

A CONSTRUCTION THAT WILL STAND THE TEST OF TIME





The construction that began 25 years ago is now a success story of immense proportions. Innovating new concepts that are much ahead of their time,

Manjeera builds the world of tomorrow, today! The marvels of brick and mortar built by Manjeera that rub shoulders with monuments of yore are perfect examples of its harnessing latest architectural and building technologies for delivering high-end homes, offices and commercial spaces.

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BOARD OF DIRECTORS

Mr. G. YOGANAND Managing Director

Mr. G. SHIVA LEELANAND Director

Mr. K. KRISHNA MURTHY Director

Mr. D.L.S. SRESHTI Director

Mr. G. VIVEKANAND Executive Director

COMPANY SECRETARY & COMPLIANCE OFFICER

Ms. T. DEEPTHI

STATUTORY AUDITORS

M/s. A.K. SABAT & CO. Chartered Accountants Hyderabad

PRINCIPAL BANKERS

Oriental Bank of Commerce Canara Bank State Bank of Hyderabad Yes Bank ICICI Bank Bank of Maharashtra

REGISTERED OFFICE ADDRESS

304, ADITYA TRADE CENTRE, ADITYA ENCLAVE ROAD, AMEERPET, HYDERABAD – 500038. Ph: 040-23735194/23743017/23730231 Fax: 91(040)23733763

Email: manjeera_group @yahoo.com Website: www.manjeera.com

REGISTRAR & SHARE TRANSFER AGENTS

M/s. XL Softech Systems Limited Plot No. 3, Sagar Society, Banjara Hills, Road No. 2, Hyderabad – 500034 Tel: +91-40-23545913 / 14 / 15

Fax: +91-40-23553214 Email: xlsoft@org.com

Website: http:// www.xlsoftech.org Contact Person: Mr. R. Ram Prasad

Vision...

To be synonymous with life-enriching spaces and structures, and to ascend to industry leader status.

...Mission

Manjeera is a construction, real estate, hospitality and infrastructure conglomerate, with a strong lineage focusing on quality, innovation, cost-effectiveness, ecoconsciousness, customer delight and adding value to stakeholders' interests.

...Quality Policy

A committed and sustained effort, incorporating the latest state-of-the-art technology to deliver to the customer, what had been agreed, on time, with assured quality and value for money; and to continually improve and enhance customer satisfaction.

...Core Values

Integrity • First time right • Proactive

- Teamwork Accountability Learning
- Innovation

...Customer Delight

- Clear titles Value for money
- Transparency in transactions
- Quality Adherence to rules

THAT WILL STAND THE TEST OF TIME

anjeera is a synonym for quality, class and elegance in construction. A synonym earned over a quarter-century of pursuing excellence with an obsessive zeal.

Set up in 1987, the Manjeera brand name has come a long way indeed. The company has blazed a unique trail in its meteoric rise to the top of the ladder in Hyderabad. Its passion for perfection is endorsed by its eyecatching masterpieces that embellish the city's landscape. Each Manjeera project excels the other, testifying to the company's relentless quest for building perfection.

Thinking far into the future, Manjeera has established itself as the builder of choice for hundreds of quality-conscious customers who have made Hyderabad their home. Seeking to deliver absolute customer delight, our young and dynamic professionals work with utter dedication on every

All through its history, Manjeera has benchmarked itself against global quality standards, displaying a conspicuous capacity to remain in touch with tomorrow. Continuous innovation and value addition are deeply ingrained in its corporate ethos. When it comes to managing change, Manjeera always leads from the front.

Manjeera is the first construction company in Hyderabad – and the second in India – to get a certification under CQRA-CIDC rating for its quality-intensive projects. It is also a member of CREDAI and Indian Green Building Council (IGBC).

THAT WILL STAND THE TEST OF TIME

building is only as strong as the quality of its foundation. And the foundation of any successful business is only as strong as the degree of customer satisfaction it can achieve. So Manjeera's primary focus has been on understanding its customers thoroughly, and delighting them in the best manner possible.

It is not often that a typical builder keeps all his promises to his customers, be it in specifications, time of delivery, or costs. This is where Manjeera stands in a niche of its own, quite distinct from the crowd. Keeping a promise is an integral part of its value system.

The company's exponential growth over the last quarter-century has been propelled by an inner urge to offer exemplary quality and value, way beyond its customers' expectations. Exquisite design, elegant landscaping, excellent specifications and great living comfort are words that automatically come to mind when one thinks of Manjeera.

Taking its service delivery to the next level, Manjeera has set up an exclusive Property Management Services division to assist members who are too busy to effectively attend to their property matters. The division's services include finding suitable tenants, rent collection, assistance in documentation, payment of property taxes, assistance in property resale, payment of utility bills, etc.

Delivering a pre-eminent lifestyle with futuristic designs is Manjera's forte. It has created landmarks in the residential, commercial and hospitality sectors, with a slew of futuristic super-deluxe apartments, independent bungalows, designer villas and multi-storeyed commercial-cum-office complexes.

Each upcoming project of Manjeera is an illustrious addition to this distinguished lineage, with all the features that go with the 'Manjeera' name:

- Exquisite design and elegant landscaping.
- Excellent specifications and luxurious living comfort.
- Pollution-free ambience, verdant greenery and perfect serenity.
- Superb elevation and breathtaking all-round view.

THAT WILL STAND THE TEST OF TIME

Passion for Excellence

At Manjeera, best practices are institutionalized and leveraged to attain quality. The company's obsession with perfection, attention to detail and spirit of inventiveness has earned it several awards and accolades. Manjeera is the first construction company in Hyderabad, and the second in India, to enlist for rating by the Construction Industry Development Council - Construction Quality Rating Agency (CIDC-CQRA) for its quality-intensive projects. Manjeera is also a member of Confederation of Real Estate Developers' Associations of India (CREDAI) and Indian Green Building Council (IGBC).

Premium on Workers' Safety

Right since its inception, Manjeera has adopted a 'zero injury' philosophy, to ensure the utmost safety of its employees at all levels of construction activity. This initiative is actively championed by the CEO himself, who firmly believes that every mishap is avoidable, through the adoption of technically correct field procedures and regular training programs. Sustainable health at Manjeera is about a continuing awareness of wellbeing that leads to employee satisfaction. The company's work culture requires all its employees to accept ownership of the 'safety performance' objective. Manjeera also extracts the same degree of safety consciousness from its sub-contractors and partners.

Concern for Being 'Green' Always

Environmentally conscious at every step, Manjeera ensures that its projects minimize environmental impact through the use of energy-efficient systems and non-toxic building materials. 'Green', eco-friendly initiatives like rainwater harvesting, water treatment systems, landscaped gardens, biodiversity protection and careful utilization of resources are an integral part of its construction philosophy, which revolves around offering customers a positive living and working environment. Manjeera was the first in Hyderabad to realize the need for sewerage treatment in a business complex, and installed a 70 KL treatment plant at Aditya Trade Centre, which is also the first to have a multi-level parking facility.

As a responsible corporate citizen, Manjeera lends active support to NGOs / social organizations around its projects.

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anjeera has shown a tremendous capacity to think way ahead of time, look far beyond the horizon, and relentlessly move up the construction value chain. The company has boldly ventured into off-the-beaten-track locations that have vindicated their selection and multiplied in value many times over, in just a few years. With over 3 million sq ft of commercial / residential projects commissioned so far and another 5 million sq ft under development, premium Manjeera properties are all set to rule the realty sector.

Introducing innovative products and services with rich value additions to delight its customers has become a tradition in the company. This pioneering spirit, this ability to be a change leader, has earned Manjeera many laurels. An example that illustrates this point is Aditya Park Hotel, which bagged the coveted first prize in the National Energy Conservation Awards in 2006. Instituted by the Ministry of Power, Government of India, the Award endorsed the energy-efficient technologies harnessed by Manjeera in its construction design.

The road to success is always under construction. The higher it sets the bar for itself, the harder Manjeera endeavours to cross it. And reap the benefits of the effort.

As it stands at the threshold of a big leap forward, tomorrow beckons the company with limitless opportunities.

CMD's Message



Dear shareholders.

2010-11 was a testing year for the world in general. The global economic meltdown and consequent recession that dogged the year has impacted India too, prompting corresponding adverse effects on its economy. The downturn witnessed India's overall GDP growth rate dipping to 6.7%, while the fiscal deficit rose to 6.2%. The construction sector proved no exception to this dampened activity, and only managed to grow at 7.2%, which compares poorly with the previous year's 10.1%. Perplexed by the uncertainty in the property markets, many prospective buyers indefinitely put off their buying plans.

To stimulate the ailing economy, the Indian Government has announced a series of measures in its monetary, fiscal and trade policies, including special incentives to sectors that were badly crippled by plummeting demand for their products, abolition of Fringe Benefit Tax, Excise Duty exemptions on some goods, softer home loans for the middle class, concessional finance for several SMEs, etc. These measures are showing signs of economic recovery, and there are clear indications that India is getting back on its feet faster than most developed countries.

The Indian infrastructure sector is an early harbinger of this restoration of economic normalcy. With the ever-rising Indian middle class segment wanting decent dwelling units, the demand for housing in the country has not gone down in real terms, uncertain property prices notwithstanding. There is a substantial outlay in the Union Government's 11th Five-Year Plan to address the rapidly growing housing shortage in the country.

The worst of the recession is behind us now, and the construction industry will regain its position of primacy in India's economic landscape. It is abuzz with activity once again, all across our fast developing country, 30% of whose population is currently living in urban areas. India's continuing urbanization will see 40% of its population living in urban pockets by the year 2030, and 50% by 2040. Going by these indicators, Hyderabad too is poised to grow by leaps and bounds over the coming 2-3 decades, which augurs well for its real estate sector.

The many attractions that work to Hyderabad's advantage are 'Hitec City' and other IT campuses, Special Economic Zones, industrial parks, institutions of higher learning, the Outer Ring Road supplemented by an array of radial roads, MMTS, Metro Rail, Rajiv Gandhi International Airport, the formation of Greater Hyderabad Municipal Corporation, and efforts to procure water from Krishna and Godavari rivers. The meteoric growth of the IT industry, in particular, has greatly increased demand for both office spaces for the companies and residences for their employees.

With all these developments, Hyderabad has emerged as an investors' favorite hub. It scores well on three major factors that influence real estate prices – demand-supply ratio, the location of the property, and the buyer's personal judgment. Over the last few months, the city has seen increasing demand for land and housing. The ongoing political turmoil notwithstanding, Hyderabad continues to witness a surging demand for property. The 'Telangana' factor – despite its apparently fluid and protracted nature – has not really impacted the realty sector adversely. Contrary to popular perception, the industry did fairly good business in 2010-11. The huge demand for space is also evident from the continuous inflow of several MNCs / retail investors, who can perceive from the city's economic drivers that its real estate market offers immense potential in the long term.

With affordable housing being the main concern for an overwhelming majority of Hyderabad's teeming population, developers are striving to become more customer-friendly by offering reasonably priced dwelling units. Real estate in the city is showing very positive signs of firming up soon. Now is, therefore, the best time for customers to invest in real estate in Hyderabad.

Manjeera has been adding significantly to the city's metamorphosing skyline with a number of elegant and value-for-money projects that are finely tailored to meet the customers' needs in these ever-changing times. To widen its business bandwidth, Manjeera made a fresh foray into the infrastructure sector.

At Manjeera, the year also marked the induction of Mr G Vivekanand on the company's Board of Directors. He has infused fresh energy into our brand-building and marketing activities through an array of innovative initiatives to make a positive impact on customers, both existing and prospective.

The 'Manjeera' brand is far more visible now than ever before, and its various projects are widely appreciated as symbols of the premium that the company places on 'non-negotiables' like ethical business practices, clean title, no deviation from norms, quality, value for money, exemplary after-sales service, and being 'green' – conscious at every step. 'Best Employee' awards have been instituted for company personnel who enhance Manjeera's growth by championing these 'non-negotiables'.

My message will not be complete without acknowledging the tremendous support I have received from all our stakeholders, including customers, employees, bankers, financial institutions and the Government.

Sincerely,

G Yoganand

NOTICE TO MEMBERS

Notice is hereby given that the 24th Annual General Meeting of the Members of "Manjeera Constructions Limited" will be held on Friday, the 30th Day of September, 2011 at 10.00 A.M. at Hotel Aditya Park, Ameerpet, Hyderabad - 500038 to transact the following business:

Ordinary Business

- 1. To consider and adopt the Audited Balance Sheet as at 31st March, 2011 and the Profit & Loss Account of the Company for the year ended on that date together with the Reports of the Directors and Statutory Auditors thereon.
- 2. To consider and approve declaration of Dividend @ 15% for the financial year 2010-11.
- 3. To consider and appoint a Director in place of Mr. G. Shiva Leelanand, who retires by rotation and being eligible, offers himself for re-appointment.
- 4. To appoint Statutory Auditors and to fix their remuneration and in this regard to consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT M/s. A.K. Sabat & Co., Chartered Accountants, Hyderabad, the retiring Auditors of the Company be and are hereby re-appointed as the Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company at a remuneration to be mutually agreed between the Board of Directors of the company and the Statutory Auditors."

By order of the Board of Directors

Sd/-T. Deepthi Company Secretary

Place: Hyderabad Date: 13.08.2011



Notes

- 1) A Member entitled to attend and vote at the Annual General Meeting (the meeting) is entitled to appoint a proxy to attend and vote on a poll instead of himself / herself and the proxy need not be a member of the Company. A proxy is not entitled to speak at the meeting or vote except on poll. The Instrument appointing a proxy to be valid must be duly stamped, executed and deposited at the Registered office of the company not less than forty-eight hours before commencement of the meeting.
- 2) Corporate Members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
- 3) Members are requested to bring their Attendance Slip along with their copy of Annual Report to the Meeting.
- 4) Members who hold shares in dematerialized form are requested to write their Client-ID and DP-ID Numbers and those who hold shares in physical form are requested to write their Folio Number in the attendance slip for attending the meeting.
- 5) Relevant documents referred to in the accompanying Notice are open for inspection at the Registered Office of the company at # 304, Aditya Trade Centre, Ameerpet, Hyderabad 500038 on all working days of the company, between 10.00 A.M. and 1.00 P.M. up to the date of Annual General Meeting.
- 6) The Company has notified closure of Register of Members and Share Transfer Books from 24.09.2011 to 29.09.2011 (both days inclusive) for the purpose of payment of dividend to those members, whose names stand on the Register of Members as on 23.09.2011. The dividend in respect of shares held in electronic form will be payable to the beneficial owners of the shares as at the end of business hours on 23.09.2011 as per the details furnished by the Depositories for this purpose.
- 7) Members are requested to intimate the Registrar and Share Transfer Agents i.e. XL Softech Systems Limited (RTA), Plot No. 3, Sagar Society, Banjara Hills, Hyderabad - 500034, immediately of any change in their address in respect of equity shares held in physical mode and to their Depository Participants (DPs) in respect of shares held in dematerialized form.
- 8) Pursuant to the provisions of Section-109A of Companies Act, 1956 shareholders are entitled to make nomination in respect of shares held by them in physical form. Shareholders desirous of making nominations are requested to send their requests in Form-2B (which will be made available on request) to the Registrar & Share Transfer Agents, M/s. XL Softech Systems Limited.
- 9) At the ensuing General Meeting, Mr. G. Shiva Leelanand, Director of the company retires by rotation and being eligible offer himself for re-appointment. As per the provisions of Clause-49 of the Listing Agreement with the Stock Exchanges, the information details pertaining to the said director is furnished in the statement on Corporate Governance attached to this Annual Report.













DIRECTORS' REPORT

Dear Members.

Your Directors have pleasure in presenting the 24th Annual Report of your Company along with the Audited Statement of Accounts for the financial year ended 31st March, 2011.

Financial Results (on Standalone basis)

(₹ in Lacs)

Particulars	FY 2010-11	FY 2009-10
Total Income	8330.13	6045.97
Less: Total Expenditure	6703.55	4624.49
Profit before Interest, Depreciation and tax	1626.58	1421.48
Less: Interest and Financial Expenses	45.45	73.30
Profit after Interest but before Depreciation and tax	1581.13	1348.17
Depreciation	103.41	95.60
Provision for Tax	447.02	237.57
Profit after Tax	1030.70	1014.99
Proposed Dividend	187.62	150.10
Tax on proposed Dividend	30.43	24.93
Reserves & Surplus	4902.75	4090.11
Paid Up Equity share Capital	1250.84	1250.84

Operational Performance Review

You will be glad to note that your Company has achieved turnover of ₹ 8330.13 Lacs as against the turnover of ₹ 6045.97 Lacs in previous year 2009-10. The net profit after tax stood at ₹ 1030.70 Lacs as against ₹ 1014.99 Lacs in the previous year.

Dividend

Your Directors take pleasure in recommending equity dividend of ₹ 1.50/- per share on 1,25,08,418 Equity Shares of the company of face value of ₹ 10/- each for the approval of the members for the financial year 2010-11.

The dividend, if approved, at the 24th Annual General Meeting by the members, will be paid to all those equity shareholders whose names appear in the Register of Members at the close of trading hours on 23.09.2011.

Directors

Mr. G. Yoganand has been re-appointed as the Managing Director of the Company at the Annual General Meeting of the Company held on 30th September, 2010 for a period of 5 years w.e.f. 1st July, 2010.

