




₹1100+ Crores
in revenue.



1400+
residential
units sold.




Successful foray
into affordable housing
through Happinest.



₹9000+ Crores
of exports
from Mahindra
World Cities.

ANNUAL REPORT 2015

**DRIVEN
TO CROSS
GREATER
MILESTONES.**



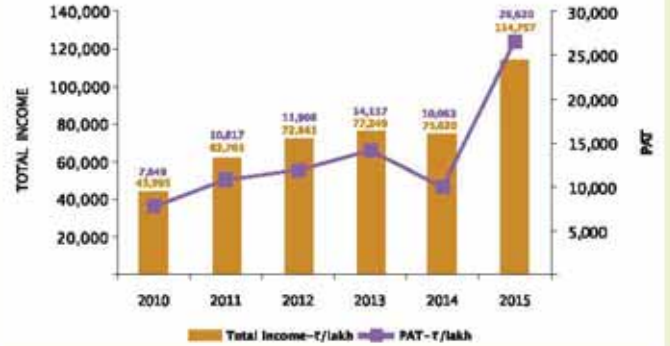
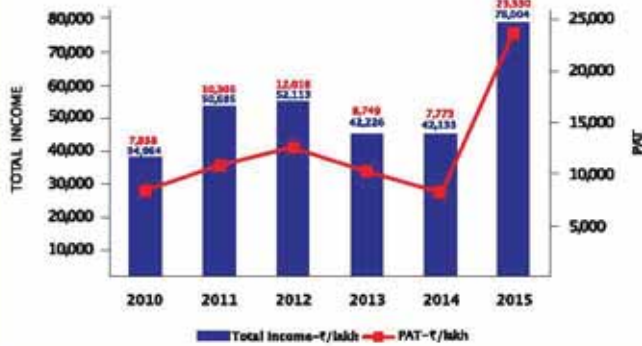
Among the Top 5
Great Places to Work
in the Real Estate &
Construction industry.

FINANCIAL HIGHLIGHTS

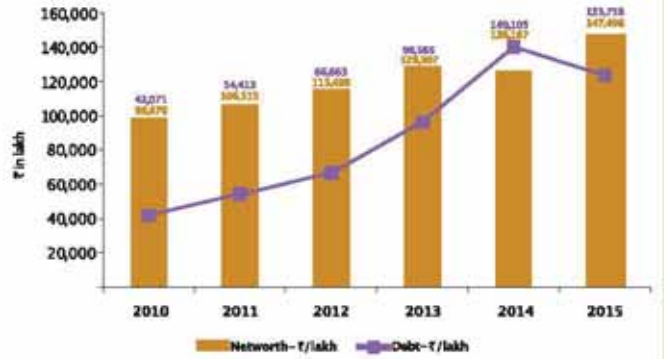
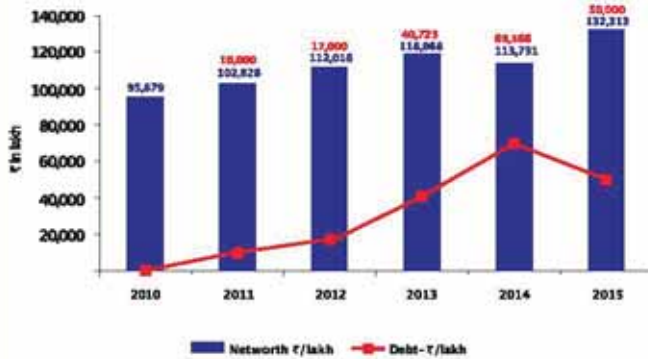
STANDALONE

CONSOLIDATED

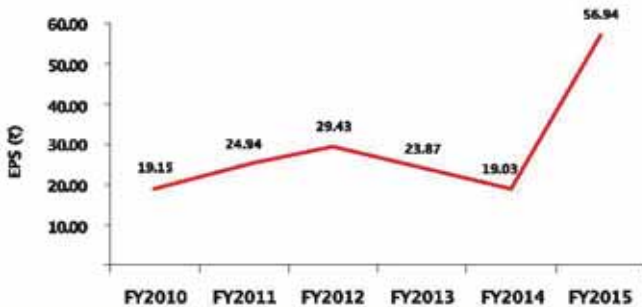
TOTAL INCOME & PAT



DEBT & NETWORTH



EPS



FINANCIAL HIGHLIGHTS

	₹ in lakhs									
	F - 2015	F - 2014	F - 2013	F - 2012	F - 2011	F - 2010	F - 2009	F - 2008	F - 2007	F - 2006
Net Worth	1,32,313	1,13,731	1,18,968	1,12,016	1,02,828	95,879	89,802	86,375	77,077	19,279
Borrowings	50,000	69,566	40,723	17,000	10,000	-	-	-	89	12,729
Net Fixed Assets	2,980	2,857	2,557	2,907	3,192	3,237	3,482	2,688	3,282	3,427
Investments	57,340	75,027	43,114	44,860	36,214	40,955	36,153	50,291	32,578	9,577
Book Value Per Equity Share (₹)	323	278	291	274	252	232	218	209	190	41
Operating Income	62,401	30,707	35,152	46,895	47,656	32,065	16,540	17,212	15,552	12,113
Other Income	13,602	11,426	7,073	5,217	3,029	2,899	3,254	4,784	773	300
Operating Expenses	29,894	21,879	22,577	30,199	31,367	21,267	12,433	11,181	11,981	8,660
Other expenses	12,339	10,114	6,060	5,159	4,381	2,947	1,585	2,437	2,239	2,005
Profit Before Tax	33,771	10,139	13,588	16,755	14,937	10,750	5,777	8,378	2,105	1,748
Profit After Tax	23,330	7,773	9,749	12,016	10,305	7,938	4,636	6,539	1,417	1,099
Basic Earning per Share (₹)	56.94	19.03	23.87	29.43	24.94	19.15	11.06	16.00	3.82	0.51
Diluted Earning per Share (₹)	56.70	19.03	23.87	29.43	24.94	19.15	11.06	16.00	3.81	0.51
Equity Dividend per share (₹)	12.00*	6.00	6.00	6.00	5.00	3.50	2.50	2.50	1.50	1.00

* Special Dividend by way of an Interim Dividend of ₹ 6 per share and Final Dividend of ₹ 6 per share.

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As on 31st March, 2015

Board of Directors

Mr. Arun Nanda
Mr. Uday Y. Phadke
Mr. Sanjiv Kapoor
Mr. Shailesh Haribhakti
Mr. Anil Harish
Dr. Prakash Hebalkar
Ms. Anita Arjundas

Chairman

Managing Director & Chief Executive Officer

Leadership Team

Ms. Anita Arjundas
Ms. Sangeeta Prasad
Mr. Rajendra Joshi
Mr. Ramesh Ranganathan
Mr. Deepak Porayath
Mr. S. Chandru
Mr. Sanjay Srivastava
Mr. Sriram S. Mahadevan
Mr. Suhas Kulkarni
Mr. Jayant Manmadkar
Mr. Eric Hauptstein
Mr. Lancelot Cutinha
Ms. Smeeta Neogi
Mr. Siddharth Bafna

Managing Director & Chief Executive Officer, MLDL and President - Real Estate Sector
CEO - Integrated cities and Industrial clusters & Business Head - South
Business Head - West
Head - Business Development & Business Head - North
Vice President - Operations, Bangalore
COO, Mahindra World City, Chennai
COO, Mahindra World City, Jaipur
Business Head - Happiness
Sr. Vice President - Legal & Company Secretary
Chief Financial Officer
Chief Project Officer
Head - Human Resources
Vice President - Marketing
Sr. General Manager - Strategy & Investor Relations

Company Secretary

Mr. Suhas Kulkarni

Auditors

M/s. B. K. Khare & Co.

Chartered Accountants

Bankers

Kotak Mahindra Bank Limited
HDFC Bank Limited

Legal Advisors

Khaitan & Co.

Registrar and Share Transfer Agent

Sharepro Services (India) Private Limited
13 AB Samhita Warehousing Complex,
Sakinaka Telephone Exchange Lane,
Off Andheri - Kurla Road, Sakinaka,
Andheri (E), Mumbai-400 072
Tel : 022-67720300, 67720400
Fax : 022-28591568, 28508927
E-mail: sharepro@shareproservices.com
Website : www.shareproservices.com

Registered Office

5th Floor, Mahindra Towers
Worli, Mumbai 400 018

Branch / Representative Offices

Delhi Office

Mahindra Towers, 2A,
Bhikaji Cama Place,
New Delhi 110 066

Chennai Office

The Canopy, II Floor, Unit No. II,
Mahindra World City,
Special Economic Zone, Natham Sub P.O.,
Near Paranur Railway Station,
Chengelpet 603 002, Tamilnadu

Hyderabad Office

Survey No. 78/2, & 78/3,
Next to Indu Fortune Fields,
Kukatpally, Hyderabad - 500 072

Mumbai Offices

Chemtex House, Ground Floor,
Main Street Road, Hiranandani Gardens,
Powai, Mumbai 400 076

301, 3rd floor, Building 1,
Nirmal Galaxy Avior
Opp. J&J, LBS Marg, Mulund (W)
Mumbai - 400 080

Pune Office

CTS 6017, Pimpri - Nehru Nagar Road,
Next to Dr. Beck Company, Pimpri,
Pune 411 018. Maharashtra

Bangalore Office

37/2A, Opp. BPL Software,
Bannerghata Road, Arakere Village,
Bangalore - 560 076

Dubai Representative Office

M-1C, Mezzanine Floor,
Sultan Business Centre,
Next to Lamcy Plaza,
P.O. Box 119373, Oud Metha

NOTICE

The Sixteenth Annual General Meeting of **MAHINDRA LIFESPACE DEVELOPERS LIMITED** (CIN:L45200MH1999PLC118949) will be held on Friday, 31st July, 2015 at 3:00 p.m. at Walchand Hirachand Hall, 4th Floor, Indian Merchant Chamber Building, IMC Marg, Churchgate, Mumbai – 400020, to transact the following business :

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Financial Statement of the Company for the year ended 31st March, 2015 (including audited consolidated Financial Statement) and the Reports of the Directors' and the Auditor's thereon;

2. To confirm the payment of Interim Dividend (Special Dividend by way of an Interim Dividend) and to declare a Final Dividend on equity shares for the Financial Year ended 31st March, 2015;

3. To consider and, if thought fit, to pass, with or without modification(s), the following as an Ordinary Resolution:

“RESOLVED THAT Mr. Uday Y. Phadke (DIN: 00030191), who was appointed as a Director of the Company liable to retire by rotation, and who does not seek re-appointment upon expiry of his term at this Annual General Meeting, be not re-appointed as a Director of the Company.

RESOLVED FURTHER THAT the vacancy, so created on the Board of Directors of the Company, be not filled.”

4. To appoint a Director in place of Mr. Arun Nanda (DIN 00010029), who retires by rotation and being eligible, offers himself for re-appointment;

5. Appointment of and fixing of remuneration of Auditors

To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to Section 139, 141, 142 and all other applicable provisions of the Companies Act, 2013 and Rules made thereunder, M/s. B. K. Khare & Co., Chartered Accountants, Mumbai (ICAI Registration Number- 105102W), the retiring Auditors of the Company, be re-appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting (“AGM”), until the conclusion of the next Annual General Meeting of the Company at a remuneration to be determined by the Board in addition to out of pocket expenses as may be incurred by them during the course of the Audit.”

SPECIAL BUSINESS:

6. Appointment of Mr. Shailesh Haribhakti as an Independent Director

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

“RESOLVED THAT pursuant to provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Shailesh Haribhakti (DIN 00007347), a Director of the Company who has submitted a declaration that he meets the criteria of independence as provided under Section 149(6) of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a member along with the deposit of requisite amount under Section 160 of the Companies Act, 2013 proposing his candidature for the office of an Independent Director, being so eligible, be appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a term of 5 (five) consecutive years commencing from 31st July, 2015 ”

7. Appointment of Mr. Sanjiv Kapoor as an Independent Director

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

“RESOLVED THAT pursuant to provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Sanjiv Kapoor (DIN 00004005), a Director of the Company who has submitted a declaration that he meets the criteria of independence as provided under Section 149(6) of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a member along with the deposit of requisite amount under Section 160 of the Companies Act, 2013 proposing his candidature for the office of an Independent Director, being so eligible, be appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a term of 2 (two) consecutive years commencing from 31st July, 2015 ”

8. Appointment of Dr. Prakash Hebalkar as an Independent Director

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

“RESOLVED THAT pursuant to provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Dr. Prakash Hebalkar (DIN 00370499), a Director of the Company who has submitted a declaration that he meets the criteria of independence as provided under Section 149(6) of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a member along with the deposit of requisite amount under Section 160 of the Companies Act, 2013 proposing his candidature for the office of an Independent Director, being so eligible, be appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a term of 2 (two) consecutive years commencing from 31st July, 2015.”

9. Private Placement of Non-Convertible Debentures and/ or other Debt Securities

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

“RESOLVED THAT in supersession of the Special Resolution passed at the 15th Annual General Meeting of the Company held on 7th August, 2014 and pursuant to provisions of Sections 42, 71 and other applicable provisions, if any, of the Companies Act, 2013 read with the Rules made thereunder, as may be amended / enacted / re-enacted from time to time, the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (“SEBI (ICDR) Regulations”) and subject to other applicable Rules, Regulations, Guidelines, Notifications and Circulars issued by the SEBI, the Reserve Bank of India (“RBI”), Foreign Exchange management Act 1999 (FEMA), the Government of India (“GOI”), Ministry of Corporate Affairs (“MCA”), Registrar of Companies (“ROC”), the Stock Exchanges, Articles of Association of the Company and subject to receipt of necessary approvals as may be applicable and subject to such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals which may be agreed to by the Board of Directors of the Company (“the Board”, which term shall be deemed to include any Committee thereof which the Board may have constituted or herein after constitute to exercise its powers including the powers conferred by this resolution), the approval of the Company, be and is hereby accorded to the Board for making offer(s) or invitation(s) to subscribe to Non-Convertible Debentures including but not limited to Bonds, and/or other Debt Securities, on Private Placement

basis, in one or more tranches, to such person(s) / Financial Institution(s) / Bank(s) / Mutual Fund(s) / Body Corporate(s) / Company(ies) / any other entities on such terms and conditions as the Board may deem fit during a period of one year from the date of passing of this resolution upto an aggregate amount of ₹750,00,00,000 (Rupees Seven Hundred Fifty crores Only) within the overall borrowing limits of the Company, as approved by the members, from time to time.

RESOLVED FURTHER THAT the Board be and is hereby authorised and empowered to arrange or settle or vary / modify the terms and conditions on which all such monies are to be borrowed from time to time, as to interest, premium, repayment, pre-payment, security or otherwise, as it may deem expedient, and to do all such acts, deeds, matters and things in connection therewith and incidental thereto as the Board may in its absolute discretion deems fit, without being required to seek any further consent or approval of the members or otherwise to the end and intent that it shall be deemed to have their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorised to execute all documents or writing as may be necessary, proper or expedient for the purpose of giving effect to this Resolution and for matters connected therewith or incidental thereto including intimating the concerned authorities or any regulatory bodies and to delegate all or any of the powers conferred herein to any Committee of Directors, or officers of the Company and/or in such manner as it may deem fit.”

10. Remuneration of Cost Auditor

To consider and, if thought fit, to pass, with or without modification(s), the following as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of section 148 of the Companies Act, 2013 (“the Act”), the Companies (Audit and Auditors) Rules, 2014 and all other applicable provisions of the Act and the Rules framed thereunder (including any statutory modification or re-enactment thereof for the time being in force), M/s. A. B. Nawal & Associates, Cost Accountants, Pune, appointed by the Board of Directors of the Company as Cost Auditors for conducting the audit of the Cost Records of the Company, for the Financial Year ending 31st March, 2015, be paid the remuneration as set out in the Statement annexed to the Notice convening this Meeting.

RESOLVED FURTHER THAT the Board of Directors of the Company be authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this Resolution.”

11. Commission to Non-executive Directors

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

“RESOLVED THAT pursuant to the provisions of Section 197, 198, Schedule V and any other applicable provisions of the Companies Act, 2013 (“the Act”) read with the Companies (Appointment and Remuneration of Managerial Personnel) Rule, 2014 and Clause 49 of the Listing Agreement entered into with the Stock Exchanges (including any statutory modifications or amendments or re-enactment thereof for the time being in force) and Article 123(a) of the Articles of Association of the Company, the consent of the members of the Company be and is hereby accorded to the payment of commission, in addition to sitting fees and reimbursement of expenses incurred for attending meetings of the Board of Directors of the Company and its committees thereof, at a rate not exceeding one percent (1%) per annum or such percentage as may be specified by the Act from time to time in this regard, of annual net profit of the Company computed in accordance with the provisions of section 197 read with Section 198 of the Act or as may be prescribed by the Act or Rules framed thereunder from time to time, to such directors of the Company (other than the Managing Director and / or Whole-time Director, Executive Directors and such of the remainder as may not desire to participate) but subject to such ceiling, if any, per annum, as the Board of Directors may from time to time fix in that behalf and the same to be divided amongst them in such manner as the Board may, from time to time, determine for each of the financial years commencing from 1st April, 2015.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

12. Articles of Association

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

“RESOLVED THAT pursuant to the provisions of Section 14 and other applicable provisions, if any, of the Companies Act, 2013 and Rules made thereunder (including any statutory modification(s) thereto or re-enactment thereof, for the time being in force), a new set of Articles of Association, placed before the members, be and is hereby adopted and substituted in place of the existing Articles of Association of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to perform

and execute all such acts, deeds, matters and things, as may be necessary, proper or expedient to give effect to this Resolution and for the matters connected therewith or incidental thereto.”

13. Material Related Party Transaction

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

“RESOLVED THAT pursuant to all applicable provisions of the Companies Act, 2013 and Rules thereunder and Clause 49 (VII) of the Listing Agreement, entered into with the Stock Exchanges (including any statutory modifications or amendments or re-enactments thereof, for the time being in force), approval of members of the Company be and is hereby accorded to the Board of Directors (“the Board”, which term shall be deemed to include any Committee thereof which the Board may have constituted or herein after constitute to exercise its powers including the powers conferred by this Resolution), to enter into material contracts / arrangements / transactions in the normal course of business with Mahindra Homes Private Limited (“MHomes”) a ‘Related Party’ as defined under Section 2(76) of the Companies Act, 2013 and Clause 49 (VII) of the Listing Agreement, as set out under the Statement setting out the material facts annexed to this Notice conveying this meeting, on such terms and conditions as may be mutually agreed upon between the Company and MHomes.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things, and to finalize, alter, vary, modify the terms and conditions as may be considered necessary, expedient or desirable, from time to time in order to give effect to this Resolution.”

NOTES:

A. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND A PROXY NEED NOT BE A MEMBER.

A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. HOWEVER, A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER;

B. A form of proxy is enclosed to this notice. No instrument of proxy shall be valid unless:

- i) it is signed by the member or by his/her attorney duly authorised in writing or, in the case of joint holders, it is signed by the member first named in the register of members or his/her attorney duly authorised in writing or, in the case of body corporate, it is executed under its common seal, if any, or signed by its attorney duly authorised in writing; provided that an instrument of proxy shall be sufficiently signed by any member, who for any reason is unable to write his/her name, if his/her thumb impression is affixed thereto, and attested by a judge, magistrate, registrar or sub-registrar of assurances or other government gazetted officers or any officer of a Nationalised Bank;
- ii) it is duly stamped and deposited at the Registered Office of the Company not less than 48 hours before the time fixed for the meeting i.e. by 3:00 p.m. on Wednesday 29th July, 2015, together with the power of attorney or other authority (if any), under which it is signed or a copy of that power of attorney certified by a notary public or a magistrate unless such a power of attorney or the other authority is previously deposited and registered with the Company / Registrar & Share Transfer Agent.

C. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting;

D. Members / proxies are requested to bring duly filled attendance slips sent herewith to attend the Meeting;

E. Every member entitled to vote at the Annual General Meeting of the Company can inspect the proxies lodged at the Company at any time during the business hours of the Company during the period beginning twenty four (24) hours before the time fixed for the commencement of the Annual General Meeting and ending on the conclusion of the meeting. However, a prior notice of not less than three (3) days in writing of the intension to inspect the proxies lodged shall be required to be provided to the Company;

F. As the number of members as on the date of meeting exceeds five thousand the quorum for the meeting as provided in Section 103 of the Companies Act, 2013 shall be thirty members personally present;

G. As of 31st March, 2015:

Mr. Arun Nanda, Director holds 1,30,114 equity shares of the Company and his spouse jointly with Mr. Arun

Nanda holds 600 equity shares in the Company. Mr. Uday Nanda, son of Mr. Arun Nanda holds 350 equity shares jointly with Mrs. Neerja Nanda and Mr. Arun Nanda. Mr. Shailesh Haribhakti, Director holds 5,000 equity shares in the Company. Dr. Prakash Hebalkar, Director holds 5,000 equity shares in the Company. Mr. Uday Phadke and Mr. Sanjiv Kapoor, Directors do not hold any shares in the Company.

Brief resume of Directors proposed to be appointed / re-appointed, nature of their expertise in specific functional areas, names of companies in which they hold directorships and memberships / chairmanships of Board Committees, shareholding and relationships between Directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are provided in the Corporate Governance Report forming part of the Annual Report. None of the Directors of the Company are inter-se related to each other;

H. Explanatory Statement as required under Section 102 of Companies Act, 2013 is annexed hereto;

I. The Register of Members and Share Transfer Books of the Company will remain closed from Friday, 24th July, 2015 to Friday, 31st July, 2015 (both days inclusive);

J. Dividend, if declared, will be credited / dispatched between 1st August, 2015 to 5th August, 2015 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 Thursday, 23rd July, 2015;

K. 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;

L. Pursuant to Section 124(5) of the Companies Act, 2013, unpaid / unclaimed dividends for the financial year ended on 31st March, 2000, 2001, 2002, 2006 and 2007 have been transferred to the Investor Education & Protection Fund (IE & PF) on 19th September, 2007, 24th October, 2008, 20th November, 2009, 23rd September, 2013 and 14th November, 2014 respectively.

Given below is the table of dates by which members can claim the respective unclaimed dividend from the Company / Registrars and the date by which such unclaimed amount will be transferred to the IE & PF pursuant to Section 124(5) of the Companies Act, 2013.

Equity Dividend for FY	Date of declaration of dividend	Date by which unclaimed dividend can be claimed	Proposed transfer of unclaimed Equity Dividend to IE & PF between
2007 - 2008	28 th July, 2008	27 th August, 2015	28 th August, 2015 to 26 th September, 2015
2008 - 2009	24 th July, 2009	26 th August, 2016	27 th August, 2016 to 25 th September, 2016
2009 - 2010	21 st July, 2010	22 nd August, 2017	23 rd August, 2017 to 21 st September, 2017
2010 - 2011	21 st July, 2011	22 nd August, 2018	23 rd August, 2018 to 21 st September, 2018
2011 - 2012	24 th July, 2012	28 th August, 2019	29 th August, 2019 to 27 th September, 2019
2012 - 2013	24 th July, 2013	29 th August, 2020	30 th August, 2020 to 28 th September, 2020
2013 - 2014	7 th August, 2014	6 th September, 2021	7 th September, 2021 to 6 th October, 2021

Members who have not encashed the dividend warrants so far are requested to make their claim to the Company's Registrar & Share Transfer Agent, M/s. Sharepro Services (I) Pvt. Limited, 13AB Samhita Warehousing Complex, Second Floor, Sakinaka Telephone Exchange Lane, Off Andheri- Kurla Road, Sakinaka, Andheri (East), Mumbai – 400 072.

In terms of the relevant Rules for the said IE&PF, the Company has uploaded the information in respect of the Unclaimed Dividends in respect of the financial year from 2007-08 to 2012-13, as on the date of the 15th Annual General Meeting held on 7th August, 2014, on the website of the Company www.mahindralifespaces.com and website of the IE&PF www.iepf.gov.in;

- M. 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 72 of the Companies Act, 2013. Members desiring to avail of this facility may send their nomination in the prescribed Form SH - 13 duly filled in to Sharepro Services (I) Pvt. Limited;
- N. Members are requested to: a) intimate to the Company's Registrar & Share Transfer Agent, Sharepro Services (I) Pvt. Limited, changes, if any, in their registered addresses at an early date b) quote their folio numbers / client ID / DP ID in all correspondence;
- O. Members holding shares under multiple folios in the identical order of names are requested to consolidate their holdings into one folio;
- P. Members are requested to note that the Company's shares are under compulsory Demat trading for all investors. Members are, therefore, requested to dematerialise their shareholding to avoid inconvenience and eliminate risks associated with physical shares and for ease of portfolio management;
- Q. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company / Registrar & Share Transfer Agent, Sharepro Services (I) Pvt. Limited;
- R. Non-Resident Indian members are requested to inform Registrar & Share Transfer Agent, Sharepro Services (I) Pvt. Limited, immediately of:
- Change in their residential status on return to India for permanent settlement;
 - Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
- S. As per the circular dated 21st March, 2013 issued by Securities and Exchange Board of India (SEBI), companies whose securities are listed on the stock exchanges shall use approved electronic mode of payment for making cash payments (such as dividend) to the investors. We would therefore request you to do the following:
- In case of holding of shares in demat form, update your bank account details with your Depository Participant (DP) immediately;
 - In case of physical shareholding, submit bank details alongwith photocopy of the cancelled cheque of your account to the Company's Registrar & Share Transfer Agent, M/s. Sharepro Services (I) Pvt. Limited, 13AB Samhita Warehousing Complex, Second Floor, Sakinaka Telephone Exchange Lane, Off Andheri - Kurla Road, Sakinaka, Andheri (East), Mumbai – 400 072;
- T. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules made thereunder, Companies can serve Annual Reports and other communications through electronic mode to those members who have registered their e-mail address either with the Company or with the Depository. As per provisions of Section 20 of the Companies Act, 2013 read with Rules thereunder, a document may be served on any member by sending it to him / her by post or by registered post or by speed post or by courier or by delivering at his / her office or address, or by such electronic or other mode as may be prescribed including by facsimile telecommunication or to electronic mail address, which the member has provided to his/her Depository Participant / the Company's

Registrar & Share Transfer Agent from time to time for sending communications, provided that a member may request for delivery of any document through a particular mode, for which he / she shall pay such fees as may be determined by the company in its annual general meeting. In cases where any member has not registered his/her e-mail address with the company, the service of documents etc. will be effected by other modes of service as provided in Section 20 of the Companies Act, 2013 read with the relevant Rules thereunder. Those members, who desire to receive notice / documents through e-mail, are requested to communicate their e-mail ID and changes thereto from time to time to his/her Depository Participant / the Company's Registrar & Share Transfer Agent, M/s. Sharepro Services (I) Pvt. Limited, as the case may be;

- U. Printed copies of the Notice of the 16th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip, Ballot Paper and Proxy Form is being sent to all members in the permitted mode. In addition, Notice of the 16th Annual General Meeting of the Company in electronic form inter alia indicating the process and manner of e-voting along with Attendance Slip, Ballot Paper and Proxy Form is also being sent to all members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes;

Members may also note that the Notice of the 16th Annual General Meeting and the Annual Report for the year 2014 - 2015 will also be available on the Company's website www.mahindralifespaces.com for their download. Even after registering for e-communication, members are entitled to receive such communication in printed form, upon making a request for the same. For any communication, the members may also send requests to the Company's investor email id: INVESTOR.MLDL@mahindra.com;

- V. Relevant documents referred to in the accompanying Notice and the Explanatory Statement would be available for inspection by members at the Registered Office of the Company during the business hours on any working day upto the date of the Meeting.

W. Voting through electronic means / Ballot form

- i) In terms of the provisions of Section 108 of the Companies Act, 2013 (the Act) read with Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015 (the Rules), (as amended from time to time) and Clause 35B of the Listing Agreement, the Company is providing e-voting facility to members who are members as on Friday, 24th July, 2015 (End of Day) being the "cut-off Date" fixed for

the purpose, to exercise their right to vote at the 16th Annual General Meeting by electronic means through the e-voting platform provided by National Securities Depository Ltd. (NSDL). Members may transact the business through voting by electronic means.

- ii) The e-voting period commences on Monday 27th July, 2015 (9:00 am) and ends on Thursday 30th July, 2015 (5:00 pm). During the e-voting period, members of the Company, holding shares either in physical form or in dematerialized form, may cast their votes electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is casted by the member, the member shall not be allowed to change it subsequently or cast vote again;
- iii) The facility for voting, either through electronic voting system or ballot or polling paper shall also be made available at the meeting and members attending the meeting who have not already casted their vote by remote e-voting shall be able to exercise their right at the meeting;
- iv) The members who have casted their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again;
- v) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the Downloads section of www.evoting.nsdl.com;
- vi) If you are already registered with NSDL for e-voting then you can use your existing user ID and password/PIN for casting your vote;
- vii) You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

The instructions for e-voting are as under:

- A) In case a member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participant(s)]:**
- a) Open email and open PDF file viz; "MLDL AGM e-Voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for e-voting. Please note that the password is an initial password;
 - b) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com>;
 - c) Click on Shareholder – Login;

- d) Put user ID and password as initial password/PIN noted in step (a) above. Click Login;
- e) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential;
- f) Please note that login to e-voting website will be disabled upon five unsuccessful attempts to key-in the correct password. In such an event, you will need to go through 'Forgot Password' option available on the site to re-set the same;
- g) Home page of e-voting opens. Click on e-Voting: Active Voting Cycles;
- h) Select "EVEN" of Mahindra Lifespace Developers Limited;
- i) Now you are ready for e-voting as Cast Vote page opens;
- j) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted;
- k) Upon confirmation, the message "Vote cast successfully" will be displayed;
- l) Once you have voted on the resolution, you will not be allowed to modify your vote;
- m) Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter, etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to mferraocs@yahoo.com with a copy marked to evoting@nsdl.co.in.

B) In case a member uses a printed copy of the Notice of AGM:

- i.) Initial password is provided as below/at the bottom of the Ballot Paper being sent in terms of Clause 35B of the Listing Agreement:

EVEN	USER ID	PASSWORD / PIN
(E Voting Event Number)		

- ii.) Please follow all steps from Sr. No. (a) to Sr. No. (m) above, to cast vote;

C) For members who wish to vote using ballot form:

- (i) In terms of Clause 35B of the Listing Agreement, the Company, in order to enable its Members, who do not have access to e-voting facility, to send their assent or dissent in writing in respect of the resolutions as set out in this Notice, is enclosing a Ballot paper along with Annual Report;

- (ii) A Member desiring to exercise voting by using Ballot paper shall complete the enclosed Ballot paper with assent (FOR) or dissent (AGAINST) and send it to the Scrutinizer, Mr. Martinho Ferrao, M/s. Martinho Ferrao and Associates, Practising Company Secretaries, duly appointed by the Board of Directors of the Company, at the address : Mr. Martinho Ferrao, M/s. Martinho Ferrao and Associates, Practising Company Secretaries, Unit: Mahindra Lifespace Developers Limited. Level 3, 301 Dhun Building, Janmabhoomi Marg, Fort, Mumbai – 400001, so as to reach by 5:00 p.m. on Thursday, 30th July, 2015, in the enclosed postage prepaid self-addressed envelope. Ballot paper deposited in person or sent by post or courier at the expense of the member will also be accepted at the Registered Office of the Company. The assent / dissent received in any other form / manner will not be considered. Unsigned, incomplete or incorrectly ticked forms are liable to be rejected and the decision of the Scrutinizer on the validity of the Ballot papers will be final. The Ballot papers received after the said date shall be strictly treated as if the reply from the member has not been received;
- (iii) A member may request duplicate Ballot paper, if so required, by writing to the Company at its Registered Office or by sending an email on Company's investor email id -INVESTOR.MLDL@mahindra.com by mentioning their Folio No. / DP ID and Client ID. However, the duly filled in duplicate Ballot paper should reach the Scrutinizer not later than 5:00 pm on Thursday, 30th July, 2015;
- (iv) A member can opt for only single mode of voting i.e. either through e-voting or by Ballot paper. If a member casts votes by both modes then voting done through e-voting shall prevail and Ballot shall be treated as invalid.

