

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Praful C. Patel	Chairman
Mr. Ashish P. Patel	CEO & Managing Director
Mr. Prakash C. Shah	
Mr. Nirav D. Desai	
Mr. Alok Vaidya	

CEO & MANAGING DIRECTOR:

Ashish P. Patel

COMPANY SECRETARY:

Mr. J N. Desai

REGISTERED OFFICE:

1ST Floor, Chunibhai Chambers,
Ashram Road,
Ahmedabad - 380 009.

BANKERS:

HDFC Bank Limited
Royal Bank of Scotland
Bhuj Mercantile Co.op Bank Limited

AUDIT COMMITTEE:

Mr. Nirav Desai	Chairman
Mr. Alok Vaidya	Member
Mr. Prakash Shah	Member

SHAREHOLDERS GRIVANCE COMMITTEE:

Mr. Alok Vaidya	Chairman
Mr. Praful Patel	Member
Mr. Ashish Patel	Member

REMUNERATION COMMITTEE:

Mr. Nirav Desai	Chairman
Mr. Alok Vaidya	Member
Mr. Prakash Shah	Member

AUDITORS:

M/s. R. Choudhary and Associates,
Chartered Accountants
A/202, Rajshree Avenue,
Nr. Dinesh hall, Ashram Road,
Ahmedabad-380 009

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NOTICE

NOTICE is hereby given that 16th Annual General Meeting of the Members of Radhe Developers (India) Limited, will be held on Friday, the 27th August, 2010 at 9.00 am. at the Registered office of the Company at 1st Floor, Chunibhai Chambers, Ashram Road, Ahmedabad- 380009 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2010 and Profit & Loss Account for the year ended on that date together with the Directors' Report and Auditors' Report thereon.
2. To appoint a Director in place of Mr. Alok Vaidya, who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint a Director in place of Mr. Nirav D. Desai, who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint Auditors of the Company and fix their remuneration.

SPECIAL BUSINESS :

5. To consider and if thought fit, to pass the following resolutions, with or without modifications, as a **Special Resolution** :

“**RESOLVED THAT** pursuant to the provisions of Sec.100 and other applicable provisions, if any, of the Companies Act, 1956 read with Article 8 of the Articles of Association and subject to approval of the Hon'ble High Court of Gujarat or any other authority that may be prescribed from time to time, consent of the Company be and is hereby given for reduction of capital of the Company by Rs.15,00,30,000/- divided into 1,50,03,000 Equity Shares of face value of Rs.10/- each by way of cancellation of allotment.”

“**RESOLVED FURTHER THAT** upon the receipt of order confirming reduction of Paid Up Share Capital from the Hon'ble High Court of Gujarat at Ahmedabad, Shri Ashish Patel, Managing Director of the Company be and is hereby authorized to do all things, acts and deeds that may be necessary, required or incidental to carry out this resolution.”

6. To consider and if though fit, to pass the following resolutions, with or without modifications, as a **Special Resolution:**

Increase the Authorised Share Capital

“**RESOLVED THAT** pursuant to the provisions of Section 16, 94 and all other applicable provisions if any, of the Companies Act, 1956 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the consent of the members of the Company be and is hereby accorded to increase the present Authorized Share Capital of the Company of Rs. 31,00,00,000/- (Rupees Thirty one crores only) divided into 31,00,00,000 (Thirty one Crores) equity shares of Rs.1/- each to Rs. 81,00,00,000/- (Rupees Eighty one crores only) divided into 81,00,00,000 (Eighty one crores) equity shares of Rs. 1/- each.”

“**RESOLVED FURTHER THAT** consent of the members of the Company be and is hereby accorded to alter the existing Clause V of Memorandum of Association of the Company by way of deletion and substitution thereof with the following new Clause V:

- V. The Authorised Share Capital of the Company is Rs. 81,00,00,000/- (Rupees Eighty one Crore) divided into 81,00,00,000 (Eighty one Crore) Equity Shares of Rs.1/- (Rupees One) each.

“**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to take necessary actions to give effect to the foregoing resolution, submission of documents and papers with the concerned authorities to register and implement the aforesaid increase in authorised share capital and amendment to the Memorandum of Association of the Company and to do all such acts, deeds and things as may be necessary in this regard including authorizing any officers of the Company for this purpose.”

7. To consider and if thought fit, to pass the following resolution, with or without, modification/s, as a **Special Resolution:**

Adoption of new set of Article of Association

“**RESOLVED THAT** pursuant to Section 31 and other applicable provisions, if any, of the Companies Act, 1956, the consent of the members of the Company be and is hereby accorded to adopt a new set of Articles of

Association, containing Article Sr. No. 1 to Sr. No. 199, replacing the present set of Articles of Association of the Company, which contains Article Sr. No. 1 to Sr. No. 206.”

“**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds and things, to execute all such documents, instruments and writings as may be required.”

8. To consider and if thought fit, to pass the following resolutions, with or without modifications, as a **Special Resolution** :

Revision in Remuneration Terms of Mr. Ashish Patel, Managing Director of the Company

“**RESOLVED THAT** pursuant to Section 198, 269,309,310 and other applicable provisions, if any of the Companies Act,1956, read with and in accordance with the conditions specified in Schedule XIII of the said Act and as recommended by the Remuneration Committee, the approval of the Company be and is hereby accorded for the revision in remuneration terms of Mr. Ashish Patel, Managing Director of the Company with effect from 1st April,2010 for the remaining period of his term, i.e. up to 31/12/2010 or till the Managing Director resigns from the office of Directorship, as set out in the Explanatory Statement annexed hereto. “

“**RESOLVED FURTHER THAT,** Board of Directors be and are hereby authorised to take such steps as may be necessary to give effect to this resolution”.

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

Date : 26/07/2010
Place : Ahmedabad
1ST Floor, Chunibhai Chambers, Ashram Road, Ahmedabad - 380 009.

Sd/-
ASHISH P. PATEL

NOTES :

- A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the company. Under the provisions of Companies Act, 1956, voting is by show of hands unless a poll is demanded by a member or members present in person, or by proxy, holding at least one-tenth of the total shares entitled to vote on the resolution or by those holding paid-up capital of at least Rs. 50,000/-.
- Explanatory Statement under section 173(2) of the Companies Act,1956 is enclosed.
- The Proxies should be deposited at the Registered office of the Company not less than 48 hours before the commencement of the meeting.
- The Register of Members and Share Transfer Books of the Company shall remain closed from Saturday the 21st August, 2010 to Friday the 27th August, 2010 (both days inclusive).
- At the ensuing Annual General Meeting, Mr. Alok Vaidya and Mr. Nirav D. Desai, retire by rotation and being eligible offer themselves for re-appointment. The information or details pertaining to them to be provided in terms of clause 49 of the Listing Agreement with the Stock Exchange is furnished in the statement of Corporate Governance published elsewhere in this Annual Report.
- The Company's shares are listed at Bombay Stock Exchange Ltd. The Company has paid listing fees to Bombay Stock Exchange Limited and Ahmedabad Stock Exchange Limited for financial year 2010-2011. The Company's shares have been delisted from Ahmedabad Stock Exchange Limited w.e.f. 09/07/2010, as per the SEBI (Delisting of equity shares) Regulation, 2009.

EXPLANATORY STATEMENT

[Pursuant to Section 173(2) of the Companies Act, 1956]

Item no. 5

The Company in the Extra Ordinary General Meeting of its members held on 19th January 2001 resolved pursuant to the provisions of Sec.81(1-A) and other applicable provisions of the Companies Act, 1956 and subject to the guidelines issued by the Securities & Exchange Board of India to accord its approval to the Board to offer, issue and allot upto 1,50,03,000 Equity Shares of Rs.10/- each to be issued from time to time in one or more lots in proportion of 15 shares of the Company for every one share held by the shareholders of M/s. Patel Agro Farms Pvt. Ltd., a company incorporated in India in exchange of purchase of shares of M/s. Patel Agro Farms Pvt. Ltd. by the Company on SWAP basis in accordance with the guidelines issued by the Securities & Exchange Board of India on preferential basis. The said allotment of shares were attached with fully converted in zero percent interest warrants with an option to be exercisable by the warrant holder to subscribe for equity share or other securities convertible into equity shares at a later date at a price of Rs.10/- per share. Having made the allotment, the Company applied to Bombay Stock Exchange for listing of the shares. The Bombay Stock Exchange however rejected the application on 04.09.2003. The Company challenged the decision by filing an appeal before the Securities Appellate Tribunal on 24.09.2003. However, the said appeal came to be disposed against the Company. The Company accordingly revised its accounts and gave effect to the reduction in the capital by passing a resolution in the Extra Ordinary General Meeting held on 14.03.2005.

The Company was under the bonafide belief that the revision of accounts for the relevant years pursuant to the resolution passed by the shareholders in the Extra Ordinary General Meeting held in March 2005 is sufficient to reverse the allotment of shares in respect of which the Bombay Stock Exchange refused the listing. However, the Company is now advised that the paid-up equity share capital of the Company can be cancelled/ reduced only subject to the approval of the Hon'ble High Court of Gujarat as per the provisions of Sec.100 r/w. Sec.101 of the Companies Act, 1956 after the shareholders have approved the same by passing special resolution as required in such provision. This Capital reduction is for the old capital and it does not affect, in any way, the present capital structure of the Company.

