DIRECTORS' REPORT TO THE MEMBERS

Your Directors present their Eight Report together with the audited Accounts of the Company for the year ended 31st March, 2013.

Financial Highlights

(Amount in ₹)

	2013	2012
Total Income	**1,066,124,035**	911,987,097
Profit before Tax	**252,631,677**	129,881,280
Provision for Taxation		
– Net Current Tax	**61,200,000**	7,200,000
– Deferred Tax	**25,593,760**	35,579,340
Profit after Tax	**165,837,917**	87,101,940
Add: Profit brought forward from previous year	**112,975,965**	81,825,950
Appropriations:		
Transferred to Debenture Redemption Reserve	**159,375,000**	–
Proposed Dividend (including tax on distributed profits)	**81,896,500**	55,951,925
Transfer to General Reserve	**–**	–
Profit Carried to Balance Sheet	**37,542,382**	112,975,965

Performance & operations

During the year, your Company added 8 customers, taking the total number of customers in Mahindra World City, Jaipur (MWCJ) to 45. The customers signed during the year, took up 74.13 acres of land and include companies across diverse industry segments. Some of the companies are Metlife, Mahindra & Mahindra Ltd, JCB and Premier Steel.

Five customers (Genpact, Ratan Textiles, Laxmi Ideal, Jaipur crafts and ICICI Bank) became operational during the year, taking the total number of operational customers to thirteen. The cumulative direct employment created by the companies at Mahindra World City, Jaipur was at 3561 and the total direct / indirect employment generated was upwards of 5000 persons. Exports by MWCJ clients grew by 119% to reach ₹ 656 Cr. in 2012-13 compared to ₹ 299 Cr. during the previous year. Your Company and the customers at MWCJ, have invested ₹ 770 crores and ₹ 552 crores respectively, aggregating ₹ 1322 crores in the project. During the year, 11 customers started their development activities for their respective campuses / factories at MWCJ.

Your Company currently has 4 sector Specific Special Economic Zones (SEZs), viz. 2 in IT/ITeS, and 1 each in Handicrafts, Engineering & Related Industries, and Gems & Jewellery. The project also comprises a Domestic Tariff Area. The area currently notified, under the SEZs, is 1481 acres and the DTA comprises 500 acres.

During the year, your Company conducted its first International Property Consultants meet, Confluence, to showcase your Company and promote investments into the location. The Company also initiated, for the first time, formal customer meets under the banner of Coalesce, a quarterly customer meet to discuss operational matters and collaborate on new initiatives and infrastructure needs.

During the year, your Company also received the Dun and Bradstreet Axis Bank Infra Awards under the industrial parks / SEZ category.

During the year, your Company has issued Secured Redeemable Non Convertible Debentures (NCDs) of ₹ 250 crores, by way of private placement. The Company has received the CRISIL 'A' rating for its project for issue of NCDs.

During the year, your Company completed construction of 1 lac sq. ft. in eVolve, the ready-built IT park within the IT/ ITeS zone of MWCJ. The total development at eVolve is currently at 4.30 lacs square feet rentable area comprising of four buildings. Of the total area constructed, an area of 2.45 lacs square feet has been leased and 0.88 lac square feet committed to lease under MoUs. The customers at eVolve include DBOI, Genpact, EXL and Systweak. The 3rd building at eVolve (B1) received the IGBC LEED Platinum rating for sustainable development in the commercial building category.

Dividend

Your Directors have recommended a dividend of ₹ 0.80 per Share on 50,000,000 Cumulative Redeemable Preference shares of ₹ 10 each for the year 2012-13. Your Directors have also recommended a dividend of ₹ 0.20 per share on 150,000,000 – equity shares of face value of ₹ 10 per share of the Company for the year 2012-13. The total dividend payment for the year (including tax on distributed profits) amounts to ₹ 81,896,500/-.

Share Capital

Authorized Share Capital of the Company comprises of 150,000,000 equity shares of ₹ 10/- each aggregating to ₹ 1,500,000,000/- and 50,000,000 8% redeemable cumulative preference shares of ₹ 10/- each aggregating to ₹ 500,000,000/-.

Total Paid-up share capital of the Company comprises of:-

a) ₹ 1,500,000,000/- equity share capital held by Mahindra Lifespace Developers Limited (MLDL) and Rajasthan State Industrial Development & Investment Corporation Limited (RIICO) in the ratio of 74:26.

b) ₹ 500,000,000/- 8% redeemable cumulative preference share capital held by MLDL and RIICO in the ratio of 74:26.

Your Company continues to be a subsidiary Company of MLDL and consequently, a subsidiary Company of the ultimate holding company, viz. Mahindra & Mahindra Limited.

Secured Redeemable Non convertible Debentures (NCDs)

During the year, the Company issued 2,500, 10% Secured Redeemable Non-Convertible Debentures of ₹ 1,000,000/- each aggregating ₹ 2,500,000,000/- on private placement basis.

Corporate Social Responsibility

CSR forms an integral part of your Company and the Company believes that its initiatives and high ethical standards will definitely encourage a positive impact on everyone involved in the project directly or indirectly. With a view to achieve inclusive social development, the Company has taken initiatives of organizing training programmes for school dropouts / unemployed youth who are part of the local community around project area through a well recognized NGO – Technology Business Incubator.

Since the inception of this initiative, around 600 candidates have completed various types of employability training and over 410 have been placed in various jobs. Through Technology Business Incubator, 50 Women Self Help Groups (SHG's) have been formed in the neighbouring villages. The SHG's have been trained to start small businesses within the community and this has helped develop women empowerment.

Your Company also conducts Medical Camps & Plantation Drives in the villages around the project.

Directors & Manager

Pursuant to the provisions of Articles of Association, all the following directors shall retire at the ensuing Annual General Meeting and being eligible offer themselves for reappointment:-

1. Shri Sunil Arora
2. Shri Gurdial Singh Sandhu
3. Shri Naveen Mahajan

During the year, Rajasthan State Industrial Development & Investment Corporation Limited (RIICO) nominated new director Shri Naveen Mahajan w.e.f. 15th October, 2012 to fill the casual vacancy caused by the posting of Shri Rajendra Bhanawat by a Government order.

During the year, Ms Sangeeta Prasad was appointed as an additional Director of the Company based on the nomination proposed by Mahindra Lifespace Developers Limited (MLDL).

The Company has received a notice from a member under section 257 of the Companies Act, 1956, signifying his intention to propose Mr. Naveen Mahajan and Ms. Sangeeta Prasad as a candidate for the office of Director at the forthcoming Annual General Meeting.

During the year, Shri B. K. Subbaiah was re-appointed as the Manager & COO of the Company till 30th June, 2013.

Audit Committee

The Audit Committee of your Company comprised of three Directors, namely Shri Gurdial Singh Sandhu, Shri Arun Nanda and Shri Uday Y. Phadke. During the year 2012-13, your board has inducted Shri Kuldeep Ranka as the fourth member of the Audit Committee.

Shri Gurdial Singh Sandhu is the Chairman of the Audit Committee. During the year under review, 4 meetings of the Audit Committee were held on 20th April, 2012, 19th July, 2012, 15th October, 2012 and 17th January, 2013.

Remuneration Committee

The Remuneration Committee of your Company presently comprises of three Directors, namely Shri Naveen Mahajan, Shri Arun Nanda and Shri Uday Y. Phadke. Shri Naveen Mahajan is the Chairman of the Remuneration Committee. During the year under review, one meeting of Remuneration Committee was held on 19th July, 2012.