D) Voting at AGM

Members who have not casted their votes either electronically or through Ballot paper, can exercise their voting rights at the meeting. The Company will make necessary arrangements in this regard at the Annual General Meeting Venue.

E) General Instructions:

- (i) Members holding shares as on the cut-off date i.e. 24th July, 2015 shall be entitled to vote through e-voting / ballot paper or at the venue of the Annual General meeting. Members may participate in the Annual General Meeting even after exercising right to vote through e-voting / ballot form as above but shall not be allowed to vote again at the meeting;

- (ii) The notice of Annual General meeting is being sent (by email where email ID is available and in physical mode in other cases) to shareholders holding shares of the Company as on Friday, 19th June, 2015. User ID and password for e-voting is sent in the email where notice is sent by email and is printed on the ballot form sent along with notice where notice is sent in physical form. Member whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on "Cut-off" date only shall be entitled to avail the facility of remote e-voting or voting at the Annual General Meeting, as the case may be. The voting rights shall be reckoned on the basis of number of equity shares held by the members as on 24th July, 2015, being the cut-off date for the purpose. Shareholders who become members of the Company after 19th June, 2015 and hold shares as on 24th July, 2015 may obtain the User ID and password for e-voting by sending email intimating DP ID and Client ID / Folio No. at evoting@nsdl.co.in or can vote through ballot paper to be downloaded from the Company's website www.mahindralifespaces.com. E-voting shall be open from Monday 27th July 2015 (9:00 a.m.) till Thursday 30th July, 2015 (5:00 p.m.). The duly completed ballot form should reach the Scrutinizer not later than 5:00 p.m. on Thursday 30th July, 2015. Ballot papers deposited in person or sent by post or courier at the expense of member will also be accepted. Ballot papers received after this date will be treated as invalid;
- (iii) In case of joint holders, attending the meeting, only such joint holder who is higher in the order of names, will be entitled to vote at the meeting;
- (iv) The Board of Directors has appointed Mr. Martinho Ferrao, Practising Company Secretary (Membership No. FCS 6221) as the Scrutinizer to scrutinize e-voting process (including voting through ballot paper received from members) and voting at the venue of the Annual general meeting in a fair and transparent manner, and to ascertain requisite majority;
- (v) The Scrutinizer shall immediately after the conclusion of voting at the general meeting, first count the votes casted at the meeting, thereafter unblock the votes casted through remote e-voting in the presence of at least two (2) witnesses not in the employment of the Company and make, not later than three (3) days of conclusion of the meeting, a consolidated Scrutiniser's Report of the total votes casted in favour or against, if any, to the Chairman who shall countersign the same;
- (vi) The Scrutinizer shall submit his Report to the Chairman, who shall declare the result of the voting. The results shall be declared on or before Monday, 3rd August, 2015. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.mahindralifespaces.com and on the website of NSDL www.evoting.nsdl.com and shall be communicated to the Stock Exchanges. The resolutions shall be deemed to be passed at the Annual General Meeting of the Company scheduled to be held on Friday, 31st July, 2015.

For and on behalf of the Board,
For **Mahindra Lifespace Developers Limited**

Suhas Kulkarni

Sr. Vice President - Legal & Company Secretary
FCS - 2427

Registered Office:

5th Floor, Mahindra Towers,
Worli, Mumbai 400 018
Date: 19th June, 2015

ANNEXURE TO NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF COMPANIES ACT, 2013

Item Nos. 6, 7 and 8

Pursuant to Section 149 and Section 152 of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014, it is proposed that Mr. Shailesh Haribhakti existing Independent Director who meets the criteria of Independence, be appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a term of 5 (five) consecutive years commencing from 31st July, 2015.

Pursuant to Section 149 and Section 152 of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014, it is proposed that Mr. Sanjiv Kapoor and Dr. Prakash Hebalkar existing Independent Directors who meets the criteria of Independence, be appointed as Independent Directors of the Company, not liable to retire by rotation, to hold office for a term of 2 (two) consecutive years commencing from 31st July, 2015.

All the above Directors are not disqualified from being re-appointed as Directors by virtue of the provisions of Section 164 of the Companies Act, 2013. They have also given a declaration under Section 149(7) of the Companies Act, 2013 that they meet the criteria of Independence as provided in Section 149(6) of the Companies Act, 2013.

A notice has been received from a member of the Company along with requisite deposit signifying her intention to propose

Mr. Shailesh Haribhakti, Mr. Sanjiv Kapoor and Dr. Prakash Hebalkar as candidates for the office of Independent Director of the Company.

In the opinion of the Board, Mr. Shailesh Haribhakti, Mr. Sanjiv Kapoor and Dr. Prakash Hebalkar fulfil the conditions specified in the Companies Act, 2013 and Rules made thereunder for their appointment as Independent Directors of the Company and are independent of the management of the Company. Having regard to the qualifications, knowledge and experience, their appointment for the second term as Independent Directors will be in the interest of the Company. Copy of the draft letter of appointment for Independent Director(s) setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday and Sunday. The Board recommends their appointment as Independent Directors in the interest of the Company. Brief profile of all these Directors are provided in the Corporate Governance Report forming part of the Annual Report.

The Directors recommend passing of Resolutions at Item No.6 to 8 as Special Resolutions.

None of the said Directors are related to any of the Directors of the Company. Except Mr. Shailesh Haribhakti, Mr. Sanjiv Kapoor and Dr. Prakash Hebalkar who are interested in their respective re-appointment, none of the other Directors and Key Managerial Personnel of the Company and their respective relatives are, in any way, financially or otherwise, deemed to be concerned or interested in these items of business.

Item No. 9

As per Section 42 of the Act read with the Companies (Share Capital and Debentures) Rules, 2014, the Companies (Prospectus and Allotment of Securities) Rules, 2014 a company offering or making an invitation to subscribe to Non-Convertible Debentures ("NCDs") on a private placement basis, is required to obtain the prior approval of members by way of a Special Resolution. Such an approval by way of special resolution may be obtained once a year for all the offers and invitations made for such NCDs during the year.

NCDs issued on private placement basis are a significant source of borrowings for the Company. The borrowings of the Company as on the date of notice consists of secured NCDs and Fund & Non Fund based Credit Facilities from Banks by way of Cash Credit / Overdraft / Short Term loan / WCDL / LC / BG etc. aggregating ₹725 crores.

The Company seeks to pass an enabling resolution to borrow funds in addition to the existing borrowing to meet its requirement of funds for acquisition of land parcels for Housing, Townships, Industrial parks, SEZs, commercial complexes and other real estate development activities at various cities / towns, capital expenditure for the Company's Businesses, repayment /

reduction of high cost borrowings, working capital requirement, augment long term resources, to provide financial support to Subsidiaries / Joint Ventures by way of loans / investments for their respective principle businesses, and to meet the general business requirements, in line with the growth strategy of the Company and general corporate purposes.

The members at the 15th Annual General Meeting of the Company held on 7th August, 2014 had approved a similar resolution the validity of which shall be expiring on 6th August, 2015. Therefore, the approval of the members is being sought by way of a Special Resolution under Sections 42 and 71 of the Act read with the Rules made there under, to enable the Company to offer or invite subscriptions for NCDs on a private placement basis, in one or more tranches, during the period of one year from the date of passing of the Resolution at Item No. 9, within the overall borrowing limits of the Company, as approved by the members from time to time.

Your Directors recommend passing of the Resolution at Item No. 9 of the Notice, as a Special Resolution.

None of the Directors and Key Managerial Personnel of the Company and their respective relatives are, in any way, financially or otherwise, deemed to be concerned or interested in this item of business.

Item No. 10

The Board of Directors, at its Meeting held on 31st July, 2014, on the recommendation of the Audit Committee, approved the appointment of M/s. A. B. Nawal & Associates, Cost Accountants, Pune, as Cost Auditors of the Company for conducting the audit of the cost records of the Company, for the year ending 31st March, 2015 at a remuneration of ₹ 1,50,000 (Rupees One lakh fifty thousand only) plus reimbursement of out of pocket expenses incurred during the course of audit and service tax, as applicable.

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, members of the Company are required to ratify the remuneration to be paid to the Cost Auditors of the Company.

Accordingly, consent of members is sought for passing an Ordinary Resolution as set out at Item No. 10 of the Notice for ratification of the remuneration payable to the Cost Auditors for conducting the audit of the cost records of the Company, for the financial year ending 31st March, 2015.

Your Directors recommend passing of the Resolution at Item No. 10 of the Notice, as an Ordinary Resolution.

None of the Directors, Key Managerial Personnel of the Company and their respective relatives are, in any way, financially or otherwise, deemed to be concerned or interested, in this item of business.

Item No. 11

At the 12th Annual General Meeting of the Company held on 21st July, 2011, the shareholders had accorded their consent to the Board of Directors of the Company to pay commission to the Non-Executive Directors not exceeding 1% of the Annual Net Profit of the Company, computed in accordance with the provisions of Sections 198, 349 and 350 of the Companies Act, 1956 for a period of five (5) financial years commencing from 1st April, 2010. This consent is valid for commission payable for the period ended on 31st March, 2015.

With the enactment of the Companies Act, 2013 ("the Act"), the Non-Executive Directors are vested with a variety of roles, duties and responsibilities for good corporate governance. Keeping in view, the enhanced role, responsibilities and duties of Directors, and in appreciation of their contribution and services they have rendered / will be rendering to the Company, it is proposed to seek fresh approval of members of the Company for payment of commission to non-executive Directors for all subsequent financial years commencing from 1st April, 2015 as set out at item no. 11 of this Notice.

It is proposed to pay commission to non-executive Directors for each of the financial year commencing from 1st April, 2015, in addition to sitting fees and reimbursement of expenses incurred for attending the meetings of the Board of Directors of the Company and its Committees thereof, at a rate not exceeding one percent (1%) per annum or such percentage as may be specified by the Act from time to time in this regard, of annual net profit of the Company computed in accordance with the provisions of Section 197 read with Section 198 of the Act or as may be prescribed by the Act or Rules framed thereunder from time to time 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.

Your Directors recommend passing of the Resolution at Item No. 11 of the Notice, as a Special Resolution.

Except Mr. Uday Y. Phadke and Ms. Anita Arjundas, all other Directors of the Company and their respective relatives, are deemed to be concerned or interested in the aforesaid resolution to the extent of the commission that may be received by each of them.

Mr. Uday Y. Phadke, Ms. Anita Arjundas and none of the Key Managerial Personnel of the Company and their respective relatives are, in any way, financially or otherwise, deemed to be concerned or interested in this item of business.

Item No. 12

The Articles of Association of the Company currently in force were originally adopted when the Company was incorporated under the Companies Act, 1956.

The Articles of Association were amended from time to time in accordance with the provisions of the Companies Act, 1956. With the introduction of the Companies Act, 2013, it is proposed to amend the existing Articles of Association to make it consistent with the provisions of Companies Act, 2013 including the Rules framed thereunder.

A copy of the proposed set of new Articles of Association of the Company would be available for inspection at the Registered Office of the Company during the business hours on any working day, up to the date of the Annual General Meeting and during the Annual General Meeting. The proposed draft Articles of Association is available on the Company's website at www.mahindralifespaces.com for perusal by the members.

Your Directors recommend passing of the Resolution at Item No. 12 of the Notice, as a Special Resolution.

None of the Directors and Key Managerial Personnel of the Company and their respective relatives are, in any way, financially or otherwise, deemed to be concerned or interested in this item of business.

Item No. 13

Mahindra Homes Private Limited (MHomes) (earlier known as Watsonia Developers Private Limited and prior to that Watsonia Developers Limited), a 50:50 joint venture between your company and SCM Real Estate (Singapore) Private Limited (SCM), is developing in collaboration with a developer, and land owning companies, a group housing project at NCR on approximately 6.79 acres and a residential project at Bangalore on approximately 5.85 acres. MHomes is exploring the possibility of undertaking additional projects in residential development segment in India. In terms of definitive agreements executed between the Company, MHomes and SCM, each of the Company and SCM have agreed to invest in MHomes upto ₹ 500 crores for undertaking residential development projects in India by MHomes. Therefore, the Company's investment in MHomes, of ₹ 5 lacs made prior to execution of the definitive agreements as aforesaid together with the investment of ₹ 500 crores agreed under the definitive agreements, shall aggregate upto ₹ 500.05 crores. The Company has till date invested ₹ 320.38 crores in MHomes. To enable MHomes to undertake additional projects of residential development in India, each of the Company and SCM will be required to make additional investment upto ₹ 178.50 crores.

As the Company is engaged in the business of providing infrastructural facilities as envisaged under the Companies Act, 2013, pursuant to the provisions of Section 186(11) of the Companies Act, 2013, the provisions of Section 186 except sub-section(1) shall not apply to a loan made by the Company or shares allotted in pursuance of Section 62 (1)(a) of the Companies Act, 2013.

Mhomes is a Joint Venture company of the Company and is a "Related Party" as per definition under Section 2(76) of the Companies Act, 2013 and Clause 49 of the Listing Agreement entered into with the stock exchanges ("Clause 49(VII)").

In terms of said provisions of Clause 49(VII), a transaction with a Related Party shall be considered material if the transaction / transactions to be entered into individually or taken together with the previous transactions during a financial year, exceeds 10% of the annual consolidated turnover of the Company as per the last audited financial statement of the Company.

The proposed investment by the Company in MHomes during

the financial year 2015-16 upto ₹ 178.50 crores, in one or more tranches, as may be needed, will exceed 10% of the annual consolidated turnover of the Company as per the last audited financial statement of the Company for the year 2014-15. Thus, in terms of Clause 49(VII) and Company's policy on Materiality of and dealing with Related Party Transactions and pursuant to all applicable provisions of the Companies Act, 2013 and Rules thereunder, these transactions would require the approval of members by way of a Special Resolution.

The particulars of the contracts / arrangements / transactions as envisaged under Companies (Meetings of Board and its Powers) Rules, 2014 as amended, are as under:

Particulars	Information
Name of the Related Party	Mahindra Homes Private Limited (MHomes)
Name of Director(s) or Key Managerial Personnel who is related, if any, and nature of relationship.	Ms. Anita Arjundas, Managing Director & CEO being a common Director on the Board of the Company and on the board of MHomes. None of the other Key Managerial Personnel of the Company is related to MHomes.
Nature, material terms, monetary value and particulars of contracts or arrangements.	Further investment by the Company in the joint venture company, Mahindra Homes Private Limited (MHomes) in terms of definitive documents dated 25 th July, 2013 executed / to be amended with SCM Real Estate (Singapore) Private Limited (SCM) and Mahindra Homes Private Limited (MHomes) upto ₹ 178.50 crores, in one or more tranches during financial year 2015-16, to enable MHomes to undertake additional residential development projects in India. Such investment could be by way of subscribing to its equity, convertible instruments, quasi - equity, Inter Corporate Deposits, debt or any combination thereof to enable MHomes to augment funding for its proposed residential development projects in India, including acquisition of land parcels / development rights and preliminary development expenditure. These transactions are in the ordinary course of business and are conducted on an arm's length basis.
Whether the transactions have been approved by the Audit Committee	Yes. The proposed RPTs are in accordance with the Related Party Transactions Policy of the Company and approved and recommended by the Audit Committee and by the Board of Directors of the Company.
Any other information relevant or important for the Members to make a decision on the proposed transaction	None

As per Clause 49(VII)(E) of the Listing Agreement, all entities falling under the definition of related parties shall abstain from voting irrespective of whether the entity is a party to the particular transaction or not wherein approval of material Related Party Transactions is sought from shareholders. Accordingly, all related parties of the Company, including, among others, Mahindra Group Companies and the Directors and Key Managerial Personnel of the Company will not vote on this resolution.

Your Directors recommend passing of the Resolution at Item No. 13 of the Notice, as a Special Resolution for approval by the unrelated shareholders.

Except Ms. Anita Arjundas being a common Director on the Board of the Company and Mahindra Homes Private Limited, no other Director or any other Key Managerial Personnel of the

Company and their respective relatives are, in any way, financially or otherwise, deemed to be concerned or interested, in this item of business.

For and on behalf of the Board,
For Mahindra Lifespace Developers Limited

Suhas Kulkarni
Sr. Vice President - Legal & Company Secretary
FCS - 2427

Registered Office:
5th Floor, Mahindra Towers,
Worli, Mumbai 400 018
Date: 19th June, 2015

Directors' Report

Directors' Report to the Members

Your Directors present their sixteenth report together with the Audited Financial Statement of your Company for the year ended 31st March, 2015.

FINANCIAL HIGHLIGHTS (STAND-ALONE)

	(₹ in lakhs)	
	2015	2014
Income from Operations	62,401	30,707
Other Income	13,602	11,426
Total Income	76,003	42,133
Profit Before Depreciation, Interest and Taxation	36,227	14,306
Less : Depreciation	274	232
Profit Before Interest and Taxation	35,953	14,074
Less : Finance Cost	2,182	3,935
Profit Before Taxation	33,771	10,139
Less : Provision for Taxation		
Current Tax	10,134	2,467
Deferred Tax (including MAT Credit)	307	(101)
Profit After Tax	23,330	7,773
Add : Balance of Profit for earlier years	36,519	35,527
Amount available for appropriation	59,849	43,300
Proposed Dividend on Equity Shares (including tax on distributed profits)	2,972	2,867
Interim Dividend on Equity Shares (including tax on distributed profits)	2,503	-
Depreciation adjustment (Net of Deferred Tax Adj)	6	-
Less : Transfer to General Reserve	2,333	777
Less: Transfer to Debenture Redemption Reserve	3,135	3,136
Balance carried forward	48,900	36,520

DIVIDEND

During the financial year 2014-15, your Directors had declared and paid a Special Dividend by way of an Interim Dividend of ₹ 6/- (Six) per equity share of the Company i.e. 60 (Sixty) per cent of the face value of ₹10 (Ten) for each equity share.

In addition to the Special Dividend by way of an Interim Dividend, your Directors have recommended a Final Dividend of ₹ 6 (Six) per equity share of the Company, i.e. 60 (Sixty) per cent of the face value of ₹10 (Ten) for each equity share, for the year 2014-15.

The equity dividend i.e. Special Dividend by way of an Interim Dividend and Final Dividend (including tax on distributed profits) aggregates ₹5,466 lakhs (previous year ₹ 2,867 lakhs - only final dividend). The final Dividend shall be paid out of the profits for the current year.

RESERVES

Out of the profits available for appropriation, an amount of ₹ 2,333 lakhs and ₹ 3,135 lakhs has been transferred to the General Reserve and the Debenture Redemption Reserve respectively and the balance has been carried forward to the Profit & Loss Account.

OPERATIONS / STATE OF THE COMPANY'S AFFAIRS

Even as the economic environment in India continued to be challenging, the situation improved somewhat as the year progressed, especially in the second half of 2014-15. According to the advance estimates released by the Central Statistical Organisation (CSO), India's GDP growth is expected to be 7.5 per cent in 2014-15, around 1 percentage point higher than the previous year. As far as the real estate industry is concerned, the overall performance was subdued — housing prices, rents and offtake of housing loans continued to be sluggish.

In this environment, the Company performed well — focusing on improving efficiencies and developing new markets, expanding its presence in newer segments in residential business and implementing plans to augment the product offering in the integrated development space. Both operational segments of your Company — residential and integrated developments — showed progress during the year. There were no changes in the nature of business during the year under review.

In the residential business, the Company made a successful foray in the affordable housing segment with two pilot projects in Chennai and Mumbai Metropolitan Region under the name

'Happines'. The Company also launched two new projects in the luxury and holiday home segments. In addition, fresh inventory in 3 of its existing projects was also launched during the year. During 2014-15, the Company sold over 1,400 residential units across its ongoing and newly launched projects, including projects of its subsidiary companies in the residential space. The Company had entered into mutually agreed consent terms with a land-owner in respect to one of its project, where there was a dispute with the land owner and in accordance with the consent terms, the Company during the year has completed the sale of land in relation thereto.

In the large format developments, Mahindra World City, Jaipur, saw a significantly improved performance compared to the previous year, with better demand and appreciation in prices. Mahindra World City, Chennai, also signed industrial land leases in the Domestic Tariff Area, even as most of the development there is currently in residential and social infrastructure.

These enabled the Company to register a creditable performance in a challenging macroeconomic environment.

The consolidated total income of your Company increased from ₹ 75,620 lakhs in 2013-14 to ₹ 1,14,757 lakhs in 2014-15. The consolidated Profit before tax (PBT) stood at ₹ 42,102 lakhs in 2014-15 as compared to ₹ 16,094 lakhs in 2013-14, whereas the consolidated profit after tax (PAT) after minority interest was ₹ 26,620 lakhs as compared to ₹ 10,063 lakhs during 2013-14.

Total income of your Company as a standalone entity was ₹ 76,004 lakhs as compared to ₹ 42,133 lakhs in 2013-14. PBT was ₹ 33,771 lakhs as compared to ₹ 10,139 lakhs in 2013-14, whereas PAT was ₹ 23,330 lakhs as compared to ₹ 7,773 lakhs in 2013-14. Total income includes a dividend income of ₹ 727 lakhs received from its subsidiary Mahindra World City Developers Limited, ₹ 740 lakhs received from its subsidiary Mahindra World City (Jaipur) Limited and ₹ 740 lakhs received from its subsidiary Mahindra Integrated Township Limited, during the year as compared to ₹ 953 lakhs and ₹ 518 lakhs from Mahindra World City Developers Limited and Mahindra World City (Jaipur) Limited respectively in 2013 -14.

No material changes and commitments have occurred after the close of the year till the close of this Report, which affect the financial position of the Company.

AWARDS AND RECOGNITION

Your Company and its subsidiaries received several awards and recognitions during 2014-15. Some of the prestigious awards are:

- Mahindra Lifespaces received the Golden Peacock Environment Management Award, 2014 under Special Commendation category;
- Mahindra Lifespaces was selected as one of India's Top Inno-Visionary Builders at the Construction World Architect and Builder (CWAB) Awards, 2014;

- Mahindra Lifespaces was selected as one of the 20 winners of the prestigious "Silver EDGE" award from Information Week;
- Mahindra Lifespaces was recognised as the "Regional Sector Leader" in the 2014 Global Real Estate Sustainability Benchmarking (GRESB) Survey for Asia/Diversified/Small Cap companies;
- Mahindra Lifespaces received the Commendation Certificate for Significant Achievement at the CII ITC Sustainability Awards 2014;
- Mahindra Lifespaces received "Order of Merit" at the Skoch Renaissance Awards, 2014 for Sustainability Leadership;
- Mahindra World City, Jaipur, received "Order of Merit" at the Skoch Renaissance Awards, 2014 for its contribution in the field of CSR;
- Splendour by Mahindra Lifespaces won the Premium Apartment Project of the Year - West at the NDTV Property Awards, 2014.

SHARE CAPITAL

During the year, the Company allotted 163,850 equity shares of ₹ 10 each to the eligible grantees pursuant to exercise of Stock options granted under Employee Stock Option Scheme - 2006 (ESOS - 2006) and Employee Stock Option Scheme - 2012 (ESOS - 2012). Accordingly, issued equity share capital has increased from ₹ 40,88,92,010 to ₹ 41,05,30,510 and the subscribed and paid up equity share capital of the Company has increased from ₹ 40,84,83,500 to ₹ 41,01,22,000.

The allotment of 40,851 equity shares of the Company has been kept in abeyance in accordance with Section 206A of the Companies Act, 1956, till such time the title of the bonafide owner of the shares is certified by the concerned Stock Exchange or The Special Court (Trial of offenses relating to transactions in Securities).

During the year, Company has not issued any equity shares with differential rights or any sweat equity shares.

ISSUE & ALLOTMENT OF NON- CONVERTIBLE DEBENTURES

On 4th April, 2013, the Company had issued and allotted 5,000 - Secured Listed Rated Redeemable 10.78 per cent YTM, Non-Convertible Debentures (NCDs) with a face value of ₹ 10,00,000 (Rupees Ten lakhs only) each for cash at par, aggregating ₹ 500 (Five hundred) crores vide Series I, Series II, and Series III on Private Placement basis. The proceeds of the NCDs issue have been fully utilised for the purposes of the issue.

EMPLOYEE STOCK OPTIONS SCHEME

As of 31st March, 2015 in accordance with the Employee Stock Option Scheme - 2006 (ESOS - 2006), 1,72,750 Stock Options were exercised under ESOS - 2006.

In accordance with the Employee Stock Option Scheme - 2012 (ESOS-2012), the Nomination and Remuneration Committee had on 17th October, 2014, approved grant of 27,000 Stock Options to the eligible employees, at an exercise price of ₹ 10 each which is equal to the face value of the equity share of the Company. On 30th April, 2015, the Committee approved grant of 3,000 Stock Options to the eligible employees under ESOS-2012. As of 31st March, 2015, a total of 25,800 Stock Options were exercised under ESOS - 2012.

Details required to be provided under the Securities and Exchange Board of India (Employee Stock Options Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and Securities Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, Section 62(1)(b) of the Companies Act, 2013 read with Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014 are provided as **Annexure 1** to this Report.

The Shares arising out of exercise of Employee Stock Options are directly allotted to the eligible employees and therefore the requirement of disclosure in respect of voting rights not exercised directly by the employees does not apply to your Company.

The Existing Schemes Employee Stock Option Scheme – 2006 (ESOS 2006) and Employee Stock Option Scheme – 2012 (ESOS-2012) shall be implemented in compliance with Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (the “Regulations”) and other applicable Regulations, Circulars in force from time to time.

HOLDING COMPANY

The promoters of the Company i.e. Mahindra & Mahindra Limited (M&M) holds 2,08,46,126 equity shares which represents 50.83 per cent of the paid-up equity capital of the Company. Your Company continues to be a Subsidiary Company of M&M.

Subsidiaries, Joint Ventures and Associate companies

A report on the performance and financial position of each of the subsidiaries, associates and joint venture companies as per the Companies Act, 2013 is provided as **Annexure A** to the Consolidated Financial Statement and hence not repeated here for the sake of brevity.

Subsidiary Companies

The policy for determining material subsidiaries as approved may be accessed on the Company's website at the link: <http://www.mahindralifespaces.com/pdf/policy%20for%20determining%20material%20subsidiaries.pdf>

During the year under review, Mahindra Industrial Park Chennai Limited became a wholly owned subsidiary of Mahindra World City Developers Limited and hence also became a 89% subsidiary of the Company. This company shall be developing an Industrial Park in North Chennai, Tamil Nadu spanning an area of approximately 300 acres. This company is exploring the possibility of tie-up with a strategic investor in this space.

Mahindra World City (MWC), Chennai, is implemented by Mahindra World City Developers Limited (MWCDDL), currently an 89:11 joint venture between Mahindra Lifespaces and the Tamil Nadu Industrial Development Corporation Limited (TIDCO). It is the first township in India to receive Green Township Certification (Stage I Gold Certification) from IGBC.

Mahindra World City, Chennai was launched in September, 2002 and currently has three sector specific Special Economic Zones (SEZs) — IT (services and manufacturing), Apparel and Fashion Accessories, and Auto Ancillaries, and a Domestic Tariff Area (DTA) for businesses catering to the Indian market. Integrated to the business zone is a Residential and Social Infrastructure zone.

At the end of 2014-15, the project had a total area of 1,524 acres.

With greater stabilisation in the business zone, the focus is now in developing the residential and social infrastructure. Mahindra World City, Chennai has allocated 289 acres for the development of residential and social infrastructure.

Mahindra World City, Jaipur is being implemented by Mahindra World City (Jaipur) Limited (MWCJL), a 74:26 joint venture between Mahindra Lifespaces and Rajasthan State Industrial Development & Investment Corporation Limited (RIICO), a Government of Rajasthan enterprise. Mahindra World City, Jaipur is proposed to be developed as a Multi Product Special Economic Zone and a Domestic Tariff Area across 3,000 acres, of which 2,949 acres have already been acquired. Currently, the project has five zones, IT/ITES SEZ, Handicrafts SEZ, Engineering & Related Industries SEZ, Gems & Jewellery SEZ and a Domestic Tariff Area. Going forward, the near term focus will continue to be on sale of industrial land in the project.

Mahindra Integrated Township Limited (MITL) is engaged as a co-developer in developing the residential township area at Mahindra World City, New Chennai. Its current developments include 'Iris Court' and 'Nova'. MITL has a balance of approximately 140 acres to be developed in phases for offering products in different formats and segments. MITL is 73.94 per cent owned by your Company and 26 per cent by MWCDDL. The details of the current developments have been given in the Management Discussion and Analysis Report.

Mahindra Residential Developers Limited (MRDL), is a wholly owned subsidiary of Mahindra Integrated Township Limited (MITL). MRDL, a Co-developer in developing residential township area in MWC is developing a gated residential community in approximately 55 acres within Mahindra World City, New Chennai under the name 'Aqualily'. The details of the current development have been given in the Management Discussion and Analysis Report.

Mahindra Bebanco Developers Limited (MBDL) is a 70:30 joint venture between your Company and B.E. Billimoria & Co. Limited, one of the leading construction companies in India. This company is developing a residential complex across approximately 25 acres at Multi-modal International Hub Airport at Nagpur (MIHAN). This

project called 'Bloomdale' will have a total saleable area of 1.53 million square feet. The details of the current development have been given in the Management Discussion and Analysis Report.

Mahindra Infrastructure Developers Limited (MIDL), a wholly owned subsidiary of your Company is an equity participant in the project company namely, New Tirupur Area Development Corporation Limited (NTADCL) implementing the Tirupur Water Supply and Sewerage project. During the period 2003 to 2009, the company was engaged in operating a solid waste treatment plant at Tirupati. For more details about the investment of the Company into MIDL, please refer note no. 12(a) to the standalone Financial Statement.

Mahindra World City (Maharashtra) Limited (MWCML), a wholly owned subsidiary of your Company was set up to undertake development of a multi-product SEZ at Karla, near Pune in collaboration with Maharashtra Industrial Development Corporation (MIDC). In the year 2010-11, MIDC regretted its inability to acquire the land required for setting up the project. The Company is looking out for an appropriate business opportunity to take up projects in real estate development.

Knowledge Township Limited (KTL), a wholly owned subsidiary of your Company will be developing an industrial park in Maharashtra. The company is in the process of procuring its targeted land acquisition.

Industrial Township (Maharashtra) Limited (ITML), a wholly owned subsidiary of your Company is exploring the possibility of taking up real estate development.

Raigad Industrial & Business Park Limited (RIBPL), a wholly owned subsidiary of your Company is exploring the possibility of taking up real estate development.

Anthurium Developers Limited (ADL) a wholly owned subsidiary of your Company is exploring the possibility of taking up real estate development projects.

Industrial Cluster Private Limited (ICPL) (formerly known as Mahindra Housing Private Limited) a wholly owned subsidiary of your Company is exploring the possibility of taking up development of industrial park in Gujarat.

