

DIRECTORS' REPORT TO THE MEMBERS

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

FINANCIAL HIGHLIGHTS

Particulars	For the year ended 31 st March, 2013	For the year ended 31 st March, 2012
		(Amount in ₹)
Total Income.....	-	-
Profit/(Loss) Before Depreciation, Interest and Taxation.....	(49,969)	(131,716)
Less : Depreciation.....	-	-
Profit/(Loss) Before Interest and Taxation	(49,969)	(131,716)
Less : Interest	-	-
Profit/(Loss) Before Taxation	(49,969)	(131,716)
Less : Provision for Taxation	-	-
Profit/(Loss) for the year after Taxation.....	(49,969)	(131,716)
Add : Balance of Profit/(Loss) for earlier years.....	(859,618)	(727,902)
Balance carried forward to the Balance Sheet	(909,587)	(859,618)

Operations

During the year, your Company reviewed various proposals to undertake large format developments including residential developments. Your Company is looking out for suitable business opportunities in this area.

Dividend

In view of losses, your Directors do not recommend dividend for the year under review.

Capital

The Authorised Equity Share Capital of your Company is ₹ 5 crore and the paid-up equity capital of your Company is ₹ 5 lakh.

Your Company is a wholly owned subsidiary company of Mahindra Lifespace Developers Limited and consequently a subsidiary company of the ultimate holding company, Mahindra & Mahindra Limited.

Directors

Mr. Suhas Kulkarni retires by rotation and being eligible offers himself, for re-appointment.

Directors' Responsibility Statement

Pursuant to Section 217(2AA) of the Companies Act, 1956, your Directors, after due enquiry, confirm that:

- i) in the preparation of the annual accounts, the applicable accounting standards have been followed;
- ii) they have, in the selection of the accounting policies, consulted the Statutory Auditors and these have been applied consistently and 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 loss of the Company for the year ended on that date;

- iii) proper and sufficient care has been taken for 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;
- iv) the annual accounts have been prepared on a going concern basis.

Code of Conduct

The Company had adopted Code of Conduct ("the Code/s") for its Directors and Senior Management and Employees. These Codes enunciate the underlying principles governing the conduct of the Company's business and seeks 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 Code from the Board Members of the Company affirming compliance with the Code.

Auditors

At the Extra Ordinary General Meeting held on 9th August, 2012, M/s. B. K. Khare & Co., were appointed as Statutory Auditors of the Company to fill up the casual vacancy caused by the resignation of M/s. A. F. Ferguson & Co., Chartered Accountants.

M/s. B. K. Khare & Co., Chartered Accountants, Mumbai, retire as auditors at the forthcoming Annual General Meeting. The members are requested to appoint Auditors from the conclusion of the forthcoming Annual General Meeting until the conclusion of next Annual General Meeting and fix their remuneration.

As required under the provisions of Section 224 of the Companies Act, 1956, the Company has received a written certificate from the above auditors proposed to be re-appointed, to the effect that their re-appointment, if made, would be in conformity with the limits specified in the said section.

Public Deposits and Loans/Advances

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

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

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 to this Report.

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

The Company had no employee, who was employed throughout the Financial Year and was in receipt of remuneration, of not less than ₹ 6,000,000 p.a. during the year ended 31st March, 2013, or was employed for a part of Financial Year and was in receipt of remuneration of not less than ₹ 500,000 p.m. during any part of the year.

Acknowledgment

The Directors are thankful to all the consultants and associates of your Company for the support received from them during the year under review.

For and on behalf of the Board,

Anita Arjundas
Chairperson

Mumbai, 16th April, 2013

ANNEXURE 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 ON 31ST MARCH, 2013.

A. CONSERVATION OF ENERGY

- | | |
|--|--|
| (a) Energy conservation measures taken | : The Company is looking out for suitable opportunity in large format development including residential development and adequate energy conservation measures will be taken at an appropriate time |
| (b) Additional investments and proposals, if any, being implemented for reduction of consumption of energy | : Nil |
| (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 | : Not Applicable |
| (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 R&D activities during the year. |
| 2. Benefits derived as a result of the above efforts | : Not Applicable |
| 3. Future Plan of action | : This will be considered when Company undertakes residential developments. |
| 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

There was no inflow or outflow of foreign exchange involved during the year under review.

For and on behalf of the Board,

Anita Arjundas
Chairperson

Mumbai, 16th April, 2013

AUDITOR'S REPORT

TO THE MEMBERS OF RAIGAD INDUSTRIAL & BUSINESS PARK LIMITED

Report on the financial statements

We have audited the accompanying financial statements of **Raigad Industrial and Business Park Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility on the financial statements

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 sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

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 ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and 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 internal control 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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 Statement of Profit and Loss, of the loss for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to Note 1 to the financial statements which describes the basis on which the accounts have been prepared on a going concern basis. Our opinion is not qualified in respect of this matter.

