



# **World City Developers Ltd.**

**Annual Report**

**2010-11**

## DIRECTORS' REPORT TO THE SHARE HOLDERS

Your Directors present the Fourteenth Report together with the audited accounts for the financial year ended 31<sup>st</sup> March, 2011.

### FINANCIALS RESULTS:

	(Rs.in lakhs)	
	2011	2010
Income.....	<b>7,049.25</b>	3,150.49
Profit before Depreciation, Interest and Taxation.....	<b>5,542.53</b>	2,989.49
Depreciation .....	<b>(191.76)</b>	(172.87)
Interest.....	<b>(1,980.61)</b>	(1,207.84)
Provision for Tax - Income Tax.....	<b>(470.00)</b>	(450.00)
- Deferred Tax .....	<b>(624.86)</b>	(64.91)
Profit after tax for the year.....	<b>2,275.30</b>	1,093.87
Add : Balance of Profit / (Loss) for earlier years.....	<b>2,101.52</b>	1,602.35
Amount available for appropriation.....	<b>4,376.82</b>	2,696.22
Less : Proposed Dividend (including tax on distributed profits).....	<b>685.71</b>	594.70
Balance carried forward.....	<b>3,691.11</b>	2,101.52

### DIVIDEND:

Your Directors have recommended a dividend of Rs.1 per share on 2,00,00,000 equity shares of face value of Rs.10 per share of the Company for the year 2010 – 2011 (previous year Rs. 0.60 per share). Your Directors have also recommended a dividend of Rs.6.00 per Preference share on 65,00,000 – 6 percent Cumulative Redeemable Preference Shares of Rs.100 each. The total dividend payment (including tax on distributed profits) amounts to Rs. 685.71 lakhs.

### OPERATIONS

This year saw a very strong interest from several multinationals especially from Japan and the US to set up their facilities in Mahindra World City in their bid to enter the India market. Your company crossed the Half Century mark and added 8 customers in the Domestic Tariff Area – Tridon (Australia), NTN Corporation (Japan), JSP Foams (Japan), Federal Mogul (USA), Musashi Paints(Japan), Alpha Packaging(India), Milton Roy (USA) and Sakazaki Engraving(Japan) .

During the year, Mahindra World City also signed up Duet Hotels as the Anchor Customer for the Retail / Commercial Zone. Duet is a UK Based Hotel fund, which will be setting up a 4 Star Business Hotel at Mahindra World City. The 150 room hotel will be operated by Holiday Inn Express.

The manufacturing sector was very buoyant and witnessed 5 companies starting operations during the year including Fujitec Elevators (DTA), Tesa Tapes (DTA), Mecapalst (DTA), CAP Gemini (IT SEZ) and Slam Apparels ( Apparel SEZ).

Several companies created milestones including BMW India , rolling out its 10,000<sup>th</sup> car and also adding the X1 to its esteemed product range. Other companies received accolades including Timken India (Auto Ancillary SEZ) winning the Southern Region

Excellence award in Environment, Health and Safety from CII, Sundram Fasteners (Auto Ancillary SEZ) receiving the GM Supplier of the Year Award, MindTree (IT SEZ) being Recognized as 2010 Global Most Admired Knowledge Enterprise (MAKE) Award Overall Winner and State Bank of India, Mahindra World City Branch making it to the SBI Super Circle of Excellence.

Mahindra World City currently has a total of 57 clients of which 30 are in the SEZs and 27 are in the DTA. 35 companies have become operational at Mahindra World City, Chennai and 7 are expected to start functioning soon. During the year, direct employment in the business city increased from 18,000 to 23,000 people. Exports also touched Rs. 3,497 crores an increase of Rs. 1,200 crores over the previous year. Both rail and Bus services have been enhanced to cater to the increased requirements of the Park Occupants.

Mahindra World City also won the “Best Integrated Township” of the year award instituted by Realty Plus.

On the Sustainability front, Mahindra World City in partnership with IGBC has started work on making Mahindra World City, New Chennai , the first Green township in India. Work has also started on energy conservation initiatives by installing Energy efficient Lighting (LED lighting) in the Park.

As part of the CSR initiatives, the first batch of students passed out with their IGNOU diplomas from the Employability Training Centre (ETC). A course on Home nursing was added in the year and has over 100 students who have passed out of the course.

Mahindra World City also continued its social awareness initiatives through the flagship initiative “Jwala”, wherein Mahindra World City coordinated with students of schools in nearby villages and imparted education on various topics that influence our lives on a daily basis.

## DIRECTORS

Mr. A.K. Nanda, Vice-Chairman, Mr. V. Balaraman and Mr. Sanjiv Kapoor, Directors retire by rotation and being eligible, offer themselves for re-election at the forthcoming Annual General Meeting.

### Audit Committee

The Audit Committee of the Company comprises Mr. Sanjeev Kapoor (Chairman), Mr. Debendranath Sarangi, IAS and Mr. V. Balaraman. The committee met once during the year.

### Remuneration Committee

The Remuneration Committee of the Company comprises Mr. N. Vaghul (Chairman), Mr. A.K. Nanda and Mr. Debendranath Sarangi, IAS. The committee met once during the year.

## DIRECTOR'S RESPONSIBILITY STATEMENT:

Pursuant to section 217(2AA) of the Companies Act, 1956, your Directors, based on the representation received from the Operating Management, and after due enquiry, confirm that:

- in the preparation of the annual accounts, the applicable accounting standards have been followed;
- 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, 2011 and of the profit of the Company for the year ended on that date.
- 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;
- the annual accounts have been prepared on a going concern basis.

## Auditors

Pursuant to Section 225 of the Companies Act, 1956, your Company proposes to appoint M/s. A.F. Ferguson & Co., Chartered Accountants as Auditors, Chennai of the Company. The shareholders will be required to elect Auditors for the current year and fix their remuneration.

As required by the provisions of section 224 of the Companies Act, 1956, the Company has received a written certificate from M/s. A.F. Ferguson & Co., Chartered Accountants, to the effect that their re-appointment, if made, would be in conformity with the limits specified in the said section.