JOINT VENTURE COMPANIES

Mahindra Homes Private Limited (MHPL) (earlier known as Watsonia Developers Private Limited and prior to that Watsonia Developers Limited), a 50:50 joint venture between your company and SCM Real Estate (Singapore) Private Limited, is developing in collaboration with a developer and land owning companies, a group housing project at NCR on approximately 6.79 acres and a residential project at Bangalore on approximately 5.85 acres. The company is exploring the possibility of undertaking additional projects in residential development segment in India.

Mahindra Water Utilities Limited (MWUL) a 50 per cent joint venture company is engaged in the business of operation and management of water and sewerage facilities at Tirupur, India.

Mahindra Inframan Water Utilities Private Limited (MIWUPL) a 50 per cent joint venture company is engaged in the business of operation and management of water and sewerage facilities at Navi Mumbai, India.

ASSOCIATE COMPANIES

Topical Developers Private Limited and Kismat Developers Private Limited, the associate companies of your Company are looking out for appropriate business opportunities in the space of real estate development.

During the year, except Mahindra Industrial Park Chennai Limited which became a subsidiary of the Company, no other company has become/ceased to be a Subsidiary/ Associate/ Joint Venture company of the Company.

CONSOLIDATED FINANCIAL STATEMENT

The audited consolidated financial statement of the Company prepared in accordance with relevant Accounting Standards (AS) viz. AS 21 on consolidated financial statement read with AS 23 on accounting for investments in Associates and AS 27 on financial reporting of interest in joint ventures issued by the Institute of Chartered Accountants of India forms part of this Annual Report.

The financial statements of Subsidiaries, Associates and Joint Venture companies are not attached alongwith the financial statement of the Company. Separate audited financial statement of each of the subsidiaries is placed on the website of the Company and the same is available at the weblink: <http://www.mahindralifespaces.com/reports/annual-reports.aspx?yid=10>

The Company Secretary will make these documents available upon receipt of a request from any member of the Company interested in obtaining the same. These documents will also be available for inspection at the Registered Office of your Company during working hours up to the date of the Annual General Meeting.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report, which gives a detailed account of state of affairs of the Company's operations forms a part of this Annual Report.

CORPORATE GOVERNANCE

A report on Corporate Governance along with a certificate from the Auditors of the Company regarding the compliance of conditions of corporate governance as stipulated under Clause 49 of the Listing Agreement forms a part of this Annual Report.

SUSTAINABLE DEVELOPMENT

Your Company has been at the forefront of the real estate industry in India to achieve the mission of 'Transforming urban landscapes by creating sustainable communities'. The Company has done this by putting sustainability as a core agenda for the Company. The details of Company's approach to sustainability are covered in the Sustainability Report at pages 161 to 168 of this Report.

The Business Responsibility Reporting (BRR) as part of the Annual Report as required by Clause 55 of the Listing Agreement

with the Stock Exchanges and pursuant to the Securities and Exchange Board of India's circular (CIR/CFD/DIL/8/2012 dated August 13, 2012) are not applicable to your Company for the financial year ended on 31st March, 2015.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company's guiding principle for CSR is to build its relationship with stakeholders and the community at large, and contribute to their long term social good and welfare. Your Company has been investing one per cent of its profit after tax every year from 2005-06 in CSR activities even when there were no statutory requirements in this regard. The Company, in every financial year commencing from 1st April, 2014, in line with the Companies Act, 2013, pledges to spend, two per cent of the average net profits made during the three immediately preceding financial years specifically towards CSR initiatives.

The Company has constituted Corporate Social Responsibility Committee comprising of Mr. Arun Nanda - Non Executive, Non-Independent Director, Mr. Anil Harish - Non Executive Independent Director and. Ms. Anita Arjundas - Managing Director & CEO. Mr. Anil Harish resigned from the Board of Directors of the Company w.e.f. 16th June, 2015 and consequently ceased to be member of the Corporate Social Responsibility Committee effective 16th June, 2015. The Board at its meeting held on 19th June, 2015 has nominated Mr. Shailesh Haribhakti, a Non-executive Independent Director on the Corporate Social Responsibility Committee. The Role of the Committee is to formulate and recommend a CSR policy to the Board, to recommend amount of expenditure to be incurred on CSR activities, to monitor the CSR policy of the Company from time to time and to institute a transparent monitoring mechanism for implementation of the CSR projects or programs or activities undertaken by the Company.

The Company's CSR Policy lays out the vision, objectives and implementation mechanisms. The Company's CSR policy is available on the Company's web link at <http://www.mahindralifespaces.com/pdf/mldl%20csr%20policy-final-cln.pdf> The Company's CSR activities have traditionally focussed on education, skill development, health, environment and promoting sustainable practices.

The objective of CSR policy is to:

- Promote a unified approach to CSR to incorporate under one umbrella the diverse range of the Company's philanthropic activities, thus enabling maximum impact of the CSR initiatives;
- Ensure an increased commitment at all levels in the organisation, to operate in an economically, socially and environmentally responsible manner while recognising the interests of all its stakeholders;
- Encourage employees to participate actively in the Company's CSR and give back to the society in an organised manner through the employee volunteering programme called ESOPs.

The Company has spent ₹ 264 lakhs as against the required CSR expenditure of ₹ 262 lakhs calculated in the manner prescribed in the Companies Act, 2013. The annual report on the CSR activities in the prescribed format is at **Annexure 2** to this Report;

The Company's commitment to CSR will be manifested by investing resources in any of the following areas:

- Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water;
- Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;
- Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;
- Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro-forestry, conservation of natural resources and maintaining quality of soil, air and water;
- Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional arts and handicrafts;
- Measures for the benefits of armed veterans, war widows and their dependents;
- Training to promote rural sports, nationally recognised sports, Paralympics sports and Olympic sports;
- Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Schedule Castes, the Scheduled Tribes, other backward classes, minorities and women;
- Contribution or funds provided to technology incubators located within academic institutions which are approved by the Central Government;
- Rural development projects

The Company shall give preference to the local area and area around it where it operates for spending the amounts earmarked for CSR activities.

Details of the Company's approach towards CSR including overview of projects or programmes undertaken / proposed to be undertaken are covered in the Sustainability Report at pages 161 to 168 of this Annual Report.

DIRECTORS

Pursuant to Section 152 of the Companies Act, 2013, Mr. Uday Phadke (DIN: 00030191) a Non-executive and Non-independent Director retires by rotation at the 16th Annual General Meeting of the Company and is eligible for re-appointment. However, Mr. Uday Phadke has expressed his desire not to seek re-appointment. It is recommended that the vacancy, so created on the Board of Directors of the Company, be not filled.

The Board places on record its deep appreciation of the valuable services rendered by Mr. Phadke during his tenure as a Director of the Company. Mr. Phadke, who is stepping down from the Board of the Company after a tenure of 14 years, brought to the Board an ebullient spirit and a flair for reasoned risk taking, combined with a strict adherence to values and ethics. This rare combination of qualities has added a valuable perspective and dimension to the deliberations and decision making authority of the Board.

Mr. Anil Harish (DIN: 00001685), a Non-executive Independent Director resigned from the Board of the Company w.e.f. 16th June, 2015 for personal reasons. The Board places on record its deep appreciation for the valuable services rendered by Mr. Anil Harish during his tenure as a Director of the Company.

Pursuant to Section 152 of the Companies Act, 2013, Mr. Arun Nanda (DIN : 00010029) a Non-executive and Non-independent Director retires by rotation at the 16th Annual General Meeting of the Company and being eligible has offered himself for re-appointment.

Mr. Shailesh Haribhakti (DIN: 00007347) was appointed as an Independent Director for a term from the date of the 15th Annual General Meeting till the conclusion of the 16th Annual General Meeting of the Company. His first term of appointment shall come to an end on the date of the 16th Annual General Meeting. Mr. Haribhakti is eligible for appointment for the second term as an Independent Director not liable to retire by rotation. He has also given a declaration under Section 149(7) of the Companies Act, 2013 that he meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013.

Pursuant to Section 149 and Section 152 of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014, it is proposed that Mr. Shailesh Haribhakti existing Independent Director who meets the criteria of independence, be appointed as an Independent Director of the Company, not liable to retire by rotation, for the second term to hold office for a term of 5 (five) consecutive years from commencing from 31st July, 2015. The Directors have recommended passing of Special Resolution in this regard.

Mr. Sanjiv Kapoor (DIN: 00004005) and Dr. Prakash Hebalkar (DIN: 00370499) were appointed as Independent Directors for a term from the date of the 15th Annual General Meeting till the conclusion of the 16th Annual General Meeting of the Company. Their first term of appointment shall come to an end on the date

of the 16th Annual General Meeting. Both Mr. Kapoor and Dr. Hebalkar are eligible for appointment for the second term as Independent Directors not liable to retire by rotation. They have also given a declaration under Section 149(7) of the Companies Act, 2013 that they meet the criteria of Independence as provided in Section 149(6) of the Companies Act, 2013.

Pursuant to Section 149 and Section 152 of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014, it is proposed that Mr. Sanjiv Kapoor and Dr. Prakash Hebalkar existing Independent Directors who meet the criteria of Independence, be appointed as Independent Directors of the Company, not liable to retire by rotation, for the second term to hold office for a term of 2 (two) consecutive years commencing from 31st July, 2015. The Directors have recommended passing of Special Resolutions in this regard.

All the above Directors i.e. Mr. Arun Nanda, Mr. Shailesh Haribhakti, Mr. Sanjiv Kapoor and Dr. Prakash Hebalkar are not disqualified from being re-appointed as Directors by virtue of the provisions of Section 164 of the Companies Act, 2013.

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, evaluation of every Director's performance was done by Nomination and Remuneration Committee. The performance evaluation of Non-Independent Directors and the Board as a whole, Committees thereof and Chairperson of the Company was carried out by the Independent Directors. Evaluation of Independent Directors was carried out by the entire Board of Directors, excluding the Director being evaluated. A structured questionnaire was prepared after circulating the draft forms, covering various aspects of the evaluation such as adequacy of the size and composition of the Board and Committee thereof with regard to skill, experience, independence, diversity, attendance and adequacy of time given by the Directors to discharge their duties, Corporate Governance practices etc. The Directors expressed their satisfaction with the evaluation process.

The details of familiarisation programme for Independent Directors have been disclosed on website of the Company and is available at the link: http://www.mahindralifespaces.com/pdf/mldl%20_familiarisation%20programme%20for%20independent%20directors.pdf

The following policies of the Company are attached herewith and marked as **Annexure 3**, **Annexure 4A** and **Annexure 4B**.

1. Policy on appointment of Directors and Senior Management (Annexure 3);
2. Policy on Remuneration of Directors (Annexure 4A); and
3. Policy on Remuneration of Key Managerial Personnel and Employees (Annexure 4B).

The Managing Director & CEO draws remuneration only from the Company and does not receive any remuneration or commission from any of its subsidiary companies / holding company.

KEY MANAGERIAL PERSONNEL

During the year under review, the Company has appointed following persons as Key Managerial Personnel under the Companies Act, 2013:

Sr. no.	Name of the person	Designation
1.	Ms. Anita Arjundas	Managing Director & CEO
2.	Mr. Suhas Kulkarni	Company Secretary
3.	Mr. Jayantt Manmadkar	Chief Financial Officer

MEETINGS

A calendar of Meetings is prepared and circulated in advance to the Directors. During the year seven Board Meetings were convened and held the details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 and the Listing Agreement.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3)(c) of the Companies Act, 2013, the Directors, based on the representations received from the operating management and after due enquiry, confirm that:

- in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;
- they had 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 on 31st March, 2015 and of the profit of the Company for that period;
- they had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- they had prepared the annual accounts on a going concern basis;
- they had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- they had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

INTERNAL FINANCIAL CONTROLS

The Company has in place adequate internal financial controls with reference to the financial statement. The Audit Committee of the Board periodically reviews the internal control systems with the management, Internal Auditors and Statutory Auditors and the adequacy of internal audit function, significant internal audit findings and follow-ups thereon.

COMPOSITION OF AUDIT COMMITTEE

The Audit Committee of the Company as on 31st March, 2015 comprised of three independent Directors, namely Mr. Sanjiv Kapoor, Mr. Shailesh Haribhakti, Mr. Anil Harish and one Non-Executive Non-Independent Director, Mr. Uday Y. Phadke. Mr. Sanjiv Kapoor is the Chairman of the Committee. Mr. Anil Harish has resigned from the Board of the Company effective 16th June, 2015 and consequently ceases to be a member of the Audit Committee effective 16th June, 2015. All members of the Audit Committee possess strong knowledge of accounting and financial management. The Chairman, the Managing Director & Chief Executive Officer, Chief Financial Officer, the Internal Auditors and Statutory Auditors are regularly invited to attend the Audit Committee Meetings. The Company Secretary is the Secretary to the Committee. The Internal Auditor reports to the Audit Committee. The significant audit observations and corrective action taken by the management are presented to the Audit Committee. The Board has accepted all recommendations of the Audit Committee made from time to time.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has established a vigil mechanism by adopting a Whistle Blower Policy for Directors and employees to report genuine concerns in the prescribed manner. The vigil mechanism is overseen by the Audit Committee and provides adequate safeguards against victimization of employees and Directors. Whistle Blower Policy is a mechanism to address any complaint(s) related to fraudulent transactions or reporting intentional non-compliance with the Company's policies and procedures and any other questionable accounting/operational process followed. It provides a mechanism for employees to approach the Chairman of Audit Committee or Chairman of the Company or the Corporate Governance Cell. During the year, no such incidence was reported and no personnel were denied access to the Chairman of the Audit Committee or Chairman of the Company or the Corporate Governance Cell. The Whistle Blower Policy of the Company is available at web link : <http://www.mahindralifespaces.com/pdf/mldl-whistleblowerpolicy.pdf>

RISK MANAGEMENT

The Company already has in place the procedure to inform the Board about the risk assessment and minimization procedures. Your Company has appropriate risk management systems in place for identification and assessment of risks, measures to mitigate them, and mechanisms for their proper and timely monitoring and reporting. Your Company has constituted a "Risk Management Committee" consisting of two Directors and the Chief Financial Officer, for monitoring and reviewing of the risk assessment, mitigation and risk management plan from time to time. The Board periodically reviews implementation and monitoring of the risk management plan for the Company including identification therein of elements of risks, if any, which in the opinion of the Board may threaten the existence of the Company.

AUDITORS

M/s. B. K. Khare & Co., Chartered Accountants, Mumbai, retire as Auditors at the 16th Annual General Meeting. As required under the provisions of Section 139 and 141 of the Companies Act, 2013, the Company has received a written consent and certificate from M/s. B. K. Khare & Co., Chartered Accountants, Mumbai, proposed to be re-appointed as Auditors for one year i.e. upto conclusion of the 17th Annual General Meeting of the Company, to the effect that their re-appointment, if made, would be in conformity with the limits specified in the said Section and that they are not disqualified to be appointed as Auditors of the Company. The Board has recommended to the shareholders re-appointment of M/s. B. K. Khare & Co., Chartered Accountants, Mumbai, as the Auditors to hold office from the ensuing Annual General Meeting till the conclusion of the next Annual General Meeting and to fix their remuneration.

The notes of the financial statements referred to in the Auditor's Report are self-explanatory and do not call for any further comments. The Auditor's Report does not contain any qualification, reservation or adverse remark.

Cost Auditors

The Board of Directors, on recommendation of the Audit Committee, has appointed M/s. A. B. Nawal & Associates, Cost Accountants, Pune, as Cost Auditors of the Company, for the Financial Year 2014-15, for conducting the audit of the cost records maintained by the Company for the various products as mandated by the Central Government, pursuant to its order dated 30th June, 2014 and any amendments thereof, subject to the approval of the Members on the remuneration to be paid to the Cost Auditor.

Secretarial Auditor

The Board has appointed M/s. Martinho Ferrao & Associates, Practising Company Secretaries to conduct the secretarial audit for the financial year 2014-15. The Secretarial Audit report for the financial year ended 31st March, 2015 is annexed herewith and marked as **Annexure 5** to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

Particulars of loans, guarantees or investments under Section 186 of the Companies Act, 2013

As your Company is engaged in the business of providing Infrastructural facilities, the provisions of Section 186 of the Companies Act, 2013 related to loans made, guarantees given or securities provided are not applicable to the Company. However, the details of the same are provided in the standalone financial statement at Note no.13 and 19.

Particulars of investment made under Section 186 of the Companies Act, 2013 are provided in the standalone financial statement at Note no. 12.

Contracts and Arrangements with Related Parties

The Company in its ordinary course of business extends financial assistance to its subsidiary companies, including wholly owned subsidiary companies for their principle business activities. To support the wholly owned subsidiary companies (whose accounts are consolidated with the Company and placed before the shareholders at the general meeting for approval) during their long gestation period of projects, at the request of such wholly owned subsidiary companies, the Company provides loans without charging any interest. Such contracts and arrangements with wholly owned subsidiary companies do not fall into any category of contracts or arrangements envisaged under Section 188 of the Companies Act, 2013 and are considered in accordance with the practice followed by the Company as 'on arm's length basis'.

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis.

During the year, the Company had not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions.

In view of the above, the requirement of giving particulars of contracts / arrangements made with related parties, in Form AOC-2 are not applicable for the year under review.

The Policy on materiality of related party transactions and also on dealing with related party transactions as approved by the Board may be accessed on the Company's website at the link: <http://www.mahindralifespaces.com/pdf/policy%20on%20materiality%20of%20and%20dealing%20with%20related%20party%20transactions-website.pdf>

Your Directors draw attention of the members to Note 39 to the standalone financial statement which sets out related party disclosures.

Deposits, Loans and Advances

Your Company has not accepted any deposit from the public or its employees during the year under review. The details of loans and advances, which are required to be disclosed in the annual accounts of the Company pursuant to Clause 32 of the Listing Agreement with the Company, are furnished separately at **Annexure 6**.

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

The particulars relating to the Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo as per Section 134(3)(m) of the Companies Act, 2013 read with the Rule 8(3) of the Companies (Accounts) Rules, 2014 are given in the **Annexure 7** to this report.

Employee Remuneration

The statement containing particulars of employees as required under Section 197 (12) of the Companies Act, 2013 read with Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this report as **Annexure 8 A**. None of the employees listed in the said statement is a relative of any Director of the Company. None of the employees hold (by himself/herself or along with his/her spouse and dependent children) more than 2% of the Equity shares of the Company.

The ratio of remuneration of each Director to the median employees' remuneration and other details in terms of Section 197 (12) of the Companies Act, 2013 read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are forming part of this report as **Annexure 8 B**.

Extract of Annual Return

The details forming part of the Extract of the Annual Return in Form MGT-9, as required under Section 92 of the Companies Act, 2013 is included in this Report as **Annexure 9** and forms part of this Report.

General

During the year under review, no revision was made in the financial statement of the Company.

During the year ended 31st March, 2015, there were no cases filed / reported pursuant to the Sexual Harassment of women at workplace (Prevention, Prohibition and Redressal) Act, 2013.

No penalties / strictures were imposed on the Company by Stock Exchanges or SEBI or any statutory authority on any matter

related to capital market since the listing of the Company's equity shares. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operation in future.

CAUTIONARY STATEMENT

Certain statements in the Directors' Report describing the Company's objectives, projections, estimates, expectations or predictions may be forward-looking statements within the meaning of applicable securities laws and regulations. Actual results could differ from those expressed or implied. Important factors that could make a difference to the Company's operations include labour and material availability, and prices, cyclical demand and pricing in the Company's principal markets, changes in government regulations, tax regimes, economic development within India and other incidental factors.

ACKNOWLEDGMENT

The Directors would like to thank all shareholders, customers, bankers, contractors, suppliers, joint venture partners and associates of your Company for the support received from them during the year. The Directors would also like to place on record their appreciation of the dedicated efforts put in by the employees of the Company.

For and on behalf of the Board,

Anita Arjundas	Shailesh Haribhakti
Managing Director & CEO	Director
DIN: 00243215	DIN: 00007347
Mumbai, 19 th June, 2015	Mumbai, 19 th June, 2015

ANNEXURE 1 TO THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2015

Information to be disclosed under the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and Section 62(1)(b) of the Companies Act, 2013 read with Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014:

	Particulars as on 31st March, 2015	ESOS 2006	ESOS 2012
(a)	Total Number of Options granted	6,78,359 + 10,000*	1,01,000 + 26,500+27,000
(b)	The Pricing formula	Average price preceding the specified date — 24 th April, 2008	Face Value - ₹ 10
		Average price — Average of the daily high and low of the prices for the Company's Equity Shares quoted on Bombay Stock Exchange Limited during 15 days preceding the specified date	-----
		Specified date — Date on which the Remuneration Committee decided to recommend granting of Stock Options to the employees and Directors of the Company and its holding / subsidiary companies under an Employees' Stock Option Scheme	-----
(c)	Number of Options vested	4,35,230	16,300
(d)	Number of Options exercised	1,72,750	25,800
(e)	Total No. of Shares arising as a result of exercise of Options	1,72,750	25,800
(f)	Number of Options lapsed/ cancelled	75,379	10,500
(g)	Exercise Price	₹ 428.00 and ₹ 325.00*	₹ 10
(h)	Variation of terms of Options	Pursuant to the authority granted to the Nomination and remuneration Committee (earlier known as Remuneration Committee) the following administrative changes were made. The terms of the exercise of Options were revised, during the financial year 2010 - 2011 (i) to provide for exercise of vested Stock Option by eligible employees at any time during a period of five years from the respective date of vesting instead of earlier option of exercising only on the anniversary of their vesting (ii) subject to other terms in this regard, retired / resigned employees are allowed to exercise the vested Stock Options at any time during the period of five years from respective date of vesting as against exercise of Options within 3 months from the date of retirement/ resignation and (iii) on 22 nd April, 2014, the terms for exercise of options w.r.t. options granted on 25 th April, 2008 were further revised by having a uniform last date for exercise of vested Options as 24 th April, 2017 and w.r.t. options granted on 4 th August, 2012, by having a uniform last date for exercise of options as 3 rd August, 2021.	NIL
(i)	Money realized by exercise of Options	7,34,22,000	2,58,000
(j)	Total Number of Options in force	4,40,230	1,18,200

	Particulars as on 31 st March, 2015	ESOS 2006		ESOS 2012	
(K)	Employee-wise details of Options granted to:	Name of the Senior managerial personnel to whom Stock Options have been granted	Options granted in April, 2008	Name of the Senior managerial personnel to whom Stock Options have been granted	Options granted in August, 2012
	(i) KMP and Directors	Mr. Arun Nanda	2,00,000	Ms. Anita Arjundas	10,000
		Mr. Hemant Luthra (Resigned as Director w.e.f. 30 th January, 2009)	10,000	Ms. Sangeeta Prasad	6,000
		Mr. Uday Y. Phadke	10,000		
		Mr. Anil Harish (Resigned as Director w.e.f. 16 th June, 2015)	10,000		
		Mr. Sanjiv Kapoor	10,000		
		Mr. Shailesh Haribhakti	10,000		
		Dr. Prakash Hebalkar (Grant Date 4 th August, 2012)	10,000		
		Mr. Pawan Malhotra (Resigned as MD and Director w.e.f. 23 rd June 2009 as his services were then transferred to the holding company Mahindra & Mahindra Limited)	50,000		
		Ms. Anita Arjundas	50,000		
	(ii) Any other employee who receives a grant in any one year of Option amounting to 5% or more of Option granted during that year	Nil		<p>101,000 Options were granted on 4th August, 2012</p> <p>Employees receiving grant of 5% or more of the above :</p> <p>1) Ms. Anita Arjundas : 10,000</p> <p>2) Ms. Sangeeta Prasad : 6,000</p> <p>26,500 Options were granted on 24th July, 2013</p> <p>Employees receiving grant of 5% or more of the above :</p> <p>1) Mr. Deepak Ahluwalia : 1,500</p> <p>2) Mr. Kamal Sharma : 1,500</p> <p>3) Mr. Sanjay Bhagat : 1,500</p> <p>4) Mr. Sundaresan Vaidyanathan : 2,500</p> <p>5) Ms. Smeeta Neogi : 4,000</p> <p>6) Mr. Riyaz Bhada : 2,500</p> <p>7) Mr. Tirthankar Chatterjee : 4,000</p> <p>8) Mr. Rajesh Sriramshetty : 1,500</p> <p>9) Mr. Parcha Radha Kishan : 1,500</p> <p>10) Mr. Akhilesh Ayyappan : 1,500</p> <p>11) Ms. Arti Shinde : 1,500</p> <p>12) Mr. R. Guru Shankar : 1,500</p> <p>13) Mr. Rajendra Gadekar : 1,500</p> <p>27,000 Options were granted on 17th October, 2014</p> <p>Employees receiving grant of 5% or more of the above :</p> <p>1) Mr. Jasmin Suchak : 1,500</p> <p>2) Ms. Bharathy Shivakumar : 1,500</p> <p>3) Mr. Meraj Choudhari : 1,500</p> <p>4) Mr. Vimal Mishra : 1,500</p> <p>5) Ms. Ajay Saklani : 1,500</p> <p>6) Mr. Lokesh Gupta : 4,000</p> <p>7) Mr. Sanjay Srivastava : 6,000</p>	

	Particulars as on 31 st March, 2015	ESOS 2006	ESOS 2012
			8) Mr. Girish Menon : 1,500 9) Mr. Ashish Singhal : 2,500 10) Ms. Ajay Shah : 1,500 11) Mr. Deepak Porayath : 4,000
	(iii) Identified employees who were granted Option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions, if any) of the Company at the time of grant	Nil	Nil
(k)	Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of Option calculated in accordance with Accounting Standard (AS) 20 'Earnings per Share'	56.70	
(l)	Where the Company has calculated the employee compensation cost using the intrinsic value of the Stock Options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognised if it had used the fair value of the Options, shall be disclosed. The impact of this difference on profits and on EPS of the Company shall also be disclosed.	The Company has calculated the employee compensation cost using the intrinsic value of Stock Options. Had the fair value method been used, the employee compensation cost would have been lower by ₹ 12.87 lakhs. Had the fair value method been used, the profit after tax would have been higher by ₹ 8.90 lakhs. Had the fair value method been used, the basic and diluted earnings per share would have been higher by ₹ 0.03	

	Particulars as on 31 st March, 2015	ESOS 2006			ESOS 2012		
		Options Grant Date	Exercise Price	Fair value	Options Grant Date	Exercise Price	Fair value
(m)	Weighted-average exercise prices and weighted-average fair values of Options shall be disclosed separately for Options whose exercise price either equals or exceeds or is less than the market price of the stock.	25 th April, 2008	₹ 428.00	₹ 291.04	4 th August, 2012	₹ 10.00	₹ 294.06
		4 th August, 2012	₹ 325.00	₹ 294.06	24 th July, 2013	₹ 10.00	₹ 409.27
					17 th October, 2014	₹ 10.00	₹ 461.87
(n)	A description of the method and significant assumptions used during the year to estimate the fair values of Options, including the following weighted-average information:	N.A.					
	(i) risk-free interest rate,				(i) 8.49% - 8.52%		
	(ii) expected life,				(ii) 3.5-6.5 Years		
	(iii) expected volatility,				(iii) 26.68%-43.74%		
	(iv) expected dividends, and				(iv) 2.28%		
	(v) the price of the underlying share in market at the time of Option grant.				(v) ₹ 516.08		

* Refers to Stock Options granted to Dr. Prakash Hebalkar on 4th August, 2012.

The Company has adopted intrinsic value method on ESOS 2006 for computing the compensation cost for the options granted. The exercise price of the shares is based on the average of the daily high and low of the prices for the Company's Equity Shares quoted on the Bombay Stock Exchange Limited, during the 15 days preceding the grant of the Options. The Intrinsic value i.e. the difference between the market price of the share and the exercise price is being amortised as employee compensation cost over the vesting period.

The Company has granted ESOS 2012 at an exercise price of ₹ 10 each, which is equal to the face value of the equity share of the Company

For and on behalf of the Board,

Anita Arjundas	Shailesh Haribhakti
Managing Director & CEO	Director
DIN: 00243215	DIN: 00007347
Mumbai, 19 th June, 2015	Mumbai, 19 th June, 2015

ANNEXURE 2 TO THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2015**THE ANNUAL REPORT ON CSR ACTIVITIES**

1. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.
 - a) The Company has a mission of: 'Transforming Urban landscapes by creating sustainable communities'. The path towards transformation calls for building on its strengths to embrace and drive change. The Company's CSR initiatives are focussed in the areas of education, public health and environment. This is in line with the Mahindra Group's 'Core Purpose' to "challenge conventional thinking and innovatively use all our resources to drive positive change in the lives of our stakeholders and communities across the world, to enable them to Rise". The Company endeavours to enable inclusive development so as to help the communities around its projects to prosper in all walks of life;
 - b) The Company has formed a CSR policy which is available on : <http://www.mahindralifespaces.com/pdf/mldl%20csr%20policy-final-cln.pdf>;
 - c) The Company has planned following projects in the identified areas:

Sr. No.	Project Name	Focus area
1.	Sponsoring girl child education - Nanhi Kali	Education
2.	Supporting child education - Gyandeep	
3.	Skill development	
4.	Cleanliness drive - Swachh Bharat	Public health
5.	Health Check-up camps	
6.	Tree Plantation - Project Haryali	Environment
7.	Green Army school activation project	

2. The composition of the CSR Committee of the Board of Directors as on 31st March, 2015:

Mr. Arun Nanda
 Mr. Anil Harish*
 Ms. Anita Arjundas

* Mr. Anil Harish resigned from the Board of Directors of the Company w.e.f. 16th June, 2015 and the Board at its meeting held on 19th June, 2015 nominated Mr. Shailesh Haribhakti, a Non-executive Independent Director on the CSR Committee.

3. Average net profit of the company for last three financial years : ₹ 131 crores;
4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above) : ₹ 2.62 crores;
5. Details of CSR spent during the financial year:

- a. Total amount to be spent for the financial year : ₹ 2.62 crores;
- b. Amount unspent (if any) : Nil;
- c. Manner in which the amount spent during the financial year was utilised is detailed below:

(1) Sr. no.	(2) CSR project of activity identified	(3) Sector in which the project is covered	(4) Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs were undertaken	(5) Amount outlay (budget) project or program wise (₹ In Lakhs)	(6) Amount spent on the projects or programs Sub heads : (1) Direct expenditure on projects or programs (2) Overhead (₹ In Lakhs)	(7) Cumulative expenditure upto the reporting period (₹ In Lakhs)	(8) Amount spent: Direct or through implementing agency
1	Nanhi Kali - sponsored the education of 3,429 girls	Education	Mumbai, Nagpur, Pune, Hyderabad, Chennai, Delhi	131	Direct expenditure: 131	131	Implementing Agency : K. C. Mahindra Education Trust

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sr. no.	CSR project of activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs were undertaken	Amount outlay (budget) project or program wise (₹ In Lakhs)	Amount spent on the projects or programs Sub heads : (1) Direct expenditure on projects or programs (2) Overhead (₹ In Lakhs)	Cumulative expenditure upto the reporting period (₹ In Lakhs)	Amount spent: Direct or through implementing agency
2	Swachh Bharat - Cleanliness drive projects	Health	Mumbai, Nagpur, Pune, Hyderabad, Chennai, Delhi	0	Direct expenditure: 73	73	Implementing Agency: Mahindra Foundation
3	Gyandeeep - supporting the education of children near construction sites	Education	Nagpur, Delhi and Pune	15	Direct expenditure: 9.05	9.03	NGO: Doorstep
4	Project Haryali - Tree Plantation of 25150 nos	Environment	Mumbai, Nagpur, Pune, Hyderabad, Chennai, Delhi	30	Direct expenditure: 19.24	19.24	Various regional NGOs
5	Skill development - Skill development activities for 100 people in nearby vicinity with the help of NGOs	Education	Chennai and Nagpur	13	Direct expenditure: 0.93	0.93	Direct
6	Health Check up camps - Health check up and eye check up camps covering 4766 people from nearby villages	Health	Nagpur, Pune, Chennai, Delhi	12	Direct expenditure: 0.13	0.13	Direct
7	Green Army - School activation project covered 2565 school children from 13 schools to inculcate sustainable living habits	Environment & Education	Mumbai, Chennai	25	Direct expenditure: 17.30	17.30	Direct
8	Others - Beautification of public spaces & other miscellaneous activities	Health, Education, Education & Culture	Mumbai, Nagpur, Pune, Hyderabad, Chennai, Delhi	15	Direct expenditure: 13.32	13.32	Various regional NGOs
	Total			262.19	264.17	264.17	

6. In case, the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board report:

The Company has spent ₹ 264 Lakhs as against the required CSR expenditure of ₹ 262 Lakhs calculated in the manner prescribed in the Companies Act, 2013.