Mr. G. Vivekanand has been appointed as a Whole-Time Director of the Company in the Annual General Meeting of the Company held on 30th September, 2010 for a period of 3 years w.e.f. 1st October, 2010 and has been designated as Director – International Marketing.



The Board has appointed Mr. D.L.S. Sreshti as an Additional Director of the company in their meeting held on 14-11-2010. He holds office up to the date of ensuing Annual General Meeting. As the tenure of Mr. D.L.S. Sreshti is getting completed, the Board expresses its sincere gratitude for the guidance and services extended by Mr. D.L.S. Sreshti during his tenure as a Director of the Company.

Mr. G. Shiva Leelanand, Director of the company is liable to retire by rotation at the ensuing Annual General Meeting and is eligible for being re-appointed as the Director of the Company.

The proposal regarding re-appointment of the aforesaid Director is placed for your approval.

A brief profile of the proposed appointee together with other disclosures in terms of Clause-49 of the Listing Agreement has been given under the Report on Corporate Governance.

Listing of Shares

The Company's shares are compulsorily traded in the dematerialized form, with nationwide terminals on Bombay Stock Exchange and National Stock Exchange through Madras Stock Exchange.

The details of Shareholding Pattern, Distribution of shareholding and share prices are mentioned separately in the Report on Corporate Governance.

Public Deposits

During the year the Company has not accepted any deposits from the public and is therefore not required to furnish information in respect of outstanding deposits under Non-Banking Non-Financial Companies (Reserve Bank) Directions, 1966 and Companies (Acceptance of Deposits) Rules, 1975.

Director's Responsibility Statement

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, your Directors hereby state and confirm that:

- 1. in the preparation of annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period.
- the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions under the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- 4. the Directors have prepared the annual accounts on a going concern basis.

Subsidiary Company

Manjeera Retail Holdings Private Limited (MRHPL) is subsidiary of Manjeera Constructions Ltd. (MCL). The Company has inherent skills and resources to develop and execute high-value projects by using innovative technology that creates trends through value engineering.

The Company's prestigious project in Hyderabad – construction of about 19.82 Lacs Sq. ft. of built-up area of office, retail / multiplex / commercial / residential apart from car parking space of about 8.92 Lacs Sq. ft. project is under development. The total estimated cost of the project is ₹ 637.8 crores. The project is expected to be completed by December 2012.

A statement pursuant to Section 212 of the Companies Act, 1956, related to the accounts of the subsidiary is annexed as part of this Annual Report. The annual accounts of the subsidiary company and the related detailed information shall be made available to the shareholders of the holding and subsidiary companies seeking such information at any point of time. The annual accounts of the subsidiary companies shall also be kept for inspection by any shareholders in the head office of the holding company

Auditors & Auditors' Report

M/s. A.K. SABAT & CO., Chartered Accountants, Statutory Auditors of the Company retire at the conclusion of the ensuing Annual General Meeting and have expressed their willingness to act as Statutory Auditors of the company, if appointed and have confirmed that the said appointment would be in conformity with the provisions of Section - 224 (1B) of the Companies Act, 1956.

The Notes on Accounts referred to in the Auditors Report are self-explanatory and therefore do not require any further comments.

Particulars of Employees

Particulars of employees whose information is to be annexed to this report pursuant to section 217(2A) of the companies Act, 1956 are not applicable since the company has not employed any such employees.

Management Discussion and Analysis

Management Discussion and Analysis Report for the year under review, as stipulated under Clause-49 of the Listing Agreement with Stock Exchanges in India, is presented in a separate section forming part of the Annual Report.

Report on Corporate Governance

The company has put in place the compliances pertaining to Corporate Governance. As per Clause-49 of the Listing Agreement, a separate section on Corporate Governance forms part of the Annual Report.

Your company has complied with the requirements of the Listing Agreement and necessary disclosures have been made in this regard in the Corporate Governance Report section.

A certificate from the Statutory Auditors of the Company confirming the compliance of conditions of corporate governance under clause-49 of the Listing Agreement is also attached to this report.

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

As the Company is not engaged in the manufacturing activity and at present it carries out the construction activities only, the prescribed information regarding compliance of rules relating to conservation of Energy & Technology, absorption pursuant to section 217(1) (e) of the Companies Act, 1956 read with Rule-2 of the Companies (Disclosure of particulars in the Report of the Board of the Directors) Rules, 1988 is not provided as the same is not applicable to the Company.



The Company does not have any Foreign Exchange Earnings & Outgo during the financial year and hence provisions of Section 217 (1) (e) regarding disclosure of Foreign Exchange Earnings & Outgo is not applicable.

Industrial Relations

The Company has maintained cordial and harmonious industrial relations throughout the year.

Acknowledgement

Your Directors would like to express their sincere appreciation and gratitude for the support and cooperation received from the Central and State Governments, Greater Hyderabad Municipal Corporation, Stock Exchanges, Ministry of Corporate Affairs, Registrar of Companies, Shareholders, Bankers, Financial Institutions, Customers, Suppliers, Contractors and other Associates for their continued support to the Company.

The Company enjoyed very cordial and fruitful relations with the employees during the year under review and the Management wishes to place on record its sincere appreciation of the efforts put in by the Company's executives, staff and workers for achieving good results under demanding circumstances.

For and on behalf of the Board of Directors

Sd/- Sd/-

Place : Hyderabad G. Yoganand G. Shiva Leelanand Date : 13.08.2011 Managing Director Director

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Economic Scenario, Industry Structure and Developments

The global economy has picked up momentum post recession and has registered positive growth in the year 2010. Indian economy has maintained its stand as one of the fastest growing economies in the world and its Gross Domestic Product grew by about 8.3%. This is expected to continue well into the next two years. The Government has also introduced certain reformative measures allowing 100% Foreign Direct Investments in development of Special Economic Zones and also in townships, housing, built-up infrastructure and construction development projects through the automatic route.

Real-estate contributes to a very large proportion of economic growth along with its linkages with other sectors such as retail and hospitality and continues to be the second largest employer after agriculture. Real-estate players in both the national and international arena are impacted by rising inflation, crude oil prices, interest rates and even rising input costs of commodities and manufactured goods and dip in Foreign Direct Investments. The long-term demand potential, however remains unstinted.

The Real Estate sector in Hyderabad has exhibited remarkable resilience inspite of the political unrest and agitations demanding a separate state. This is due to the fact that the city has emerged as an IT hub with several international software giants setting up business centres. It has hence acquired a cosmopolitan facet attracting migrants from all over the country. Owing to these factors, the city continues to expand. The demand for both residential and commercial spaces, hence remains unhindered and is bound to increase in the coming years.

Segment wise Performance

The Company is primarily engaged in construction activities and is managed organizationally as a single unit. Accordingly, the company is a single business segment company.

Opportunities & Threats

Strengths and Opportunities:

- Wide range of skills and expertise gained over 25 years in the construction sector with professional and able senior management team
- Well established brand recognition and goodwill owing to innovative marketing strategies
- Diversified product mix ranging across residential, commercial and retail and strategically located projects
- · Assured quality and attention to detail.

Weaknesses and Threats

- High competition due to the presence of several unorganized regional players
- Volatility of IT sector, it being the major demand driver to the industry
- Increasing interest rates, input and land costs and tightening liquidity
- Attracting and retention of talented human resources
- Bureaucracy causing delay in approvals and change in policies

Outlook

Increasing input and labour costs and increasing interest rates threaten reduction in margins and thereby causing increase in unit price. However, capital value appreciation, increasing disposable incomes and consumer confidence negate this effect to a large extent. Overall demand for housing is good and demand



for office spaces is improving. The Company is preparing to foray into infrastructure development backed by its expertise spanning over two and half decades.

Internal Control Systems

The Company has put in place, adequate systems of internal control to check various aspects of business. Internal audit is conducted on a regular basis and the reports are reviewed by the audit-committee of the Board. The shortcomings, if any are communicated to the respective departments and measures are taken accordingly.

Financial Performance

The Company has made a turnover of ₹ 8330.13 Lacs for the year ended 31.03.2011 and the total expenditure incurred for the said period is ₹ 6703.55 Lacs. The net profit of the Company stood at ₹ 1030.70 Lacs for the year ended 31.03.2011. Though the percentage of net profit has not increased substantially, owing to the high increase in expenditure, which is mainly characterized by increase in input costs, interest rates and other inflationary factors.

The Company's strong financial and operational performance during the year under review and the optimistic outlook about the Company's continued growth in the years to come enabled the Board to declare dividend of 15% to its equity shareholders.

Operational Review

The Company's brand image has increased manifold during the year under review, owing to aggressive marketing campaigns through various media, major sponsorships and participation in several property shows and events both in the city and abroad. These have been generating good response and yielding revenues fuelled by the strategic location of its projects. Your Company has created an enviable brand in all the segments and regions of its operations and the brand is synonymous with high quality product and transparency in dealing with its customers. The Company hence, continues to register impressive levels of growth despite the challenging business environment.

Projects' Details

All the Company's ongoing and completed projects are based in Hyderabad and one at Bhubhaneswar. The Company has developed several landmark projects, both residential and commercial, their built-up area aggregating to 30,78,024 sft and Hotels through its group companies. Brief details of the ongoing projects both in the holding Company and its subsidiary are given hereunder:

Project	Location	Total Area (Sft.) (approx.)
Manjeera Diamond Towers Apartments (Contract)	Gopanpally - Gacchibowli	1494955
Manjeera Diamond Villas	Gopanpally - Gacchibowli	156910
Manjeera Smart Homes Apartments	Quthbullapur	83120
Manjeera Smart Homes Villas	Quthbullapur	105909
Manjeera Majestic Homes	Kukatpally	350741
Manjeera Majestic Commercial	Kukatpally	334340
Manjeera Trinity Homes	Kukatpally	402394
Manjeera Trinity Corporate	Kukatpally	880000
Manjeera Trinity Mall	Kukatpally	900000
CGEWHO Residential Project	Bhubhaneswar	612718

Human Resources and Industrial Relations

The company has always considered its human resources as an asset and is committed towards their development for continuous growth. Focus on training to enhance the skill-sets of employees in line with the business and market requirements continued during the year. Relations with the Employees remained cordial throughout the year.

Strong marketing and customer relations resources aid revenue generation while all other personnel contribute towards achieving the overall goals of the Company by aligning them with individual goals. The Company constantly strives to enhance the skill-sets of the employees and motivates them to realise their full potential with vivacity, thereby achieving significant growth. The Company has provided performance driven increments to its employees during the year under review.

Corporate Social Responsibility

Your Company endeavours to make a positive contribution towards social cause by supporting a wide range of socio-economic and educational initiatives. To further the CSR objective, your company in association with the Rotary Club and the Round Table regularly organize Health & Blood Donation Camps.

Cautionary Statement

Statements in the Management Discussion and Analysis Report describing the Company's objectives, projections, estimates, expectations or predictions may be "forward looking statements" within the meaning of applicable laws and regulations.

Actual results could differ materially from those expressed or implied. Important factors that could influence the Company's operations include economic conditions affecting price conditions in the domestic market in which the Company operates or changes in the Government regulations, tax laws and other statues or other incidental factors.

MANJEERA

REPORT ON CORPORATE GOVERNANCE

The Company hereby submits in compliance with Clause-49 of the Listing Agreement entered into with the Stock Exchanges, the report on Corporate Governance as mentioned in the said clause and practices followed by the Company.

1. Company's Philosophy on Corporate Governance

The Company believes in safeguarding the inalienable rights of the shareholders as true owners of the Company. We are committed to achieve good standards of Corporate Governance on a continuous basis. Our commitment to values, ethical business conduct and prudent decisiveness aims at achieving transparency, accountability and equity in all facets of its operations and in all interactions with the Shareholders

Our employee satisfaction is reflected in the stability of our Senior Management, low attrition across various levels and substantially higher productivity.

2. Board of Directors

a) Composition of the Board

The Company's Board of Directors comprises of five directors, including the Managing Director and one Whole-Time director. The Managing Director is responsible for the conduct of the business and the day-to-day affairs of the company. Non-executive directors retire by rotation. The Directors possess wide range of experience in diverse fields and bring in technical and financial expertise.

- **b)** None of the directors are disqualified for their office as per the provisions of Section 274(1)(g) of the Companies Act and the Company has obtained declarations from all the directors to this effect.
- c) No. of Board Meetings held during the year and the dates of the Board Meetings: The Board has duly met four times in the year under review, on 07.05.2010, 10.08.2010, 14.11.2010 and 13.02.2011.
- d) Details of attendance of directors at Board Meetings, last Annual General Meeting and the details of other Directorships and Memberships / Chairmanships of Committees of each Director in other companies are as follows:

Name of the Director	Category of Directorship and Designation	Attendance Particulars		No. of Other Directorships and Committee Memberships/ Chairmanships in other Public Limited Companies		
		At Board Meetings	At AGM	Director- ships*	Member- ships	Chairman- ships
Mr. G. Yoganand	Promoter, Executive Chairman and Managing Director	3	Yes	1	Nil	Nil
Mr. G. Shiva Leelanand	Non-Executive Director	4	Yes	Nil	Nil	Nil
Mr. K. Krishna Murthy	Independent Non- Executive Director	4	Yes	Nil	Nil	Nil
Mr. D.L.S. Sreshti	Independent Non- Executive Director	4	Yes	1	Nil	Nil
Mr. G. Vivekanand	Director-International Marketing (Whole- Time Director)	2	Yes	Nil	Nil	Nil

^{*} This excludes Directorships held in foreign companies, private companies and alternate Directorships.

e) Board Committees

The Board has constituted 3 standing committees to focus on specific functions and to facilitate the decision making process. The Company Secretary acts as the secretary to the meetings and the minutes of the committees are reviewed by the Board.

Details of the Committees and their membership are provided hereunder:

Name of the Divestor	Name of the Committee				
Name of the Director	Audit	Share Transfer and Investors Grievance	Remuneration		
Mr. G.Yoganand	No	No	No		
Mr. G. Shiva Leelanand	Yes	Yes	Yes		
Mr. K. Krishna Murthy	Yes	Yes	Yes		
Mr. D. L. S. Sreshti	Yes	Yes	Yes		
Mr. G. Vivekanand	No	No	No		

None of the Directors on the Board is a member of more than ten committees nor was the Chairman of more than five committees across all companies in which they are directors.

3. Board / Committee Meetings and Procedure

a) Decision Making Process

The Board's mandate is to oversee the Company's strategic direction, review corporate performance, authorize and monitor investments, ensure regulatory compliance and safeguard interests of all stakeholders.

In order to setup the systems and procedures for the matters requiring decisions by the Board, the Board of Directors has followed code of conduct framed for this purpose. The said code of conduct seeks to systematize the decision making process in the most efficient manner.

b) Scheduling and selection of Agenda Items for the Board / Committee Meetings

- The Company holds minimum of four Board Meetings in each year, which are pre-scheduled
 after the end of each financial quarter. Apart from the four pre-scheduled Board Meetings,
 additional Board Meetings will be convened by giving appropriate notice at any time to
 address the specific needs of the Company. The Board also approves urgent matters by
 passing resolutions by circulation.
- Under the direction of Managing Director, the Company Secretary in consultation with other
 concerned persons in the senior management, finalizes the agenda items for the Board /
 Committee Meetings and circulates in advance, the agenda along with the explanatory notes
 to the Board / Committee Members and other invitees.
- Where it is not practicable to attach any document or the agenda is of sensitive nature, the same is circulated at the meeting with the approval of the Chair. In special and exceptional circumstances, additional or supplemental items on the agenda are taken up for discussion with the permission of the Chair and after consensus is formed. Sensitive / Confidential subject matters are discussed at the meeting even without written material being circulated.
- The meetings of the Board / Committees are normally held at the Registered Office of the Company situated at # 304, Aditya Trade Centre, Ameerpet, Hyderabad – 500038, Andhra Pradesh.
- The Members of the Board have complete access to all information of the Company.



c) Recording Minutes of proceedings at Board and Committee Meetings

The Company Secretary records the minutes of the proceedings of each Board and Committee meeting. Draft minutes are circulated to all the members of the Board / Committee for their comments. The final minutes are entered in the minutes book within 30 days from conclusion of the meeting and are signed by the Chairman in the next meeting.

d) Compliance

While preparing the agenda, notes on agenda, minutes of the meeting(s), adequate care is taken to ensure adherence to all the applicable laws and regulations including the Companies Act, 1956 read with the Rules issued there under.

e) Role of Independent Directors

Independent Directors play a key role in the decision-making process of the Board as they approve the overall strategy of the corporation and oversee the performance of the management. The Company benefits immensely from their inputs in achieving its strategic direction.

The Committees constituted by the Board have majority of Independent Directors as members. The Independent Directors are committed to act in what they believe is in the best interest of the Company and its Stakeholders.

f) Information placed before the Board of Directors, inter alia, includes

- i. Annual operating plans and budgets and any updates.
- ii. Quarterly results for the Company.
- iii. Annual Accounts, Directors' Report etc.
- iv. Minutes of meetings of Board and other committees of the Board.
- v. Disclosure of Interest by Directors about directorship and committee positions occupied by them in other companies.
- vi. The information on recruitment and remuneration of senior officers just below the board level, including appointment or removal of Chief Financial Officer and the Company Secretary.
- vii. Non-compliance of any regulatory, statutory or listing requirements and shareholders service such as non-payment of dividend, delay in share transfer etc.
- viii. Information relating to major legal disputes.
- ix. All other significant events / information.