## Codes of Conduct

The Company had adopted Codes of Conduct for Corporate Governance ("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 the Senior Management Personnel and Employees of the Company affirming compliance with the respective Codes.

## Public Deposits and Loans / Advances

The Company has not accepted deposits from the public or its 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 Mahindra Lifespace Developers Limited and Mahindra & Mahindra Limited.

## 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.

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

As required under section 217(2A) of the Companies Act, 1956 and rules framed thereunder, a statement containing particulars of the Company's employee who was in receipt of remuneration of not less than Rs.60,00,000 during the year ended 31<sup>st</sup> March, 2011 or not less than Rs.5,00,000/- per month during any part of the said year. The particulars of remuneration are given in Annexure II to this Report.

## ACKNOWLEDGEMENT

Your Directors wish to place on record their sincere thanks to the Tamil Nadu Government, Housing Development Finance Corporation Limited and the Employees for their support and co-operation extended during the period under review.

For and On Behalf of the Board

**N. Vaghul**  
Chairman

Place: Chennai  
Date: April 18, 2011

**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, 2011.****A. CONSERVATION OF ENERGY**

- a) Energy conservation measures taken : The operations of your Company are not energy intensive. However, adequate measures have been initiated to reduce energy consumption.
- b) Additional investments and proposals, if any, being implemented for reduction of consumption of energy: Not applicable
- 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: The above measures have resulted in reduction of energy consumption
- 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 &amp; Development (R&amp;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	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**

The information on foreign exchange earnings and outgo is furnished in the notes to accounts.

For and on behalf of the Board

Place: Chennai  
Date : April 18, 2011

**N. Vaghul**  
Chairman

**Annexure II to the Directors' Report**

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 31<sup>st</sup> March, 2011

Name of the Employee	Designation / Nature of Duties	Qualification	Remuneration (Subject to tax) (Rs.)	Age (yrs)	Experience (yrs)	Date of Commencement of employment	Last employment held (Designation / Organisation)
Ms. Sangeeta Prasad	Chief Operating Officer & Manager	M.B.A.	6,149,652	43	18	29 <sup>th</sup> August, 2008	Chief Sales Manager - South TATA Steels Limited

## Notes:

1. Nature of employment is contractual, subject to termination at three months' notice from either side.
2. The above employee is/are not related to any other Director of the Company.
3. The employee does not hold by herself or along with her spouse and dependent children 2% or more of the equity shares of the Company.
4. Terms and Conditions of employment are as per Company's rules / contract.
5. Gross remuneration received as shown in the statement includes Salary, Bonus, House Rent Allowance or value of perquisites for accommodation, employer's contribution to Provident fund and Superannuation scheme including group insurance premium, leave travel facility, Reimbursement of medical expenses and all allowances / perquisites and terminal benefits as applicable.

For and on behalf of the Board

Place: Chennai  
Date : April 18, 2011

**N. Vaghul**  
Chairman

## AUDITORS' REPORT TO THE MEMBERS OF MAHINDRA WORLD CITY DEVELOPERS LIMITED

1. We have audited the attached Balance Sheet of MAHINDRA WORLD CITY DEVELOPERS LIMITED ("the Company") as at 31st March, 2011, the Profit and Loss Account and the Cash Flow Statement of the Company for the year ended on that date, both annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and the disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by the Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 (CARO) issued by the Central Government in terms of Section 227(4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report as follows:
  - (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 Profit and Loss Account 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 Profit and Loss Account and the Cash Flow Statement dealt with by this report are in compliance with the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956;
- (e) in our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
  - (i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2011;
  - (ii) in the case of the Profit and Loss Account, of the profit of the Company for the year ended on that date and
  - (iii) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.
5. On the basis of the written representations received from the Directors as on 31st March, 2011 taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2011 from being appointed as a director in terms of Section 274(1) (g) of the Companies Act, 1956.

*For A. F. Ferguson & Co  
Chartered Accountants  
Registration No. 112066W*

**B. Ramaratnam**  
*Partner*

*Place : Chennai  
Date : April 18, 2011*

*Membership No. 21209*

**ANNEXURE REFERRED TO IN PARAGRAPH 3 OF THE AUDITORS' REPORT TO THE MEMBERS OF MAHINDRA WORLD CITY DEVELOPERS LIMITED ON THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2011**

- (i) Having regard to the nature of Company's business/ activities/result, clauses (iii), (v), (vi), (viii), (x), (xii), (xiii), (xiv), (xv), (xviii), (xix) and (xx) 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 saleable 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, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of inventory and fixed assets and for the sale of inventory. During the course of our audit, we have not observed any major weakness in such internal control system.
- (v) In our opinion, the Company has an internal audit system which is commensurate with its size and nature of business.

- (vi) According to the information and explanations given to us in respect of statutory dues:
  - (a) The Company has 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, 2011 for a period of more than six months from the date they became payable.
  - (c) As on March 31, 2011, there were no disputed dues which have not been deposited except in respect income-tax as given below:

Statute	Nature of dues	Forum where dispute is pending	Period to which the amount relates	Amount involved (Rs. in lakhs)
Income Tax Act	Income tax	Commissioner (Appeals)	P.Y. 2004-05 & 2007-08	61.93

- (vii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues in respect of term loans.
- (viii) The Company has applied term loans for the purpose for which the loans were obtained.
- (ix) According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, in our opinion, there are no funds raised on short term basis which have been used for long term investments.
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