To proceed further with the reduction of capital, shareholders have to give consent by way of special resolution for reduction of capital. Hence, necessary resolution is placed before the Meeting.

Board recommends the resolution for adoption.

No Director of the Company is directly or indirectly interested in the resolution.

Item No. 6

As per the terms of Resolution of item no. 6 of this notice, the Company will need to increase its present Authorized Capital of the Company, creating provision for additional shares to be issued, under the proposed Rights Issue.

The Board of Directors therefore proposes to increase the Authorized Share Capital to Rs. 81,00,00,000/- (Rupees Eighty one crore) divided into 81,00,00,000 equity shares of Rs. 1/- each and accordingly, clause V of Memorandum requires amendment.

Section 94 and 16 of the Companies Act, 1956 provide that the alteration in Capital Clause in Memorandum of the Company requires the consent of the Members in a General Meeting.

Your directors recommend the Resolutions as set out in item no. 6 for approval of members.

None of the Directors is concerned or interested in passing this resolution.

Item No. 7

Considering the amendments made in the Companies Act, 1956 by the Government from time to time as well as some of the existing Articles are not relevant, it is necessary to adopt a new set of Articles of Association replacing the present Articles of Association of the Company, covering amendments till date.

A new set of Articles of Association was placed before the Board of Directors at its meeting held on 30th April, 2010 and the Board has recommended the same for approval of the shareholders of the Company, by passing a special resolution.

A new set of Articles of Association is open for inspection at the Registered Office of the Company.

None of the Directors of the Company is concerned or interested in the said resolution.

The Directors recommend the resolution for your approval.

Item no. 8

The Board of Directors at their meeting held on 30th April, 2010 had approved the revision in the terms of remuneration payable to Mr. Ashish Patel, Managing Director of the Company, with effect from 1st April, 2010, till his remaining period of appointment. The revision in remuneration was made keeping in mind his contribution made to the growth and development of the company, as well as the compensation package prevalent in the Industry. He will be entitled to the following remuneration:

- (a) **Salary:** Rs. 2,00,000/- p.m.
- (b) **Perquisites :** In addition to the salary, the following perquisites shall be allowed to the Managing Director and the total value of perquisites shall be restricted to an amount equal to Rs. 50000/- p.m.

CATEGORY - "A"

i) Housing:

The Company shall provide furnished accommodation to the Managing Director. If the Managing Director is having his own accommodation, the Company shall pay house rent allowance at the rate of Rs. 20,000/- per month, subject to a limit of 10 % of his salary.

The Company shall provide equipments and appliances, furniture, fixtures and furnishing, including maintenance of all, at the residence of the Managing Director at the entire cost of the Company.

The Company shall reimburse the expenses of gas, electricity, water etc. The expenditure on these, valued in accordance with the Income-tax Rules, shall not exceed 10% of the salary.

ii) Medical Reimbursement:

Medical Expenses actually incurred for self and family shall be reimbursed by the Company.

iii) Leave Travel Concession:

The Company shall provide leave travel fare for the Managing Director and his family once in a year.

iv) Personal Accident Insurance:

The Company shall pay Personal Accident Insurance upto Rs.10,000/- per annum.

v) Club Fee :

The Company shall pay and / or Reimburse Fees and Expenses (excluding admission and Life membership fees) of clubs, subject to a maximum of two clubs.

CATEGORY - "B"

i) The Company shall contribute towards Provident Fund/Superannuation Fund/Annuity Fund provided that such contributions either singly or put together shall not exceed the tax free limit prescribed under the Income-tax Act.

ii) The Company shall pay Gratuity at the rate not exceeding half month's salary for each completed year of service.

iii) Leave on full pay and allowances, as per rules of the Company, but not more than one month's leave for every eleven months of service. However, the leave accumulated but not availed of will be allowed to be encashed at the end of the term as per rules of the Company.

The perquisite under this Category shall not be included in the computation of ceiling on remuneration.

CATEGORY - "C"

i) The Company shall provide a Car with Driver at the entire cost of the Company for use for the business of the Company. Use of Car for personal purposes shall be billed by the Company.

- ii) The Company shall provide telephone including mobile phone at the residence of the Managing Director at the entire cost of the Company. Personal long-distance calls shall be billed by the Company.
- iii) The Managing Director shall not be entitled to sitting fees for attending meetings of the Board of Directors or Committees thereof. He shall, however, be reimbursed the actual travelling, lodging and boarding expenses incurred by him for attending meetings of the Board of Directors and/or committees thereof.
- iv) The remuneration referred to above is subject to the limit of 5% of the annual net profits of the Company and subject further to the overall limit of 10% of the annual net profits of the Company on the remuneration of the Managing Director and other Executive Directors of the Company taken together. Provided, however, that in the event of absence or inadequacy of profit, the Managing Director shall be entitled to remuneration mentioned under (a) above and perquisites as above within the minimum remuneration specified in Schedule XIII to the Companies Act, 1956.
- v). In the event of cessation of office during any financial year, a ratable proportion of the aforesaid remuneration shall be payable by the Company.
- vi) The Managing Director shall be entitled to reimbursement of all expenses incurred in connection with the business of the Company.
- vii) "Family" means the spouse, dependent children and dependent parents of Managing Director.
- viii) Reimbursement of entertainment expenses actually and properly incurred in the course of business of the Company shall be allowed.

All expenditure actually and properly incurred on Company's business shall be reimbursed to the Managing Director. He shall however not be entitled to any Sitting Fees."

This may also be treated as an abstract pursuant to Section 302 of the Companies Act, 1956. The Board recommends the resolution for the approval of shareholders. Except Mr. Ashish Patel, himself, Mr. Prafulbhai Patel, relative of him, none of the other Directors are interested or concerned in this resolution.

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

Date : 26/07/2010
Place : Ahmedabad
1ST Floor, Chunibhai Chambers,
Ashram Road, Ahmedabad - 380 009.

**ASHISH P. PATEL
MANAGING DIRECTOR**

RADHE DEVELOPERS (INDIA) LIMITED

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

DIRECTORS' REPORT

To the Members,

Your Directors have pleasure for presenting you the 16th Annual Reports of the Company together with the Audited Accounts for the year ended on March 31, 2010.

FINANCIAL RESULTS:

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

(Amt. in Rs.)

Particulars	Current Year 31.03.2010	Previous Year 31.03.2009
Total Income	2449399.80	4765208.10
Profit /(Loss)before Depreciation & Tax	(13743965.10)	(3381142.93)
Less : Depreciation	(868988.00)	(848949.00)
Profit /(Loss) Before Tax	(14612953.10)	(4230091.93)
Less : Provision for Tax		
Deferred Tax	(46398.00)	(88293.00)
Current Tax	—	—
Income tax of earlier year	—	—
Fringe Benefit Tax	—	—
Net Profit/(Loss) After Tax	(14566555.10)	(4141798.93)
Prior Period Expenses	19118.00	696332.00
	(14585673.10)	(4838130.93)
Balance brought forward	(4244223.83)	593907.10
Balance carried to Balance sheet	(18829896.93)	(4244223.83)
Earnings per share	(0.07)	(0.04)

FINANCIAL HIGHLIGHTS :

OPERATIONS:

During the year, due to general economic slow down world over and bearish position in the real estate division, the total turnover has been decreased and stood at Rs.24.49 Lacs as compared to last year's Rs. 47.65 Lacs, Same way, due to higher provision for depreciation and increase in Administrative, Operation and General Expenses the Company has incurred Net loss after tax of Rs.145.67 Lacs as compared to net loss of Rs.41.42 Lacs of the last year.

DIVIDEND :

Your Directors do not recommended any dividend for the year, due to loss incurred for the year.

FUTURE PROSPECTS:

The Company has Expertise in Civil, Construction, Structural Work, etc. of various types of commercial, residential and infrastructure projects.

The Company has planned to build Township near Ahmedabad. Major thrust on infrastructure development supported by regulatory reforms by the government will also provide considerable opportunities to your Company for achieving business growth in coming years.

ENERGY CONSERVATION :

(Information under section 217(1)(e) of the Companies Act, 1956.)

The company has no Manufacturing activities. Hence no information is to submit in respect of conservation and absorption of technology

FOREIGN EXCHANGE EARNINGS & OUTFLOW :

There is no foreign exchange earning and outgo of the company (last year also Nil)

DIRECTORS:

In accordance with the provisions of the Articles of Association and of the Companies Act 1956, Mr. Alok Vaidya and Mr. Nirav D. Desai, Directors of the Company, retiring by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment.

The Company has revised the terms and conditions of remuneration of Mr. Ashish Patel, CEO and Managing Director of the Company, w.e.f. 1st April 2010, at its Board Meeting held on 30th April, 2010, subject to the approval of the members in general meeting.

The brief particulars of all directors, for which approval of members for their appointment or re-appointment are sought, have been provided in the Notice of Annual General Meeting pursuant to Clause 49 of the Listing Agreement relating to Corporate Governance.

PUBLIC DEPOSITS:

The Company has launched its Fixed Deposit Scheme and started accepting deposits from shareholders and others from February, 2010, which is within the prescribed limits. As on March 31, 2010, deposits stood at Rs.18.61 lacs. There were no deposits, which were claimed and remained unpaid by the company as on March 31, 2010.

