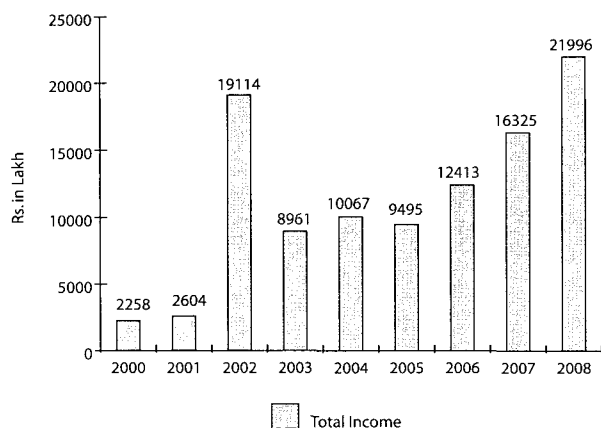
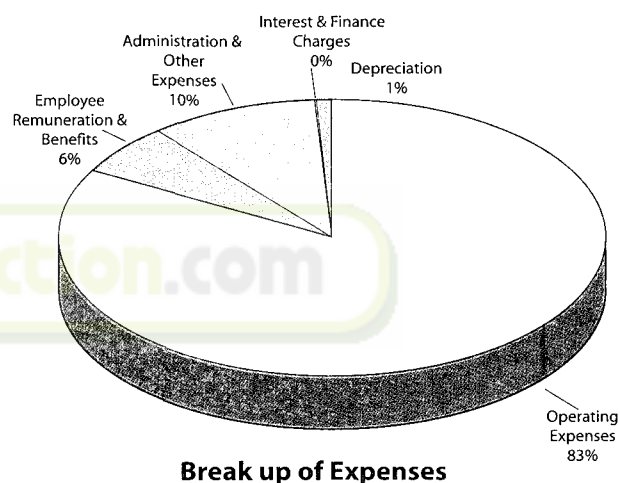
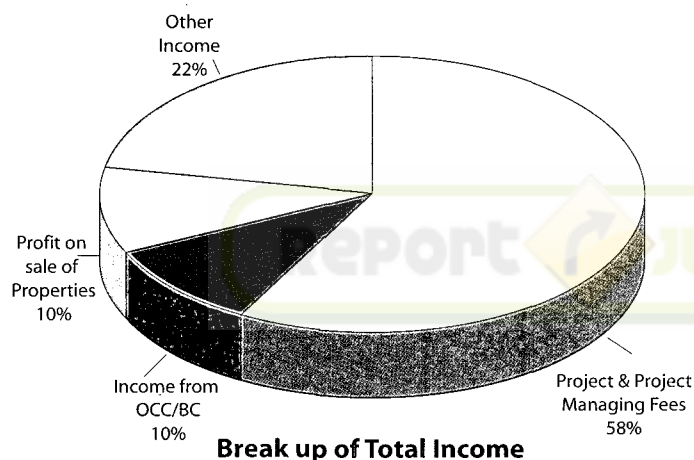
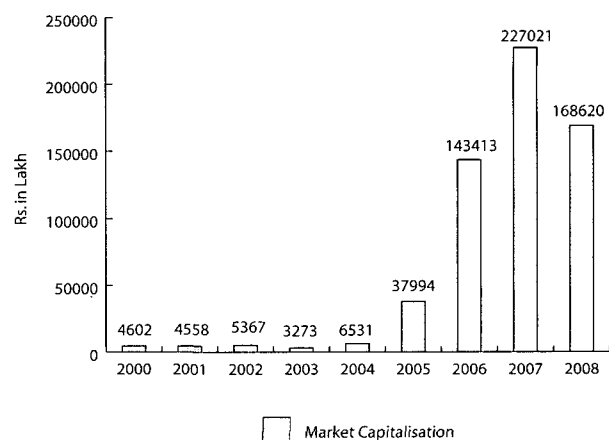