**For A. F. Ferguson & Co**  
Chartered Accountants  
Registration No. 112066W

**B. Ramaratnam**  
Partner  
Membership No. 21209

Place : Chennai  
Date : April 18, 2011

**BALANCE SHEET AS AT MARCH 31, 2011**

	Schedule	As at March 31, 2011	Rs. As at March 31, 2010
<b>SOURCES OF FUNDS</b>			
<b>Shareholders' funds</b>			
Share capital .....	1	850,000,000	850,000,000
<b>Reserves and Surplus</b> .....	2	<b>376,310,510</b>	217,352,272
<b>Loan funds</b>			
Secured loans .....	3	1,660,000,000	1,480,000,000
Unsecured loans .....	4	200,000,000	—
Deferred tax liability .....		92,688,177	30,202,458
Total .....		<u><b>3,178,998,687</b></u>	<u>2,577,554,730</u>
<b>APPLICATION OF FUNDS</b>			
Fixed assets .....	5		
Gross block .....		433,011,909	415,895,098
Less: Depreciation .....		<u>65,841,502</u>	<u>47,048,707</u>
Net block .....		367,170,407	368,846,391
Capital Work in Progress / advances .....		1,940,825	—
		<u>369,111,232</u>	<u>368,846,391</u>
Investments .....	6	130,000,000	130,100,000
Current assets, loans and advances .....			
Inventories .....	7	2,557,063,227	1,767,781,267
Sundry debtors .....	8	5,220,206	7,097,342
Cash and bank balances .....	9	38,454,199	5,013,221
Loans and advances .....	10	429,154,606	498,794,127
		<u>3,029,892,238</u>	<u>2,278,685,957</u>
Less: Current liabilities and provisions	11		
Current liabilities .....		278,458,308	137,480,479
Provisions .....		<u>71,546,475</u>	<u>62,597,139</u>
		<u>350,004,783</u>	<u>200,077,618</u>
Net current assets .....		<u>2,679,887,455</u>	<u>2,078,608,339</u>
Total .....		<u><b>3,178,998,687</b></u>	<u>2,577,554,730</u>
Notes to the accounts	15		

In terms of our report attached

**For A.F.Ferguson & Co.**  
Chartered Accountants

**B. Ramaratnam**  
Partner

Place : Chennai  
Date : April 18, 2011

For and on behalf of the Board of Directors

**N. Vaghul** Chairman  
**Debendranath Sarangi, IAS** Director  
**Anita Arjundas** Director  
**Sangeeta Prasad** Chief Operating Officer & Manager  
**S. Chandru** Chief Financial Officer and Company Secretary

Place : Chennai  
Date : April 18, 2011



**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2011**

	Schedule	2010-11	Rs. 2009-10
<b>INCOME</b>			
Land lease premium .....		<b>549,303,587</b>	134,090,100
Property lease rentals .....		<b>9,578,565</b>	9,590,833
Operation and maintenance income .....		<b>119,391,232</b>	103,674,170
Other income .....	12	<b>26,652,455</b>	67,693,502
		<b>704,925,839</b>	315,048,605
<b>EXPENDITURE</b>			
Cost of land and project development .....		<b>774,473,803</b>	781,668,901
Interest and finance charges .....		<b>198,060,893</b>	120,783,868
Legal and professional charges .....		<b>11,580,204</b>	14,550,862
Depreciation .....		<b>19,176,114</b>	17,286,617
Other expenses .....	13	<b>153,901,553</b>	136,242,445
Decrease / (Increase) in work in progress .....	14	<b>(789,281,960)</b>	(916,362,219)
		<b>367,910,607</b>	154,170,474
Profit before tax .....		<b>337,015,232</b>	160,878,131
Provision for taxes			
Current tax .....		<b>47,000,000</b>	45,000,000
Deferred tax .....		<b>62,485,719</b>	6,490,844
Profit after tax .....		<b>227,529,513</b>	109,387,287
Add : Profit / (Loss) brought forward .....		<b>210,152,272</b>	160,235,448
		<b>437,681,785</b>	269,622,735
Appropriations:			
Proposed dividend .....			
– On equity shares .....		<b>20,000,000</b>	12,000,000
– On preference shares .....		<b>39,000,000</b>	39,000,000
Dividend distribution tax .....		<b>9,571,275</b>	8,470,463
		<b>68,571,275</b>	59,470,463
Balance carried to balance sheet .....		<b>369,110,510</b>	210,152,272
Basic and diluted earnings per share .....		<b>9.11</b>	3.20
Notes to the accounts .....	15		

In terms of our report attached

**For A.F.Ferguson & Co.**  
Chartered Accountants

**B. Ramaratnam**  
Partner

Place : Chennai  
Date : April 18, 2011

For and on behalf of the Board of Directors

**N. Vaghul** Chairman  
**Debendranath Sarangi, IAS** Director  
**Anita Arjundas** Director  
**Sangeeta Prasad** Chief Operating Officer & Manager  
**S. Chandru** Chief Financial Officer and Company Secretary

Place : Chennai  
Date : April 18, 2011



**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2011**

	2010-11	Rs. 2009-10
<b>A. Cash flow from operating activities</b>		
Profit before tax .....	337,015,232	160,878,131
Adjustments for:		
Depreciation .....	19,176,114	17,286,617
Interest and finance charges .....	198,060,893	120,783,868
Loss on sale of fixed assets .....	228,138	248,357
Profit on sale of investment .....	(4,790,000)	(40,000,000)
Interest income .....	<u>(21,576,555)</u>	<u>(23,320,472)</u>
Operating profit before working capital changes .....	528,113,822	235,876,501
Changes in:		
(Increase) / decrease in sundry debtors .....	1,877,136	4,116,054
(Increase) / decrease in loans and advances .....	66,600,278	(44,394,714)
(Increase) / decrease in inventories .....	(789,281,960)	(916,362,219)
Increase / (decrease) in current liabilities .....	<u>142,957,312</u>	<u>(55,433,023)</u>
	<u>(577,847,234)</u>	<u>(1,012,073,902)</u>
Cash generated from / (used in) operations .....	(49,733,412)	(776,197,401)
Taxes paid .....	<u>(40,154,011)</u>	<u>(54,021,272)</u>
Net cash from / (used in) operating activities .....	<u>(89,887,423)</u>	<u>(830,218,673)</u>
<b>B. Cash flow from investing activities:</b>		
Purchase of fixed assets including capital work-in-progress / advances ..	(19,933,228)	(15,212,197)
Proceeds from sale of fixed assets .....	264,135	345,926
Proceeds from sale of investment .....	4,890,000	42,500,000
Inter corporate deposit given .....	—	(3,900,000)
Interest received .....	17,769,809	18,944,742
Net cash from / (used in) investing activities .....	<u>2,990,716</u>	<u>42,678,471</u>
<b>C. Cash flow from financing activities:</b>		
Proceeds from borrowings .....	440,000,000	1,030,000,000
Repayment of borrowings .....	(260,000,000)	(110,000,000)
Inter corporate deposit received .....	200,000,000	
Dividend including dividend tax paid .....	(59,470,463)	(73,706,850)
Interest and finance charges paid .....	<u>(200,191,852)</u>	<u>(115,734,005)</u>
Net cash from / (used in) finance activities .....	120,337,685	730,559,145
Net increase / (decrease) in cash and cash equivalents (A+B+C) .....	33,440,978	(56,981,057)
Opening balance .....	5,013,221	61,994,278
Closing balance .....	38,454,199	5,013,221

