.
9. To consider the matters relating the recommendation for appointment of the external auditors and fixation of their audit fee and also approval for payment of any other services.

a) Composition of the Audit Committee:

The Audit Committee of the company was constituted comprising of the following independent directors:

Shri M.k. Renjith	Chairman
Shri S.K. Pandey	Member
Shri Vijaykumar Gopalapillai	Member

b) Meetings of the Audit Committee:

During the financial year 2009-10 the Audit Committee met 4(Four) times on the 30th June, 2009, 31st July, 2009, 31st October, 2009, 30th January, 2010 .

(c) Whistle-blower policy

We have established a mechanism for employee to report concerns about unethical behavior, actual or suspected fraud, or violation of our code of conduct or ethics policy. The mechanism also provides for adequate safeguard against victimization of employee who avails of the mechanism and also provides for direct access to the chairperson of the audit committee in exceptional cases. We further affirm that during the financial year 2008-2009, no employee has denied access to the audit committee.

4. SHAREHOLDERS GRIEVANCE COMMITTEE:

The shareholders Grievances Committee facilitate prompt and the effective redressal of the complaints of the shareholders and reporting the same to the Board periodically. The Shareholders Grievance Committee of the company was constituted comprising of the following directors:

Shri Vishram Sawant	Chairman
Shri S.K. Pandey	Member
Shri Vijaykumar Gopalapillai	Member

Shri Asish Narayan , the Compliance officer also acting as the Secretary to the Committee. Normally the Share Transfer Agent discharge the responsibility for redressal the investors grievances and effect transfer of shares within a period of 30 days from the date of lodgments of shares for effecting transfer. The Committee meets only in exceptional cases. During the year under review no reference was made to the Committee hence no meeting was required to be held as such.

5. REMUNERATION COMMITTEE

a) Composition of the remuneration Committee

Shri M.k. Renjith	Chairman
Shri Vishram Sawant	Member
Shri Vijaykumar Gopalapillai	Member

Shri Asish Narayan , the Compliance officer also acting as the Secretary to the Committee. No meeting of the remuneration committee was during the year under review.

The remuneration of executive director/managing director is determined by the Remuneration Committee. Payment of non-executive directors and composition of the Committee: The Company is not paying any remuneration to the non executive/independent directors except, sitting fees for attending the Board or the Committee meetings.

6. VENUES AND TIME OF THE PREVIOUS THREE ANNUAL GENERAL MEETINGS:

Date of AGM	Venue	Time
27.07.2007	8, Shah Industrial Estae, Off Veera Desai Road, Andheri (W), Mumbai 400058	10.30a.m
30.9.2008	8, Shah Industrial Estae, Off Veera Desai Road, Andheri (W), Mumbai 400058	11.30a.m
18.12.2009	8, Shah Industrial Estae, Off Veera Desai Road, Andheri (W), Mumbai 400058	9.30 a.m.

7. DISCLOSURES:

There are no materially significant related party transactions i.e. transactions, material in nature, with its promoters, the directors or the management, their subsidiaries or relatives, etc. having potential conflict with the interest of the company at large, except as disclosed in the notes to the accounts, Schedule forming part of the Balance Sheet.

There was no non-compliance by the company and no penalties or strictures imposed on the company by any Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

8. MEANS OF COMMUNICATION:

The Unaudited/Audited Financial Results are published in English and in Hindi, the vernacular newspaper.

9. GENERAL INFORMATION TO SHAREHOLDERS & INVESTORS

(i) Date, Time and Venue of Annual : 29th September, 2010 General Meeting at 11.00 a.m. at

8, Shah Industrial Estae, Off Veera Desai Road, Andheri (W), Mumbai 400058

(ii) Financial Calendar : April to March

First Quarter Results : On or Before

Second Quarter Results : On or before 31st October 2010

Third Quarter Results : On or before 31st January, 2010

Last Quarter Results : On or before 30th June 2010

- (iii) Dates of Book Closure : 20th September, 2010 to 25th September, 2010
- (iv) Board meeting for consideration : 30/06/2010 of Annual Accounts
- (v) Posting of Annual Report : 2nd August, 2010
- (vi) Last date for receipt of Proxy : 27th September, 2010
- (vii) No. of Shares holders as on 31.03.2010 : 4,551
- (viii) Listing on Stock Exchanges : BSE
- (ix) Stock Code : BSE 512167
- (x) Demat ISIN No. for CDSL & NSDL : INE190E01021
- (xi) Stock Market Data : Stock Exchange, Mumbai:
- (Xii) Face value : Rs.5/- each