Report on other legal and regulatory requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. 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 purpose of our audit;
 - b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c. The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
 - e. On the basis of written representations received from the directors as on 31st March, 2013, and 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 clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
 - f. Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

For B. K. Khare & Co.
Chartered Accountants
Firm's Registration Number 105102W

Padmini Khare Kaicker
Partner
Membership No. 44784

Place: Mumbai
Date: 16th April, 2013

ANNEXURE TO THE AUDITORS' REPORT

Referred to in Paragraph (7) of our report of even date on the accounts of **Raigad Industrial and Business Park Limited** for the year ended 31st March, 2013.

1. The company did not own any fixed assets at the beginning or at the end of the year. Also it has not purchased or sold any fixed assets during the year. Therefore, provisions of sub-clause (a), (b) and (c) of sub-para (i) of para 4 of the Order are not applicable.
2. Since the company does not hold any finished goods, stores, spares and raw materials. Therefore, provisions of sub-clause (a), (b) and (c) of sub-para (ii) of para 4 of the Order are not applicable.
3. The Company has not granted or taken any loans, secured or unsecured, to or from companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956. Therefore, provisions of sub-clause (b), (c), (d), (e), (f) and (g) of sub-para (iii) of para 4 of the Order are not applicable.
4. Since the company has not dealt in purchase and sale of any finished goods, stores, spares and raw materials. Also neither it owned any fixed assets at the beginning or at the end of the year nor has purchased or sold any fixed assets during the year. Therefore provisions of sub-para (iv) of para 4 of the Order are not applicable.
5. In respect of transactions entered in the register maintained under section 301 of the Companies Act, 1956:
 - a) In our opinion and according to the information and explanation given to us, there were no transactions exceeding the value of ₹ five lakhs in case of any party that need to be entered in the Register maintained in pursuance of section 301 of the Companies Act, 1956.
 - b) As there are no transactions exceeding the value of ₹ five lakhs in case of any party that need to be entered in the Register maintained pursuant to section 301 of the Companies Act, 1956, sub-clause (b) of sub-para (v) of Para 4 of the Order regarding reasonability of price at which such transactions have been entered is not applicable
6. In our opinion and according to the information and explanations given to us, the company has not accepted any loans or deposits within the meaning of Rule 2(b) of the Companies (Acceptance of Deposit's Rule), 1975.
7. The provisions relating to internal audit are not applicable to the Company.
8. We have been informed that the Central Government has not prescribed maintenance of Cost records u/s 209(1)(d) of the Companies Act, 1956.
9. (i) According to the records of the Company, the Company has been generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees State Insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess and other statutory dues applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respects of income-tax wealth tax, sales tax, custom duty and excise duty were outstanding, as on 31st March, 2013, for a period more than six months from the date they became payable.
 - (ii) There are no disputed dues outstanding as on 31st March, 2013 on account of sales tax, customs duty, income tax, excise duty, service tax, income tax, wealth tax and cess.
10. The company has been registered for a period of less than five years and hence we are not required to comment on whether or not the accumulated losses at the end of the period is fifty percent or more of its net worth and whether it has incurred cash losses in such financial year and in the immediately preceding financial year.
11. Based on our audit procedures and on the basis of information and explanations given by the management, we are of the opinion that the company has not defaulted in repayment of dues to Financial Institutions and Banks.
12. According to the information and explanations given to us, the company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The provisions of any special statute applicable to chit fund/nidhi/mutual benefit fund/society are not applicable to the company.
14. In our opinion, the company is not dealing in or trading in shares, securities, debentures and other investments.
15. According to the information and explanations given to us, the company has not given any guarantee for loans taken by others from banks or financial institutions during the year.
16. To the best of our knowledge and belief and according to the information and explanations given to us, the company has not obtained any term loans during the year ended 31st March, 2013.

17. In our opinion and according to information and explanations given to us and on an overall examination of the balance sheet of the company, no funds raised on short term basis have been used for long term investments.
18. The company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956 during the year.
19. The company has not issued any debentures during the year.
20. During the year the company has not raised any money by way of public issue.
21. During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the company, noticed or reported during the year, nor have we been informed of such case by the management.