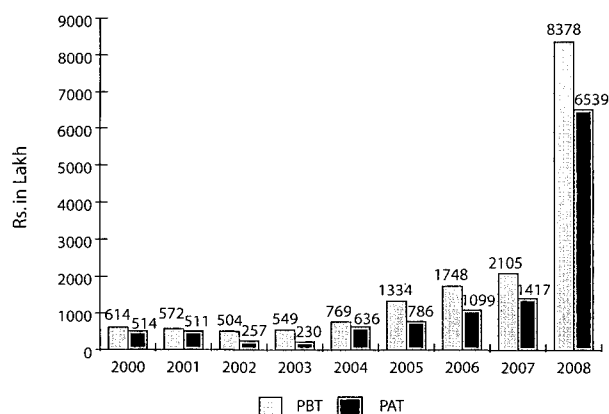
Total Income



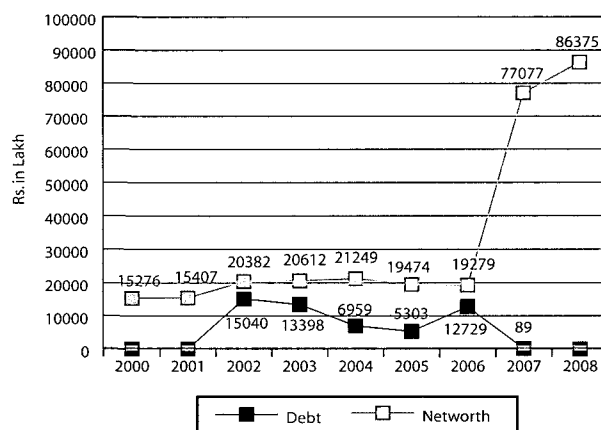
Market Capitalisation



PBT & PAT



Debt & Networth



FINANCIAL HIGHLIGHTS

Rs. In Lakh

	<i>F - 2008</i>	<i>F - 2007</i>	<i>F - 2006</i>	<i>F - 2005</i>	<i>F - 2004</i>	<i>F - 2003</i>	<i>F - 2002</i>	<i>F - 2001</i>	<i>F - 2000</i>
Net Worth	86,375	77,077	19,279	19,474	21,249	20,612	20,382	15,407	15,276
Borrowings	—	89	12,729	5,303	6,959	13,398	15,041	—	—
Net Fixed Assets	2,688	3,282	3,427	3,758	4,259	9,394	9,937	10,624	9,125
Investments	50,291	32,578	9,577	9,364	8,399	1,010	1,010	504	3,797
Net Current Assets	33,565	41,328	19,004	11,026	14,478	22,101	22,533	2,685	(693)
Book Value per Equity Share (Rs.)	209	190	41	42	45	43	42	26	26
Operating Income	17,212	15,552	12,113	9,146	7,139	5,928	16,997	2,191	1,675
Other Income	4,784	773	300	349	2,928	3,033	2,117	413	583
Operating Expenses	11,181	11,981	8,660	6,212	6,199	2,833	12,585	587	359
Other Expenses	2,437	2,239	2,005	1,949	3,099	5,748	6,025	1,445	1,285
Profit Before Tax	8,378	2,105	1,748	1,334	769	549	504	572	614
Profit After Tax	6,539	1,417	1,099	786	636	230	257	511	514
Basic Earning per Share (Rs.)	16.00	3.82	0.51	2.53	1.78	0.47	(2.09)	1.78	1.78
Diluted Earning per Share (Rs.)	16.00	3.81	0.51	—	—	—	—	—	—
Equity Dividend per Share (Rs.)	2.50	1.50	1.00	—	—	—	1.00	1.20	1.00

MAHINDRA LIFESPACE DEVELOPERS LIMITED
(formerly Mahindra Gesco Developers Limited)

Contents

Notice	4
Directors' Report	7
Management Discussion and Analysis Report	12
Corporate Governance Report	20
Auditors' Report	31
Accounts	34
Statement pursuant to Section 212	59
Consolidated Audit Report & Accounts	61

Report Junction.com

Board of Directors

Mr. Anand G. Mahindra	Chairman
Mr. Arun Nanda	Vice-Chairman
Mr. Uday Y. Phadke	
Mr. Hemant Luthra	
Mr. Sanjiv Kapoor	
Mr. Shailesh Haribhakti	
Mr. Anil Harish	
Mr. Pawan Malhotra	Managing Director & Chief Executive Officer