High and low during each month in the financial year 2009-10

Month	Highest (Rs.)	Lowest (Rs.)	Total volume of shares traded
April, 2009	5.17	2.42	6,63,005
May, 2009	6.57	4.72	3,70,260
June, 2009	7.46	4.90	5,26,424
July, 2008	9.54	5.53	5,16,166
August, 2009	10.11	7.56	6,11,781
September, 2009	11.15	7.85	12,31,361
October, 2009	9.40	6.70	3,29,212
November, 2009	9.28	7.13	2,41,030
December, 2009	7.99	6.66	2,38,200
January, 2010	7.70	5.45	2,48,176
February, 2010	7.25	5.23	1,25,028
March, 2010	6.45	4.45	2,47,021

(xii) Share Transfer System:

The Share Transfer Committee of the Company generally meets fortnightly for approving share transfers Processing with respect to requests received for share transfer are completed within 15-17 days from the date of their receipt. There was no pending share transfers as on 31st March 2009.

The Company's Share Transfer Agent, Bigshare Services Private Limited processes these transfers. Share transfers are registered and returned within a period of 15 days from the date of receipt, if the documents are clear in all respects. In cases where shares are transferred after sending notice to the transferors, in compliance of applicable provisions, the period of transfer is reckoned from the date of expiry of the notice.

(xiii) Status of the investors/shareholders complaints

- (i) Number of complaints received during the year : NIL
- (ii) Number of complaints solved during the year : NIL
- (iii) Number of complaints pending at the end of the year: Nil

(xiv) Dematerialization/Rematerialisation:

The Company's shares were also traded in electronic (demat) form, as on 31st March 2010. The Company's entire shares were held by shareowners in dematerialized form, aggregating 100% of the Equity Share Capital.

No. of shares in physical, NCDL and CDSL as on 31st March, 2010:

(a) In physical Form : NIL
 (b) In CDSL : 4395641
 (c) in NSDL : 7876939

xvi. Shareholding pattern as on 31st March, 2010:

Sr.	Category	No. of Shares holding	
		Held	% of share
A	Promoter Holding		
1	Promoters		
	Indian Promoters	217,908	1.78
	Foreign Promoters	0	0
2	Persons Acting in Concert	0	0
	Sub Total	217,908	1.78
B	Non Promoters Holding		
3.	Intitutional investors	0	0
(a)	Mutual Funds and UTI	0	0
(b)	Bank, financial Institutions, companies (Central/State Govt./Non- Govt. Institutions)	0	0
(c)	FII's	2,574,338	20.98
	Sub Total	2,574,338	20.98
4	Others		
(a)	Private corporate Bodies	2,732,601	22.27
(b)	Indian Public	6065318	49.42
(c)	NRI/OCBs	675802	5.51
(d)	Any other (Clearing Member)	6313	0.05
	Sub Total	12054672	98.22
	TOTAL	12,272,580	100

(xv) Distribution of shareholding as on 31st March ,2010

No. of shares	No. of Shareholders	% of Total	Total shares Amount (Rs.)	% to Total
1-5000	3674	80.72951	6623955.00	10.79472
5001-10000	385	8.45968	3080315.00	5.01983
10001-20000	201	4.41661	2936530.00	4.78551
20001-30000	115	2.52692	2923870.00	4.76488
30001-40000	27	0.59328	934715.00	1.52326
40001-50000	40	0.87893	1926880.00	3.14014
50001-100000	43	0.94485	3138410.00	5.11451
100001 – above	66	1.45023	39798225.00	64.85714
GRAND TOTAL	4551			100.00

(xvii) Details of the promoter's shares : NIL

Under pledge.

(xviii) Details of shares credited in the Escrow account :

There were no instance for returning the undelivered suspense account shares therefore, no shares were credited in the escrow account as per Clause 5(a) of the Listing

(xix) Address for Communication:

Shareholders should address their correspondence to the Company's Share Transfer Agent Bigshare Services Private Limited, E-2, Anasa Industrial Estate, Saki Vihar Road, Saki Naka, Andheri (e), Mumbai 400072 and may also contact at the registered office of the Company.