FURTHER ALLOTMENT OF SHARES:

The Company has allotted 1,50,00,000 equity shares on conversion of Equity warrants, through preferential allotment to promoters and Non Promoters of the Company and thus the promoters have brought additional funds and making total paid-up capital of Rs.25,17,99,000/-

SUB –DIVISION (STOCK SPLIT) OF SHARES:

With a View to provide more liquidity and encourage active participation of the retail investors, your Company has subdivided equity shares from 1 (one) equity share of the company of Rs. 10/- (Rupees Ten) each to 10(Ten) equity shares of Rs.1/-(Rupees One) each. Necessary Listing of the new shares was also took place during the year.

PROPOSED RIGHTS ISSUE:

The Company recognizes tremendous scope and potential of the Housing, real estate development and infrastructure construction industry in India - especially given the high impetus given by the Government of India to Housing and Infrastructure sector. This gives us access to continued growth opportunity. The Company has many such big projects in pipeline, which requires major investment in capital equipment and needs to augment its long-term working capital resources.

In view of the above, your directors propose to issue shares on a rights basis to existing shareholders, after obtaining necessary approval from the SEBI and relevant applicable authorities.

INCREASE IN AUTHORISED CAPITAL:

The Company will need to increase its present Authorized Capital of the Company, creating provision for additional shares to be issued, under the proposed Rights Issue.

The Board of Directors therefore proposes to increase the Authorized Share Capital to Rs. 81,00,00,000/- (Rupees Eighty one crore) divided into 81,00,00,000 equity shares of Rs. 1/- each and accordingly, clause V of Memorandum and applicable Articles of Association requires amendment and approval from the members..

ADOPTION OF NEW SET OF ARTICLE OF ASSOCIATION:

The Company was incorporated 15 years back and during this period many amendment came under the Companies Act, 1956. The Company has changed its Articles in the past, as and when required. Looking at the present provisions, the Board has decided to change the whole set of Articles, so that it covers all the provisions under the Companies Act, 1956 and accordingly the same has been placed before the members for their approval.

CAPITAL REDUCTION:-

The Company was under the bonafide belief that the revision of accounts for the year 2000-2001, 2001-2002, 2002-2003 and 2003-2004 pursuant to the resolution passed by the shareholders in the Extra Ordinary General Meeting held in March,

2005 is sufficient to reverse the allotment of shares in respect of which the Bombay Stock Exchange refused the listing. However, the Company is now advised that the paid-up equity share capital of the Company can be cancelled/ reduced only subject to the approval of the Hon'ble High Court of Gujarat as per the provisions of Sec.100 r/w. Sec.101 of the Companies Act, 1956, after the shareholders approval through special resolution as required in such provision. This Capital reduction is for the old capital and it does not affect, in any way, the present capital structure of the Company.

DELISTING OF THE SHARES OF THE COMPANY:-

It was observed that since last few years, there has been no trading of Company's shares on Ahmedabad Stock Exchange. To reduce cost of the Company, the Board have decided to delist the shares of the Company from the Ahmedabad Stock Exchange. The same has been approved by the Ahmedabad Stock Exchange and shares have been Delisted from the said Exchange, w.e.f. 09/07/2010.

CORPORATE GOVERNANCE:-

Pursuant to clause 49 of the Listing Agreement with the Stock Exchange, a separate section on Corporate Governance and certificate obtained from Chartered Accountant confirming its compliance, is provided separately and forming part of this Report. The Board of Directors supports the basic principles of corporate governance. In addition to this, the board lays strong emphasis on transparency, accountability and integrity.

Report on Management Discussion and Analysis is provided in separate section and forming part of this report.

FORMATION OF VARIOUS COMMITTEES:-

Details of various committees constituted by the Board of Directors are given in the Corporate Governance Report annexed which forms part of this report.

PARTICULARS OF EMPLOYEES UNDER SECTION 217(2A):-

The provisions of section 217(2A) of the Companies Act, 1956, read with 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:-

Pursuant to Section 217 (2AA) of the Companies Act, 1956 I would like to state the following:

In the preparation of the Annual Accounts, the applicable accounting standards have been followed.

The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company, at the end of the financial year ended on 31st March. 2010.

The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

The Directors have prepared the attached statements of accounts for the year ended 31st March, 2010 on a going concern basis.

AUDITORS & AUDITORS REPORT:-

M/s. R. Choudhary & Associates; Chartered Accountants, retire at the forthcoming Annual General Meeting and have confirmed their eligibility and willingness to accept the office, if re-appointed.

Notes forming part of the accounts are self-explanatory and therefore, do not require any further comments.

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 : 26/07/2010
Place : Ahmedabad

**PRAFUL C. PATEL
CHAIRMAN**

CORPORATE GOVERNANCE REPORT

The Securities and Exchange Board of India (SEBI) has stipulated Corporate Governance Standards for Listed Companies vide Clause 49 in the listing agreement with the Stock Exchanges.

Corporate Governance is Corporate discipline extended transparency, integrity and accountability towards all stakeholders. Corporate Governance helps to achieve excellence to enhance stakeholders value by focusing on long-term value creation without compromising on integrity, social obligations and regulatory compliances.

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Radhe Developers (India) Limited, has always been committed to the principal of sound Corporate Governance to promote the effective functioning of the Board and its Committee & to assist it in the exercise of its responsibility. Our Board exercises its fiduciary responsibilities in the widest sense of the term.

The Company's continued endeavor is to achieve good governance which ensures our performance rules with integrity whereby ensuring the truth, transparency accountability & responsibility in all our dealings with our employees, shareholders, consumers & the community at large. Apart from compliance with the Statutory provisions of Company Law, allied acts & Listing Agreements, our disclosure seeks to attend best practice in corporate governance. We believe that sound corporate governance is critical to enhance & retain stakeholders trust.

The Board of Directors represents the interest of the Company's stakeholders, for optimizing long term value by way of providing necessary guidance and strategic vision to the Company. The Board also ensure that the Company's management and employees operate with highest degree of ethical standard. Corporate Governance is strongly driven by our values such as quality, commitment, customer orientation & integrity.

BOARD OF DIRECTORS:

The Company's Board comprises of 5 Directors with a mix of executive/non-executive and promoter/independent directors. Out of total Board members, Chairman is Non-Executive Promoter Director, Managing Director is Executive Promoter Director and other 3 are Non-Executive Independent Directors. The composition of Board complies with the requirements of the Corporate Governance code with more than 50% of the directors being non-executive Independent directors.

The Board normally meets once in a quarter. Additional meetings are held as and when required. During the year under review, Board of Directors of Radhe met 10 times, viz 25th April, 2009, 2nd June, 2009, 2nd July, 2009, 25th July, 2009, 28th August, 2009, 2nd September, 2009, 22nd September, 2009, 31st October, 2009, 15th December, 2009, 2nd January, 2010 & 30th January, 2010 and the 15th Annual General Meeting was held on 29th September, 2009. The gap between any two meetings did not exceed four months.

The table below provides the composition of the Board, their attendance at Board meetings & AGM and number of other directorship, chairmanship/membership of other companies.

Name of the Director & Designation & Age	Category & Nature of employment	Date of Appointment	No. of other Directorship Held in public companies in India	No. of other Board committees of which Member(M)/Chairman (C)	Board meeting attended	Attendance at the last AGM	No. of Shares held & % holding (of the Company)
Mr. Praful bhai C. Patel Chairman 71 Years	Non Executive Non -Independent Director	03/02/1995	1	0	10	Yes	51000 (0.02%)
Mr. Ashish Patel Managing Director 39 Years	Executive Non Independent Director- Contractual Employment	03/02/1995	1	0	10	Yes	2202848 (0.88%)
Mr. Alok Vaidya Director 54 Years	Non Executive Independent Director	14/03/2005	0	0	10	Yes	---
Mr. Prakash Shah Director 56 Years	Non Executive Independent Director	31/07/2006	0	0	10	Yes	---
Mr. Nirav Desai Director 40 Years	Non Executive Independent Director	15/03/2005	0	0	10	Yes	---

Notes:

- (1) This number excludes the directorships/committee memberships held in private companies and also of the Company. Committees include Audit Committee and Shareholders' Grievance Committee as per Clause 49 of The Listing Agreement.
- (2) As required by the Companies Act, 1956 and Clause 49 of Listing Agreement, none of the directors hold directorship in more than 15 public companies & membership of board committees (audit/remuneration/investors grievance committees) in excess of 10 and chairmanship of board committees as aforesaid in excess of 5.

None of the Non-executive Directors has any pecuniary relationship, except Mr. Praful C. Patel, who is relative of Managing Director of the Company. Non-executive Directors have no transaction with the company. The details of sitting fees, commission and remuneration paid to each director appear later under the disclosure relating to Remuneration to Directors.