4. Audit Committee

The main objective of the Audit Committee is to review with management, the quarterly / annual financial statements prior to recommending the same to the Board for its approval. The Committee also assists the Board in its responsibility for overseeing the quality and integrity of accounting, auditing and reporting practices of the Company and its compliance with the legal and regulatory requirements.

a) Terms of Reference

The terms of reference of the Audit Committee inter alia, cover the matters specified under Clause-49 of the Listing Agreement as well as the provisions specified in Section – 292 A of Companies Act, 1956 and more particularly include the following:

- i) To review the Company's financial reporting process and disclosure of financial information.
- ii) Review of Internal Control Systems and Procedures
- iii) Review of Related Party Transactions
- iv) Review the performance of auditors to ensure that an objective, professional and cost effective relationship is maintained.

b) Role of Audit Committee

The role of the audit committee includes the following activities:

- Recommends to the Board, the appointment or re-appointment of Statutory Auditors and the audit fees payable to them.
- To discuss with statutory auditors about the nature & scope of audit prior to the commencement of audit and areas of concern, if any, arising post audit.
- Approving fees payable to statutory auditors for other services rendered by them.
- · To investigate any activity within its terms of reference

c) Composition and Meetings of the Committee

The Audit Committee comprises of two independent directors and one non-executive director. The Company Secretary of the Company is the secretary to the committee. Mr. D.L.S. Sreshti is the Chairman of the Committee. He possesses requisite financial / accounting expertise. The quorum for the meeting of the committee is two members. The committee acts as a link between the management, statutory auditors and the Board of Directors.

In addition to the members and Company Secretary, representatives of statutory auditors are also invited to attend the audit committee meeting to reply to the queries, if any, by the committee members.

During the year under review, the Audit Committee met four times. The Audit Committee meetings were held on 07.05.2010, 10.08.2010, 14.11.2010 and 13.02.2011

The composition and attendance of the members at the meeting of the Audit Committee is as under:

Name of the Member	Designation	Nature of Directorship	No. of Meetings Attended
Mr. D.L.S. Sreshti	Chairman	Independent & Non-Executive Director	4
Mr. K. Krishna Murthy	Member	Independent & Non-Executive Director	4
Mr. G. Shiva Leelanand	Member	Promoter & Non-Executive Director	4

The Chairman of the Audit Committee was present at the last Annual General Meeting.



5. Remuneration Committee

The Board has constituted a remuneration committee to determine on their behalf, and on behalf of the shareholders with agreed terms of reference, the Company's policy on specific remuneration packages for executive directors. The remuneration policy of the Company is directed towards rewarding performance on a periodic basis.

i) Remuneration Policy

The Remuneration Committee recommends to the Board the Compensation package of the Executive Directors of the Company. The Committee also recommends the compensation payable to the Non-Executive Directors in accordance with the provisions contained in the Companies Act, 1956.

The remuneration of Executive Directors is within the ceiling laid down by Schedule-XIII of the Companies Act, 1956. The sitting fees paid to the Non-Executive Directors is also within the ceiling prescribed by the Central Government.

ii) Terms of Reference

- i. To frame the remuneration policy of the Company and to ensure that it is in consonance with the Industry Standards.
- ii. To review and recommend the remuneration package for the Executive Directors on the Board as per the policy laid down by the committee.
- iii. Considering and recommending the appointment of relatives of Directors on office or at a place of profit under section-314 of the Companies Act, 1956 or any rules made there under.

iii) Composition and Meetings of Committee

The Committee comprises of the following Members:

Name of the Member	Designation	Nature of Directorship
Mr. D.L.S. Sreshti	Chairman	Independent & Non-Executive Director
Mr. K. Krishna Murthy Member		Independent & Non-Executive Director
Mr. G. Shiva Leelanand	Member	Promoter & Non-Executive Director

The Remuneration Committee met twice on 07.05.2010 and 10.08.2010 during the year.

iv) Remuneration paid to Directors

Executive Directors

The details of remuneration paid to the Managing Director and Executive Director for the financial year 2010-11 are as given below:

(Amount in ₹)

Name of the Director	Period of Contract	Salary, Allowances & Perks	Commi- ssion	Loans and Advances from the Company	Total
Mr. G. Yoganand	01.07.2010-30.06.2015	54,00,000	Nil	Nil	54,00,000
Mr. G. Vivekanand	01.10.2010 - 30.09.2013	6,80,800	Nil	Nil	6,80,800

The remunerations of the above have been approved by the Shareholders of the Company.

Non-Executive Directors

All the Non-Executive directors receive remuneration by way of sitting fees of ₹ 5,000/- for each meeting of the Board.

The details of sitting fees paid to Non-Executive Directors for the financial year 2010-11 are as under:

Name of the Director	Sitting Fees (Amount in ₹)
Mr. G. Shiva Leelanand	20,000
Mr. K. Krishna Murthy	20,000
Mr. D.L.S. Sreshti	20,000

6. Share Transfer & Investors Grievance Committee

As a part of Corporate Governance initiative, the Company has constituted Share Transfer & Investors Grievance Committee to look into the matters related to approval of share transfers, transmissions, dematerialization, issue of duplicate share certificates, non-receipt of Annual Reports, non-receipt of dividends and other issues concerning shareholders / investors. Mr. K. Krishna Murthy is the Chairman of the Committee.

The Committee comprises of the following members:

Name of the Member	Designation	Nature of Directorship
Mr. K. Krishna Murthy	Chairman	Independent & Non-Executive Director
Mr. D.L.S. Sreshti	Member	Independent & Non-Executive Director
Mr. G. Shiva Leelanand	Member	Promoter & Non-Executive Director

Ms. T. Deepthi, Company Secretary of the Company was nominated as Compliance Officer under Clause-47(a) of the Listing Agreement and is responsible for expediting the share transfer formalities. The Compliance Officer also looks into the investor grievances and supervises & co-ordinates with M/s. XL Softech Systems Limited, Registrar & Share Transfer Agent for redressal of grievances. Every quarter, the Company is publishing the status of complaints received and their respective redressal.

The Company has a designated e-mail address, **investors@manjeera.com** to redress investors' grievances. During the year, the Company has not received any complaints from its shareholders. There was no un-resolved investor complaint as at the end of the financial year.

The contact details of Compliance Officer & Company Secretary are as given below:

Ms. Deepthi T.

Company Secretary & Compliance Officer Manjeera Constructions Limited # 304, Aditya Trade Centre, Ameerpet, Hyderabad – 500 038 Tel: 040-2373 5194/ 2374 3017/ 2373 0231

Fax: 040-2373 3763

E-mail Id: deepthi@manjeera.com / investors@manjeera.com



7. General Body Meetings

a) Annual General Meetings

The details of date, time and location of Annual General Meetings (AGM) of the Company held during the last three years and the Special Resolutions passed thereat are as follows:

Meeting	Venue	Date	Time	Special Resolutions passed
23 rd AGM	Hotel Aditya Park, Ameerpet,	30 th September 2010	10.00 AM	i) Re-appointment of Mr. G. Yoganand as the Managing Director of the Company for a period of 5 years
	Hyderabad			ii) Appointment of Mr. G. Vivekanand as a Whole-Time Director of the Company
22 nd AGM	Hotel Aditya Park,	30 th September	10.30 AM	i) Increasing the remuneration payable to the Managing Director
	Ameerpet, Hyderabad	2009		ii) De-listing of equity shares from Bangalore and Ahmedabad Stock Exchanges
21 st AGM	Hotel Aditya Park,	20 th September,	10.00 AM	Increase in the remuneration payable to the Managing Director
	Ameerpet, 2008 Hyderabad			Alteration of Articles of Association of the Company for increasing the sitting fee for Board and its committee meetings

b) Extra-Ordinary General Meetings

No Extra-Ordinary General Meeting was held during the year under review.

c) Postal Ballot

No postal ballot has been conducted by the Company during the year.

8. Disclosures

i) Related Party Transactions

There are no materially significant Related Party Transactions which are potentially in conflict with the interests of the Company since all such transactions are negotiated at prevailing market prices, in the best interests of the Company. Details of related party transactions entered into by the Company are disclosed in the "Notes to Accounts".

ii) Compliances

There have been no penalties or strictures imposed on the Company by Stock Exchanges, SEBI or other statutory authorities for non-compliance of any matter related to capital markets. All the returns have been filed within the stipulated time with the authorities concerned.

iii) Code of Conduct for Board and Senior Management

In pursuit of achieving good standards of Corporate Governance, the Company has framed a Code of Conduct for its directors and key managerial personnel in compliance with the Listing Agreement, which has been circulated and adhered to by all those concerned. The code lays down that the Directors and Senior Management Executives shall act in accordance with high standards of honesty, integrity, fairness & ethical conduct and also shall exercise utmost good faith and due care in performing their duties. A copy of the same is available on the Company's website www.manjeera.com.

iv) Policy on Prevention of Insider Trading

The Company has also adopted a policy for prevention of Insider Trading which is made applicable to all the directors and other designated employees who may have access to unpublished price-sensitive information, in accordance with SEBI (Prohibition of Insider Trading) Regulations, 1992. Accordingly such officials are prohibited from trading in the securities of the Company during the notified "trading window" period.

9. Communication to Shareholders

The Company believes that effective communication of information is an essential component of Corporate Governance. The Company regularly interacts with the shareholders from time to time and promptly and efficiently disseminates information through various channels of communication as well as the Annual report and the Company's website.

i) Quarterly / Half-Yearly / Annual Results

The Financial results are sent to the Stock Exchanges where the Company is listed, through fax / e mail, within 15 minutes of the conclusion of the Board Meeting in which they are approved.

ii) News Releases

The Quarterly, Half-Yearly and Annual Results of the Company are published in the prescribed proforma within 48 hours of the conclusion of the meeting of the Board in which they are considered and are circulated in one English and one Telugu newspaper.

iii) Website

The Company has dedicated a section to the investors in its website www.manjeera.com wherein information as to financial results, shareholding pattern and Annual Reports are periodically updated.

iv) Annual Report

Annual Report containing Audited Annual Accounts, Consolidated Financial Statements, Director's Report, Auditors' Report, Management's Discussion and Analysis and Corporate Governance reports and other important information is circulated to Members and others entitled thereto and updated in the Company's website.

10. General Shareholders' Information

i) Company Registration Details

The Company is registered in the State of Andhra Pradesh, India. The Corporate Identity Number allotted to the company by the Ministry of Corporate Affairs (MCA) is **L45200AP1987PLC007228**.

The registered office of the Company is situated at #304, Aditya Trade Center, Ameerpet, Hyderabad - 500038.



ii) Details of 24th Annual General Meeting

Date and Time : 30-09-2011

Venue : Hotel Aditya Park,

Ameerpet, Hyderabad - 500 038.

Date of Book Closure : 24-09-2011 to 29-09-2011

(Both days inclusive)

Dividend Payment Date : On or before 30-10-2011.

iii) Financial Calendar (Tentative)

Results for the First Quarter ending 30.06.2011 : 2^{nd} week of August, 2011 Results for the Second Quarter ending 30.09.2011 : 2^{nd} week of November, 2011 Results for the Third Quarter ending 31.12.2011 : 2^{nd} week of February, 2012 Annual Results for year ending 31.03.2012 : 3^{rd} / 4^{th} week of May, 2012

iv) Listing on Stock Exchanges

The Company's Equity Shares of face value of ₹ 10/- each are listed on the following Stock Exchanges in India:

a) Bombay Stock Exchange Limited

Phiroze Jeejeebhoy Towers Dalal Street Mumbai- 400001

b) Madras Stock Exchange Limited

P.O. Box No 183,

New No: 30, (old No: 11), Second Line Beach, Chennai – 600001

The Company's shares are also being traded on the National Stock Exchange.

The Company has paid the Annual Listing Fee for the year 2011-12 and the Annual Custodial Fee to National Securities Depository India Ltd. (NSDL) and Central Depository Services (India) Limited (CDSL).

v) Stock Code

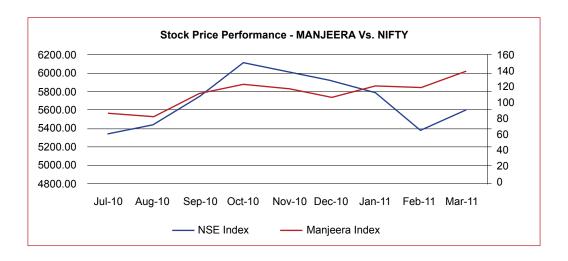
Scrip Code on BSE
 Trading Symbol on BSE & NSE
 Demat ISIN in NSDL & CDSL for Equity Shares
 INE320D01018

vi) Market Price Data

The Equity Shares of the Company are traded on National Stock Exchange (w.e.f. July, 2010) and Bombay Stock Exchange.

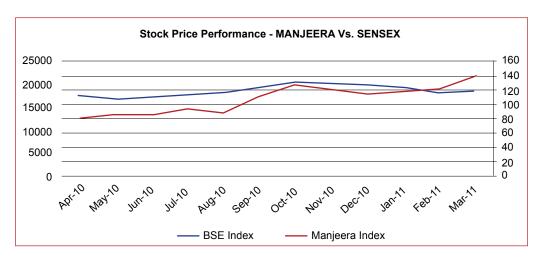
The monthly high and low of stock quotations traded on BSE and NSE during the last financial year are given below:

Month	NSE (started trading w.e.f July-2010)					
WIOTILIT	High (₹)	Low (₹)	No. of Shares Traded			
July 2010	105.50	71.30	11812			
August 2010	97.90	71.50	11388			
September 2010	143.90	81.00	93445			
October 2010	136.00	110.00	17779			
November 2010	129.75	108.00	19810			
December 2010	127.00	91.15	142740			
January 2011	129.00	111.00	21959			
February 2011	134.00	105.15	6378			
March 2011	166.40	114.00	24429			





Mandh	BSE					
Month	High (₹)	Low (₹)	No. of Shares Traded			
April 2010	88.00	72.10	8068			
May 2010	96.50	76.00	159371			
June 2010	100.80	71.30	32976			
July 2010	109.00	79.05	25918			
August 2010	99.00	75.50	17185			
September 2010	143.90	77.30	107029			
October 2010	139.90	116.00	56979			
November 2010	136.00	105.10	30265			
December, 2010	129.70	99.00	58727			
January, 2011	130.70	110.00	69080			
February, 2011	138.00	107.00	70690			
March, 2011	159.75	119.50	36613			



vii) Details of Registrars and Share Transfer Agents

M/s. XL Softech Systems Limited

Plot No. 3, Sagar Society, Banjara Hills, Road No. 2, Hyderabad – 500034

Tel: +91-40-23545913 / 14 / 15 Fax: +91-40-23553214

Email: xlsoft@org.com

Website: http:// www.xlsoftech.org Contact Person: **Mr. R. Ram Prasad**

viii) Share Transfer System

The Company's shares are compulsorily traded in the dematerialized form in the Stock Exchanges where it is listed.

Dematerialized shares are transferable through depository system while the physical share transfers are processed by the Registrar and Share Transfer Agent, M/s. XL Softech Systems Ltd. The Share Transfer requests which are valid and complete in all respects are normally processed within 15 days of receipt of the documents. Dematerialisation requests are processed within 10 days.

The summary of the above information is placed before the Share Transfer and Investor Grievance Committee

The Company obtains a half-yearly audit certificate with regard to compliance of share transfer formalities as required under Clause-47 (c) of the Listing Agreement with Stock Exchanges and also the Reconciliation of Share Capital Audit Report from a Company Secretary in whole-time practice, and also files copies of the same with the Stock Exchanges.

ix) Details of Shareholding

Shareholding Pattern

The details of shareholding pattern of the company as on 31st March, 2011 is as follows:

Category of Shareholder	No. of shares	%
Promoters and Promoter group	9312345	74.45
Public:		
Bodies Corporate	559881	4.47
Individuals	2606293	20.84
Non-Resident Individuals	24625	0.20
Clearing Members	5274	0.04
Total	12508418	100.00

There is no ADR and / or GDR holding in the company Distribution of Shareholding

The distribution of shareholding as on 31st March, 2011 is detailed below:

Distribution of Shares	No. of Shareholders	% of Shareholders	Nominal Value of shares (₹)
Up to 5000	372	62.00	393630
5001-10000	59	9.83	416430
10001-20000	48	8.00	666520
20001-30000	19	3.17	492870
30001-40000	14	2.33	489600
40001-50000	9	1.50	437430
50001-100000	13	2.17	1059430
100001 and above	66	11.00	121128270
Total	600	100.00	125084180



x) Dematerialization of Shares and Liquidity

The Company's securities are being held in dematerialized form in both National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). 1,20,78,364 equity shares aggregating to 96.56% of the total Equity Capital is held in dematerialized form as on 31st March, 2011.

xi) Address for Communication

In the event of any queries / grievances, please contact:

Ms. Deepthi T.