By order of the Board of Directors

Director

Director

Place: Mumbai

Dated: 2nd August, 2010

MANAGEMENT RESPONSIBILITY STATEMENT

The financial statements are in full conformity with the requirements of the Companies Act, 1956 and the Accounting Standards issued by the Central Government. The Management of Company accepts responsibility for the integrity and objectivity of these financial statements, as well as, for estimates and judgments relating to matters not concluded by the year-end. The management believes that the financial statements reflect fairly the form and substance of transactions and reasonably presents the company's financial condition, and results of operations. To ensure this, the Company has installed a system of internal controls, which is reviewed, evaluated and updated on an ongoing basis. Our internal auditors have conducted periodic audits to provide reasonable assurance that the company's established policy and procedures have been followed. However, there are inherent limitations that should be recognized in weighing the assurances provided by any system of internal controls. These financial statements have been audited by M/s Tushar Parekh & Associates, Chartered Accountants, and Statutory Auditors of the Company.

ACCOUNTS OFFICER

DIRECTOR

Place: Mumbai

Date: 2nd August, 2010

CERTIFICATE

ON CLAUSE 49 OF THE LISTING AGREEMENT WITH THE STOCK EXCHANGES

To

The Board of Directors

Matra Realty Limited

We have examined the compliance of conditions of Corporate Governance procedures as stipulated in Clause 49 of Listing Agreement entered into by the Company with the Stock Exchanges, for the financial year beginning 1st April 2009 and ending on 31st March 2010

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

We have conducted our review on the basis of the relevant records and documents maintained by the company and furnished to us for review and the information and explanations given to us by the company. Based on such review, in our opinion, the Corporate Governance Report of the company, referred to above, reflects on a fair basis the status of compliance by the company with the Clause 49 of the Listing Agreement of Stock Exchanges, relating to Corporate Governance, for the FY 2008- 09 and that no investors grievance is pending for a period exceeding one month against the Company as per the records mentioned by the Share Department/Share Transfer Agent of the Company.

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

Ramesh Chanrad Mishra

Company Secretary In Practice

CP No. 3987

FCS:5477

Place: Mumbai

Date: 2nd August, 2010

Auditor's Report

**To the Members,
M/s. Matra Realty Limited,**

1. We have audited the attached Balance Sheet of **M/s. Matra Realty Limited** as at 31st March, 2010 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.

We conducted our audit in accordance with Auditing Standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in 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.

2. As required by the Companies (Auditors' Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956 we enclose in the Annexure a statement on the matters specified in paragraph 4 and 5 of the said Order.

3. Further to our comments in the Annexure referred to in paragraph 2 above, we report that:

a) 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;

b) 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;

c) The Balance Sheet and the Profit Loss Account dealt with by this report are in agreement with the books of account;

d) In our opinion the Balance Sheet, Profit and Loss Account and Cash Flow Statements dealt with by this report comply with the mandatory Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 except for ***non compliance with the provisions of Accounting Standard 15 "Accounting for Employee Benefits" in respect of leave encashment and Gratuity liability not provided and accordingly not funded as explained in the note 4 of Schedule-9.***

e) On the basis of written representations received from the directors, and taken on record by the Board of Directors, in our opinion none of the director is disqualified as on 31st March, 2010 from being appointed as director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act 1956 as on that date.

f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts *subject to para (e)* above read together with the Significant Accounting Policies and other notes thereon give the information required by the Companies Act, 1956, in the manner so required, and present a true and fair view, in conformity with the accounting principles generally accepted in India:

i. in so far as it relates to Balance Sheet, of the state of affairs of the Company as at 31st March, 2010;

ii. in so far as it relates to the Profit and Loss Account, of the Loss of the Company for the year ended on that date;

iii. in case of Cash Flow Statement of the cash flows for the year ended on that date.

For Tushar Parekh & Associates
Chartered Accountants
(FRN: 117307W)

CA Tushar Parekh
Proprietor
Place: Mumbai
Date: 6th September, 2010

Annexure to the Auditors' Report

(Referred to in Paragraph 3 of our report of even date)

Based upon the information and explanations furnished to us, and the books and records examined by us in the normal course of our audit, we report that to the best of our knowledge and belief:

1. In respect of its fixed assets:

a) As explained to us, the company is in the process of maintaining proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.

b) As explained to us, the fixed assets have been physically verified at the year-end, which in our opinion is reasonable, having regard to the size of the company and nature of its assets. No material discrepancies have been reported on such verification as compared to book records.

c) In our opinion and according to the information and explanations given to us, the Company has not disposed of substantial part of fixed assets during the year and the going concern status of the Company is not affected.