Directors' Responsibility Statement

Pursuant to Section 217(2AA) of the Companies Act, 1956, your directors, based on the representations received from the operating management and after due enquiry, confirm that:

i) in the preparation of the annual accounts, the applicable accounting standards have been followed;

ii) the Company, in the selection of the accounting policies, consulted the Statutory Auditors and these have been applied consistently, reasonable and prudent judgments and estimates have been made so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2013 and of the profit of the Company for the year ended on that date;

iii) proper and sufficient care has been taken 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; and

iv) the annual accounts have been prepared on a going concern basis.

Codes of Conduct

The Company had adopted Codes of Conduct ("the Codes") for its Directors and Senior Management personnel and Employees. These Codes enunciate the underlying principles governing the conduct of the Company's business and seek to reiterate the fundamental precept that good governance must and would always be an integral part of the Company's ethos.

The Company has for the year under review, received declarations under the Codes from the Board Members and

Senior management employees affirming compliance with the respective Codes.

Auditors and Auditors' Report

Messers Deloitte Haskins & Sells, Chartered Accountants, Chennai were appointed as Statutory Auditors of the Company in the 7th Annual General Meeting held on 19th July, 2012 in terms of Section 224A of the Companies Act, 1956. The Auditors shall hold office till the conclusion of the ensuing Annual General Meeting.

As required by the provisions of section 224 (1B) of the Companies Act, 1956, the Company has received written certificate from Messers Deloitte Haskins & Sells, Statutory Auditors (ICAI Firm Registration Number 008072S), to the effect that their appointment, if made, would be in conformity with the limits specified in that section.

Since more than 25% of the subscribed capital of the Company is held by Rajasthan State Industrial Development & Investment Corporation Limited (RIICO), the appointment or re-appointment of Auditors is required to be made by a Special Resolution.

The report of the auditors along with Notes on Accounts are self explanatory and do not require any explanation.

Public Deposits and Loans/Advances

The Company has not accepted any deposits from the public or employees during the year under review.

The Company has not made any loans/advances, which are required to be disclosed in the annual accounts of the Company pursuant to Clause 32 of the Listing Agreement with the parent companies viz. Mahindra Lifespace Developers Limited and Mahindra & Mahindra Limited with the Stock Exchange.

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

The particulars relating to energy conservation, technology absorption, foreign exchange earnings and outgo, as required under section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are given in the Annexure I to this Report.

Sustainable Development

Your Company's aspirations of sustaining and enhancing its long term growth plans are well balanced by its conscious commitments to society and in its principles of conducting business in a fully compliant manner. Your Company partakes in letter and spirit its intention of being a responsible corporate citizen and is committed to contribute positively in all activities pertaining to environmental protection, health, safety, energy conservation and societal commitments while at the same time continuing to protect and enhance all stakeholders' interests.

Particulars of Employees as required under section 217(2A) of the Companies Act, 1956 and rules made there under

During the year under review, the Company had two employees who were in receipt of remuneration in excess of the limit specified in section 217(2A) of the Companies Act, 1956. The particulars as required under section 217(2A) of the Companies Act, 1956 are given in the Annexure II to this report.

Acknowledgements

The Board of Directors thank and wish to place on record its appreciation to the Ministry of Commerce & Industry, Board of Approvals (SEZ), Development Commissioner, Noida Special Economic Zone, Development Commissioner SEZs, Government of Rajasthan, and all the agencies and Departments of the State Government, Bankers – State Bank of India, State Bank of Bikaner & Jaipur and State Bank of Patiala, Kotak Mahindra Bank, our valuable customers and the employees of the Company at all levels, for their continued co-operation and unstinted support.

The Directors also express their sincere thanks to the shareholders for the continued support and trust they have shown in the Management.

For and on behalf of the Board

Anita Arjundas *Director*

Sangeeta Prasad *Director*

Jaipur, 18th April, 2013

ANNEXURE I TO THE DIRECTORS' REPORT

PARTICULARS AS PER THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2013.

A. CONSERVATION OF ENERGY

a)	Energy conservation measures taken	:	The Company is regularly pursuing the initiatives taken for energy conservation which include introduction of LED lighting, use of re-cycled water, plantation etc.
b)	Additional investments and proposals, if any, being implemented for reduction of consumption of energy	:	The Company has been working with Mahindra EPC for use of solar power.
c)	Impact of the measures taken/to be taken at (a) & (b) above for reduction of energy consumption and consequent impact on the cost of production of goods	:	Energy saving of 30% due to use of LED street lights.
d)	Total energy consumption and energy consumption per unit of production as per Form-A of the Annexure to the Rules in respect of Industries specified in the Schedule	:	Not applicable

B. TECHNOLOGY ABSORPTION

Research & Development (R&D)

1.	Areas in which R & D is carried out	:	The Company has not carried out any specific R&D activities during the year.
2.	Benefits derived as a result of the above efforts	:	Not Applicable.
3.	Future Plan of action	:	Further quality improvement
4.	Expenditure on R & D	:	Nil
5.	Technology absorption, adaptation and innovation	:	Nil
6.	Imported Technology for the last 5 years	:	Nil

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

Your Company has incurred expenditure in foreign exchange to the extent of ₹ 1,122,697/- during the year under review. Foreign exchange earnings during the year was Nil.

For and on behalf of the Board

Anita Arjundas *Director*

Sangeeta Prasad *Director*

Jaipur, 18th April, 2013

ANNEXURE - II

Particulars of Employees as required under Section 217 (2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 and forming part of the Directors' Report for the year ended 31st March, 2013 is given below.

Name	Designation	Gross Remuneration (₹)	Qualification	Age	Experience Years	months	Date of Commencement	Last Employment Held Designation/Org.	Date of Birth
Mr. B K Subbaiah	Manager & Chief Operating Officer	7,467,337	MBA	61 yrs	37	8	06-Sep-06	Vice President (Mktg. & Sales) - Escorts Limited	12-Mar-52
Mr. Sanjay Sinha*	Head - Infrastructure & Development	6,887,220	M.E. (Civil Engg.), BE. Civil Engg.	50 yrs	26	–	25-Aug-06	VP -Projects - Brigade Enterprises Pvt. Ltd.	8-Apr-63

* Employed for part of the year.

Notes :

1. Nature of employment is contractual, and either of the party can terminate the same by giving three month's notice.
2. None of the above employee is related to any Director of the Company.
3. None of the above employee holds by himself or alongwith his spouse and dependent children, 2% or more of the equity shares of the Company.
4. Employment terms and conditions are as per Company rules.
5. Remuneration received as shown in the statement above includes basic salary, house rent allowance, reimbursement of medical expenses, employer's contribution to provident fund, and gratuity fund, all other allowances/perquisites as applicable.

For and on behalf of the Board

Anita Arjundas *Director*

Sangeeta Prasad *Director*

Jaipur, 18th April, 2013

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF
MAHINDRA WORLD CITY (JAIPUR) LIMITED

Report on the Financial Statements

1. We have audited the accompanying financial statements of **MAHINDRA WORLD CITY (JAIPUR) LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2013, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

2. The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956 ("the Act") and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal controls relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatements, whether due to fraud or error.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

4. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal controls relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the financial statements.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

6. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act 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 31st March, 2013;

   (b) in the case of the Statement of Profit and Loss, 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 of the Company for the year ended on that date.

