



**27th Annual Report  
2009-2010**



**JOY REALTY LTD.**

**Board Of Directors**

**Mr. Jayantilal Soni**  
Chairman & Non Executive Director

**Mr. Bhavin Soni**  
Managing Director

**Mr. Ashokkumar Dugade**  
Additional Independent Director

**Mr. Pritesh Champaklal Haria**  
Independent Director

**Mr. Deepak Narhari Vachharajani**  
Independent Director

**Mr. Premesh Khatri**  
Independent Director

**Compliance Officer**

**Mr. Bhavin Soni**

**Auditors**

**M/S. Shah & Company**  
Chartered Accountants, Jointly with

**M/S. Vora & Associates**  
Chartered Accountants, Mumbai

**Bankers**

Indian Overseas Bank

**Advocate & Solicitor**

M/s. M. T. Miskita & Company

**Registered Office:**

306, Madhava, 3<sup>rd</sup> Floor,  
C-4, Bandra Kurla Complex,  
Bandra (E),  
Mumbai – 400051.  
Tel: #022 6702 1550  
Fax: #022 6679 4663

**Corporate Office:**

Commercial Premises, Unit No. 303,  
Madhava Comm. Premises Co-op. Hsg. Soc. Ltd.,  
Plot No. C-4, Bandra Kurla Complex,  
Bandra (E), Mumbai – 400051.  
Email: joyrealty@joydevelopers.com

**Registrars & Share Transfer Agents:**

**Link Intime Spectrum Registry Limited**

C-13, Pannalal Silk Mill Compound,  
L.B.S. Marg, Bhandup (W),  
Mumbai - 400 078.  
Tel: #022 2596 3838  
Email: mumbai@linkintime.co.in

**BSE Code : 508929**

**ISIN : N.A.**

Shareholders are requested to bring their  
copies of Annual Report along with them at  
the Annual General Meeting.

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**NOTICE OF 27th ANNUAL GENERAL MEETING**

**NOTICE IS HEREBY GIVEN that 27<sup>th</sup> Annual General Meeting of M/S JOY REALITY LIMITED will be held on Thursday, 30<sup>th</sup> September, 2010 at 10.00 a.m. at Registered Office of the Company, to transact the following business:**

**ORDINARY BUSINESS:**

1. To consider and adopt the Audited Profit and Loss Account for the year ended 31<sup>st</sup> March, 2010 and the Balance Sheet as at that date together with the Report of the Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. Deepak Vachharajani, who retires by rotation and being eligible, offers himself for re-appointment.
3. To accept the resignation of a Director Mr. Premesh Khatri, who retires by rotation and expressed his unwillingness for reappointment.
4. To appoint Auditors of the Company M/s. Shah & Company, Chartered Accountant jointly with M/s. Vora & Associates, Chartered Accountant; who are retiring at the Annual General Meeting shall be reappointed as Statutory Auditor and fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** in pursuance of the provisions enshrined in section 224, other applicable provisions, if any of the Companies Act, 1956, the Statutory Auditors of the Company M/s. Shah and Company, Chartered Accountants, with joint auditor M/s. Vora & Associates, Chartered Accountant appointed as the joint statutory auditors of the Company to hold office, from the conclusion of this annual general meeting till the conclusion of the next annual general meeting at such remuneration as may be fixed by the Board of Directors in consultation with the joint statutory auditors.”

**SPECIAL BUSINESS:**

5. To appoint as a Director Mr. Ashokkumar Dugade, who was appointed as additional director with effect from 4<sup>th</sup> March, 2010 and ceased to be additional director at ensuing Annual General Meeting and to consider and pass, with or without modification(s) the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** Mr. Ashokkumar Dugade, who was appointed as an Additional Director of the Company by the Board of Directors with effect from 4<sup>th</sup> March, 2010 and who holds office under Section 260 of the Companies Act, 1956, (the Act) up to this Annual General Meeting and in respect of whom the Company has received a notice in writing from a Member under Section 257 of the Act, proposing the candidature of Mr. Ashokkumar Dugade for the office of Director, be and is hereby appointed as a Director of the Company.”

6. To Consider Change of Name of Company and to consider and pass, with or without modification(s) the following resolution as Special Resolution:

**“RESOLVED THAT** subject to approval of Central Government & pursuant to provisions of Section 21 of the Companies Act, 1956, the name of the Company be and is hereby changed from **“JOY REALTY LIMITED”** to **“JOY REALTY LIMITED”** with immediate effect confirming that change of name by itself would not affect anyway rights of the Company and assets and liabilities of the Company.

**“RESOLVED FURTHER THAT** the name **“JOY REALTY LIMITED”** wherever it occurs in Memorandum and Articles of Association, letterheads, hoardings, envelopes, stamps be substituted by new name **“JOY REALTY LIMITED”**

7. To consider and if thought fit, to pass, with or without modification, the following resolutions as SPECIAL RESOLUTION:

**“RESOLVED THAT** pursuant to the provisions of Section 81(1A) and other applicable provisions, if any of the Companies Act, 1956 (the ‘Act’) (including any statutory modifications or re-enactment thereof, for the time being in force), the Memorandum and Articles of Association of the Company, Listing Agreement entered into by the Company with the Bombay Stock Exchange where the shares of the Company are listed, the guidelines, regulations, circulars and clarifications issued by the Government of India (GOI), Reserve Bank of India (RBI), Securities and Exchange Board of India (SEBI) and any other statutory or regulatory authorities and subject to all necessary approvals, consents, permissions and/or sanctions as may be necessary and subject to any such conditions and modifications as may be prescribed or imposed by any one or more of them while granting any such approvals, consents, permissions or sanctions agreed to by the Board of Directors of the Company (the ‘Board’ which term shall be deemed to include any Committee which the Board may have constituted or hereafter constitute for the time being exercising the powers conferred on the Board by this resolution) and in accordance with Chapter VII of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended from time to time (“SEBI ICDR Regulations”), the consent of the Company be and is hereby accorded to the Board to create, issue, offer and allot upto 5,00,000 (Five Lakh only) Equity Shares of Rs. 10/- each at premium of Rs.55/-, which is higher than the price calculated as per Regulation 76 of the Chapter VII of the SEBI (ICDR) Regulations, 2009, to the persons mentioned below, on a preferential allotment basis,

Sr. No.	Name of the Allotees	Categories	Residential Status	No. of Equity Shares	No. of Share Capital after preferential issue
1	K. S. R. Clearing and Shipping Agents Private Limited	Public Shareholding Non-Institution / Body Corporate	Indian	100000	1.54%
2	Naresh Shah	Public Shareholding Non-Institution / Individual	Indian	100000	1.54%
3	Vimal Kumar Poddar (HUF)	Public Shareholding Non-Institution / Others	Indian	100000	1.54%
4	Lalit Krishna Jalan (HUF)	Public Shareholding Non-Institution / Others	Indian	100000	1.54%
5	Janak V. Mota	Public Shareholding Non-Institution / Individual	Indian	100000	1.54%
	<b>TOTAL</b>			<b>500000</b>	

**RESOLVED FURTHER THAT**

- i) the proposed date of allotment of Equity shares is 12<sup>th</sup> October 2010 subject to any changes as may be determined by the Board of Directors of the Company and/or statutory approvals pending if any;
- ii) the equity shares to be so allotted by the Board as per terms of this issue, shall be subject to the provisions of the Memorandum and Articles of Association of the Company and shall be pari passu in all respect including entitlement for dividend with the then existing equity shares of the Company;

- iii) The equity shares allotted on preferential basis, to any person other than the promoter / promoter group of the issuer shall be locked-in for a period of 1 year from the date of allotment;
- iv) the Board be and is hereby authorized to accept any amendments, modifications, variations and alterations as the GOI/RBI/SEBI or any other regulatory authority may stipulate in that behalf; and
- v) the Board be and is hereby authorized to delegate all or any of its powers to any Director or Committee of Directors or employee or officer of the Company (as it may consider appropriate) to give effect to the aforesaid resolutions.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in regard to the offer/issue and allotment of equity shares as per terms of this issue, to effect any modification, to the foregoing in the best interest of the Company and its shareholders, as the Board may think fit, and further to do all such acts, deeds, matters and things and to finalise and execute all documents, papers, agreements, deeds and writings as may be necessary, desirable or expedient as it may deem fit.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to accept such terms and conditions as SEBI and/ or Bombay Stock Exchange may stipulate in this behalf.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any of the powers conferred on it by or under this Resolution to any Committee of the Directors of the Company or to any Director of the Company or to any other officer (s) or employee(s) of the Company as it may consider appropriate in order to give effect to this resolution.”

8. To increase borrowing powers of the Board of Directors and to consider and if thought fit, to pass, with or without modification, the following resolutions as ORDINARY RESOLUTION:

**"RESOLVED THAT** in super session of all previous resolutions passed by the Company and pursuant to the provisions of Section 293(1)(d) and other applicable provisions, if any, of the Companies Act, 1956, consent of the members, be and is hereby accorded to the Board of Directors (hereinafter referred to as the "Board" which term shall be deemed to include any Committee(s) constituted/to be constituted by the Board to exercise its powers including the powers conferred by this Resolution) for borrowing, on behalf of the Company, any sum or sums of money, from time to time, as they may consider fit, any sum of money, in any manner, and without prejudice to the generality thereof, by way of loans, advances, credits, acceptance of deposits or otherwise in Indian rupees or any other foreign currency, from any bank or banks, or any financial Institutions, other person or persons, and whether the same may be secured or unsecured, and if secured, whether domestic or international, whether by way of mortgage, charge, hypothecation, pledge or otherwise in any way whatsoever, on, over or in any respect of all, or any of the Company's assets and effects or properties including uncalled capital, stock in trade (including raw materials, stores, spares and components in stock or stock in transit), notwithstanding that the money to be borrowed together with the money already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) and remaining undercharged at any given time, will or may exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose so however that the total amount upto which money may be borrowed by the Board under this resolution, at any one time shall not exceed, in the aggregate, the sum of ₹ 250 crores only and /or in equivalent foreign currency ;

**"RESOLVED FURTHER THAT** the Board be and is hereby authorized, to do all such acts, deeds, matters and things as may be necessary, expedient and usual to implement this resolution."

**"RESOLVED THAT** consent of the Company be and is hereby accorded terms of Section 293(1)(d) and other applicable provisions, if any, of the Companies Act 1956, (including any amendment thereto or re-enactment thereof) to its Board of Directors of the Company, to create a further mortgage and/or charge, on such terms and conditions and at such time(s) and in such form and manner, and with such ranking as to priority as the Board in its absolute discretion thinks fit, on the whole or substantially the whole of the Company's, any one or more of the undertakings or all of the undertakings, including present or future properties, whether immovable or movable assets, comprised



in any undertaking of the Company, as may be agreed to in favour of the bank or banks, Financial Institutions, person(s), hereinafter referred to as the lenders , and/or trustees to secure borrowings upto an aggregate amount not exceeding ₹ 250 Crores (Rupees Two Hundred and Fifty Crores only) together with interest at the respective agreed rates by issue of non-convertible debentures, bonds, term loans, and/or other instruments including foreign currency borrowings, as the Board may deem fit, to be issued in one or more branches, to Indian/ foreign banks, institutions, investors, mutual funds, companies, other corporate bodies, Resident/ Non-resident Indians, Foreign Nationals, and other eligible investors, and upon such terms and conditions, as may be decided by the Board, including any increase a result of devaluation/ revaluation or fluctuation in the rates of exchange ,together with interest, at the respective agreed rates, compound interest, additional interest, commitment charges, premium on prepayment or on redemption, costs, charges, expenses and other monies covered by the aforesaid financial assistance under the respective documents, entered into by the Company in respect of the said debentures/bonds/term loans/other instrument(s) in terms of their issue;

**RESOLVED FURTHER THAT** the securities to be created by the Company aforesaid may rank prior/pari passu/subservient with/to the mortgages and/or charges already created or to be created in future by the Company and as may be agreed to between the concerned parties;

**RESOLVED FURTHER THAT** for the purpose of giving effect to the this resolution, the Board, be and is hereby authorized to delegate all or any of the powers herein conferred, to any Committee(s) of Directors or any one or more Whole time Directors of the Company, with the power to further delegate any such powers as they may deem fit, to finalize, settle and execute such documents / deeds / writings / agreements, as may be required, and to all such acts, matter s and things as it may at its absolute discretion deem proper, fit and expedient and to settle any question difficulty or doubt that may arise in regard to creating mortgage/charge as aforesaid or other wise considered to be in the best interests of the Company."