DETAILS OF THE DIRECTORS SEEKING APPOINTMENT/REAPPOINTMENT IN FORTHCOMING ANNUAL GENERAL MEETING :

Name of Director	Mr. Alok Vaidya	Mr. Nirav Desai
Date of Birth	15.10.1955	28.02.1970
Date of appointment	14.03.2005	15.03.2005
Qualifications	B.Com	B.E. (Civil)
Expertise in specific functional areas	Finance, Accountancy and Administration	Project Execution and General Management
List of Co. in which Directorship held	(i) Shlok Labels Pvt. Ltd. (ii) Dwarkesh Reality Pvt. Ltd. (iii) Miramay Estate Pvt. Ltd., (iv) Shree Dwarkesh Developers Pvt. Ltd.	(i) Desai Builders Pvt. Ltd., (ii) Tulip Fin Lease Pvt. Ltd., (iii) Essan Organisers Pvt. Ltd.
Chairman/ Member of the committee of the Board of Directors of other Co.	One – Chairman (Shareholders Grievance Committee) One – Chairman (Audit Committee)	One - Member (Audit Committee)
Chairman/ Member of the committees of Directors of other Co.	NIL	NIL

CODE OF CONDUCT

The Board of Directors has adopted the Code of Business Conduct and Ethics for the Directors and Senior Management. The said Code has been communicated to the Directors and the Members of the senior Management. All Board Members and Senior Managerial Personnel have affirmed compliance with the code of conduct for the year ended on 31st March 2010. A declaration to this effect duly signed by Managing Director & CEO of the Company is attached herewith and forms part of Corporate Governance Report.

AUDIT COMMITTEE:

The Audit Committee comprises of 3 members, Mr. Nirav Desai as the Chairman of the Committee & Mr. Alok Vaidya and Mr. Prakash Shah as Members. All members are Non-Executive Independent Directors.

The above composition meets all the requirements of Clause 49 of Listing Agreement and Section 292A of the Companies Act, 1956. Mr. Jigar Shah, Company Secretary has acted as the Secretary of the Audit Committee. Statutory Auditors are invited as and when required.

During the year under review, 5 meeting were held on 25th April, 2009, 25th July, 2009, 28th August, 2009, 31st October, 2009 and 30th January, 2010. The chairman of Audit Committee had attended last Annual General Meeting of the company held on 29th September, 2009. The Audit Committee at its meeting held on 25th April, 2009, 25th July, 2009, 31st October, 2009, and 30th January, 2010 reviewed the unaudited financial results for the quarter ended on March 31, 2009, June 30, 2009, September 30, 2009 and December 31, 2009. In the meeting held on 28th August, 2009 the committee reviewed the draft Audited Balance Sheet and Profit and Loss Account together with draft Auditor's Report for the Financial Year 2008-09 and recommended to be placed before the Board for their approval.

Details of attendance of members of the Audit Committee are as under:		
Name	Designation	Attendance
Mr. Nirav Desai	Chairman	5
Mr. Alok Vaidya	Member	5
Mr. Prakash Shah	Member	5

BROAD TERMS OF REFERENCE

The broad terms of reference of the Committee as approved by the Board includes overseeing of the Company's financial reporting process, the appointment of statutory auditors and internal auditors, reviewing the quarterly and annual financial statements before submission to the Board for approval, compliance with listing and other legal requirements relating to financial statements, reviewing adequacy of the internal control and internal audit function, etc.

In addition to the above, the Committee shall have such functions/role/powers as may be specified in the Companies Act, Listing Agreement with stock exchanges or any other applicable law.

The Audit Committee has reviewed the Management Discussion and Analysis of financial condition and results of operations forming part of this Annual Report and other information as mentioned in Clause 49 (II)(E) of the Listing Agreement.

SHAREHOLDERS' GRIEVANCE COMMITTEE :

The Shareholders Grievance Committee as a committee of the Board has been constituted mainly to focus on the redressal of Shareholders / Investors Grievances, if any, like Transfer / Transmission / Demat of Shares; Loss of Share Certificates; Non-receipt of Annual Report; Dividend Warrants; etc. The Shareholder Grievance Committee comprises of 3 members, Mr. Alok Vaidya as the Chairman of the Committee & Mr. Praful Patel and Mr. Ashish Patel as the Members. The Chairman is Non-Executive Independent Director, while members are Non-Independent Directors.

During the year, 4 meetings were held on 25th April, 2009, 25th July, 2009, 31st October, 2009, and 30th January, 2010. The Company had received Twelve complaints (towards Non-receipt of Duplicate Share Certificates, Non - receipt of Split Certificates, Pending Demat request etc.) from the Shareholders and the same has been resolved and no complaint was pending as on 31st March, 2010.

Company's Company Secretary provided secretarial support to the Committee.

The equity shares of the Company are compulsorily traded in electronic form on the stock exchanges and hence the handling of physical transfer of shares is minimal. The Board has delegated powers for approving transfer and transmission of shares and issue of duplicate shares to Share Transfer Committee. The Share Transfer Committee met 19 times during the year. The Company has no transfers pending at the close of the financial year.

REMUNERATION COMMITTEE

The Remuneration Committee as a committee of the Board has been constituted mainly to determine and recommend to Board, the company's policies on remuneration packages for executive and non- executive directors. The Remuneration Committee comprises of 3 members, Mr. Nirav Desai as the Chairman of the Committee & Mr. Alok Vaidya and Mr. Prakash Shah as the Members. All members are Non-Executive Independent Directors.

No meeting was held during the year under review, as the this committee was formed as on 3rd April, 2010, immediately after the close of the financial year.

The Company has not paid any remuneration to its Managing Director by way of Salary, perquisites and allowances, even though the same has been approved by the members in general meeting, due to loss made by the Company. Non-executive Directors have no transaction with the Company. The Company does not pay any sitting fees to any Director, for attending Board Meetings. The Company does not pay any severance fees. As no remuneration was paid during the year, details of remuneration is not require to be given.

SUBSIDIARY COMPANY :

The Company does not have any subsidiary Company.

OTHER COMPLIANCES :

The Company has no materially significant related party transactions with its promoters, the directors or the management or relatives etc. that may have potential conflicts with the interests of the Company at large.

For details about related parties transactions, see Notes on Accounts and Schedule of the balance sheet of the Company.

There were no instances of non-compliance or Penalties, imposed on the Company by the Stock Exchange/(s) or SEBI or any statutory authority, on any matter related to Capital Markets, during the last three years.

In preparation of the financial statements, the Company has followed the Accounting Standards issued by ICAI. The significant accounting policies which are consistently applied have been set out in the Notes to the Accounts.

Business risk evaluation and management is an ongoing process within the Organization. During the period under review, a detailed exercise on the Business Risk Management was carried out covering all aspects of business operations.

The Company has already appointed Mr. Ashish Patel, as CEO & Managing Director. Certification from the him was placed as a part of good Corporate Governance practice in the Annual Accounts of FY 2009-10.

GENERAL BODY MEETINGS :

Details of the last three Annual General Meetings are as under :

AGM	Date	Time	Venue	No. of special Resolutions passed
13 th AGM	28 th September, 2007	09.30 a.m.	Regd. Office : 1st Floor, Chunibhai Chambers, B/h City Gold Cinema, Ashram Road, Ahmedabad - 380 009	0
14 th AGM	30 th September, 2008	10.00 a.m.	Regd. Office : 1st Floor, Chunibhai Chambers, B/h City Gold Cinema, Ashram Road, Ahmedabad - 380 009	0
15 th AGM	29 th September, 2009	09.00 a.m.	Regd. Office : 1st Floor, Chunibhai Chambers, B/h City Gold Cinema, Ashram Road, Ahmedabad - 380 009	0

Extra Ordinary General Meeting was held on 6th December, 2007, in which alteration of Article 3 took place and Equity Warrants were issued to Promoters and Non Promoters at price of Rs.18/- per share. Same way, in the Extra Ordinary General Meeting was held on 10th July, 2009, Sub-division of Shares from Rs.10/- per share to Rs.1/- per share and Alteration in the Capital Clause of Memorandum and Articles of Association of the Company took place. All the special resolutions indicated above were passed by show of hands.

POSTAL BALLOT :

The Company has not passed any resolution through postal ballot during the year under reference. None of the resolutions proposed for the ensuing Annual General meeting need to be passed through Postal Ballot.

CEO/CFO CERTIFICATION :

The Company is duly placing a certificate to the Board from the CEO & Managing Director in accordance with the provisions of Clause 49(V) of the Listing Agreement. The aforesaid certificate duly signed by the CEO & Managing Director in respect of the financial year ended 31st March, 2010 has been placed before the Board and given elsewhere in this Annual Report.

MEANS OF COMMUNICATION :

During the year, quarterly, half-yearly and annual financial results of the Company were submitted to the stock exchanges immediately after the conclusion of the Board meetings and were also published in any two newspapers namely, in Chankya ni Pothi (English) and The News Line (Gujarati).

The Company also informs by way of intimation to the stock exchanges all price sensitive matters or such other matters which in its opinion are material and of relevance to the shareholders and subsequently issues a Press Release on the said matters.

SHAREHOLDERS' INFORMATION :

REGISTERED OFFICE : 1st Floor, Chunibhai Chambers,
B/h City Gold Cinema,
Ashram Road,
Ahmedabad - 380 009

DATE, TIME, VENUE OF ANNUAL GENERAL MEETING

The 16th Annual General Meeting of the members of the company is scheduled to be held on Friday, 27th August, 2010 at 9.00 A.M. at its Registered Office of the company at 1st Floor, Chunibhai Chambers, B/h City Gold Cinema, Ashram Road, Ahmedabad - 380 009. All the members are invited to attend the meeting.