Report on Other Legal and Regulatory Requirements

7. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government in terms of Section 227 (4A) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

8. As required by Section 227(3) of the Act, we report that:

   (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

   (d) In our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards referred to in Section 211(3C) of the Act.

   (e) On the basis of the written representations received from the directors as on 31st March, 2013 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2013 from being appointed as a director in terms of Section 274(1)(g) of the Act.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm Registration No. 008072S)

B. Ramaratnam
Partner
(Membership No. 21209)

Place: Chennai
Date: 18th April, 2013

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 7 under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of Mahindra World City (Jaipur) Limited on the accounts for the year ended 31st March 2013)

(i) Having regard to the nature of Company's business/activities/ result, clauses (vi), (x), (xii), (xiii), (xiv), (xv), (xviii) and (xx) of paragraph 4 of CARO are not applicable to the Company in the current year.

(ii) In respect of its fixed assets:

(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.

(b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.

(c) The fixed assets disposed off during the year, in our opinion, do not constitute a substantial part of the fixed assets of the Company and such disposal has, in our opinion, not affected the going concern status of the Company.

(iii) In respect of its inventory:

(a) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals.

(b) In our opinion and according to the information and explanation given to us, the procedures of physical verification of inventories followed by the Management were reasonable and adequate in relation to the size of the Company and the nature of its business.

(c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.

(iv) In our opinion and according to the information and explanations given to us, the Company has neither granted nor taken any loans, secured or unsecured, to/from companies, firms or other parties covered in the Register maintained under Section 301 of the Companies Act, 1956

(v) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services and during the course of our audit we have not observed any continuing failure to correct major weakness in such internal control system.

(vi) In our opinion and according to the information and explanations given to us, the company has not entered into any contracts or arrangements that are required to be entered in the Register maintained under Section 301 of the Companies Act, 1956.

(vii) In our opinion, the internal audit functions carried out during the year by firm of Chartered Accountants appointed by the Management have been commensurate with the size of the company and the nature of its business.

(viii) We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under Section 209(1) (d) of the Companies Act, 1956 and are of the opinion that prima facie the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(ix) According to the information and explanations given to us in respect of statutory dues:

(a) The Company has generally been regular in depositing undisputed dues, including Provident Fund, Income-tax, Value Added Tax, Service Tax and other material statutory dues applicable to it with the appropriate authorities

(b) There were no undisputed amounts payable in respect of Income-tax and other material statutory dues in arrears as at 31st March, 2013 for a period of more than six months from the date they became payable.

(c) Details of dues of Income Tax which have not been deposited as on 31st March, 2013, on account of disputes are given below:

Statute	**Nature of dues**	**Forum where dispute is pending**	**Financial Year**	**Amount involved (₹ in lakhs)**
Income Tax Act, 1961	Income Tax including interest	Commis-sioner (Appeals)	2009-10	121.50

(x) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks and debenture holders.

(xi) In our opinion and according to the information and explanations given to us, the term loans have been applied by the Company during the year for the purposes for which they were obtained.

(xii) In our opinion and according to the information and explanations given to us, and on an overall examination of the Balance Sheet of the Company, we report that, funds raised on short term basis have, *prima facie*, not been used during the year for long term investment.

(xiii) According to the information and explanations given to us, during the period covered by our audit report, the Company had issued 2,500 debentures of ₹ 10 lakhs each. The Company has created security in respect of the debentures issued.

(xiv) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm Registration No. 008072S)

B. Ramaratnam
Partner
(Membership No. 21209)

Place: Chennai
Date: 18th April, 2013

BALANCE SHEET AS AT 31ST MARCH, 2013

Particulars	Note No.	As at 31st March, 2013 ₹	As at 31st March, 2012 ₹
A EQUITY AND LIABILITIES			
1 Shareholder's funds			
(a) Share capital	3	**2,000,000,000**	2,000,000,000
(b) Reserves & Surplus	4	**196,917,382**	112,975,965
		2,196,917,382	2,112,975,965
2 Non-Current liabilities			
(a) Long term Borrowings	5	**3,101,000,000**	2,277,900,000
(b) Deferred tax liabilities (Net)	6	**108,276,456**	82,682,696
(c) Other long term liabilities	7	**53,160,859**	9,624,655
(d) Long term provisions	8	**1,541,919**	1,656,522
		3,263,979,234	2,371,863,873
3 Current liabilities			
(a) Short term Borrowings	9	**21,850,598**	606,605,453
(b) Trade payables	10	**47,158,025**	44,625,969
(c) Other current liabilities	11	**735,543,920**	1,038,141,902
(d) Short term provisions	12	**84,838,555**	59,996,359
		889,391,098	1,749,369,683
TOTAL		**6,350,287,714**	6,234,209,521
B ASSETS			
1 Non-current assets			
(a) Fixed Assets			
(i) Tangible assets	13	**1,434,269,150**	1,272,360,489
(ii) Intangible assets	14	**1**	1
(iii) Capital work in progress		**63,324,878**	67,907,709
		1,497,594,029	1,340,268,199
(b) Long term loans and advances	15	**117,086,285**	35,197,890
		1,614,680,314	1,375,466,089
2 Current assets			
(a) Current Investments	16	**10,721,526**	276,749,817
(b) Inventories	17	**4,195,593,331**	3,767,880,265
(c) Trade receivables	18	**95,529,074**	633,897,397
(d) Cash and cash equivalents	19	**382,434,467**	143,456,587
(e) Short term loans and advances	20	**32,944,143**	28,133,176
(f) Other current assets	21	**18,384,859**	8,626,190
		4,735,607,400	4,858,743,432
TOTAL		**6,350,287,714**	6,234,209,521

See accompanying notes forming part of the Financial Statements
In terms of our report attached

For and on behalf of the Board of Directors

For **Deloitte Haskins & Sells**
Chartered Accountants

B. Ramaratnam
Partner

Place : Chennai
Date : 18th April, 2013

B. K. Subbaiah
Manager & COO

Sanjay Jain
Company Secretary cum GM (Accounts)

Naveen Mahajan
Anita Arjundas
} *Directors*

Place : Jaipur
Date : 18th April, 2013

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2013

		Note No.	For the year ended 31st March, 2013		For the year ended 31st March, 2012	
				₹		₹
	INCOME					
1	Revenue from operations	**22**		**1,041,865,568**		898,164,156
2	Other income	**23**		**24,258,467**		13,822,941
3	**Total Revenue**			**1,066,124,035**		911,987,097
4	**EXPENDITURE**					
	Cost of land and Project development		**552,449,372**		100,205,108	
	Changes in Inventories of Work in Progress	**24**	**(427,713,066)**		104,723,992	
	Employee benefits expense	**25**	**53,609,060**		52,406,456	
	Finance costs	**26**	**494,874,693**		401,426,244	
	Depreciation and amortization expense		**50,223,392**		46,126,153	
	Other expenses	**27**	**101,078,008**		104,479,339	
			824,521,459		809,367,292	
	Less : Capitalized		**(11,029,101)**		(27,261,475)	
				813,492,358		782,105,817
5	**Profit before tax**			**252,631,677**		129,881,280
6	**Tax expense:**					
	(a) Current tax			**61,200,000**		26,200,000
	(b) (Less): MAT Credit			**–**		(19,000,000)
	(c) Net Current Tax expense			**61,200,000**		7,200,000
	(d) Deferred tax			**25,593,760**		35,579,340
7	**Profit for the year**			**165,837,917**		87,101,940
	Basic and diluted earnings per share			**0.79**		0.37