9. To consider and if thought fit, to pass, with or without modification, the following resolutions as ORDINARY RESOLUTION:

**"RESOLVED THAT** pursuant to the provisions of Section 293(1)(a) and other applicable provisions, if any, of the Companies Act, 1956, consent of the members, be and is hereby accorded to the Board of Directors (hereinafter referred to as the "Board" which term shall be deemed to include any Committee(s) constituted/to be constituted by the Board to exercise its powers including the powers conferred by this Resolution) to mortgage or charge all or any part of the undertaking of the Company of any nature and kind whatsoever and or creating a floating charge in all or any immovable properties of the Company, in certain events, to or in favour of banks, financial institutions, any

other lenders to secure the amount borrowed/to be borrowed by the Company, from time to time for the due payment of the principal monies together with the interest payable by the company in respect of such borrowings.

**RESOLVED FURTHER THAT** the Board of Directors of the Company, be and is hereby authorized to negotiate and settle the terms and conditions with the concerned Banks/ Financial Institutions etc, finalize the agreements/contracts and documents for creating the aforesaid mortgages and or charges to do all such acts, deeds, matters and things as may be necessary to give effect to this resolution.

**NOTES:**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

The Proxy as per the format included in the Annual Report should be deposited at the Registered Office of the Company not less than **FORTY-EIGHT HOURS** before the time for holding the Meeting. Proxies submitted on behalf of limited companies, societies, partnership firms, etc. must be supported by certified true copy of the resolution/authority, as applicable, issued by the member organization.

2. An Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, relating to Special Business to be transacted at the meeting is annexed thereto.
3. Relevant documents referred to in the accompanying Notice are open for inspection by the Members at the Registered Office of the Company on all working days, between 1400-1600 hrs. up to the date of the Annual General Meeting dated 30<sup>th</sup> September, 2010.
4. Members Register shall remains closed for transfer of shares from 28/09/2010 to 30/09/2010. (both days inclusive)
5. Members are requested to :
  - a) to bring their copies of the Annual Report to the Meeting.
  - b) Immediately intimate change of address, if any to the company
  - c) produce the attendance slip duly filed at entrance of the meeting venue.

Place : Mumbai

**By order of the Board of Director**

Date : August 31, 2010

**Sd/-  
Directors**

**ANNEXURE TO THE NOTICE****Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956****ITEM No. 5**

The Board of Directors had appointed Mr. Ashokkumar Dugade as Additional Director of the Company w.e.f 4<sup>th</sup> March, 2010. Considering the core expertise and varied exposure of Mr. Ashokkumar Dugade, your directors feel that your Company should benefit immensely from his contributions and guidance to the Company. As required under section 257 of the Companies Act, notice has been received from a member along with deposit of Rs.500/- signifying intention to propose Mr. Ashokkumar Dugade's appointment as a Director of the Company and thus, recommending hereby the resolution listed at item No. 5 for the consideration and approval of members.

None of the Directors, except Mr. Ashokkumar Dugade is or are concerned or interested in this item of business.

**ITEM No. 6**

The Company at present is dealing in Real Estate business. In this scenario, the name of the Company does not reflect the object clause of the Company. Hence it is proposed to change the name of the Company, in order to make it suitable for the main activity, in which the Company is doing its business. Further Memorandum of Association and Articles of Association of the Company are proposed to be amended. The same requires approval of shareholders of the Company by passing a special resolution.

None of the Directors of the Company is deem to be concerned or interested in the resolution.

**ITEM No. 7**

In terms of the provisions of section 81(1A) of the Companies Act, 1956 read with Chapter VII of the SEBI (ICDR) Regulations, 2009 applicable for making of a preferential offer, a special resolution needs to be passed.

Accordingly consent of shareholders is being sought for issuance of 5,00,000 Equity Shares of Rs. 10/- each at a premium of Rs.55/- which is higher than the price calculated as per Regulation 76 of the Chapter VII of the SEBI (ICDR) Regulations, 2009, pursuant to the provisions of section 81(1A) of the Companies Act, 1956 and Chapter VII of the SEBI (ICDR) Regulations, 2009 as applicable to the Company, subject to the guidelines and clarifications issued by RBI, SEBI and in terms of the provisions of the Listing Agreements executed by the Company with Bombay Stock Exchange, where the shares of the Company are presently listed.

The Company proposes to increase its paid up capital base in order to fund its diversification, future expansion plans including funding of working capital requirements for the same, by way of preferential issue of 5,00,000 Equity Shares of Rs. 10/- each at premium of Rs.55/-, to the proposed allottees as per the details given hereunder. The proposed date of allotment of Equity shares is 12<sup>th</sup> October 2010 subject to any changes

as may be determined by the Board of Directors of the Company and statutory approvals pending if any. The relevant date for determining the price of equity shares is 31<sup>st</sup> August 2010, i.e., 30 days prior to the date on which the Annual General meeting is convened to be held, which is in accordance with Regulation 76(1) of the SEBI (ICDR) Regulations, 2009.

If the subscription is received for such number of Equity shares, which are less than 5,00,000 Equity Shares, as mentioned above, the Board shall have an authority to issue and allot such lesser number of Equity Shares, without any fresh approval of shareholders.

The proposed preferential allotment shall not result in any change in management control of the Company. The existing promoters will remain in control and management of the Company and the subscribers to the Equity Shares will only be financial investors with rights available to them as Equity Shareholders.

The consent of the shareholders is being sought pursuant to the provisions of Section 81(1A) of the Companies Act, 1956 and other applicable provisions, if any. The Directors recommend the resolution as stated in the notice to be passed by the members of the Company as Special Resolution as mentioned in the notice.

The disclosures in terms of the Securities and Exchange Board of India (ICDR) Regulations, 2009 for Preferential Issues are as under:

1. Object of the issue through preferential offer:

The proceeds of the preferential issue are proposed to be utilized for funding its diversification, future expansion plans including funding of working capital requirements for the same.

2. The intention of the promoters/ directors/ key management persons to subscribe to this offer:

None of the promoters/ directors/ key management persons intend to subscribe to the preferential issue.

## 3. Shareholding Pattern of the Company before and after the proposed issue of shares:

Category	Pre-preferential issue holding	%	* Post-preferential issue holding	* %
<b>A Equity Share Capital</b>				
Promoters Holding				
Indian Promoters	2062550	34.33	2062550	31.69
Foreign Promoters	Nil	Nil	Nil	Nil
Persons acting in concert	1643050	27.35	1643050	25.25
Sub Total	3705600	61.68	3705600	56.94
Non - Promoters holding	Nil	Nil	Nil	Nil
Institutions	2300	0.04	2300	0.04
Non - Institutions				
Bodies Corporate	243750	4.06	343750	5.28
Individuals	2056550	34.23	2456550	37.75
Sub Total	2302600	38.32	2802600	43.06
Total	6008200	100	6508200	100
<b>B 4% Non-Cumulative compulsorily convertible preference shares</b>	Nil	Nil	Nil	Nil

\*Note:- The equity shareholding pattern of the Company shall not substantially change pursuant to issue of aforesaid preferential issue of shares.

The Company will ensure that the provisions as to lock-in and other conditions/ prohibitions/ restrictions contained in Chapter VII of the Securities and Exchange Board of India (ICDR) Regulations, 2009 are complied with

## 4. Proposed time within which allotment to be completed:

The Company authorizes the Board of Directors to allot Equity shares on 12<sup>th</sup> October 2010 subject to any changes as may be determined by the Board of Directors of the Company and statutory approvals pending if any. In case the allotment is pending on account of pendency of any approval for such allotment by any regulatory authority or the Government, the allotment shall be completed within 15 (Fifteen) days from the date of receipt of such approval.

5. Identification of proposed allottees and the percentage of post preferential issue capital that may be held by them:

Sr. No.	Name of the Allotees	Categories	Residential Status	No. of Equity Shares	No. of Share Capital after preferential issue
1	K. S. R. Clearing and Shipping Agents Private Limited	Public Shareholding Non-Institution / Body Corporate	Indian	100000	1.54%
2	Naresh Shah	Public Shareholding Non-Institution / Individual	Indian	100000	1.54%
3	Vimal Kumar Poddar (HUF)	Public Shareholding Non-Institution / Others	Indian	100000	1.54%
4	Lalit Krishna Jalan (HUF)	Public Shareholding Non-Institution / Others	Indian	100000	1.54%
5	Janak V. Mota	Public Shareholding Non-Institution / Individual	Indian	100000	1.54%
	<b>TOTAL</b>			<b>500000</b>	

The shareholding of equity share capital of the Company would remain unchanged. There shall be no change in control of the Company consequent to the aforesaid preferential issue.

Since the pricing of the Equity shares is determined in terms of Regulation 76(2) of the SEBI (ICDR) Regulations, 2009, the provisions regarding re-computation of the price of the Equity Shares pursuant to Regulation 76(3) of the SEBI (ICDR) Regulations, 2009 are also not applicable.

A certificate from the Statutory Auditors of the Company certifying that the issue of 5,00,000 Equity Shares is being made in accordance with the Securities and Exchange Board of India (ICDR) Regulations, 2009 shall be placed at the Annual General Meeting.

The Board of Directors recommends the same for approval of the members of the Company.

None of the directors are interested or concerned in the said resolution.

**ITEM No. 8**

Keeping in view of the Company's diversification, future expansion plans, it is considered appropriate to increase the limit of borrowings of the Company beyond the aggregate of its paid up capital and free Reserves. Your consent is therefore sought to authorise the Board to borrow upto ₹ 250 Crores (Rupees Two Hundred and Fifty Crores Only) (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) as outstanding, at any time as set out in the resolution. Further the Company proposes a resolution authorizing Board to borrow loans upto maximum of ₹ 250 Crores Only (Rupees Two Hundred and Fifty Crores Only). In order to borrow loans from Banks, Institutions etc. the Board needs authorisation to mortgage or hypothecate the assets of the Company the consent of the shareholders in General meeting is required under section 293(1)(d) of Companies Act, 1956 authorizing the Board of Directors with necessary powers.

None of the directors of the Company is, in any way, concerned or interested in the said resolution.

The Board commends the resolution for approval of the members.