7. The implementation and monitoring of CSR policy is in compliance with CSR objectives and Policy of the Company.

Anita Arjundas

(Managing Director & Chief Executive Officer)
Mumbai, 30th April, 2015

Arun Nanda

(Chairman CSR Committee)
Mumbai, 30th April, 2015

ANNEXURE 3 TO THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2015:

POLICY ON APPOINTMENT OF DIRECTORS AND SENIOR MANAGEMENT

I. APPOINTMENT OF DIRECTORS

- The Nomination and Remuneration Committee (NRC) of the Board of Directors (Board) of the Company reviews and assesses Board composition and recommends the appointment of new Directors. In evaluating the suitability of individual Board member, the NRC shall take into account the following criteria regarding qualifications, positive attributes and also independence of director when Independent Director is to be appointed :
 1. All Board appointments will be based on merit, in the context of the skills, experience, diversity, and knowledge, for the Board as a whole to be effective;
 2. Ability of the candidates to devote sufficient time and attention to his / her professional obligations as Director for informed and balanced decision making;
 3. Adherence to the applicable Code of Conduct and highest level of Corporate Governance in letter and in spirit by the Directors.
- Based on recommendation of the NRC, the Board will evaluate the candidate(s) and decide on the selection of the appropriate member. The Board through the Chairman or the Managing Director & CEO will interact with the new member to obtain his/her consent for joining the Board. Upon receipt of the consent, the new Director will be co-opted by the Board in accordance with the applicable provisions of the Companies Act, 2013 and Rules made thereunder.

REMOVAL OF DIRECTORS

If a Director is attracted with any disqualification as mentioned in any of the applicable Act, rules and regulations thereunder or due to non - adherence to the applicable policies of the Company, the NRC may recommend to the Board with reasons recorded in writing, removal of a Director subject to the compliance of the applicable statutory provisions.

SENIOR MANAGEMENT PERSONNEL

The NRC shall identify persons based on merit, experience and knowledge who may be appointed in senior management team.

Senior Management personnel are appointed or promoted and removed/relieved with the authority of Managing Director & CEO based on the business need and the suitability of the candidate. The details of the appointment made and the personnel removed one level below the Key Managerial Personnel during a quarter shall be presented to the Board.

For and on behalf of the Board,

Anita Arjundas	Shailesh Haribhakti
Managing Director & CEO	Director
DIN: 00243215	DIN: 00007347
Mumbai, 19 th June, 2015	Mumbai, 19 th June, 2015

ANNEXURE 4A TO THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2015:

POLICY FOR REMUNERATION OF THE DIRECTORS

Purpose

This Policy sets out the approach to Compensation of Directors, in Mahindra Lifespace Developers Limited.

Policy Statement

We have a well-defined Compensation policy for Directors, including the Chairman of the Company. The overall compensation philosophy which guides us to focus on enhancing the value, to attract, to retain and motivate Directors for achieving objectives of the Company and to become a major player in Indian Real Estate Sector, to maintain the pioneer status in the Integrated Business City format, to be the most trusted brand in the business we operate in and focus on customer centricity through transparency, quality and on-time delivery, to be a thought leader and establish industry benchmarks in Sustainable Development.

In order to effectively implement this, we have built our Compensation structure by a regular annual benchmarking over the years with relevant players across the industry we operate in.

NON-EXECUTIVE INCLUDING INDEPENDENT DIRECTORS:

The Nomination and Remuneration Committee (NRC) shall decide the basis for determining the compensation, both fixed and variable, to the Non-Executive Directors, including Independent Directors, whether as commission or otherwise. The NRC shall take into consideration various factors such as director's participation in Board and Committee meetings during the year, other responsibilities undertaken, such as membership or Chairmanship of committees, time spent in carrying out their duties, role and functions as envisaged in Schedule IV to the Companies Act, 2013 and Clause 49 of the Listing Agreement with Stock Exchanges and such other factors as the NRC may consider deem fit for determining the compensation. The Board shall determine the compensation to Non-Executive Directors within the overall limits specified in the Shareholders resolution.

Managing Director & Chief Executive Officer (MD & CEO) and Executive Directors

Remuneration of the MD & CEO and Executive Directors reflects the overall remuneration philosophy and guiding principle of the Company. While considering the appointment and remuneration of Managing Director and Executive Directors, the NRC shall consider the industry benchmarks, merit and seniority of the person and shall ensure that the remuneration proposed to be paid is commensurate with the remuneration packages paid to similar senior level counterpart(s) in other companies. The policy aims at a balance between fixed and variable pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

The remuneration to the MD & CEO shall be recommended by NRC to the Board. The remuneration consists of both fixed compensation and variable compensation and shall be paid as salary, commission, performance bonus, stock options (where applicable), perquisites and fringe benefits as per the policy of the Company from time to time and as approved by the Board and within the overall limits specified in the Shareholders resolution. While the fixed compensation is determined at the time of appointment, the variable compensation will be determined annually by the NRC based on the performance of MD & CEO.

The term of office and remuneration of MD & CEO is subject to the approval of the Board of Directors, shareholders, and Central Government, as may be required and within the statutory limits laid down in this regard from time to time.

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay, subject to the requisite approvals, remuneration to its MD & CEO in accordance with the provisions of Schedule V to the Companies Act, 2013.

If a MD & CEO draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act, 2013 or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

Remuneration for MD & CEO is designed subject to the limits laid down under the Companies Act, 2013 to remunerate him / her fairly and responsibly. The remuneration to the MD & CEO comprises of salary, perquisites and benefits as per policy of the Company and performance based incentive apart from retirement benefits like P.F., Superannuation, Gratuity, Leave Encashment, etc. as per Rules of the Company. Salary is paid within the range approved by the Shareholders. Increments are effective annually, as recommended / approved by the NRC / Board. The MD & CEO is entitled for grant of Stock Options as per the approved Stock Options Schemes of the Company from time to time.

Directors

The MD & CEO is an executive of the Company and draws remuneration from the Company. The Non-Executive Chairman and Independent Directors receive sitting fees for attending the meeting of the Board and the Committees thereof, as fixed by the Board of Directors from time to time subject to statutory provisions. The Non-Executive Chairman and Independent Directors would be entitled to the remuneration under the Companies Act, 2013. A Non-Executive Non-Independent Director who receives remuneration from the holding company or any other group company is not paid any sitting fees or any remuneration. In addition to the above, the Directors are entitled for reimbursement of expenses incurred in discharge of their duties.

The Company may also grant Stock Options to the eligible employees and Directors (other than Independent Directors) in accordance with the ESOP Schemes of the Company from time to time and subject to the compliance of the applicable statutes and regulations.

Disclosures

Information on the total remuneration of members of the Company's Board of Directors, Managing Director and Executive Directors and KMP/senior management personnel may be disclosed in the Board's report and the Company's annual report / website as per statutory requirements in this regard.

For and on behalf of the Board,

Anita Arjundas	Shailesh Haribhakti
Managing Director & CEO	Director
DIN: 00243215	DIN: 00007347
Mumbai, 19 th June, 2015	Mumbai, 19 th June, 2015

ANNEXURE 4B TO THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2015:

POLICY ON REMUNERATION OF KEY MANAGERIAL PERSONNEL AND EMPLOYEES

This Policy shall be effective from the financial year 2014 - 15.

Objective

To establish guidelines for remunerating employees fairly and in keeping with Statutes.

Standards

- All employees, irrespective of contract, are to be remunerated fairly and the remuneration is to be externally competitive and internally equitable. The remuneration will be paid in accordance with the laid down Statutes.
- Remuneration for on-roll employees will include a fixed or guaranteed component payable monthly; and a variable component which is based on performance and paid annually in the month of July following the fiscal.
- The fixed component of remuneration will have a flexible component with a bouquet of allowances to enable an employee to choose the allowances as well as the quantum based on laid down limits as per Company policy. The flexible component can be varied only once annually in the month of July i.e. after the salary increment exercise.
- The variable component of the remuneration will be a function of the employee's grade.
- The actual pay-out of variable component of the remuneration will be a function of individual performance as well as business performance. Business performance is evaluated using a Balanced Score Card (BSC) while individual performance is evaluated on Key Result Areas (KRA). Both the BSC and KRAs are evaluated at the end of the fiscal to arrive at the BSC rating of the business and PPS rating of the individual.
- An annual compensation survey is carried out to ensure that the Company's compensation is externally competitive. Based on the findings of the survey and the business performance, the Sector Talent Council decides:
 - a) The increment that needs to be paid for different performance ratings as well as grades.
 - b) The increment for promotions and the total maximum increment.
 - c) The maximum increase in compensation cost in % and absolute.
 - Compensation corrections are made in a few cases where it is outside the band or to keep it tune with the market.

For and on behalf of the Board,

Anita Arjundas	Shailesh Haribhakti
Managing Director & CEO	Director
DIN: 00243215	DIN: 00007347
Mumbai, 19 th June, 2015	Mumbai, 19 th June, 2015

ANNEXURE 5 TO THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2015

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2015

[Pursuant to Section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
Mahindra Lifespace Developers Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Mahindra Lifespace Developers Limited** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the **Mahindra Lifespace Developers Limited's** books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year **ended on 31st March, 2015**, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **Mahindra Lifespace Developers Limited** ("the Company") for the financial year ended on 31st March, 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, as amended / re-enactment thereof;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client - **Not applicable as the Company is not registered as Registrar to an issue and Share Transfer Agent during the financial year under review;**
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - **Not applicable as the Company has not delisted its equity shares from any Stock Exchange during the financial year under review;** and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 - **Not applicable as the Company has not bought back any of its securities during the financial year under review.**
- (vi) We have also examined the compliances of the provisions of the following other laws applicable specifically to the company wherein we have also relied on the compliance certificates issued by the head of the respective departments in addition to the checks carried out by us:
 1. The Right to Fair Compensation & Transparency in land Acquisition, Rehabilitation & Resettlement Act, 2013;
 2. The Building & Other Construction Workers (Regulation of employment and conditions of service) Act, 1996;

3. The Building & Other Construction Workers (Regulation of employment and conditions of service) Welfare Cess Act, 1996;
4. Town & Country Planning Acts and Development Control Regulations & Building Bye Laws as applicable at various locations;
5. The Special Economic Zone Act, 2005 and Rules thereunder;
6. The Ownership Flats & Apartment Ownership Act as applicable at various locations;
7. The Co-operative Societies Act, as applicable at various locations;
8. The Environment Protection Act, 1986;
9. The Child Labour (Prohibition & Regulation) Act, 1986;
10. The Contract Labour (Regulation and Abolition) Act, 1970.

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India. **(not mandatory for the period under review but were generally followed by the Company);**
- (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange and National Stock Exchange.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the company, its officers, agents and its authorised representatives during the conduct of Secretarial Audit we hereby report that in our opinion during the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that:

1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review i.e. the appointment of Independent Directors of the Company Mr. Shailesh Haribhakti, Mr. Sanjiv Kapoor, Mr. Anil Harish and Dr. Prakash Hebalkar and the Appointment and Remuneration of Managing Director & CEO were carried out in compliance with the provisions of the Act;
2. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
3. Majority decision is carried through while the dissenting members' views, if any are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the Company has:

1. taken approval of shareholders in the AGM held on 7th August, 2014 for Private Placement of Non-Convertible Debentures and / or other Debt Securities upto an aggregate amount of ₹ 7,50,00,00,000/- (Rupees Seven Hundred Fifty crores only).
2. taken approval of shareholders in the AGM held on 7th August, 2014 under Section 180(1)(c) for borrowing limits upto ₹ 15,00,00,00,000/- (Rupees One Thousand Five Hundred crores only).
3. taken approval of shareholders under Section 180(1)(a) through Postal Ballot, result of which was declared in the AGM held on 7th August, 2014, for selling, leasing or disposing of undertaking of the Company and creation of charge/ mortgage over the assets/ properties of the Company, present and future, in respect of borrowings of an equivalent aggregate amount upto ₹ 15,00,00,00,000/- (Rupees One Thousand Five Hundred crores only).
4. made allotment of Equity shares under Employee Stock Option Scheme, 2006 (ESOP 2006) and Employee Stock Option Scheme, 2012 (ESOP 2012) of the Company.

For **Martinho Ferrao & Associates**
Company Secretaries

Martinho Ferrao
Proprietor
FCS No. 6221
C P. No. 5676

Place: Mumbai
Date: 19th June, 2015

ANNEXURE 6 TO THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2015

Particulars of loans and advances, and investments in its own shares by listed companies, their subsidiaries, associates etc. required to be disclosed in the annual accounts of the Company pursuant to Clause 32 of the Listing Agreement with the Company and its holding company Mahindra & Mahindra Limited:

Loans and advances in the nature of loans to subsidiaries:

Name of the Company	(₹ in lakhs)	
	Balance as on 31 st March, 2015	Maximum outstanding during the year
Mahindra Integrated Township Limited	5,770.00	8,370.00
Mahindra Bebanco Developers Limited	1,764.56	1,764.56
Knowledge Township Limited.....	1,897.00	1,897.00
Mahindra World City Developers Limited.....	16,200.00	16,200.00
Mahindra World City Jaipur Limited.....	-	2,000.00
Anthurium Developers Limited.....	-	200.00

Loans and advances in the nature of loans to Associates:

Name of the Company	(₹ in lakhs)	
	Balance as on 31 st March, 2015	Maximum outstanding during the year
Topical Builders Private Limited	262.39	262.39
Kismat Developers Private Limited	0.25	0.25

For and on behalf of the Board,

Anita Arjundas	Shailesh Haribhakti
Managing Director & CEO	Director
DIN: 00243215	DIN: 00007347
Mumbai, 19 th June, 2015	Mumbai, 19 th June, 2015

ANNEXURE 7 TO THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2015:**(A) CONSERVATION OF ENERGY:**

(i) the steps taken or impact on conservation of energy;	<p>: As a part of sustainable development adequate measures have been initiated to reduce energy consumption. With respect to providing an Energy Efficient final product to its customers, the Company is developing Green Buildings.</p> <p>Green building increases the resource efficiency (energy, water, and materials), while reducing impacts on human health and the environment, through better selection of sites, design, construction, operation, maintenance, and removal i.e. the complete building life cycle</p> <p>Steps taken for energy conservation:</p> <ol style="list-style-type: none"> 1. Energy efficient building envelopes for walls and roofs including Low E glass in selective areas 2. Energy efficient electronic ballast & all lighting system; 3. Heat Reflective paint; 4. Artificial lighting control via daylight sensor; 5. Adoption of high efficiency light fittings; 6. Adoption of high efficiency pumps, motors; 7. Group control mechanism for lifts; 8. LED lamps for common areas & pathways; 9. Solar thermal water heaters for hot water generation in selective areas; 10. Solar street lights.
(ii) the steps taken by the Company for utilising alternate sources of energy;	<p>: Mahindra World City projects (MWC) in Chennai and Jaipur are setting standards in efficient usage of green energy.</p> <p>The first off-grid solar power plant in the state of Tamil Nadu was set up at Mahindra World City, Chennai in FY 11-12. Installed over 800 sq. mt. and equipped with a remote monitoring system, the 75 kW rooftop solar plant is expected to generate approximately 116,000 units (kWh) of clean electrical energy annually.</p> <p>Other initiatives to reduce energy consumption at MWC include use of energy efficient LED lighting. These LED lights, come with dimmable controllers which have a significant impact in maximising overall energy efficiency of the area. At Mahindra World City Jaipur, 90W LED lights are being installed in place of 150W metal halide to achieve an equivalent required lux levels on site. Savings from using LED street lights at Mahindra World City, Jaipur are estimated at 49.6% when compared to conventional metal halide street lamp. The total carbon abated annually is -1617.4 tCO₂e from this site-wide initiative</p> <p>During the year, an MOU has been signed between World Resources India (WRI) and Mahindra World City Chennai (MWCC) to explore options for Green Energy Procurement to fulfil the peak demand of energy for customers within the city through Renewable sources.</p>
(iii) the capital investment on energy conservation equipments	<p>: It is a mandate in Mahindra Lifespaces to develop all its projects as green building projects. The Company does not capture these expenses separately under environmental protection expenditures/green investments.</p> <p>During the feasibility study of the project for green building rating, these expenses are considered in the project budget itself.</p> <p>These expenditures are mainly for</p> <ol style="list-style-type: none"> 1. use of energy efficient building envelopes 2. fenestration like low e glass, 3. heat reflective paints, 4. low flow fixtures, 5. sewage treatment plants, 6. rain water harvesting system, 7. solar street lights, 8. organic waste converter, 9. energy efficient equipments such as pumps and motors, etc.

B. TECHNOLOGY ABSORPTION

- (i) the efforts made towards technology absorption : Technologies like Precast Concrete & Aluminium formwork, use of Cellular Lightweight Concrete & Autoclaved Aerated Concrete Blocks, latest tile work methodologies have been adopted.
- (ii) the benefits derived like product improvement, cost reduction, product development or import substitution : Increase in work speed, finish quality & lower manpower thereby reducing cost.
- (iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year) :
 - (a) The details of technology imported - Pre-cast Technology
 - (b) The year of import - FY 14-15
 - (c) Whether the technology been fully absorbed - Yes
 - (d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof - NA
- (iv) the expenditure incurred on Research and Development : N.A.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

Details of Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows are furnished in Note no. 27, 28, 29 and 30 to standalone financial statement.

For and on behalf of the Board,

Anita Arjundas	Shailesh Haribhakti
Managing Director & CEO	Director
DIN: 00243215	DIN: 00007347
Mumbai, 19 th June, 2015	Mumbai, 19 th June, 2015

ANNEXURE 8 A TO THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2015

ADDITIONAL INFORMATION AS PER SECTION 197 OF THE COMPANIES ACT, 2013, RULE 5(2) OF CHAPTER XIII, COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

Name of the Employee	Designation	Gross Remuneration (subject to Income-tax) (₹)	Qualifications	Age (years)	Experience (years)	Date of commencement of employment	Last employment and Designation
Ms. Anita Arjundas	Managing Director & Chief Executive Officer	2,16,91,737	B.Sc, MBA (Marketing)	47	24	01-Oct-07	Chief Operating Officer, Mahindra World City Developers Ltd.
Mr. Ramesh Ranganathan	Head - BD & Business Head (North)	1,28,88,716	BE (Chemical), MBA (Finance), CFA	39	13	25-Apr-11	Chief Investment officer – Peninsula Realty Fund
Mr. Sriram Mahadevan	Business Head - Happinest	84,08,453	B.Com, ACA, AICWA	45	20	01-Nov-11	EVP – Unitech Wireless
Mr. Rajendra Joshi	Business Head - West	90,33,857	BE (Elec & Comm.), PGDRM, PGDIT	49	25	01-Feb-09	VP - Marketing, Mahindra Integrated Township Ltd.
Mr. Suhas Kulkarni	Sr. Vice President - Legal & Company Secretary	91,29,317	B.Com, FCS, LLB, FIII, APSM - IIM C	56	35	18-Oct-04	Growel Group - Group Sr. GM - Legal & Secretarial

Name of the Employee	Designation	Gross Remuneration (subject to Income-tax) (₹)	Qualifications	Age (years)	Experience (years)	Date of commencement of employment	Last employment and Designation
Mr. Lancelot Cutinha	Head - Human Resources	79,78,690	B.Sc, MSC (Defence), PGDFT (International Marketing), MPM (Human Resources)	55	36	15-Jun-11	Sr. Vice President - HR , Reliance Broadcast Network Ltd.
Mr. Jayant Manmadkar	Chief Financial Officer	80,91,171	M.Com., ACA, ACS, AICWAI	46	22	08-Dec-11	VP Finance - Wockhardt Hospitals Pvt Ltd
Ms. Smeeta Neogi	Vice President - Marketing	65,95,872	BA, MMS (Marketing)	50	22	19-Mar-12	Time Television Network - VP Marketing
Ms. Sangeeta Prasad	CEO - IC & IC Business	1,40,08,654	B.E (Electric), MBA	47	23	04-Aug-08	CEO - MWC & Biz. Head (South)
Eric Hauptstein*	Head Projects	1,22,38,010	MSc (Civil), Diploma in (Biz Mgmt), Diploma - Solar Technician	45	21	17-Feb-14	VP - Sobha Developers
Mr.Tirthankar Chatterjee	VP – Projects (West)	71,32,985	BE Civil	45	22	16-Jul-12	Portman Holdings

* Employed for a part of the year

Notes:

1. Nature of employment of MD & CEO is contractual, subject to termination by three months' notice from either side;
2. For other employees nature of employment is contractual, subject to termination by three months' notice from either side or salary in lieu of notice period;
3. None of the above employee is related to any Director of the Company;
4. None of the above employee holds by himself /herself or along with his/her spouse and dependent children, 2 % or more of the equity shares of the Company;
5. Employment terms and conditions are as per Company's Rules;
6. Remuneration received as shown in the statement above includes basic salary, house rent allowance, reimbursement of medical expenses, employer's contribution to provident fund, superannuation fund and gratuity fund and all other allowances / perquisites as applicable.

For and on behalf of the Board,

Anita Arjundas	Shailesh Haribhakti
Managing Director & CEO	Director
DIN: 00243215	DIN: 00007347
Mumbai, 19 th June, 2015	Mumbai, 19 th June, 2015

ANNEXURE 8 B TO THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2015

The ratio of remuneration of each Director to the median employees' remuneration and other details in terms of Section 197 (12) of the Companies Act, 2013 read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

1. The ratio of the remuneration of each director to the median employee's remuneration for the financial year:

Name	Designation	Ratio
Mr. Arun Nanda	Non-executive Non-Independent Chairman	13.94x
Mr. Uday Y. Phadke	Non-executive Non-Independent Director	Not Applicable*
Mr. Sanjiv Kapoor	Non-executive Independent Director	1.39x
Mr. Shailesh Haribhakti	Non-executive Independent Director	1.39x
Mr. Anil Harish (Resigned w.e.f. 16 th June, 2015)	Non-executive Independent Director	1.39x
Dr. Prakash Hebalkar	Non-executive Independent Director	1.39x
Ms. Anita Arjundas	Managing Director & Chief Executive Officer	28.88x

* No Remuneration is paid by the Company.

For this purpose, sitting fees and reimbursement of out of pocket expenses incurred in attending the Board and Committees Meetings paid to the Directors have not been considered as remuneration. In respect of Non-executive Chairman and Independent Directors only remuneration paid by way of Commission were considered.

2. The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:

The percentage increase in remuneration of Chief Financial Officer and the Company Secretary was 13% and 13% respectively.

3. The Percentage increase in the median remuneration of employees in the financial year:

The percentage increase in the median remuneration of the employees in the financial year was around 12%. The calculation of percentage increase in Median Remuneration is done based on comparable employees. Employees who were not eligible for any increment have been excluded for the purpose of this calculation.

4. The Number of permanent Employees on the rolls of the Company:

The number of on-rolls permanent employees are 332.

5. The explanation on the relationship between average increase in remuneration and the Company performance:

The criteria for increase in the remuneration, amongst other things, is also related to the Individual performance, the Company's performance and such other factors more particularly described in the Policy for Remuneration to Directors and the Policy for remuneration of KMP and Employees which are at Annexure 4A and 4B of this Report respectively.

The average increase in the remuneration of the employee during the FY 2014-15 was around 12%.

6. Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company:

For FY 2014-2015, the key managerial personnel were paid around 1.57% of the profit after tax.

7. Variations in the market capitalization of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase or decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer and the variation in the Net Worth of the Company as at the close of the current financial year and previous financial year:

The Market capitalization of the Company (Standalone and taking closing price of NSE*) has increased from ₹ 1,497.09 crores as of 31st March, 2014 to ₹ 1,924.91 crores as of 31st March, 2015. Over the same period, the price to earnings ratio moved from 19.26 to 8.24. The Company's stock price on BSE as at 31st March, 2015 has increased by 183.06% to ₹ 468.75 compared to the listing of Company's Shares (pursuant to the Scheme of Arrangement approved by the High Court at Bombay) for the first time on BSE in April, 2000 at the price of ₹ 165.60 per share (face value ₹ 10 per share). Since the listing of the Company's share in April, 2000 the Company has not made any Public Offer.

* The Shares of the Company are frequently traded on NSE.

Variation in the Net worth

The Net worth of the Company (Standalone) as at the close of the financial year 2014-15, was ₹ 1323.13 crores as compared to ₹ 1137.31 crores as at the close of the financial year 2013-14.

8. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and exceptional circumstances for increase in the managerial remuneration, if any:

The average percentage increase made in the salaries of total employees other than the Key Managerial Personnel for FY 2015 is around 12%, while the average increase in the remuneration of the Key Managerial Personnel is 13.67%. This increment is in line with the factors outlined in point (5) above.

9. Comparison of the remuneration of each of the Key Managerial Personnel against the performance of the Company:

The comparison of remuneration of each of the KMP against the performance of the Company is as under:

Designation	% of PAT
Managing Director & Chief Executive Officer	0.89%
Chief Financial Officer	0.31%
Senior Vice President - Legal & Company Secretary	0.37%

10. The key parameters for any variable component of remuneration availed by the directors:

While no variable component of remuneration was availed by the Directors during the year under review, the following are the broad factors and guidelines considered for the Performance (Variable) Pay in respect of Managing Director & CEO:

- Financial outcomes and profitability of the Company;
- Annual Performance Review based on the Company Balanced Scorecard.

11. The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year:

Not Applicable

12. Affirmation that the remuneration is as per the remuneration policy of the Company:

Yes

General Notes (GN)

1. The Remuneration for the purpose of this table is defined as "Total Cost to the Company (TCC) + Approved Bonus" for all the employees except for KMPs. KMPs remuneration is as per the Form 16 (on an annualized basis) excluding stock option exercised since it does not form part of TCC

For and on behalf of the Board,

Anita Arjundas	Shailesh Haribhakti
Managing Director & CEO	Director
DIN: 00243215	DIN: 00007347
Mumbai, 19 th June, 2015	Mumbai, 19 th June, 2015

ANNEXURE 9 TO THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2015**FORM NO. MGT - 9****EXTRACT OF ANNUAL RETURN**As on the financial year ended on 31st March, 2015

(Pursuant to Section 92(3) of the Companies (Management and Administration) Rules, 2014)

1. REGISTRATION AND OTHER DETAILS:

1.	CIN	L45200MH1999PLC118949
2.	Registration Date	16/03/1999
3.	Name of the Company	Mahindra Lifespace Developers Limited
4.	Category/Sub-Category of the Company	Company limited by shares/ Indian Non-Government Company
5.	Address of the Registered office and contact details	Mahindra Towers, 5 th Floor, Worli, Mumbai 400 018. Phone No.: 022 67478600 / 8601.
6.	Whether listed Company (Yes/No)	Yes
7.	Name, Address and Contact details of Registrar and Transfer Agent, if any	Sharepro Service (India) Pvt. Limited 13/AB, Samhita Warehousing Complex, Near Sakinaka Tel. Exchange, Andheri Kurla Road, Sakinaka, Andheri (E) Mumbai 400072. Telephone: 67720300, 67720400 Fax Number: 28591568, 28508927 Email id: sharepro@shareproservices.com

2. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the Company shall be stated:-

Sr. No	Name and Description of Main Product/ Services	NIC Code of the Product*	% to total turnover of the Company#
1.	Construction of buildings	410	77.41

*As per National Industrial Classification- Ministry of Statistics and Programme Implementation

on the basis of Gross Turnover

3. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

Sr. No	Name and Address of the Company	CIN/GIN	Holding/ Subsidiary of the Company	% of shares held	Applicable Section
1	Mahindra and Mahindra Limited	L65990MH1945PLC004558	Holding	50.8256	2(46)
2	Mahindra Infrastructure Developers Limited	U45201MH2001PLC131942	Subsidiary	100.00	2(87)(ii)
3	Mahindra World City Developers Limited	U92490TN1997PLC037551	Subsidiary	89.00	2(87)(ii)
4	Mahindra World City (Jaipur) Limited	U45209RJ2005PLC021207	Subsidiary	74.00	2(87)(ii)
5	Mahindra World City (Maharashtra) Limited	U45309MH2005PLC156225	Subsidiary	100.00	2(87)(ii)
6	Mahindra Integrated Township Limited	U74140TN1996PLC068288	Subsidiary	96.30*	2(87)(ii)
7	Knowledge Township Limited	U72900MH2007PLC173137	Subsidiary	100.00	2(87)(ii)
8	Mahindra Residential Developers Limited	U45200TN2008PLC066292	Subsidiary	96.30*	2(87)(ii)
9	Mahindra Bebanco Developers Limited	U45203MH2008PLC183107	Subsidiary	70.00	2(87)(ii)
10	Industrial Township (Maharashtra) Limited	U45203MH2008PLC184190	Subsidiary	100.00	2(87)(ii)
11	Raigad Industrial & Business Park Ltd.	U70102MH2009PLC193399	Subsidiary	100.00	2(87)(ii)
12	Anthurium Developers Limited	U70109MH2010PLC203619	Subsidiary	100.00	2(87)(ii)
13	Industrial Cluster Private Limited (Earlier known as Mahindra Housing Private Limited)	U70102MH2013PTC241512	Subsidiary	100.00	2(87)(ii)
14	Mahindra Industrial Park Chennai Limited	U45209TN2014PLC098543	Subsidiary	89.00	2(87)(ii)
15	Kismat Developers Private Limited	U45200MH1994PTC079544	Associate	42.86	2(6)
16	Topical Builders Private Limited	U45200MH1997PTC108695	Associate	50.00	2(6)
17	Mahindra Homes Private Limited (MHPL) (earlier known as Watsonia Developers Private Limited and prior to that Watsonia Developers Limited)	U70102MH2010PTC203618	Joint Venture	50.00	2(6)
18	Mahindra Water Utilities Limited (MWUL)	U45205MH1999PLC121235	Joint Venture	50.00	2(6)
19	Mahindra Inframan Water Utilities Private Limited (MIWUPL)	U90000MH2004PTC144079	Joint Venture	50.00	2(6)

*Includes direct and indirect holding.

4. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category-wise Share Holding.