Company Secretary & Compliance Officer Manjeera Constructions Limited # 304, Aditya Trade Centre, Ameerpet, Hyderabad – 500038 Tel: 040-2373 5194/ 2374 3017/ 2373 0231

Fax: 040-2373 3763

E-mail Id: deepthi@manjeera.com investors@manjeera.com

12. Subsidiary Monitoring Frame Work

The Company's subsidiary is managed with its own Board having the rights and obligations to manage such Company in the best interest of its shareholders. The Company has nominated an independent director on the Board of the subsidiary and periodically reviews the operations and financial statements of the subsidiary at its Board Meetings.

13. Compliance Certificate of Auditors

The Company has obtained a certificate from the statutory auditors confirming compliance with the conditions of corporate governance as stipulated in clause-49 and is attached to this report.

Details of the Director seeking re-appointment at the forthcoming Annual General Meeting (Pursuant to Clause-49 of the Listing Agreement)

Name of the Director	Mr. G. Shiva Leelanand
Date of Birth	10 th May, 1968
Designation	Promoter & Non-Executive Director
Date of Appointment	29 th September, 2007
Educational Qualifications	B. Arch. from Jawaharlal Nehru Technological University (JNTU), Hyderabad. Also a Post Graduate in Architecture in Urban Design from School of Architecture, CEPT, Ahmedabad.
Areas of Experience	Has vast experience in Architectural Designing, Project Evaluations, Planning and Management.
Companies in which he holds directorship	Nil
Membership / Chairmanship of Board Committees	Member of Audit Committee, Remuneration Committee and Share Transfers & Investors Grievance Committee of Manjeera Constructions Limited.
Shareholding	43,768 Equity Shares







Situated on the JNTU-Hitec
City Road, these premium
homes come with the added
convenience of excellent
shopping and entertainment
spaces in the vicinity. It also has
'Oasis', a beautifully appointed
clubhouse that provides a wide
range of comforts, including
swimming pools, gymnasium,
health club, restaurant,
meditation room, banquet hall,
guest rooms and facilities for
indoor / outdoor games.









AUDITORS' CERTIFICATE ON CORPORATE GOVERANCE

То

The Members of Manjeera Constructions Limited

We have examined the compliance of conditions of corporate governance by Manjeera Constructions Limited ("the Company") for the year ended 31st March, 2011 as stipulated in clause 49 of the listing agreement of the said Company with the stock exchanges.

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in clause 49 of the above mentioned listing agreement.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

A.K. Sabat & Co. Chartered Accountants

(D. Vijaya Kumar) Partner Membership No. 51961 Firm Reg-No. 321012E

Place: Hyderabad Date: 24.05.2011



CERTIFICATION OF FINANCIAL REPORTING & INTERNAL CONTROLS

In accordance with Clause 49 of the Listing Agreement with the Stock Exchanges, we, G. Yoganand, Managing Director & Chief Executive Officer and P. Sobhanadri, Senior Vice-President & Chief Financial Officer of Manjeera Constructions Ltd. (the Company) hereby certify that:

- a) We have reviewed the financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:
 - these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- c) We are responsible for establishing and maintaining internal controls for financial reporting in the Company and we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting. We have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the auditors and the audit committee:
 - i) That there has not been any significant changes in internal control over financial reporting during the year.
 - ii) There has not been any significant change in accounting policies during the year requiring disclosure in the notes to the financial statements.
 - iii) We are not aware of any instance, during the year, of significant fraud with involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting.
- e) We affirm that we have not denied any personnel to the Audit Committee of the Company in respect of matters involving alleged misconduct, if any
- f) We further declare that all Board Members and Senior Management have affirmed compliance with the code of conduct for the current year.

(G. Yoganand)
Managing Director
& Chief Executive Officer

(P. Sobhanadri) Senior Vice-President & Chief Financial Officer

Place: Hyderabad Date: 24.05.2011

AUDITOR'S REPORT

TO THE MEMBERS OF MANJEERA CONSTRUCTIONS LIMITED

- 1. We have audited the attached Balance Sheet of MANJEERA CONSTRUCTIONS LIMITED as at 31st March, 2011 and also the Profit and Loss Account and the Cash Flow Statement for the year ended on that date 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 misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by 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, issued by the Central Government of India in terms of sub-section (4A) of section 227 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 above, we report that:
 - a) We have obtained all the information and explanations, which to the best of our knowledge 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 appears from our examination of those books;
 - c) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - d) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
 - e) On the basis of written representations received from the directors, as on 31st March 2011, and 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 clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
 - f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the schedules and other notes thereon, 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.

For A.K. Sabat & Co. Chartered Accountants (Registration No.321012E)

Place: Hyderabad Date: 24.05.2011 (D. Vijaya Kumar) Partner ICAI Membership No: 051961

ANNEXURE TO THE AUDITOR'S REPORT

(Referred to in paragraph 3 of our report of even date)

On the basis of such checks as considered appropriate and in terms of the information and explanations given to us, we state as under:

- i) a) The Company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.
 - b) The management at reasonable intervals has carried out the physical verification of the fixed assets. No material discrepancies have been noticed on such verification.
 - c) There has been no disposal off substantial part of the fixed assets by the Company during the year affecting the going concern status.
- ii) a) Inventory namely property development projects(in progress), Contract projects (work in progress) and Apartments held for sale, has been physically verified by the management at reasonable intervals during the year.
 - b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and nature of its business.
 - c) The Company has maintained proper records of inventory. No material discrepancies were noticed on physical verification.
- iii) 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. Accordingly clauses 4(iii)(a) to (g) of the Order are not applicable to the Company.
- iv) There is an adequate internal control system commensurate with 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. We have not observed any continuing failure to correct major weakness in such internal control systems.
- v) a) The particulars or contracts or arrangements referred to in section 301 of the Companies Act, 1956 have been entered in the register required to be maintained under that section.
 - b) In our opinion the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of five Lac rupees in respect of any party during the year have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- vi) The Company has not accepted deposits from the public to which provisions of sections 58A and 58AA or any other relevant provisions of the Companies Act, 1956 and the rules framed there under apply. Accordingly the provisions of paragraph (vi) of the Order are not applicable to the Company.
- vii) In our opinion, the Company has an adequate internal audit system commensurate with the size of the Company and nature of its business.
- viii) To the best of our knowledge, the Central Government has not prescribed maintenance of cost records under section 209(1)(d) of the Companies Act, 1956 in respect of the Company's products and services.
- ix) In respect of statutory dues:
 - a) The Company has generally been regular in depositing undisputed statutory dues including provident fund, employee's state insurance, sales-tax and other statutory dues as applicable with the appropriate authorities.
 - b) No undisputed amounts payable in respect of Income tax, Wealth tax, Service Tax and Sales tax as at 31.03.2011 for a period of more than 6 months from the date they became payable.



c) The Following dues have not been deposited by the Company on account of Disputes, since the Appeals are pending with relevant Authorities

Name of the Statue	Nature of Dues	Financial Year	Amount (₹)	Forum where dispute is pending
Income Tax Act, 1961	Income tax	2007-08	3,26,101	Commissioner of Income Tax (Appeals)
Commercial Tax Dept.	APGST	2004-05	9,44,700	Sales Tax Appellate Tribunal

- x) The Company does not have any accumulated losses as at 31st March, 2011 and has not incurred cash losses in the year and in the immediately preceding financial year.
- xi) The Company during the year has not defaulted in repayment of dues to financial institutions. There are no debentures.
- xii) The Company during the year has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii) The provisions of any special Statute as specified under paragraph (xiii) of the Order are not applicable to the Company.
- xiv) The Company does not deal or trade in securities. Accordingly the provisions of paragraph (xiv) of the Order are not applicable to the Company.
- xv) In our opinion, the Company has given guarantee for loans taken by the subsidiary company from banks and financial institutions, the terms and conditions whereof are not prejudicial to the interest of the Company.
- xvi) The term loans taken by the Company have been applied for the purpose for which they were obtained.
- xvii) Funds raised on short-term basis have not been used for long term investment.
- xviii) 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.
- xix) As there are no debentures outstanding at the year end, paragraph (xix) of the Order is not applicable
- xx) No monies raised by public issues by the Company during the year under consideration.
- xxi) No fraud on or by the Company was noticed or reported during the year.

For A.K. Sabat & Co. Chartered Accountants (Registration No.321012E)

Place: Hyderabad Date: 24.05.2011 (D. Vijaya Kumar)
Partner
Momborship No: 05

ICAI Membership No: 051961

BALANCE SHEET AS AT 31ST MARCH, 2011

	Sch	As at 31.03.2011 (₹)		As 31.03 (₹)	at .2010 (₹)
SOURCES OF FUNDS 1 Shareholders funds					
a. Share capital	1	125,084,180		125,084,180	
b. Reserves and surplus	2	490,275,160	615,359,340	409,011,083	534,095,263
2 Loan funds					
a. Secured loans	3	353,346,956		395,378,192	
b. Unsecured loans	4	47,458,145	400,805,101	77,520,390	472,898,582
3 Deferred tax liability			9,691,156		11,150,186
TOTAL			1,025,855,597		1,018,144,031
APPLICATION OF FUNDS					
1 Fixed assets	5				
a. Gross block		98,668,636		95,936,320	
b. Less: Depreciation		37,397,108	a	29,827,737	00 400 500
c. Net block			61,271,528		66,108,583
2 Investments	6		523,800,000		523,800,000
3 Current assets, loans and advances (A)					
a. Inventories	7	562,871,413		585,920,621	
b. Sundry debtors	8	197,608,307		94,461,657	
c. Cash and bank balances	9	22,842,236		13,688,386	
d. Loans and advances	10	72,045,130		61,748,970	
		855,367,086		755,819,634	
Less: Current liabilities and provisions (B)	44	050 000 404		000 045 700	
a) Current liabilities	11 12	352,229,421 62,946,450		293,945,702 35,077,693	
b) Provisions	12	415,175,871		35,077,693	
Net current assets (A) - (B)		110,110,011	440,191,215		426,796,239
4 Miscellaneous expenditure	13		592,854		1,439,210
(to the extent not written off or adjusted)	-		,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,		,,
TOTAL			1,025,855,597		1,018,144,032
Accounting policies and Notes on Accounts	19				

For and on behalf of the Board of Directors

As per our report of even date For A.K. Sabat & Co. Chartered Accountants

Place : Hyderabad (G.Yoganand) (G. Shiva Leelanand) (Deepthi T.) (D.Vijaya Kumar)

Date : 24.05.2011 Managing Director Director Company Secretary Partner

ICAI Membership No.: 051961



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

	Sch	Year Ended 31.03.2011 (₹)	Year Ended 31.03.2010 (₹)
INCOME			
Sale of space & Contract receipts	14	824,302,471	592,317,369
Energy sales		5,208,431	6,073,432
Miscellaneous income	15	3,502,350	6,206,224
		833,013,252	604,597,025
EXPENDITURE			
Cost of space sold & Contract expenses	16	624,353,543	441,193,961
Administrative expenses	17	46,001,621	21,255,768
		670,355,164	462,449,729
PROFIT			
Profit before Interest, Depreciation & Tax		162,658,088	142,147,296
Interest & Financial expenses	18	4,544,567	7,330,046
Profit before Depreciation & Tax		158,113,521	134,817,250
Depreciation		10,340,796	9,560,315
Profit before taxation		147,772,725	125,256,935
Provision for taxation		46,161,288	22,235,060
Provision for Deferred tax liabilties for the year		(1,459,033)	1,522,044
Profit after tax		103,070,470	101,499,831
Profit brought forward		240,274,182	156,277,443
Profit for appropriation		343,344,652	257,777,274
APPROPRIATION			
General Reserve		6,363,958	-
Proposed Dividend		18,762,627	15,010,102
Income tax on Proposed Dividend		3,043,767	2,492,990
Balance transferred to Reserves & Surplus		315,174,300	240,274,182
Earnings per share - (basic & diluted) ₹		8.24	8.11
Accounting policies and Notes on Accounts	19		

For and on behalf of the Board of Directors

As per our report of even date For A.K. Sabat & Co. Chartered Accountants

Place: Hyderabad Date: 24.05.2011

(G.Yoganand) Managing Director (G.Shiva Leelanand) Director (Deepthi T.) Company Secretary (D. Vijaya Kumar) Partner

ICAI Membership No.: 051961

SCHEDULES FORMING PART OF THE BALANCE SHEET

	As at 31.03.2011 (₹)	As at 31.03.2010 (₹)
SCHEDULE: 1 SHARE CAPITAL		
Authorised: 2,50,00,000 Nos. equity shares of ₹ 10 each. Issued, subscribed & paid up:	250,000,000	250,000,000
1,25,08,418 (1,25,08,418) Nos. equity shares of ₹ 10 each fully paid up. (Includes 10,00,675 Nos. Bonus shares on capitalisation of reserves in earlier year and ₹ 75,05,043 Nos right shares issued during earlier year)	125,084,180	125,084,180
SCHEDULE: 2 RESERVES AND SURPLUS		
General Reserve Profit and Loss Account Share premium	25,000,000 315,174,300 150,100,860 490,275,160	18,636,042 240,274,181 150,100,860 409,011,083
SCHEDULE: 3 SECURED LOANS		
Housing Development Finance Corporation Limited (Secured by deposit of the title deed of office premises at Aditya Trade Centre, Ameerpet)	-	12,068,294
Housing and Urban Development Corporation Limited (Secured by equitable mortgage of land under Chitra Layout, Saroor Nagar, Hyderabad along with construction to be made thereon with first charge on all revenues receivable and immovable property present and future pertaining to the project)	6,003,156	15,093,251
Tata Capital Limited	20,509,548	23,631,538
(Secured by the Wind Turbine Generator) Tata Capital Limited (Secured by the non standard equipment)	-	1,851,705
Tata Capital Limited (Secured by the Tower Crane)	2,446,273	3,627,240
Andhra Pradesh State Financial Corporation (Secured by collateral security amounting to ₹ 625 lac provided by way of urban immovable properties)	38,624,182	45,922,962
Canara Bank Limited (Secured by equitable mortgage of development rights of the company over 1.23 acres of land at Plot S-2, Sy-No.1050 located at Kukatpally, Hyderabad alongwith proposed residential buildings with built up area of 402000 sq.ft including car parking space of 93924sq.ft)	246,038,847	211,153,257
ICICI Bank Limited (Secured by hypothecation of the scheduled receivables and account assets and by way of exclusive charge)	-	16,224,501
Yes Bank Limited - working capital demand loan (Secured by exclusive charge on current assets and receivables associated with EPC contract for Gopanpally project)	39,128,429	65,200,000
Interest accrued & due	596,521 353,346,956	605,444 395,378,192



SCHEDULES FORMING PART OF THE BALANCE SHEET

	As at 31.03.2011 (₹)	As at 31.03.2010 (₹)
SCHEDULE : 4 UNSECURED LOANS		
Vehicle financiers Intercorporate deposits India Bulls Financial Services Limited -Loan against property Interest accrured and due	4,110,059 10,000,000 31,966,510 1,381,576	2,168,672 35,100,000 40,251,718
	47,458,145	77,520,390
(Amount repayable within one year Rs.2,10,26,854 -previous year Rs.3,68,25,672)		

SCHEDULES FORMING PART OF THE BALANCE SHEET

SCHEDULE 5: FIXED ASSETS	ETS									
		Gross Block	oss Block (As cost)			Depreciation	iation		Net Block	lock
Asset	As at 01.04.2010 (₹)	Additions (₹)	Deductions/ Adjustments (₹)	As at 31.03.2011 (₹)	Upto 01.04.2010 (₹)	For the Year (₹)	Deductions/ Adjustments for the year (₹)	Upto 31.03.2011 (₹)	As at 31.03.2011 (₹)	As at 31.03.2010 (₹)
Land	168,006	'	-	168,006	'	,	'	•	168,006	168,006
Building	16,273,913	ı	ı	16,273,913	3,655,586	630,916	ı	4,286,502	11,987,411	12,618,327
Plant & Machinery	63,763,989	2,952,354	396,928	66,319,415	17,741,962	7,300,029	396,928	24,645,063	41,674,352	46,022,027
Electrical equipment	1,581,523	339,900	284,000	1,637,423	845,897	168,428	284,000	730,325	901,098	735,626
Office equipment	1,674,736	157,122	311,084	1,520,774	641,923	294,624	311,084	625,463	895,311	1,032,813
Computers	3,620,388	223,244	661,467	3,182,165	2,206,755	616,698	661,467	2,161,986	1,020,179	1,413,633
Furniture & fixtures	1,807,928	469,654	242,261	2,035,321	858,618	456,128	242,261	1,072,485	962,836	949,310
Vehicles	7,045,837	1,551,949	1,066,167	7,531,619	3,876,996	873,973	875,685	3,875,284	3,656,335	3,168,841
TOTAL	95,936,320	5,694,223	2,961,907	98,668,636	29,827,737	10,340,796	2,771,425	37,397,108	61,271,528	66,108,583
Previous Year	87,012,241	8,924,079	1	95,936,320	20,267,422	9,560,315	1	29,827,737	66,108,583	
Notes: 1. Deductions / Adjustments includes ₹ 10,66,167 on Assets sold and ₹ 18,95,740 on assets discarded. 2. Accumulated depreciation includes an adjustment in depreciation for the year ₹ 8,75,685 on assets sold and ₹ 18,95,740 on assets discarded.	s includes ₹ 10, n includes an a	66,167 on Ass djustment in d	ets sold and ₹ epreciation for	18,95,740 on the year ₹ 8,7.	assets discard 5,685 on asset	ed. s sold and ₹ 18	3,95,740 on as	sets discarded		