**ITEM No. 9**

Keeping in view of the Company's diversification, future expansion plans, it is implied that the Company may require additional funds. The Company also requires to give securities for due repayment of loan amount and interest thereon to the Banks and institutions as per their stipulated terms and conditions with right to take possession of the assets in the event of default, if any. In terms of Section 293(1)(a) of the Companies Act, 1956, it is required to provide necessary powers to the Board to sell, lease, mortgage, and or otherwise dispose off the whole or substantially the whole of the undertakings

None of the directors of the Company is, in any way, concerned or interested in the said resolution.

The Board commends the resolution for approval of the members.

**For JOY REALITY LTD.**

**Sd/-  
Directors**

## DIRECTORS' REPORT

The Members of **JOY REALTY LIMITED**

Your Directors are pleased to present herewith the 27<sup>th</sup> Annual Report together with the Audited Statement of Accounts for the year ended March 31, 2010.

1. FINANCIAL RESULTS	Amount in Rupees ₹	
	2009-2010	2008-2009
<b>Particulars</b>		
Gross Receipts	56,03,600	36,72,606
Profit/(Loss) before Depreciation	30,70,927	17,20,083
Depreciation	2,14,283	2,14,660
Profit/(Loss) Before Tax	27,46,956	15,05,423
Provision for Tax	4,78,175	1,74,437
Profit/(Loss) After Tax	22,68,781	13,30,986
Loss Brought Forward	(7,75,74,485)	(7,89,05,471)
Net Loss carried to Balance sheet	(7,53,05,704)	(7,75,74,485)

## 2. PERFORMANCE

The Company's Income generation during the year under review is ₹ 56,03,600/- as against ₹ 36,72,606/- of previous year. There has been a rise of ₹ 19,30,994/- for the year ended as on 31<sup>st</sup> March, 2010

## 3. DIVIDEND

Due to carry forward of losses of earlier years; your directors are unable to declare any dividend for the year in order to strengthen the financial position of the Company.

## 4. BUSINESS PROSPECTS AND OUTLOOK

Your Board of Directors after taking over the Company, prepared road map for turning the corner and bringing the Company into profit. The Management made detailed study of real estate market. The Company has plans to undertake the Civil contract turn key works, labor contract works and several enquiries are under discussion. They have therefore, acquired construction related machinery also. The Board has decided to explore the possibility of getting construction projects even at outskirts of Mumbai. The Company also does real estate project consultancy. The Company has also vouched that there is good scope of redevelopment of societies in and around Mumbai and undertaken redevelopment of societies work in Mumbai and projects on joint venture



basis with others. The member of Boards who has vast experience in the lines of business, with proper planning are confident of achieving the business plan and better operating profit and wipe off the losses of earlier years to enhance shareholders value and return on their investment in the near future.

The proposed business plans also need good amount of working capital. The Company proposes to raise the working capital by offering private placement of shares to prospective buyers.

## 5. DIRECTORS

- (1) In accordance with the Articles of Association of the Company and provisions of the Companies Act, 1956 Mr. Deepak Vachharajani retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. Your Directors recommend his re-appointment.
- (2) In accordance with the Articles of Association of the Company and provisions of the Companies Act, 1956 Mr. Premesh Khatri retires by rotation at the ensuing Annual General Meeting and express his inability to continue as Director of the Company. Managements express their gratitude to the retiring director for his co-operation and guidance during his tenure as board member. Members are requested to pass vote of thanks to outgoing director.
- (3) In accordance with the Articles of Association of the Company Mr. Ashokkumar Dugade was appointed as an independent additional director on 4<sup>th</sup> March, 2010 whose terms expires in ensuing annual general meeting. The company has received the notices recommending his candidateship to be appointed as director of the company and he offers himself for re-appointment and his service, being having 40 years of banking experience; is very much useful to the company. The board therefore recommends, to appoint him as independent director of the company. Accordingly, in terms of Section 257, the Company has received notices in writing from its member signifying their intention to appoint him as the Director of the Company.

## 6. DIRECTOR'S RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanation obtained by them, your Directors make the following statement in terms of Section 217(2AA) of the Companies Act, 1956:

- a) that in the preparation of the Annual Accounts for the year ended March 31, 2010; the applicable accounting standards have been followed along with proper explanation relating to material departures, if any.
- b) that 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 March 31, 2010.

- c) that the Directors have taken proper and sufficient care to the best of their ability for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) that the Directors have prepared the Annual Accounts for the year ended March 31, 2010, on a going concern basis.

#### **7. PARTICULARS OF EMPLOYEES**

The Company has no employee in the category specified under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

#### **8. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

Considering the nature of the business of your Company no comment is made on the energy consumption and technology absorption. There was no income and expenditure made in Foreign Currency in this year ending on 31<sup>st</sup> March, 2010.

#### **9. CORPORATE GOVERNANCE**

The Company has adopted Code of Conduct and documented it, a copy of which is attached, Pursuant to clause no. 49 of the listing agreement with the Bombay Stock Exchange a compliance report together with the certificate from the statutory auditor is annexed hereto.

#### **10. MANAGEMENT DISCUSSION AND ANALYSIS**

As required under clause 49 of the Listing Agreement of the Stock Exchange, Management Discussion and Analysis Report forms part of this report and is annexed herewith.

#### **11. STATUTORY AUDITORS**

The Statutory Auditors of the Company, M/s Shah & Co. and joint Auditor M/s. Vora & Associates, Chartered Accountants retire at ensuing Annual General Meeting of the Company, being eligible, offers themselves for re- appointment. Members are requested to appoint M/s Vora & Associates and M/s Shah & Co as Statutory Auditors of the Company and fixed their remuneration.

#### **12. AUDITORS REPORT**

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

**13. DEPOSIT FROM PUBLIC**

The Company has not accepted any deposits from the members of the public as defined in section 58A of the Company's Act 1956.

**14. SIGNIFICANT EVENTS**

Considering the increased needs of space, the Company has acquired new office premises on Leave and License basis, located at Commercial Premises Unit no.303, Madhava Commercial Premises Co-operative Society Ltd., in Plot no C-4, Bandra Kurla Complex, Bandra East, Mumbai 400 0051, and has set up a corporate office there.

**15. ACKNOWLEDGEMENT**

Your Directors place on record their appreciation to Company's Bankers, Customers, Shareholders and employees for their continued support and co-operation.

**For and on behalf of the Board of Directors**

**Mr. Bhavin J. Soni**

**Mr. Jayantilal Sorli**

Date: August 30, 2010  
Place: Mumbai

Sd/-  
**Managing Director**

Sd/-  
**Non Executive Director  
& Chairman**

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **INDUSTRY STRUCTURE AND DEVELOPMENT**

As reported earlier, the Company has changed its main objects to carry on business of property development and real estate instead of Leasing Business. As the present market condition of the real estate there is a drop in the real estate market and the Company had to go slow on real estate property development. The new management has vision, experience and resources to promote real estate business aggressively. To improve the financial resources requisite steps are being taken to recover the old dues and maintain cordial relations with parties.

The avenues of resources of funds are being explored by the new managements and there is certainly good opportunities to turn around the Company with new objects of business. Accumulated losses are huge; it shall take some time to wipe off with present available resources. Management has initiated several steps to improve the performance of the Company and is negotiating for construction projects which are likely to be finalized jointly with other new entrepreneurs or independently. The Company has undertaken a new redevelopment project which shall ensure growth and development in the area and various sectors allied to it. Need based funds shall be raised for the same by issuing further share capital to promoters and / or others by way of private placement of shares or borrowings as the case may be for new business activity.

### **OPPORTUNITIES AND THREATS**

#### **OPPORTUNITIES**

Indian Economic scenario is showing positive trend, Real estate industry is also looking up. Good opportunities are available in the real estate market in India. We are hopeful that demand of commercial and residential property will improve in near future.

Your new management has committed to turnaround the operations of the company in the right directions and make it profitable at an early date by their systematic and planned efforts, business acumen, experience and resources on emerging opportunities in the current scenario of the real estate industry.

#### **THREATS**

The expected increase in home Loan Interest, coupled with the continuation of low consumer demands and fluctuations of real estate prices, the credit squeeze by the Reserve Bank of India to Real Estate Development Company may likely to slow down the momentum of growth on capital gearing of the company.

### **SEGMENT WISE PERFORMANCE**

The Company has mainly one reportable business segment; hence no further disclosure is required under Accounting Standard (AS) 17 on segment reporting.

### **OUTLOOK, RISKS AND CONCERNS**

The new managements has positive outlook towards the Company and has prepared a plan to turn around the Company. They have Capacity to execute the same. Your Company is planning to explore new avenues of business including participation in joint venture with others having similar real estate development projects. The new management explores the resources of funds by infusing further capital or long-term borrowings. Barring unforeseen

circumstances, management is confident that performance of the Company would improve in the years to follow.

#### **INTERNAL CONTROL SYSTEMS**

The Company has adequate Internal Control systems, as commensurate with the size and nature of its business. However, the same will be further strengthened.

#### **FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE**

Total income achieved during the year under review is ₹ 56,03,600/- as against ₹ 36,72,606/- in the previous year. Profit after tax earned by the Company of ₹ 22,68,781/- is as against profit after tax of ₹ 13,30,986/- as earned in the previous year.

Indian economy is marching ahead and is the third largest economy in the world. In this scenario, the need of the hour is expeditious development of infrastructure as delivery systems, have to keep pace with the other sectors of the economy. The growth in residential real estate development is driven by rising disposable income, increased urbanization, changing pattern from joint family to independent family, demographic factors etc. Thus the outlook for your company looks very encouraging in the coming few years, as it engage mainly in residential estate development as its core area.

The company intends to upscale its activities and has been negotiating various properties.

#### **LISTING**

The Company has complied with all the Listing Compliances for all the quarters for the financial year 2009-2010. The Company has also paid the applicable Listing fees as per Clause 38 of the Listing Agreement.

#### **HUMAN RESOURCES**

The new management has drawn policy of Human Resources to achieve biggest advantage to the Company for turnaround. The Company plans with prudent knowledge management leading to enhanced skills and capabilities and market ability to promote real estate business in the coming year. The Company shall evaluate performance management system, which reinforces its work ethics and results in better performance to push up growth and profitability to enhance the shareholders value.

#### **CAUTIONARY STATEMENT**

The statements made in this report describe the Company's objectives, expectations and projections that may be forward looking statements. The actual results might differ materially from those expressed or implied depending on the economic conditions, government policies and other incidental factors including market conditions, which are beyond the control of the Company and its Board and Management.

**CORPORATE GOVERNANCE**

The company has adopted Code of Conduct and Documented it for Compliance Pursuant to clause 49 of the Listing Agreement with the Stock Exchanges, a compliance report on Corporate Governance together with a Certificate from the Statutory Auditors is annexed as part of the Annual Report.

**COST AUDIT**

The Company is not required to undertake the cost audit as required under Section 233 B of the Companies Act, 1956.

**For and on behalf of the Board of Directors**  
**Mr. Bhavin J. Soni**      **Mr. Jayantilal Soni**

Date: August 30, 2010  
Place: Mumbai

Sd/-  
**Managing Director**

Sd/-  
**Non Executive Director  
& Chairman**

**Registered Office:**

306, Madhava, 3rd Floor,  
C-4, Bandra - Kurla Complex,  
Bandra (E), Mumbai – 400051.  
E-mail : joyrealty@joydevelopers.com  
Tel. : 022 - 6702 1550

## REPORT OF CORPORATE GOVERNANCE

(Pursuant to Clause 49 of the Listing Agreement)

### 1. COMPANY'S PHILOSOPHY

JOY REALTY LIMITED believes that transparent accounting policies, appropriate disclosures norms, best-in-class Board practices and consistently high standards of corporate conduct towards its stakeholders are essential for sustained corporate growth.