Category of Shareholder	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of total subscribed and paid up share capital	Demat	Physical	Total	% of total subscribed and paid up share capital	
A. Promoters									
(1) Indian									
a) Individual/HUF	-	-	-	-	-	-	-	-	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt (s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp	20846126	-	20846126	51.033	20846126	-	20846126	50.8256	-0.21
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total (A) (1):-	20846126	-	20846126	51.033	20846126	-	20846126	50.8256	-0.21
(2) Foreign	-	-	-	-	-	-	-	-	-
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other - Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):-	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) =(A)(1)+(A) (2)	20846126	-	20846126	51.033	20846126	-	20846126	50.8256	-0.21
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	706265	1968	708233	1.73	532153	1968	534121	1.30	-0.43
b) Banks / FI	62015	5436	67451	0.17	10441	5436	15877	0.04	-0.13
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	194	56	250	0.00	194	56	250	0.00	0.00
g) FIs	12296301	2767	12299068	30.11	11819607	2757	11822364	28.83	-1.28
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	13064775	10227	13075002	32.01	12362395	10217	12372612	30.17	-1.84
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	2004420	59792	2064212	5.05	2217259	9838	2227097	5.43	0.38
ii) Overseas	21	276	297	0.00	11	276	287	0.00	0.00
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	2783848	612935	3396783	8.32	3103931	585106	3689037	8.99	0.67

Category of Shareholder	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of total subscribed and paid up share capital	Demat	Physical	Total	% of total subscribed and paid up share capital	
ii) Individual shareholders holding nominal share capital in excess of ` 1 lakh	1018293	-	1018293	2.49	1349709	-	1349709	3.29	0.8
c) Others (Non Resident Individuals)	371217	4462	375679	0.92	464921	4462	469383	1.14	0.22
d) Others Trust	24648	-	24648	0.06	13139	-	13139	0.03	-0.03
Sub-total (B)(2):-	6202447	677465	6879912	16.84	7148970	599682	7748652	18.89	2.05
Total Public Shareholding (B)=(B)(1)+(B)(2)	19267222	690692	19954914	48.85	19511365	609899	20121264	49.06	0.21
C. Shares held by Custodian for GDRs & ADRs	47040	270	47310	0.12	44540	270	44810	0.11	0.01
Grand Total (A+B+C)	40160388	687962	40848350	100.00	40402031	610169	41012200	100.00	0.00

(ii) Shareholding of Promoters

Category of Shareholder	No. of Shares held at the beginning of the year			No. of Shares held at the end of the year			% Change during the year
	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
Body Corporate	20846126	51.03	-	20846126	50.8256	-	-0.21

(iii) Change in Promoters' Shareholding (please specify, if there is no change):

There is no change in the Shareholding of Promoter Group. The shareholding in percentage terms of the promoter has decreased because of issue of shares to eligible employees upon exercise of options granted under the Employee Stock Option schemes.

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.	Top Ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)	Shareholding		Date of transaction	Increase / Decrease in shareholding	Reason	Cumulative Shareholding during the year (01.04.2014 to 31.03.2015)	
		No. of shares at the beginning (01.04.2014) / end of the year 31.03.2015	% of total shares of the Company				No. of shares	% of total shares of the Company
1	AMANSA CAPITAL PTE LIMITED A/C AMANSA HOLDINGS PRIVATE LIMITED	2505170	6.13	01.04.2014				
				19.12.2014	-2505170	Transfer	0	0.00
		0	0.00	31.03.2015				
2	SMALLCAP WORLD FUND, INC	2157380	5.28	01.04.2014				
		2157380	5.26	31.03.2015	No Change		2157380	5.26

Sr. No.	Top Ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)	Shareholding		Date of transaction	Increase / Decrease in shareholding	Reason	Cumulative Shareholding during the year (01.04.2014 to 31.03.2015)	
		No. of shares at the beginning (01.04.2014) / end of the year 31.03.2015	% of total shares of the Company				No. of shares	% of total shares of the Company
3	ICICI PRUDENTIAL LIFE INSURANCE COMPANY LTD	1310626	3.21	01.04.2014				
				04.04.2014	15000	Transfer	1325626	3.25
				09.05.2014	-30043	Transfer	1295583	3.17
				16.05.2014	31318	Transfer	1326901	3.25
				13.06.2014	-20150	Transfer	1306751	3.20
				20.06.2014	-2080	Transfer	1304671	3.19
				05.12.2014	-6150	Transfer	1298521	3.17
				31.12.2014	-2915	Transfer	1295606	3.16
				23.01.2015	-4437	Transfer	1291169	3.15
				06.02.2015	-795	Transfer	1290374	3.15
				27.02.2015	-1153	Transfer	1289221	3.14
		1289221	3.14	31.03.2015				
4	THE SCOTTISH ORIENTAL SMALLER COMPANIES	1094955	2.68	01.04.2014				
		1094955	2.67	31.03.2015	No Change		1094955	2.67
5	FIL INVESTMENTS (MAURITIUS)LTD	1055468	2.58	01.04.2014				
				27.03.2015	-4832	Transfer	1050636	2.56
				31.03.2015	-12769	Transfer	1037867	2.53
		1037867	2.54	31.03.2015				
6	AMUNDI FUNDS EQUITY INDIA	840000	2.06	01.04.2014				
				11.04.2014	-7345	Transfer	832655	2.04
				18.04.2014	-2655	Transfer	830000	2.03
				23.05.2014	-100000	Transfer	730000	1.79
				30.06.2014	-730000	Transfer	0	0.00
		0	0.00	31.03.2015				
7	NATIONAL WESTMINSTER BANK PLC AS DEPOSITARY OF FIRST STATE INDIAN SUBCONTINENT FUND A SUB FUND OF FIRST STATE INVESTMENTS ICVC	617334	1.51	01.04.2014	No Change		617334	1.51
		617334	1.51	31.03.2015				
8	NATIONAL WESTMINSTER BANK PLC AS DEPOSITARY OF FIRST STATE ASIA PACIFIC FUND A SUB FUND OF FIRST STATE INVESTMENTS ICVC	553183	1.35	01.04.2014	No Change		553183	1.35
		553183	1.35	31.03.2015				
9	AMERICAN FUNDS INSURANCE SERIES GLOBAL SMALL CAPITALIZATION FUND	518356	1.27	01.04.2014				
				02.05.2014	118148	Transfer	636504	1.56
				09.05.2014	44852	Transfer	681356	1.67
		681356	1.67	31.03.2015				

Sr. No.	Top Ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)	Shareholding		Date of transaction	Increase / Decrease in shareholding	Reason	Cumulative Shareholding during the year (01.04.2014 to 31.03.2015)	
		No. of shares at the beginning (01.04.2014) / end of the year 31.03.2015	% of total shares of the Company				No. of shares	% of total shares of the Company
10	VERITABLE, L.P. A/C VEMF - A, L.P.	425159	1.04	01.04.2014				
				01.08.2014	-13519	Transfer	411640	1.00
				12.09.2014	-5846	Transfer	405794	0.99
				19.09.2014	-11654	Transfer	394140	0.96
				17.10.2014	-2704	Transfer	391436	0.95
				12.12.2014	-9890	Transfer	381546	0.93
				09.01.2015	-24260	Transfer	357286	0.87
				16.01.2015	-26300	Transfer	330986	0.81
				30.01.2015	-15290	Transfer	315696	0.77
				06.02.2015	-74597	Transfer	241099	0.59
		241099	0.59	31.03.2015				
11	AMANSA HOLDINGS PRIVATE LIMITED	0	0.00	01.04.2014				
				19.12.2014	2505170	Transfer	2505170	6.11
		2505170	6.13	31.03.2015				
12	NATIONAL WESTMINSTER BANK PLC AS DEPOSITARY OF FIRST STATE GLOBAL EMERGING MARKETS FUND A SUB FUND OF FIRST STATE INVESTMENTS ICVC	386971	0.95	01.04.2014				
		386971	0.94	31.03.2015	No Change		386971	0.94

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Name of the Shareholders	Shareholding		Date of transaction	Increase / Decrease in shareholding	Reason	Cumulative Shareholding during the year (01.04.2014 to 31.03.2015)	
		No. of shares at the beginning (01.04.2014) / end of the year 31.03.2015	% of total shares of the Company				No. of shares	% of total shares of the Company
1	Arun Kumar Nanda	61064	0.15	01.04.2014				
				20.06.2014	-11023	Transfer	50041	0.12
				23.06.2014	130000	Esop allotment	180041	0.44
				30.06.2014	-40291	Transfer	139750	0.34
				04.07.2014	-8686	Transfer	131064	0.32
				131064	0.32	31.03.2015		
Note: Out of the total shares 61064, Mr. Arun Nanda and Ms. Neerja Nanda (Wife) are jointly holding 600 shares and Mr. Arun Nanda, Uday Nanda (Son) and Ms. Neerja Nanda (Wife) are jointly holding 350 shares. There is no change in the joint shareholding of Mr. Nanda as aforesaid during the year.								
2	Uday Yeshwant Phadke	2500	0.01	01.04.2014				
				13.06.2014	2500	Transfer	0	0.00
		0	0.00	31.03.2015				
3	Anita Arjundas	3000	0.01	01.04.2014	No Change		3000	0.01
		3000	0.01	31.03.2015				
4	Prakash Gurunath Hebalkar	2500	0.01	01.04.2014				
				17.10.2014	2500	Esop Allotment	5000	0.01
		5000	0.01	31.03.2015				

Sr. No.	Name of the Shareholders	Shareholding		Date of transaction	Increase / Decrease in shareholding	Reason	Cumulative Shareholding during the year (01.04.2014 to 31.03.2015)	
		No. of shares at the beginning (01.04.2014) / end of the year 31.03.2015	% of total shares of the Company				No. of shares	% of total shares of the Company
5	Shailesh V Haribhakti	0	0.00	01.04.2014				
				23.06.2014	5000	Esop Allotment	5000	0.01
		5000	0.01	31.03.2015				
6	Anil Harish (Resigned as Director w.e.f. 16 th June, 2015)	7000	0.02	01.04.2014	No Change		7000	0.02
		7000	0.02	31.03.2015				
Note: Out of the total shares 7000, Mr. Anil Harish and Mr. Adhiraj Harish (Son) are jointly holding 3500 shares and Mr. Anil Harish and Ms. Rishika Harish (Daughter) are jointly holding 3500 shares. There is no change in these shareholding during the year.								
7	Suhas Ghanshyam Kulkarni	800	0.00	01.04.2014				
				17.10.2014	800	Esop allotment	1600	0.00
		1600	0.00	31.03.2015				
8	Jayantt Bhalchandra Manmadkar	0	0.00	01.04.2014				
				31.07.2014	800	Esop Allotment	800	0.00
				30.01.2015	800	Esop allotment	1600	0.00
		1600	0.00	31.03.2015				

I) INDEBTNESS

Indebtedness of the company including outstanding/accrued but not due for payment

(₹ in Crs)

Particulars	Secured Loans Excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	695.66	-	-	695.66
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	31.54	-	-	31.54
Total (i+ii+iii)	727.20	-	-	727.20
Change in Indebtedness during the financial year				
• Addition	34.56	-	-	34.56
• Reduction	232.01	-	-	232.01
Net Change	197.45	-	-	197.45
Indebtedness at the end of the financial year				
i) Principal Amount	500.00	-	-	500.00
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	29.75	-	-	29.75
Total (i+ii+iii)	529.75	-	-	529.75

II) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-Time Directors and/or Manager:

(₹ in Lakhs)

Sr. no	Particulars of Remuneration	Name of MD/ WTD/MANAGER		Total Amt
		Anita Arjundas		
1.	Gross salary	219.11		219.11
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	206.34		206.34
	(b) Value of perquisites u/s 17(2)Income-tax Act, 1961	2.98		2.98
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-		-
	Stock Option related perquisites	9.79		9.79
	Sweat Equity	-		-
	Commission	-		-
	- as % of profit	-		-
	- others, specify...	-		-
	Others, please specify	-		-
	Total (A)	219.11		219.11
	Ceiling as per the Act	1710.78		1710.78

B. Remuneration of other directors:

(₹ in Lakhs)

Sr. no	Particulars of Remuneration	Name of Directors				Total Amt
		Mr. Sanjiv Kapoor	Mr. Shailesh Haribhakti	Mr. Anil Harish (Resigned as Director w.e.f. 16 th June, 2015)	Dr. Prakash Hebalkar	
1.	Independent Directors					
	• Fee for attending board / committee meetings	7.70	7.40	7.70	6.30	29.1
	• Commission	10.00	10.00	10.00	10.00	40.00
	• Others, please specify					
	Total (1)	17.70	17.40	17.70	16.30	69.1
2.	Other Non-Executive Directors	Mr. Arun Nanda	Mr. Uday Y Phadke			
	• Fee for attending board / committee meetings	7.05	-			7.05
	• Commission	100.00	-			100.00
	• Others, please specify	-	-			-
	Total (2)	107.05	-			107.05
	Total (B)=(1+2)					176.15
	Total (A)					219.11
	Total Managerial Remuneration					395.26
	Overall Ceiling as per the Act					2052.94

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD.

(₹ in Lakhs)

Sr. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross salary	219.11	92.49	80.91	173.40
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	206.34	83.27	67.56	150.83
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	2.98	5.13	5.10	10.23
	(c) Profits in lieu of salary under section 17(3) Income tax Act, 1961	-	-	-	-
2.	Stock Option related perquisites	9.79	4.09	8.25	12.34
3.	Sweat Equity	-	-	-	-
4.	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	- others, specify...	-	-	-	-
5.	Others, please specify	-	-	-	-
	Total	219.11	92.49	80.91	173.40

III) PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
Penalty					
Punishment					
Compounding					
NONE					

OTHER OFFICERS IN DEFAULT

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
Penalty					
Punishment					
Compounding					
NONE					

For and on behalf of the Board,

Anita Arjundas	Shailesh Haribhakti
Managing Director & CEO	Director
DIN: 00243215	DIN: 00007347
Mumbai, 19 th June, 2015	Mumbai, 19 th June, 2015

Management Discussion and Analysis

Mahindra Lifespace Developers Limited ('Mahindra Lifespaces' or 'the Company') is one of the leading real estate development companies in India. Over the years, the Company has created a reputation for itself by delivering an array of highly successful projects and establishing industry benchmarks in environment friendly and sustainable developments.

Mahindra Lifespaces, along with its subsidiary companies, is engaged in the development of residential projects and large format developments such as integrated cities and industrial clusters. This chapter presents an overview of the operational and financial performance of the Company during 2014-15 and its strategy for future growth.

INTRODUCTION AND PERFORMANCE HIGHLIGHTS

Mahindra Lifespaces is one of the few real estate companies in India with the experience of serving both retail consumers and businesses through its two segments of operations — residential development and large format integrated cities/industrial clusters. This continued to be the strategic direction in which the Company moved in 2014-15, as it looked to expand its presence in newer segments in the residential market or augment its offering in the large format development space. Here are the key highlights of the Company's performance in 2014-15:

- In the residential segment, the Company made a successful foray into the affording housing segment with two pilot projects in Chennai and Mumbai Metropolitan Region under the brand name of 'Happinest'. The Company also launched two new projects — 'Luminare' and 'The Serenes' — in the luxury and holiday home segments respectively. In addition, fresh inventory in 3 of its existing projects was also launched during the year. During 2014-15, the Company sold over 1,400 residential units across its ongoing and newly launched projects, including projects of its subsidiary companies in the residential space. In recognition of its efforts to implement innovative and sustainable practices, Mahindra Lifespace was selected as one of India's 'Top Inno-Visionary Builders' at the Construction World Architect and Builder (CWAB) Awards, 2014.
- In the large format developments, the integrated business city, Mahindra World City, Jaipur, saw a healthy appreciation in demand and value. This resulted, especially in the second half of the year, in a significantly improved performance, compared to the previous year. Mahindra World City, Chennai also signed industrial land leases in the Domestic Tariff Area, even as most of the development there is currently in residential and social infrastructure. As the macroeconomic environment improves further, the Company is gearing-up to diversify its portfolio in this segment, to create a network of industrial clusters in upcoming industrial destinations.

- Another important aspect of the Company's performance during the year was the success it achieved in its effort to strengthen the organisational capabilities and make them scalable. Building sales and marketing channels, augmenting the customer relationship management (CRM) function, improving pace of project execution with renewed focus on quality and safety, and implementation of IT based systems were some of the focus areas. These have been discussed in greater detail in subsequent sections of the report.

All of these enabled the Company to register a creditable performance in a challenging macroeconomic environment. The highlights of Mahindra Lifespaces' financial performance during the year, as a consolidated entity, are given below:

- Consolidated income of the Company grew by 52 per cent from ₹ 756 crores in 2013-14 to ₹ 1,148 crores in 2014-15;
- Profit before depreciation, interest and taxes (PBDIT) increased by 120 per cent from ₹ 221 crores in 2013-14 to ₹ 486 crores in 2014-15. Profit before taxes (PBT) grew by 162 per cent to ₹ 421 crores in 2014-15;
- Profit after taxes (PAT) grew by 157 per cent from ₹ 110 crores in 2013-14 to ₹ 283 crores in 2014-15. After accounting for minority interest, the consolidated net profit (PAT) of the Company increased by 165 per cent from ₹ 101 crores to ₹ 266 crores during 2014-15;
- Diluted earnings per share (EPS) of the Company increased by 163 per cent to ₹ 64.70 in 2014-15 as compared to ₹ 24.64 in the previous year.

In the remainder of the report, we will present the operational and financial performance of the Company, which is followed by a discussion on risks and concerns and the outlook for the future. We begin with an overview of the macroeconomic and industry environment.

MARKETS AND OPPORTUNITIES

India's macroeconomic environment was subdued at the beginning of 2014-15. However, the situation improved somewhat as the year progressed, especially in the second half of the year. According to the advance estimates released by the Central Statistical Organisation (CSO), India's GDP growth is expected to be 7.5 per cent in 2014-15, around 1 percentage point higher than the previous year.

Perhaps more significant was the broad-based decline in retail inflation since September 2014, which resulted in reduction in the policy rates by the RBI to the tune of 50 basis points towards the end of the year. But, this did not translate into reduction in lending rates despite sluggish credit offtake. Consequently, the improvements in business and consumer confidence during the year were weak.

As far as the real estate industry is concerned, the overall performance was subdued. Housing prices, rents and offtake of housing loans continued to be sluggish during the year. However, plans announced in the Union Budget to step-up infrastructure spending, focus on affordable housing and smart cities augur well for the real estate industry. Also, the improved sentiment in financial markets and low global commodity prices augur well for the growth prospects of the economy in 2015-16.

Residential Development

During 2014-15, the demand situation in the markets where the Company operates in showed divergent trends. Both Mumbai and Delhi-NCR markets had weak offtake throughout the year, whereas the Pune metropolitan and Nagpur markets saw healthy increase in demand in the second half of the year. The demand situation continued to be stable in Bangalore. In Hyderabad and Chennai markets, the offtake was satisfactory, especially in the second half of the year. Product prices remained stable in these markets, even as the industry resorted to competitive payment plans and offers to spur demand.

As far as growth opportunities for the immediate future are concerned, the Company will continue to focus on cities such as Mumbai, Pune, Bangalore, NCR, Chennai and Hyderabad. In terms of market segments, 2014-15 has been a very important year — with launches in differentiated segments such as luxury apartments, weekend homes, premium and affordable housing. During the year, the Company acquired a land parcel in Andheri, Mumbai, for joint development. Other than this, it is evaluating opportunities in Bangalore and Pune markets to meet its growth plans.

Urban India has an estimated 19 million families either living in slums or in low income neighbourhoods on rent and this housing deficit is likely to rise to 38 million by 2030. The successful launch of two pilot projects of 'Happines' — the Company's affordable housing product — has provided the Company an opportunity to address this large, underserved market with its carefully crafted strategy and product. The government's focus on affordable housing has further expanded the size and scope of this opportunity.

Large Format Integrated Cities & Industrial Clusters

The market for industrial land saw a revival in demand in the second half of the year. But, most of this came from businesses servicing the domestic market. In contrast, the demand for land in the Special Economic Zone (SEZ) segment continued to be sluggish. Both the integrated business cities of the Company — Mahindra World City (MWC), Chennai and Mahindra World City (MWC), Jaipur, operated through its subsidiaries — benefited from the improvement in demand in the domestic zones.

The Government's 'Make in India' initiative and focus on smart cities is a favourable development for growth opportunities in this segment. Given the demand from businesses aimed at servicing the domestic market, the Company is exploring the possibility of

expanding the Domestic Traffic Area (DTA) in its Jaipur project through area re-allocation. In terms of its long-term strategy, the Company is actively considering upcoming industrial destinations to diversify its portfolio and create a network of smaller industrial clusters. Currently, the Company has one such project under planning in North Chennai, where procurement of land is in progress.

OPERATIONS

Residential Development

Mahindra Lifespaces' residential business has its presence across the value chain of real estate development that covers identifying a suitable piece of land, conducting thorough due-diligence on its title and development potential, acquiring the land, product conceptualisation and design management, obtaining requisite statutory approvals, project management and quality assurance. The Company also undertakes the project's branding, marketing and sales while ensuring timely delivery and upkeep of the property until its handed over to the society of home owners.

During the year, the Company achieved significant success in increasing its market share in the various micro-markets its projects are located in. This was achieved by strengthening its sales organisation and generating better brand visibility at both the Company and project level. It has developed a strong network of channel partners who market the projects both in local and international markets. It is also in the process of increasing its digital presence for generating leads and concluding transactions through e-commerce platforms.

The Company also enhanced its 'New Product Development' framework that has helped improve the pace of project planning. This includes work-streams on design and product definition, market demand-supply analysis, branding, marketing and pricing strategy, contracting and sourcing, site management, sales and channel partner strategy. This approach ensures that the Company is well prepared to launch the project as soon as all the required approvals and clearances have been secured.

The Company has successfully put in place systems and processes which are scalable and have significantly improved the pace of execution. These have been instrumental in achieving a higher degree of quality, safety, transparency, cost management and timely completion of its projects. These have been discussed in greater detail in the subsequent sections on Quality, IT and Safety.

As of 31st March 2015, the Company along with its subsidiaries has completed projects covering 8.92 million square feet in the residential segment. It is currently developing 5.98 million square feet (Ongoing). Besides, another 4.39 million square feet are available in the form of new phases of ongoing projects or fresh projects that are at different stages of planning and will be launched in the near future (Forthcoming). A snapshot of the

Company and its subsidiaries' project portfolio is presented below.

Table 1: Projects Snapshot 2014-15 (million square feet estimated saleable area as of 31st March, 2015)

Location	Completed#	Ongoing	Forthcoming
Chennai*	2.16	1.48	0.59
Mumbai	2.81	0.40	0.96
Pune	1.56	1.15	0.56
NCR	2.39	1.02	0.73
Nagpur	-	0.85	0.68
Hyderabad	-	1.08	-
Bangalore	-	-	0.87
TOTAL	8.92	5.98	4.39

Does not include selected projects that were completed by GESCO

* Includes residential developments in MWC Chennai

Completed and Ongoing Projects

During the year, the Company completed handover of two projects — 'Eminente' and 'Splendour'. Construction activity was also completed in 5 phases of 3 projects — Aqualily, Aura and Iris Court. Four new projects were launched during the year, including two pilot projects in the affordable housing segment. Besides this, new phases of 3 existing projects were launched during the year, which are in different stages of construction. The project-wise details are provided below.

'Eminente', a premium high-rise residential complex in Goregaon, Mumbai, is spread over 5.58 acres covering 0.57 million square feet of saleable area. The construction of the project was already complete at the start of the 2014-15. During the year, handover of units was completed and the Company is currently carrying out facility management.

'Splendour' in Bhandup, Mumbai, is spread over 8.46 acres and has a total saleable area of 0.78 million square feet. The construction of the project was completed during the previous year. During 2014-15, handover of units was completed and the Company is currently carrying out facility management.

'Aqualily' is a premium project within Mahindra World City, Chennai. This project is being implemented by Mahindra Residential Developers Limited, a subsidiary of Mahindra Integrated Township Limited and of the Company. Spread across 55 acres of land, the project offers villas and apartments covering 1.57 million square feet, of which 1.39 million square has been launched in multiple phases. During 2014-15, construction was completed in Phase 2B, taking the total completed area under the project to 0.93 million square feet. The handing over of all completed phases is in progress. Construction is in progress for Phase 2C and is progressing as per schedule. 68 per cent of the total units launched in this project have been sold upto March 2015.

'Iris Court', located in Mahindra World City, Chennai, is spread over 18 acres with a total saleable area of 0.86 million square feet. This project is being implemented by Mahindra Integrated

Township Limited, a subsidiary of the Company. During 2014-15, hand over of units was completed for the first phase of the project covering 0.27 million square feet. Construction activity was completed for the second phase and Phase IIIA, taking the total completed area under the project to 0.73 million square feet. The final phase (IIIB) is progressing as per schedule. 92 per cent of the total units in this project have been sold upto March 2015.

'Aura' in Gurgaon, National Capital Region, is spread over 17 acres and has a saleable area of 1.39 million square feet. During 2014-15, units were handed over to the customers of Phase I, which received Occupancy Certificate during the year. The next two phases (II & III) were completed during the year and are expected to be handed over during 2015-16. The total completed area under the project is 0.74 million square feet. Construction for the remaining two phases (IV and V) is in advanced stages and is expected to be completed during 2015-16. 96 per cent of the total units in this project have been sold upto March 2015.

'Bloomdale', in Nagpur, Maharashtra, is conceived as a gated community spanning over 25.2 acres and has a saleable area of 1.55 million square feet, offering a choice of low-rise apartments, row houses and duplex homes. It is being implemented by Mahindra Bebanco Developers Limited (MBDL), a subsidiary of the Company. During the year, the Company launched three new phases of the project (IIB1, IIB2 and IIIC1), taking the total saleable area launched to 0.86 million square feet. Construction is nearing completion for the first phase of the project (IA, IB and IC), and progressing as per schedule for the remaining phases and the club house. 80 per cent of the total units launched in this projects have been sold upto March 2015.

'Antheia' in Pimpri, Pune, is spread over 16 acres with a saleable area of 1.60 million square feet. During the year, the Company launched 3 phases (Phase II 'A', 'B', 'D') of the project, taking the total area under sale to 0.94 million square feet. Construction activity is in progress for both Phase I and II. Phase I of the project is 99 per cent sold, whereas 27 per cent of the total units launched in Phase II have been sold upto March 2015.

'Ashvita' in Kukatpally, Hyderabad, is spread over 9.70 acres with a saleable area of 1.1 million square feet. The project is being developed in the joint development format with the land owners. The final two phases (IV & V) of the project were launched during the year. All phases of the project are currently under construction, in line with the project timelines. 68 per cent of the total units, in the Company's share under the joint development agreement, have been sold as of March 2015.

'L'Artista' in Pune is a luxury project located in the heart of the city, which offers spacious three and four bedroom flats with ultra-modern amenities and common spaces amidst green surroundings. The project, which was launched in 2013-14, has an estimated saleable area of around 0.09 million square feet of which the Company's share is 0.07 million square feet. The construction activity is progressing as per schedule.

'Nova' in Mahindra World City, Chennai is spread over 7.26 acres with a saleable area of 0.54 million square feet. The Company launched the second and final phase, which has 363 units, towards the end of 2014-15. This project is being implemented by Mahindra Integrated Township Limited, a subsidiary of the Company. The construction work is progressing as per schedule in both the phases. 95 per cent of total units in Phase I have been sold as of March 2015.

'Luminare' in Gurgaon, is the Company's first project in the luxury homes segment in the National Capital Region. The project is being implemented in collaboration with a developer and the land owners by Mahindra Homes Private Limited which is a 50:50 JV with SCM Real Estate (Singapore) Private Limited. Spread across 6.8 acres, with a total saleable area of 1.14 million square feet, the project will offer luxury features including private lift lobbies and wrap around balconies. The first phase of the project comprising 120 units was launched in September 2014. 30 per cent of total units launched have been sold as of March 2015.

'The Serenes' in Alibaug, Mumbai, is conceived as a weekend home project. Spread across 11.8 acres of land just 0.7 kilometres away from the beach, the project will offer 3 and 4 BHK patio and courtyard villas in a gated community with an expansive club and common amenities that include a restaurant, party hall and a golf putting green. The project will offer 49 villas with an estimated saleable area of 0.16 million square feet. The first phase of the project comprising 20 villas with a saleable area of 0.06 million square feet was launched in November 2014. 45 per cent of total units launched have been sold as of March 2015.

'Happinest Avadi' near Chennai is the pilot project of the Company in the affordable housing segment. Spread across 13.22 acres with an estimated saleable area of 0.73 million square feet, the project will have 1,268 1BHK and 2BHK apartments ranging from 396 square feet to 677 square feet. The first phase of the project comprising 604 units with a saleable area of 0.34 million square feet was launched in August 2014. 47 per cent of total units launched have been sold as of March 2015.

'Happinest Boisar' near Mumbai is the Company's second project in the affordable housing segment which was also launched in 2014-15. Spread across 14.66 acres with an estimated saleable area of 0.52 million square feet, the project will have 1RK, 1BHK and 2BHK apartments ranging from 351 square feet to 675 square feet. The first two phases of the project comprising 597 units with a saleable area of 0.33 million square feet were launched sequentially in October 2014 and March 2015. 84 per cent of total units in Phase-I and over 25 per cent of the total units in Phase II have been sold as of March 2015.

New Projects

The Company is in various stages of planning new residential developments — projects for which design development or approvals are underway:

- **Windchimes, Bangalore:** This will be the first residential development of the Company located on Bannerghata Road in Bangalore. The project has an estimated saleable area of 0.87 million square feet. The project is awaiting final approvals from the statutory bodies. The project will be implemented by a 50:50 JV company with SCM Real Estate (Singapore) Private Limited, namely Mahindra Homes Private Limited.
- **Vivante, Mumbai:** This will be a premium residential project in Andheri (East) with an estimated saleable area of 0.37 million square feet. The project is awaiting approvals.

Besides these projects, the Company has a landbank with 12.44 million square feet of development potential largely concentrated in the MWC in Chennai.

Large Format Integrated Cities & Industrial Clusters

Mahindra Lifespaces is the first company on Public Private Partnership basis to have successfully developed an integrated business city in India — 'Mahindra World City', Chennai. This is also the first operational Special Economic Zone (SEZ) from the corporate sector. Besides this project, the Company has another project in this segment in Rajasthan — 'Mahindra World City', Jaipur.

Built on the concept of "Life, Living, Livelihood", these integrated developments seek to balance three key aspects: business and economic activity, housing and associated amenities as well as cultural and community development. Today, the Mahindra World City brand has become a successful name in the large format integrated cities segment.

Mahindra World City, Chennai

Mahindra World City, Chennai, is implemented by Mahindra World City Developers Limited (MWCDL), currently an 89:11 joint venture between Mahindra Lifespaces and the Tamil Nadu Industrial Development Corporation Limited (TIDCO). It is the first township in India to receive Green Township Certification (Stage I Gold certification) from IGBC.

Mahindra World City, Chennai, was launched in September 2002, and currently has three sector specific Special Economic Zones (SEZs) — IT (services and manufacturing), Apparel and Fashion Accessories, and Auto Ancillaries, and a Domestic Tariff Area (DTA) for businesses catering to the Indian market. Integrated to the business zone is a Residential and Social Infrastructure zone.

At the end of 2014-15, the project had a total area of 1,524 acres. In terms of new customers, it added two MNCs to the portfolio during the year, taking the total customers to 64 — of which 27 are in the SEZ and 37 are in the DTA. Currently, 50 companies operate out of Mahindra World City, Chennai of which one started operations in the DTA during the year. During the year, besides significant increase in indirect employment, direct employment in the business city increased from 33,000 to around 37,000.