2. In respect of its inventories:

The company does not hold any inventories hence clause 4(ii) of the Companies (Auditor's Report) order, 2003 is 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 had granted interest free unsecured loan to one company covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year aggregated to Rs. 10,00,000/- and the year-end balance in respect of this loan was Rs. Nil.

b) In our opinion and according to the information and explanations given to us, the terms and conditions on which such loans had been granted are not, prima facie prejudicial to the interest of the Company.

c) The principal amounts were payable on demand and there were no written stipulations as to the repayment schedule.

d) In respect of said loans, these have been repaid during the year and hence the question of overdue amounts as such does not arise.

e) The Company has not taken unsecured loans from companies, firms or other parties covered in the register maintained u/s. 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 the nature of its business for the purchase of fixed assets. During the course of our audit, we have not observed any weaknesses in internal control.

5. To the best of our knowledge and belief and according to the information and explanations given to us, the particulars of contracts or arrangements that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.

According to the information and explanations given to us, there were no transactions in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956, aggregating during the year to Rs. 5,00,000/- (Rupees five lacs) or more in respect of any party.

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 or other relevant provisions of the of the Companies Act, 1956 and Companies (Acceptance of Deposits) Rules, 1975 with regard to acceptance of deposits from the public.

7. There is no internal audit system prevalent in the Company.

8. According to information and explanations give to us, Central Government has not prescribed maintenance of Cost Records under Section 209(1)(d) of the Companies Act, 1956 in respect of business activities of the Company.

9. In respect of statutory dues:

a) According to the records of the Company, and according to the information and explanations given to us, the company is generally regular in depositing undisputed statutory dues including Investor Education & Protection Fund, Provident Fund, Income-Tax, Service tax and other material statutory dues applicable to the company with the appropriate authorities during the year.

b) According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2010 for a period of more than six months from the date of becoming payable.

c) According to the records of the Company, and as per information and explanations given to us there are no disputed statutory dues outstanding during the year.

10. The accumulated losses of the Company at the end of the financial year are not less than 50% of its net worth. The Company has not incurred cash loss in the current financial year but had incurred cash loss in 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 banks or financial institutions. The company has not obtained any borrowings by issue of debentures.

12. In our opinion and according to the 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. In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/society.

14. In our opinion, the company is not dealing or trading in shares, securities, debentures and other investments.

15. According to the information and explanations given to us, the Company has not given any guarantees for loans taken by others from banks or financial institutions.

16. In our opinion, the Company has not raised any term loans during the year.

17. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, funds raised on short-term basis during the year have not been used for long-term investments.

18. According to the information and explanations given to us, during the year, 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. The Company has not issued any debentures during the year.

20. The Company has not raised any money by way of public issue during the year covered by our audit report.

21. To the best of our knowledge and according to the information and explanations given to us by the management, no fraud on or by the Company has been noticed or reported during the year that causes the financial statements to be materially misstated.

For Tushar Parekh & Associates
Chartered Accountants
(FRN: 117307W)

CA Tushar Parekh
Proprietor

Place: Mumbai
Date: 6th September 2010

MATRA REALTY LIMITED		Balance sheet as on 31st March,2010		(Rupees)
	Schedule	2010		2009
Sources of Funds				
Shareholders Fund				
Share Capital	1	61,362,900		61,362,900
Loan Funds				
Unsecured Loans	2	352,304		3,480,348
Deferred Tax		61,741		-
	Total	<u>61,776,945</u>		<u>64,843,248</u>
Application of Funds				
Fixed Assets				
Gross Block	3	1,627,902		2,234,574
Less : Depreciation-to- date		358,520		832,438
Net Block		<u>1,269,383</u>		<u>1,402,136</u>
Deferred Tax		-		382,931
Current Assets, Loans and Advances				
Cash and Bank Balance	4	869,035		112,056
Loans and Advances	5	56,277,223		60,558,069
	(A)	<u>57,146,258</u>		<u>60,670,126</u>
Less : Current Liabilities and Provisions				
Current Liabilities	6	201,354		423,868
	(B)	<u>201,354</u>		<u>423,868</u>
Net Current Assets	(A-B)	<u>56,944,904</u>		<u>60,246,258</u>
Profit and loss account (Debit)		3,562,658		2,811,923
	Total	<u>61,776,945</u>		<u>64,843,248</u>
Significant accounting policies and notes to accounts				
	9			
The Schedules referred to above and notes to accounts form an integral part of the Balance Sheet As per our report of even date				
For Tushar Parekh and Associates		For and on behalf of the Board of Directors of Matra Realty Limited		
Chartered Accountants				
		Nadim Shaikh	Vijaykumar Gopallapilai	
CA Tushar Parekh Proprietor Membership No: 103230 Place : Mumbai Date : 6th September 2010				

