

























**NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2014**

	Year Ended 31 <sup>st</sup> March, 2014 ₹	Year Ended 31 <sup>st</sup> March, 2013 ₹
<b>19 Operating Expenses</b>		
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>
<b>20 Employee Benefits Expenses</b>		
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>
<b>21 Finance Cost</b>		
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>
<b>22 Administration &amp; Other Expenses</b>		
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>
<b>23 Other Operating Expenses</b>		
Defect Liability Expenses	3,000,000	-
	<u>3,000,000</u>	<u>-</u>
<b>24</b>		

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 31<sup>st</sup> 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
<b>Future minimum lease payments under non-cancellable operating leases</b>		
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 : 17<sup>th</sup> April 2014

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Date : 17<sup>th</sup> April 2014