Leadership Team

Mr. Pawan Malhotra	Managing Director & Chief Executive Officer
Ms. Anita Arjundas	Chief Operating Officer
Mr. Rajan Narayan	Advisor – Projects
Mr. L. P. Sahu	Vice President - Northern Region
Mr. Suhas Kulkarni	Vice President - Legal & Company Secretary
Mr. Roshan Gandhi	General Manager - Finance

Auditors

M/s. Kalyaniwalla & Mistry	Chartered Accountants
M/s. B. K. Khare & Co.	Chartered Accountants

Bankers

AXIS Bank Limited (Formerly UTI Bank Limited)
ING Vysya Bank Limited
Citibank N.A.

Registered Office

5th Floor, Mahindra Towers,
Worli, Mumbai 400 018.

Branch Offices

- Mahindra Towers, 2A, Bhikaiji Cama Place,
New Delhi 110 066.
- City Point, 2nd Floor,
Office No. 215-A, B & C,
Boat Club Road, Pune 411 001,
Maharashtra.
- The Canopy, II Floor, Unit.No-II
Mahindra World City
Special Economic Zone,
Natham Sub P.O, Near Parnur Rly Station
Chengelpet-603002,
Tamilnadu.

MAHINDRA LIFESPACE DEVELOPERS LIMITED
(formerly Mahindra Gesco Developers Limited)

NOTICE

The Ninth Annual General Meeting of **MAHINDRA LIFESPACE DEVELOPERS LIMITED (formerly known as Mahindra Gesco Developers Limited)** will be held at Y. B. Chavan Centre, General Jagannathrao Bhosale Marg, Next to Sachivalaya Gymkhana, Mumbai - 400 021, on Monday 28th day of July, 2008 at 3.00 p.m. to transact the following business :

ORDINARY BUSINESS :

1. To receive and adopt the audited Balance Sheet as at 31st March, 2008 and the Profit and Loss Account for the year ended on that date and the Reports of the Directors and the Auditors thereon.
2. To declare dividend on Preference Shares & Equity Shares.
3. To appoint a Director in place of Mr. Anil Harish, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Anand G. Mahindra, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Mr. Uday Y. Phadke, who retires by rotation and being eligible, offers himself for re-appointment.
6. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution :

"RESOLVED THAT M/s. Kalyaniwalla & Mistry, Chartered Accountants and M/s. B. K. Khare & Co., Chartered Accountants, be re-appointed as Joint Auditors of the Company to hold office until the conclusion of the next Annual General Meeting, on such remuneration as may be agreed with the Auditors."

SPECIAL BUSINESS :

7. To consider and if thought fit, to pass, with or without modification(s), the following as a Special Resolution :

"RESOLVED THAT the Directors who are neither in the whole-time employment of the Company nor the Managing Director, Executive Directors and such of the remainder as may not desire to participate, shall for a period of five years with effect from 1st April, 2008, be paid remuneration by way of commission upto one per cent of the net profits of the Company, computed in the manner referred to in Section 198, 309 and all other applicable provisions of the Companies Act, 1956, and such commission to be distributed amongst and paid to the aforesaid Directors concerned in such proportions as they may from time to time decide between themselves; PROVIDED that none of such Directors shall in any financial year of the Company receive a portion of such commission equal to more than one quarter per cent of the net profits of the Company."