MATRA REALTY LIMITED			
Profit and loss account for the year ended 31st March, 2010			
			(Rupees)
	Schedule	Current Year	Previous Year
Income			
Other Income	7	821,417	691,878
	(A)	<u>821,417</u>	<u>691,878</u>
Expenditure			
Administrative Expenses	8	550,503	11,802,069
	(B)	<u>550,503</u>	<u>11,802,069</u>
Profit before Depreciation and Taxation			
Depreciation	[A-B]	270,914	(11,110,192)
		168,531	197,473
Profit after Depreciation before taxation			
Less: Prior Period Adjustments		102,383	(11,307,665)
Add: Tax adjustment of earlier years		35,777	-
		<u>424,224</u>	<u>-</u>
Profit before taxation			
Less : Provision for Taxation:		(286,063)	(11,307,665)
Current Tax		20,000	-
Deferred Tax		444,672	(282,568)
Fringe Benefit Tax		-	55,000
		<u>(750,735)</u>	<u>(11,080,097)</u>
Add: Balance as per last year		<u>(2,811,923)</u>	<u>8,268,174</u>
Balance carried to Balance Sheet		<u>(3,562,658)</u>	<u>(2,811,923)</u>
Earning per share (Basic and Diluted)		(0.06)	(0.90)
Significant accounting policies and notes to accounts	9		
The Schedules referred to above and notes to accounts form an integral part of the Profit and Loss Account			
As per our report of even date			
For Tushar Parekh and Associates		For and on behalf of the Board of Directors of	
Chartered Accountants		Matra Realty Limited	
CA Tushar Parekh		Nadim Shaikh	
Proprietor		Vijaykumar Gopallapillai	
Membership No: 103230			
Place : Mumbai			
Date : 6th September 2010			

Matra Realty Limited			
Schedules forming part of the Balance Sheet and Profit and Loss Account		(Rupees)	
		Current Year	Previous Year
Schedule - 1			
Share Capital			
Authorised			
1,90,00,000 Equity Shares of Rs. 5/- each fully paid up		95,000,000	95,000,000
		95,000,000	95,000,000
Issued , Subscribed and Paid up			
1,22,72,580 Equity Shares of Rs. 5/- each fully paid up (of the above 1,02,27,250 shares of Rs. 5/- each have been issued as fully paid up bonus shares by capitalisation of Profit and Loss Account)		61,362,900	61,362,900
		61,362,900	61,362,900
Schedule - 2			
Unsecured Loans			
Intercompany Deposits		352,304	3,480,348
		352,304	3,480,348

Schedule - 3
Fixed Assets

Description of Assets	Gross Block			Depreciation				Net Block		
	Balance as at 1.4.2009	Additions	(Deductions) (*)	Balance as at 31.03.2010	Balance as at 1.4.2009	Provided for the year	Adjusted during year (*)	Balance as at 31.03.2010	As at 31.03.2010	As at 31.03.2009
Furniture & Fixtures	1,404,940	-	410,516	994,424	507,682	62,947	(436,502)	134,128	860,297	897,258
Computers & Plant	575,805	-	60,405	515,400	164,491	83,546	(70,196)	177,841	337,559	411,314
Machineries	196,349	-	135,751	60,598	138,179	2,878	(135,751)	5,306	55,292	58,170
Intangible Assets	57,480	-	-	57,480	22,085	19,160	-	41,245	16,235	35,395
Total	2,234,574	-	606,672	1,627,902	832,438	168,531	(642,449)	358,520	1,269,383	1,402,136
Previous Year	1,655,861	578,714	-	2,234,575	634,965	197,473	-	832,438	1,402,136	1,020,896

(*) Value of Impairments carried out in the previous year reduced from gross and depreciation block and excess depreciation provided in the previous year reduced from depreciation Block.