Exports also increased from ₹ 7,200 crores in 2013-14 to over ₹ 7,800 crores during 2014-15.

With greater stabilisation in the business zone, the focus is now in developing the residential and social infrastructure. Mahindra World City, Chennai, has allocated 289 acres for the development of residential and social infrastructure that will cater to the requirements of over 7,000 families. With handing over of units in some phases of Aquality and Iris Court during the year, the city has three operational residential projects which together have around 500 families living there. Details of the current residential projects have already been provided in the previous section on Residential developments.

On the retail and social infrastructure front, considerable progress was made during the year. The MWC Club was inaugurated in March 2015. Spread over 4 acres of land with 61,000 square feet of built-up area, the MWC club offers a range of amenities to members which include tennis and squash courts, indoor games, a spa, a restaurant and a sports bar. JSP Hospitals also started the first phase of their operations during the year which includes out-patient consultation, diagnostic facilities, a pharmacy and ambulance services. SSBM Realty and Hospitality started construction of the Phase I of the hostel for working professionals which comprises 200 rooms. During the year, MWCDL signed an agreement with SPI Cinemas to set up a Multiplex spread over an area of 2.6 acres, the development plans for which are currently underway. Also, expansion plans were finalised for Mahindra World School which has been successfully operating in the city since 2008-09. During the year, Mahindra World School received its second ISA Award from the British Council, which recognizes schools with notable global element in their curriculum.

Mahindra World City, Chennai, continued to build on its community development and engagement initiatives during the year. This included fresh editions of its flagship programmes: the marathon run in aid of 'Nanhi Kali' which had over 1,200 participants, 'Champions Trophy' an inter-company sports tournament that had 38 teams, 'Mindspace' — the open quiz competition. In addition, the Company launched 'Courtyard Performances,' which features music, theatre, dance and other forms of performing arts. These were received well by the participants and residents.

Mahindra World City, Jaipur

Mahindra World City, Jaipur, is implemented by Mahindra World City (Jaipur) Limited (MWCJL), a 74:26 joint venture between Mahindra Lifespaces and Rajasthan State Industrial Development & Investment Corporation Limited (RIICO), a Government of Rajasthan enterprise. Mahindra World City, Jaipur is proposed to be developed as a Multi Product Special Economic Zone and a Domestic Tariff Area across 3,000 acres, of which 2,949 acres have already been acquired. During the year, MWC, Jaipur, received a Gold pre-certification for its IT SEZ under the IGBC SEZ rating system. It is the second SEZ in India to receive this distinction.

During 2014-15, there was an improvement in demand, especially in the DTA, which also resulted in favourable appreciation in prices. The total land leased out during the year is 58.52 acres (SEZ 16.47 acres and DTA 42.05 acres) and include companies across diverse industry segments. During the year, the company added 13 customers (5 in SEZ, 7 in DTA and 1 in both SEZ and DTA) in the IT/ITeS SEZ, Engineering & Related Industries SEZ and 'Evolve' — the multi-tenanted IT Park which is spread over approximately 25 acres within the IT SEZ. At the end of the year, the Company had 64 customers in its business zone — 23 in DTA and 41 in SEZ. 5 existing customers also increased their footprint during the year.

Seven companies started their development activities during 2014-15. These are expected to become operational in the near future. Five new companies became operational in Mahindra World City Jaipur during the year, taking the total number of operational companies to 24. These companies have created direct employment for 6,836 people and total employment to 9512 people which is a growth of 19 per cent over previous year. Exports by clients grew by over 4 per cent to reach ₹ 1,119 crores in 2014-15.

Going forward, the near term focus will continue to be sale of industrial land in the project. To achieve this, the Company has enhanced its marketing initiatives across the world and is also exploring the expansion of its DTA through land use re-allocation. At the same time, it is also working on enabling the multi-product SEZ within MWC Jaipur based on the modified SEZ rules, to benefit from emerging opportunities. Additionally, it is also undertaking the master planning for the non-processing area which will enable development of residential and social infrastructure as the project matures.

CUSTOMER RELATIONS (CR)

Trust and Transparency are important aspects of the Company's approach to customer centricity in both its businesses. The Customer Relations (CR) function at Mahindra Lifespaces endeavours to service the customers through their entire lifecycle — right from the time of booking to property handover. During 2014-15, significant work went into developing and implementing processes that enhance customer satisfaction. Some of these were:

- Integrating the facilities management activities within its fold with a view to standardise and upgrade service levels.
- Defining interaction standards and turnaround times for all classes of customer queries bringing in better responsiveness both before and after the handover.
- Introducing and improving mode and content of communication — welcome calling, pre-handover information and liveability assessments.
- Introducing immediate customer feedback tools to draw instant inputs and improve on service delivery levels

As a result, the CR function fared well on the external customer satisfaction index. This is significant as the team effected handover of over 500 units during the year.

Going forward, as the Company gears-up for a substantial increase in the number of handovers, the focus will be on introducing more value-added services to enhance customer engagement and satisfaction. This will be aided by processes that include implementing service quality audits across waiting and handover stages to monitor performance. It is also working on a 'home buying guide' for prospective home buyers and a 'customer guide' for home owners to enable them to settle in, in their new home after the handover.

In the World City space, efforts during the year were focussed on greater dialogue and collaboration with customers and key initiatives included :

- o Coalesce - Quarterly meeting of customers (heads of operations, facilities, administration of companies within Mahindra World City) to understand operational issues related to safety, transportation, taxation, etc;
- o Security Connect - Quarterly meeting of customers (security heads of companies within Mahindra World City)- safety and security related issues, if any;
- o One on One meetings - Senior Management meetings - feedback on product, new improvement areas, areas of collaboration, etc;

INTEGRATED MANAGEMENT SYSTEM (IMS)

Mahindra Lifespaces' has embraced an Integrated Management System covering three International Standards — ISO 9001:2008 (Quality Management System), ISO 14001:2004 (Environmental Management System) and OHSAS 18001:2007 (Occupational Health and Safety Management System) for both its business segments.

The main thrust of this approach is to build and institutionalise project execution capabilities through scalable systems and processes that aid in timely delivery, quality of product and safety during construction, with the ultimate goal of adding value to our customers.

QUALITY

The Company has always stressed on the importance of its strong quality management system, which is set up as per the requirement of the International Standard, ISO since 1999. Ever since, the Company has been exploring innovative ways to improve the quality of its products and processes, and at the same time enhance the productivity of its operations to make them more competitive towards becoming the industry benchmark.

The Company implemented 'in-process snagging' during 2014-15 which involves continuous quality checks and inspections which are followed-up with necessary corrective action at all stages of construction — from excavation to the final delivery of the product. This has already started to yield results and contribute

to the Company's aim of delivering a 'Zero-Snag Product' to its customers.

During the year, the Company continued to explore innovative ways to improve specifications and implement standardisation of design and tender documents. At the same time, processes of vendor empanelment and pre-dispatch inspections were strengthened to ensure the quality of materials used at the project locations. Apart from this, the Company continued to explore innovative ways to improve the quality of product and bring down the construction cycle time. These included better waterproofing technologies, greater use of prefabricated wall panels and a move towards greater mechanisation of processes. As a part of these efforts, the Company also participated in important trade fairs and exhibitions that showcase advances in global construction technology.

In 2015-16, the Company plans to carry out significant skill up-gradation programs for its workers through certified training agencies with primary focus on improving the quality of product finish. At the same time, the focus on employing innovative technologies and meeting tighter construction timelines will continue.

SAFETY

Since 2009, the Company has an established 'Safety Policy' which underscores its commitment to take measures to prevent accidental injuries and occupational ill health of all employees and associates working at the offices and project sites. During the year, the Company implemented several institutional and process improvement to achieve its ultimate goal of "zero tolerance to accidents".

To strengthen the Environmental, Health and Safety (EHS) related practices and reduce the man days lost and accident frequency rate, a dedicated EHS resource was identified for each project. Accordingly, project EHS plans were reviewed and stringent norms were brought in to close gaps. At the same time, standard operating procedures (SOPs) were formulated for critical areas of work. The Company introduced 'Permit to Work' system for 12 critical activities and check-lists to monitor the safety practices in 68 day-to-day processes.

In another major initiative, the Company has launched "Safe Methods and Risk Reduction Techniques" (SMARRT), which implements international best practices and aims to eliminate unsafe acts and conditions by proactive and immediate reporting of such incidents. Build on a reward and recognition system, a group of trained mentors will act as SMARRT champions to inculcate a culture of identification and reporting of potentially unsafe acts at the project sites.

In 2015-16, the Company plans to implement these improvements by way of mobile applications to get real time statistics on adherence to safety practices and SOPs, implementation of check-lists and reporting under SMARRT.

SUSTAINABLE DEVELOPMENT

Mahindra Lifespaces has been at the forefront of the real estate industry in India to achieve the mission of 'Transforming urban landscapes by creating sustainable communities.' The Company has done this by making sustainability a core agenda for the Company. Details of the Company's approach towards sustainability are covered in the Sustainability Report at Pages 161 to 168 of this Annual Report.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Mahindra Lifespaces' guiding principle for CSR is to build its relationship with stakeholders and the community at large, and contribute to their long term social good and welfare. Mahindra Lifespaces has been investing one per cent of its profit after tax every year from 2005-06 in CSR activities, even when there were no statutory requirements in this regard. The Company, in every financial year commencing from 1st April, 2014, in line with the Companies Act, 2013, pledges to spend, two per cent of the average net profits made during the three immediately preceding financial years specifically towards CSR initiatives.

The Company has formulated a CSR Policy which lays out the vision, objectives and implementation mechanisms including a Committee of Board of Directors on CSR. The Company's CSR activities have traditionally focussed on education, skill development, health, environment and promoting sustainable practices. Details of the Company's approach towards CSR are covered in the Sustainability Report at Pages 161 to 168 of this Annual Report.

HUMAN RESOURCES

Mahindra Lifespaces recognises that its people are the key to the success of the organisation and in meeting its aspirations. During the year, the Company continued its efforts to strengthen its HR policies and processes to attract and retain the best talent in the industry.

The Company has an integrated employee and performance management system to administer all HR related processes. During the year, focus was on extending coverage and use of IT and mobility solutions to bring better efficiency and transparency. The most significant development in this area was the introduction of 'MEConnect', a mobile application which offers a self-service menu to the employees — leave/travel requests and approvals, payroll information, tax related details and management of personal data.

The Company carries out two employee engagement surveys every year namely MCARES for internal benchmarking within the Group and the Great Place to Work survey for external benchmarking. Both surveys showed a significant improvement in employee engagement levels. The Great Place to Work survey score crossed the 70 mark for the first time putting the Company among the great places to work in India as per standards laid down by the Great Place to Work Institute. The Company has been assessed among the Top 5 Great Places to Work in the Real Estate and Construction Industry, basis this survey.

Catering to the learning and development needs of its employees continues to be a key focus area for the Company. It regularly carries out structured training initiatives in the key functional areas such as sales and marketing, customer service and project management to meet the requirements of its employees. To support the Company's focus on building alternate sales channels, it carried out specialised programmes for digital marketing during the year. In another initiative, people with high potential were identified and nominated for leadership programme conducted by reputed institutions.

Mahindra Lifespaces endeavours to keep its workplaces safe, transparent and friendly for people to work in. Understanding employees and giving them the confidence has been a core philosophy and the Company has enacted policies and established standards which are constantly reviewed and upgraded to ensure they are relevant and effective. The Company has a 'Diversity Council' with the objective of creating an inclusive environment to leverage the unique talents of diverse individuals in the workplace. Its gender diversity as of 31st March, 2015 was 17 per cent. It also has a policy on Sexual Harassment, which is aligned to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

As of 31st March, 2015, the Company had 332 employees and its subsidiary companies had 65 employees. Employee relations remained cordial during the year.

INFORMATION TECHNOLOGY (IT)

As Mahindra Lifespaces is gearing-up to achieve greater flexibility and scale in terms of implementing projects in different business segments and across geographies, use of sophisticated IT tools, systems and processes has become an important source of competitive advantage.

The Company has consistently invested significant resources in developing a strong IT and communication infrastructure which encompasses all key business and administrative functions as well as project sites. Mahindra Lifespaces' IT infrastructure includes a SAP ERP for its core and peripheral business functions, primary and disaster recovery data centres, best-in-class communication and productivity tools, and access to specialised industry-specific software.

During 2014-15, the Company implemented several initiatives leveraging its IT infrastructure to improve efficiencies and optimise costs.

- Real-time monitoring tool for both statutory compliances related to taxations and internal compliances, which allows storage and easy retrieval of endorsed documents as well as payment information made across all offices and project sites. A dashboard provides the top management with the complete compliance status across all locations on a single page.

- Mobile applications were implemented for several key areas: purchase requisition and purchase order approvals; construction milestone date confirmation at project sites; 'MEConnect' for employees mentioned in the section on HR; and, leave application and approvals through SMS.
- Camera monitoring solution, where a range of stationary and mobile cameras are deployed on project sites that allow remote monitoring of the projects, and thereby, significantly increase efficiency by making experts available at short notice and bringing down travel-related costs.
- A comprehensive management reporting and analytics solution was implemented which provides MIS dashboard with a range of customised options to the management for all functions such as finance, execution, sourcing, sales,

CRM, etc.

- CRM solution implementation for the affordable housing business that was launched during the year.

The Company received several awards and recognitions for these IT initiatives: On the Job Achievers Contest 2014 - National Institute of Industrial Engineering (NITIE); The ICONIC IDC Insights award 2014 - International Data Corporation; and, EDGE Award 2014 - Information Week - UB Media.

FINANCIALS

Table 2 presents the abridged profit and loss statement of Mahindra Lifespace Developers Limited as a standalone and consolidated entity.

Table 2: Abridged Profit and Loss Statement

	Standalone		Consolidated	
	2014-15	2013-14	2014-15	2013-14
Operating Income	624.0	307.1	1086.1	705.3
Other Income	136.0	114.3	61.5	50.9
Total Income	760.0	421.3	1147.6	756.2
Project and Operating Expenses	298.9	218.8	501.3	425.7
Employee and Other Expenses	98.8	59.5	160.6	109.4
Financial Expenses	21.8	39.4	51.4	50.2
Depreciation	2.7	2.3	13.2	10.1
Total Expenditure	422.2	320.0	726.5	595.3
PBDIT	362.3	143.1	485.7	221.2
PBDT	340.5	103.7	434.3	171.0
PBIT	359.5	140.7	472.4	211.1
PBT	337.7	101.4	421.0	160.9
Tax	104.4	23.7	137.8	50.9
PAT	233.3	77.7	283.2	110.0
Minority Interest	-	-	17.1	9.4
PAT (After Minority Interest)	-	-	266.2	100.6
Diluted EPS (₹)	56.7	19.0	64.7	24.6

(₹ in crores)

Mahindra Lifespaces registered a creditable financial performance during 2014-15, especially given the challenging environment faced by the industry.

Total income of the standalone entity increased by 103 per cent from ₹ 307 crores in 2013-14 to ₹ 624 crores in 2014-15. This includes sale of a property in respect of one of its project in Mumbai, where there was a dispute with the land owner and which was carried out under mutually agreed consent terms with the owner of land. This transaction contributed ₹ 268 crores to the total income during the year, after including ₹ 16 crores of other income. After netting out the operating and other costs amounting to ₹ 23 crores charged to the project, its contribution at the PBT level works out to ₹ 245 crores. A significant part of the proceeds from this transaction was utilised towards paying debt which has also brought down the interest cost of the standalone entity.

Total expenditure of the standalone entity increased from ₹ 320 crores in 2013-14 to ₹ 422 crores in 2014-15. Apart from being expenses on account of rise in the quantum of project execution during the year, this also reflects efforts made by the Company to strengthen its organisational capabilities as well as the sales and marketing effort. Employee expenses, which is a part of Employee and Other Expenses, increased by ₹ 14.8 crores from ₹ 30.4 crores in 2013-14 to ₹ 45.2 crores in 2014-15. This was mainly on account of the Company's staffing of its new office in Bangalore, and sites at Gurgaon, Avadi and Boisar, and strengthening its organisation in crucial functions across multiple locations, some of which have been discussed earlier in the report. Sales and marketing spend, which is a part of project and operating expenses, also increased to ₹ 13 crores during the year, up from ₹ 8 crores in the previous year.

Net profit (PAT) of the standalone entity increased from ₹ 78 crores in 2013-14 to ₹ 233.3 crores in 2014-15. Consolidated PAT grew from ₹ 110 crores in 2013-14 to ₹ 283 crores in 2014-15. After accounting for minority interest, the consolidated PAT of the Company increased by 165 per cent from ₹ 101 crores to ₹ 266 crores during 2014-15. As a result, diluted EPS during the year was ₹ 56.7 and ₹ 64.7 for the standalone and consolidated entities respectively.

As of 31st March, 2015, Mahindra Lifespaces has standalone debt equity ratio of 0.38:1 and consolidated debt equity ratio of 0.84:1. The liquidity situation of the Company during the year remained comfortable and surplus funds generated during the year have been invested in credit worthy instruments, including money market instruments, mutual funds and deposits with banks.

THREATS, RISKS AND CONCERNS

Mahindra Lifespaces has appropriate risk management systems in place for identification and assessment of risks, measures to mitigate them, and mechanisms for their proper and timely monitoring and reporting. Mahindra Lifespaces has constituted a "Risk Management Committee" consisting of two Directors and the Chief Financial Officer, for monitoring and reviewing of the risk assessment, mitigation and risk management plan from time to time. The Board periodically reviews implementation and monitoring of the risk management plan for the Company.

Economic Risks

India's macroeconomic condition improved as the year progressed. Even as the RBI has reduced the policy rates in the wake of cooling down of inflation, this has not resulted in significant reduction of interest rates for home loans. This can have a direct impact on the performance of the real estate sector and the Company. Secondly, even as there are signs of revival in the advanced economies, especially in the US, it is yet to translate into investment outlays in Indian businesses, especially those in export oriented industries.

Mahindra Lifespaces is conscious of these risks and is taking measures to mitigate them. For instance, the Company's focus on both residential and integrated developments has been a significant source of comfort during periods of poor economic performance. Besides, the Company's prudent financial management has also kept it relatively insulated from the economic downturn and the Company is well placed to raise capital at competitive rates. This is underscored by the recent "Long-Term Issuer Rating of 'IND AA'; Outlook Stable" assigned to the Company by India Ratings and Research, a Fitch Group company. Instruments with 'IND AA' rating are considered to have high degree of safety regarding timely servicing of financial obligations and carry very low credit risk.

Operational Risks

Key operational risks faced by the Company include longer gestation period for procurement of land, time taken for approvals,

inability to sell the project as per plan, inability to complete and deliver projects according to the schedule leading to additional cost of construction and maintenance, erosion of brand value, appointment and retention of quality contractors, inability to attract and retain talent, poor customer satisfaction, fraud and unethical practices, failure to comply with laws and regulations leading to fines, penalties and lengthy litigations.

The Company addresses these issues within a well-structured framework which identifies the desired controls and assigns ownership to monitor and mitigate the risks. The Company has also invested significant resources in an Enterprise Resource Planning (ERP) solution and transparent customer friendly processes, which are expected to go a long way to address some of these risks. The Company also has a Code of Conduct for all its Employees. The Company's Corporate Governance policies ensure transparency in operations, timely disclosures and adherence to regulatory compliances, leading to enhanced stakeholder value.

Policy and Regulatory Risks

The real estate industry is easily affected by changes in government policies and regulations. There are considerable procedural delays with respect to approvals related to acquisition and use of land. This problem is accentuated as this is an industry which has traditionally been quite unorganised. Unfavourable changes in the government policies and the regulatory environment can adversely impact the performance of the Company.

The Company, with its approach towards acquisition of land based on due diligence, fairness and trust, and transparent processes in developing the projects, has effectively mitigated risks with respect to land acquisition. The focus on environment friendly and sustainable practices also help in mitigating risks associated with environmental regulations and norms. Besides, the Company's plans for innovative offerings in the affordable housing and smaller integrated developments will also go a long way in mitigating some of the risks associated with execution and cost of land acquisition.

INTERNAL CONTROLS

The Company has adequate internal control systems, commensurate with the size and nature of its business. The system is supported by documented policies, guidelines and procedures to monitor business and operational performance including an ERP solution, all of which are aimed at ensuring business integrity and promoting operational efficiency.

An independent internal audit firm appointed by the Company conducts periodical audits to ensure adequacy of internal control systems, adherence to management policies and compliance with the laws and regulations of the country. Their scope of work also includes internal controls on accounting, efficiency and economy of operations. The internal auditors also report on the implementation of their recommendations.

Reports of the internal auditors are regularly reviewed at the Audit Committee meetings. The Audit Committee of the Board reviews the adequacy and effectiveness of the internal control systems and suggests improvements for strengthening them.

OUTLOOK

The world economy is witnessing increasingly divergent trends. Even as the recovery is gaining traction in the US and UK, the situation in Euro Area and Japan continue to be worrisome. China, on the other hand, appears to be going through a carefully managed slowdown.

As far as India is concerned, there were mixed signals as 2014-15 came to a close. Although the GDP numbers show a healthy increase in output, the performance of corporates continues to be lagging behind. At the same time, even as there was a consistent and broad-based decline in consumer inflation starting September 2014, the easing of monetary policy was circumspect — and came only towards the end of the year. As a result, the transmission of the decline in policy rates into lower borrowing costs is yet to fully take place.

The real estate market in India operated in this challenging macroeconomic environment during the year. Also, improvements in business and consumer confidence during the year were weak. In this situation, Mahindra Lifespaces has delivered a creditable performance. This has been possible only because of its strategy to focus on the right market segments and geographies as well

as its efforts to build its sales and marketing network and improve efficiencies in project execution.

A turnaround in the investment-growth cycle is widely expected in 2015-16, and the fiscal situation continues to be relatively strong. But, there are downside risks in the form of reversal in global commodity prices and poor south-west monsoon, and negative surprises may derail the growth prospects. Plans announced in the Union Budget to step-up infrastructure spending, focus on affordable housing and smart cities augur well for the real estate industry. Mahindra Lifespaces, with its presence in both residential and industrial segments, is well positioned to leverage these opportunities. So, the outlook for 2015-16 remains cautiously optimistic.

Cautionary Statement

Certain statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be forward-looking statements within the meaning of applicable securities laws and regulations. Actual results could differ from those expressed or implied. Important factors that could make a difference to the Company's operations include labour and material availability, and prices, cyclical demand and pricing in the Company's principal markets, changes in government regulations, tax regimes, economic development within India and other incidental factors.

Corporate Governance Report

1. CORPORATE GOVERNANCE PHILOSOPHY

Mahindra Lifespaces is committed to good corporate governance and endeavours to implement the Code of Corporate Governance in its true spirit. The philosophy of the Company in relation to corporate governance is to ensure transparency in all its operations, make disclosures and enhance shareholder value without compromising in any way on compliance with the laws and regulations. The Company believes that good governance brings about sustained corporate growth and long-term benefits for all its stakeholders.

In India, corporate governance standards for listed companies are regulated by the Securities and Exchange Board of India (SEBI) through Clause 49 of the Listing Agreement of the Stock Exchanges and provisions in the Companies Act, 2013. As a Company which believes in implementing corporate governance practices in letter and in spirit, the Company has adopted practices mandated by the regulations and has established procedures and systems to remain compliant with it as on 31st March, 2015. This chapter reports the Company's compliance with these provisions.

2. BOARD OF DIRECTORS

The Company has a Non-Executive Chairman and one half of the total number of Directors comprises Independent Directors. The Management of the Company is entrusted in the hands of the Senior Management Personnel of the Company who are members of the Executive Council of the Company and is headed by the Managing Director & Chief Executive Officer who operates under the overall guidance, supervision and control of the Board. The Board reviews and approves strategy and oversees the actions and results of the Management to ensure that the long-term objective of enhancing stakeholder's value is met.

The Managing Director & Chief Executive Officer is an executive of the Company and draws remuneration from the Company. The Non-Executive Non-Independent Chairman and Non-Executive Independent Directors receive sitting fees for attending the meeting of the Board and the Committees thereof. The Non-Executive Non-Independent Chairman and Non-Executive Independent Directors would be entitled to the remuneration under the Companies Act, 2013. Mr. Sanjiv Kapoor, Non-Executive Independent Director who is also on the Board of Mahindra World City Developers Limited, receives sitting fees for attending the meeting of the Board and the Committees and would be entitled to the remuneration under the Companies Act, 2013 from Mahindra World City Developers Limited.

Mr. Uday Y. Phadke, Non-Executive Non-Independent Director is the Principal Advisor (Finance) at Mahindra &

Mahindra Limited (M&M) and receives remuneration from M&M. Mr. Uday Y. Phadke does not receive any sitting fees and remuneration from the Company. Apart from the above and apart from the reimbursement of expenses incurred in discharge of their duties and the remuneration that the Independent Directors would be entitled to under the Companies Act, 1956 and the Companies Act, 2013, as the case may be, none of the Directors have any other material pecuniary relationships or transactions with the Company, its Promoters, its Directors, its Senior Management, its Subsidiaries and Associates which in their judgment would affect their independence. The Directors of the Company are not inter se related to each other.

The Board has adopted a Policy on appointment of Directors and Senior Management and Succession Planning for orderly succession to the Board and the Senior Management.

The Senior Management has made disclosures to the Board confirming that there are no material, financial and/or commercial transactions between them and the Company, which could have potential conflict of interest with the Company at large.

a) Number of Board Meetings

Seven Board meetings were held during the year under review, 1st April, 2014 to 31st March, 2015, on the following dates: 22nd April, 2014; 16th June, 2014; 31st July, 2014; 16th September, 2014; 17th October, 2014; 30th January, 2015 and 23rd March, 2015. The maximum gap between any two meetings did not exceed four months.

A separate meeting of Independent Directors was held on 23rd March, 2015 without the attendance of non-Independent Directors and members of management, which was attended by all Independent Directors.

b) Composition, Status, Attendance at the Board Meetings and at the last AGM

As on 31st March, 2015, the Company's Board comprised seven members. The Chairman of the Board is a Non- Executive, Non-Independent Director. The Managing Director & Chief Executive Officer is an Executive of the Company. Four members of the Board are Non-Executive Independent Directors of which one Non-Executive Independent Director Mr. Anil Harish resigned w.e.f. 16th June, 2015. One member of the Board is a Non-Executive, Non-Independent Director. The names and categories of Directors, their attendance at the Board Meetings held during the year and at the last Annual General Meeting are given below:

Name of the Director	DIN	Status	No. of Board Meetings		Attendance at the last AGM
			Held	Attended	
Mr. Arun Nanda, Chairman	00010029	Non-Executive, Non Independent	7	7	Yes
Mr. Uday Y Phadke	00030191	Non-Executive, Non Independent	7	7	Yes
Mr. Sanjiv Kapoor	00004005	Non-Executive, Independent	7	7	Yes
Mr. Shailesh Haribhakti	00007347	Non-Executive, Independent	7	7	Yes
Mr. Anil Harish*	00001685	Non-Executive, Independent	7	7	Yes
Dr. Prakash Hebalkar	00370499	Non-Executive, Independent	7	7	Yes
Ms. Anita Arjundas, Managing Director & Chief Executive Officer	00243215	Executive	7	6	Yes

* Mr. Anil Harish resigned from the Board of Directors of the Company w.e.f. 16th June, 2015.

c) Details of Directorships / Committee Memberships as of 31st March, 2015

As mandated by Clause 49 of the Listing Agreement, none of the Directors is a Director in more than 10 Public Limited Companies or act as an Independent Director in more than 7 Listed Companies. Further, none of the Directors is a member of more than ten Board level Committees nor is any of them a Chairman of more than five Committees in which they are members. The number of Directorships and Committee positions held by them in Public companies are given below:

Name of the Director	Status	Director of Public Companies*	Membership in Committee**	Chairmanship in Committee**
Mr. Arun Nanda, Chairman	Non-Executive Non Independent	5	2	2
Mr. Uday Y Phadke	Non-Executive Non Independent	6	4	-
Mr. Sanjiv Kapoor	Non-Executive Independent	6	5	3
Mr. Shailesh Haribhakti	Non-Executive Independent	10	8	6
Mr. Anil Harish***	Non-Executive Independent	7	6	2
Dr. Prakash Hebalkar	Non-Executive Independent	2	3	-
Ms. Anita Arjundas, Managing Director & Chief Executive Officer	Executive	9	1	-

* Including Directorship / Committee Memberships in Mahindra Lifespace Developers Limited as of 31st March, 2015.

** Committees considered are Audit Committee and Stakeholders Relationship Committee including that of Mahindra Lifespace Developers Limited.

*** Mr. Anil Harish resigned from the Board of Directors of the Company w.e.f. 16th June, 2015.

d) Board Procedure

A detailed agenda folder is sent to each Director in advance of Board and Committee Meetings. To enable the Board to discharge its responsibility effectively, the Managing Director & Chief Executive Officer of the Company briefs the Board at every meeting on the overall performance of the Company. A detailed operations report is also presented at every Board Meeting.

The Board also reviews strategy and business plans, annual operating and capital expenditure budgets, remuneration of Non- Executive Directors, compliance with statutory/ regulatory requirements and review of major legal issues, adoption of quarterly / half-yearly / annual results, risk management policies, investors' grievances, borrowings and investments, issue of securities, use of capital issue proceeds, major accounting provisions and write-offs, corporate restructuring, minutes of meetings of the Audit Committee and other Committees of Directors of the Board, sustainability plan and its performance, and CSR spends, plan and its review, etc.

The Board reviews a compliance certificate issued by the Managing Director & Chief Executive Officer regarding compliance with the requirements of various Statutes, Regulations and Rules as may be applicable to the business of the Company.

3. DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT

Pursuant to Section 152 of the Companies Act, 2013, Mr. Uday Y. Phadke retires by rotation at the forthcoming Annual General Meeting of the Company. However, Mr. Uday Y. Phadke by a notice in writing addressed to the Board of Directors has expressed his desire not to seek re-appointment. It is proposed that the vacancy, so created on the Board of Directors of the Company, be not filled.

The Board placed on record its deep appreciation of the valuable services rendered by Mr. Phadke during his tenure as a Director of the Company. Mr. Phadke, who is stepping down from the Board of the Company after a tenure of 14 years, brought to the Board an ebullient and entrepreneurial spirit and a flair for reasoned risk taking, combined with a strict adherence to values and ethics. This rare combination of

qualities has added a valuable perspective and dimension to the deliberations and decision making authority of the Board.

Mr. Anil Harish, a Non-executive Independent Director resigned from the Board of the Company w.e.f. 16th June, 2015 for personal reasons. The Board places on record its deep appreciation of the valuable services rendered by Mr. Anil Harish during his tenure as a Director of the Company.

Pursuant to Section 152 of the Companies Act, 2013, Mr. Arun Nanda retires by rotation at the forthcoming Annual General Meeting of the Company and has offered himself for re-appointment.

Pursuant to Section 149 and Section 152 of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014, it is proposed that Mr. Shailesh Haribhakti existing Independent Director who meets the criteria of Independence, be appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a term of 5 (five) consecutive years commencing from 31st July, 2015. He has also given a declaration under Section 149(7) of the Companies Act, 2013 that he meets the criteria of Independence as provided in Section 149(6) of the Companies Act, 2013.