NOTES:

- A. Mr. Anil Harish, Mr. Anand G. Mahindra and Mr. Uday Y. Phadke, Non-Executive Directors are not holding either on their own or for any other person on a beneficial basis, any shares in the Company.
- B. Explanatory Statement as required under Section 173(2) of the Companies Act, 1956, is annexed hereto.
- C. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER.**
- D. The instrument appointing proxy must be deposited with the Company at its Registered Office not less than 48 hours before the time for holding the Meeting.
- E. The Register of Members and Share Transfer Books of the Company will remain closed from Monday, 21st July, 2008 to Monday, 28th July, 2008 (both days inclusive).
- F. A member desirous of getting any information on the accounts or operations of the Company is requested to forward his / her query to the Company at least seven working days prior to the meeting, so that the required information can be made available at the meeting.
- G. Pursuant to Section 205C (2) of the Companies Act, 1956, unpaid/unclaimed dividend for the financial year ended 2000 has been transferred to the Investor Education & Protection Fund (IE & PF) on 19th September, 2007. Given below is the table of dates by which shareholders can claim the respective unclaimed dividend from the Company / Registrars and the date by which such unclaimed amount will be transferred to Investor Education & Protection Fund.

Equity Dividend for FY	Date by which unclaimed dividend can be claimed	Proposed transfer of unclaimed Equity Dividend to IE & PF between
2000-2001	15th September, 2008	16th September, 2008 to 24th October, 2008
2001-2002	15th October, 2009	16th October, 2009 to 27th November, 2009
2005-2006	15th August, 2013	16th August, 2013 to 23rd September, 2013

Shareholders who have not encashed the dividend warrants so far are requested to make their claim to the Company's Registrar & Share Transfer Agents, M/s. Sharepro Services (I) Pvt. Limited, Satam Estate, 3rd Floor, above Bank of Baroda, Cardinal Gracious Road, Chakala, Andheri (East), Mumbai - 400 099.

MAHINDRA LIFESPACE DEVELOPERS LIMITED
(formerly Mahindra Gesco Developers Limited)

- H. Members can avail of the facility of nomination in respect of shares held by them in physical form in accordance with the provisions of Section 109A of the Companies Act, 1956. Members desiring to avail of this facility may send their nomination in the prescribed Form No. 2B duly filled in to M/s. Sharepro Services (I) Pvt. Limited
- I. Members are requested to :
- intimate to the Company's Registrar & Share Transfer Agents, M/s. Sharepro Services (I) Pvt. Limited, changes, if any, in their registered addresses at an early date.
 - quote their folio numbers / client ID / DP ID in all correspondence.
- J. Members holding shares under multiple folios in the identical order of names are requested to consolidate their holdings into one folio.
- K. The Stock options granted by the Remuneration Committee on 25th April, 2008 shall vest within a maximum period of 5 (Five) years from the date of grant.
- L. The Company has received approval from the Central Government granting exemption from attaching the copy of the Balance Sheet, Profit & Loss account, Report of Board of Directors and Report of the Auditors of its subsidiary companies namely, Mahindra World City Developers Limited (formerly known as Mahindra Industrial Park Limited), Mahindra World City (Jaipur) Limited, Mahindra World City (Maharashtra) Limited (formerly known as Mahindra Realty Limited), Mahindra Infrastructure Developers Limited, Mahindra Integrated Township Limited (formerly known as Mahindra Integrated Township Private Limited and before that as Mahindra Intermodal Transportation Private Limited), Mahindra Technology Park Limited and Mahindra Residential Developers Limited. Hence, accounts of these subsidiary companies are not required to be attached with the Balance Sheet of the Company. These documents will be available on request to any member wishing to have a copy, on receipt of such request by the Company at the Registered Office of the Company. These documents will also be available for inspection by any Member of the Company at the Registered Office of the Company and at the following Registered Offices of the respective subsidiary companies during working hours upto the date of the Annual General Meeting.

Name of Subsidiary Company	Address of the Registered office of the Subsidiary Company
Mahindra World City Developers Limited	Mahindra Towers, Ground Floor, 17/18, Pattullous Road, Chennai - 600 002
Mahindra World City (Jaipur) Limited	4 th Floor, 411, Neelkanth Tower, Bhawani Singh Road, C-Scheme, Jaipur - 302 001
Mahindra World City (Maharashtra) Limited	Mahindra Towers, 5 th Floor, Worli, Mumbai - 400 018.
Mahindra Infrastructure Developers Limited	Mahindra Towers, 5 th Floor, Worli, Mumbai - 400 018
Mahindra Integrated Township Limited (MITL)	Mahindra Towers, 5 th Floor, Worli, Mumbai - 400018. (The Company is in process of shifting its registered office to, Administrative Block, Central Avenue, Mahindra World City, Natham Sub (PO); Chengelpet Taluk, Kancheepuram Dist; Tamil Nadu - 603002
Mahindra Technology Park Limited (Incorporated on 16th August, 2007)	Mahindra Towers, 5 th Floor, Worli, Mumbai - 400018
Mahindra Residential Developers Limited (Incorporated on 1st February, 2008) - (Subsidiary of MITL)	Administrative Block, Central Avenue, Mahindra World City, Natham Sub (PO); Chengelpet Taluk, Kancheepuram Dist; Tamil Nadu - 603002