See accompanying notes forming part of the Financial Statements

In terms of our report attached

For and on behalf of the Board of Directors

For **Deloitte Haskins & Sells**
Chartered Accountants

B. Ramaratnam
Partner

Place : Chennai
Date : 18th April, 2013

B. K. Subbaiah
Manager & COO

Sanjay Jain
Company Secretary cum GM (Accounts)

Naveen Mahajan
Anita Arjundas
} *Directors*

Place : Jaipur
Date : 18th April, 2013

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013

Particulars	For the year ended 31st March, 2013 ₹	For the year ended 31st March, 2012 ₹
A. Cash flow from operating activities		
Net Profit before tax	**252,631,677**	129,881,280
Adjustments for:		
Depreciation and Amortization	**50,223,392**	46,126,153
Finance costs	**494,874,693**	401,426,244
Loss on sale of fixed assets (net)	**483,481**	120,042
Gain on redemption of Mutual Fund Investments	**(10,903,853)**	(5,489,673)
Interest income	**(12,756,165)**	(8,152,313)
Operating profit before working capital changes	**774,553,225**	563,911,733
Changes in working capital:		
Adjustments for (Increase)/decrease in operating assets		
Inventories	**(427,713,066)**	104,723,992
Trade receivables	**538,368,323**	(613,275,410)
Short Term Loans and advances	**(4,810,967)**	(8,793,007)
Long term Loans and advances	**(8,315,683)**	(2,005,681)
Other Current Assets	**(8,708,955)**	(1,311,428)
Adjustments for Increase/(Decrease) in operating liabilities		
Trade Payables	**2,532,056**	6,405,535
Other Current Liabilities	**46,980,691**	(60,123,991)
Other Long term Liabilities	**(6,485,360)**	6,145,705
Short Term Provisions	**(1,102,379)**	1,403,584
Long Term Provision	**(114,603)**	555,188
Cash generated from/(used in) Operations	**905,183,282**	(2,363,780)
Income Tax paid (net of refunds)	**(135,377,850)**	(11,952,763)
Net cash flow from/(used in) operation activities (A)	**769,805,432**	(14,316,543)
B. Cash flow from investing activities		
Capital expenditure on fixed assets, including capital advances	**(179,930,750)**	(153,618,526)
Proceeds from sale of fixed assets	**39,281**	26,593
Bank balances not considered as Cash and cash equivalents	**(126,250,000)**	(11,795,458)
Interest received	**11,706,451**	18,725,609
Gain on redemption of Mutual Fund Investments	**10,903,853**	5,489,673
Net cash flow used in investing activities (B)	**(283,531,165)**	(141,172,109)
C. Cash flow from financing activities		
Proceeds from issue of equity shares	**–**	50,000,000
Proceeds from issue of preference shares	**–**	250,000,000
Proceeds from long-term borrowings	**2,600,000,000**	630,000,000
Repayment of long-term borrowings	**(2,334,200,000)**	(376,700,000)
Proceeds/(Repayment) of working capital borrowings	**(584,754,855)**	277,703,616
Dividend including dividend distribution tax paid	**(55,951,925)**	–
Finance costs	**(264,667,898)**	(393,933,974)
Net cash flow from/(used in) financing activities (C)	**(639,574,678)**	437,069,642
Net increase/(decrease) in Cash and cash equivalents (A+B+C)	**(153,300,411)**	281,580,990
Cash and cash equivalents at the beginning of the year	**360,206,404**	78,625,414
Cash and cash equivalents at the end of the year	**206,905,993**	360,206,404

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013 (CONTD…)

Particulars	For the year ended 31st March, 2013	For the year ended 31st March, 2012
	₹	₹
Reconciliation of Cash and cash equivalents with the Balance Sheet:		
Cash and cash equivalents as per Balance Sheet (Refer Note 19)	**382,434,467**	143,456,587
Less: Bank balances not considered as Cash and cash equivalents		
(i) in deposit accounts maturing after 3 months	**143,600,000**	–
(ii) in earmarked accounts (Refer Note 19)	**42,650,000**	60,000,000
Net Cash and cash equivalents	**196,184,467**	83,456,587
Add: Current investments considered as part of Cash and cash equivalents		
Investment in units of Mutual Funds (Refer Note 16)	**10,721,526**	276,749,817
	206,905,993	360,206,404
Cash and cash equivalents at the end of the year*		
* Comprises:		
(a) Cash on hand	**59,780**	33,788
(b) Balances with banks		
(i) In current accounts	**55,622,728**	422,799
(ii) In deposit accounts with original maturity of less than 3 months	**140,501,959**	83,000,000
(c) Current investments considered as part of Cash and cash equivalents (Refer Note 16)	**10,721,526**	276,749,817
	206,905,993	360,206,404

See accompanying notes forming part of the Financial Statements

In terms of our report attached

For and on behalf of the Board of Directors

For **Deloitte Haskins & Sells**
Chartered Accountants

B. Ramaratnam
Partner

Place : Chennai
Date : 18th April, 2013

B. K. Subbaiah
Manager & COO

Sanjay Jain
Company Secretary cum GM (Accounts)

Naveen Mahajan
Anita Arjundas
} *Directors*

Place : Jaipur
Date : 18th April, 2013

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

Note 1. Corporate information

The company is in the business of land development for industrial, commercial and residential use. The company acquires land and incurs expenditure on its development and related infrastructure facilities for lease. The company also maintains the Industrial Park for which it collects operation and maintenance charges from the lessees.

Note 2. Significant accounting policies

2.1 Basis of accounting and preparation of financial statements

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

2.2 Use of estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known/materialize.

2.3 Inventories

Inventories are valued at lower of cost and net realizable value. Cost represents cost of land and all expenditure incurred in connection with, or attributable to the project, and, being a long-term project, includes interest.

2.4 Cash and cash equivalents (for purposes of Cash Flow Statement)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

2.5 Cash flow statement

Cash flows are reported using the indirect method, whereby profit/(loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

2.6 Depreciation and amortization

Depreciation is provided on straight line method from the date the assets are put to use in accordance with Schedule XIV to the Companies Act, 1956.

Leasehold land is amortized over the period of lease i.e. 99 years

Cost of Interiors of building given on lease is amortized over the period of lease.

Intangible assets are amortized over their estimated useful life as follows:

Software expenditure incurred is amortized over three years.

The estimated useful life of the intangible assets and the amortization period are reviewed at the end of each financial year and the amortization method is revised to reflect the changed pattern.

2.7 Revenue recognition

a) Land lease premium is recognized as income upon creation of leasehold rights in favor of the lessee or upon an agreement to create leasehold rights with handing over of possession.

b) Income from properties and other assets given under operating lease is recognised based on the terms of lease agreement on a straight line basis over the non cancellable lease period.

c) Income from operation & maintenance charges and water charges are recognized on an accrual basis as per terms of the agreement with the lessees.

2.8 Other income

Interest income is accounted on accrual basis. Dividend income is accounted for, when the right to receive it is established.