Schedule - 4			
Cash and bank balances			
a) Cash on hand		187,809	72,019
b) Balance with Scheduled Banks			
- In Current Account		650,884	9,695
- In Unpaid Dividend Account		30,342	30,342
		869,035	112,056

Schedule - 5		
Loans and Advances		
(Unsecured, considered good)		
a) Advance recoverable in cash or in kind or for value to be received	34,281	36,730
b) Income Tax paid (Net of provision for tax)	870,667	1,193,328
c) Loans, advances and receivables	55,372,275	59,328,011
(Refer Note 2 and 3 of Schedule - 9)		
	56,277,223	60,558,069
Schedule - 6		
Current Liabilities		
Statutory Dues Payable	5,915	123,672
Sundry Creditors	165,097	269,854
Unclaimed Dividend *	30,342	30,342
(* Not yet become due for transfer to Investor and Protection Fund)		
	201,354	423,868
Schedule - 7		
Other Income		
Interest Received (TDS Rs. 82,142/-, P.Y. Rs. 1,39,207/-)	821,417	675,764
Sundry balances written back	-	16,114
	821,417	691,878
Schedule - 8		
Administrative Expenses		
Payments to and Provisions for Employees		
Salaries	40,710	5,443,952
Staff Welfare	-	99,373
Provision for Gratuity	-	(33,152)
Contribution to Funds	-	80,268
Operating Expenses		
Advertisement Expenses	14,526	73,932
Auditors Remuneration	55,150	82,725
Brokerage	-	100,000
Business Promotion	-	47,895
Bank Charges	46,117	43,975
Directors Sitting Fees	-	28,000
Electricity Charges	-	615,961
Internet Charges	-	80,110
Legal and Professional Fees	12,000	1,503,543
Listing Fees	18,670	-
R & T Expenses	6,618	-
Miscellaneous Expenses	343,132	342,903

Office Expenses		-	156,874
Office Repairs & Maintenance	2,449		589,185
Printing & Stationery		-	529,172
Recruitment Expenses		-	118,750
Rent, Rates & Taxes		-	1,016,917
Security Charges		-	230,622
Sundry Expenses		-	31,813
Sundry balances written back	11,130		-
Telephone Expenses		-	300,159
Traveling and Conveyance		-	319,092
	550,503		11,802,069

Notes to Accounts

1. Contingent Liabilities

- a Claims against the company not acknowledged as Debts : Not ascertainable
- b Claims against the company on assignment of the redevelopment projects to Matra Realty and Developers Ltd & Matra Infraprojects Pvt. Ltd (Refer Note 2 below). : Not ascertainable
2. The Company had entered into a MOU dated 06th February 2009 with Matra Realty and Developers Ltd ("MRDL") & Matra Infraprojects Pvt. Ltd. ("MIPL") wherein the redevelopment projects of the company at Goregaon and Oshiwara had been assigned to MRDL and MIPL respectively. The MOU provides that the Company shall obtain prior "no objection certificate" from all the relevant societies for the assignment of the project in favour of MRDL/MIPL. In this connection, the Company had received from the relevant societies, termination letters for redevelopment and assignment of the redevelopment project in favour of MRDL and MIPL as applicable. However, to this effect tripartite agreements between the company, MRDL/MIPL and the relevant societies have not been entered into.
3. Loans and advances include an amount of Rs. 1,13,83,000/- due from Matra Realty and Developers Ltd ("MRDL") on account of assignment of the Goregaon project as explained in note 2 above. The management has represented that the amount due is recoverable and has obtained a confirmation from MRDL to that effect. The auditors have relied on the representation by the management.
4. Since the Company recognises gratuity and leave salary expense on payment basis no liability for the same has been ascertained and provided in the accounts. Hence, the company has not complied with the provisions of AS-15 "Accounting for Retirement Benefit".

5. Earning Per Share

Particulars	2009-10 Rs.	2008-09 Rs.
a) Net Profit/ (loss) attributable to Equity Share Holders	(7,30,735)	(1,10,80,097)
b) Weighted average number of equity shares of Rs.5/- each outstanding during the year (No. of shares)	1,22,72,580	1,22,72,580
c) Basic/Diluted earning per share (Rs.) (a/b)	-	-

6. Additional information required to be furnished as per Para 3, 4A, 4B and 4D of Part II of Schedule VI to the Companies Act, 1956.