- M. Dividend, if approved, shall be paid on or after 29th July, 2008 to those members whose names will appear on the Register of Members of the Company and, in respect of those members who hold shares in the electronic form, as per the list of beneficial ownership furnished by National Securities Depository Limited (NSDL) and Central Depository Securities (India) Limited (CDSL) or to their mandate as of the close of business hours on Friday, 18th July, 2008.

By Order of the Board

For Mahindra Lifespace Developers Limited

Suhas Kulkarni

Vice President - Legal & Company Secretary

Registered Office

5th Floor, Mahindra Towers
Worli, Mumbai 400018.

Date: 25th April, 2008

MAHINDRA LIFESPACE DEVELOPERS LIMITED
(formerly Mahindra Gesco Developers Limited)

ANNEXURE TO NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956.

Item No. 7

The Directors guide the policies and supervise the affairs and the working of the Company. Various Statutes and Rules have cast enormous duties, responsibilities and liabilities on the Directors. In the light of services rendered and the responsibilities shouldered by the Non-executive Directors for the business of the Company and considering the remuneration drawn by Non-executive Directors in other companies / industries, it is considered desirable that they be paid remuneration upto the scale laid down in Section 309 (4) and other provisions contained in the Companies Act, 1956.

Revised Clause 49 of the Listing Agreement as well as the provisions of the Companies Act, 1956 require that compensation payable to Non-executive Directors, including the Independent Directors shall be fixed by the Board of Directors and shall require previous approval of Members in general meeting and of the Central Government as may be necessary.

Article No. 123(a) of the Articles of Association of the Company, states that the Directors may be paid such further remuneration (beside sitting fees) as the Company in general meeting may by special resolution from time to time determine and sanction and such further remuneration shall be divided amongst the Directors in such proportion and manner as the Directors may from time to time determine and in default of such determination shall be divided amongst the Directors equally.

Presently the Company pays sitting fees of Rs. 10,000 to the Independent Directors of the Company for attending each meeting of the Board of Directors and the Committees thereof. No sitting fee is paid to the Managing Director and other Non-executive - Non-independent Directors.

It is now proposed subject to requisite approvals, to authorize the payment of commission upto one per cent per annum of the net profits of the Company of that financial year to the Directors of the Company, other than the Directors who are in the whole-time employment of the Company, the Managing Director and such other Directors as may not desire to participate, for each of five years commencing from 1st April, 2008. Such commission may be distributed amongst and paid to the aforesaid Directors in such proportions as the Board may decide from time to time.

The Directors recommend passing of the Resolution at item no. 7 as a Special Resolution.

The Non-executive Directors of the Company, may be deemed to be concerned or interested in this resolution to the extent of commission that may be payable to them from time to time.

By Order of the Board

For Mahindra Lifespace Developers Limited

Suhas Kulkarni

Vice President - Legal & Company Secretary

Registered Office

5th Floor, Mahindra Towers
Worli, Mumbai 400018.

Date: 25th April, 2008

MAHINDRA LIFESPACE DEVELOPERS LIMITED
(formerly Mahindra Gesco Developers Limited)

Directors' Report to the Members

Your Directors present their Ninth report together with the audited accounts of your Company for the year ended 31st March, 2008.