Pursuant to Section 149 and Section 152 of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014, it is proposed that Mr. Sanjiv Kapoor and Dr. Prakash Hebalkar existing Independent Directors who meet the criteria of Independence, be appointed as Independent Directors of the Company, not liable to retire by rotation, to hold office for a term of 2 (two) consecutive years commencing from 31st July, 2015. They have also given a declaration under Section 149(7) of the Companies Act, 2013 that they meet the criteria of Independence as provided in Section 149(6) of the Companies Act, 2013.

All the above Directors are not disqualified from being re-appointed as Directors by virtue of the provisions of Section 164 of the Companies Act, 2013.

Brief resumes of Directors seeking appointment / re-appointment are given below:

Mr. Arun Nanda

Mr. Arun Nanda holds a Degree in Law from the University of Calcutta, is a fellow member of the Institute of Chartered Accountants of India (FCA) and a fellow member of the Institute of Company Secretaries of India (FCS). Mr. Nanda has also participated in a Senior Executive Programme at the London Business School.

He joined the Mahindra Group in 1973 and held several important positions within the Group over the 40 years he was with the company. He was inducted to the Board

of Mahindra & Mahindra Ltd. (M&M) in August 1992 and resigned as Executive Director in March 2010 to focus on the social sector and create a favourable ecosystem for senior citizens. He was a non-executive director from April 2010 till August 2014.

He is currently the Chairman of Mahindra Holidays & Resorts (I) Ltd. and Mahindra Lifespace Developers Ltd. and Director of Holiday Club Resorts Oy, Finland.

He is also the Chairman on the Advisory Board of 3i Investments plc, Member of the Advisory Board of TechnoServe India, and a Trustee of Integrity Action, U.K. and Helpage India. He is a Trustee of Mahindra World School Educational Trust. He was a Member of the Task Force set up by the B20 on Anti-Corruption which presented the policy paper to President Sarkozy at the G20 Summit held in Cannes in November 2011 and to President Putin in St. Petersburg in June 2013.

He is also Chairman Emeritus of the Indo-French Chamber of Commerce, Member of the Governing Board of the Council of EU Chambers of Commerce in India and Chairman of CII National Committee on Water. He was also Chairman of CII Western Region Council for the year 2010-2011.

Mr. Nanda was honoured with an award of **“Chevalier de la Legion d’Honneur” (Knight of the National Order of the Legion of Honour)** by the President of the French Republic, **Mr. Nicolas Sarkozy** in 2008.

Mr. Nanda received the following awards:

1. **“Real Estate Person of the Year Award** from GIREM Leadership Awards in India in 2008;
2. **“ICSI National Award”** for Excellence in Corporate Governance for Mahindra & Mahindra as the best governed company in 2008;
3. **“CA Business Achiever Award - Corporate”** at The Institute of Chartered Accountants of India Award 2009;
4. **“Lifetime Achievement Award”** for his outstanding contribution to the Hospitality Industry and the Service Sector by the Golden Star Awards 2010;
5. **“Aatithya Ratna Award”** by the Business Hotels Network and Horwath HTL in 2014 for his contribution to the success of the Hospitality Industry; and
6. **“Lifetime Achievement Award”** in December 2014 at the CNBC Awaaz Real Estate Awards for his relentless pursuit of excellence and dynamic leadership that steered the growth of Mahindra Lifespaces.

Mr. Nanda is also a director on the board of Mahindra Holidays & Resorts (India) Limited, Mahindra World City (Jaipur) Limited, Mahindra Holdings Limited, Mahindra

World City Developers Limited and Holiday Club Resort Oy, Finland.

As on 31st March, 2015, Mr. Nanda is on the committees of the Board mentioned hereunder:

Name of Company	Name of Committee	Position Held
Mahindra Lifespace Developers Limited	Stakeholders Relationship (earlier known as Shareholder & Investors Grievance Committee)	Chairman
	Nomination and Remuneration (earlier known as Remuneration Committee)	Member
	Qualified Institutional Placement	Member
	Loans & Investment	Chairman
	Share Transfer & Allotment	Member
	Committee for Large Format Development	Member
	Committee for Residential Projects in Joint venture	Member
	Corporate Social Responsibility	Member
Mahindra World City (Jaipur) Limited	Loans & Investment	Member
	Capital Issue	Member
Mahindra Holidays & Resorts (India) Limited	Stakeholders Relationship Committee	Chairman
	Nomination & Remuneration	Member
	Loans & Investment	Chairman
	Inventory Approval	Chairman
	Strategy and Review	Chairman
	Corporate Social Responsibility	Chairman
	Risk Management	Chairman
Committee of Directors - Investment	Chairman	
Mahindra Holdings Limited	Loans & Investment	Member

Mr. Arun Nanda, Director holds 130,114 equity shares of the Company and his spouse jointly with Mr. Arun Nanda holds 600 equity shares in the Company. Mr. Uday Nanda, son of Mr. Arun Nanda holds 350 equity shares jointly with Mrs. Neerja Nanda and Mr. Arun Nanda. Details of Stock Options granted to Mr. Nanda under Employee Stock Option Scheme 2006 (ESOS 2006) are given at point no. 6 of this Report titled "Remuneration paid to Directors."

Mr. Shailesh Haribhakti

Mr. Shailesh Haribhakti is a Chartered and Cost Accountant, and a Certified Internal Auditor, Financial Planner & Fraud Examiner. He is the President of Rotary Club of Bombay for the year 2014-2015. During a career span of four decades, he has successfully established and led many innovative services. His current passions involves Outsourcing of Knowledge Processes, Engaged Investing, and efficiency & effectiveness enhancement in Social, Commercial and Governmental organisations. He strongly believes in 'shared

value' creation, good public and corporate governance and promoting a green environment. He actively promotes these causes and contributes towards their evolution by participating in the process of framing regulations and standards.

Mr. Haribhakti is also a Director on the board of Blue Star Limited, ACC Limited, Ambuja Cement Limited, L&T Finance Holdings Limited, Torrent Pharmaceuticals Limited, NSDL E-Governance Infrastructure Limited, Future Lifestyle Fashions Limited, Karam Chand Thapar & Bros. (Coal Sales) Limited, Metropolis Healthcare Limited, Quadrum Solutions Private Limited, J M Financial Asset Reconstruction Private Limited, MentorCap Management Private Limited, Haribhakti Moti India Private Limited, Planet People & Profit Consulting Private Limited, Reliance Infrastructure Consulting & Engineers Private Limited, Reliance Infradevelopment Private Limited, Reliance Wind Turbine Installators Private Limited, HB Advisory Services Private Limited and DH Consultants Private Limited.

As on 31st March, 2015, Mr. Haribhakti is on the committees of the Board mentioned hereunder:

Name of the Company	Name of the Committee	Position held	
Mahindra Lifespace Developers Limited	Audit	Member	
	Nomination and Remuneration (earlier known as Remuneration Committee)	Member	
	Committee for Residential Projects in Joint Venture	Member	
	Qualified Institutional Placement	Member	
	Risk Management	Chairman	
	Future Lifestyle Fashions Limited	Audit	Chairman
		Nomination and Compensation	Member
Corporate Social Responsibility		Member	
Blue Star Limited	Audit	Chairman	
	Compensation	Member	
	Business Restructuring	Member	
	Asset Disposal	Chairman	
NSDL e-Governance Infrastructure Limited	Audit	Chairman	
	Committee to review undertaking of software Development activity	Member	
Karam Chand Thapar Bros. (coal sales) Limited	Audit, Risk & compliance	Member	
	Nomination and Remuneration	Chairman	
J M Financial Asset Reconstruction Co. Private Limited.	Audit	Chairman	
	Nomination and Remuneration	Chairman	
	Issue & Allotment	Member	

Name of the Company	Name of the Committee	Position held
Torrent Pharmaceuticals Limited	Audit	Chairman
	Nomination & Remuneration	Chairman
L & T Finance Holdings Limited	Audit	Chairman
	Nomination & Remuneration	Chairman
Ambuja Cements Limited	Nomination & Remuneration	Member
	Risk Management	Chairman
	Corporate Social Responsibility	Chairman
	Stakeholders Relationship	Member
	Compliance	Member
	Capex	Member

Mr. Shailesh Haribhakti holds 5,000 equity shares of the Company. Details of Stock Options granted to Mr. Haribhakti under Employee Stock Option Scheme 2006 (ESOS 2006) are given at point no. 6 of this Report titled “Remuneration paid to Directors”

Mr. Sanjiv Kapoor

Mr. Sanjiv Kapoor, is a Fellow Member of The Institute of Chartered Accountants of India. He is a senior partner of M/s. S.K. Kapoor & Co, Chartered Accountants, one of the very old firms in the country. As a partner he has conducted number of audits of large organizations such as Reserve Bank of India, Life Insurance Corporation of India, N.T.P.C Ltd., Indian Oil Ltd., U.T.I., Bharat Sanchar Nigam Ltd., Union Bank, Bank of India, Bank of Baroda, The Bank of Nova Scotia etc.

Mr. Kapoor has been a Director of Mahindra & Mahindra Limited, Ballarpur Industries Limited, Indian Bank, Corporation Bank, UPSE Securities Limited, Sahara Asset Management Company Private Limited, Sahara India Life Insurance Company Limited, U.P. Stock Exchange Limited, Aambey Valley Limited, Mahindra Ugine Steel Co Limited, Sahara India Medical Institute Limited, General Insurance Corporation of India and HLL Biotech Limited.

He was the president of Kanpur Chartered Accountants Society in the year 1988-89. He has been a member of Northern Railway Users Consultative Committee, Kanpur Telephonic Advisory Committee. He was also the Vice President of Upper India Chamber of Commerce in the year 1996-97.

Mr. Kapoor at present is a Director on the Board of Mahindra Lifespace Developers Limited, Mahindra World City Developers Limited, HLL Life care Limited, HLL Infra Tech Services Limited, Goa Antibiotics and Pharmaceuticals Limited and Mahindra Residential Developers Limited.

As on 31st March, 2015, Mr. Kapoor is on the Committees of the Boards mentioned hereunder:

Name of Company	Name of Committee	Position Held
Mahindra Lifespace Developers Limited	Audit	Chairman
	Nomination and Remuneration (earlier known as Remuneration Committee)	Chairman
Mahindra World City Developers Limited	Audit	Chairman
HLL Life Care Limited	Audit	Chairman
	Remuneration	Chairman
	Strategy Formulation & Investment Committee	Member
HLL Infra Tech Services Ltd	Audit	Member
Goa Antibiotics and Pharmaceuticals Limited	Audit	Member

Mr. Kapoor does not hold any equity shares of the Company. Details of Stock Options granted to Mr. Kapoor under Employee Stock Option Scheme 2006 (ESOS 2006) are given at point no. 6 of this Report titled “Remuneration paid to Directors”

Dr. Prakash Hebalkar

Dr. Prakash Hebalkar is the Founder President of the corporate strategy consulting organisation ProfiTech. ProfiTech is an International Business Consulting firm focused on providing Strategic Advice to Corporates from the US Fortune Global 1000 list and the Indian ET500 list of companies. Dr. Hebalkar brings with him over 30 years of international senior executive experience following a Doctorate in computer science and economics from Massachusetts Institute of Technology in the U.S.A. Dr. Hebalkar pioneered software exports from India in the mid-1970s at TCS and later developed Tata Burroughs (now known as Tata Infotech) from its inception in 1978 into the nation’s largest software exporter in just five years.

Dr. Hebalkar is the author of several innovative Economic and Public-policy concepts. Dr. Hebalkar’s initiatives in the Infrastructure area include numerous pioneering projects done through his own erstwhile company MaxReach Consultants Private Limited.

Dr. Hebalkar’s international work experience has taken him from IBM Research in the U.S.A. where he managed and participated in software research for the Research Division, to the house of Tata, the leading industrial house in India. Dr. Hebalkar has served as international adviser on public policy to the United Nations and WIPO as well as the Government of India and has actively participated in several bilateral business councils and chambers of commerce (such as the Indo-U.S., Indo-Japan, Indo-

U.K., Indo-German and Indo-EEC Business Councils) in promotion of bilateral trade and technology co-operation as well as in major national business organizations in India such as the Confederation of Indian Industry (CII), Associated Chambers of Commerce (ASSOCHAM) and the National Association of Software and Service Companies (NASSCOM). He is a former President of the Western Region of the Indo-American Chamber of Commerce.

He has pioneered several tax administration reforms as a key member of the Ministry of Finance Empowered Committee headed first by Dr. Vijay Kelkar and then by Dr. Partho Shome. Dr. Hebalkar writes frequently on matters of economic policy and international trade for leading publications, and for some 15 years wrote a regular column entitled "Strategic Perspectives" in Business India.

Dr. Hebalkar is also a Director on the Board of Bluestar Infotech Limited.

As on 31st March, 2015, Dr. Hebalkar is on the committees of the Board mentioned hereunder:

Name of Company	Name of Committee	Position Held
Bluestar Infotech Limited	Audit	Member
	Shareholder Grievance	Member
	Compensation	Member
	Remuneration	Chairman
Mahindra Lifespace Developers Limited	Stakeholders Relationship Committee (earlier known as Shareholder & Investors Grievance Committee)	Member
	Committee for investment in Large Format Developments	Member

Dr. Hebalkar holds 5,000 equity shares of the Company. Details of Stock Options granted to Dr. Hebalkar under Employee Stock Option Scheme 2006 (ESOS 2006) are given at point no. 6 of this Report titled "Remuneration paid to Directors."

FAMILIARISATION OF INDEPENDENT DIRECTORS

The details of familiarisation programme for Independent Directors have been disclosed on website of the Company and is available at the link: http://www.mahindralifespaces.com/pdf/mlDI_familiarisation_programme_for_independent_directors.pdf

4. CODES OF CONDUCT

The Board of Directors of the Company has laid down two separate Codes of Conduct — one for Directors and another for Senior Management and Employees. It has also adopted Code for Independent Directors as per Schedule IV of the Companies Act, 2013. It has also adopted a familiarisation programme for Independent Directors, policy

for determining material subsidiaries, policy on materiality of and dealing with related party transactions. These codes are posted on the Company's website:

1. Code of Conduct for Senior Members - <http://www.mahindralifespaces.com/pdf/code-of-conduct-for-sr-employees.pdf>
2. Code of Conduct for Directors - <http://www.mahindralifespaces.com/pdf/code-of-conduct-for-directors.pdf>

All Board Members including Independent Directors and Senior Management Personnel have affirmed compliance with the respective Codes of Conduct for the year under review. A declaration signed by Managing Director & Chief Executive Officer to this effect is annexed to this report as **Annexure -1**.

5. CEO /CFO CERTIFICATION

As required under Part IX of the Clause 49 of the Listing Agreement with the Stock Exchanges, the Managing Director & Chief Executive Officer and the Chief Financial Officer of the Company have certified to the Board regarding their review of the Financial Statements, Cash Flow Statements and other matters related to internal controls for financial reporting in the prescribed format for the year ended 31st March, 2015. This certificate is annexed to this report as **Annexure -2**.

6. REMUNERATION PAID TO DIRECTORS

Remuneration Policy

The objective of the Remuneration Policy of the Company for Directors and Senior Management is to focus on enhancing the value, to attract, retain talent for achieving objectives of the Company and to place the Company in leading position. The Policy is guided by a reward framework and set of principles and objectives as more fully and particularly envisaged under Section 178 of the Companies Act 2013 and principles pertaining to qualifications, positive attributes, integrity and independence of Directors, etc.

While reviewing the Company's remuneration policies and deciding on the remuneration for Directors, the Board and the Nomination and Remuneration Committee (Committee) considers the performance of the Company, the current trends in the industry, the qualifications of the appointee(s), their experience, past performance, responsibilities shouldered by them, the statutory provisions and other relevant factors.

The Non-Executive Chairman and Independent Directors are paid sitting fees and reimbursement of expenses incurred in attending the Board and Committee meetings. The Board determines the remuneration, if any, of Non-Executive Directors, subject to requisite approvals, if any.

At the 12th Annual General Meeting of the Company held on 21st July, 2011, the shareholders had approved revision in the terms of payment of commission in a manner that commission may be distributed without any sub-limits amongst and paid to such Directors in such proportions as the Board may decide from time to time for period of five years commencing 1st April, 2010. Accordingly, the Board at its meeting held on 30th April, 2015 has approved payment of commission for the year ended on 31st March, 2015.

Performance Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, evaluation of every Director's performance was done by Nomination and Remuneration Committee. The performance evaluation of Non-Independent Directors and the Board as a whole, Committees thereof, and Chairperson of the Company was carried out by the Independent Directors. Evaluation of Independent Directors was carried out by the entire Board of Directors, excluding the Director being evaluated. A structured questionnaire was prepared after circulating the draft forms, covering various aspects of the evaluation such as adequacy of the size and composition of the Board with regard to skill, experience, independence, diversity, attendance and adequacy of time given by the Directors to discharge their duties; Corporate Governance practices etc. The Directors expressed their satisfaction with the evaluation process.

Criteria of making payments to NEDs

The Non-Executive Directors shall be entitled to receive remuneration by way of sitting fees, reimbursement of expenses for participation in the Board / Committee meetings and commission as detailed hereunder:

- i. A Non-Executive Director shall be entitled to receive sitting fees for each meeting of the Board or Committee of the Board attended by him of such sum as may be approved by the Board of Directors within the overall limits prescribed under the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014;
- ii. A Non-Executive director will also be entitled to receive commission on an annual basis of such sum as may be approved by the Board on the recommendation of the Nomination & Remuneration Committee within the limits approved by the Shareholders in accordance with statutory provisions in this regard. The total commission payable to the Directors shall not exceed 1% of the net profit of the Company calculated in the prescribed manner;
- iii. The Nomination & Remuneration Committee may recommend a higher commission for the Chairman of the Board of Directors taking into consideration his overall responsibility;

- iv. The Nomination & Remuneration Committee in determining the quantum of commission payable to the Directors, shall make its recommendation after taking into consideration the remuneration policy of the Company;
- v. The Commission shall be payable on prorata basis to those Directors who occupy office for part of the year.
- vi. As per provisions of the Companies Act, 2013, henceforth the Independent Directors will not be entitled to fresh grant of any Stock Options.

Detailed information of Directors' remuneration for the year 2014-15 is set forth below:

(₹ in lakhs)

Name of the Director	Status	Sitting Fees (Note a)	Commission (Note f)	Salary, Performance Pay and Perquisites	Aggregate of Company's contributions to Superannuation & Provident Fund	Total
Mr. Arun Nanda, Chairman	Non-Executive Non Independent	7.05	100.00	Nil	Nil	107.05
Mr. Uday Y Phadke	Non-Executive Non Independent	Nil	Nil	Nil	Nil	Nil
Mr. Sanjiv Kapoor	Non-Executive Independent	7.70	10.00	Nil	Nil	17.70
Mr. Shailesh Haribhakti	Non-Executive Independent	7.40	10.00	Nil	Nil	17.40
Mr. Anil Harish*	Non-Executive Independent	7.70	10.00	Nil	Nil	17.70
Dr. Prakash Hebalkar	Non-Executive Independent	6.30	10.00	Nil	Nil	16.30
Ms. Anita Arjundas (Note b)	Executive (Managing Director & Chief Executive Officer)	N.A.	Nil	192.62	26.49	219.11

* Mr. Anil Harish resigned from the Board of Directors of the Company w.e.f. 16th June, 2015.

Notes:

- a. Non-Executive Non-Independent Chairman and Non-Executive Independent Directors were paid sitting fees for attending meetings of Board and various committees as under :

Meeting	Fees upto June, 2014 (₹)	Revised Fees (₹)	effective from
Board	20,000	1,00,000	31 st July 2014
Audit Committee	20,000	30,000	1 st August, 2014
Stakeholders Relationship Committee	5,000	30,000	31 st July 2014
Large Format Development Committee	5,000	30,000	31 st July 2014
Share Transfer & Allotment Committee	5,000	5,000	1 st August, 2014
Corporate Social Responsibility (CSR) Committee*	Nil	Nil	N.A.
All other Committees	5,000	30,000	1 st August, 2014

* The members of the CSR Committee have voluntarily waived their entitlement for sitting fees for attending meetings of CSR Committees.

Ms. Anita Arjundas, Managing Director & Chief Executive Officer and Mr. Uday Y. Phadke, Non-Executive Non-Independent Director do not receive sitting fees for attending meetings of the Board/Committees of the Board of Directors of the Company.

b. (i) Ms. Arjundas prior to her appointment as Managing Director & Chief Executive Officer in the Company, in her capacity as an employee of the Company, is in receipt of 50,000 Stock Options under Employee Stock Options Scheme-2006 (ESOS-2006) granted to her on 25th April, 2008 of which she has exercised 1,000 options. In her capacity as MD & CEO, she is in receipt of 10,000 Stock Options under Employee Stock Options Scheme-2012 (ESOS-2012) granted on 4th August, 2012 of which she has exercised 2,000 options and will continue to hold balance options in terms of the Grant. She shall be eligible for additional Stock Options/Grants, as and when the event happens.

(ii) Salary to Ms. Anita Arjundas, Managing Director & Chief Executive Officer includes:

- Salary and Allowances of ₹ 142.17 lakhs
- Perquisites of ₹ 12.77 lakhs
- Performance pay of ₹ 37.68 lakhs.

The nature of employment of the Managing Director & Chief Executive Officer with the Company is contractual and can be terminated by giving three months' notice from either party. The contract does not provide for any severance fees.

c. The Company has not advanced any loan to any Director.

d. The Company has granted Stock Options under ESOS-2006 to the following Directors during the year 2008-09 and 2012-13:

Name of the Director	No. of Stock Options Granted on 25 th April, 2008 which are vested and to be exercised on or before 24 th April, 2017. (Exercise Price ₹ 428/- per Stock Option)	No. of Stock Options Granted on 4 th August, 2012. Vesting in four equal instalments of 25% each from date of grant. To be exercised on or before 3 rd August, 2021. (Exercise Price ₹325/- per Stock Option)	No. of Stock Options Exercised as on 31 st March, 2015*
Mr. Arun Nanda, Chairman	200,000	-	1,30,000
Mr. Uday Y Phadke	10,000	-	2,500
Mr. Sanjiv Kapoor	10,000	-	-
Mr. Shailesh Haribhakti	10,000	-	10,000

Name of the Director	No. of Stock Options Granted on 25 th April, 2008 which are vested and to be exercised on or before 24 th April, 2017. (Exercise Price ₹ 428/- per Stock Option)	No. of Stock Options Granted on 4 th August, 2012. Vesting in four equal instalments of 25% each from date of grant. To be exercised on or before 3 rd August, 2021. (Exercise Price ₹325/- per Stock Option)	No. of Stock Options Exercised as on 31 st March, 2015*
Mr. Anil Harish**	10,000	-	-
Dr. Prakash Hebalkar	-	10,000	5,000
Ms. Anita Arjundas	50,000	-	1,000
Total	2,90,000	10,000	1,48,500

* As of 31st March, 2015, a total of 1,72,750 Stock Options have been exercised by the grantees, out of which 1,48,500 Stock Options have been exercised by the above Directors and 24,250 Stock Options have been exercised by other grantees under ESOS-2006.

** Mr. Anil Harish has resigned from Board of Directors of the Company w.e.f. 16th June, 2015.

e. ESOS-2012: As of 31st March, 2015, a total of 25,800 Stock Options have been exercised by the grantees at an exercise price of ₹10 per Stock Option, out of which 2,000 Stock Options have been exercised by Ms. Anita Arjundas, Managing Director & CEO and 23,800 Stock Options have been exercised by other grantees under ESOS-2012. Ms. Anita Arjundas, Managing Director & CEO is in receipt of 10,000 Stock Option under Employee Stock Options Scheme - 2012 (ESOS-2012). None of the other Director are in receipt of any Stock Options under ESOS-2012.

Details of Vesting period are given below:

Year	Entitlement	Vesting Schedule
1	20%	12 months from the date of grant
2	20%	24 months from the date of grant
3	30%	36 months from the date of grant
4	30%	48 months from the date of grant

The Options are to be exercised within a period of five years from the respective date of vesting. Besides Stock Option, in case of MD & CEO, the Performance pay and in case of other Directors, payment of commission are the only components of Director's remuneration that are variable. All other components are fixed.

g. As per provisions of the Companies Act, 2013 and other applicable regulations, henceforth the Independent Directors will not be entitled to fresh grant of any Stock Options.

Shares and Convertible Instruments held by Directors

The details of the Stock Options granted to Directors is given under Note (b)(i), (d) and (e) of the previous section on Remuneration Policy.

As on 31st March, 2015:

- Mr. Arun Nanda holds 1,30,114 equity shares and his spouse jointly with Mr. Arun Nanda holds 600 equity shares in the Company. Mr. Uday Nanda, son of Mr. Arun Nanda holds 350 equity shares jointly with Mrs. Neerja Nanda and Mr. Arun Nanda.
- Mr. Anil Harish's son and daughter hold 3,500 equity shares each of the Company jointly with Mr. Anil Harish, aggregating 7,000 equity shares.
- Ms. Anita Arjundas holds 3,000 equity shares in the Company.
- Dr. Prakash Hebalkar holds 5,000 equity shares in the Company.
- Mr. Sanjiv Kapoor, and Mr. Uday Y. Phadke do not hold any shares in the Company either on their own or for any other person on a beneficial basis.

7. COMMITTEES OF THE BOARD

Audit Committee

The Audit Committee of the Company comprises of three Independent Directors, namely Mr. Sanjiv Kapoor, Mr. Shailesh Haribhakti, Mr. Anil Harish and one Non-Executive Non-Independent Director, Mr. Uday Y. Phadke. Mr. Sanjiv Kapoor is the Chairman of the Committee. Mr. Anil Harish resigned from the Board of Directors of the Company w.e.f. 16th June, 2015. All members of the Audit Committee possess strong knowledge of accounting and financial management.

The terms of reference of the Committee were enhanced in the Board meeting held on 26th March, 2014 pursuant to Section 177 of the Companies Act, 2013, which inter-alia includes:

- Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Monitoring the end use of funds raised through public offers and related matters.

The terms of reference of the Committee are also in accordance with the requirements of Clause 49 of the Listing Agreement. The Audit Committee has been granted powers as prescribed under Clause 49 III (C) of the Listing Agreement. Generally, all items listed in Clause 49 III (D) are covered in the terms of reference and inter-alia include:

- Overview of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the Statutory Auditor and the fixation of their fees;
- Approval of payment of fees to Statutory Auditors for any other services rendered by the Statutory Auditors;
- Review of the internal control systems with the management, Internal Auditors and Statutory Auditors;
- Review with the management, the annual financial statements before submission to the Board for approval, with special emphasis on accounting policies and practices, compliance and other legal requirements concerning financial statements;
- Review the adequacy of internal audit function, significant internal audit findings and follow-ups thereon;
- Review Management Discussion and Analysis;
- Review Material Individual Transactions with related parties not in normal course of business or which are not on an arm's length basis;
- Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate;
- Review financial statements and investment of unlisted subsidiary companies.

During the year under review, 1st April, 2014 to 31st March, 2015, six meetings of the Committee were held on following dates: 22nd April, 2014; 31st July, 2014; 11th September, 2014; 17th October, 2014; 30th January, 2015, and 23rd March, 2015. The maximum gap between any two meetings did not exceed four months.

All members attended each of the meetings except Mr. Shailesh Haribhakti who attended five meetings. Mr. Sanjiv Kapoor, Chairman of the Audit Committee, was present at the Annual General Meeting of the Company held on 7th August, 2014. The Chairman, the Managing Director & Chief Executive Officer, Chief Financial Officer, the Internal Auditors and Statutory Auditors are regularly invited to attend the Audit Committee Meetings. The Company Secretary is the Secretary to the Committee.

The Company has established a vigil mechanism by adopting a Whistle Blower Policy for Directors and employees to report genuine concerns in the prescribed manner. The vigil mechanism is overseen by the Audit

Committee and provides adequate safeguards against victimization of employees and Directors. Whistle Blower Policy is a mechanism to address any complaint(s) related to fraudulent transactions or reporting intentional non-compliance with the Company's policies and procedures and any other questionable accounting/operational process followed. It provides a mechanism for employees to approach the Chairman of Audit Committee or Chairman of the Company or the Corporate Governance Cell. During the year, no such incidence was reported and no personnel were denied access to the Chairman of the Audit Committee or Chairman of the Company or the Corporate Governance Cell. The Boards' Report also has details on the Whistle Blower Policy of the Company and the Policy is available at web link: <http://www.mahindralifespaces.com/pdf/mldl-whistleblowerpolicy.pdf>

Stakeholder's Relationship Committee

The Stakeholders Relationship Committee of the Company comprises of one Non-Executive Non-Independent Director, Mr. Arun Nanda and one Non-Executive Independent Director, Dr. Prakash Hebalkar. Mr. Arun Nanda is the Chairman of the Committee.

The Committee's objective is to attend to investors' complaints pertaining to transfers / transmission of shares, non-receipt of dividend / interest, and any other related matter.

During the year under review the Committee met once on 31st July, 2014. Mr. Arun Nanda and Dr. Prakash Hebalkar attended the meeting.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee of the Company comprises three Independent Directors, Mr. Sanjiv Kapoor, Mr. Shailesh Haribhakti and Mr. Anil Harish, and one Non-Executive Non-Independent Director, Mr. Arun Nanda. Mr. Sanjiv Kapoor is the Chairman of the Committee. Mr. Anil Harish resigned from the Board of Directors of the Company w.e.f. 16th June, 2015.

During the year under review, the Committee met four times on 22nd April, 2014, 31st July, 2014, 17th October, 2014 and 23rd March, 2015. All members of the Committee attended the meetings. Mr. Sanjiv Kapoor, Chairman of the Nomination and Remuneration Committee, was present at the Annual General Meeting of the Company held on 7th August, 2014.

The role of the Nomination and Remuneration Committee inter-alia, includes:

- i) to consider appointment, re-appointment, determination of the fixation of the remuneration, revision in the remuneration payable to the managing director / whole-time director of the Company from time to time;

- ii) to formulate and administer the Employee Stock Option Scheme (the "Scheme");
- iii) Formulating the criteria for determining qualifications, positive attributes and independence of a Director;
- iv) Recommending to the Board a Policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees;
- v) To identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance;
- vi) To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees;
- vii) To attend to such other matters and functions as may be prescribed from time to time;
- viii) Formulation of criteria for evaluation of Independent Directors and the Board;
- ix) Devising a policy on Board Diversity.

Loans & Investment Committee

The Loans & Investment Committee of the Board of the Company comprises of three Non-Executive Directors, Mr. Arun Nanda, Mr. Uday Y. Phadke and Mr. Anil Harish, an Independent Director. Mr. Anil Harish resigned from the Board of Directors of the Company w.e.f. 16th June, 2015 and the Board at its meeting held on 19th June, 2015 nominated Dr. Prakash Hebalkar, a Non-executive Independent Director on the Loans & Investment Committee. The Committee's objective is to finalise within the parameters set by the Board, the terms on which the borrowings / investments would be made by the Company from time to time.

Mr. Arun Nanda is the Chairman of the Committee.