2.9 Tangible fixed assets

Fixed assets, are carried at cost less accumulated depreciation and impairment losses, if any. The cost of fixed assets includes interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use and other incidental expenses incurred up to that date. Subsequent expenditure relating to fixed assets is capitalized only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

Capital work-in-progress:

Projects under which assets are not ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

2.10 Intangible assets

Intangible assets are carried at cost less accumulated amortization and impairment losses, if any. The cost of an intangible asset comprises its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the taxing authorities), and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates.

2.11 Foreign currency transactions and translations

Foreign currency transactions are recorded at exchange rates prevailing on the date of transaction. Monetary assets/liabilities are translated at exchange rates prevailing on the date of settlement or at the year end as applicable, and gain/loss arising out of such translation is adjusted to the profit and loss account.

2.12 Investments

Long-term investments, are carried individually at cost less provision for diminution, which is other than temporary in nature, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties.

2.13 Employee benefits

Employee benefits include provident fund, gratuity and compensated absences

Defined contribution plans

The Company's contribution to provident fund are considered as defined contribution plans and are charged as an expense as they fall due based on the amount of contribution required to be made.

Defined benefit plans

For defined benefit plans in the form of gratuity fund, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each Balance Sheet date. Actuarial gains and losses are recognized in the Statement of Profit and Loss in the period in which they occur. Past service cost is recognized immediately to the extent that the benefits are already vested and otherwise is amortized on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognized in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognized past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognized during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service. The cost of such compensated absences is accounted as under :

(a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and

(b) in case of non-accumulating compensated absences, when the absences occur.

Long-term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognized as a liability at the present value of the defined benefit obligation as at the Balance Sheet date less the fair value of the plan assets out of which the obligations are expected to be settled.

2.14 Borrowing costs

Borrowing costs include interest and amortization of ancillary costs incurred. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilized for qualifying assets, pertaining to the period from commencement of activities relating to construction/development of the qualifying asset up to the date of capitalization of such asset is added to the cost of the assets. Capitalization of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

2.15 Segment reporting

The company has a single reportable segment namely, lease of land and properties constructed thereon.

2.16 Earnings per share

Basic/Diluted earnings per share is computed by dividing the profit/(loss) after tax (including the post tax effect of extraordinary items, if any) and after reducing the dividend obligation (including Dividend Distribution Tax) on Preference Shares by the weighted average number of equity shares outstanding during the year.

2.17 Taxes on income

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognized as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

Deferred tax is recognized on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognized for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognized only if there is virtual certainty that there will be sufficient future taxable income available to realize such assets. Deferred tax assets are recognized for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realized. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.

2.18 Impairment of assets

The carrying values of assets/cash generating units at each Balance Sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognized, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognized for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognized in the Statement of Profit and Loss, except in case of revalued assets.

2.19 Provisions and contingencies

A provision is recognized 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 (excluding retirement benefits) are not discounted to their present value and are determined based on the 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 disclosed in the Notes.

Note 3. Share Capital

₹

	As at 31st March, 2013	As at 31st March, 2012
Authorized		
150,000,000 equity shares of ₹ 10 each	**1,500,000,000**	1,500,000,000
50,000,000 Preference shares of ₹ 10 each	**500,000,000**	500,000,000
	2,000,000,000	2,000,000,000
Issued, subscribed and fully paid up		
150,000,000 Equity shares of ₹ 10/- each fully paid up	**1,500,000,000**	1,500,000,000
50,000,000 Preference Share of ₹ 10/- each fully paid up	**500,000,000**	500,000,000
Total	**2,000,000,000**	2,000,000,000

3.a Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

₹

	As at 31st March, 2013		As at 31st March, 2012	
	No of Shares	**Value of Shares**	No of Shares	Value of Shares
Equity Shares				
At the beginning of the year	**150,000,000**	**1,500,000,000**	145,000,000	1,450,000,000
Issued during the year	–	–	5,000,000	50,000,000
Outstanding at the end of the year	**150,000,000**	**1,500,000,000**	150,000,000	1,500,000,000
Preference Shares				
At the beginning of the year	**50,000,000**	**500,000,000**	25,000,000	250,000,000
Issued during the year	–	–	25,000,000	250,000,000
Outstanding at the end of the year	**50,000,000**	**500,000,000**	50,000,000	500,000,000

3.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.

The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders at the Annual General Meeting.

Repayment of capital will be in proportion to the number of equity shares held.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

The amount of dividend proposed to be distributed to equity share holders is ₹ 30,000,000/- (Re. 0.20 per share) (previous year NIL)

3.c **Terms of Conversion/redemption of 8% Redeemable Cumulative Preference Shares (RCPS)**

a) The company issued 25 Million 8% Redeemable Cumulative Preference Shares of ₹ 10/- each on 23rd December 2008.

b) The company issued 25 Million 8% Redeemable Cumulative Preference Shares of ₹ 10/- each on 4th November, 2011.

3.d The company shall be entitled to redeem these shares at the end of the 5th year from the date of issue subject to availability of profits and repayment of loans. Otherwise redemption can be extended up to 8 years with prior permission of RCPS holders

Each holder of RCPS is entitled to one vote per share only on resolutions placed before the Company which directly affect the rights attached to RCPS.

The amount of dividend proposed to be distributed to preference share holders is ₹ 40,000,000/- (previous year ₹ 48,142,077/-)

3.e Details of shares held by each shareholder holding more than 5% shares:

₹

	As at 31st March, 2013		As at 31st March, 2012	
	No of Shares	**Value of Shares**	No of Shares	Value of Shares
Holding Company (74%)				
Mahindra Lifespace Developers Limited				
Equity	**111,000,000**	**1,110,000,000**	111,000,000	1,110,000,000
Preference Shares	**37,000,000**	**370,000,000**	37,000,000	370,000,000
Rajasthan State Industrial Development and Investment Corporation Limited (26%)				
Equity	**39,000,000**	**390,000,000**	39,000,000	390,000,000
Preference Shares	**13,000,000**	**130,000,000**	13,000,000	130,000,000

Note 4. Reserves & Surplus

₹

	As at 31st March, 2013	As at 31st March, 2012
(a) Debenture Redemption Reserve		
Opening Balance	**–**	–
Add: Additions during the year Transferred from surplus in Statement of Profit & Loss	**159,375,000**	–
Closing balance	**159,375,000**	–
(b) Surplus in Statement of Profit and loss		
Opening Balance	**112,975,965**	81,825,950
Add: Profit for the year	**165,837,917**	87,101,940
Less: Appropriations		
Transferred to Debenture Redemption Reserve	**159,375,000**	–
Dividends proposed to be distributed to equity shareholders	**30,000,000**	–
Dividends proposed to be distributed to preference shareholders	**40,000,000**	48,142,077
Tax on dividend	**11,896,500**	7,809,848
	37,542,382	112,975,965
Closing balance **Total**	**196,917,382**	112,975,965

Note 5. Long Term Borrowings (Secured)

₹

	As at 31st March, 2013	As at 31st March, 2012
Term loans from bank	**601,000,000**	2,277,900,000
10% Secured Redeemable Non Convertible Debentures	**2,500,000,000**	–
Total	**3,101,000,000**	2,277,900,000

The above Long term borrowings include:

__Term Loans form Bank__

5.a ₹ 43.10 Crs. carries interest rate linked with SBI Base Rate. The loan is repayable in 100 monthly installments.

5.b ₹ 17.00 Crs. carries interest rate linked with SBI Base Rate. The loan is repayable in 69 monthly installments.