Corporate Governance is about commitment to values and ethical business conduct. The Report on the Corporate Governance is to fulfill this commitment. An Organization is able to attract investors, and enhance the trust and confidence of all stakeholders by following the best governance practices.

Our Governance philosophy is based on the following:-

1. Management is the trustee of the Shareholders capital and not the owner.
2. Provide an enabling environment to harmonize the goals of maximizing stakeholder's value and maintaining a customer centric focus.
3. Have a simple and transparent corporate structure driven solely by business needs.
4. Communicate externally, in a truthful manner, about how the Company is running internally.
5. Make clear distinction between personal convenience and corporate resources.
6. Be transparent and maintain high degree of disclosure levels in all facets of its operations.
7. Satisfy the spirit of the law and not just the letter of the law.

The Company's philosophy on Corporate Governance is thus concerned with the ethics, values and morals of the Company and its directors, who are expected to act in the best interests of the Company and remain accountable to shareholders and other beneficiaries for their action.

Your Board of Directors presents the Corporate Governance Report for the year 2009-10.

### 2. BOARD OF DIRECTORS

The Board of Directors alongwith its Committees provide leadership and guidance to the Company's management and direct, supervise and control the performance of the Company. The Board of Directors presently comprise of Six Directors, 5 of them are Non-Executive Directors.

During the financial year under review, Nine Board meetings were held on the following dates: 1<sup>st</sup> April 2009, 30<sup>th</sup> April, 2009, 09<sup>th</sup> May, 2009, 26<sup>th</sup> June, 2010, 3<sup>rd</sup> August 2009, 29<sup>th</sup> October, 2009, 12<sup>th</sup> November 2009, 23<sup>rd</sup> January, 2010 and 10<sup>th</sup> February, 2010.

## Composition of Board of Directors and related information

Name of the Director	Category	No of Board Meeting attended	Attendance at last AGM	No. of outside Directorship as at 31-03-2010		No. of outside Board Committee Membership as on 31-03-2010	
				Public	Private	Member	Chairman
Mr. Jayantilal Soni	Chairman & Non-Exe. Director	8	Yes	1	3	--	--
Mr. Bhavin Soni	Managing Director & Compliance Officer	8	Yes	1	2	--	--
Mr. Deepak Narhari Vachharajani	Independent Non-Exe. Director	9	Yes	2	--	--	--
Mr. Pritesh Champaklal Haria	Independent Non-Exe. Director	9	Yes	--	3	--	--
Mr. Premesh Khatri	Independent Director	8	Yes	--	1	--	--
Mr. Ashokkumar Dugade	Independent Add. Dir.	--	--	--	--	--	--
Mr. K. Madhusudan Reddy	Non Executive Director	3	Yes	--	--	--	--

<sup>1</sup> Mr. Ashokkumar Dugade has been appointed as Additional Director of Joy Reality Limited on 04th March, 2010  
<sup>2</sup> Mr. K. Madhusudan Reddy resigned from the Company wef 31<sup>st</sup> July, 2010 and accordingly resigned from the Committee.

**DETAILS OF SHARES HELD BY DIRECTORS AND THEIR RELATIVES****Names****Shares held on 31<sup>st</sup> March, 2010****A. Directors**

Name of the Shareholders	No. of Shares held
Mr. Jayantilal Soni	5,82,100
Mr. Bhavin Soni	12,81,550
Mr. Deepak Vachharajani	NIL
Mr. Pritesh Haria	NIL
Mr. Premesh Khatri	NIL
Mr. Ashokkumar Dugade	NIL



**B. Relatives of Directors**

Name of the Shareholders	No. of Shares held
Mr. Chandan V. Mota	3,64,000
Ms. Snehal Soni	263,950
Ms. Malti Soni	2,50,000
Ms. Snehal Dharamshi	1,20,000
Ms. Rachana Soni	1,01,050
Mr. Jatin Dharamshi	1,00,000

**3. AUDIT COMMITTEE**

During the period under review, the Audit Committee met 4 times viz. 26<sup>th</sup> June, 2009, 31<sup>st</sup> July, 2009, 29<sup>th</sup> October, 2009, 23<sup>rd</sup> January, 2010.

**Composition of audit committee and related information:**

Name of the Director	Category	No. of Meetings attended during the financial year ended 31st March 2010
Mr. Deepak Narhari Vachharajani	Member	4
* Mr. K. Madhusudan Reddy	Member	2
Mr. Bhavin Jayant Soni	Member	4
Mr. Pritesh Champaklal Haria	Member	4

\* Mr. K. Madhusudan Reddy resigned from the Company wef 31<sup>st</sup> July, 2010 and accordingly resigned from the Committee.

The Audit Committee has been empowered to do all acts to comply with the applicable provisions of the Listing Agreement and the Companies Act, 1956.

**The Terms of reference for the Audit Committee include:**

Reviewing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.

Recommending the appointment and removal of external auditor, fixation of audit fee and also approval for payment for any other expenses.

Reviewing with management the Annual/ Half yearly / Quarterly financial statements before submission to the Board.

Reviewing with Management, External and Internal Auditors, the adequacy of internal control systems.

Reviewing and ensuring the adequacy of internal Audit function, including reporting structure coverage and frequency of internal audit.

Discussion with External Auditors before the Audit, nature and scope of Audit, any significant findings and follow-up thereon as well as post audit discussion to ascertain any area of concern and corrective actions to be initiated, if any.

Reviewing the findings of any internal investigations by internal Auditors into matters where there is suspected fraud or irregularity or failure of internal control systems of material nature and reporting the matter to the Board.

To look into the reasons for substantial default in payment to the depositors, shareholders (In case of non payment of declared dividends) and creditors.

#### Related Party Transactions

To review the matters required to be included in the Director's Responsibility Statement to be included in terms of clause (2AA) of section 217 of the Companies Act, 1956.

To review the Management Discussion and Analysis of financial position and result of operations.

To recommend Re-appointment of Statutory Auditors and to fix their remuneration.

All the items in Agenda are accompanied by notes giving comprehensive information on the related subject and in certain matters such as financial results, detailed presentations are made. The Agenda and the relevant notes are sent in advance separately to each Member to enable the Committee to take informed decision.

The minutes of the Meeting of the Committee are circulated to all Directors and confirmed at the subsequent meetings.

#### 4. REMUNERATION COMMITTEE

During the period under review, the Remuneration Committee met once viz. 25<sup>th</sup> June 2010.

##### Composition of audit committee and related information:

Name of the Director	Category	No. of Meetings attended during the financial year ended 31st March 2010
Mr. Pritesh Champaklal Haria	Member & Chairman	1
Deepak Narhari Vachharajani	Member	1
Mr. Bhavin Soni	Member	1

The Remuneration Committee has been empowered to do all acts to comply with the applicable provisions of the Listing Agreement and the Companies Act, 1956.

The purpose of the remuneration committee shall be to discharge the Board's responsibilities relating to formulation of compensation plans and policies of the Company's Directors, to have a credible and transparent policy in determining and accounting for the remuneration of the Directors and to bring about objectivity in determining the remuneration package while striking balance between the interest of the Company and Shareholder.

## 5. SHARE TRANSFER AND INVESTORS GRIEVANCE COMMITTEE

The Committee has the mandate to review, redress shareholders grievance, to approve all share transfers.

### a. Size and Composition

The Company has constituted Share Transfer and Investor Grievance Committee to specifically look into the redressal of the shareholders grievances and also the share transfers and other investor related matters.

The Committee consists of Mr. Bhavin Soni – appointed as a Chairman of the Committee and Mr. Pritesh Champaklal Haria and Mr. Deepak Vachharajani – Members of the committee.

### b. Meeting of the Share Transfer and Investor Grievance committee Meetings

During the accounting year 2009-10, 28<sup>th</sup> April 2009, 26<sup>th</sup> June 2009, 15<sup>th</sup> October, 2009, 16<sup>th</sup> November, 2009, 4<sup>th</sup> January, 2010

**Composition of Share Transfer and Investor Grievance Committee and related information:**

Name of the Director	Category	No. of Meetings attended during the financial year ended 31st March 2010
Mr. Deepak Narhari Vachharajani	Member	5
* Mr. K. Madhusudan Reddy	Member	2
† Mr. Bhavin Jayant Soni	Member	3
Mr. Pritesh Champaklal Haria	Member	5

\* Mr. K. Madhusudan Reddy resigned from the Company w.e.f 31<sup>st</sup> July, 2010 and accordingly resigned from the Committee.

† Mr. Bhavin Soni was appointed as a Member and Chairman of the Committee in the meeting held on 15<sup>th</sup> October 2009.

### C. The functions of the Share Transfer and Investor Grievance Committee include the following:

- Transfer / Transmission of shares
- Issue of duplicate share certificates,
- Monitoring expeditious redressal of investors grievances,
- Non receipt of Annual Report and declared dividend,
- All other matters related to shares

#### d. Investor Grievance Redressal

Number of complaints received by Company's Registrar & Transfer agents during the financial Year ended 31.03.2010 – One

Number of complaints resolved to the satisfaction of shareholders during the financial year ended 31.03.2010 - Company have made sufficient efforts to resolve one complaint received, however, there being no response from the complainant; the Company is not in a position to resolve the said matter. When the Complainant of the Complainant with respect to non receipt of Share Certificates, was received by the new Management, the new Management went through all the past details and records and found that the Complaint has already been resolved by the old

Management through the letter dated 09<sup>th</sup> August, 2007, to Securities and Exchange Board of India (SEBI). The Company would further like to add that the Complainant is not providing any other means of communication apart from the residential address of Ahmedabad, which becomes difficult for the Company whose registered office is in Mumbai to resolve it timely without any telecommunication/e- mail etc. The Company would certainly like to have upfront conversation with the Complainant to resolve further apprehensions, if any at the earliest.

Number of pending share complaints as on 31.03.2010 - Except mentioned above, no other complaint is received by the Company.

#### 6. GENERAL BODY MEETINGS

a. The particulars of last four Annual General Meetings are as under:

AGM for the Financial Year	Location of holding AGM	Date & Time of AGM
2008-2009	306, Madhava, 3rd Floor, C4, Bandra (East) Mumbai - 400 051.	Friday, 31st July, 2009 at 11.30 a.m.
2007-2008	306, Madhava, 3rd Floor, C4, Bandra (East) Mumbai - 400 051.	Tuesday, 30th September, 2008 at 10.30 a.m.
2006-2007	6/A-2, Court Chambers, 35, New Marine Lines, Mumbai - 400 020.	Monday, 30th July 2007 at 10.00 a.m.
2005-2006	6/A-2, Court Chambers, 35, New Marine Lines, Mumbai - 400 020.	Thursday, 31st August 2006 at 10.00 a.m.

b. Special resolutions passed in the previous years Annual General Meeting:

At the Annual General Meeting of the Shareholders of the Company held on 31<sup>st</sup> July, 2009; the following special resolutions were passed:

a. Amendment in the Memorandum of Association of the Company was undertaken by inserting clause V(b) consisting of minimum paid up capital of Rs. 5,00,000 after existing clause V(a).