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SCHEDULES FORMING PART OF THE BALANCE SHEET

	As at 31.03.2011 (₹)	As at 31.03.2010 (₹)
SCHEDULE: 6 INVESTMENTS		
(Long term,at cost and unquoted)		
4,50,00,000 equity shares of ₹ 10 each fully paid up in subsidiary - Manjeera Retail holdings Private Limited	450,000,000	450,000,000
10,12,320 equity shares of ₹ 10 each fully paid up with premium of Rs.40 per share in GM Infra Ventures Private Limited	39,960,000	39,960,000
3,38,400 Optionally fully convertible Debentures (III SERIES) of ₹ 100 each in GM Infra Ventures Private Limited	33,840,000	33,840,000
or 100 each in Givi inita ventures ritvate Limited	523,800,000	523,800,000
SCHEDULE: 7 INVENTORIES		
(At lower of cost or net realisable value as certified by the management)		
Apartment held for sale	4 000 400	4 500 400
Manjeera Heights Phase I Project Manjeera Heights - Phase II	1,603,496 8,436,005	1,592,402 34,815,556
Manjeera Heights - Fhase II	0,400,000	04,010,000
Property development projects (in progress):		
Smart Villas	29,065,434	83,767,314
Bangalore	-	4,335,442
Plot No.34 (HUDA)	-	3,739,101
Smart Apartments	16,870,040	56,170,075
Manjeera Trinity Homes	489,579,696	401,500,731
Manjeera Diamond Villas	16,757,377	-
Inftra projects Hydro Power project	271,858 287,507	-
nydro rower project	201,501	-
	562,871,413	585,920,621
SCHEDULE: 8 SUNDRY DEBTORS		
(Unsecured and considered good)		
Outstanding for a period exceeding six months	27,328,309	12,320,175
Others	170,279,998	82,141,482
	197,608,307	94,461,657
SCHEDULE : 9 CASH AND BANK BALANCES		
Cash on Hand	140,508	45,222
Balance with scheduled banks:		
In current account	12,034,136	1,923,419
In margin deposit	10,667,592	11,719,745
	22,842,236	13,688,386

SCHEDULES FORMING PART OF THE BALANCE SHEET

	As at 31.03.2011 (₹)	As at 31.03.2010 (₹)
SCHEDULE: 10 LOANS AND ADVANCES		
(Unsecured,considered good)		
Advance - Joint Venturers	25,057,924	23,307,924
Advance - acquisition of land	8,234,000	8,234,000
Advances recoverable in cash or in kind or for value to be received	15,712,086	11,549,718
Deposits	4,296,689	3,304,181
Mobilisation advance paid	2,541,335	4,856,097
Retention, security & withheld monies	16,203,096	10,497,050
	72,045,130	61,748,970
SCHEDULE : 11 CURRENT LIABILITIES		
	405 045 400	00 400 000
Advances from customers Advances from Joint venturers	105,315,493	62,430,629
	8,073,380	8,073,380 153,615,764
Sundry creditors Other liabilities	165,479,557 30,788,643	16,618,823
Mobilisation Advance	24,828,600	44,856,097
Securities & Retention Monies Refundable	14,690,505	4,653,456
Interest accured but not due	1,090,438	3,053,992
Book overdraft with scheduled bank in current account	1,962,805	643,561
	352,229,421	293,945,702
SCHEDULE : 12 PROVISIONS		
Proposed dividend	18,762,627	15,010,102
Dividend Tax	5,536,757	5,043,957
Fringe benefit tax	21,520	234,883
Income Tax (net of taxes paid)	37,316,546	14,788,751
Employee benefits	1,309,000	-
	62,946,450	35,077,693
SCHEDULE : 13 MISCELLANEOUS EXPENDITURE		
(to the extent not written off or adjusted)		
Preliminary expenses	253,500	507,000
Amortised during the year	253,500	253,500
	-	253,500
Share Issue expenses	1,185,710	1,778,566
Amortised during the year	592,856	592,856
Amorabod during the your	592,854	1,185,710
	592,854	1,439,210
	332,004	1, 100,210



SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNT

	Year ended 31.03.2011 (₹)	Year ended 31.03.2010 (₹)
SCHEDULE : 14 SALE OF SPACE & CONTRACT RECEIPTS	(<)	(<)
Sale of Space (Projects)		
Manjeera Heights	34,293,510	234,868,256
Smart Villas	62,112,273	12,906,150
Smart Apartments	97,311,580	31,897,115
Manjeera Trinity Homes	174,652,194	-
	368,369,557	279,671,521
Contract Receipts (Projects)		
Manjeera Diamond Towers	236,648,761	156,305,072
Gachibowli Hotels	113,962,938	-
Hydershakote Project	-	46,852,215
CGEWHO, Bhubhaneshwar	82,305,616	36,995,293
MRHPL Project	-	34,893,268
Vishwanath Projects	23,015,599	37,600,000
	455,932,914	312,645,848
	824,302,471	592,317,369
SCHEDULE: 15 MISCELLANEOUS INCOME		
Interest receipts	906,115	1,037,704
Rental Income	767,659	767,660
Profit on sale of Shares	-	2,100,040
Liquidated damages	1,689,558	_,,-
Consultancy fees	-	200,820
Profit on Sale of Fixed Asset	139,018	2,100,000
	3,502,350	6,206,224
SCHEDULE : 16 COST OF SPACE SOLD & CONTRACT EXPENSES		
Cost of space sold (projects)		
Manjeera Heights	18,948,660	137,790,044
Smart Villas	44,885,933	8,866,750
Smart Apartments	70,606,028	21,263,854
Manjeera Trinity Homes	128,683,737	-
	263,124,358	167,920,648
Contract Expenses (Projects)		
Manjeera Diamond Towers	176,220,187	131,533,139
Gachibowli Hotel	89,670,350	-
Hydershakote	-	44,005,844
CGEWHO, Bhubhaneshwar	75,004,265	33,335,654
MRHPL Project	-	30,182,676
Vishwanath Projects	20334383	34,216,000
	361,229,185	273,273,313
	624,353,543	441,193,961

SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNT

	Year ended	Year ended
	31.03.2011	31.03.2010
	(₹)	(₹)
SCHEDULE : 17 ADMINISTRATIVE EXPENSES		
Salaries and employee benefits	32,810,673	20,206,395
Director remuneration	6,140,800	5,465,000
Travel & conveyance	2,318,338	1,371,080
Vehicle maintenance	189,765	231,758
Repairs & maintenance	1,462,638	208,314
Printing & stationery	549,826	491,475
Postage and telephones	1,086,978	1,009,985
Office maintenance	5,171,669	4,041,805
Property tax	191,876	191,877
Professional charges	10,200,236	5,595,659
Sales tax	15,142	1,146,482
Subscriptions & fees	124,313	365,332
Share expenses	_	33,092
Security Services	2,271,737	2,267,583
Tender expenses	_ ´ ´ _	, , , -
Legal fee & expenses	70,630	316,327
Insurance	649,659	1,077,007
Audit fee	375,020	336,415
Advertisement	14,982,379	3,271,619
General expenses	485,370	1,094,334
Miscellaneous expenditure written off	849679	850,004
Donations	40,000	460,000
	79,986,728	50,031,543
Less: Transfer to Inventories - Projects		
a) SMART Villas	2,970,573	3,533,824
b) Manjeera Heights Phase II Project	1,693,704	9,739,871
c) Manjeera Trinity Homes	21,313,664	12,678,430
d) Hydro Project	287,507	
f) Smart Apartments	3,346,562	2,526,545
g) Manjeera Diamond Villas	4,316,728	297,105
h) Infta Projects	56,369	04 055 700
	46,001,621	21,255,768
SCHEDINE - 40 INTEREST & FINANCIAL EVRENCES		
SCHEDULE : 18 INTEREST & FINANCIAL EXPENSES	4 000 07:	4 4 4 0 0 0 0 0
Bank charges & commission	1,230,071	1,146,009
Processing fees	137,876	97,983
Interest - Term loans	63,608,820	59,379,422
Interest - Vehicle financiers	404,942	218,009
Interest - Inter corporate Deposits	3,806,875	3,319,549
Less: Transfer to Inventories (projects)	69,188,584	64,160,972
a) Infra Projects	40,841	07,100,872
b) Manjeera Heights Phase II	1,432,166	3,557,465
c) Smart Homes (Villas)	1,894,137	2,220,880
e) Manjeera Trinity Homes	59,683,734	48,040,025
f) Smart Homes Apartments	1,593,141	3,012,556
., S in the control of the cont	4,544,567	7,330,046
	.,0-1-1,001	. ,000,040

MANJEERA

SCHEDULE FORMING PART OF THE ACCOUNTS

SCHEDULE: 19 Accounting Policies And Notes On Accounts

A. Significant Accounting Policies

1. Basis for preparation of financial statements

The financial statements have been prepared under historical cost convention in accordance with Generally Accepted Accounting Principles (GAAP) in conformity with Accounting Standards issued by the Institute of Chartered Accountants of India and the provisions of Companies Act, 1956 as adopted consistently by the Company. All income and expenditure having a material bearing on the financial statements are recognized on accrual basis and provision is made for all known losses and liabilities.

2. Use of Accounting estimates

Preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the balances of assets and liabilities and disclosures relating to contingent liabilities as at the reporting date of the financial statements and amounts of income and expenses during the year of account. Management periodically assesses whether there is an indication that an asset may be impaired and makes provision in the accounts for any impairment losses estimated. Contingencies are recorded when it is probable that a liability will be incurred and the amount can be reasonably estimated. Actual results could differ from those estimates.

3. Fixed assets

Fixed assets are stated at cost of acquisition less accumulated depreciation thereon.

4. Depreciation

Depreciation on fixed assets is provided on written down value method at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956.

5. Borrowing costs

- a. Borrowing costs specifically for the purpose of acquisition and construction of a qualifying asset, that are directly attributable to the qualifying asset, is capitalized as part of the cost of the asset.
- b. Borrowing costs not attributable to the acquisition of any qualifying asset are recognised as expense in the period in which they are incurred.

6. Impairment of Assets

The carrying amount of assets, other than inventory is reviewed at each balance sheet date for any indication of impairment and if any, the recoverable amount of assets is estimated. Impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount.

7. Investments

Long-term investments are stated and carried at cost less provision for permanent diminution, if any, in value of such investments.

8. Inventories

Inventories are valued at lower of cost or net realisable value. Properties under development are valued at cost. Cost includes all direct development expenditure, borrowing cost and appropriate overheads.

9. Miscellaneous expenditure

Preliminary and Rights issue expenses are amortised over a period of five years.

10. Foreign currency transactions

Foreign currency transactions are recorded using the exchange rates prevailing on the date of the respective transactions. Exchange difference arising on foreign currency transactions settled during the year are recognized in the profit and loss account

Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date, not covered by forwarded exchange contracts are translated at year-end rates. The resultant exchange difference is recognized in the profit and loss account. Non-monetary assets are recorded at the rates prevailing on the date of the transaction.

11. Revenue recognition

- i) (a) On property development projects
 - i. Recognised on the "Percentage of Completion Method" of accounting. Revenue comprises the aggregate amounts of sale price in terms of the agreements entered into and is recognized on the basis of percentage of actual costs incurred thereon, including proportionate land cost and total estimated cost of the projects under execution, subject to such actual costs being 20 percent or more of the total estimated cost.
 - ii. Where aggregate of the payment received provide insufficient evidence of buyers commitment to make the complete payment, revenue is recognized only to the extent of realization.
 - iii. The estimates of the saleable areas and costs are reviewed periodically by the management and any effect of changes in estimates is recognized in the period such changes are determined. However, when the total project cost is estimated to exceed total revenues from the project, the loss is recognized immediately.
 - (b) On construction contracts (undertaken as contractors)
 The Company follows percentage completion method for accounting of construction contracts undertaken.
- ii) Rent Receipts are recognised on accrual basis.
- iii) Interest on deployment of funds is recognised using the time-proportion method, based on interest rates implicit in the transaction.
- iv) Property management services are recognised on rendering services and billing thereof.
- v) Dividend income is accounted when the right to receive dividend is established.

12. Revenue receipts on joint venture contracts

In work sharing joint venture agreements revenues, expenses, assets and liabilities are accounted in the Company's books to the extent work is executed by the Company.

13. Income tax

a) Current tax is determined as the amount of tax payable to the tax authorities in respect of taxable income for the year.



b) Deferred tax is recognized, subject to the consideration of prudence, on timing difference being differences between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

14. Employee benefits

A. Short Term Employee Benefits

All employees' benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognized in the period in which the employee renders the related service.

B. Long Term and Post-employment benefits

a) Defined contribution plans

Defined contribution plans are post employment benefit plans under which the Company pays fixed contributions into separate entities (funds) or to financial institutions or state managed benefit schemes. The Company contributions to defined contribution plans are recognized in the Profit and Loss Account in the financial year to which they relate.

The Company makes specified monthly contributions towards Employee Provident Fund Scheme and Employee State Insurance Scheme.

b) Defined Benefit obligation

Gratuity liability are defined obligation and is provided for on the basis of an actuarial valuation on Projected Unit Credit method made at the end of each financial year.

15. Earning Per Share (EPS)

In arriving at the EPS, the Company's net profit after tax, computed in terms of the GAAP, is divided by the weighted average number of equity shares outstanding on the last day of the reporting period. The EPS thus arrived at is known as 'Basic EPS'. To arrive at the diluted EPS the net profit after tax, referred above, is divided by the weighted average number of equity shares, as computed above and the weighted average number of equity shares that could have been issued on conversion of shares having potential dilutive effect subject to the terms of issue of those potential shares. The date/s of issue of such potential shares determine the amount of the weighted average number potential equity shares.

16. Prior period items

Prior period items are included in the respective heads of account and material items are disclosed by way of notes to accounts.

17. Provisions and contingent liabilities

The Company creates a provision when there is a present obligation as a result of past event that probably requires an out flow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingency liability as made when there is a possible obligation or a present obligation that may, but probability will not, require an out flow of resources. Where there is possible obligation or a present obligation in respect of which the likely hood of outflow of resources is remote, no provision or disclosure is made.

Provision for onerous contracts, i.e. contracts where the expected unavoidable costs of meeting the obligation under the contact exceeds the economic benefits expected to be received under it, are recognized when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event, based on reliable estimate of such obligation.

18. Leases

Operating lease payments are recognized as an expense in the profit and loss account on the basis of lease agreement.

B. Notes on Accounts

- 1. Contingent liabilities not provided for:
 - a) Guarantees issued by banks ₹ 527.40 Lacs (Previous year ₹ 527.40 Lacs)
 - b) APGST payable ₹ 9,44,700 for the financial year 2004-05 pending appeal with Sales Tax Appellate Tribunal.
- 2. The Company is formed for real estate development and such operations are not capable of being expressed in any generic unit. Hence it is not possible to give the quantitative details under paragraph 3,4C and 4D of Part II of Schedule VI of the Companies Act, 1956.
- 3. In terms of the disclosures required to be made under the Accounting Standard (AS) 7 (revised 2002) issued by the Institute of Chartered Accountants of India for 'Construction Contracts', the amounts considered in the financial statements up to the balance sheet date are as follows.

	31.03.2011 (₹)	31.03.2010 (₹)
Contract revenue recognized during the year	45,59,32,914	31,26,45,848
Contract costs incurred and recognized profits	36,12,29,185	27,32,73,313
Advances received, net of recoveries from progressive bills	2,48,28,600	4,00,00,000
Gross amount due from customers from contract works	5,94,50,583	3,91,03,081
Gross amounts due to customers for contract work	Nil	Nil

- 4. i) Provision for taxation made under the liability method after availing exemptions and Deductions at the rates applicable under the Income Tax Act, 1961 includes ₹ 4,58,77,670 for the current period.
 - ii) Income tax Assessments have been completed upto the Assessment year 2008-09.
 - iii) Profit before tax includes ₹ 1,52,86,033 deductible under section 80-IB of Income Tax Act,1961 from the Gross total income of the Company for the year under consideration and relates to Manjeera Heights Phase II project.
- 5. As of 31st March, 2011, the Company had no outstanding dues to Micro and Small enterprises under the Micro Small and Medium Enterprises Development Act, 2006 as per the records available. Further the Company has not paid any interest to Micro, Small and Medium enterprises.



6. Employee benefits

The following set out the status of the Gratuity plan as required under AS15(revised)

Amount recognized in Balance Sheet

Present value of obligation ₹ 13,09,000
Provisions ₹ 13,09,000
Expenses recognized in profit and loss account included in salaries ₹ 13,09,000
Discount rate 8% p.a
Salary increase 5% p.a

- 7. Managerial remuneration under section 198 of the Companies Act, 1956: Managing Director Salary ₹ 54,00,000 (previous year ₹ 54,00,000) and other directors ₹ 7,40,000 (previous year ₹ 65,000)
- 8. Particulars of loans and advances in the nature of loans as required under clause 32 of the listing agreement. Nil (Previous Year: Nil)
- 9. Related party disclosures as required by Accounting Standard 18 of the Institute of Chartered Accountants of India:
 - A) Related parties and relationship:
 - i) Key management personnel
 - G Yoganand, Managing Director
 - G Shiva Leelanand, Director
 - K Krishna Murthy, Director
 - D L S Sreshti, Director
 - G Vivekanand, Whole-time Director
 - ii) Enterprises in which key Management personnel have significant influence:

Manjeera Hotels & Resorts Limited

Manjeera Estates Private Limited

Manjeera Projects

GM Infra Ventures Private Limited

Gajjala Investments and Holdings Private Limited

- iii) Subsidiary Company: Manjeera Retail Holdings Private Limited
- iv) Associates:

Ashraya Hotels & Estates Private Limited

- v) Joint venture: Bharathi Infraprojects Private Limited
- B) Transactions with related parties during the financial year and outstanding balance (o/s)as on 31.03.2011.