The Members / Proxies who intend to attend the meeting are requested to bring the Attendance slip sent herewith duly filed in to the meeting.

FINANCIAL CALENDAR

- Financial year 2009-10 (April 1, 2009 to March 31, 2010)
Results were/will be announced on
 - 25th July, 2009 - first quarter
 - 31st October, 2009 - half year
 - 30th January, 2010 - third quarter
 - 30th April, 2010 - fourth quarter and annual (Unaudited)
- Financial year 2010-11 (April 1, 2010 to March 31, 2011)
Results will be announced on
 - Last week of July 2010 - first quarter
 - Last week of October 2010 - half year
 - Last week of January 2011 - third quarter
 - Last week of May 2011 - fourth quarter and annual (audited)

BOOK CLOSURE : Saturday, 21st August, 2010 to Friday, 27th August, 2010 (both days inclusive)

ANNUAL GENERAL MEETING : Friday, the 27th August, 2010 at 09.00 A.M.

DETAILS OF SHARES

Types of shares	:	Equity Shares
No. of paid up shares	:	25,17,99,000
Market lot of shares	:	1 share

STOCK CODE

Name of Stock Exchange	Code no.
Bombay Stock Exchange Ltd.	531273

LISTING

The Company's shares are listed and traded on the Stock Exchanges at Mumbai. The Company has paid listing fees to Bombay Stock Exchange Ltd. as well as Ahmedabad Stock Exchange Ltd. for financial year 2010-2011. The shares of the Company have been delisted in accordance with SEBI (Delisting of equity shares) Regulation, 2009 from the Ahmedabad Stock Exchange, w.e.f. 09/07/2010.

STOCK DATA : Monthly share price data on BSE for the financial year 2009-10 is as under :

Month	High Rs.	Low Rs.	Average Rs.	Volume(No. of shares)
* April '09	27.65	20.9	24.28	119574
* May '09	44.65	22.60	33.63	438988
* June '09	82.95	45.00	63.98	1514084
* July '09	84.35	8.45	46.40	2578586
** August '09	10.64	6.53	8.59	15616957
** September '09	9.53	6.42	7.98	33846095
** October '09	10.30	7.10	8.70	70640948
** November '09	9.45	7.50	8.48	46021069
** December '09	9.77	6.77	8.27	133492586
** January '10	7.31	3.72	5.52	93897603
** February '10	5.97	3.67	4.82	58094772
** March '10	4.90	2.80	3.85	31156700

* Face Value of Rs. 10/-

** Face Value of Rs. 1/-

SHARES HELD IN PHYSICAL AND DEMATERIALIZED FORM:

The Company's shares are compulsorily traded in dematerialized mode. As on 31st March 2010, 96.85% shares were held in dematerialized form and balance 3.15% shares were held in physical form. Those shareholders whose shares are held in physical form are requested to dematerialized the same at the earliest in their own interest. The demat security code (ISIN) for the equity shares is **INE986B01028**

Distribution of Shareholding (as on March 31, 2010)

a. On the basis of Shares held

No. of Equity Shares Held Range	No. of Share Holders	Percentage to total Share Holders	Number of Shares Held	Percentage to Total Shes Held
Up to 500	6057	27.48	1732055	0.69
501-1000	7488	33.97	7213341	2.86
1001-2000	2915	13.22	5094392	2.02
2001-3000	1288	5.84	3514120	1.40
3001-4000	728	3.30	2737023	1.09
4001-5000	876	3.97	4294759	1.71
5001-10000	1347	6.11	10650806	4.23
above 10000	1344	6.11	216562504	86.00
Total	22043	100.00	251799000	100.00

a. On the basis of Category

Sr.	Description	No. of members		No. of shares	
		Nos.	%	Nos.	%
A	Promoters Holding Directors & Relatives	22	0.11	55254562	21.94
B	Non Promoter Holding Resident Individual (incl. HUF)	21395	97.06	169986255	67.52
	Non Resident Individual	109	0.49	2424887	0.96
	Mutual Fund, Nationalized Bank etc.	9	0.04	606000	0.24
	Domestic Companies	508	2.30	23527296	9.34
Total		22043	100.00	251799000	100.00

SHARE TRANSFER SYSTEM :

Applications for transfer of shares in physical form are processed by the Company's Registrar & Transfer Agent M/s. MCS Limited. The Share Transfer Committee constituted for transfer / transmission of shares, issue of duplicate shares and allied matters considers and approves the share transfer once in fortnight subject to transfer instrument being valid and complete in all respects.

The Company has obtained half yearly certificates from Company Secretary in Practice for compliance of share transfer formalities as per the requirement of Clause 47(c) of the Listing Agreement with Stock Exchange. The Company has also carried out quarterly Secretarial Audit for the reconciliation of Share Capital as required under SEBI circular no. 16 dated 31st December 2002.

PAN REQUIREMENT FOR TRANSFER OF SHARES IN PHYSICAL FORM

The Securities & Exchange Board of India (SEBI) has mandated the submission Permanent Account Number (PAN) for securities market transactions & off market/private transactions involving Transfer of Shares in Physical Form of Listed Companies. Therefore it shall be mandatory for the transferee(s) to furnish a copy of the PAN Card to the Company/Registrar & Share Transfer Agents for Registration of such transfers. Members/Investors are therefore requested to make note of the same & submit their PAN Card copy to the Company/ Registrar & Share Transfer Agents.

DETAILS OF DIVIDEND

The Board of Directors has not recommended any dividend due to current year's losses.

DETAILS OF UNPAID DIVIDEND

As the Company has not paid any dividend, in past years and so there is no unpaid dividend amount.

OUTSTANDING GDRS/ADRS/WARRANTS/ANY OTHER CONVERTIBLE INSTRUMENTS

The Company does not have any outstanding instruments of the captioned type.

NOMINATION FACILITY

It is in the interest of the shareholders to appoint nominee for their investments in the Company. Those members who are holding shares in physical mode and has not appointed nominee or want to change the nomination, are requested to send us nomination form duly filed in and signed by all the joint holders.

CHANGE IN SHAREHOLDERS DETAILS

In case you are holding your shares in dematerialised form (e.g. in electronic mode), communication regarding change in address, bank account details, change in nomination, dematerialisation of your share certificates or other inquiries should be addressed to your DP where you have opened your Demat Account, quoting your client ID number. In case of physical holding of shares, any communication for change of any details should be addressed to our R&T agent of the company M/s. MCS Limited, as per address mentioned below.

INVESTORS COMMUNICATION

Share Transfers / Dematerialisation or other queries relating to Shares of the Company should be addressed to :

M/s. MCS Limited.

(Ahmedabad Branch)

Unit : Radhe Developers (India) Limited

101, Shatdal Complex,

Opp. Bata Show Room,

Ashram Road, AHMEDABD-380009

Ph. 079 – 26582878

Fax : 079 – 26581296

e-mail:mcsahmd@gmail.com

DECLARATION UNDER CODE OF CONDUCT

As required under Clause 49(I)(D) of the Listing Agreement, it is hereby affirmed that all the Board Members and Senior Management Personnel have complied with Code of Conduct of the Company. The Company has obtained confirmation for the compliance of Code of Conduct from the Board Members and Senior Management Personnel on an annual basis

CHIEF EXECUTIVE OFFICER (CEO) CERTIFICATION

I, Mr. Ashish Patel, Chief Executive Officer & Managing Director of Radhe Developers (India) Limited, to the best of our knowledge and belief, certify that:

1. We have reviewed the balance sheet and profit and Loss account, its schedule and notes to the accounts and cash flow statements for the year ended 31st March, 2010 and that to the best of our knowledge and belief:
 - a. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - b. these statement together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards , applicable laws and regulations.
2. We also certify that based on our knowledge and information provided to us, there are no transactions entered into by the Company during the year which are fraudulent , illegal or violate the company's code of conduct.
3. We accept the responsibilities for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps taken or propose to take to rectify these deficiencies.
4. We have indicated to the Auditors and the Audit Committee
 - a. significant change in internal control over financial reporting during the year.
 - b. significant changes in accounting policies during the year and that the same have been disclosed in notes to the financial statements; and
 - c. instances of significant fraud of which we have become aware and involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Place : Ahmedabad

Date : 26th July,2010

Ashish Patel
Chief Executive officer &
Managing Director

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

To the members of the 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, 2010 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 grievance received during the financial year ended 31.03.2010, 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:26.07.2010

MANAGEMENT DISCUSSIONS AND ANALYSIS

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 has witnessed a recovery after a recession 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 thus it will be more profitable for the company.

Human Resources:

The Company has good cordial relation with the employees of the company. The staff has the depth of experience and skills to handle company's activities. Skilled team of workers and other professionals ensure superior quality standards during every stage of work.

Financial performance Vs Operational performance

The financial performance of the company for the year 2009-10 is described in the Director's report.