- b. Approval of the Offer for Allotment of Equity Shares to Existing Shareholders u/s 81(1A) of the Companies Act, 1956.
- c. Appointment of Mr. Bhavin Soni as a Managing Director of the Company pursuant to Sections 198, 269, 309, 310 and 311 read with Schedule XIII and all other applicable provisions of Companies Act, 1956

**Disclosures**

1. There are no material significant transactions made by the Company with its Promoters, Directors or Management, their subsidiaries or relatives etc., that may have a potential conflict with the interest of the Company at large. The register of Contracts containing transactions in which Directors are interested is placed before the Board regularly for its approval.
2. During the financial year ended 31<sup>st</sup> March 2010, the Company has got its suspension revoked from Bombay Stock Exchange after paying prescribed penalty and subsequently trading of its shares on Bombay Stock Exchange commenced successfully with effect from Friday, 19<sup>th</sup> February 2010.
3. The Company has a process in place that meets the objectives of the whistle blower policy. The Board reviews the findings and action taken on matters initiated through this mode. In the opinion of the Board there are no cases where a person was denied access to the grievance process set up by the Company.
4. The Company has been providing the Chairman of the Company with the resource required to implement his role.
5. During the year no amounts were transferred to the Investor Education and Protection Fund.
6. Adoption of non mandatory requirements under Clause 49 of the Listing Agreement are being reviewed by the Board from time to time.

**Related Party Transactions:**

None of the transactions with any of the related parties were in conflict with the interest of the Company. Attention of members is drawn to the disclosures of transactions with the related parties set out in Notes on Accounts – Schedule K, forming part of the Annual Report.

All related party transactions are negotiated at arms and length basis and are intended to further the interests of the Company.

**Code of Conduct:**

The Board of Directors has adopted the Code of Business Conduct and Ethics for Directors. The code is being reviewed from time to time by the Board. The said Code has been communicated to the Directors of the Company.

**Trading in the Company's shares by Directors and designated employees:**

In compliance with the SEBI (Prevention of Insider Trading) Regulations 1992, the Company has appointed Mr. Bhavin Soni, Managing Director of the Company, as the Compliance Officer who is responsible for setting policies, procedures for the preservation of price sensitive information, pre-clearance of trade, monitoring of trades and implementation of the code of conduct for trading in company's securities under the overall supervision of the Board. The Company has adopted a code of conduct for prevention of insider trading.

## 7. MEANS OF COMMUNICATION

Quarterly, Half- yearly and Annual Results of the Company are published in the leading English and Marathi national daily.

Half yearly results with the Managing Director's observations were sent to all the shareholders. These results are promptly submitted to the stock exchange.

Management discussion and Analysis forms part of this Annual Report.

## 8. GENERAL SHAREHOLDER INFORMATION

AGM date, time and venue	: 30th September, 2010 at 10.00 A.M. at Registered Office of the Company situated at - 306, Madhava, Plot No. C/4, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051. Maharashtra
Financial Calendar	: April 2009 to March 2010
First quarterly results	: Last week of July 2009
Second quarterly results	: Last week of October 2009
Third quarter results	: Last week of January 2010
Results for the year ending March 2009	: Last week of April 2010
Date of book closure	: 28/09/2010 to 30/09/2010
Listing on stock exchanges	: The Bombay Stock Exchange Limited
Stock code	: 508929
Registrar & Transfer Agents:	: Link Intime India Pvt. Ltd. C-13, Pannalal Silk Mills Compound , L.B.S. Marg Bhandup (W), Mumbai 78. Tel 25963838 Ext : 2317 Fax : 25946969 M :- 9321546214 Bhandup : 4000 078

### Share Transfer system

The shares lodged for transfer are processed by the Registrar and Transfer Agent and are approved by Share Transfer and Investor Grievance Committee. Shares sent for transfer in physical form are registered and returned within a maximum period of 30 days from the date of receipt, subject to documents being valid and complete in all respects.

### Nomination Facility for Shareholding

As per the provisions of the Companies Act, 1956, facility for making nomination is available for shareholders, in respect of the shares held by them, Nomination forms can be obtained from the Registrar and Transfer agents of the Company.

**Correspondence regarding change in Address**

Members are requested to address all correspondences, including dividend matters, to the Registrar and Share Transfer Agents.

**Shareholding pattern as on 31<sup>st</sup> March 2010**

Category	No. of shares held	Percentage of Shareholding	Share Amount	% of Total
1 - 5000	1340	76.0500	4307500	7.1690
5001 - 10000	288	16.3450	2145000	3.5700
10001 - 20000	68	3.8950	1030500	1.7150
20001 - 30000	17	0.9650	446000	0.7420
30001 - 40000	4	0.2270	140000	0.2330
40001 - 50000	2	0.1140	92000	0.1530
50001 - 100000	2	0.1140	130000	0.2160
100001 - ****	41	2.3270	51791000	86.2010
<b>Total</b>	<b>1762</b>	<b>100.0000</b>	<b>60082000</b>	<b>100.0000</b>

**Dematerialisation of shares And liquidity** : The Dematerialization is still in process  
: due to certain further detailed information requirement from NSDL and CDSL.

**Outstanding ADR/GDR/ Warrants or any Convertible Instruments, conversion dates and likely impact on equity** : NIL

**Plant Location** : Not Applicable

**Address for correspondence** : JOY REALTY LIMITED  
306, Madhava, 3<sup>rd</sup> Floor, C-4,  
Bandra (East), Mumbai – 400051  
Tel : 022 6702 1550  
Email : joyrealty@joydevelopers.com

## **MAKARAND M. JOSHI & CO.**

### **COMPANY SECRETARIES**

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1-2, Shilpali, Cross Gokhale Road, Near Top Liner, Mumbai-400081.  
Tel.: 2163 9868, 2163 9086, 2163 6379 Fax 2163 7952

#### **Practicing Company Secretary's Certificate on Corporate Governance**

To the Members

**Joy Reality Limited**

We have examined the compliance of conditions of Corporate Governance by Joy Reality Limited, for the year ended March 31, 2010, as stipulated in Clause 49 of the listing Agreement of the said Company with the Stock Exchange.

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

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

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

Place : Mumbai  
Date : August 30, 2010

**M/s. Makarand M. Joshi & Co.**

Sd/-  
Makarand Joshi  
**Partner**



## DECLARATION

As provided under Clause 49 of the Listing Agreement with the Stock Exchanges, the Board Members have confirmed compliance with the Code of Conduct and Ethics for the year ended 31<sup>st</sup> March 2010.

For **JOY REALITY LIMITED**

**Bhavin Soni**

Managing Director & Compliance Officer

Place : Mumbai

Date : August 30, 2010

## CHIEF EXECUTIVE OFFICER (CEO) and CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION

We, **Mr. Bhavin Soni**, Managing Director and **Mr. Jayantilal Soni**, Non Executive Chairman and Director of **JOY REALITY LIMITED**, to the best of our knowledge and belief, certify that:

1. We have reviewed the balance sheet and profit and loss account and notes on accounts, as well as the cash flow statements and the directors' report;
2. Based on our knowledge and information, these statements do not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the statements made;
3. Based on our knowledge and information, the financial statements and other financial information included in this report, fairly present in all material respects, the financial condition, results of the operations and cash flows of the Company as of, and for, the periods presented in this report, and are in compliance with the existing accounting standards and/or applicable laws and regulations.
4. To the best of our knowledge and belief, no transactions entered into by the Company during the year are fraudulent, illegal or violative of the Company's Code of Conduct.
5. The Company's other certifying officers and we, are responsible for establishing and maintaining disclosure controls and procedures for the Company, and we have :
  - a. designed such disclosure controls and procedures to ensure that material information relating to the Company, is made known to us by others within those entities particularly during the period during which this report is being prepared; and
  - b. evaluated the effectiveness of the company's disclosure, controls and procedures.

6. The Company's other certifying officers and we, have disclosed based on our most recent evaluation, wherever applicable, to the Company's auditors and the Audit Committee of the Company's Board of Directors (and persons performing equivalent functions):
  - a. all significant deficiencies in the design or operation of internal controls , which could adversely affect the Company's ability to record, process, summarize and report financial data, and have identified for the Company's auditors, any material weakness in internal controls;
  - b. any fraud, whether or not material, that involves management or other employees who have a significant role in the company's internal controls;
  - c. the company's other certifying officers and we, have indicated in this report whether or not there were significant changes in internal controls or other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weakness; and
  - d. all significant changes in the accounting policies during the year, if any, and that the same have been disclosed in the notes to the financial statements.
7. In the event of any materially significant misstatements or omissions, the signing officers will return to the Company that part of any bonus or incentive or equity – based compensation, which was inflated on account of such errors, as decided by the Audit Committee;
8. We affirm that we have not denied any personnel access to the Audit Committee of the Company;
9. We further declare that all Board members have affirmed compliance with the code of conduct for the current year.

Place : Mumbai

Date : August 30, 2010

**Sd/-**

**Bhavin Soni - Managing Director**

**Jayantilal Soni - Non Executive  
Director and Chairman**

Persons constituting group coming within the definition of "group" as defined in the Monopolies and Restrictive Trade Practices Act, 1969, for the purpose of Regulation 3(1) (e) (i) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, include the following:

Sr. No.	Name of the Entities
1	Mr. Jayant Soni
2	Ms. Malti Soni
3	Mr. Chandan Mota
4	Ms. Snehal Soni
5	Ms. Snehal Dharamshi
6	Ms. Rachana Soni
7	Mr. Jatin Dharamshi
8	Mr. Chandan Mota
9	Money Anchor Financial Services Private Limited
10	Jayantilal B Soni (HUF)
11	Tarun Dharamshi
12	Kalpana Dharamshi
13	Veejoy Homes Private Limited
14	Jyot Fashions Private Limited
15	Joy Homecreation Limited

**AUDITOR'S REPORT**

TO,

THE MEMBERS OF

**JOY REALTY LIMITED**

(formerly Madhusudan Leasing and Finance Limited)

1. We have audited the attached Balance Sheet of JOY REALTY LIMITED (Formerly Madhusudan Leasing and Finance Limited) as at 31st March 2010, the Profit and Loss Account and the Cash flow statement of the Company for the year ended on that date as annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with standards of auditing generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 as amended by the Companies (Auditor's Report) (Amendment) Order, 2004 ("the order") issued by the Central Government of India in terms of sub section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.
4. Further to our comments in the Annexure referred to in Paragraph (3) above; we report that;
  - (i) we have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - (ii) in our opinion, proper books of accounts as required by law have been kept by the Company so far as appears from our examination of those books;
  - (iii) the Balance Sheet, the Profit & Loss Account and the Cash Flow Statement dealt with by this report are in agreement with the books of accounts;
  - (iv) in our opinion, the Balance Sheet, the Profit & Loss Account and the Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
  - (v) based on the representations made by the Directors and taken on record by the Board of Directors of the Company and the information and explanations given to us, none of the Directors is, as at March 31, 2010, prima-facie disqualified from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956 and

- (vi) in our opinion and to the best of our information and according to the explanations given to us, the said accounts, subject to :

*Note V(i) – regarding non-provision of doubtful debts of ₹ 83,80,299/-*

*Note V(ii) – regarding diminution in the value of investments*

read together with other notes in Schedule 'M', give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the State of affairs of the company as at March 31, 2010;
- (b) in the case of Profit & Loss Account of the PROFIT of the Company for the year ended on that date and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

