

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

	Year Ended 31 st March, 2014 ₹	Year Ended 31 st March, 2013 ₹
19 Operating Expenses		
Opening Work In Progress 01.04.2013	883,718,259	434,143,060
Add: CONSUMPTION DURING 01.04.2013 - 31.03.2014		
Architect Fees	2,242,972	7,024,915
Consultant Fees	-	757,306
Interest on ICD	32,148,094	52,581,308
Interest on Debentures	46,400,000	2,669,590
Interest on Cash Credit	12,016,868	91,228
Employee, Remuneration & Staff Welfare Expenses	7,106,028	6,021,012
Civil Work	365,664,214	222,342,275
Service Tax Cenvat Credit	(29,105,449)	(8,974,183)
Royalty Expenses	-	385,580,000
Professional Charges	-	104,495
Miscellaneous Expenses	582,759	823,303
Interest on FD	(209,752)	(225,821)
Dividend Income - Mutual Fund	(499,283)	(322,143)
TOTAL CONSUMPTION 01.04.2013 - 31.03.2014	<u>436,346,451</u>	<u>668,473,286</u>
LESS : CLOSING WIP 31.03.2014	<u>880,015,069</u>	<u>883,718,259</u>
	<u>440,049,642</u>	<u>218,898,087</u>
20 Employee Benefits Expenses		
Salaries, allowances & Bonus	10,979,003	9,073,267
Staff welfare expenses	627,938	612,806
	<u>11,606,941</u>	<u>9,686,073</u>
Less: Allocated to Projects	(7,052,887)	(6,021,012)
	<u>4,554,054</u>	<u>3,665,061</u>
21 Finance Cost		
Interest on Intercompany deposits	32,148,094	52,581,308
Interest on Debentures	46,400,000	2,669,590
Interest on Cash Credit	12,016,868	91,228
Less: Allocated to Projects	(90,564,962)	(55,342,126)
	<u>-</u>	<u>-</u>
22 Administration & Other Expenses		
Rent, Rates and taxes	395,300	608,740
Repairs and Maintenance		
- Others	1,264,134	523,190
Legal and Professional Fee	41,990,874	41,988,124
Advertisement and Marketing Expenses	9,516,038	11,025,780
Brokerage	4,291,415	2,094,053
Remuneration to auditors		
Audit Fees	561,800	337,080
Tax Audit Fees	112,360	-
Other Services	449,440	-
Miscellaneous expenses	4,113,404	3,045,834
	<u>62,694,765</u>	<u>59,622,801</u>
23 Other Operating Expenses		
Defect Liability Expenses	3,000,000	-
	<u>3,000,000</u>	<u>-</u>
24		

In respect of real estate projects under long term contracts, determination of profits/losses and realisability of the construction work in progress & project advances necessarily involves making estimates by the Company, some of which are of a technical nature, concerning, where relevant, the percentage of completion, costs to completion and the projections of revenues expected from projects/activity and the foreseeable losses to completion. Profit from these contracts and valuation of construction work in progress is based on such estimates.

25 Related party transactions

Description of relationship	Names of related parties
Ultimate Holding Company	Mahindra & Mahindra Limited
Holding Company	Mahindra Lifespaces Developers Limited
Associate Company	B.E. Billimoria & Co. Ltd

Note: Related parties have been identified by the Management.

Details of related party transactions and balances outstanding as at 31st March, 2014:

25b Nature of transactions:

	Holding company		Associate Company	
	2013-14	2012-13	2013-14	2012-13
Purchase of services	39,828,475	38,949,145	377,403,642	207,633,498
Inter corporate deposit taken	-	93,450,000	-	40,050,000
Interest on inter corporate deposit	22,498,176	36,806,264	9,649,918	15,775,045
Inter corporate deposit repaid	-	(171,500,000)	-	(73,500,000)
Net Payable	233,271,143	211,510,465	8,199,466	75,685,600

26 Earnings Per share

	2013-14	2012-13
Net (loss) after tax (₹)	11,432,149	(45,191,291)
Weighted average number of Equity shares (Nos.)	50,000	50,000
Nominal value of shares (₹)	10	10
Basic and Diluted Earnings/(loss) per share (₹)	228.64	(903.83)

The Company operates in one segment namely Project and development activity.

28 Leases:

- There is no lease income
- Lease expenditure for operating leases is recognised on a straight line basis over the period of lease. The particulars of the premises taken on operating leases are as under:

	2013-14	2012-13
Future minimum lease payments under non-cancellable operating leases		
Not later than 1 year	-	16,500
Later than 1 year and not later than 5 years	-	-
Later than 5 years	-	-

Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure.

As per our report attached hereto For and on behalf of the Board of Directors

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

Anita Arjundas Chairperson
Rajan Narayan
Digant Kapadia
Jeet Kapadia
Rajendra Joshi
Jayant Manmadkar } Directors

Place : Mumbai
Date : 17th April 2014

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