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The Company's leasing arrangements are in respect of commercial premises given under operating lease.

Lease income from operating leases is recognized on a straight-line basis over the period of lease. The particulars of the premises given under operating leases are under:

**26.4 Leases**

	For the year ended 31 <sup>st</sup> March, 2014	For the year ended 31 <sup>st</sup> March, 2013
	₹	₹
Gross carrying amount of premises ....	<b>116,977,826</b>	116,977,826
Accumulated depreciation.....	<b>24,796,988</b>	20,889,928
Depreciation for the year.....	<b>3,907,060</b>	3,907,060

**26.5 Earnings per share**

	For the year ended 31 <sup>st</sup> March, 2014	For the year ended 31 <sup>st</sup> March, 2013
	₹	₹
<u>Basic and diluted</u>		
Net profit for the year .....	<b>88,983,075</b>	544,936,116
Less: Preference dividend and tax thereon .....	<b>64,993,928</b>	50,315,863
Net profit for the year attributable to the equity shareholders.....	<b>23,989,147</b>	494,620,253
Weighted average number of equity shares.....	<b>20,000,000</b>	20,000,000
Par value per share .....	<b>10</b>	10
Earnings per share - Basic and diluted...	<b>1.20</b>	24.73

**26.6 Deferred tax (liability)/asset**

Particulars	As at 31 <sup>st</sup> March, 2014	As at 31 <sup>st</sup> March, 2013
	₹	₹
<u>Tax effect of items constituting deferred tax liability</u>		
On difference between book balance and tax balance of fixed assets .....	<b>(50,352,968)</b>	(47,231,446)
Interest inventorised but claimed as allowable for tax purposes .....	<b>(328,775,135)</b>	(230,425,858)
Tax effect of items constituting deferred tax liability .....	<b>(379,128,103)</b>	(277,657,304)
<u>Tax effect of items constituting deferred tax assets</u>		
Provision for compensated absences, gratuity and other employee benefits....	<b>1,754,256</b>	2,272,069
Brought forward business losses .....	<b>56,234,032</b>	-
Tax effect of items constituting deferred tax assets .....	<b>57,988,288</b>	2,272,069
<u>Net deferred tax (liability)/asset .....</u>	<b>(321,139,815)</b>	(275,385,235)

**26.7 Joint Venture Disclosures**

**i. Interest in Joint Ventures**

Name of the Company	Country of Incorporation	Proportion of ownership interest
Mahindra Integrated Township Limited	India	25.78%

**ii. Interest in assets, liabilities, income, expenses and capital commitment with respect to the Joint Ventures**

Particulars	2013-14	2012-13
Tangible fixed assets .....	<b>104,134</b>	133,003
Non-current Investments .....	<b>170,905,601</b>	170,905,601
Long term loans and advances .....	<b>9,545,276</b>	5,515,237
Inventories.....	<b>250,807,078</b>	219,784,416
Cash and cash equivalents.....	<b>12,495,826</b>	7,284,743
Trade receivables.....	<b>33,470,328</b>	17,617,210
Short term loans and advances.....	<b>14,232,596</b>	6,101,636
Other Current Assets.....	<b>2,829,146</b>	118,946,273
Trade payables .....	<b>44,526,579</b>	26,342,876
Other Current Liabilities.....	<b>97,698,087</b>	92,875,959
Short term borrowings.....	<b>238,941,211</b>	302,091,801
Short term provisions .....	<b>1,546,545</b>	-
Long term Borrowings.....	<b>-</b>	-
Income .....	<b>161,337,127</b>	176,913,309
Expenses.....	<b>174,637,065</b>	147,494,715

**27 Previous year's figures**

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

For **A. F. Ferguson & Co** For and on behalf of the Board of Directors  
*Chartered Accountants*

N. Vaghul Chairman

**B. Ramaratnam**  
*Partner*

Anita Arjundas  
V. Balaraman  
Sangeeta Prasad } Directors  
S. Chandru Manager & Chief  
Operating Officer

Place : Chennai  
Date : 18<sup>th</sup> April, 2014

Place : Chennai  
Date : 18<sup>th</sup> April, 2014