**For SHAH & COMPANY**  
CHARTERED ACCOUNTANTS  
Firm Regn. No. : 109430W

**For VORA & ASSOCIATES**  
CHARTERED ACCOUNTANTS  
Firm Regn. No. : 111612W

**Sd/-**

**H.N.SHAH**  
PARTNER  
MEMBERSHIP NO. : 008152

**Sd/-**

**MAYUR A. VORA**  
PARTNER  
MEMBERSHIP NO. : 030097

Place: Mumbai

Dated: August 30, 2010

**ANNEXURE TO THE AUDITORS' REPORT**

(Referred to in Paragraph 3 of our Report of even date for the year 31st March 2010)

- (i) In respect of its Fixed Assets
  - (a) The records showing full particulars including quantitative details and situation of fixed assets needs to be updated.
  - (b) As explained to us according to the practice generally followed, the fixed assets of the Company are physically verified by the management at reasonable intervals, in a proper manner, which in our opinion is reasonable and no discrepancies were noticed on physical verification;
  - (c) The Lease Assets has been dispensed during the year amounting to ₹1,46,06,426/- (WDV 69,02,339/-) in view of the closure of Lease Business, and this does not affect the going concern status of the Company;
- (ii) In respect of inventories
  - (a) We are informed that inventories in the nature of work in progress undertaken have been physically verified by the management at reasonable intervals.
  - (b) In our opinion and according to the information and explanation given to us, the procedure of stock-in-trade followed by the management is reasonable and adequate in relation to the size of the company and the nature of its business.
  - (c) In our opinion, the company is generally maintaining proper records of inventory. No material discrepancies have been notified between the physical stock and book records.
- (iii) In respect of the loans, secured or unsecured, granted or taken by the company to/from companies, firms or other parties covered under register maintained u/s 301 of The Companies Act, 1956:
  - (a) The Company has not granted any secured or unsecured loans to companies, firms and other parties as covered in the register maintained u/s 301 of The Companies Act, 1956. Accordingly, paragraphs 4(iii) (b) (c) and (d) of "the Order" are not applicable.
  - (b) The Company has taken unsecured loan from two parties covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year is 35,00,000/- and the year-end Balance of loans taken from such parties was NIL.
  - (c) The rate of interest and other terms and conditions of loans taken by the company are not prima facie prejudicial to the interest of the company.
  - (d) There is full repayment of principal amount.

- iv. In our opinion and according to the information and explanations given to us, there is adequate internal control procedure commensurate with the size of the company and nature of its business for purchase of fixed assets, inventories and for sale of goods, if any. During the course of our audit no major weakness has been observed in the internal control procedures.
- v. According to the information and explanations given to us, there are no transactions in pursuance of contracts and arrangements entered in the register maintained under section 301 of the Companies Act, 1956 aggregating during the year to ₹500,000/- or more in respect of any party in the year under report.
- vi. The Company has not accepted any deposits from the public within the meaning of Section 58A and Section 58AA of the Companies Act 1956 and the rules framed there under.
- vii. As informed to us, the Company has no formal internal audit system as such but its internal control procedures ensure reasonable internal check of its financial and other records.
- viii. As informed to us, the maintenance of cost records has not been prescribed by the Central Government under Section 209 (1) (d) of the Companies Act, 1956, in respect of activities carried on by the Company.
- ix. According to information and explanation given to us, in respect to statutory dues
  - (a) The company is generally regular in depositing with the appropriate authorities in India the undisputed statutory dues under Income tax Act and other material statutory dues as applicable to it.
  - (b) At the end of the financial year there were no undisputed amounts payable in respect of income tax and other material statutory dues as applicable, for a period of more then six months from the date they become payable.
- x. The accumulated losses of the Company are more than 50% of its net worth. The Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceeding financial year.
- xi. In our opinion and according to the information and explanations given to us the Company has not defaulted in repayment of dues to any bank or financial institution.
- xii. In our opinion and according to the information and explanations given to us the company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii. In our opinion and according to the information and explanation given to us the Company is not a chit fund or a nidhi/mutual benefit fund / society. Therefore, the provisions of clause 4 (xiii) of "the Order" are not applicable to the Company.
- xiv. In our opinion and according to the information and explanations given to us, the Company is not a dealer in or trader in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of "the Order" are not applicable to the Company.

- xv. In our opinion and according to the information and explanations given to us the company has not given any guarantee for loans taken by others from bank and financial institutions.
- xvi. In our opinion and according to the information and explanations given to us the Company has not obtained term loans during the year.
- xvii. According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment.
- xviii. The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act 1956, during the year.
- xix. The Company has not raised any funds by the way of debenture issue during the year. Accordingly, the provision of clause 4 (xix) of "the Order" is not applicable to the Company.
- xx. The Company has not raised any money by way of public issue during the year under review.
- xxi. According to the information and explanations given to us no fraud on or by the Company was noticed or reported during the year.

**For SHAH & COMPANY**  
CHARTERED ACCOUNTANTS  
Firm Regn. No. : 109430W

**Sd/-**  
**H.N.SHAH**  
PARTNER  
MEMBERSHIP NO. : 008152

Place: Mumbai

Dated: August 30, 2010

**For VORA & ASSOCIATES**  
CHARTERED ACCOUNTANTS  
Firm Regn. No. : 111612W

**Sd/-**  
**MAYUR A. VORA**  
PARTNER  
MEMBERSHIP NO. : 030097



**BALANCE SHEET AS ON 31ST MARCH 2010**

	SCH		As on 31.03.2010	As on 31.03.2009
<b>SHAREHOLDERS' FUNDS</b>				
1.SHAREHOLDERS FUNDS				
a. Share Capital	A		6,00,82,000	6,00,82,000
b. Reserves & Surplus	B		3,70,43,500	3,70,43,500
2.LOAN FUNDS				
a. Secured Loans	C		1,32,254	5,82,288
b. unsecured Loans	D		--	35,00,000
3.DEFERRED TAX LIABILITIES			22,910	--
		<b>Total ₹</b>	<b>9,72,80,664</b>	<b>10,12,07,788</b>
<b>APPLICATION OF FUNDS</b>				
1.FIXED ASSETS	E			
a. Gross Block		22,93,848		1,68,41,273
b. Less : Depreciation		6,36,300		81,26,103
c. Net Block			16,57,548	87,15,170
2.INVESTMENT	F		4,710,657	4,718,047
3.CURRENT ASSETS, LOANS & ADVANCES	G			
a. Work in Progress		4,35,86,913		3,57,46,123
b. Sundry Debtors		1,89,20,299		83,80,299
c. Cash & Bank Balance		1,01,91,106		4,68,595
d. Loan & Advances		1,11,72,720		95,04,076
		8,38,71,038		5,40,99,093
Less : Current Liabilities & Provisions	H			
a. Current Liabilities		6,85,90,864		4,37,26,107
b. Provisions		4,56,000		1,73,500
		6,90,46,864		4,38,99,607
Net Current Asset			1,48,24,174	1,01,99,486
4.PROFIT & LOSS ACCOUNT			7,53,05,704	7,75,74,485
5.MISCELLANEOUS EXPENDITURE (To the extent not written off)			7,82,581	--
		<b>Total ₹</b>	<b>9,72,80,664</b>	<b>10,12,07,788</b>
<b>SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS</b>				
	M			

As per our Report of even date attached

For **Shah & Co.**  
Chartered Accountants  
FRN # 109430W

For **Vora & Associates**  
Chartered Accountants  
FRN # 111612W

For and on Behalf of the Board

Sd/-  
**(H. N. Shah)**  
Partner  
Membership No. 8152

Sd/-  
**(Mayur A. Vora)**  
Partner  
Membership No. 30097

Sd/-  
**Mr. Bhavin J. Soni** - Managing Director  
**Mr. Jayant B. Soni** - Chairman

Place : Mumbai  
Date : 30/08/2010

Place : Mumbai  
Date : 30/08/2010

Place : Mumbai  
Date : 30/08/2010

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

	S C H	For the Year ended 31.03.10	For the Year ended 31.03.09
<b>INCOME</b>			
Realty & Other Income	I	56,03,600	36,72,606
	<b>Total ₹</b>	<b>56,03,600</b>	<b>36,72,606</b>
<b>EXPENDITURE</b>			
Operational Expenses	J	--	--
Personnal Expenses	K	4,65,692	2,50,214
Administrative & Other Expenses	L	21,76,669	17,02,309
Depriciation		2,14,283	2,14,660
		<b>28,56,644</b>	<b>21,67,183</b>
Profit before Taxes		27,46,956	15,05,423
Less : Provision for Tax			
Fringe Benefit Tax		--	17,500
Income Tax (MAT)		4,56,000	1,56,000
Deffered Tax Liability		22,910	--
Earlier Year		(735)	937
Profit after Taxes but before Extraordinary items		22,68,781	13,30,986
Add: (Loss) Balance brought forward from Previous Year		(7,75,74,485)	(7,89,05,471)
(Loss) Carried to Balance Sheet	<b>Total ₹</b>	<b>(7,53,05,704)</b>	<b>(7,75,74,485)</b>
<b>SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS</b>	<b>M</b>		

**As per our Report of even date attached**

For **Shah & Co.**  
Chartered Accountants  
FRN # 109430W

**Sd/-**  
**(H. N. Shah)**  
Partner  
Membership No. 8152

Place : Mumbai  
Date : 30/08/2010

For **Vora & Assocaites**  
Chartered Accountants  
FRN # 111612W

**Sd/-**  
**(Mayur A. Vora)**  
Partner  
Membership No. 30097

Place : Mumbai  
Date : 30/08/2010

**For and on Behalf of the Board**

**Sd/-**  
**Mr. Bhavin J. Soni** - Managing Director  
**Mr. Jayant B. Soni** - Chairman

Place : Mumbai  
Date : 30/08/2010

**SCHEDULE FORMING PARTS OF ACCOUNTS FOR THE YEAR ENDED 31/03/2010**

	As on 31.03.2010	As on 31.03.2009
<b>SCHEDULE A - SHARE CAPITAL</b>		
<b>AUTHORISED</b>		
2,00,00,000 Equity Shares (P.Y. 2,00,00,000 Equity Shares) of ₹ 10/- each fully paid up	20,00,00,000	20,00,00,000
<b>ISSUED, SUBSCRIBED AND PAID UP</b>		
60,08,200 Equity Shares (P.Y. 6,00,82,000 Equity Shares) of ₹ 10/- each fully paid up	6,00,82,000	6,00,82,000
<b>Total ₹</b>	<b>6,00,82,000</b>	<b>6,00,82,000</b>
<b>SCHEDULE B - RESERVES &amp; SURPLUS</b>		
Share Premium (as per last Balance Sheet)	3,70,43,500	3,70,43,500
<b>Total ₹</b>	<b>3,70,43,500</b>	<b>3,70,43,500</b>
<b>SCHEDULE C - SECURED LOANS</b>		
HDFC Bank (Against Hypothecation of Car) (Amount payable within one year) (P.Y. ₹ 4,50,034/-)	1,32,254	5,82,288
<b>Total ₹</b>	<b>1,32,254</b>	<b>5,82,288</b>
<b>SCHEDULE D - UNSECURED LOANS</b>		
Inter Corporate Loans	--	35,00,000
<b>Total ₹</b>	<b>--</b>	<b>35,00,000</b>