Remuneration to Directors	2009-10 Rs.	2008-09 Rs.
Salary including allowances	Nil	Nil
Sitting Fees	Nil	28,000
Contribution to P.F.	Nil	Nil
Other Perquisites	Nil	Nil
Total	Nil	28,000

Auditor's Remuneration includes	2009-10 Rs.	2008-09 Rs.
Audit Fees	35,000	55,000
Taxation Matters	10,000	10,000
Others	5,000	10,000
Service Tax	5,150	7,725
Total	55,150	82,725

Particulars	2009-10 Rs.	2008-09 Rs.
CIF value of imports	N.A.	N.A.
Expenditure in foreign currency	N.A.	N.A.
F.O.B. Value of Exports	N.A.	N.A.

7. The Company is engaged in the realty business of property development and this is the only reportable business segment as per the company.

8. The management was of the opinion that there were no impairment indicators that existed as on the balance sheet date. Hence no provision for the impairment loss has been done.
9. In spite of the absence of database identifying parties as Small Scale Industrial Undertakings (SSIs), it is of the opinion of the management that there are no dues payable to SSIs. The auditors have accepted the representation of the management in this regards.
10. Under the Micro, Small and Medium Enterprises Development Act, 2006 certain disclosures are required to be made relating to Micro, Small and Medium Enterprises. The Company is in the process of compiling relevant information from its suppliers about their coverage under the said Act. Since the relevant information is not readily available, no disclosures have been made in the accounts. However, in the opinion of the management, the impact of interest, if any, that may be payable in accordance with the provision of this Act is not expected to be material.
11. In accordance with Accounting Standard 22 (AS-22), "Accounting for taxes on Income", issued by the Institute of Chartered Accountants of India, the company has provided for deferred tax. The net deferred tax Liability of Rs. 61,741/- as at the balance sheet date has been carried forward. The net deferred tax liability consists of the following components:

Particulars	2009-10 Rs.	2008-09 Rs.
Deferred Tax Asset		
Depreciation on fixed assets	-	-
Disallowance u/s 40a of Income Tax Act, 1961	-	4,13,841
Disallowance u/s 43B of Income Tax Act, 1961	-	2,661
Total	-	4,16,502
[A]		
Deferred Tax Liability		
Depreciation on fixed assets	61,741	33,571
Total	61,741	33,571
[B]		
Net Deferred Tax		
[A – B]	61,741	3,82,931

12. **Disclosure as per Accounting Standard –18**

(a) List of Related Parties

Key Managerial Personnel

Vijaykumar Gopallapillai
Nadim Mohammed Naim Shaikh
Vishram Sawant

Relatives of Key Managerial Personnel: Nil

Associated Concerns

Ford Realty Pvt. Ltd
Seven Arts International Ltd
Jefferson Realty Pvt Ltd
Seven Arts Films

(b) Details of transactions during the year with Related Parties

Particulars	Key Managerial Personnel	Relatives of Key Managerial Personnel	Associated Concerns
Loans advanced repaid during the year	-	-	10,00,000
	(-)	(-)	(-)

13. Balances appearing under sundry creditors, advance received loans and advances are subject to confirmation and reconciliation and consequential adjustment, if any, will be accounted for in the year of confirmation and/or reconciliation.
14. In the opinion of the Board, the Current Assets, Loans and Advances have value on realisation in the ordinary course of business, at least equal to the amount at which they are stated in the Balance Sheet.

15. Previous years figures have been regrouped/re-classified in order to conform to current year's figures.
16. Balance Sheet and General Business Profile (in terms of Part IV of Schedule VI to the Companies Act, 1956) is annexed herewith.

Signature to Schedule 1 to 9:
As per our Report of even date

For Tushar Parekh & Associates
Chartered Accountants
(FRN: 117307W)