In terms of our report attached

**For A.F.Ferguson & Co.**  
Chartered Accountants

**B. Ramaratnam**  
Partner

Place : Chennai  
Date : April 18, 2011

For and on behalf of the Board of Directors

**N. Vaghul** *Chairman*  
**Debendranath Sarangi, IAS** *Director*  
**Anita Arjundas** *Director*  
**Sangeeta Prasad** *Chief Operating Officer & Manager*  
**S. Chandru** *Chief Financial Officer and Company Secretary*

Place : Chennai  
Date : April 18, 2011

**SCHEDULES FORMING PART OF THE ACCOUNTS AS AT MARCH 31, 2011**

	As at March 31, 2011 Rupees	As at March 31, 2010 Rupees		As at March 31, 2011 Rupees	As at March 31, 2010 Rupees
<b>SCHEDULE 1 : SHARE CAPITAL</b>			<b>SCHEDULE 2 : RESERVES AND SURPLUS</b>		
<b>Authorised</b>			<b>General Reserve</b>		
25,000,000 equity shares of Rs. 10 each .....	250,000,000	250,000,000	Transfer from profit and loss account .....	7,200,000	7,200,000
6,500,000 Cumulative Redeemable Preference shares of Rs. 100 each .....	650,000,000	650,000,000	Profit and loss account .....	369,110,510	210,152,272
5,000,000 Unclassified shares of Rs.10 each .....	50,000,000	50,000,000		<b>376,310,510</b>	<b>217,352,272</b>
	<b>950,000,000</b>	<b>950,000,000</b>			
<b>Issued, subscribed and paid up.</b>			<b>SCHEDULE 3 : SECURED LOANS</b>		
20,000,000 equity shares of Rs.10/- each fully paid up .....	200,000,000	200,000,000	Term loan from HDFC Limited .....	1,660,000,000	1,480,000,000
(of the above 16,524,993 equity shares of Rs.10/- each fully paid up are held by Mahindra Lifespace Developers Limited, the holding company)			(Secured / to be secured by equitable mortgage of lands disclosed as inventories, near Chennai) .....	<b>1,660,000,000</b>	<b>1,480,000,000</b>
6,500,000, 6% Cumulative Redeemable Preference shares of Rs.100/- each fully paid up .....	650,000,000	650,000,000			
The Cumulative Redeemable Preference shares are redeemable at par after the principal amount of Rs.78 crores alongwith interest has been fully paid on the "Term loan from HDFC Limited". .....					
	<b>850,000,000</b>	<b>850,000,000</b>	<b>SCHEDULE 4 : UNSECURED LOANS</b>		
			Short term loans and advances		
			- Mahindra Lifespace Developers Limited ...		
				<b>200,000,000</b>	—
				<b>200,000,000</b>	—

**SCHEDULE 5 : FIXED ASSETS**

Particulars	Gross block			Depreciation			Net block			
	As at 01.04.2010	Additions	Deletions	As at 31.03.2011	As at 01.04.2010	For the year	Deletions	As at 31.03.2011	As at 31.03.2011	As at 31.03.2010
<b>Tangible assets</b>										
Land	10,779,777	—	—	10,779,777	—	—	—	—	10,779,777	10,779,777
Buildings	210,429,257	11,754,672	—	222,183,929	21,563,312	6,930,068	—	28,493,380	193,690,549	188,865,945
Plant and machinery	158,164,980	582,623	—	158,747,603	14,629,761	7,540,948	—	22,170,709	136,576,894	143,535,219
Office equipment	15,517,537	3,791,453	76,750	19,232,240	2,461,613	834,176	22,138	3,273,651	15,958,589	13,055,924
Furniture and fixtures	2,678,061	841,950	—	3,520,011	1,573,263	790,267	—	2,363,530	1,156,481	1,104,798
Computers	4,842,715	299,610	—	5,142,325	3,460,839	440,440	—	3,901,279	1,241,046	1,381,876
Vehicles	7,924,047	722,095	798,842	7,847,300	1,532,393	774,616	361,181	1,945,828	5,901,472	6,391,654
<b>Intangible assets</b>										
Software	5,558,724	—	—	5,558,724	1,827,526	1,865,599	—	3,693,125	1,865,599	3,731,198
<b>TOTAL</b>	<b>415,895,098</b>	<b>17,992,403</b>	<b>875,592</b>	<b>433,011,909</b>	<b>47,048,707</b>	<b>19,176,114</b>	<b>383,319</b>	<b>65,841,502</b>	<b>367,170,407</b>	<b>368,846,391</b>
Previous year	343,504,939	73,171,279	781,120	415,895,098	29,948,927	17,286,617	186,837	47,048,707		368,846,391

	As at March 31, 2011 Rupees	As at March 31, 2010 Rupees		As at March 31, 2011 Rupees	As at March 31, 2010 Rupees
<b>SCHEDULE 6 : INVESTMENTS</b>			<b>SCHEDULE 7: INVENTORIES</b>		
<b>Investments</b>			<b>(refer note 1(g) , 7 &amp; 16)</b>		
Unquoted, Non-trade			<b>Work in progress</b>		
Long term			(representing cost of land and related development expenditure)		
Mahindra Integrated Township Limited				<b>2,557,063,227</b>	1,767,781,267
(13,000,000 equity shares of Rs.10 each fully paid up)	<b>130,000,000</b>	130,000,000		<b>2,557,063,227</b>	<b>1,767,781,267</b>
Short term			<b>SCHEDULE 8: SUNDRY DEBTORS</b>		
Ascendas Mahindra IT Park Private Limited			(Unsecured, considered good)		
(10,000 equity shares of Rs.10 each fully paid up sold during the year)	—	100,000	Outstanding for more than six months	<b>1,326,356</b>	2,872,755
	<b>130,000,000</b>	<b>130,100,000</b>	Other debts	<b>3,893,850</b>	4,224,587
				<b>5,220,206</b>	<b>7,097,342</b>