**SCHEDULE 'E'**  
**FIXED ASSETS**

(Figures in ₹)

Block of Assets	Name of Asset	At Cost				Depreciation				W.D.V. as on		
		As on 1/4/09	Addition	Deletion on Sale #	Total 31/3/10	As on 1/4/09	For the Year	Deletion on Sale #	Written Back	Total 31/3/10	31/3/10	31/3/09
I	Furniture & Fixture*	1,45,848	--	--	1,45,848	1,33,101	8,728	--	--	1,41,829	4,019	12,747
II	Office Equipments#	1,55,959	--	1,55,959	--	1,43,877	3,738	1,47,615	--	--	--	12,082
III	Motor Car*	20,89,000	--	--	20,89,000	2,92,654	1,98,456	--	--	4,91,110	15,97,890	17,96,346
IV	Plant & Machinery#	1,19,36,466	--	1,19,36,466	--	52,93,869	--	52,93,869	--	--	--	66,42,597
V	Computers*	25,14,000	59,000	25,14,000	59,000	22,62,602	3,361	22,62,602	--	3,361	55,639	2,51,398
	For Year Ended 31/03/2010	1,68,41,273	59,000	1,46,06,425	22,93,848	81,26,103	2,14,283	77,04,086	--	6,36,300	16,57,548	87,15,170
	For Year Ended 31/03/2009	4,83,50,771	--	3,15,09,498	1,68,41,273	4,07,85,937	2,14,660	3,15,09,498	13,64,996	81,26,103	87,15,170	--

**Note:** \* The Fixed Assets are company's own assets and are in the possession of the company.

# All leased assets are transferred / sold in view of closure of lease business.

## INVESTMENTS (LONG TERM)

## SCHEDULE 'F'

Sr No	Name of the Company	Face Value	Opening Qty.	Addition Qty.	Deletion Qty.	Closing Qty.	Amount	As on 31/03/2009	
								Quantity	Amount
<b>QUOTED EQUITIES :</b>									
1.	Lloyds Steel Industries Ltd.	10	300	-	-	300	20,277	300	20,277
2.	Banka (India) Ltd.	10	1,000	-	-	1,000	10,000	1,000	10,000
3.	Dhar Cements Ltd.	10	3,500	-	-	3,500	1,50,955	3,500	1,50,955
	<b>Sub Total "I"</b>		<b>4,800</b>			<b>4,800</b>	<b>1,81,232</b>	<b>4,800</b>	<b>1,81,232</b>
4.	J.S.W. Steel Ltd. (Jindal Vijaynagar Steel)	10	300	-	-	300	2,040	300	2,040
5.	Agrochem Pubjab Ltd.	10	600	-	-	600	2,460	600	2,460
6.	S. M. Dyechem Ltd.	10	12	-	-	12	500	12	500
7.	Preeto Leather Ltd.	10	100	-	-	100	1,000	100	1,000
8.	Premier Proteins Ltd.	10	800	-	-	800	800	800	800
9.	Lyka Exports Ltd.	10	160	-	-	160	5,000	160	5,000
10.	Sesa Industries Ltd.	10	500	-	-	500	11,250	500	11,250
11.	Goldstar Steel & Alloys Ltd.	10	60	-	-	60	2,155	60	2,155
12.	Gujarat Telephone Cables Ltd.	10	22	-	-	22	220	22	220
13.	Kankariya Chemicals Ind. Ltd.	10	7,000	-	-	7,000	1,00,000	7,000	1,00,000
14.	Uniphos Agro Ind. Ltd.	10	1,000	-	-	1,000	5,000	1,000	5,000
15.	Damania Capital Market Ltd.	10	300	-	-	300	9,000	300	9,000
16.	Others	10	799	-	799	-	-	799	7,990
	<b>Sub Total "II"</b>		<b>11,653</b>		<b>799</b>	<b>10,854</b>	<b>1,39,425</b>	<b>11,653</b>	<b>1,47,415</b>
	<b>Total (A)</b>		<b>16,453</b>		<b>799</b>	<b>15,654</b>	<b>3,20,657</b>	<b>16,453</b>	<b>3,28,647</b>
<b>OTHERS (UNQUOTED - BONDS) :</b>									
17.	Good Earth Synthetic Ltd. (BOND)	5,000	878	-	-	878	43,90,000	878	43,90,000
	<b>Total (B)</b>		<b>878</b>			<b>878</b>	<b>43,90,000</b>	<b>878</b>	<b>43,90,000</b>
	<b>Grand Total (A + B)</b>		<b>17,331</b>		<b>799</b>	<b>16,532</b>	<b>47,10,657</b>	<b>17,331</b>	<b>47,18,647</b>
<b>Aggregate of Investment</b>									
<b>As at 31/03/2010</b>									
<b>As at 31/03/2009</b>									
			<b>Cost</b>	<b>Market Value</b>	<b>Cost</b>	<b>Market Value</b>			
Quoted			3,20,657	3,80,698	3,28,647	4,09,587			
Unquoted			43,90,000	-	43,90,000	-			
			<b>47,10,657</b>	<b>1,80,698</b>	<b>47,18,647</b>	<b>4,09,587</b>			

## Aggregate of Investment

As at 31/03/2010

As at 31/03/2009

 Quoted  
Unquoted

			Cost	Market Value	Cost	Market Value
Quoted			3,20,657	3,80,698	3,28,647	4,09,587
Unquoted			43,90,000	-	43,90,000	-
			<b>47,10,657</b>	<b>1,80,698</b>	<b>47,18,647</b>	<b>4,09,587</b>

Note : 1. Some of the above quoted shares are not frequently Traded on the stock exchanges. Diminution in value of Investment are not provided in Books, unless considered as long term in nature in the opinion of Management.

2. The share certificates of Company amounting to ₹ 181,232/- as mentioned in sub total "I" of total "A" above are old in nature and necessary formalities to obtain shares certificates from the respective companies is initiated by the Company.

	As on 31.03.2010	As on 31.03.2009
<b>SCHEDULE G - CURRENT ASSETS, LOANS &amp; ADVANCES</b>		
<b>INVENTORIES - WORK IN PROGRESS</b>		
<b>A. LODHA PROJECT</b>		
Opening Balance - W.I.P.	16,26,214	6,18,944
Add : Expenses incurred during the year	5,29,790	10,07,270
	21,56,004	16,26,214
Op. Bal.- Adv. Against Acq of Rights of Members	3,41,19,909	2,08,26,101
Add : Expenses incurred during the year	73,11,000	1,32,93,808
	4,14,30,909	3,41,19,909
<b>Total ₹</b>	<b>4,35,86,913</b>	<b>3,57,46,123</b>
<b>B. SUNDRY DEBTORS</b>		
(Unsecured and considered good)		
Debts outstanding for a period exceeding Six Months	--	--
Other Debts	1,05,40,000	--
	1,05,40,000	--
(Unsecured and considered doubtful of recovery)		
Debts outstanding for a period exceeding Six Months	83,80,299	83,80,299
Other Debts	--	--
	83,80,299	83,80,299
<b>Total ₹</b>	<b>1,89,20,299</b>	<b>83,80,299</b>
<b>C. CASH &amp; BANK BALANCES</b>		
Cash on Hand	45,055	49,470
In Current Account with Scheduled Banks	1,01,46,051	4,19,125
<b>Total ₹</b>	<b>1,01,91,106</b>	<b>4,68,595</b>
<b>D. LOANS &amp; ADVANCES</b>		
<u>Advance recoverable in cash or kind</u>		
Unsecured considered good	10,75,000	1,00,000
Balance in Partnership firm - Abhishek Properties	96,96,438	86,57,534
Deposits	67,620	67,620
Prepaid Expenses	16,979	16,083
Advance Tax & T.D.S.	3,16,683	3,62,839
Unsecured considered doubtful	--	3,00,000
<b>Total ₹</b>	<b>1,11,72,282</b>	<b>95,04,076</b>
<b>SCHEDULE H - CURRENT LIABILITIES &amp; PROVISIONS</b>		
<b>A. CURRENT LIABILITIES</b>		
<u>Sundry Creditors</u>		
Advance Against Property - Lodha	Nil	1,25,00,000
Advance Against Premises - Panchratna Shah & Co.	3,75,00,000	--
Link Intime India Pvt. Ltd.	24,817	24,450
Makarand M. Joshi & Co.	467	--
M. D. Motta	9,927	--
K. Madhusudan Reddy	1,800	--
Vora & Associates	1,500	--
Kant Advertising Services	19,302	--
Pramod S. Shah & Associates	--	1,256
	--	33,093

<b>Other Liabilities (Since Paid)</b>		
K. Madhusudan Reddy - Advance	3,10,00,000	3,10,00,000
TDS Payable	5,164	1,49,207
Staff Profession Tax Payable	1,400	700
P.F. Employee's Cont.	780	780
P.F. Employer's Cont.	887	887
Salary Payable	24,820	15,734
<b>Total ₹</b>	<b>6,85,90,864</b>	<b>4,37,26,107</b>
<b>Provisions</b>		
Provisions for Taxation (Including FBT)	4,56,000	1,73,500
<b>Total ₹</b>	<b>4,56,000</b>	<b>1,73,500</b>
<b>SCHEDULE I - REALTY &amp; OTHER INCOME</b>		
Profit on Sale of Assets	36,37,661	--
Brokerage Received (TDS ₹ 98,904) (P.Y. TDS ₹ 108,005)	9,27,035	9,53,257
Interest from partnership firm	10,38,904	6,57,534
Interest received on Loans (P.Y. TDS ₹ 157,855)	--	6,96,624
Sundry Balance written back	--	13,64,996
Dividend Received	--	195
<b>Total ₹</b>	<b>56,03,600</b>	<b>36,72,606</b>
<b>SCHEDULE J - OPERATIONAL EXPENSES</b>		
Expenses incurred during the year	5,29,790	10,07,270
Less : Transferred to Work in Progress A/c	5,29,790	10,07,270
<b>Total ₹</b>	<b>--</b>	<b>--</b>
<b>SCHEDULE K - PERSONNEL EXPENSES</b>		
Provident Fund	10,644	10,644
Salary & Bonus	4,55,048	2,39,570
<b>Total ₹</b>	<b>4,65,692</b>	<b>2,50,214</b>
<b>SCHEDULE L - ADMINISTRATIVE &amp; OTHER EXPENSES</b>		
Rent, Rates & Taxes	1,02,000	1,02,000
Printing, Stationery, Typing & Xerox	76,648	64,728
Postage & Telegram	28,428	15,401
Travelling & Conveyance	12,050	11,470
Motor Car Expenses	74,809	40,920
Miscellaneous Expenses	3,152	8,664
Bank Charges & Commission	6,552	8,184
Interest paid on Loan	1,35,798	6,38,710
Interest on Car Loan	47,966	1,23,285
Listing Fees	16,545	16,625
Filing Fees	34,500	7,524
Audit Fees	46,877	27,575
Professional Fees	6,28,684	6,02,995
BSE Fees	6,00,000	--
Advertisement Expenses	54,670	32,828
Balance Written Off	7,990	--
Bad Debts	3,00,000	--
Membership & Subscription	--	1,400
<b>Total ₹</b>	<b>21,76,669</b>	<b>17,02,309</b>

**SCHEDULE 'M'****SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS:****I. SIGNIFICANT ACCOUNTING POLICIES****(a) Accounting Convention & Concepts**

The accounts are prepared in accordance with accounting principles generally accepted and the guidelines issued by the Institute of Chartered Accountants of India wherever applicable. The Company generally follows mercantile system of accounting under historical cost convention.