Internal Control:

The company has an adequate internal control system by which company's resources are directed, monitored, and measured. 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' 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 2010, 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 2010 and taken on records by the board of directors, we report that none of the directors are disqualified as on 31st March, 2010 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, 2010; 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

RAMCHANDRA CHOUDHARY
Partner
Membership No. 43979
Firm Reg. No. 101928W

Place: Ahmedabad
Date:26.07.2010

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. 309.11 and the maximum amount involved during the year was Rs. 936.95 Lacs.
 - b. *The loans granted are interest free* and other 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 one party during the year under review, the year-end balances of such loans taken aggregate of Rs. Nil and the maximum amount involved during the year was Rs. 4.27 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:
 - a. 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 the particulars of contracts or arrangements that needs to be entered into the register maintained under section 301 have been so entered.
 - b. In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the registers maintained under section 301 during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
6. During the year under audit the company has accepted deposits from public, in our opinion and according to information and explanation given to us the provisions of section 58A and 58AA of the Companies Act, 1956 and other relevant provision have been complied with.
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. 95.59 lacs and 0.42 Lacs respectively and interest thereon and in respect of Assessment Year 2009-2010 the amount of fringe benefit tax of Rs. 0.52 lacs and interest thereon, were outstanding as at 31st March, 2008 for a period of more than six months from the date they became payable.
- Following are disputed statutory dues that have not been deposited on account of mater pending before appropriate authority.
- c. Following are disputed statutory dues that have not been deposited on account of mater pending before appropriate authority.

Sr. No.	Relevant Act	Amount Rs. in Lacs	Nature of Dues	Forum where dispute is pending
1	Income Tax, 1961	4.55	Asst. Year 1996-97 Penalty u/s. 271(1)(c)	Comm. Of Income Tax (Appeals)
2	Income Tax, 1961	20.00	Asst. Year 1996-97 Penalty u/s. 221	H'ble High Court of Gujarat

10. The company has accumulated losses at the end of the year. The company has 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 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 which in our opinion are not prima facie prejudicial to the interest of the company.
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
RAMCHANDRA CHOUDHARY
 Partner
 Firm Regn. No. 101928W
 Membership No. 43979

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

BALANCE SHEET
AS AT 31ST MARCH 2010

	SCH.	AMOUNT (RS.) AS AT 31-03-2010	AMOUNT (RS.) AS AT 31-03-2009
SOURCES OF FUNDS:			
1 SHARE HOLDERS FUNDS:			
(a) Share Capital	1	251799000.00	101799000.00
(b) Reserves And Surplus	2	122500000.00	2500000.00
2 LOAN FUNDS :			
(a) Secured Loans	3	619110.80	1029822.03
(b) Unsecured Loans	4	3269929.00	28835503.00
3 DEFERRED TAX LIABILITY :			
		358826.00	405224.00
TOTAL RS.		378546865.80	134569549.03
APPLICATION OF FUNDS:			
1 FIXED ASSETS :			
Gross Block	5	13826302.88	13135054.88
Less : Depreciation		7132696.15	6916963.80
Net Block		6693606.73	6218091.08
Capital Wrok in Progress		3657354.25	1559344.30
2 INVESTMENTS :			
	6	251470.00	50000.00
3 CURRENT ASSETS, LOANS AND ADVANCES:			
(a) Work in Progress		1011240.00	1011240.00
(b) Sundry Debtors	7	641795.00	2766543.00
(c) Cash and Bank Balances	8	5185455.79	293548.44
(d) Loans and Advances	9	485737694.85	252182979.85
		492576185.64	256254311.29
LESS: CURRENT LIABILITIES AND PROVISIONS:			
(a) Current Liabilities	10	117342123.75	133756421.47
(b) Provisions		26119524.00	
		143461647.75	
NET CURRENT ASSETS		349114537.89	122497889.82
4 MISCELLENEOUS EXPENDITURE :			
Preliminary and Public Issue expenses (to the extent not written off)		Nil	Nil
5 PROFIT AND LOSS ACCOUNT:			
		18829896.93	4244223.83
TOTAL RS.		378546865.80	134569549.03
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

MR. ASHISH PATEL
Managing Director

MR. PRAFUL PATEL
Chairman

RAMCHANDRA CHOUDHARY
Partner
Mem. No. 43979
Date : 26-07-2010
Place: Ahmedabad
Firm Regn. No. 101928W

MR. JAYMAL DESAI
Company Secretary
Date : 26-07-2010
Place: Ahmedabad

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

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

	SCH.	AMOUNT (RS.) 2009-2010	AMOUNT (RS.) 2008-2009
INCOME:			
Development Charges Income		775000.00	3750000.00
Sale Of Land	Nil	Nil	
Increase / (Decrease) in Stock	11	Nil	1011240.00
Other Income	12	1674399.80	3968.10
	TOTAL RS.	2449399.80	4765208.10
EXPENDITURE:			
Development Expenses	13	649763.00	1713831.00
Administrative, Operation and Est. Exps	14	15378643.13	6333590.00
Depreciation	5	868988.00	848949.00
Interest		164958.77	98930.03
	TOTAL RS.	17062352.90	8995300.03
Profit/(Loss) Before Tax		(14612953.10)	(4230091.93)
Less: Provision for Tax:			
Current Tax		Nil	Nil
Deferred Tax		(46398.00)	(88293.00)
Fringe Benefit Tax		Nil	Nil
Profit/(Loss) After Tax		(14566555.10)	(4141798.93)
Prior Period Expenses		19118.00	696332.00
		(14585673.10)	(4838130.93)
Balance Brought Forward		(4244223.83)	593907.10
Prior Period Adjustments		Nil	Nil
Balance Carried to Balance Sheet		(18829896.93)	(4244223.83)
Basic Earning Per Share (Face Value Rs.1/-)		(0.07)	(0.04)
Diluted Earning Per Share		(0.07)	(0.02)
Significant Accounting Policy and Notes to Accounts	15		

As per our report of even date

For RADHE DEVELOPERS (INDIA) LTD

For, R. CHOUDHARY & ASSOCIATES
Chartered Accountants

RAMCHANDRA CHOUDHARY
Partner
Mem. No. 43979
Date : 26-07-2010
Place: Ahmedabad
Firm Regn. No. 101928W

MR. ASHISH PATEL
Managing Director

MR. PRAFUL PATEL
Chairman

MR. JAYMAL DESAI
Company Secretary
Date : 26-07-2010
Place: Ahmedabad

RADHE DEVELOPERS (INDIA) LIMITED

1ST FLOOR, CHUNIBHAI CHAMBERS, ASHRAM ROAD, AHMEDABAD

	AS AT 31-03-2010	AS AT 31-03-2009
SCHEDULE - 1 SHARE CAPITAL		
AUTHORISED :		
310000000 Equity Share of Rs.1 each (P.Y. 31000000 Equity Share of Rs.10 each)	310000000.00	310000000.00
ISSUED, SUBSCRIBED AND PAID UP:		
251799000 Equity Share of Rs.1/- each (P.Y. 10179900 Equity Share of Rs.10 each)	251799000.00	101799000.00
TOTAL RS.	251799000.00	101799000.00
SCHEDULE - 2 RESERVES AND SURPLUS		
(A) General Reserve :		
Balance as per last year	2500000.00	2500000.00
(B) Share Premium Account		
Balance as per last year	Nil	Nil
Addition during the year	120000000.00	Nil
Deduction during the year	Nil	Nil
Balance carried to next year	120000000.00	Nil
TOTAL RS.	122500000.00	2500000.00
SCHEDULE - 3 SECURED LOANS		
Car Loan (Secured against the hypothecation of vehicle)	619110.80	1029822.03
TOTAL RS.	619110.80	1029822.03
SCHEDULE - 4 UNSECURED LOANS		
From Directors	Nil	426817.00
From Inter Corporate Deposit	1408686.00	1408686.00
Warrant Application Money	Nil	27000000.00
Fixed Deposit from Public	1861243.00	Nil
TOTAL RS.	3269929.00	28835503.00
SCHEDULE - 6 INVESTMENTS		
(A) QUOTED INVESTMENTS: (LONG TERM, NON TRADE)		
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 31-3-2010 - Quote Not Available)	50000.00	50000.00
(B) OTHER INVESTMENTS (LONG TERM, NON TRADE)		
Govt of India 8.28 % Bonds	201470.00	Nil
TOTAL RS.	251470.00	50000.00
SCHEDULE - 7 SUNDRY DEBTORS		
(Unsecured, Considered Good unless otherwise stated)		
Outstanding for more than six months	Nil	Nil
Outstanding for less than six months	641795.00	2766543.00
TOTAL RS.	641795.00	2766543.00