Nature of Transaction	Key Management Personnel (Previous year) (₹)	Enterprises in which key Mgt.personnel have significant influence (Previous year)	Subsidiary Company (Previous year) (₹)	Associates (Previous year) (₹)	Joint Ventures (Previous year) (₹)
Directors Remuneration	61,40,800 (54,65,000)				
Professional Fee	17,09,650 (NIL)				
Inter Corporate Deposits received		NIL (3,16,00,000)			
Interest on Inter Corporate Deposits		15,21,616 (20,98,385)			
Expenses Incurred			4,40,780		
Contract Receipts		35,06,11,699 (15,63,05,072)			
Investment in Equity shares(o/s)		3,99,60,000 (3,99,60,000)	45,00,00,000 (45,00,00,000)		
Investment in Debentures(o/s)		3,38,48,000 (3,38,48,000)			
Reimbursement of expenses			46,02,741 (9,21,158)		
Mobilisation Advance(o/s)			2,48,28,600 (2,17,42,873)		
Advances from Customers (o/s)		48,49,764 (5,58,02,000)			
Investments received from Joint ventures(o/s)					80,73,380 (80,73,380)

Related parties relationship as stated above are identified by the Company as required under Accounting Standard and relied by the Auditors.

10. As per Accounting Standard 22 on "Accounting for Taxes on income" issued by the Institute of Chartered Accountants of India, the Company has accounted Deferred tax liability of ₹ 96,91,153 as on 31.03.2011 on accounting of timing difference of depreciation. For the period under consideration ₹ 14,59,033 has been written back on account of such depreciation in Profit and Loss account.



11. Auditors remuneration (excluding Service tax) (Rs.)

	Year ended 31.03.2011	Year ended 31.03.2010
Statutory Audit	1,50,000	1,50,000
Tax Audit	50,000	50,000
Income Tax matters	10,000	10,000
Certification	1,30,000	95,000
Total	3,40,000	3,05,000

- 12. As the Company's operations predominantly consists of single segment viz., construction and related activities, the disclosure requirements of Accounting Standard 17 "Segment Reporting" issued by the Institute of Chartered Accountants of India is not applicable.
- 13. Earnings per Share (EPS)

	Year ended 31.03.2011	Year ended 31.03.2010
Profit attributed to Equity shareholders (₹)	10,30,70,470	10,14,99,831
No. of Equity shares (of ₹ 10 each including Rights shares of 75,05,043 Nos.)	12508418	12508418
Earnings per share (Basic & Diluted) (₹)	8.24	8.11

- 14. Figures have been rounded off to the nearest rupee.
- 15. Figures of the previous year have been regrouped / rearranged wherever necessary to make them comparable with that of current year presentation.
- 16. Schedules one to nineteen form part of accounts.

For and on behalf of the Board of Directors

As per our report of even date For A.K. Sabat & Co. **Chartered Accountants**

Place: Hyderabad Date : 24.05.2011

Managing Director

(G. Yoganand) (G. Shiva Leelanand) Director

(Deepthi T.) Company Secretary (D. Vijaya Kumar) Partner

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

	Year 6 31.03 (₹)			ended 3.2010 (₹)
A. Cash flows from operating activities Net Profit before taxation Adjustments for:		147,772,725		125,256,935
Depreciation	10,340,796		9,560,315	
Misc. expenditure amortised	846,356		846,356	
Miscellaneous income	(767,659)		(767,660)	
Profit on sale of fixed shares	-		(2,100,040)	
Profit on sale of fixed assets	(139,018)		-	
Interest income	(906,115)		(1,037,704)	
Interest expense	4,544,567		7,330,046	
Employee Benefits	1,309,000	15,227,927	-	13,831,313
Operating Profit before working capital changes		163,000,652		139,088,248
Adjustments for changes in working capital:		.00,000,002		100,000,210
increase in Inventories	23,049,208		(72,446,162)	
increase in Trade receivables	(103,146,650)		(50,787,218)	
Increase in other receivables	(10,296,160)		(14,838,447)	
increase in Advance from customers	42,884,864		(100,145,311)	
increase in Trade payable	3,192,589	, ,	79,240,177	// />
increase in other liabilities	14,169,820	(30,146,328)	(18,579,498)	(177,556,459)
Cash generated from operations		132,854,323		(38,468,211)
Direct taxes paid (Net)		26,167,824		8,252,669
Net cash used for operating activities (A)		106,686,500		(46,720,880)
B. Cash flows from investing activities				
Purchase of fixed assets		(5,694,223)		(8,924,079)
Proceeds from sale of Investments		-		2,500,000
Proceeds from sale of Fixed Assets		99,500		-
Misc. income incurred		767,659		767,660
Interest received		906,115		1,037,704
Net cash used in investing activities (B)		(3,920,949)		(4,618,715)
C. Cash flow from financing activities				
Term Loan Receipts		50,300,000		63,730,187
Term Loan Payments		(92,322,313)		
Unsecured loan Receipts		2,667,000		(2
Unsecured Loan Payments		(9,010,821)		(6,444,230)
Inter corporate deposits received Dividend paid		(25,100,000) (15,010,102)		14,100,000 (15,010,102)
Interest Paid		(15,010,102)		(6,527,470)
Net cash from financing activities (C)		(93,611,704)		49,848,385
5255		(33,311,141)		15,510,000
Net increase in cash and cash equivalents (A+B+C)		9,153,846		(1,491,210)
Cash and cash equivalents at beginning of year		13,688,386		15,179,596
Cash and cash equivalents at end of period		22,842,232		13,688,386



Notes

- 1. The cash flows from operating activities has been prepared under Indirect method as per AS-3 issued by the Institute of Chartered Accountants of India.
- 2. Cash and cash equivalents represent cash and bank balances(net).
- 3. Figures under brackets represent cash outflows.

For and on behalf of the Board of Directors

For A.K. Sabat & Co. Chartered Accountants

Place : Hyderabad (G.Yoganand) (G. Shiva Leelanand) (Deepthi T.) (D. Vijaya Kumar)

Date : 24.05.2011 Managing Director Director Company Secretary Partner

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

Additional information pursuant to Part IV of Schedule VI to the Companies Act, 1956.

I. Registration Details:

Registration No : 72280 F 1986-87

State Code : 01

Balance Sheet Date : 31.03.2011

II. Capital raised during the year: (Amount in ₹ Thousands)

Public IssueNILRight IssueNILBonus IssueNILPrivate PlacementNIL

III. Position of Mobilization and deployment of funds: (Amount in ₹ Thousands)

Total Liabilities		Total Assets	
Source of Funds:		Application of Funds:	
 Paid-up Capital 	125084	 Net Fixed Assets 	61271
2. Reserves & Surplus	487384	2 Investments	523800
Deferred tax liability	9692	Net Current Assets	437300
4. Secured Loans	353346	4. Misc. Expenditure	593
Unsecured Loans	47458	TOTAL	1022964
ΤΟΤΔΙ	1022964		

IV Performance of Company (Amount in ₹ Thousands)

Turnover	835801	Profit after Tax	100179
Total Expenditure	674505	Earnings per share (₹)	8.01
Profit before tax	142923		

V. Generic names of the Three Principal products of the Company

(Code: 72200)

Sale of Flats / Plots
 Sale of Space
 Contract receipts

For and on behalf of the Board of Directors

(G. Shiva Leelanand) (G. Yoganand) (Deepthi T.)

Director Managing Director Company Secretary

Place: Hyderabad Date: 24.05.2011



STATEMENT PURSUANT TO SECTION 212 OF COMPANIES ACT, 1956 RELATING TO SUBSIDIARY COMPANY

Name of the Subsidiary Company	Manjeera Retail Holdings Private Limited
Financial Year Ending of the Subsidiary	31/03/2011
Shares of the Subsidiary held by Manjeera Constructions Limited on the above date: a. Number and Face Value	4,50,00,000 Equity Shares of ₹ 10/- Each.
b. Extent of Holding	51%
 3. Net aggregate amount of profits / (losses) of the subsidiary for the above financial year of the subsidiary so far as they concern members of Manjeera Constructions Ltd. a. dealt with in the accounts of the Company for the year ended 31st March, 2011 b. not dealt with in the accounts of the Company for the year ended 31st March, 2011 	Nil ₹ 2,30,75,801
 4. Net aggregate amount of profits/(losses) for previous years of the subsidiary, since it became a subsidiary so far as they concern members of the Company: a. dealt with in the accounts of the Company for the year ended 31st March, 2011. b. not dealt with in the accounts of the Company for the year ended 31st March, 2011 	Nil ₹ (36,82,223)

Sd/-G. Yoganand Managing Director Sd/-G. Shiva Leelanand Director Sd/-T. Deepthi Company Secretary













AUDITOR'S REPORT TO THE CONSOLIDATED ACCOUNTS

TO THE BOARD OF DIRECTORS - MANJEERA CONSTRUCTIONS LIMITED

- 1. We have audited the attached Consolidated Balance Sheet of MANJEERACONSTRUCTIONS LIMITED ('the Company') and its subsidiary MANJEERA RETAIL HOLDINGS PRIVATE LIMITED (collectively referred to as 'the Group') as at 31st March, 2011, the Consolidated Profit and Loss Account and the Consolidated Cash Flow Statement of the Group for the year ended on that date, both annexed thereto in which is incorporated the financial statement of subsidiary audited by another auditor. These Consolidated Financial Statements are the responsibility of the Company's management and have been prepared on the basis of separate financial statements and other financial information regarding subsidiary. 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 misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
- 3. We report that the Consolidated Financial Statements have been prepared by the Company in accordance with the requirements of Accounting Standard 21'Consolidated Financial Statements', issued by the Institute of the Chartered Accountants of India and on the basis of the separate audited financial statements of Manjeera Constructions Limited and its subsidiary included in the consolidated financial statements.
 - The financial statements and other financial information of the subsidiary have been audited by other auditor whose report has been furnished to us and our opinion is solely based on the report of the other auditor.
- 4. On the basis of information and explanations given to us and in our opinion, the consolidated financial statements read together with the schedules and other notes thereon, give the information 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 Consolidated Balance Sheet, of the consolidated state of affairs of Manjeera Constructions Limited and its subsidiary as at 31st March, 2011;
 - ii. In the case of the Consolidated Profit and Loss Account of the consolidated results of operation of Manjeera Constructions Limited and its subsidiary for the year ended on that date; and



iii. In the case of the Consolidated Cash Flow Statement of the consolidated cash flows of Manjeera Constructions Limited and its subsidiary for the year ended on that date.

For A.K. Sabat & Co. Chartered Accountants (Registration No.321012E)

Place: Hyderabad Date: 24.05.2011 (D. Vijaya Kumar) Partner ICAI Membership No: 051961





CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2011

	Sch	As 31.03 (₹)	at .2011 (₹)		s at 3.2010 (₹)
SOURCES OF FUNDS					
Shareholders funds a. Share capital b. Reserves and surplus	1 2	125,084,180 509,668,739	634752919	125,084,180 405,328,859	530,413,039
Loan funds a. Secured loans b. Unsecured loans	3 4	1,879,178,590 416,194,084	2,295,372,674	1,289,356,721 445,167,390	1,734,524,111
3 Minority Interest			450,985,985		428,815,118
4 Deferred tax liability TOTAL			9,746,493 3,390,858,071		11,150,186 2,704,902,454
APPLICATION OF FUNDS					
Fixed assets a. Gross block b. Less: Depreciation c. Net block	5	106,090,100 40,027,426	66,062,674	101,325,612 30,960,345	70,365,267
2 Investments	6		73,800,000		73,800,000
3 Current assets, loans and advances (A) a. Inventories b. Sundry debtors c. Cash and bank balances d. Loans and advances Less: Current liabilities and provisions (B) a) Current liabilities b) Provisions	7 8 9 10	3,500,582,301 362,011,046 157,218,742 134,483,558 4,154,295,647 820,403,354 83,489,750 903,893,104		2,854,154,307 94,461,657 65,252,093 121,854,737 3,135,722,794 541,778,630 34,646,185 576,424,815	
Net current assets (A) - (B)		300,030,104	3,250,402,543	070,424,010	2,559,297,978
Miscellaneous expenditure (to the extent not written off or adjusted) TOTAL	13		592,854 3,390,858,071		1,439,210 2,704,902,455
Accounting policies and Notes on Accounts	19				

For and on behalf of the Board of Directors

As per our report of even date For A.K. Sabat & Co. Chartered Accountants

Place : Hyderabad (G. Yoganand)
Date : 24.05.2011 Managing Director

(G. Shiva Leelanand)
Director

(Deepthi T.) Company Secretary (D. Vijaya Kumar) Partner



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

	Sch	Year Ended 31.03.2011 (₹)	Year Ended 31.03.2010 (₹)
INCOME			
Sale of space & Contract receipts	14	1,240,286,496	592,317,369
Energy sales		5,208,431	6,073,432
Miscellaneous income	15	3,502,350	6,206,224
		1,248,997,277	604,597,025
EXPENDITURE			
Cost of apartments sold & Contract expenses	16	970,880,980	441,193,961
Administrative expenses	17	48,230,029	22,466,564
		1,019,111,009	463,660,525
PROFIT			
Profit before Interest, Depreciation & Tax		229,886,268	140,936,500
Interest & Financial expenses	18	4,613,029	7374,763
Profit before Depreciation & Tax		225,273,239	133,561,737
Depreciation		11,838,506	10,285,777
Profit before taxation		213,434,733	123,275,960
Provision for taxation		66,521,288	22,235,061
Provision for Deferred tax liabilties for the year		(1,403,696)	1,522,044
Profit after tax		148,317,141	99,518,855
Profit brought forward		236,591,957	153,605,516
Profit for appropriation		384,909,098	253,124,371
APPROPRIATION			
General Reserve		6,363,958	-
Proposed Dividend		18,762,627	15,010,102
Income tax on Proposed Dividend		3,043,767	2,492,990
Share of Profit / (Loss) transferred to Minority Interest		22,170,867	(970,678)
Balance transferred to Reserves & Surplus		334,567,879	236,591,957
Earnings per share - (basic & diluted) ₹		10.08	7.96
Accounting policies and Notes on Accounts	19		

For and on behalf of the Board of Directors

As per our report of even date For A.K. Sabat & Co. Chartered Accountants

Place: Hyderabad Date: 24.05.2011

(G. Yoganand) Managing Director (G. Shiva Leelanand)
Director

(Deepthi T.) Company Secretary (D. Vijaya Kumar) Partner

	As at 31.03.2011	As at 31.03.2010
	(₹)	(₹)
SCHEDULE : 1 SHARE CAPITAL		
Authorised : 2,50,00,000 (2,50,00,000) Nos. equity shares of ₹ 10/- each. Issued, subscribed & paid up:	250,000,000	250,000,000
1,25,08,418 (1,25,08,418) Nos. equity shares of ₹ 10/- each fully paid up. (Includes 10,00,675 Nos. Bonus shares on capitalisation of reserves in earlier year and ₹ 75,05,043 Nos right shares issued during earlier year)	125,084,180	125,084,180
SCHEDULE : 2 RESERVES AND SURPLUS		
General Reserve Profit and Loss Account Share premium	25,000,000 334,567,879 150,100,860 509,668,739	18,636,042 236,591,957 150,100,860 405,328,859
SCHEDULE : 3 SECURED LOANS		
Housing Development Finance Corporation Limited (Secured by deposit of the title deed of office premises at Aditya Trade Centre, Ameerpet)	-	12,068,294
Housing and Urban Development Corporation Limited (Secured by equitable mortgage of land under Chitra Layout, Saroor Nagar, Hyderabad along with construction to be made thereon with first charge on all revenues receivable and immovable property present and future pertaining to the project)	6,003,156	15,093,251
Tata Capital Limited (Secured by the Wind Turbine Generator)	20,509,548	23,631,538
Tata Capital Limited (Secured by the non standard equipment)	-	1,851,705
Tata Capital Limited (Secured by the Tower Crane)	2,446,273	3,627,240
Andhra Pradeh State Financial Corporation (Secured by collateral security amounting to ₹ 625 Lac provided by way of urban immovable properties)	38,624,182	45,922,962
Canara Bank Limited (Secured by equitable mortgage of development rights of the company over 1.23 acres of land at Plot S-2, Sy-No.1050 located at Kukatpally, Hyderabad alongwith proposed residential buildings with built up area of 402000 sq.ft including car parking space of 93924sq.ft)	246,038,847	211,153,257
ICICI Bank Limited (Secured by hypothection of the scheduled receivables and account assets and by way of exclusive charge)	-	16,224,501
Yes Bank Limited - working capital demand loan (Secured by exclusive charge on current assets and receivables associated with EPC contract for Gopanpally project)	39,128,429	65,200,000



