

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

	Year ended 31 st March, 2014	Year ended 31 st March, 2013
	₹	₹
A. Cash flow from operating activities		
(Loss) before tax	(51,029)	(47,031)
Operating (loss) before working capital changes.....	(51,029)	(47,031)
(Increase)/decrease in current assets	(20,035,617)	-
Increase/(decrease) in current liabilities.....	28,090	11,545
	(20,007,527)	11,545
Cash (used in) operations	(20,058,556)	(35,486)
Net cash (used in) operating activities.....	(20,058,556)	(35,486)
B. Cash flow from investing activities:		
Purchase of investments.....	-	(196,150)
Proceeds from sale of investments	196,150	-
Net cash from investing activities.....	196,150	(196,150)
C. Cash flow from financing activities:		
Proceeds from borrowings	20,000,000	-
Net cash from financing activities.....	20,000,000	-
Net increase/(decrease) in cash and cash equivalents (A+B+C)	137,594	(231,636)
Cash & cash equivalents		
Opening balance	152,830	384,466
Closing balance.....	290,424	152,830
Net increase / (decrease) in cash and cash equivalents	137,594	(231,636)

See accompanying notes forming part of the financial statements

In terms of our report attached

For **B K Khare & Co.**
Chartered Accountants
Firm Registration No. 105102W

Padmini Khare Kaicker
Partner
Membership No. : 44784

Place : Mumbai
Date : 17th April, 2014

For and on behalf of the Board of Directors

Jayant Manmadkar Chairman

Rajan Narayan
Ramesh Ranganathan } Directors

Place : Mumbai
Date : 17th April, 2014

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

1 Corporate Information

The Company was incorporated on 2nd June, 2010 and is engaged in the business of development of Residential complexes and is in the process of identifying lands for acquisition for its projects.

2 Significant Accounting Policies

a Basis of Accounting

The financial statements have been prepared under the historical cost convention in accordance with the accounting principles generally accepted in India and comply with the mandatory Accounting Standards notified by the Central Government of India under The Companies (Accounting Standards) Rules, 2006 and with the relevant provisions of the Companies Act, 1956. Assets & liabilities have been classified as current & non – current as per the Company's normal operating cycle and other criteria set out in the Schedule VI of the Companies Act, 1956.

b Taxes on Income

Current tax is determined as the amount of tax payable in respect of taxable income for the year. Deferred tax is recognized, subject to consideration of prudence, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

Deferred tax assets in respect of unabsorbed depreciation and carried forward losses are recognized if there is virtual certainty that there will be sufficient future taxable income available to realise such losses. Other deferred tax assets are recognised if there is reasonable certainty that there will be sufficient future taxable income available to realise such assets.

c Provisions and contingencies

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to present value and are determined based on best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent Liabilities are not recognised but are disclosed in the notes. Contingent Assets are neither recognised nor disclosed in the financial statements.

3. Share Capital

	₹	
	As at 31 st March, 2014	As at 31 st March, 2013
Authorised		
100,000 Equity shares of ₹ 10 each.....	1,000,000	1,000,000
Issued, subscribed and paid up.		
50,000 equity shares of ₹ 10 each fully paid up.....	500,000	500,000
	<u>500,000</u>	<u>500,000</u>

(a) The above shares are held by Mahindra Lifespace Developers Limited, the holding company and its nominees.

Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

	As at 31 st March, 2014		As at 31 st March, 2013	
	No of Shares	Value of Shares ₹	No of Shares	Value of Shares ₹
Equity Shares				
At the beginning of the period.....	50,000	500,000	50,000	500,000
Issued during the period...	–	–	–	–
Outstanding at the end of the period.....	<u>50,000</u>	<u>500,000</u>	<u>50,000</u>	<u>500,000</u>

(b) Terms/Rights attached to Equity Shares

The company has only one class of Equity shares having a par value of ₹ 10/- per share. Each holder of Equity Shares is entitled to one vote per share.

	₹	
	As at 31 st March, 2014	As at 31 st March, 2013
4. Reserves & Surplus		
Surplus in Statement of Profit and Loss		
Opening balance of Profit & Loss Account...	(195,655)	(148,624)
Add: (Loss) for the Current Year.....	(51,029)	(47,031)
Closing Balance	<u>(246,684)</u>	<u>(195,655)</u>
5. Short-term borrowings		
Loans repayable on demand		
– from other parties	20,000,000	–
	<u>20,000,000</u>	<u>–</u>
6. Other Current Liabilities		
Other payables	72,725	44,635
	<u>72,725</u>	<u>44,635</u>
7. Investment		
	Non Current	Non Current
Shares (Non-trade and fully paid-up unless otherwise specified) :		
Preference Shares.....	–	196,150
(7% Non-Cumulative Preference Share)	<u>–</u>	<u>196,150</u>
8. Cash & cash equivalents		
Bank Balances		
In current accounts.....	290,424	152,830
	<u>290,424</u>	<u>152,830</u>
9. Other Expenses:		
Legal and Professional Charges.....	22,883	18,539
Miscellaneous expenses	56	402
Audit Fee.....	28,090	28,090
	<u>51,029</u>	<u>47,031</u>

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31ST MARCH, 2014**

10. List of related parties:

Mahindra & Mahindra Limited	Ultimate Holding Company
Mahindra Lifespace Developers Limited	Holding Company

Related parties are as identified by the management

Mahindra Lifespace Developers Limited:	As at 31st March, 2014	As at 31st March, 2013
Payable as at the period end.....	NIL	NIL

11. Earnings per Share

	2013-14	2012-13
Net (loss) after tax (₹).....	(51,029)	(47,031)
Weighted average number of equity shares (Nos.).....	50,000	50,000
Basic and Diluted Earnings per share (not annualised) (₹).....	(1.02)	(0.94)
Nominal value of shares (₹)	10	10

For **B K Khare & Co.**
Chartered Accountants
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Padmini Khare Kaicker
Partner
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