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-10	NET BLOCK 31-Mar-09
			BALANCE AS ON 1-Apr-09	ADDITION DURING THE YEAR	DEDUCTION DURING THE YEAR	BALANCE AS ON 31-Mar-10	BALANCE AS ON 1-Apr-09	ADDITION DURING THE YEAR	DEDUCTION DURING THE YEAR	BALANCE AS ON 31-Mar-10		
1	Air Conditioner	4.75%	1062661.00	291338.00	Nil	1353999.00	577459.20	52523.00	Nil	629982.20	724016.80	485201.80
2	Office Assets	4.75%	188955.00	Nil	Nil	188955.00	125748.72	8975.00	Nil	134723.72	54231.28	63206.28
3	D.G. Set	4.75%	224159.00	Nil	224159.00	Nil	148189.10	8576.00	156765.10	Nil	Nil	75969.90
4	Aquagaurd	4.75%	16350.00	7000.00	Nil	23350.00	10359.26	822.00	Nil	11181.26	12168.74	5990.74
5	Office Equipments	4.75%	104490.00	Nil	Nil	104490.00	65845.55	4963.00	Nil	70808.55	33681.45	38644.45
6	Pagers	4.75%	230280.00	Nil	Nil	230280.00	151578.60	10938.00	Nil	162516.60	67763.40	78701.40
7	Material Lift	4.75%	90415.00	Nil	Nil	90415.00	53851.42	4295.00	Nil	58146.42	32268.58	36563.58
8	Weiging Machine	4.75%	20682.87	Nil	Nil	20682.87	12246.88	982.00	Nil	13228.88	7453.99	8435.99
9	Paper Cutter	4.75%	14790.00	Nil	Nil	14790.00	9380.05	703.00	Nil	10083.05	4706.95	5409.95
10	Pump Set	4.75%	102027.00	Nil	Nil	102027.00	60269.56	4846.00	Nil	65115.56	36911.44	41757.44
11	Stabiliser	4.75%	4000.00	Nil	Nil	4000.00	2658.00	190.00	Nil	2848.00	1152.00	1342.00
12	Telephone System	4.75%	215022.00	164829.00	215022.00	164829.00	133404.09	10219.00	141855.09	1768.00	163061.00	81617.91
13	Cellular Phones	4.75%	185284.00	2300.00	Nil	187584.00	103544.98	8828.00	Nil	112372.98	75211.02	81739.02
14	Water Tank	4.75%	105667.75	Nil	Nil	105667.75	69094.36	5019.00	Nil	74113.36	31554.39	36573.39
15	Water Tank Trolly	4.75%	84375.00	Nil	Nil	84375.00	6435.00	4008.00	Nil	10443.00	73932.00	77940.00
16	Zerox Machine	4.75%	119240.00	Nil	Nil	119240.00	79373.80	5664.00	Nil	85037.80	34202.20	39866.20
17	Refrigarator	4.75%	6150.00	Nil	Nil	6150.00	2266.25	292.00	Nil	2558.25	3591.75	3883.75
18	Fan Account	4.75%	16305.00	Nil	Nil	16305.00	2675.79	774.00	Nil	3449.79	12855.21	13629.21
19	Attendance System	4.75%	Nil	19550.00	Nil	19550.00	Nil	140.00	Nil	140.00	19410.00	Nil
20	Vending Machine	4.75%	Nil	18900.00	Nil	18900.00	Nil	133.00	Nil	133.00	18767.00	Nil
21	Water Cooler	4.75%	Nil	7001.00	Nil	7001.00	Nil	44.00	Nil	44.00	6957.00	Nil
22	Comupters (NEW)	16.21%	Nil	360875.00	Nil	360875.00	Nil	8334.00	Nil	8334.00	352541.00	Nil
23	Comupters	16.21%	524575.00	Nil	Nil	524575.00	524575.00	Nil	Nil	524575.00	Nil	Nil
24	Scooters	9.50%	24038.00	Nil	Nil	24038.00	24038.00	Nil	Nil	24038.00	Nil	Nil
25	Motor Cars - 641	9.50%	250000.00	Nil	Nil	250000.00	143398.00	23750.00	Nil	167148.00	82852.00	106602.00
26	Motor Cars - Verna	9.50%	950745.00	Nil	Nil	950745.00	82897.00	90321.00	Nil	173218.00	777527.00	867848.00
27	Honda City - 5545	9.50%	806241.00	Nil	806241.00	Nil	289374.46	65261.00	354635.46	Nil	Nil	516866.54
28	Honda City - 5545 (NEW)	9.50%	Nil	1064877.00	Nil	1064877.00	Nil	15244.00	Nil	15244.00	1049633.00	Nil
29	Toyota Car - 5545	9.50%	1265791.00	Nil	Nil	1265791.00	379528.93	120250.00	Nil	499778.93	766012.07	886262.07
30	Furniture and Fixtures - Swagat	6.33%	4135452.15	Nil	Nil	4135452.15	3416339.22	261774.00	Nil	3678113.22	457338.93	719112.93
31	Furniture and Fixtures - C.C.	6.33%	2387359.11	Nil	Nil	2387359.11	442432.58	151120.00	Nil	593552.58	1793806.53	1944926.53
	TOTAL		13135054.88	1936670.00	1245422.00	13826302.88	6916963.80	868988.00	653255.65	7132696.15	6693606.73	6218091.08
32	Work in Progress		1559344.30	2098009.95	Nil	3657354.25	Nil	Nil	Nil	Nil	3657354.25	
	TOTAL		14694399.18	4034679.95	1245422.00	17483657.13	6916963.80	868988.00	653255.65	7132696.15	10350960.98	
	Previous Year		12663886.88	2510089.30	479577.00	14694399.18	6547591.80	848949.00	479577.00	6916963.80	7777435.38	

	AS AT 31-03-2010	AS AT 31-03-2009
SCHEDULE - 8 CASH AND BANK BALANCES		
(A) CASH ON HAND:		
Cash on Hand (including petty cash balance)	3589122.05	206388.25
(B) BALANCE WITH BANKS IN CURRENT ACCOUNTS:		
With Schedule Banks	1615897.70	25540.50
With Non Schedule Banks:		
Bhuj Merchantile Co. Op. Bank Ltd. (Maximum Balance During the year Rs. 9984402.35) (P. Y. Maximum Balance During the year Rs. 5046283.00)	(21343.65)	59240.00
Bhuj Merchantile Co. Op. Bank Ltd. (Maximum Balance During the year Rs. 1479.69) (P. Y. Maximum Balance During the year Rs. 2079.69)	879.69	1479.69
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:		
With Schedule Banks:	Nil	Nil
TOTAL RS.	5185455.79	293548.44
SCHEDULE - 9 LOANS AND ADVANCES		
(Unsecured, Considered Good unless otherwise stated)		
Towards ongoing and Proposed projects	107187013.05	116904637.05
Corporate Advances	37359029.31	38955529.31
Other Advances	70568072.00	9572191.00
Advance Income Tax	25909580.49	25550622.49
Advance for Capital Goods	1800000.00	50575000.00
Shantinagar Shelachsl	725000.00	725000.00
Advance for Purchase of Land	242189000.00	9900000.00
TOTAL RS.	485737694.85	252182979.85
SCHEDULE - 10 CURRENT LIABILITIES & PROVISIONS		
A CURRENT LIABILITIES:		
Advance against Booking	102521846.00	97954346.00
Other Advance	4810492.00	4810492.00
Sundry Creditors	4386190.75	4766703.47
Salary Payable	179731.00	96884.00
Unpaid Expenses	43864.00	25122.00
Makarba Land Advance	5400000.00	Nil
B PROVISIONS :		
Statutory Dues	64169.00	47519.00
Provision for Income Tax and FBT	26055355.00	26055355.00
TOTAL RS.	143461647.75	133756421.47
SCHEDULE - 11 INCREASE / (DECREASE) IN STOCK		
Closing Work in Progress	1011240.00	1011240.00
Less : Opening Work in Progress	1011240.00	Nil
TOTAL RS.	Nil	1011240.00

	AS AT 31-03-2010	AS AT 31-03-2009
SCHEDULE - 12 OTHER INCOME		
Kasar and Vatav	695.70	3968.10
Dividend on Mutual Funds	1577.00	Nil
Profit on Sale of Fixed Assets	17606.10	Nil
Interest Income (TDS of Rs. 159452/- Prev year Nil)	1594521.00	Nil
Rent	60000.00	Nil
TOTAL RS.	1674399.80	3968.10
SCHEDULE - 13 DEVELOPMENT EXPENSES		
Labour Expenses	567206.00	267135.00
Material Purchase	43671.00	361575.00
Carting Expenses	9640.00	26650.00
Site Expenses	29246.00	35207.00
Sundry & Other Exps	Nil	12024.00
Motibhoyan Site Expenses	Nil	1011240.00
TOTAL RS.	649763.00	1713831.00
SCHEDULE - 14 ADMINISTRATIVE, OPERATION & GENERAL EXPENSES		
Advertisement Expenses	9724754.00	16709.00
Audit Fees	15000.00	15000.00
Bank Charges	22904.80	2410.50
Annual Custodial Fees (CDSL)	33090.00	22472.00
Annual Custodial Fees (NSDL)	33090.00	22472.00
Bonus Exp	Nil	270120.00
Brokerage paid for FD Scheme	43071.00	Nil
Conveyance Expenses	31230.00	61270.00
Corporation Tax	Nil	Nil
Electricity Expenses	226392.00	125767.00
Employer's P.F Cont. Exp	146842.00	179682.00
Insurance Expenses	50228.00	71735.00
Legal and Professional Fees	252115.00	1720.00
Listing Fees	156608.00	78195.00
Loss on Sale of Fixed Assets	54772.45	Nil
Miscellaneous Expenses	22648.00	11220.00
Seminar Expenses	132450.00	Nil
Office Expenses	37484.70	70416.50
Petrol and Diesel Exp.	26627.20	10750.00
Postage, Revenue and Stamp Paper Expenses	141415.00	13343.00
Professional Charges	876835.00	2834896.00
Repairs and Maintenance Exp. - Others	65205.00	22029.00
Repairs and Maintenance Exp. - Machine	33430.00	Nil
ROC Filling Fees	434467.00	1000.00
Salary Expenses	2052043.00	1332100.00
Security Expenses	334180.00	333367.00
Stationary and Printing Expenses	201461.00	119447.00
Telephone Expenses	57510.65	83763.00
Travelling Exps	42920.00	591000.00
Vehicle Repairing Exps	17317.00	33629.00
Share Subdivision Expenses	77552.33	Nil
Loan Processing Fees	Nil	9077.00
Software Purchase	35000.00	Nil
TOTAL RS.	15378643.13	6333590.00