For B. K. Khare & Co.
Chartered Accountants
Firm's Registration Number 105102W

Padmini Khare Kaicker
Partner
Membership No. 44784

Place: Mumbai
Date: 16th April, 2013

BALANCE SHEET AS AT 31ST MARCH, 2013

	Note Ref	As at 31 st March, 2013 ₹	As at 31 st March, 2012 ₹
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital.....	3	500,000	500,000
Reserves and surplus.....	4	(909,587)	(859,618)
		(409,587)	(359,618)
Current liabilities			
Other current liabilities.....	5	487,233	569,443
Total.....		77,646	209,825
ASSETS			
Current assets			
Cash and Cash equivalents.....	6	77,646	209,825
Total.....		77,646	209,825

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 : 16th April, 2013

For and on behalf of the Board of Directors

Anita Arjundas Chairperson

Rajan Narayan Director

Place : Mumbai
 Date : 16th April, 2013

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

	Year ended 31 st March, 2013 ₹	Year ended 31 st March, 2012 ₹
A. Cash flow from operating activities		
(Loss) before tax	(49,969)	(131,716)
Adjustments for:		
Operating (loss) before working capital changes.....	(49,969)	(131,716)
Increase/(decrease) in current liabilities.....	(82,210)	27,575
Cash (used in) operations	(132,179)	(104,141)
Net increase/(decrease) in cash and cash equivalents	(132,179)	(104,141)
Cash & cash equivalents		
Opening balance.....	209,825	313,966
Closing balance.....	77,646	209,825
Net increase/(decrease) in cash and cash equivalents	(132,179)	(104,141)

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 : 16th April, 2013

For and on behalf of the Board of Directors

Anita Arjundas Chairperson

Rajan Narayan Director

Place : Mumbai
 Date : 16th April, 2013

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

1. Corporate Information:

The Company was incorporated on 18th June, 2009 and is engaged in the business of development of Industrial Parks in Maharashtra and is in the process of identifying the lands for acquisition. Since the Holding Company is committed to extending financial support to the Company for its future projects the accounts have been prepared on a "Going Concern" basis.

2. Significant Accounting Policies:

a. Basis of Accounting

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.

b. 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 recognised 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 recognised 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 substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognised 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 realised. 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.

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 (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 not recognised but are disclosed in notes contingent Assets are neither recognised nor disclosed in the financial statements.

	As at	As at
	31 st March, 2013	31 st March, 2012
3. Share Capital:	₹	₹
Authorised		
5,000,000 Equity shares of ₹ 10 each....	50,00,000	15,00,000
Issued, subscribed and paid up.		
50,000 equity shares of ₹ 10 each fully paid up	50,000	50,000
	50,000	50,000

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, 2013		As at 31 st March, 2012	
	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	50,000	500,000	50,000	500,000

b. Terms/Rights attached to Equity Shares

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

	As at	As at
	31 st March, 2013	31 st March, 2012
4. Reserves & Surplus:		
Surplus in Statement of Profit and Loss		
Opening balance of Profit & Loss Account...	(859,618)	(727,902)
Add: (Loss) for the Current Year	(49,969)	(131,716)
Closing Balance of Profit and Loss Account.	<u>(909,587)</u>	<u>(859,618)</u>
5. Other Current Liabilities:		
Expenses reimbursable to Holding Company	459,143	459,143
Other payables	28,090	110,300
	<u>487,233</u>	<u>569,443</u>

The particulars regarding dues to micro enterprises and small enterprises have been determined to the extent such parties have been identified on the basis of information available with the Company.

6. Cash & cash equivalents:

Bank Balances		
On current account.....	77,646	209,825
	<u>77,646</u>	<u>209,825</u>

	Year ended	Year ended
	31 st March, 2013	31 st March, 2012
7. Other Expenses:		
Rates and taxes	8,119	1,010
Legal and Professional Charges.....	11,236	20,406
Miscellaneous expenses	464	-
Audit Fee.....	28,090	110,300
Reimbursement of expenses/levies	2,060	-
	<u>49,969</u>	<u>131,716</u>

8. List of related parties:

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

Related parties are as identified by the management

	As at	As at
	31 st March, 2013	31 st March, 2012
Mahindra Lifespace Developers Limited		
Payable as at the year end (₹)	459,143	459,143

9. Earnings per Share:

	2012-13	2011-12
Net (loss) after tax (₹)	(49,969)	(131,716)
Weighted average number of equity shares (Nos.)	50,000	50,000
Basic and Diluted Earnings per share (₹) ...	(1.00)	(2.63)
Nominal value of shares (₹)	10	10

10. In line with AS 22, Accounting for Taxes on Income, on principles of prudence, the company has not recognized the net deferred tax asset arising due to unabsorbed losses.

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

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

Padmini Khare Kaicker
Partner
Membership No. : 44784

Place : Mumbai
Date : 16th April, 2013

For and on behalf of the Board of Directors

Anita Arjundas Chairperson
Rajan Narayan Director

Place : Mumbai
Date : 16th April, 2013