	As at March 31, 2011 Rupees	As at March 31, 2010 Rupees
<b>SCHEDULE 9 : CASH AND BANK BALANCES</b>		
Cash on hand .....	92,827	25,787
Balances with scheduled banks		
– on current account .....	38,361,372	4,987,434
	<u>38,454,199</u>	<u>5,013,221</u>

**SCHEDULE 10 : LOANS AND ADVANCES**

(Considered good)		
(Secured)		
Advance for purchase of land (refer note no. 15) ..	299,303,040	295,959,211
(Unsecured)		
Advances recoverable in cash or in kind		
or for value to be received .....	6,498,253	3,635,247
Advance for purchase of land .....	7,130,000	79,957,750
Inter corporate deposit .....	73,300,000	73,300,000
Interest accrued on deposits .....	15,962,779	12,156,033
Deposits .....	2,980,520	2,959,883
Taxation (net) .....	23,980,014	30,826,003
	<u>429,154,606</u>	<u>498,794,127</u>

**SCHEDULE 11: CURRENT LIABILITIES AND PROVISIONS**

**Current liabilities**

**Sundry creditors**

– due to micro & small enterprises .....	—	—
– others .....	66,866,773	80,603,050
Advances from customers .....	163,361,913	11,969,000
Deposits from customers .....	40,611,266	35,159,114
Interest accrued but not due on loans .....	7,618,356	9,749,315
	<u>278,458,308</u>	<u>137,480,479</u>

**Provisions**

Leave salary	2,360,436	1,709,098
Gratuity	614,764	1,417,578
Proposed dividend	59,000,000	51,000,000
Tax on proposed dividend	9,571,275	8,470,463
	<u>71,546,475</u>	<u>62,597,139</u>
	<u>350,004,783</u>	<u>200,077,618</u>

**SCHEDULE 12 : OTHER INCOME**

	2010–11 Rupees	2009–10 Rupees
Interest on inter corporate deposits (tax deducted at source Rs. 879,602; previous year Rs.1,423,540) .....	8,796,004	8,743,842
Interest on others (tax deducted at source Rs.1,113,339; previous year Rs.3,303,063) .....	12,780,551	14,576,630
Profit on sale of investment .....	4,790,000	40,000,000
Consultancy charges .....	—	4,300,000
Miscellaneous Income .....	285,900	73,030
	<u>26,652,455</u>	<u>67,693,502</u>

**SCHEDULE 13 : OTHER EXPENSES**

Salaries, wages and bonus .....	29,503,947	22,514,061
Contribution to provident and other funds .....	1,242,877	963,616
Commission to non-whole time directors .....	1,500,000	750,000
Staff welfare .....	2,117,257	2,633,073
Electricity .....	18,369,043	15,309,279
Rent .....	556,666	289,193
Rates and taxes .....	778,607	628,078
Insurance .....	1,723,904	1,378,452
Repairs and maintenance – others .....	1,006,500	1,140,439
Advertisement and business promotion .....	6,753,148	3,695,375
Brokerage .....	5,068,999	54,120
Traveling .....	7,399,860	6,727,270
Communication .....	1,839,196	1,095,066
Directors sitting fees .....	90,000	95,000
Security charges .....	13,930,442	11,048,790
Miscellaneous .....	12,336,826	2,849,258
Loss on fixed assets sold / discarded .....	228,138	248,357
Site maintenance & services .....	49,456,143	64,823,018
	<u>153,901,553</u>	<u>136,242,445</u>

**SCHEDULE 14 : (INCREASE) / DECREASE IN WORK IN PROGRESS**

PARTICULARS	2010–11	2009–10
Opening work in progress	1,767,781,267	851,419,048
Closing work in progress	2,557,063,227	1,767,781,267
	<u>(789,281,960)</u>	<u>(916,362,219)</u>

**SCHEDULE 15**

**Notes to the accounts for the year ended March 31, 2011**

**1. Significant accounting policies**

**(a) Basis of accounting**

The financial statements have been prepared under the historical cost convention in accordance with the accounting principles generally accepted in India and comply with the mandatory Accounting Standards notified by the Central Government of India under The Companies (Accounting Standards) Rules, 2006 and with the relevant provisions of the Companies Act, 1956.

**(b) Revenue recognition**

- a. Land lease premium is recognised as income upon creation of leasehold rights in favour of the lessee or upon an agreement to create leasehold rights with handing over of possession.
- b. Property lease rentals, income from operation & maintenance charges and water charges are recognised on an accrual basis as per terms of the agreement with the lessees.

**(c) Government grants**

Government grants received towards capital expenditure is adjusted to the carrying cost of assets.

**(d) Fixed assets**

Fixed assets are stated at cost less accumulated depreciation. Cost of acquisition is inclusive of purchase price, levies, borrowing costs as applicable and any directly attributable cost of bringing the assets to its working condition for the intended use and is net of grants received.

**(e) Depreciation**

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.

Software expenditure incurred is amortised over three years.

**(f) Investments**

Long term investments are carried at cost. Diminution in the value of investments, other than temporary, is provided for. Current investments are valued at lower of cost and fair value.

**(g) Inventories**

Inventories are valued at lower of cost and net realisable 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.

**(h) Employee benefits**

**(i) Short term employee benefit plans**

All short term employee benefit plans such as salaries, wages, bonus, special awards and, medical benefits which fall due within 12 months of the period in which the employee renders the related services which entitles him to avail such benefits are recognized on an undiscounted basis and charged to the profit and loss account.