RADHE DEVELOPERS (INDIA) LIMITED

1ST FLOOR, CHUNIBHAI CHAMBERS, ASHRAM ROAD, AHMEDABAD

CASH FLOW STATEMENT FOR THE YEAR ENDED 31-03-2010

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	(14585673.10)	(4838130.93)
	Adjustments For:		
	Depreciation	868988.00	848949.00
	Deferred Tax Liability	(46398.00)	(88293.00)
	Profit on Sale of Fixed Assets	(17606.10)	Nil
	Loss on Sale of Fixed Assets	54772.45	Nil
	Operating Profit before working capital changes	(13725916.75)	(4077474.93)
	Adjustments For:		
	Increase/Decrease in Inventory	Nil	(1011240.00)
Increase/Decrease in Trade and other Receivables	2124748.00	5449311.00	
Increase/Decrease in Loans and Advances	(233195757.00)	28058677.00	
Increase/Decrease in Trade Payables	9705226.28	(26874946.80)	
Direct Taxes Paid	(221365782.72)	5621801.20	
	(358958.00)	(3791294.00)	
	(235450657.47)	(2246967.73)	
B	CASH FLOW FROM INVESTING ACTIVITIES:		
	(Purchase) / Sale of Investments	(201470.00)	Nil
	(Purchase) / Sale of Fixed Assets	(3479679.95)	(2510089.30)
	(3681149.95)	(2510089.30)	
C	CASH FLOW FROM FINANCIAL ACTIVITIES:		
	Proceed from Warrants application money	243000000.00	Nil
	Decrease in Term Borrowings	(837528.23)	(631177.97)
	Increase in Term Borrowing	1861243.00	1211000.00
	NET CASH FROM FINANCIAL ACTIVITIES:	244023714.77	579822.03
	NET INCREASE/DECREASE IN CASH AND CASH EQUIVALENTS	4891907.35	(4177235.00)
OPENING BALANCE OF CASH AND CASH EQUIVALENTS	293548.44	4470783.44	
CLOSING BALANCE OF CASH AND CASH EQUIVALENTS	5185455.79	293548.44	

As per our report of even date

For, R. CHOUDHARY & ASSOCIATES
Chartered Accountants

RAMCHANDRA CHOUDHARY
Partner
Mem. No. 43979
Date : 26-07-2010
Place: Ahmedabad
Firm Regn. No. 101928W

For RADHE DEVELOPERS (INDIA) LTD

MR. ASHISH PATEL
Managing Director

MR. PRAFUL PATEL
Chairman

MR. JAYMAL DESAI
Company Secretary
Date : 26-07-2010
Place: Ahmedabad

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 During the year the company has allotted 1,50,00,000 equity shares of Rs. 10/- each at a premium of Rs. 8/- per share to promoters and non promoters on conversion of equity warrants in to Equity Shares.
- 5 During the year the company has subdivided the equity shares from face value of Rs. 10 each in to face value of Re 1 each.
- 6 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.

- 7 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.
- 8 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.
- 9 There is no foreign exchange earnings and foreign exchange outgo during the year.
10. Earning per Share:

Particular	Unit	31-03-10	31-03-09
Numerator used for calculating Basic and Diluted Earning per Share (Profit after Tax)	Rs.	(14566555)	(4141799)
Weighted average No. of shares used as denominator for calculating Basic and Diluted	No. of Shares	214299000	10179900
Nominal Value of Share	Rs.	1	10
Basic Earning per Share	Rs.	(0.07)	(0.41)
Basic Earning per Share on face Value of Rs. 1/-each	Rs.	NA	(0.041)
Weighted Average No of Shares for Diluted Earning per Share	No of Shares	214299000	25179900
Diluted Earning per Share	Rs.	(0.07)	(0.16)
Diluted Earning per Share on face value of Re. 1 each	Rs.	(NA)	(0.016)

11 **Information relating to Deferred Tax:**

Particulars	31-03-10	31-03-09
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	358826.00	405224.00
Total Deferred Tax Liability	358826.00	405224.00
Net Deferred Tax Liability/Assets	358826.00	405224.00

12 **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 Shela 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. – Adv. given during the year	—	—	4850000.00
	(—)	(—)	(—)
Pratigna Prop. Pvt. Ltd. – Adv Repaid during the year	—	—	6446500.00
	(—)	(—)	(10485000.00)
Radhe Infra. And Projects (India) Ltd. Adv given during the year	—	—	61935000.00
	(—)	(—)	(3642000.00)
Radhe Infra. And Projects (India) Ltd. Adv Repaid during the year	—	—	71432000.00
Unsecured Loans (Net of Taken and Repaid)	—	—	—
Mr. Ashish P. Patel Amount Repaid during the year	—	—	—
	(450000.00)	(—)	(—)
Mr. Prafulbhai C. Patel Amount Repaid during the year	—	426817.00	—
	(—)	(—)	(—)
Advance Given Against Scheme			
Shantinagar Shela Co. Op.H.S. Ltd.	—	—	0.00
	(—)	(—)	(16425000.00)

13 Details of Units of Mutual Funds purchase and sold during the year

Particulars	Purchase		Sold	
	Units	Amount (Rs.)	Units	Amount (Rs.)
Bharti Axa Treasury	5125	5125000	5125	5125000
Advantage Fund	(Nil)	(Nil)	(Nil)	(Nil)

14 Estimated amount of capital contract remaining to be executed on capital account Rs. Nil (Previous Year Rs. NIL)

15 Contingent Liability not provided for:

Sr. No.	Nature of Dues	2009-2010 (Rs. In Lacs)	2008-2009 (Rs. In Lacs)
1	Pending Demand with Income Tax Authorities	24.55	9.06

Schedule 1 to 15 are attached to and form part of account for the year ended 31-3-2010

Signature to schedule 1 to 15

As per our report of even date

For RADHE DEVELOPERS (INDIA) LTD

For, R. CHOUDHARY & ASSOCIATES

Chartered Accountants

MR. ASHISH PATEL

Managing Director

MR. PRAFUL PATEL

Chairman

RAMCHANDRA CHOUDHARY

Partner

Mem. No. 43979

Date : 26-07-2010

Place: Ahmedabad

Firm Regn. No. 101928W

MR. JAYMAL DESAI

Company Secretary

Date : 26-07-2010

Place: Ahmedabad

**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 2010
2 CAPITAL RAISED DURING THE YEAR: (Amount in Rs. Thousands)		
Public Issue	:	NIL
Right Issue	:	NIL
Bonsu Issue	:	NIL
Private Placement	:	NIL
3 POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS: (Amount in Rs. Thousands)		
SOURCES OF FUNDS:		
Paid Up Capital	:	251799.00
Reserves and Surplus	:	122500.00
Secured Loans	:	619.11
Unsecured Loans	:	3269.93
Share Application Money*	:	Nil
Deffered Tax Liability*	:	358.83
TOTAL LIABILITIES	:	378546.87
APPLICATION OF FUNDS:		
Net Fixed Assets	:	10350.96
Investments	:	251.47
Net Current Assets	:	349114.54
Misc. Exp.	:	Nil
Accumulated Losses	:	18829.90
TOTAL ASSETS	:	378546.87
4 PERFORMANCE OF THE COMPANY: (Amount in Rs. Thousands)		
Turnover / Gross Receipts	:	2449.40
Total Expenditure	:	17062.35
Profit/(Loss) before Tax	:	(14612.95)
Profit/(Loss) after Tax	:	(14566.56)
Earning Per Share in Rupees	:	(0.07)
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

As per our report of even date

For RADHE DEVELOPERS (INDIA) LTD

For, R. CHOUDHARY & ASSOCIATES
Chartered Accountants

MR. ASHISH PATEL
Managing Director

MR. PRAFUL PATEL
Chairman

RAMCHANDRA CHOUDHARY
Partner
Mem. No. 43979
Date : 26-07-2010
Place: Ahmedabad
Firm Regn. No. 101928W

MR. JAYMAL DESAI
Company Secretary
Date : 26-07-2010
Place: Ahmedabad

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 16th 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 Friday, August 27, 2010 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
16th ANNUAL GENERAL MEETING of the Company to be held on Friday, August 27, 2010 at 9.00
a.m.

Signed _____ day of _____ 2010.

Signed by the said _____

Affix
Rs.1/-
Revenue
Stamp

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.



RADHE DEVELOPERS (INDIA) LIMITED

16th ANNUAL REPORT

2009-2010

BOOK - POST

If Undelivered Please Return to

RADHE DEVELOPERS (INDIA) LIMITED

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