	As at 31.03.2011 (₹)	As at 31.03.2010 (₹)
SCHEDULE : 3 SECURED LOANS (contd)		
i) Housing and Urban Development Corporation Ltd ii) Bank of Baroda iii) Indian Bank iv) Oriental Bank of Commerce v) State Bank of India (I to V are secured by a pari passu charge on project immovable properties by way of deposit of mortgage by deposit of title deeds, assignement of rights of the land and project documents, insurance policies relating to the project,Personal Guarantee of promoter director Mr. G. Yoganand and corporate guarantee of Manjeera Constructions Limited, pledge of shares of entire shareholding of Manjeera Constructions Limited in subsidiary Manjeera Retail Holdings Pvt Limited and assignemnt of Escrow account and charges on receivables) Interest accrued & due	500,001,634 360,000,000 160,000,000 200,000,000 295,000,000	500,001,634 212,110,212 80,732,791 100,000,000
milerest accided a due	1,879,178,590	
SCHEDULE : 4 UNSECURED LOANS	1,079,170,390	1,209,330,721
Vehicle financiers	5,198,998	2,168,672
Intercorporate deposits	10,000,000	35,100,000
India Bulls Financial Services Limited -Loan against property	31,966,510	40,251,718
3,67,647 (Previous Year: 367647) 14% Investor Cumulative mandatorily	267 647 000	267 647 000
convertible Debentures of ₹ 1000 each. Interest accrued and due	367,647,000 1,381,576	367,647,000
interest accraca and dae	416,194,084	445,167,390
(Amount repayable within one year ₹ 2,10,26,854/ previous year: ₹ 3,68,25,672/-)	416,194,084	445,167,390

SCHEDULE 5: FIXED ASSETS	SETS									
		Gross Block (As cost)	(As cost)			Depreciation	siation		Net Block	lock
Asset	As at 01.04.2010 (₹)	Additions (₹)	Deductions/ Adjustments (₹)	As at 31.03.2011 (₹)	Upto 01.04.2010 (₹)	For the Year (₹)	Deductions/ Adjustments for the year (₹)	Upto 31.03.2011 (₹)	As at 31.03.2011 (₹)	As at 31.03.2010 (₹)
Land	168,006	,	'	168,006	'	1	•	·	168,006	168,006
Building	16,273,913	ı	ı	16,273,913	3,655,586	630,916	ı	4,286,502	11,987,411	12,618,327
Plant & Machinery	63,777,373	2,952,354	396,928	66,332,799	17,725,584	7,308,220	396,928	24,636,876	41,695,923	46,051,789
Electrical equipment	1,697,425	339,900	284,000	1,753,325	898,809	179,874	284,000	794,683	958,642	798,616
Office equipment	2,365,391	378,547	311,084	2,432,854	717,193	410,653	311,084	816,762	1,616,092	1,648,198
Computers	5,225,188	851,279	661,467	5,415,000	2,593,462	1,221,342	661,467	3,153,337	2,261,663	2,631,726
Fumiture & fixtures	2,190,572	802,366	242,261	2,750,677	941,262	577,509	242,261	1,276,510	1,474,167	1,249,310
Vehicles	9,627,744	2,401,949	1,066,167	10,963,526	4,428,449	1,509,992	875,685	5,062,756	5,900,770	5,199,295
TOTAL	101,325,612	7,726,395	2,961,907	106,090,100	30,960,345	11,838,506	2,771,425	40,027,426	66,062,674	70,365,267
Previous Year	88,548,069	12,777,543	-	101,325,612	20,674,568	10,285,777	1	30,960,345	70,365,267	
Notes: 1. Deductions / Adjustments includes Rs.10,66,167 on Assets sold and ₹ 18,95,740 on assets discarded. 2. Accumulated depreciation includes an adjustment in depreciation for the year ₹ 8,75,685 on assets sold and ₹ 18,95,740 on assets discarded.	s includes Rs.10 n includes an ac	0,66,167 on Ass djustment in del	sets sold and ₹ preciation for tl	18,95,740 on a ne year ₹ 8,75,6	ssets discarde	:d. sold and ₹ 18,9	5,740 on asset	s discarded.		

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	As at 31.03.2011 (₹)	As at 31.03.2010 (₹)
SCHEDULE: 6 INVESTMENTS		
(Long term, at cost and unquoted)		
10,12,320 equity shares of ₹ 10/- each fully paid up with a premium of ₹ 40 per share in GM Infra Ventures Private Limited	39,960,000	39,960,000
3,38,400 Optionally fully convertible Debentures (III SERIES) of ₹ 100/- each in GM Infra Ventures Private Limited	33,840,000	33,840,000
	73,800,000	73,800,000
SCHEDULE: 7 INVENTORIES		
(At lower of cost or net realisable value as certified by the management)		
Apartment held for sale		
Manjeera Heights Phase I Project	1,603,496	1,592,402
Manjeera Heights - Phase II	8,436,005	
Property development projects (in progress):		
Smart Villas	29,065,434	
Bangalore	-	4,335,442
Plot No.34 (HUDA)	-	3,739,101
Smart Apartments	16,870,040	
Manjeera Trinity Homes	489,579,696	
Kukatpally Residential, Commercial Complexes & Multiplexes	2,937,710,887	2,268,233,686
Manjeera Diamond Villas	16,757,378	-
Inftra projects	271,858	-
Hydro Power project	287,507	-
	3,500,582,301	2,854,154,307
SCHEDULE: 8 SUNDRY DEBTORS		
(Unsecured and considered good)		
Outstanding for a period exceeding six months	27,328,309	12,320,175
Others	334,682,737	82,141,482
	362,011,046	
SCHEDULE : 9 CASH AND BANK BALANCES		
	# 40 E00	405.000
Cash on Hand	140,509	195,222
Balance with scheduled banks:	40.000.444	00.045.000
In current account	46,889,141	28,815,626
In margin deposit	110,189,092	
	157,218,742	65,252,093

	As at 31.03.2011	As at 31.03.2010
	(₹)	(₹)
SCHEDULE :10 LOANS AND ADVANCES		
(Unsecured, considered good)		
Advance to Joint Venturers	25,057,924	23,307,924
Advance - acquisition of land	8,234,000	8,234,000
Advances recoverable in cash or in kind or for value to be received	57,860,921	70,317,599
Deposits	22,561,096	4,272,981
Mobilisation advance paid	2,541,335	4,856,097
Retention, security & withheld monies	16,203,096	10,497,050
Interest accrued but not due	2,025,186	369,086
	134,483,558	121,854,737
COUEDINE 44 OUDDENT LICENTERS		
SCHEDULE : 11 CURRENT LIABILITIES		
Advances from customers	172,629,204	114,281,448
Advances from Joint venturers	8,073,380	8,073,380
Sundry creditors	218,699,580	173,643,502
Other liabilities	159,694,847	23,623,570
Mobilisation Advance	-	44,856,097
Securities & Retention Monies Refundable	14,690,505	4,653,456
Interest accured but not due	244,403,604	172,003,616
Book overdraft with scheduled bank in current account	2,212,234	643,561
	820,403,354	541,778,630
SCHEDULE : 12 PROVISIONS		
Proposed dividend	18,762,627	15,010,102
Dividend Tax	5,536,757	5,043,957
Fringe benefit tax	21,520	234,883
Income Tax (net of taxed paid)	57,495,625	14,117,798
Employees Gratuity	1,673,221	239,445
	83,489,750	34,646,185
SCHEDULE: 13 MISCELLANEOUS EXPENDITURE		
(to the extent not written off or adjusted)		
Preliminary expenses	253,500	507,000
Amortised during the year	253500	253,500
	-	253,500
Share Issue expenses	1,185,710	1,778,566
Amortised during the year	592,856	592,856
	592,854	1,185,710
	592,854	1,439,210



SCHEDULES FORMING PART OF THE CONSOLIDATED PROFIT AND LOSS ACCOUNT

	Year ended 31.03.2011 (₹)	Year ended 31.03.2010 (₹)
SCHEDULE: 14 SALE OF SPACE & CONTRACT RECEIPTS		
A) Sale of Space (Projects)		
Manjeera Heights	34,293,510	234,868,256
Smart Villas	62,112,273	12,906,150
Smart Apartments	97,311,580	31,897,115
Manjeera Trinity Homes	174,652,194	-
Manjeera Majestic (Residential & Commercial)	415,984,025	- 070 074 504
P) Contract Possints (Projects)	784,353,582	279,671,521
B) Contract Receipts (Projects) Manjeera Diamond Towers	236,648,761	156,305,072
Manjeera Hotels & Resorts Limited	113,962,938	130,303,072
Hydershakote Project	113,302,330	46,852,215
CGEWHO, Bhubhaneshwar	82,305,616	36,995,293
MRHPL Project	-	34,893,268
Vishwanath Projects	23,015,599	37,600,000
·	455,932,914	312,645,848
	1,240,286,496	592,317,369
SCHEDULE: 15 MISCELLANEOUS INCOME		
Interest receipts	906,115	1,037,704
Rental Income	767,659	767,660
Profit on sale of Shares	-	2,100,040
Liquidated damages	1,689,558	-
Consultancy fees		200,820
Profit on Sale of Fixed Asset	139,018	2,100,000
	3,502,350	6,206,224
SCHEDULE : 16 COST OF APARTMENTS SOLD & CONTRACT EXPENSES		
A) Cost of Apartments sold (projects)		
Manjeera Heights	18,948,660	137,790,044
Smart Villas	44,885,933	8,866,750
Smart Apartments	70,606,028	21,263,854
Manjeera Trinity Homes	128,683,737	-
Manjeera Majestic (Residential & Commercial)	346,527,437	-
	609,651,795	167,920,648
B) Contract Expenses (Projects)		
Manjeera Diamond Towers	176,220,187	131,533,139
Manjeera Hotels & Resorts Limited	89,670,350	44.005.000
Hydershakote	75.004.005	44,005,844
CGEWHO, Bhubhaneshwar	75,004,265	33,335,654
MRHPL Project Vishwanath Projects	20,334,383	30,182,676 34,216,000
vistiwatiaut i Tojecus	361,229,185	273,273,313
	970,880,980	441,193,961

SCHEDULES FORMING PART OF THE CONSOLIDATED PROFIT AND LOSS ACCOUNT

	Year ended	Year ended
	31.03.2011 (₹)	31.03.2010 (₹)
	()	(<)
SCHEDULE: 17 ADMINISTRATIVE EXPENSES		
Salaries and employee benefits	33,545,779	20,597,084
Director remuneration	6,145,800	5,480,000
Travel & conveyance	2,318,338	1,371,080
Vehicle maintenance	189,765	231,758
Repairs & maintenance	1,462,638	208,314
Printing & stationery	549,826	491,475
Postage and telephones	1,086,978	1,009,985
Office maintenance	5,210,052	4,080,188
Property tax	191,876	191,877
Professional charges	10,200,236	5,595,659
Sales tax	15,142	1,146,482
Subscriptions & fees	1,24,313	365,332
Share expenses	-	33,092
Security Services	2,271,737	2,267,583
Legal fee & expenses	70,630	316,327
Insurance	649,659	1,077,007
Audit fee	1,009,245	336,415
Advertisement	15,508,274	3,806,079
General expenses	775,169	1,326,598
Miscellaneous expenditure written off	849,679	850,004
Donations	40,000	460,000
Long Toroforts be and the British	82,215,136	51,242,339
Less: Transfer to Inventories - Projects	0.070.570	0.500.004
a) SMART Villas	2,970,573	3,533,824
b) Manjeera Heights Phase II Project	1,693,704	9,739,871 12,678,430
c) Manjeera Trinity Homes d) Hydro Project	21,313,664 287,507	12,070,430
e) Smart Apartments	3,346,562	2,526,545
f) Manjeera Diamond Villas	4,316,728	2,320,343
g) Infta Projects	56,369	237,103
g) iiila i Tojecis	48,230,029	22,466,564
	40,230,023	22,400,004
SCHEDULE : 18 INTEREST & FINANCIAL EXPENSES		
Bank charges & commission	1,298,535	1,190,726
Processing fees	137,876	97,983
Interest - Term loans	63,608,820	59,379,422
Interest - Vehicle financiers	404,942	218,009
Interest - Inter corporate Deposits	3,806,875	3,319,549
Less: Transfer to Inventories (projects)	69,257,048	64,205,689
a) Infra Projects	40,841	
b) Manjeera Heights Phase II	1,432,166	3,557,465
c) Smart Homes (Villas)	1,894,137	2,220,880
d) Manjeera Trinity Homes	59,683,734	48,040,025
e) Smart Homes Apartments	1,593,141	3,012,556
,	4,613,029	7,374,763
	.,,	. ,5. 1,1 50



SCHEDULE FORMING PART OF CONSOLIDATED ACCOUNTS

SCHEDULE: 19 SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON THE CONSOLIDATED BALANCE SHEET AND CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011.

A. Significant Accounting Policies

- 1. Basis for preparation of Consolidated Financial Statements
 - a) The Consolidated Financial Statements include the financial statements of parent company Manjeera Constructions Limited ('the Company') and its subsidiary company Manjeera Retail Holdings Private Limited (collectively referred to as 'the Group'). The Consolidated Financial Statements have been prepared on the following basis.
 - b) The financial statements of the subsidiary company have been consolidated on line-by line basis by adding together the book values of like items of assets and liabilities, income and expenses after fully eliminating inter-group balance and inter-group transactions resulting in unrealized profits / losses as per Accounting Standard 21 Consolidated Financial Statements. Minority interest in the net assets of consolidated subsidiary consists of the amount of equity attributable to minorities at the date on which investment in subsidiary is made.
 - c) Notes to these Consolidated Financial Statements are intended to serve as a means of informative disclosure and guide to better understanding of the consolidated position of the consolidated position of the Group. Recognizing this purpose the Company has disclosed only such notes from the individual statements, which fairly present the needed disclosures.
 - d) The Consolidated Financial Statements have been prepared under historical cost convention in accordance with Generally Accepted Accounting Principles (GAAP) in conformity with Accounting Standards Issued by the Institute of Chartered Accountants of India and the provisions of Companies Act, 1956 as consistency adopted. All income and expenditures having a material bearing on the financial statements are recognized on accrual basis and provision is made for all known losses and liabilities.

2. Overview of Subsidiary

- a) Manjeera Retail Holdings Private Limited, ("the Subsidiary Company") was incorporated on 25th February 2000. During the year 2006-07 the subsidiary company was reconstituted as a special purpose vehicle (SPV) to carry on the business of construction of property for mixed use. The principal activities of the subsidiary company are construction of property being developed for residential, retail and commercial purposes.
- b) Manjeera Constructions Limited and Trinity Capital (Six) Limited have entered into debenture cum subscription and shareholders agreement with the subsidiary company and hold 51% and 49% respectively in the equity share capital of the subsidiary company as at the balance sheet date.

3. Use of Accounting estimates

Preparation of Consolidated Financial Statements in conformity with GAAP requires to make estimates and assumptions that affect the balances of assets and liabilities and disclosures relating to contingent liabilities as at the reporting date of the Consolidated Financial Statements and amounts of income and expenses during the year of account. Periodically assessed whether there is an indication that an asset may be impaired and makes provision in the accounts for any impairment losses estimated. Contingencies are recorded when it is probable that a liability will

be incurred and the amount can be reasonably estimated. Actual results could differ from those estimates.

4. Fixed assets

Fixed assets are stated at cost of acquisition less accumulated depreciation thereon.

Depreciation

Depreciation on fixed assets is provided on written down value method at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956.

6. Borrowing costs

- a) Borrowing costs specifically for the purpose of acquisition and construction of a qualifying asset, that are directly attributable to the qualifying asset, is capitalized as part of the cost of the asset.
- b) Borrowing costs not attributable to the acquisition of any qualifying asset are recognised as expense in the period in which they are incurred.

7. Impairment of Assets

The carrying amount of assets, other than inventory is reviewed at each balance sheet date for any indication of impairment and if any, the recoverable amount of assets is estimated. Impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount.

8. Investments

Long-term investments are stated and carried at cost less provision for permanent diminution, if any, in value of such investments.

9. Inventories

Inventories are valued at lower of cost or net realisable value. Properties under development are valued at cost. Cost includes all direct development expenditure, borrowing cost and appropriate overheads. Cost of inventory includes all external development charges incurred for the project including cost of land development rights.

10. Miscellaneous expenditure

Preliminary and Rights issue expenses are amortised over a period of five years.

11. Revenue recognition

- i) (a) On property development projects
 - i. Recognised on the "Percentage of Completion Method" of accounting. Revenue comprises the aggregate amounts of sale price in terms of the agreements entered into and is recognized on the basis of percentage of actual costs incurred thereon, including proportionate land cost and total estimated cost of the projects under execution, subject to such actual costs being 20 percent or more of the total estimated cost.
 - Where aggregate of the payment received provide insufficient evidence of buyers commitment to make the complete payment, revenue is recognized only to the extent of realization.