CA Tushar Parekh
Proprietor

Place: Mumbai
Date: 6th September 2010

MATRA REALTY LIMITED		
Cash flow statement for the year ended 31st March, 2010		
	2010	2009
Cash Flows from operating activities		
Net Profit/(Loss) before tax	102,383	(11,307,665)
Add : Non Cash items/ items required to be disclosed separately		
Depreciation	168,531	197,473
Gratuity	-	(33,152)
Interest Received	<u>(821,417)</u>	<u>(675,764)</u>
Operating Profit before Working Capital changes	(550,503)	(11,819,108)
Adjustments for :		
Sundry Creditors	<u>(222,514)</u>	<u>(6,505,070)</u>
Cash generated from operations	(773,017)	(18,324,177)
Tax paid (net of refunds)	<u>121,763</u>	<u>(190,772)</u>
Net Cash provided by operating activities	(i) (651,254)	(18,514,949)
Cash Flows from investing activities		
Purchase of Fixed Assets	-	(578,714)
Sale of investments	-	-
Loans and Advances	3,714,859	11,725,562
Interest received	<u>821,417</u>	<u>675,764</u>
Net cash used for investing activities	(ii) 4,536,276	11,822,613
Cash Flows from financing activities		
Dividend paid	-	-
Dividend Distribution tax paid	-	-
Proceeds of loan	<u>(3,128,044)</u>	<u>1,699,807</u>
Net cash used for financial activities	(iii) (3,128,044)	1,699,807
Net change in Cash and Cash Equivalents (i + ii + iii)	756,979	(4,992,530)
Cash and Cash Equivalents at the beginning of the year	<u>112,056</u>	<u>5,104,586</u>
Cash and Cash Equivalents at the end of the year	<u>869,035</u>	<u>112,056</u>
As per our report on even date		
Notes		
The above Cash Flow statement has been prepared under the Indirect Method as set out in the AS-3 on Cash flow issued by the Institute of Chartered Accountants of India		
Cash and cash equivalents at the end of the year consists of Cash, Cheques in hand and balances with banks:		
For Tushar Parekh and Associates	For and on behalf of the Board of Directors of Matra Realty Limited	
Chartered Accountants		
CA Tushar Parekh	Nadim Shaikh	Vijaykumar Gopallapillai
Proprietor		
Membership No: 103230		
Place : Mumbai		
Date : 6th September 2010		

MATRA REALTY LIMITED**Balance Sheet Abstract and Company's general business profile.**

I. Registration details

Registration No.	U51900MH1985PLC036369	State Code	11
Balance Sheet Date	31st March, 2010		

II. Capital raised during the year (Rs. In lacs)

Public Issue	Nil	Bonus Issue	Nil
Private Placement	Nil	Right Issue	Nil

III. Position of Mobilisation and Deployment of Funds (Rs. In lacs)

Total Liabilities	617.77	Total Assets	617.77
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Sources of Funds**Application of Funds**

Paid up Capital	613.63	Net Fixed Assets	12.69
Reserve & Surplus	-	Deferred Tax	-
Secured Loan	-	Investments	-
Unsecured Loan	3.52	Net Current Assets	569.45
Deferred Tax	0.62	Accumulated Losses	35.63

IV. Performance of the company (Rs. In lacs)

Total Turnover	8.21
Total Expenditure	7.55
Profit before Tax	(2.86)
Profit after Tax	(7.51)
Earning per share (Rs.)	-
Dividend Rate	-

V. Generic Names of Three Principal Products of the Company (As per Monetary terms)

Production Description Not Applicable

For Tushar Parekh and Associates
Chartered Accountants

For and on behalf of the Board of Directors of
Matra Realty Limited

CA Tushar Parekh
Proprietor
Membership No: 103230

Nadim Shaikh
Vijaykumar Gopallapillai

Place : Mumbai
Date : 6th September 2010

MATRA REALTY LIMITED

Regd Office : Plot No. 8, Shah Industrial Estate Off. Veera Desai Road, Andheri (W), Mumbai-400 058.

ATTENDANCE SLIP

Please complete this attendance slip and hand over at the entrance of the meeting hall.

Member/Proxy _____

I hereby record my presence at the **25th Annual General Meeting** of the Company held on Tuesday, the 29th September 2010 at Plot No. 8, Shah Industrial Estate Off. Veera Desai Road, Andheri (W), Mumbai-400 058.

Regd Folio No. _____

No. of shares held _____

FORM OF PROXY

MATRA REALTY LIMITED

Regd Office: Plot No. 8, Shah Industrial Estate Off. Veera Desai Road, Andheri (W), Mumbai-400 058.

I/We _____ of
_____ in the district of
_____ being a member(s) of the above-named Company hereby appoint
_____ of _____ in the district
of _____ or failing him _____ of
_____ in the district of _____ as my/our proxy to vote for me/us
on my/our behalf at the **25th Annual General Meeting** of the Company to be held on 29th
September 2010 and at any adjournment thereof.

Signed this _____ day of _____ 2010