Financial HIGHLIGHTS

		(Rs. lakh)
	2008	2007
Operating Income	17,212	15,552
Other Income	4,784	773
Total Income	21,996	16,325
Profit Before Depreciation, Interest and Taxation	8,584	2,801
Less : Depreciation	197	224
Profit Before Interest and Taxation	8,387	2,577
Less : Interest	9	472
Profit Before Taxation	8,378	2,105
Less : Provision for Taxation		
Current Tax	1,359	434
Deferred Tax (including MAT Credit)	146	22
Profit for the year After Tax	6,873	1,649
Less: Provision for tax for earlier year	334	232
Profit After Tax	6,539	1,417
Add : Balance of Profit for earlier years	2,091	1,968
Amount available for appropriation	8,630	3,385
Less : Proposed Dividend (including tax on distributed profits)	1,316	824
Less : Transfer to General Reserve	654	71
Less : Transfer to Capital Redemption Reserve	-	399
Balance carried forward	6,660	2,091

Dividend

Your Directors have recommended a dividend of 25 per cent on the paid-up equity shares of face value of Rs.10 per share of the Company for the year 2007-08. The Directors have also recommended a dividend on 1,000,000 – 10.50 per cent Non-Cumulative Redeemable Preference shares of Rs.100 each. The total dividend payment (including tax on distributed profits) amounts to Rs. 1,316 lakh, and shall be paid out of profits for the current year.

Operations

India continues to be one of the fastest growing economies in the world with a Compounded Annual Growth Rate (CAGR) of 8.8 per cent during the last five years. The performance of the construction sector, which grew at a CAGR of 13.2 per cent during the last four years, has been even more impressive. The last few years have witnessed enormous capital inflows by way of IPOs, FDI and Private Equity into Indian real estate sector, which increased the competition from both the organised and unorganised segment. This had resulted in an unprecedented boom in the sector.

However, the situation has somewhat changed during 2007-08, especially in the latter half. First, the global economic outlook is softening primarily driven by fears of an impending slowdown in the US. Even as growth performance continues to be impressive in India, there are visible signs of marginal slowdown in economic activity, especially in the manufacturing and construction sector. Second, with the tightening of monetary policy to rein in inflation, an increase in the interest rates for home loans has had an adverse effect on demand for real estate. Moreover, there has been a severe scarcity of skilled labour and rising input costs such as steel and cement which have kept the margins under pressure.

Despite the marginal softening in the macro-economic outlook for the sector, your Company performed well during the year under review. During the year, the handing over of the possession started at the residential project namely the 'Woods', at Wakad, near Pune. The last phase of the prestigious project 'Central Park' in Gurgaon, NCR was also completed during the year. The construction of 'Sylvan County' at Mahindra World City, Chennai and of first phase of 'Mahindra Eminence', Mumbai is at an advanced stage and is expected to be completed during the current year.

MAHINDRA LIFESPACE DEVELOPERS LIMITED
(formerly Mahindra Gesco Developers Limited)

In 2007-08, the Company forged ahead by obtaining necessary approvals for its projects. This enabled full-fledged launch of 'Mahindra Splendor' in eastern suburbs of Mumbai, 'Mahindra Royale' near Pimpri, Pune. During 2007-08, your Company sold the commercial premises at Great Eastern Plaza, Bangalore and at World Trade Center, Mumbai and its investment in Knight Frank (India) Private Limited.

In 2008-09, your Company is planning launch of second phase of 'Mahindra Eminente' in western suburb of Mumbai, a commercial building in central suburb of Mumbai, a residential project at Palam Vihar, near Delhi, 'Mahindra Chloris' at Faridabad, Haryana and a residential project each at Nagpur and Mahindra World City, New Chennai in separate joint ventures.

Your Company is the first residential developer in the country to apply for LEED (Leadership in Energy and Environmental Design) – CS (Core & Shell) pre-certification for Green Buildings under the guideline of USGBC (United States Green Building Concept). Four of your projects namely 'Mahindra Eminente', Mumbai, 'Mahindra Splendour', Mumbai, 'Mahindra Royale', Pune, 'Mahindra Chloris', Faridabad are now registered for the prestigious LEED certification for Green Buildings. Your Company has signed a MoU with CII – IGBC (Confederation of Indian Industry-Indian Green Building Council) for feasibility study of all on-going and future Green Buildings of your Company.