**(ii) Defined Contribution Plan**

Contributions to the provident and pension funds are made monthly at a predetermined rate to the Regional Provident Fund Commissioner and debited to the profit and loss account on an accrual basis

**(iii) Defined Benefit Plan**

Liability towards gratuity is provided on the basis of an actuarial valuation using the Projected Unit Credit method and debited to the profit and loss account on an accrual basis. Actuarial gains and losses arising during the year are recognized in the profit and loss account. Leave salary is similarly valued on an actuarial basis. Gratuity is being funded with Life Insurance Corporation of India from the current year while leave salary is unfunded.

**(i) Taxes on income:**

Current tax is determined as the amount of tax payable in respect of taxable income for the year. Deferred tax is recognised, subject to consideration of prudence, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

Deferred tax assets in respect of unabsorbed depreciation and carried forward losses are recognised if there is virtual certainty that there will be sufficient future taxable income available to realise such losses. Other deferred tax assets are recognised if there is reasonable certainty that there will be sufficient future taxable income available to realise such assets

**(j) Foreign currency transactions**

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.

**(k) 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 are not discounted to present value and are determined based on 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 the notes. Contingent Assets are neither recognised nor disclosed in the financial statements.

**(l) Use of estimates**

The preparation of the Financial Statements, in conformity with the generally accepted accounting principles, requires estimates to be made that have an effect on the reported amounts of assets and liabilities on the date of the financial statements and the reported amount of expenses during the year. Differences between the actual expenditures and the estimates are recognized in the year in which the expenditures materialize.

**(m) Segment reporting:**

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

	2010-11	2009-10
2. Estimated value of contracts remaining to be executed on capital account and not provided for (net of advances)	17,964,535	—
3. Managerial remuneration:		
i. Manager		
Salaries, allowances and perquisites	5,890,452	4,285,734
Contribution to provident fund	259,200	201,600
(The above excludes provision for gratuity and leave encashment as separate actuarial valuation is not available)	<u>6,149,652</u>	<u>4,487,334</u>
ii. Directors sitting fees	90,000	95,000
iii. Commission to non-whole time directors	1,500,000	750,000
4. Computation of net profit under Section 198 of the Companies Act, 1956		
Profit before taxation as per profit and loss account	337,015,232	160,878,131
Add : Depreciation as per accounts	19,176,114	17,286,617
Managerial remuneration	7,739,652	5,332,334
(Profit) / loss on sale of assets (net) as per accounts	<u>228,138</u>	<u>248,357</u>
	<u>364,159,136</u>	<u>183,745,439</u>
Less : Depreciation under section 350 of the Companies Act 1956	18,211,585	16,360,161
Profit) / loss on sale of assets (net) as per section 349 of the Companies Act, 1956	228,138	248,357
Net profit	<u>345,719,413</u>	<u>167,136,921</u>
Commission payable to non-whole time directors restricted to	1,500,000	750,000
5. Auditor's remuneration:		
Audit fees	600,000	600,000

MAHINDRA WORLD CITY DEVELOPERS LIMITED

Other services	150,000	—
Reimbursement of expenses / levies	22,508	—
6. Expenditure in foreign currency:		
Travel	108,115	135,486
Other expenses	226,220	290,576
7. The cost of land and related development expenditure is disclosed as work-in-progress as the company expects to incur further costs on land and infrastructure development.		
8. 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/sale. The company also maintains the Industrial Park for which it collects operation and maintenance charges from the lessees. During the year, the company has leased 36.795 (previous year 16.082) acres of land on long term basis.		
9. Employee benefits		Rs.

	Gratuity	Leave salary
	(Funded from current year)	(Unfunded)
	2010 – 11	2009 – 10
	2010 – 11	2009 – 10

a. Net Asset/ (Liability) recognized in the balance sheet

Present Value of Defined Benefit Obligation	2,636,907	1,417,578	2,360,436	1,709,098
Fair Value of Plan assets	2,022,143	—	—	—
Liability recognised in the balance sheet	614,764	1,417,578	2,360,436	1,709,098

b. Expense recognized in the Profit & Loss account

Past service cost	1,143,871	—	—	—
Current Service cost	505,623	417,679	124,219	87,891
Interest cost	106,318	74,957	224,014	192,734
Expected return on plan assets	(80,886)	—	—	—
Actuarial (gains) / Losses	(455,597)	(74,483)	408,802	264,595
Benefits Paid	—	—	(105,697)	(15,998)
Total expenses	12,19,329	418,153	651,338	529,222

c. Change in present value of Defined Benefit obligation

Present Value of the obligation at the beginning of the year	1,417,578	999,425	1,709,098	1,179,876
Past service cost	1,143,871	—	—	—
Current Service cost	505,623	417,679	124,219	87,891
Interest Cost	106,318	74,957	224,014	192,734
Actuarial (Gains) /Losses	(536,483)	(74,483)	408,802	264,595
Benefits Paid	—	—	(105,697)	(15,998)
Present value of the obligation as at the end of the year	2,636,907	1,417,578	2,360,436	1,709,098

b. The related party transactions are as under :

Nature of transactions	Ultimate Holding Company	Holding Company	Fellow Subsidiaries	Joint Venture	Key management Personnel
1 Income					
1.1 Land lease premium	—	—			
— Mahindra Integrated Township Limited	(5,600,000)	(-75,826,000)		—	(3,688,000)
— Mahindra Holidays & Resorts India Limited			-25,500,000		

d. Change in fair value of plan assets	—	—	—	—
Present value of plan assets as the beginning of the year	80,886	—	—	—
Expected return on plan assets	2,022,413	—	—	—
Contributions made	—	—	—	—
Benefits paid	(80,886)	—	—	—
Actuarial Gains / (Losses)	—	—	—	—
Present value of plan assets at the end of the year	2,022,143	—	—	—

e. Principal actuarial assumptions

Discount Rate	7.50%	7.50%
Expected return on plan assets	8%	—
Mortality	LIC (1994–96) Ultimate mortality tables	

f. 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.

G Basis used to determine expected rate of return – The information on major categories of plan assets and expected return on each class of plan assets are not readily available. However LIC has confirmed this to be the average rate of return on plan assets.