5.c The above Term loans from bank are secured by way of first charge on the specified fixed assets and hypothecation of specified movable and current assets of the company, both present and future.

5.d The company has not defaulted in repayment of interest and principal

__Non Convertible Debentures__

5.e Company has issued 2,500 Reedemable Secured Non Convertible Debentures of ₹ 10 Lakhs each aggregating to ₹ 250 Crores repayable in 3, 4 and 5 years in the ratio of 30:30:40 respectively along with redemtion premium as below:-

Series	**A**	**B**	**C**
Face Value (₹)	1,000,000	1,000,000	1,000,000
No. of Debentures	750	750	1,000
Total Value (₹)	750,000,000	750,000,000	1,000,000,000
Redemption Premium per debenture (₹)	77,835	110,794	147,421
Maturity Date	13-Jul-15	13-Jul-16	13-Jul-17

5.f The above Non Convertible Debentures are secured by way of first and exclusive charge by way of equitable mortgage on project of the company (excluding specified assets) covering not less than 1.25 times at all times during the tenure of the debenture.

5.g Interest on Non Convertible Debentures is payable annually.

Note 6. Deferred Tax Liabilities

₹

	As at 31st March, 2013	As at 31st March, 2012
Deferred Tax Liability:		
Fixed Assets	**109,051,674**	83,130,976
Others	**748,885**	1,401,395
	109,800,559	84,532,371
Deferred Tax Assets:		
Accrued expenses allowable on payment	**1,524,103**	1,849,675
Net Deferred tax liability Total	**108,276,456**	82,682,696

Note 7. Other Long Term Liabilities

₹

	As at 31st March, 2013	As at 31st March, 2012
Provision for premium on redemption of debentures (Refer Note 5)	**50,021,564**	–
Deposits from lessees	**3,139,295**	9,624,655
Total	**53,160,859**	9,624,655

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

Note 8. Long term Provisions

₹

	As at 31st March, 2013	As at 31st March, 2012
Gratuity	**1,541,919**	1,656,522
Total	**1,541,919**	1,656,522

Note 9. Short Term borrowings

Overdraft from banks (secured)	**21,850,598**	26,605,453
Inter Corporate Deposit from Holding Company repayable on demand (unsecured)	**–**	580,000,000
Total	**21,850,598**	606,605,453

Overdraft from banks is secured against Fixed deposits. The overdraft is repayable on demand.

Note 10. Trade payables (Refer Note 29)

Trade payables	**47,158,025**	44,625,969
Total	**47,158,025**	44,625,969

Note 11. Other current Liabilities

₹

Particulars	**As at 31st March, 2013**	As at 31st March, 2012
Current maturities of Term Loan from Banks*	**57,900,000**	615,200,000
Interest accrued and not due on term loan/Debentures	**186,640,300**	6,455,069
Other Payables		
Statutory Remittances	**4,330,302**	4,180,779
Earnest money deposit received	**397,000**	347,000
Advances from customers	**176,485,917**	161,066,615
Deposit from customers	**80,712,895**	58,529,534
Payable on purchase of Fixed Assets	**53,580,908**	26,044,812
Other liabilities	**175,496,598**	166,318,093
Total	**735,543,920**	1,038,141,902

*Refer Note 5 - Long Term Borrowings for details of security and terms of repayment

Note 12. Short term provisions

Compensated absences	**2,213,643**	3,173,201
Gratuity	**728,412**	871,233
Proposed Equity Dividend	**30,000,000**	–
Proposed Preference Dividend	**40,000,000**	48,142,077
Tax on Proposed Dividend	**11,896,500**	7,809,848
Total	**84,838,555**	59,996,359

Note 13. Fixed Assets

₹

Particulars	Gross Block					Depreciation					Net Block	
	As at 01.04.2012	Additions	Adjustments	Deductions	**As at 31.03.2013**	As at 01.04.2012	For the period	Adjustments	Deductions	**As at 31.03.2013**	**As at 31.03.2013**	As at 31.03.2012
Tangible Assets												
Leasehold land	42,253,019				**42,253,019**	2,334,913	420,559			**2,755,472**	**39,497,547**	39,918,106
Buildings												
Own use	208,201,721	43,368,408	(156,997)		**251,413,132**	9,823,457	4,263,167	(10,187)		**14,076,437**	**237,336,695**	198,378,264
Given under operating lease	808,827,494	160,488,147	156,997		**969,472,638**	35,430,775	17,313,866	10,187		**52,754,828**	**916,717,810**	773,396,719
Plant and machinery												
Own use	64,093,462		5,767,596		**69,861,058**	3,806,525	3,359,951	1,025,521		**8,191,997**	**61,669,061**	60,286,937
Given under operating lease	108,082,208	8,287,451	(5,561,129)		**110,808,530**	12,788,439	8,791,667	(947,212)		**20,632,894**	**90,175,636**	95,293,769
Office equipment	2,043,135	283,303	(206,467)	127,383	**1,992,588**	413,178	107,908	(78,309)	60,880	**381,897**	**1,610,691**	1,629,957
Furniture and fixtures												
Own use	5,294,281				**5,294,281**	1,385,981	316,719			**1,702,700**	**3,591,581**	3,908,300
Given under operating lease	139,059,988				**139,059,988**	44,013,010	14,652,674			**58,665,684**	**80,394,304**	95,046,978
Computers	4,346,723	227,506			**4,574,229**	2,677,850	576,320			**3,254,170**	**1,320,059**	1,668,873
Vehicles	4,796,372			1,107,844	**3,688,528**	1,963,786	420,561		651,585	**1,732,762**	**1,955,766**	2,832,586
Total Tangible Assets	1,386,998,403	212,654,815	–	1,235,227	**1,598,417,991**	114,637,914	50,223,392	–	712,465	**164,148,841**	**1,434,269,150**	1,272,360,489

Note 14. Intangible Assets

Software	5,203,368	–		–	**5,203,368**	5,203,367	–		–	**5,203,367**	**1**	1
Total Intangible Assets	5,203,368	–	–	–	**5,203,368**	5,203,367	–	–	–	**5,203,367**	**1**	1
Total	1,392,201,771	212,654,815	–	1,235,227	**1,603,621,359**	119,841,281	50,223,392	–	712,465	**169,352,208**	**1,434,269,151**	1,272,360,490

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

Note 13. Fixed Assets (Previous Year)

₹

Particulars	Gross Block					Depreciation					Net Block	
	As at 01.04.2011	Additions	Adjustments	Deductions	**As at 31.03.2012**	As at 01.04.2011	For the period	Adjustments	Deductions	**As at 31.03.2012**	**As at 31.03.2012**	As at 31.03.2011
Tangible Assets												
Leasehold land	42,253,019				**42,253,019**	1,914,353	420,560			**2,334,913**	**39,918,106**	40,338,666
Buildings												
Own use	194,206,851	13,994,870			**208,201,721**	5,923,646	3,899,811			**9,823,457**	**198,378,264**	188,283,205
Given under operating lease	640,194,278	168,633,216			**808,827,494**	21,250,173	14,180,602			**35,430,775**	**773,396,719**	618,944,105
Plant and machinery												
Own use	37,284,134	26,875,328		66,000	**64,093,462**	1,119,370	2,695,778		8,623	**3,806,525**	**60,286,937**	36,164,764
Given under operating lease	84,935,654	23,146,554			**108,082,208**	5,789,145	6,999,294			**12,788,439**	**95,293,769**	79,146,509
Office equipment	2,045,196	138,207		140,268	**2,043,135**	323,846	153,854		64,522	**413,178**	**1,629,957**	1,721,350
Furniture and fixtures												
Own use	4,083,070	1,211,211			**5,294,281**	1,103,139	282,842			**1,385,981**	**3,908,300**	2,979,931
Given under operating lease	139,059,988				**139,059,988**	29,360,335	14,652,675			**44,013,010**	**95,046,978**	109,699,653
Computers	3,877,280	514,443		45,000	**4,346,723**	2,070,595	638,743		31,488	**2,677,850**	**1,668,873**	1,806,685
Vehicles	4,796,372				**4,796,372**	1,508,127	455,659			**1,963,786**	**2,832,586**	3,288,245
Total Tangible Assets	1,152,735,842	234,513,829	–	251,268	**1,386,998,403**	70,362,729	44,379,818	–	104,633	**114,637,914**	**1,272,360,489**	1,082,373,113