In the integrated infrastructure development segment, the land acquisition efforts for a 3000 acre project at Mahindra World City, Jaipur continued during the year. The acquisition process is progressing well and the Company has already acquired about 2500 acres of land and the Company hopes to acquire the balance 500 acres during 2008-09.

Your Company is planning to set up an Integrated Township spread over 3000 acres in Maharashtra.

During 2007-08, the Company also made its first international foray. A MoU was signed in Colombo, between the Board of Investments (BOI) of Sri Lanka, and your Company for developing a Special Economic Zone (SEZ) in Sri Lanka at Katunayake. The SEZ will stretch over 52 acres, for a mixed-use development, including an IT Park having a strategic advantage of being located opposite the Bandarnayake International Airport. This SEZ would bring about development of around 3 million square feet of built space, and is expected to generate over 35,000 jobs in the country.

The Company through its subsidiary company 'Mahindra Residential Developers Limited' has entered into a joint venture agreement for residential development with a private equity real estate fund, ARCH Capital Asian Partners, L.P., managed by ARCH Capital Management Company Limited, an affiliate of Ayala Land, the largest and most trusted real estate brand in Philippines, and Ayala Corporation. The joint venture will undertake the development of a gated residential community together with support, retail and recreational facilities in approximately 55 acres within Mahindra Lifespaces' pioneering

Special Economic Zone (SEZ) at Mahindra World City, New Chennai.

The total income of your Company increased by 35 per cent from Rs.16,325 lakh in 2006-07 to Rs. 21,996 lakh in 2007-08. Profit Before Tax (PBT) grew by 298 per cent from Rs. 2,105 lakh in 2006-07 to Rs. 8,378 lakh in 2007-08, whereas Profit After Tax (PAT) grew by 361 per cent from Rs. 1,417 lakh to Rs. 6,539 lakh during the same period. The Company also received dividend income of Rs. 1,530 lakh from its subsidiary Mahindra World City Developers Limited.

The consolidated total income of your Company increased from Rs. 22,399 lakh in 2006-07 to Rs.26,460 lakh in 2007-08. The consolidated Profit Before Tax (PBT) grew by 240 per cent from Rs. 2,723 lakh in 2006-07 to Rs. 9,265 lakh in 2007-08, whereas consolidated Profit After Tax (PAT) grew by 271 per cent from Rs. 1,790 lakh to Rs. 6,641 lakh during the same period.

Awards and Recognition

Your Company received following awards in 2007-08:

- American Society of Landscape Architects 2008 - Honour Award for Mahindra World City Master Plan (Residential Community Plan) and Award of Excellence in the Planning and Analysis Category (Mahindra World City Community Development Plan).
- Economic Times Award for Best Employer Branding 2008.
- AESA Gold Award, 2008 for The Woods, Wakad, Pune, The Best Project in Group Housing Category in Pune.
- Accommodation Times Award, 2007 for The Woods, Wakad, Pune, Project of the Year, Pune.
- First Prize from Pimpri Chinchwad Municipal Corporation, for Tree Plantation, Horticulture at The Woods, Wakad, Pune.
- Golden Peacock National Quality Award- 2007 for Mahindra Royale Project, Pune.
- CNBC Awaaz CRISIL Real Estate Awards 2007 for Most Transparent System.
- Associations of Business Communicators of India awarded Bronze for Mahindra Eminente for the Best Multi Media CD ROM 2007.
- Associations of Business Communicators of India awarded Silver to Sylvan County for Web Communication – Promotion of Micro Sites - 2007.
- Maharashtra Chamber of Housing Industry- Property 2007 – Winner of Excellence in Stall Design.

Capital

On 4th August, 2006, the Company had allotted 3,780,000 warrants to its promoters convertible, at the option of the promoters within 18 months, into equal numbers of equity shares at a price of Rs.526 per share. The promoters on 30th March, 2007 and on 31st January, 2008 exercised their option to convert 2,919,000 and 861,000 warrants respectively into equity shares.