10. Earnings per share:		
	2010 – 11	2009 – 10
Profit after tax (Rs.)	227,529,513	109,387,287
Preference dividend including dividend distribution tax (Rs.)	45,326,775	45,477,513
Profit available for equity shareholders (Rs.)	182,202,738	63,909,874
Number of equity shares	20,000,000	20,000,000
Earnings per share (Basic/diluted) (Rs.)	9.11	3.20
Nominal value of equity share (Rs.)	10	10

11. Related party transactions :

a. Names of related parties and nature of relationship:

- A Ultimate Holding Company Mahindra & Mahindra Limited
- B Holding Company Mahindra Lifespace Developers Limited
- C Fellow Subsidiaries with whom transactions have been entered during the year
  - 1. Mahindra Infrastructure Developers Limited
  - 2. Mahindra World City (Jaipur) Limited
  - 3. Mahindra Residential Developers Limited
  - 4. Mahindra Holidays & Resorts India Limited
  - 5. Mahindra Consulting Engineers Limited.
- D Joint Venture Mahindra Integrated Township Limited
- E Key Management Personnel Ascendas Mahindra IT Park Limited (upto 25th March, 2010) Ms. Sangeeta Prasad, Manager and Chief Operating Officer

Nature of transactions	Ultimate Holding Company	Holding Company	Fellow Subsidiaries	Joint Venture	Key management Personnel
1.2 Operation and maintenance income	10,801,035 (9,569,820)	3,694,002 ( 3,290,313 )			
– Mahindra Integrated Township Limited				13,782,300 (12,521,875)	
– Mahindra Holidays & Resorts India Limited			189,000 (226,800)		
– Mahindra Residential Developers Limited			4,586,988 (4,285,550)		
– Ascendas Mahindra IT Park Limited				— (1,374,788)	
1.3 Service Charges					
– Mahindra Residential Developers Limited			— (4,300,000)		
1.4 Water Charges	1,513,290 (512,940)	3,551,160 (3,710,630)			
– Mahindra Integrated Township Limited				156,560 (—)	
– Ascendas Mahindra IT Park Limited				— (2,202,450)	
– Mahindra Residential Developers Limited			985,000 (—)		
1.5 Rent Received		2,033,815 (1,870,176)			
1.6 Interest received					
– Mahindra Integrated Township Limited				8,796,004 (8,551,102)	
<b>2 Other transactions:</b>					
Professional charges paid	— (693,974)				
– Mahindra Consulting Engineers Limited			7,117,161 (5,913,849)		
– Mahindra Infrastructure Developers Limited			— (1,600,000)		
– Rent Paid	151,200 (141,120)				
– Electricity Charges Paid	329,918 (454,417)				
3 Inter corporate deposit given					
– Mahindra Integrated Township Limited				— (3,900,000)	
4 Inter corporate deposit received		200,000,000 (—)			
5 Outstandings :					
Receivables					
– Mahindra Integrated Township Limited				79,242,724 (85,456,033)	
Payables	3,581,974 (3,279,284)	203,282,098 (2,581,587)			
– Mahindra Holidays & Resorts India Limited			— (279,000)		
– Mahindra Integrated Township Limited				5,666,325 (6,057,469)	
– Mahindra Residential Developers Limited			1,979,247 (1,748,583)		
6 Managerial remuneration					6,149,652 (4,487,334)
7 Dividend paid		48,914,996 (40,982,999)			

Figures in bracket are in respect of the previous year.

12. Joint venture disclosures

i. Interest in joint ventures

Name of the company	Country of incorporation	Proportion of ownership interest
Mahindra Integrated Township Limited	India	26%

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

Particulars	Mahindra Integrated Township Limited	
	2010 – 11 Rupees	2009 – 10 Rupees
a. Net fixed assets (including capital work in progress)	34,123	11,263
b. Inventories	227,053,145	203,548,489
c. Cash and bank balances	4,396,299	13,804,362
d. Sundry debtors	—	—
e. Loans and advances	7,842,228	1,731,760
f. Current Liabilities and provisions	38,951,707	27,410,411
g. Unsecured loans	96,720,000	—
h. Income	196,426	2,616,580
i. Expenses	14,992,302	14,164,626
j. Capital Commitment	—	—

14. Deferred tax asset / (liability)

	As at 31.03.2010 Rupees	Tax effect for the year Rupees	As at 31.03.2011 Rupees
<b>Deferred tax liability</b>			
Fixed Assets	(31,241,062)	(3,991,771)	(35,232,833)
Interest inventorised but claimed as deduction for tax	—	(58,221,187)	(58,221,187)
<b>Total</b>	<b>(31,241,062)</b>	<b>(62,212,958)</b>	<b>(93,454,020)</b>
<b>Deferred tax asset</b>			
Accrued expenses deductible on payment	1,038,604	(272,761)	765,843
<b>Net deferred tax asset / (liability)</b>	<b>(30,202,458)</b>	<b>(62,485,719)</b>	<b>(92,688,177)</b>

15. Based on the information available with the Company there are no dues outstanding in respect of Micro, Small and Medium Enterprises as of Balance sheet date.

16. Advance for purchase of land has been given to a company engaged in the procurement of lands and is secured by way of registered equitable mortgage of lands admeasuring 36.25 acres, owned by a director of that company and his associates.

17. Inventories include Rs.1,186,346,460 (previous year Rs.783,144,603) being cost of land for which sale deeds have been executed but are yet to be registered.

18. Contingent liability:

Income tax matters in respect of which the Company is in appeal, exclusive of the effect of similar matters in respect of assessments remaining to be completed Rs.11,460,843 (previous year Rs. 6,277,687)

19. Leases:

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

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

	Rs.	
	Current year	Previous Year
Gross carrying amount of premises	116,977,826	116,977,826
Accumulated depreciation	13,075,808	9,168,748
Depreciation for the year	3,907,060	3,802,796

20. Previous year's figures have been regrouped / recast, wherever necessary, to conform to this year's classification.



INFORMATION PURSUANT TO PART IV SCHEDULE VI OF THE COMPANIES ACT, 1956

**Balance Sheet Abstract and Company's General Business Profile**

**I Registration details :**

Registration no. 