Note 14. Intangible Assets (Previous Year)

Software	5,203,368	–		–	**5,203,368**	3,457,032	1,746,335		–	**5,203,367**	**1**	1,746,336
Total Intangible Assets	5,203,368	–	–	–	**5,203,368**	3,457,032	1,746,335	–	–	**5,203,367**	**1**	1,746,336
Total	1,157,939,210	234,513,829	–	251,268	**1,392,210,771**	73,819,761	46,126,153	–	104,633	**119,841,281**	**1,272,360,490**	1,084,119,449

Note 15. Long term Loans and advances (Unsecured considered good.)

₹

Particulars	As at 31st March, 2013	As at 31st March, 2012
Capital Advance	**–**	605,138
Security Deposits	**3,317,648**	3,292,852
Deposits in respect of premises taken on lease	**126,000**	126,000
Export Duty Refund Receivable	**8,290,887**	–
Advance income tax (net of provisions)	**94,056,321**	9,278,471
MAT credit entitlement	**11,295,429**	21,895,429
Total	**117,086,285**	35,197,890

Note 16. Current Investments (At lower of cost and fair value)

Particulars	Units		₹	
	As at 31st March, 2013	As at 31st March, 2012	**As at 31st March, 2013**	As at 31st March, 2012
Investment in Mutual funds (unquoted & non trade)				
DSP BlackRock Liquidity Fund – Institutional Plan – Growth	–	14,744	–	22,514,180
HDFC Cash Management Fund Treasury Advantage Plan	–	2,137,351	–	49,999,900
Religare Liquid Fund	–	13,641	–	20,000,000
SBI – Premier Liquid Plan – Inst. Growth	–	17,707	–	29,999,900
SBI – Magnum Insta Cash Fund Cash Option – Growth	**5,907**		**10,721,526**	
Kotak Flexi Debt Scheme – Growth	–	911,509	–	11,968,872
JM High Liquidity Fund – Institutional Plan – Growth	–	8,231,615	–	138,117,409
JM Money Manager Fund Super Plus Plan – Growth	–	278,884	–	4,149,556
Total			**10,721,526**	276,749,817

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

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Particulars	As at 31st March, 2013	As at 31st March, 2012
Note 17. Inventories (at lower of cost and net realisable value)		
Work In Progress (*representing cost of land and related expenditure*)	**4,195,593,331**	3,767,880,265
Total	**4,195,593,331**	3,767,880,265
Note 18. Trade Receivable. (Unsecured considered good)		
Trade receivables outstanding for a period exceeding six months from the date they were due	**21,385,128**	11,067,301
Other Trade receivables	**74,143,946**	622,830,096
Total	**95,529,074**	633,897,397
Note 19. Cash and cash equivalents		
Cash on hand	**59,780**	33,788
Balances with Banks		
in Current account	**55,622,728**	422,799
in Deposits maturing in 3 months	**140,501,959**	83,000,000
In Deposits maturing after 3 months	**143,600,000**	–
in earmarked deposits (with restriction on usage)*	**42,650,000**	60,000,000
Total	**382,434,467**	143,456,587

* The earmarked deposits are given as security against term loan, Bank over draft and other non-fund based facilities.

Particulars	As at 31st March, 2013	As at 31st March, 2012
Note 20. Short term Loans and advances (Unsecured, considered good unless otherwise stated)		
Prepaid expenses	**5,019,792**	2,147,939
Mobilization and other advances given to vendors (secured against bank guarantee)	**19,517,024**	11,464,686
Balances with Government authorities		
Service Tax Refund Receivable	**7,142,753**	5,496,660
Export Duty Refund Receivable	**–**	8,290,887
Other advances given to vendors	**1,264,574**	733,004
Total	**32,944,143**	28,133,176
Note 21. Other current assets		
Deferred lease rent	**2,203,251**	4,319,295
Interest accrued on Fixed Deposits	**5,356,609**	4,306,895
Contractually recoverable expenses	**10,824,999**	–
Total	**18,384,859**	8,626,190

₹

Particulars	For the year ended 31st March, 2013	For the year ended 31st March, 2012
Note 22. Revenue from operations		
Land Lease Premium	**849,762,611**	728,017,648
Property Rentals	**128,479,944**	114,175,896
Income from Operation and Maintenance	**63,623,013**	55,970,612
Total	**1,041,865,568**	898,164,156

22.a During the year, the company has leased 74.13 (previous year 71.55) acres of land on long term basis. Of this NIL (previous year 1.55) acres in Special Economic Zone (SEZ) and 74.13 (previous year 70.00) acres is in the Non Special economic Zone (Non SEZ).

₹

Particulars	For the year ended 31st March, 2013	For the year ended 31st March, 2012
Note 23. Other Income		
Interest on		
Deposits from Banks	**11,859,049**	7,269,328
Income Tax Refund & Others	**897,116**	882,985
Gain on Sale/Redemption of Mutual funds	**10,903,853**	5,489,673
Miscellaneous Income	**506,608**	40,522
Liabilities no longer required written back	**91,841**	140,433
Total	**24,258,467**	13,822,941
Note 24. Changes in Inventory of Work in Progress		
Opening work in progress	**3,767,880,265**	3,872,604,257
Closing work in progress	**4,195,593,331**	3,767,880,265
Total	**(427,713,066)**	104,723,992
Note 25. Employee Benefit Expenses		
Salaries, Wages and Bonus	**49,874,565**	48,733,668
Contribution to Provident and other funds	**1,438,840**	1,701,383
Gratuity	**645,475**	787,814
Staff welfare	**1,650,180**	1,183,591
Total	**53,609,060**	52,406,456
Note 26. Finance Costs		
Interest on Term Loans	**176,786,841**	359,477,402
Interest on Inter Corporate Deposits	**56,074,159**	32,748,541
Interest on Debentures	**179,452,056**	–
Premium on Redemption of Debentures	**50,021,564**	–
Interest - Others	**2,471,276**	1,094,301
Other Borrowing Costs	**30,068,797**	8,106,000
Total	**494,874,693**	401,426,244
Note 27. Other Expenses		
Legal and Professional	**8,374,750**	12,445,072
Electricity	**7,343,782**	6,248,463
Rent	**767,132**	609,547
Rates and Taxes	**219,125**	58,125
Insurance	**2,541,294**	2,182,100
Repairs and Maintenance	**2,096,717**	3,335,964
Marketing & Advertisement	**23,176,336**	25,546,614
Operation & Maintenance Expenses	**42,517,168**	39,510,383
Travelling and Conveyance	**8,973,443**	9,788,517
Communication	**1,002,343**	1,224,190
Payments to auditors (Refer Note (i) below)	**796,790**	698,985
Loss on sale of fixed assets	**483,481**	120,042
Miscellaneous Expenses	**2,785,647**	2,711,337
Total	**101,078,008**	104,479,339