- iii. The estimates of the saleable areas and costs are reviewed periodically by the management and any effect of changes in estimates is recognized in the period such changes are determined. However, when the total project cost is estimated to exceed total revenues from the project, the loss is recognized immediately.
- iv. Revenue recognized in excess of billings is classified as unbilled revenue. Advance received in excess of Revenue recognized are known as advances.
- (b) On construction contracts (undertaken as contractors)
 - Percentage completion method is followed for accounting of construction contracts undertaken.
 - ii) Rent Receipts are recognised on accrual basis.
 - iii) Interest on deployment of funds is recognised using the time-proportion method, based on interest rates implicit in the transaction.
 - iv) Property management services are recognised on rendering services and billing thereof.
 - v) Dividend income is accounted when the right to receive dividend is established.

12. Revenue receipts on joint venture contracts

In work sharing joint venture agreements revenues, expenses, assets and liabilities are accounted to the extent work is executed.

13. Income tax

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

14. Employee benefits

A. Short Term Employee Benefits:

All employees' benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognized in the period in which the employee renders the related service.

- B. Long Term and Post-employment benefits:
 - (1) Defined contribution plans

Defined contribution plans are post employment benefit plans under which the fixed contributions are paid into separate entities (funds) or to financial institutions or state managed benefit schemes. The contributions to defined contribution plans are recognized in the Profit and Loss Account in the financial year to which they relate. Specified monthly contributions are made towards Employee Provident fund scheme and Employee State Insurance Scheme.

(2) Defined Benefit obligation

Gratuity liability are defined obligation and is provided for on the basis of an actuarial valuation on Projected Unit Credit method made at the end of each financial year.

15. Earning Per Share (EPS)

In arriving at the EPS, net profit after tax, computed in terms of the GAAP, is divided by the weighted average number of equity shares outstanding on the last day of the reporting period. The EPS thus arrived at is known as 'Basic EPS'. To arrive at the diluted EPS the net profit after tax, referred above, is divided by the weighted average number of equity shares, as computed above and the weighted average number of equity shares that could have been issued on conversion of shares having potential dilutive effect subject to the terms of issue of those potential shares. The date/s of issue of such potential shares determine the amount of the weighted average number of potential equity shares.

16. Prior period items

Prior period items are included in the respective heads of account and material items are disclosed by way of notes to accounts.

17. Foreign currency transactions

- a) Foreign exchange transactions are recorded at the rates of exchange prevailing on the dates of the respective transactions. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the profit and loss account for the year.
- b) Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated at the closing exchange rate on that date; the resultant exchange differences are recognized in the profit and loss account.
- Non-monetary assets and liabilities are recorded at the rates prevailing on the date of transaction.

18. Provisions and contingent liabilities

The Group creates a provision when there is a present obligation as a result of past event that probably requires an out flow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingency liability as made when there is a possible obligation or a present obligation that may, but probability will not, require an out flow of resources. Where there is possible obligation or a present obligation in respect of which the likely hood of outflow of resources is remote, no provision or disclosure is made provision for onerous contracts, i.e. contracts where the expected unavoidable costs of meeting the obligation under the contact exceeds the economic benefits expected to be received under it, are recognized when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event, based on reliable estimate of such obligation.

19. Leases

Operating lease payments are recognized as an expense in the profit and loss account on the basis of lease agreement. There are no finance lease.

B. Notes on the Accounts

- 1. Contingent liabilities not provided for:
 - i) Guarantees issued by banks ₹ 2962.58 Lac (Previous year ₹ 2962.58 Lac)
 - ii) Claims against the Company not acknowledged as debts: APGST payable ₹ 9,44,700 for the financial year 2004-05.



- 2. The portion of ownership interest of the Company in the subsidiary company Manjeera Retail Holdings Private Limited is 51%.
- 3. The Group is formed for real estate development and such operations are not capable of being expressed in any generic unit. Hence it is not possible to give the quantitative details under paragraph 3, 4C and 4D of Part II of Schedule VI of the Companies Act, 1956.
- 4. In terms of the disclosures required to be made under the Accounting Standard (AS) 7 (revised 2002) issued by the Institute of Chartered Accountants of India for 'Construction Contracts', the amounts considered in the financial statements up to the balance sheet date are as follows.

	31.03.2011 (₹)	31.03.2010 (₹)
Contract revenue recognized during the year	45,59,32,914	31,26,45,848
Contract costs incurred and recognized profits	36,12,29,185	27,32,73,313
Advances received, net of recoveries from progressive bills	2,48,28,600	4,00,00,000
Gross amount due from customers from contract works	5,94,50,583	3,91,03,081
Gross amounts due to customers for contract work	Nil	Nil

- 5. i) Provision for taxation made under the liability method after availing exemptions and Deductions at the rates applicable under the Income Tax Act, 1961 includes ₹ 6,45,63,228 for the current period.
 - ii) Income tax Assessments have been completed upto the Assessment year 2008-09.
 - iii) Profit before tax includes ₹ 1,52,86,033 deductible under section 80-IB of Income Tax Act,1961 from the Gross total income of the Company for the year under consideration and relates to Manjeera Heights Phase II project.
- 6. Employee benefits

The following set out the status of the Gratuity plan as required under AS15(revised) Amount Recognized in Balance Sheet

Present value of obligation ₹ 16,73,221
Provisions ₹ 16,73,221

- 7. Managerial remuneration under section 198 of the Companies Act, 1956: Managing Director Salary ₹ 54,00,000 (previous year ₹ 54,00,000) and other directors ₹ 7,40,000 (previous year ₹ 65,000).
- 8. Particulars of loans and advances in the nature of loans as required under clause 32 of the listing agreement: Nil (Previous Year: Nil).

- 9. Related party disclosures as required by Accounting Standard 18 of the Institute of Chartered Accountants of India:
 - A) Related parties and relationship:
 - i) Key management personnel
 - G. Yoganand, Managing Director
 - G. Shiva Leelanand, Director
 - K Krishna Murthy, Director
 - D.L.S. Sreshti, Director
 - Leonard Mark, Director
 - D. Kiran Kumar, Director
 - G. Vivekanand, Whole-time Director
 - ii) Enterprises in which key Management personnel have significant influence:
 - Manjeera Hotels & Resorts Limited
 - Manjeera Estates Private Limited
 - Manjeera Projects
 - **GM Infra Ventures Private Limited**
 - Trinity Capital (Six) Limited
 - Gajjala Investments and Holdings Private Limited
 - iii) Associates:
 - Ashraya Hotels & Estates Private Limited
 - iv) Joint venture: Bharathi Infra Projects Private Limited
 - B) Transactions with related parties during the financial year and outstanding balance (O/S) as on 31.03.2011.

Nature of Transaction	Key Management Personnel (Previous year) (₹)	Enterprises in which key Mgt. personnel have significant influence (Previous year)	Joint Ventures (Previous year) (₹)
Directors Remuneration	61,40,000 (54,65,000)		
Professional Fee	17,09,650 (NIL)		
Sitting Fees	5,000 (15,000)		
Interest on Inter Corporate Deposits		15,21,616 (20,98,385)	
Contract Receipts		35,06,11,699 (15,63,05,072)	
Investment in Equity shares(O/S)		3,99,60,000 (3,99,60,000)	
Investment in Debentures(O/S)		3,38,48,000 (3,38,48,000)	
Advances from Customers		48,49,764 (5,58,02,000)	
Advances Joint ventures (O/S)			80,73,380 (80,73,380)



Related parties relationship as stated above are identified by the Company as required under Accounting Standard and relied by the Auditors.

- 10. As per Accounting Standard 22 on "Accounting for Taxes on income" issued by the Institute of Chartered Accountants of India, Deferred tax liability of ₹97,46,493 as on 31.03.2011 on accounting of timing difference of depreciation accounted. For the period under consideration ₹ 14,03,696 has been written back on account of such depreciation in Profit and Loss account.
- 11. Auditor's remuneration (₹)

	Year ended 31.03.2011	Year ended 31.03.2010
Statutory Audit	6,00,000	6,00,000
Tax Audit	50,000	50,000
Income Tax Matters	10,000	10,000
Certification	2,55,000	95,000
Total	9,15,000	7,55,000

- a) Subsidiary Company: Taxable MRHPL
- 12. As the Holdings Company's operations predominantly consists of single segment viz., construction and related activities and similarly that of the Subsidiary company, the disclosure requirements of Accounting Standard 17 "Segment Reporting" issued by the Institute of Charted Accounts of India is not applicable.
- 13. Earnings per Share (EPS)

	Year ended 31.03.2011	Year ended 31.03.2010
Profit for the year attributable to equity share holders	12,61,46,274	9,95,18,856
No. of Equity shares (of ₹ 10 each including Rights shares of 75,05,043 Nos.)	12508418	12508418
Earnings per share (Basic & Diluted)	10.08	7.96

- 14. Figures have been rounded off to the nearest rupee.
- 15. Figures of the previous year have been regrouped / rearranged wherever necessary to make them comparable with that of current year presentation.
- 16. Schedules one to nineteen form part of accounts.

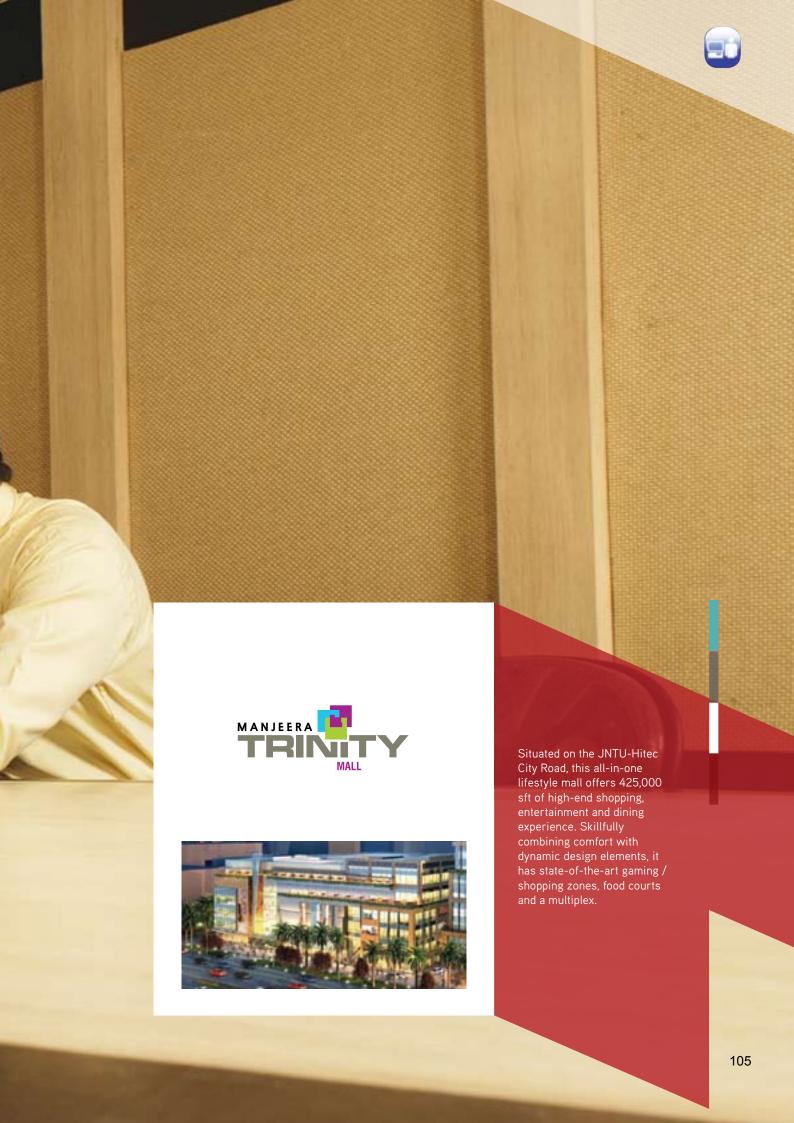
For and on behalf of the Board of Directors

As per our report of even date For A.K. Sabat & Co. Chartered Accountants

Place : Hyderabad (G. Yoganand) (G. Shiva Leelanand) (Deepthi T.) (D. Vijaya Kumar)

Date : 24.05.2011 Managing Director Director Company Secretary Partner





CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2011

	Year ended 31.03.2011		Year ended 31.03.2010	
	(₹)	(₹)	(₹)	(₹)
A. Cash flows from operating activities				
Net Profit before taxation		213,434,733		123,275,960
Adjustments for:		, ,		,_,_,
Depreciation	11,838,506		10,285,777	
Misc. expenditure amortised	846,356		846,356	
Miscellaneous income	(767,659)		(767,660)	
Profit on sale of fixed assets/shares	(139,018)		(2,100,040)	
Interest income	(906,115)		(1,037,704)	
Interest expense	4,613,029		7,374,763	
Employees Gratuity	1,433,776		- ,01 1,1 00	
Employees eraturey	1,400,110	16,918,875		14,601,492
Operating Profit before working capital changes		230,353,608		137,877,452
Adjustments for changes in working capital:		200,000,000		107,077,102
increase in Inventories	(646,427,994)		(411,552,996)	
increase in Trade Receivables	(267,549,389)		(50,787,218)	
Increase in Other Receivables	12,199,779		(46,163,100)	
increase in Advance from Customers	58,347,756		(56,554,491)	
increase in Trade Payable	20,227,478		86,101,475	
increase in Other Liabilities	102,820,902	(720,381,468)		(501,732,695)
morease in other Elabilities	102,020,302	(120,001,400)	(22,770,000)	(301,732,033)
Cash generated from operations		(490,027,860)		(363,855,243)
Direct taxes paid (Net)		25,677,791		7,065,779
Net cash used for operating activities (A)		(515,705,651)		(370,921,022)
· · · · · ·		(0:0,:00,00:)		(010,021,022)
B. Cash flows from investing activities		(= === == \		(10 === 5.40)
Purchase of fixed assets		(7,726,395)		(12,777,543)
Windmill Project		-		-
Written back of fixed assets		-		-
Investment in shares of subsidiary		-		-
Proceeds from sale of Investments / Fixed Assets		99,500		2,500,000
Investment in shares of Limited Companies				
Miscellaneous income incurred		767,659		767,660
Interest received		906,115		1,037,704
Net cash used in investing activities (B)		(5,953,121)		(8,472,179)
C. Cash flow from financing activities				
Term Loan Receipts		589,821,869		326,663,448
Unsecured loan receipts (Net)		(5,254,882)		(6,444,230)
Inter corporate deposits received		(25,100,000)		14,100,000
Dividend paid		(15,010,102)		(15,010,102)
Interest Paid		69,168,535		57,309,008
Net cash from financing activities (C)		613,625,421		376,618,124
Net increase in cash and cash equivalents (A+B+C)		91,966,648		(2,775,077)
Cash and cash equivalents at beginning of year		65,252,091		68,027,168
Cash and cash equivalents at end of period		157,218,739		65,252,091
Cash and cash equivalents at end of period		157,218,739		05,252,091



Notes

- 1. The cash flows from operating activities has been prepared under Indirect method as per AS-3 issued by the Institute of Chartered Accountants of India.
- 2. Cash and cash equivalents represent cash and bank balances(net).
- 3. Figures under brackets represent cash outflows.

For and on behalf of the Board of Directors

For A.K. Sabat & Co. Chartered Accountants

Place : Hyderabad (G. Yoganand) (G. Shiva Leelanand) (Deepthi T.) (D. Vijaya Kumar)

Date : 24.05.2011 Managing Director Director Company Secretary Partner

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MANJEERA CONSTRUCTIONS LIMITED

304, Aditya Trade Centre, Ameerpet, Hyderabad - 50038

ATTENDANCE SLIP

PLEASE COMPLETE THE ATTENI MEETING HALL.	DANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE	
Folio No:	DP ID*:	
No. of Shares Held:	Client ID*:	
Name & Address of the Shareholde	r / Proxy:	
	tence at the 24 th Annual General Meeting of the Company to be he otember, 2011 at 10.00 A.M. at Hotel Aditya Park, Ameerp	
Signature of Shareholder / Proxy:		
* Applicable for Investors holding sl	ares in electronic form.	
·····×	······ X -······	
	EERA CONSTRUCTIONS LIMITED a Trade Centre, Ameerpet, Hyderabad - 500038	
	PROXY FORM	
Folio No:	DP ID*:	
No. of Shares Held:	Client ID*:	
I / We	. of being a Member/Members of Manjee	era
Constructions Limited hereby app	oint of or failing him / h	ner
of	as my / our proxy to vote for me / us and on my / our behalf	at
the 24th ANNUAL GENERAL MEET	ING of the Company to be held on Friday, the 30th day of September	er,
2011 at 10.00 A.M. or at any adjour	nment thereof.	
Signed this day of Septer	Affix Re.1 Revenue	

Note: The proxy in order to be effective should be duly stamped, completed & signed across the stamp and must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the aforesaid meeting. The proxy need not be a member of the Company.

* Applicable for Investors holding shares in electronic form.

Stamp

Completed Projects Aditya Enclave | Aditya Trade Centre | Annapurna Block | Everest Block Kanchenjunga Block | Manjeera Heights | Phase | Manjeera Nest | Manjeera Plaza Manjeera Residency | Manjeera Square | Mythri Vihar | Nilgiri Block VC Commercial Complex | Vindhya Apartments



Manjeera Constructions Ltd. An ISO 9001:2000 Company

304, Aditya Trade Centre Aditya Enclave Road, Ameerpet Hyderabad – 500038, AP India. Ph: +91-40-66176617, 44174417 Fax: +91-40-23733763

www.manjeera.com