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 State code 

1	8
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Balance sheet date 

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Date Month Year

**II Capital raised during the year (amount in Rs.thousands)**

Public issue <table border="1" style="width: 100%; border-collapse: collapse;"><tr><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td>N</td><td>I</td><td>L</td></tr></table> Bonus issue <table border="1" style="width: 100%; border-collapse: collapse;"><tr><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td>N</td><td>I</td><td>L</td></tr></table>											N	I	L											N	I	L	Rights issue <table border="1" style="width: 100%; border-collapse: collapse;"><tr><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td>N</td><td>I</td><td>L</td></tr></table> Private placement <table border="1" style="width: 100%; border-collapse: collapse;"><tr><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td>N</td><td>I</td><td>L</td></tr></table>											N	I	L											N	I	L
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**III Position of mobilisation and deployment of funds (amount in Rs.thousands)**

Total liabilities <table border="1" style="width: 100%; border-collapse: collapse;"><tr><td> </td><td> </td><td>3</td><td>5</td><td>2</td><td>9</td><td>0</td><td>0</td><td>3</td></tr></table>			3	5	2	9	0	0	3	Total assets <table border="1" style="width: 100%; border-collapse: collapse;"><tr><td> </td><td> </td><td>3</td><td>5</td><td>2</td><td>9</td><td>0</td><td>0</td><td>3</td></tr></table>			3	5	2	9	0	0	3
		3	5	2	9	0	0	3											
		3	5	2	9	0	0	3											

**Sources of funds :**

Paid-up capital <table border="1" style="width: 100%; border-collapse: collapse;"><tr><td> </td><td> </td><td> </td><td>8</td><td>5</td><td>0</td><td>0</td><td>0</td><td>0</td></tr></table> Secured loans <table border="1" style="width: 100%; border-collapse: collapse;"><tr><td> </td><td> </td><td> </td><td>1</td><td>6</td><td>6</td><td>0</td><td>0</td><td>0</td></tr></table> Unsecured loans <table border="1" style="width: 100%; border-collapse: collapse;"><tr><td> </td><td> </td><td> </td><td>2</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td></tr></table>				8	5	0	0	0	0				1	6	6	0	0	0				2	0	0	0	0	0	Reserves and surplus <table border="1" style="width: 100%; border-collapse: collapse;"><tr><td> </td><td> </td><td> </td><td>3</td><td>7</td><td>6</td><td>3</td><td>1</td><td>1</td></tr></table> Deferred tax liability <table border="1" style="width: 100%; border-collapse: collapse;"><tr><td> </td><td> </td><td> </td><td>9</td><td>2</td><td>6</td><td>8</td><td>8</td></tr></table>				3	7	6	3	1	1				9	2	6	8	8
			8	5	0	0	0	0																																					
			1	6	6	0	0	0																																					
			2	0	0	0	0	0																																					
			3	7	6	3	1	1																																					
			9	2	6	8	8																																						

**Application of funds**

Net fixed assets <table border="1" style="width: 100%; border-collapse: collapse;"><tr><td> </td><td> </td><td> </td><td>3</td><td>6</td><td>9</td><td>1</td><td>1</td><td>1</td></tr></table> Net current assets <table border="1" style="width: 100%; border-collapse: collapse;"><tr><td> </td><td> </td><td> </td><td>2</td><td>6</td><td>7</td><td>9</td><td>8</td><td>8</td></tr></table>				3	6	9	1	1	1				2	6	7	9	8	8	Investments <table border="1" style="width: 100%; border-collapse: collapse;"><tr><td> </td><td> </td><td> </td><td>1</td><td>3</td><td>0</td><td>0</td><td>0</td><td>0</td></tr></table> Accumulated Losses <table border="1" style="width: 100%; border-collapse: collapse;"><tr><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td>—</td></tr></table>				1	3	0	0	0	0									—
			3	6	9	1	1	1																													
			2	6	7	9	8	8																													
			1	3	0	0	0	0																													
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**IV Performance of company (amount in Rs.thousands)**

Turnover (including other income) <table border="1" style="width: 100%; border-collapse: collapse;"><tr><td> </td><td> </td><td> </td><td>7</td><td>0</td><td>4</td><td>9</td><td>2</td><td>6</td></tr></table> Profit / (Loss) before tax <table border="1" style="width: 100%; border-collapse: collapse;"><tr><td> </td><td> </td><td> </td><td>3</td><td>3</td><td>7</td><td>0</td><td>1</td><td>5</td></tr></table> Earning per share in Rs. <table border="1" style="width: 100%; border-collapse: collapse;"><tr><td> </td><td> </td><td> </td><td>9</td><td>.</td><td>1</td><td>1</td></tr></table>				7	0	4	9	2	6				3	3	7	0	1	5				9	.	1	1	Total expenditure <table border="1" style="width: 100%; border-collapse: collapse;"><tr><td> </td><td> </td><td> </td><td>3</td><td>6</td><td>7</td><td>9</td><td>1</td><td>1</td></tr></table> Profit / (Loss) after tax <table border="1" style="width: 100%; border-collapse: collapse;"><tr><td> </td><td> </td><td> </td><td>2</td><td>2</td><td>7</td><td>5</td><td>3</td><td>0</td></tr></table> Dividend rate % <table border="1" style="width: 100%; border-collapse: collapse;"><tr><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td>1</td><td>0</td></tr></table>				3	6	7	9	1	1				2	2	7	5	3	0								1	0
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			3	3	7	0	1	5																																													
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			3	6	7	9	1	1																																													
			2	2	7	5	3	0																																													
							1	0																																													

**V Generic name of principal product /service of company.(as per monetary items)**

Product description : DEVELOPMENT OF INDUSTRIAL PARKS  
 ITC Code : N I L

For and on behalf of the Board of Directors  
**N. Vaghul** *Chairman*  
**Debendranath Sarangi, IAS** *Director*  
**Anita Arjundas** *Director*  
**Sangeeta Prasad** *Chief Operating Officer & Manager*  
**S. Chandru** *Chief Financial Officer and Company Secretary*

Place : Chennai  
 Date : April 18, 2011