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

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	Particulars	For the year ended 31st March, 2013	For the year ended 31st March, 2012
(i)	Payments to the auditors comprises (net of service tax refund)		
	Statutory Audit	**550,000**	450,000
	Other services	**220,000**	230,000
	Reimbursement of expenses	**26,790**	18,985
	Total	**796,790**	698,985

Additional information to the financial statements

₹

		As at 31st March, 2013	As at 31st March, 2012
Note 28.	**Contingent liabilities and commitments (to the extent not provided for)**		
(i)	**Contingent liabilities**		
	Income Tax matters under appeal	**16,177,776**	7,633,579
	Note:-		
	The above amount is based on demands raised, which the company is contesting with the concerned authorities. Outflows, if any, arising out of these claims would depend on the outcome of the decision of the appellate authorities and the company's rights for future appeals.		
(ii)	**Commitments**		
	Estimated amount of contracts remaining to be executed on capital account and not provided for Tangible Assets	**76,493,748**	94,415,899

Note 29. There are no amounts due to micro enterprises and small enterprises. This is based on the information received from such parties as identified by the company. This has been relied upon by the auditors.

₹

	For the year ended 31st March, 2013	For the year ended 31st March, 2012
Note 30. Value of imports calculated on CIF basis		
Capital Goods	**610,847**	581,253

₹

	For the year ended 31st March, 2013	For the year ended 31st March, 2012
Note 31. Expenditure in foreign currency		
Travel	**–**	208,615
Subscription	**511,850**	465,900
Advertisement	**–**	108,695
Consultation	**–**	310,401
	511,850	1,093,611

Disclosures under Accounting Standards

Additional information to the financial statements - Employee benefits

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		Gratuity (Unfunded) 2012–13	2011–12
Note 32. Employee Benefits			
a.	**Net Asset/ (Liability) recognized in the balance sheet as at 31st March, 2013**		
	Liability recognised in the balance sheet	**2,270,331**	2,527,755
	Non current	**1,541,919**	1,656,522
	Current	**728,412**	871,233
b.	**Expense recognized in the Profit & Loss account**		
	Past service cost	**–**	7,762
	Current Service cost	**548,519**	741,441
	Interest cost	**176,486**	142,581
	Actuarial (gains)/Losses	**(79,530)**	(103,970)
	Total expenses	**645,475**	787,814
c.	**Change in present value of Defined Benefit obligation**		
	Present Value of the obligation at the beginning of the year	**2,527,755**	1,809,056
	Past service cost	**–**	7,762
	Current Service cost	**548,519**	741,441
	Interest Cost	**176,486**	142,581
	Actuarial (Gains) /Losses	**(79,530)**	(103,970)
	Benefits Paid	**(902,899)**	(69,115)
	Present value of the obligation as at the end of the year	**2,270,331**	2,527,755
d.	**Principal actuarial assumptions ....**		
	Discount Rate	8.00%	8.50%
	Mortality Rate	LIC (1994-96) Ultimate mortality tables	

e. Estimates of future salary increases considered in actuarial valuation take account of inflation, seniority, promotions, increments and other relevant factors such as supply and demand in the employment market.

Note 33. Details of borrowing costs capitalised

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	For the year ended 31st March, 2013	For the year ended 31st March, 2012
Borrowing costs capitalised during the year as		
– Inventory	**257,867,712**	222,716,207
– Fixed Assets	**9,101,306**	23,158,897
– Capital Work in Progress	**–**	20,340,834

Note 34. Related party transactions

Details of related parties:

Description of relationship	Names of related parties
Ultimate Holding Company	Mahindra & Mahindra Limited
Holding Company	Mahindra Lifespaces Developers Limited
Fellow Subsidiaries	Mahindra Integrated Services Private Limited (Formerly known as Mahindra BPO Services Private Limited) Mahindra EPC Services Private Limited Mahindra Consulting Engineers Limited
Key Management Personnel (KMP)	Mr. B.K. Subbaiah - Chief Operating Officer

Note: Related parties have been identified by the Management

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

Details of related party transactions during the year ended 31st March, 2013 and balances outstanding as at 31st March, 2013:

Particulars	Mahindra & Mahindra Limited	Mahindra Lifespaces Developers Limited	Mahindra Integrated Services Private Limited	Mahindra EPC Services Private Limited	Mahindra Consulting Engineers Limited	Mr. B.K. Subbaiah
Rendering of services				12,000 (12,000)		
Land Lease Premium Received	122,367,600 (–)					
Receiving of services	460,464 (111,070)		108,400 (99,000)		1,305,000 (–)	
Finance (including loans and equity contributions in cash or in kind)						
Equity Share Capital Issued		– (37,000,000)				
Preference Share Capital Issued		(–) (185,000,000)				
ICD Taken		1,420,000,000 (930,000,000)				
ICD Repaid		2,000,000,000 (650,000,000)				
Interest on ICD		56,074,159 (32,748,541)				
Preference Shares Dividend Paid		35,625,137 (–)				
Remuneration						7,467,337 (6,213,200)
Balances outstanding at the end of the year						
Trade receivables		– (85,802)				
Trade payables	436,947 (640,700)		9,101 (8,934)			
Deposits Received	380,378 (–)					
Borrowings		– (580,000,000)				

Note: Figures in bracket relate to the previous year

Note 35. Leases

The Company's significant leasing arrangements are in respect of operating leases for commercial premises.

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Particulars	As at 31st March, 2013	As at 31st March, 2012
Gross carrying amount of premises	**1,219,341,156**	1,055,969,690
Accumulated depreciation	**132,053,406**	92,232,224
Depreciation for the year	**40,758,207**	35,832,571

Future minimum lease payments under non- cancellable operating leases (lock in period of 2 to 3 years for the building and 9 years 5 months for interiors)

₹

Particulars	As at 31st March, 2013	As at 31st March, 2012
Not later than 1 year	**35,986,998**	44,694,804
Later than 1 year and not later than 5 years	**130,609,375**	127,721,201
Later than 5 years	**65,105,600**	100,548,213

Significant Leasing Arrangements

Lease is non cancellable during the lock in period.

In respect of building primary lease period is for 5 years, renewable for further 2 terms of 5 years each.

Note 36. Earnings per share

₹

Particulars	As at 31st March, 2013	As at 31st March, 2012
Basic & Diluted		
Net profit for the year from continuing operations	**165,837,917**	87,101,940
Less: Preference dividend and tax thereon	**46,798,000**	32,707,425
Net profit for the year from continuing operations attributable to the equity shareholders	**119,039,917**	54,394,515
Weighted average number of equity shares	**150,000,000**	147,035,519
Par value per share	**10**	10
Earnings per share from continuing operations - Basic & Diluted	**0.79**	0.37

Note 37. Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/ disclosure.

For and on behalf of the Board of Directors

B. K. Subbaiah
Manager & COO

Naveen Mahajan
Anita Arjundas
Directors

Sanjay Jain
Company Secretary cum GM (Accounts)

Place : Jaipur
Date : 18th April, 2013