**(b) Fixed Assets**

All the Fixed Assets are stated at cost less accumulated depreciation.

**(c) Depreciation**

Depreciation on owned assets has been provided on straight-line method at the rates prescribed by Schedule XIV of the Companies Act, 1956 as amended.

**(d) Investments**

Long-term investments are stated at cost, which includes brokerage. Provision for the diminution in the value of investment is not made since it is considered long term in nature in the opinion of the management.

**(e) Real Estate Business****Inventories:**

Inventories are valued at lower of cost or net realizable value. The Construction Work in Progress includes cost of Land, Development Rights, TDR Rights, Construction Costs and Expenses incidental to the projects undertaken by the Company. All the expenses incurred are charged to work in progress account fully.

Inventories of finished tenements, if any, are valued at cost or estimated net realizable value whichever is less, as certified by management.

**(f) Income**

Income is accounted generally on accrual basis. The Revenue is recognized when actually received or the income is sure to realize.

**(g) Expenses**

The expenses pertaining to specific real estate project are considered as work in progress until the project is completed and revenue is recognized.

**(h) Employees' benefits policy:**

The Company has adopted human resources policy for gratuity liability, leave travel allowance and leave salary on cash basis as may be applicable under the provisions of the respective act.

II. The Company has entered into Partnership Business, At Will, in the name and style of Abhishek Properties on 20<sup>th</sup> December, 2007 for development of real estate business alongwith following partners with initial capital, introduced by partners, of ₹ 10,000/- each at profit/loss sharing ratio as per partnership deed.

Sr. No.	Name of the Partners	Profit / Loss Sharing Ratio
1.	Joy Reality Limited	1/3 Share
2.	Aakaar Nirman Projects Pvt. Ltd.	1/3 Share
3.	Somji Property Developers Pvt. Ltd.	1/3 Share



The partnership accounts are yet to be finalized therefore profit or loss (if any) shall be accounted on respective date. However, interest on capital and loan @ 12% p.a. is charged to partnership firm as per deed and is treated as income of the Company in the current year.

III. Deferred Tax

In compliance of Accounting Standard (AS) - 22 on 'Accounting for Taxes On Income' issued by ICAI the breakup of Deferred Tax Liability (net) is as under:

Amount in ₹

Particulars of Item	Balance As On 1.4.2009 Deferred Tax (Asset) / Liability	Deferred Tax (Asset) / Liability During the year	Balance As On 31.03.2010 Deferred Tax (Asset) / Liability
Difference between book Depreciation and Depreciation as per Income Tax Act, 1961	NIL	22,910/-	22,910/-

IV. Contingent Liability

Contingent Liability in connection with Capital Expenditure of Purchase of rights in property for development not provided for is ₹ 339.37 Lacs including ₹ 1.25 Lacs for maintenance charges of flats.

V. No Provision is Made in Books

i Sundry Debtors & Advances include amount due over 3 years, which are considered to be doubtful in nature, is not provided for in the books since new Management shall pursue with debtors for recovery.

ii Diminution in value of Investment in shares and bonds are not considered being long term in nature, therefore no provision has been made in Books. However, physical verification is made and shortfall and/or omission is written off during the year.

iii. The Income tax department has appealed against Income Tax Appellate Tribunal order for Assessment Year 1996 - 97 in Mumbai High Court. The liability and interest thereon is not provided since order is pending and not ascertainable. As legally advised to the company, all the undisputed tax and interest thereon is paid till date by the company.

VI. Estimated amount remaining to be executed on contracts amounts to ₹ 700.10 Lacs to the members of the Lodha Society and ₹ 130 Lacs for SBI Alka CHS Ltd.

VII. Miscellaneous expenditure incurred for increase of authorized share capital aggregating to ₹ 782,581/- is treated as deferred revenue expenditure and no amortization is made during the year.

VIII. Segment Reporting:

The Company has one reportable business and geographical segment and hence no further disclosure is required under Accounting Standard (AS)-17 on Segment Reporting

VIII. Related Parties Disclosures under Accounting Standard 18 issued by ICAI(A) Key Management Personnel

Name of Related Party	Nature of Relationship
Shri Bhavin J. Soni	Managing Director
Shri Jayant B. Soni	Chairman
Shri K. Madhusudan Reddy	Director Resigned w.e.f. 31-07-2009

(B) Particulars of Party / Relatives where control exists

Name of Related Party	Nature of Relationship	Amount payable as on 31/03/2010
Joy Homecreation Ltd.	Jayant B. Soni - Director	₹ Nil
Money Anchor F. S. P. Ltd.	Jayant B. Soni - Director	₹ Nil
Panchratna Builders	Jayant B. Soni - Director	₹ 3,75,00,000

(C) Transaction with Related Parties

Name of Related Party	Nature of Transaction	Amount in ₹
Joy Homecreation Ltd.	Rent	1,02,000/-
Joy Homecreation Ltd.	Interest on Loans	15,650/-
Money Anchor F.S.P. Ltd.	Interest on Loans	1,20,148/-
K. Madhusudan Reddy	Old Advances (Since Paid)	3,10,00,000/-
Panchratna Builders	Brokerage Received	9,27,035/-

IX. Other information as required by Schedule VI of Part II of the Companies Act, 1956, relating to exports, imports and earnings and / or outgo of foreign currency, is not given as the same is not applicable to the year under review.

X. The company has acquired and in the possession of total 3 (Three) flats from the member of Lodha Co-operative Housing Society Ltd. The share certificates of the said flats are yet to be transferred on the Company's name.

XI. During the year, no remuneration has been paid to the managing director, Shri. Bhavin J. Soni, in view of meager profit.

XII. The company is complied all the statutory requirements of Employees' Provident Funds and Miscellaneous Provisions Act 1952 although it is not mandatory as the number of employee of the company is below the limit prescribed under the Act.

XIII. Previous Year's figures have been regrouped and recast wherever necessary

**As per our Report of even date attached**

For **Shah & Co.**  
Chartered Accountants  
FRN # 109430W

For **Vora & Associates**  
Chartered Accountants  
FRN # 111612W

**For and on Behalf of the Board**

**Sd/-**  
**(H. N. Shah)**  
Partner  
Membership No. 8152

**Sd/-**  
**(Mayur A. Vora)**  
Partner  
Membership No. 30097

**Sd/-**  
**Mr. Bhavin J. Soni** - Managing Director  
**Mr. Jayant B. Soni** - Chairman

Place : Mumbai  
Date : 30/08/2010

Place : Mumbai  
Date : 30/08/2010

Place : Mumbai  
Date : 30/08/2010

**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2010**

Particulars	(₹ in Lacs)	
	March 2010	March 2009
<b>I CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit (Loss) Before Tax and Extraordinary items	27.46	15.05
Adjustments for:		
Depreciation	2.14	2.15
Interest on Capital	--	(6.58)
Balance W/off	0.08	--
Depreciation Written Back	--	(13.65)
	<b>29.68</b>	<b>(3.03)</b>
Less: Income Taxes paid	1.73	0.34
Less: Capital Enhancement Expenses	7.82	9.55
Operating Profit before working Capital Changes	<b>20.13</b>	<b>(3.37)</b>
Adjustments for:		
(Increase)/Decrease in Current Assets	(200.49)	(92.43)
(Increase)/Decrease in Current Liabilities	(248.65)	48.16
Cash generated from operations	<b>68.29</b>	<b>114.65</b>
<b>II CASH FLOW FROM INVESTING ACTIVITIES</b>		
(Purchase) Sale of Fixed Assets (Net)	68.43	--
Increase / (Decrease) in Share Capital	--	7.26
(Purchase) / Sale of Investments	--	68.43
Net cash used in investing activities	<b>68.43</b>	<b>(72.74)</b>
<b>III CASH FLOW FROM FINANCING ACTIVITIES</b>		
Secured Loan taken / (repaid)	(4.50)	(6.75)
Unsecured Loan taken / (repaid)	(35.00)	(38.18)
Net Cash from Investing Activities	<b>(39.50)</b>	<b>(44.93)</b>
<b>NET INCREASE/DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>97.22</b>	<b>(3.02)</b>
Cash and cash equivalents at the beginning of the year	4.69	7.71
Cash and cash equivalents at the close of the year	101.91	4.69

**Notes:**

- The Cash flow statement has been prepared under the Indirect method as set out in Accounting Standard 3 relating to Cash Flow Statement issued by the The Institute Of Chartered Accountants of India.
- Cash and Cash Equivalents includes Cash and Bank Balances.
- Figures of Previous year's have been regrouped and rearranged where ever necessary to confirm with Current Year's classifications.

**As per our Report of even date attached**

For **Shah & Co.**  
Chartered Accountants  
FRN # 109430W

**Sd/-**  
**(H. N. Shah)**  
Partner  
Membership No. 8152

Place : Mumbai  
Date : 30/08/2010

For **Vora & Associates**  
Chartered Accountants  
FRN # 111612W

**Sd/-**  
**(Mayur A. Vora)**  
Partner  
Membership No. 30097

Place : Mumbai  
Date : 30/08/2010

**For and on Behalf of the Board**

**Sd/-**  
**Mr. Bhavin J. Soni** - Managing Director  
**Mr. Jayant B. Soni** - Chairman

Place : Mumbai  
Date : 30/08/2010

**ATTENDANCE SLIP****JOY REALTY LIMITED**

**Regd Off:** 306, Madhava, 3rd Floor, C-4, Bandra Kurla Complex, Bandra (E), Mumbai 51.

(Please complete this Attendance Slip and hand it over at the entrance of the meeting hall)

I hereby record my presence at the Twenty - Seventh Annual General Meeting of the of the Company being held on Thursday, September 30, 2010 at 10.00 A. M. at 306, Madhava, 3rd Floor, C-4, Bandra – Kurla Complex, Bandra (E), Mumbai – 400051.

Membership Folio No.: \_\_\_\_\_ No. of Shares held: \_\_\_\_\_

Name of the Shareholder/Proxy\*: \_\_\_\_\_

Signature of Shareholder/ Proxy\*: \_\_\_\_\_

*\*Strike out whichever is not applicable.*

**PROXY FORM****JOY REALTY LIMITED**

**Regd Off:** 306, Madhava, 3rd Floor, C-4, Bandra Kurla Complex, Bandra (E), Mumbai 51.

Membership Folio No.: \_\_\_\_\_ No. of Shares held: \_\_\_\_\_

I/We \_\_\_\_\_ of

\_\_\_\_\_ being a member / members of **Joy Realty 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 Annual General Meeting of the Company to be held on Thursday, September 30, 2010 at 10.00 A.M. at,

\_\_\_\_\_ or at the adjournment thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2010.

**Important**

- Revenue Stamp of Rs. 1/- is to be affixed on this form.
- The Form should be signed across the stamp as per the specimen signature Registered with the Company.
- The Companies, 1956 lays down that an instrument appointing a Proxy shall be deposited at the Registered Office of the Company and not less than **FORTY-EIGHT-HOURS** before the time fixed for the Meeting,
- A proxy need not be a Member.

**Book Post**

To,

**JOY REALTY LTD.**

306, Madhava, 3<sup>rd</sup> Floor,  
C-4, Bandra Kurla Complex,  
Bandra (E),  
Mumbai - 400051.  
Tel: #022 6702 1550