Share Transfer and Allotment Committee (earlier known as Share Allotment Committee)

The Board at its meeting held on 31st July, 2014 changed the nomenclature of the existing "Share Allotment Committee" to "Share Transfer and Allotment Committee." The role of the Committee covers:

- a) to issue duplicate share certificates in lieu of original certificates, which are lost or misplaced against an Indemnity Bond;
- b) to issue duplicate share certificates in lieu of original certificates, which are lost or misplaced against an Indemnity Bond without insisting on an advertisement or notification being published in the newspaper /

Maharashtra Government Gazette, if the face value of shares involved is not more than ₹10,000/- and the market value is not more than ₹5,00,000/-;

- c) to approve in physical mode transfers in excess of 5,000 equity shares per transfer;
- d) to approve transmission in physical mode of equity shares of a market value exceeding ₹5,00,000/-;
- e) to allot Equity Shares arising out of exercise of Stock Options pursuant to the Employee Stock Option Scheme 2006 (ESOS- 2006) and Employee Stock Option Scheme 2012 (ESOS 2012), or any other Employee Stock Option Scheme that may be in vogue from time to time, and allot equity / preference shares / securities / convertible instruments as per the terms of any other Issue of shares / securities / convertible instruments as may be approved by the Board / shareholders from time to time.

The Committee comprises of Mr. Arun Nanda, Mr. Uday Y. Phadke and Ms. Anita Arjundas.

During the year under review, the Committee met twice: 23rd June, 2014 and 11th September, 2014. Mr. Arun Nanda attended one meeting and Mr. Uday Y. Phadke and Ms. Anita Arjundas attended both the meetings. During the year, the Committee also approved issue of duplicate share certificates through circular resolutions.

Committee for Residential Projects in Joint Venture

The Committee for Residential Projects in Joint Venture comprises of Mr. Arun Nanda, Mr. Shailesh Haribhakti and Ms. Anita Arjundas. The objective of the Committee is to evaluate business plans and investments in Residential projects to be undertaken in Joint Venture.

Committee for Large Format Developments

The Committee for Large Format Developments comprises of Mr. Arun Nanda, Dr. Prakash Hebalkar and Ms. Anita Arjundas. The objective of the Committee is to evaluate business plans and investments in large format development projects.

During the year under review, the Committee met twice on 31st July, 2014 and 29th January, 2015. All members attended the meetings.

Qualified Institutional Placement Committee

The Committee comprises of Mr. Arun Nanda, Mr. Uday Y. Phadke, Mr. Shailesh Haribhakti and Ms. Anita Arjundas. The objective of the Committee is to finalise the terms of issue of equity shares to Qualified Institutional Buyers, and to finalise and approve the Preliminary Placement Document/Placement Document etc.

Corporate Social Responsibility Committee

The Committee comprises of Mr. Arun Nanda, Mr. Anil Harish and Ms. Anita Arjundas. Mr. Anil Harish resigned from the Board of Directors of the Company w.e.f. 16th June, 2015 and the Board at its meeting held on 19th June, 2015 nominated Mr. Shailesh Haribhakti, a Non-executive Independent Director on the Corporate Social Responsibility Committee.

During the year under review, the Committee met twice on 31st July, 2014 and 30th January, 2015. All members attended the meetings.

Risk Management Committee comprising Directors and Executives of the Company

The Company already has in place the procedure to inform the Board about the risk assessment and minimization procedures. The Board has constituted Risk Management Committee comprising of Directors and Executives of the Company.

The Committee comprises of Mr. Shailesh Haribhakti, Independent Director, Ms. Anita Arjundas, Managing Director & CEO and Mr. Jayant Manmadkar, Chief Financial Officer of the Company. Mr. Shailesh Haribhakti is the Chairman of the Committee.

The role of the Committee is to monitor and review the risk assessment, mitigation and risk management plan for the Company from time to time.

8. GENERAL SHAREHOLDER INFORMATION

Sixteenth Annual General Meeting

Day / Date: Friday, 31st July, 2015

Time: 3:00 p.m.

Venue : Walchand Hirachand Hall, 4th Floor,
Indian Merchant Chamber Building,
IMC Marg, Churchgate,
Mumbai 400 020

Details of Annual / Extraordinary General Meetings held during past three years

Year	Date	Time	Venue
2012	21 st July, 2012 13 th AGM	3:00 p.m.	Y B Chavan Centre, Mumbai
2013	24 th July, 2013 14 th AGM	3:00 p.m.	Y B Chavan Centre, Mumbai
2014	7 th August, 2014 15 th AGM	3:00 p.m.	Y B Chavan Centre, Mumbai

Details of special resolutions passed in Annual / Extraordinary General Meetings held during past three years

- 13th AGM** • Revision in Remuneration payable to Managing Director & Chief Executive Officer
- 21st July, 2012** • New Employee Stock Option Scheme - 2012 for the benefit of the Employees / Directors of the Company
- Extending the benefit of the New Employee Stock Option Scheme- 2012 to the employees of subsidiary companies
 - Alteration of Articles of Association to provide for Video Conference facility for Board/ General meeting
- 14th AGM** • Increase in limit for investment by FIIs from 30% to 49% of the Company's paid up equity share capital
- 24th July, 2013**
- 15th AGM, 7th August, 2014** • Appointment and Remuneration of Managing Director & CEO
- Borrowing Limits under Section 180(1)(c) of Companies Act, 2013
 - Maintenance of the Register of Members and related books at a place other than the Registered Office of the Company
 - Private Placement of Non-Convertible Debentures and /or other Debt Securities upto an aggregate amount of ₹ 7,50,00,00,000 (Rupees Seven Hundred Fifty crores Only)

No Extraordinary General Meeting (EGM) was held during last three years.

During the financial year, Special Resolution was passed by Postal Ballot on 7th August, 2014 for fixing the limit for creation of charge over the assets of the Company pursuant to Section 180(1)(a) of the Companies Act, 2013 w.r.t. borrowings of the Company. The Voting pattern for the same was as follows:

Votes cast in favour		Votes cast against		Date of declaration of results
No. of votes	%	No. of votes	%	
27577434	99.99	334	0.01	07/08/2014

M/s. Martino Ferrao & Associates, Practising Company Secretaries, Mumbai was appointed as the Scrutinizer for conducting the postal ballot process in a fair and transparent manner and to ascertain majority.

Procedure for postal ballot:

In compliance with Clause 35B of the Listing Agreement and Sections 108, 110 and other applicable provisions of the Companies Act, 2013, read with the related Rules, the Company provides electronic voting facility to all its

members, to enable them to cast their votes electronically. The Company engages the services of NSDL for the purpose of providing e-voting facility to all its members. The members have the option to vote either by physical ballot or e-voting. The Company dispatches the postal ballot notices and forms along with postage prepaid business reply envelopes to its members whose names appear on the register of members / list of beneficiaries as on a cut-off date. The postal ballot notice is sent to members in electronic form to the email addresses registered with their depository participants (in case of electronic shareholding) / the Company's registrar and share transfer agents (in case of physical shareholding). The Company also publishes a notice in the newspaper declaring the details of completion of dispatch and other requirements as mandated under the Act and applicable Rules.

Voting rights are reckoned on the paid-up value of the shares registered in the names of the members as on the cut-off date. Members desiring to exercise their votes by physical postal ballot forms are requested to return the forms duly completed and signed, to the Scrutinizer on or before the close of voting period. Members desiring to exercise their votes by electronic mode are requested to vote before close of business hours on the last date of e-voting. The Scrutinizer submits his report to the Chairman, after the completion of scrutiny, and the consolidated results of the voting by postal ballot are then announced by the Chairman / authorized officer. The results are also displayed on the website of the Company, www.mahindralifespaces.com, besides being communicated to the stock exchanges, depository and registrar and share transfer agent. The date of declaration of the results by the Company is deemed to be the date of passing of the resolutions.

Dates of Book Closure

Friday, 24th July, 2015 to Friday, 31st July, 2015 (both days inclusive)

Final Dividend Payment Date

Final Dividend, if declared, will be credited / dispatched between 1st August, 2015 and 5th August, 2015.

Financial Year

The financial year covers the period from 1st April to 31st March.

Financial reporting for 2015-16 (Tentative)

For Quarter ending - 30 th June, 2015	By end of July, 2015
For Half Year ending - 30 th September, 2015	By end of October, 2015
For Quarter ending - 31 st December, 2015	By end of January, 2016
For year ending - 31 st March, 2016	By end of April, 2016

Listing on Stock Exchanges

The equity shares of the Company are listed on Bombay Stock Exchange Limited and National Stock Exchange of India Limited. Listing fees have been paid to the Stock Exchanges for the period up to 31st March, 2016.

Mahindra Lifespace Developers Limited's (MLDL) Stock Exchange Codes

BSE 532313
NSE MAHLIFE

Demat International Security Identification Number (ISIN) in NSDL and CDSL for Equity Shares - INE813A01018

Demat International Security Identification Number (ISIN) in NSDL and CDSL for Secured Listed Rated Redeemable 10.78% YTM, Non-Convertible Debentures:

- Series I - INE813A07049
- Series II - INE813A07056
- Series III - INE813A07031

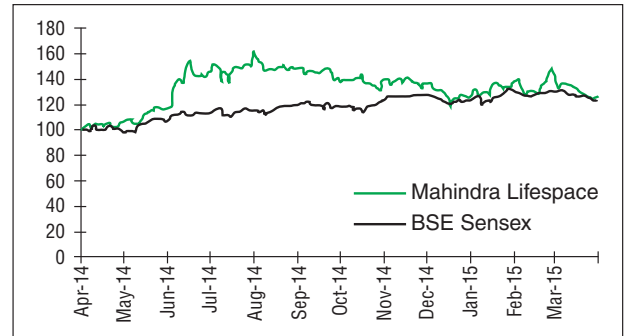
BSE and NSE - Monthly High / Low and Volumes

Year	Month	BSE			NSE		
		High (₹)	Low (₹)	Monthly Volume	High (₹)	Low (₹)	Monthly Volume
2014	April	406.20	362.00	58,137	407.85	362.10	507,714
2014	May	455.00	385.05	106,486	450.00	386.05	587,032
2014	June	603.00	425.50	397,310	604.00	427.00	1,294,115
2014	July	659.00	505.00	361,622	664.35	503.35	1,452,301
2014	August	599.00	540.00	158,021	599.50	540.55	740,087
2014	September	566.00	458.00	122,904	565.00	456.00	538,498
2014	October	549.90	485.00	89,864	554.00	481.25	367,329
2014	November	543.60	481.50	75,960	543.00	485.00	279,839
2014	December	521.50	435.05	79,283	521.70	436.15	325,946
2015	January	534.00	465.75	167,834	535.00	466.35	498,392
2015	February	580.00	460.65	152,001	581.20	458.10	723,939
2015	March	525.60	455.00	101,231	526.60	458.00	435,108

Performance in comparison to BSE - Sensex, NSE Nifty, BSE 500 Index and BSE Realty Index

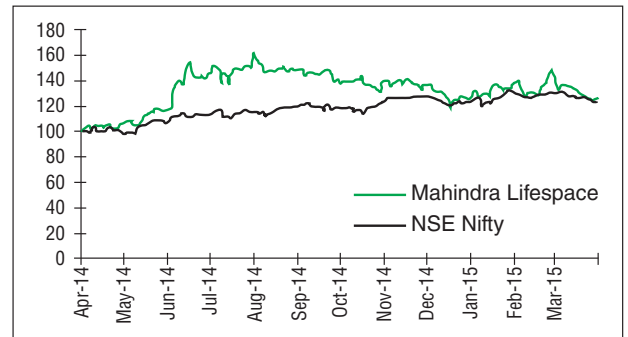
Year	Month	Closing Price on Last Trading Day of the Month				
		MLDL at BSE	BSE Sensex	NSE Nifty	BSE 500	BSE Realty
2014	April	392.55	22,417.80	6,696.40	8,342.15	1,396.79
2014	May	429.15	24,217.34	7,229.95	9,206.01	1,894.34
2014	June	543.60	25,413.78	7,611.35	9,791.34	2,077.13
2014	July	603.95	25,894.97	7,721.30	9,831.51	1,893.03
2014	August	550.25	26,638.11	7,954.35	10,096.08	1,727.44
2014	September	514.25	26,630.51	7,964.80	10,173.26	1,581.27
2014	October	511.85	27,865.83	8,322.20	10,594.89	1,553.42
2014	November	506.40	28,693.99	8,588.25	10,956.16	1,683.06
2014	December	471.80	27,499.42	8,282.70	10,721.62	1,555.07
2015	January	513.05	29,182.95	8,808.90	11,346.24	1,811.36
2015	February	512.15	29,361.50	8,901.85	11,454.35	1,821.92
2015	March	468.75	27,957.49	8,491.00	11,048.75	1,664.51

Chart A: Mahindra Lifespaces' Share Performance versus BSE Sensex



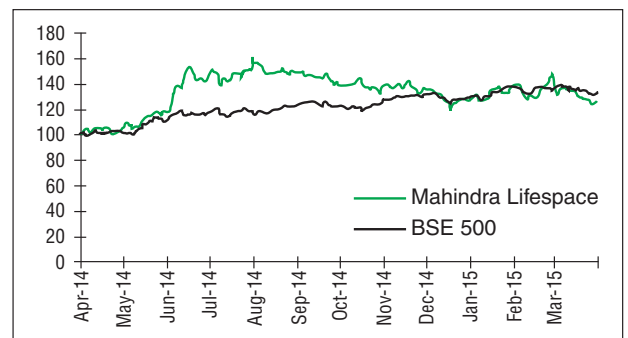
Note: Share price of Mahindra Lifespaces and BSE Sensex have been indexed to 100 on 1st April, 2014

Chart B: Mahindra Lifespaces' Share Performance versus NSE NIFTY

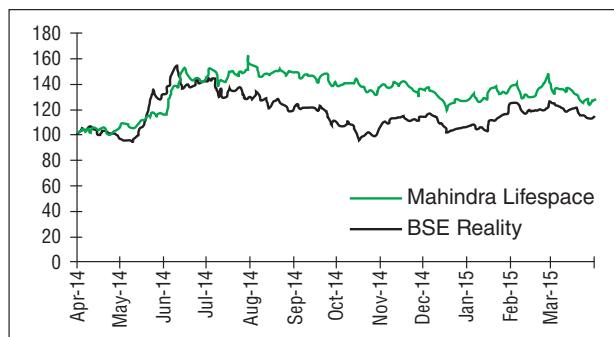


Note: Share price of Mahindra Lifespaces and NSE NIFTY have been indexed to 100 on 1st April, 2014

Chart C: Mahindra Lifespaces' Share Performance versus BSE 500



Note: Share price of Mahindra Lifespaces and BSE 500 have been indexed to 100 on 1st April, 2014

Chart D: Mahindra Lifespaces' Share Performance versus BSE Realty

Note: Share price of Mahindra Lifespaces and BSE Realty have been indexed to 100 on 1st April, 2014

Registrar and Share Transfer Agents

Sharepro Services (India) Private Limited

Registered Office

13 AB Samhita Warehousing Complex,
Sakinaka Telephone Exchange Lane,
Off. Andheri - Kurla Road, Sakinaka,
Andheri (E), Mumbai-400 072
Tel: 022-67720300, 67720400
Fax: 022-28591568, 28508927
E-mail: sharepro@shareproservices.com
Website: www.shareproservices.com

Investor Relation Centre

Sharepro Services (India) Pvt. Limited
912, Raheja Centre,
Free Press Journal Road,
Nariman Point, Mumbai - 400 021
Tel: 022-66134700

Contact details of Debenture Trustees:

Axis Trustees Services Limited
Axis House, 2nd Floor
Bombay Dyeing Mills Compound
Pandurang Budhkar Marg
Worli, Mumbai - 400 025
Phone: 022 -24252525

Share Transfer System

Shares sent for transfer in physical form are registered and returned within a period of fifteen days from the date of receipt of documents, provided that, documents are valid and complete in all respects. With a view to expedite the process of share transfers, Ms. Anita Arjundas, Managing Director & Chief Executive Officer, Mr. Suhas Kulkarni, Sr. Vice President - Legal & Company Secretary and Ms. Arti Shinde, DGM- Secretarial & Legal have been severally authorised by the Board to approve the transfer of shares

in physical form, not exceeding 5,000 equity shares per transfer, provided that, the transferee does not hold 100,000 or more equity shares. As of date, there are no pending share transfers pertaining to the year under review.

Distribution of Shareholding as on 31st March, 2015

No. of Equity Shares	No. of Shareholders	% of Shareholders	No. of Shares Held	% of Shareholding
1 - 100	58,257	90.38	13,07,946	3.19
101 - 200	2,930	4.54	4,37,795	1.07
201 - 300	1,068	1.66	2,73,125	0.66
301 - 400	516	0.80	1,83,890	0.45
401 - 500	459	0.71	2,18,108	0.53
501 - 1,000	619	0.96	4,65,725	1.13
1,001 - 2,000	289	0.45	4,13,733	1.01
2,001 - 3,000	98	0.15	2,49,127	0.61
3,001 - 4,000	45	0.07	1,59,464	0.39
4,001 - 5,000	31	0.05	1,46,728	0.36
5,001 - 10,000	58	0.09	4,13,479	1.01
10,001 & above	89	0.14	3,67,43,080	89.59
Total	64,459	100.00	4,10,12,200	100.00

Shareholding Pattern

Category	As on 31 st March, 2015		As on 31 st March, 2014	
	No. of Equity Shares Held	% of Shareholding	No. of Equity Shares Held	% of Shareholding
Promoter's and Promoter Group	2,08,46,126	50.83	2,08,46,126	51.03
Insurance Companies, Banks and Financial Institutions	16,127	0.04	67,711	0.16
UTI and Mutual Funds	5,34,121	1.30	7,08,233	1.73
FII's	1,18,22,364	28.83	1,22,99,068	30.11
NRIs/OBC	4,69,670	1.15	3,75,966	0.92
Bank of New York Mellon (for GDR Holders)	44,810	0.11	47,310	0.12
Domestic Companies	22,27,097	5.43	20,64,212	5.05
Trust	13,139	0.03	24,648	0.06
Resident Individuals	50,38,746	12.28	44,15,076	10.82
Total	4,10,12,200	100.00	4,08,48,350	100.00

Dematerialisation of Shares

As of 31st March, 2015, 4,04,02,031 shares (98.51%) of total paid-up equity capital were held in electronic form with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The Company's equity shares are traded in the electronic form. Requests for dematerialisation of shares are generally processed and confirmed within 7 days.

Outstanding GDRs/ ADRs /Warrants or any convertible instruments, conversion date and likely impact on equity

As of 31st March, 2015 outstanding GDR's represent 44,810 equity shares. Since the underlying equity shares represented by GDRs have been allotted in full, the outstanding GDRs have no impact on the equity share capital of the Company.

Mahindra Lifespace Developers Limited - Unclaimed Suspense Account

As per the provisions of Clause 5A(1)(g) of the Listing Agreement the unclaimed/undelivered shares lying in the possession of the Company are required to be dematerialized and transferred into a “Unclaimed Suspense Account” held by the Company. In compliance with the said provision, the Company had sent three reminder letters to such shareholders whose share certificates are returned undelivered and hence remained unclaimed, by requesting them to update correct details viz. postal addresses, PAN details etc. registered with the Company in order to avoid transfer of such unclaimed shares to the “Unclaimed Suspense Account.” The Company has in March 2014 transferred 49,854 such unclaimed shares to the “Mahindra Lifespace Developers Limited - Unclaimed Suspense Account.” These shares are being credited to the aforesaid Suspense Account. Any corporate benefits in terms of securities accruing on such shares viz. bonus shares, split etc., shall also be credited to such Demat Suspense Account. The Suspense Account shall be held by the Company on behalf of the allottees who are entitled for the shares and the shares held in such Suspense Account shall not be transferred in any manner whatsoever except for the purpose of allotting / delivering the shares as and when the shareholders approach the Company. The voting rights on such shares shall remain frozen till the rightful owner claims the shares. As and when the allottee approaches the Company, the Company shall credit the shares lying in the Suspense Account to the demat account of the allottee to the extent of the allottee’s entitlement, after proper verification of the identity of the allottee.

Details as of 31st March, 2015.

1	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year (Shares being credited to the Suspense Account);	Number of shareholders : 3,170 Outstanding shares : 49,854
2	Number of shareholders who approached issuer for transfer of shares from suspense account during the year;	No. of requests : 12 No. of shares : 171

3	Number of shareholders to whom shares were transferred from suspense account during the year;	No. of requests : 12 No. of shares : 171
4	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year (Shares being credited to the Suspense Account);	Number of shareholders : 3,158 Outstanding shares : 49,683

Offices of the Company

Registered Office & Corporate Office

5th Floor, Mahindra Towers,
Worli, Mumbai - 400 018
Tel: 022- 67478600 / 67478601

Mumbai Office

- Chemtex House, Ground Floor, Main Street Road, Hiranandani Gardens, Powai, Mumbai 400 076
Tel: 022- 66793191 / 66793190
- 301, 3rd floor, Building 1, Nirmal Galaxy Avior, LBS Marg, Mulund (W), Mumbai - 400 080
Tel: 022-65301520

Delhi Office

- Mahindra Towers, 2A, Bhikaiji Cama Place, New Delhi -110 066
Tel: 011-26173787 / 26194977
- Gurgaon office
Khasra No 12/19/2, 21/2 22/2 18/6
At Village Behrampur, Sector 59
Gurgaon, Haryana 122 001

Chennai Office

The Canopy, II Floor, Unit.No-II
Mahindra World City, Special Economic Zone,
Natham Sub P.O., Near Paranur Rly Station,
Chengelpet-603 002, Tamil Nadu
Tel: 044-67454060 / 47410000

Pune Office

CTS 6017, Pimpri-Nehru Nagar Road,
Next to Dr. Beck Company,
Pimpri, Pune 411 018. Maharashtra
Tel: 020-65103374

Hyderabad Office

Survey No. 78 / 2 & 78 / 3
Next to Indu Fortune Fields,
Kukatpally, Hyderabad - 500 072
Tel: 040 - 64600944

Bangalore Office

37/2A, Opp. To TBL Software
Bannerghatta Road, Arakere Village,
Bangalore 560 076

Shareholders may correspond with the Company at its Registered Office and/or with the Registrars and Share Transfer Agent, Sharepro Services (India) Pvt. Limited.

Compliance Officer

Mr. Suhas Kulkarni
Company Secretary
Mahindra Lifespace Developers Limited
5th Floor, Mahindra Towers,
Worli, Mumbai - 400 018
Tel: 022-67478600 / 67478601
Fax: 022-24975084
E-mail: kulkarni.suhas2@mahindra.com

Company's investor email ID

investor.mdl@mahindra.com

Company's website

www.mahindralifespaces.com

Status of Investors Complaints received during the period 1st April, 2014 to 31st March, 2015

1	Number of complaints received from the investors comprising non-receipt of dividend, non-receipt of shares lodged for transfer, non-receipt of Annual Report, etc	2
2	Number of complaints resolved	2
3	Complaints pending as at 31 st March, 2015	Nil
4	Number of share transfers pending for approval as at 31 st March, 2015	Nil

9. DISCLOSURE OF ACCOUNTING TREATMENT

The financial statements are prepared in accordance with Generally Accepted Accounting Principles in India, the Accounting Standards issued by The Institute of Chartered Accountants of India and the provisions of the Companies Act, 2013 and the Rules framed thereunder.

10. RELATED PARTY TRANSACTIONS

The Company has formulated a policy on materiality of Related Party Transactions and also on dealing with Related

Party Transactions. The policy has been uploaded on the website of the Company and is available at the link: http://www.mahindralifespaces.com/pdf/policy_on_materiality_of_and_dealing_with_related_party_transactions-website.pdf

All related party transactions are entered into with prior approval of the Audit Committee.

During the financial year 2014-15, there were no materially significant related party transactions entered into between the Company and its Promoters, Directors or Key Managerial Personnel, the Senior Management, or their relatives, subsidiaries etc. that may have potential conflict with the interests of the Company at large. Details of Related Party transactions are presented in Note No. 39 to Annual Accounts of the Annual Report.

11. COMPLIANCE WITH CLAUSE 49 MANDATORY REQUIREMENTS

As of 31st March, 2015, the Company was fully compliant with all applicable mandatory requirements of the revised Clause 49.

Non-Mandatory Requirements

The status of compliance with non-mandatory recommendations of the Clause 49 of the Listing Agreement with Stock Exchanges is provided below:

- **Non-Executive Chairman's Office:** The Company shares the expenses of maintaining office of the non-executive Chairman of the Company and reimbursement expenses incurred in performance of his duties.
- **Shareholders' Rights:** As the quarterly and half yearly financial performance are published in the newspapers and are also posted on the Company's website, the same are not being sent to the shareholders.
- **Audit Qualifications:** The Company's financial statement for the financial year 2015 does not contain any audit qualification.
- **Separate posts of Chairman and CEO:** The Chairman of the Board is a Non-executive Director and his position is separate from that of the Managing Director & CEO.
- **Reporting of Internal Auditor:** The Internal Auditor reports to the Audit Committee.

12. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report (MDA) has been attached to the Directors' Report and forms part of this Annual Report.

13. CORPORATE GOVERNANCE VOLUNTARY GUIDELINES 2009

In December, 2009 the Government of India, Ministry of Corporate Affairs (“MCA”) had issued Corporate Governance Voluntary Guidelines 2009. MCA has clarified that the Guidelines were prepared and disseminated for consideration and adoption by Corporates and may be voluntarily adopted by public companies with the objective to enhance not only the economic value of the enterprise but also the value for every stakeholder who has contributed in the success of the enterprise and set a global benchmark for good Corporate Governance. MCA after taking into account the experience of adoption of these guidelines by Corporates and after consideration of the feedback received from them would review these guidelines for further improvements. The Company has been a strong believer in good corporate governance and has been adopting the best practices that have evolved over the last decade.

As of 31st March, 2015, the Company is compliant with some of the Voluntary Guidelines to the extent that they are consistent with provision of Clause 49 of Listing Agreement.

14. OTHER DISCLOSURES

Details of Non-compliance Relating to Capital Markets

The Company has complied with all requirements of regulatory authorities. No penalties/strictures were imposed on the Company by Stock Exchanges or SEBI or any statutory authority on any matter related to capital market since the listing of the Company’s equity shares.

Code for Prevention of Insider Trading Practices

In compliance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 on prevention of insider trading, the Company has adopted a comprehensive Code of Conduct for Prevention of Insider Trading in the securities of the Company for designated persons. The Code lays down guidelines, which advise them on procedures to be followed and disclosures to be made while dealing with shares of the Company and caution them of the consequences of violations.

In compliance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Company has on 30th April, 2015 approved the “Code for Prohibition of Insider Trading and to regulate, monitor and report trading by Insiders and designated persons” and

“Code for Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI)” to become effective from 15th May, 2015. These Codes supersede the Code of Conduct for Prevention of Insider Trading in shares of Mahindra Lifespace Developers Limited formulated under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992.

Risk Assessment and Minimization procedures are in existence and are reviewed periodically. The Risk Management Committee monitors and reviews the risk assessment, mitigation and risk management plan for the Company from time to time.

Material Non-listed Indian Subsidiary Company

As of 31st March, 2015, one of the subsidiary company, “Mahindra Residential Developers Limited” was a ‘Material Non-listed Indian Subsidiary Company’ under Clause 49(V) of the Listing Agreements with the Stock Exchanges.

The Audit Committee of the Company periodically reviews the financial statements of subsidiary companies and in particular, the investments made by the unlisted subsidiary company. The management periodically brings to the attention of the Board of Directors of the Company, a statement of all significant transactions and arrangements, if any, entered into by the unlisted subsidiary company.

Pursuant to Clause 49(V)(D) of the Listing Agreement, the Company has formulated a “Policy for determining Material Subsidiaries” and such policy is uploaded on the company’s website and a web link for the same is: <http://www.mahindralifespaces.com/pdf/policy> for determining material subsidiaries.pdf

Means of Communication

The quarterly, half-yearly and yearly results are published in daily English and daily Marathi newspapers within prescribed timelines. The Company also informs stock exchanges in a prompt manner, about all price sensitive information or such other matters which in its opinion, are material and relevant to the shareholders and subsequently issues a press release on the said matters. Further, the Company has also been complying with the listing requirement for filing of its financial results with BSE and NSE. The Company’s results, earnings call transcripts, corporate & investor presentations, news and press releases are displayed on the Company’s website www.mahindralifespaces.com

Declaration on Codes of Conduct

As required by Clause 49 of the Listing Agreement the Declaration for Codes of Conduct is given below:

To
The Members of
Mahindra Lifespace Developers Limited

I, Anita Arjundas, Managing Director & Chief Executive Officer of the Company declare that all Board Members and Senior Management Employees of the Company have affirmed compliance with the Codes of Conduct.

For and on behalf of the Board,
For **Mahindra Lifespace Developers Limited**

Anita Arjundas
Managing Director & Chief Executive Officer
(DIN :00243215)

Mumbai, 30th April, 2015

MD & CEO - CFO Certificate

To
The Board of Directors
Mahindra Lifespace Developers Limited

- A. We have reviewed the financial statements and the cash flow statement of Mahindra Lifespace Developers Limited for the year ended 31st March 2015 and that to the best of our knowledge and belief, we state that;
1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 2. 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 accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such 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:
1. significant changes in internal control over financial reporting during the year;
 2. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 3. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Jayant Manmadkar
Chief Financial Officer

Anita Arjundas
Managing Director &
Chief Executive Officer
(DIN :00243215)

Mumbai, 30th April, 2015

Mumbai, 30th April, 2015

Auditor's Certificate on Corporate Governance

To
The Members of
Mahindra Lifespace Developers Limited

We have examined the compliance of the conditions of Corporate Governance by Mahindra Lifespace Developers Limited ('the Company') for the year ended on 31st March, 2015 as stipulated in Clause 49 of the Listing Agreements of the said Company with the National Stock Exchange Limited and BSE Limited.

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. 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, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreements.

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.

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

Padmini Khare Kaicker
Partner
Membership Number 44784

Mumbai, 19th June, 2015

INDEPENDENT AUDITOR'S REPORT

To the Members of Mahindra Lifespace Developers Limited

Report on the Standalone Financial Statements

1. We have audited the accompanying standalone financial statements of Mahindra Lifespace Developers Limited ("the Company"), which comprise the balance sheet as at 31st March, 2015, and the statements of profit and loss and cash flow for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended). This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these standalone financial statements based on our audit.
4. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.
5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial

statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at 31st March, 2015, and its profit and cash flows for the year ended on that date.

Emphasis of matter

9. We draw attention to Note 19(#) of the financial statements and our reliance on management representation, in respect of the realisability of project advance of ₹ 10,000 lakhs where commencement of the project has been delayed and which is being settled by the parties out of court.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

10. As required by the Companies (Auditor's Report) Order, 2015, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
11. As required by Section 143(3) of the Act, we report that:
 - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. the Balance Sheet, the Statement of Profit and Loss and Cash Flow dealt with by this Report are in agreement with the books of account;
 - d. in our opinion, the aforesaid financial statements

- comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended);
- e. on the basis of written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015, from being appointed as a director in terms of Section 164(2) of the Act.
- f. with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014(as amended), in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 34 to the financial statements.
- ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any on long-term contracts. The Company did not have any derivative contracts.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

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

Padmini Khare Kaicker
Partner
Membership Number: 44784

Place: Mumbai
Date: 30th April, 2015

ANNEXURE TO THE AUDITOR'S REPORT**Referred to in paragraph 10 of our report of even date on the accounts of Mahindra Lifespace Developers Limited ended 31st March, 2015**

1. (i) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (ii) Fixed assets have been physically verified by the management during the year and no material discrepancies were noted on such verification.
2. (i) The management has conducted physical verification of inventory at reasonable intervals during the year.
- (ii) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (iii) The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification
3. According to the information and explanations given to us the Company has granted unsecured loans, to 6 companies covered in the register maintained under section 189 of the Companies Act, 2013 aggregating ₹ 258.94 crores at 31st March, 2015.
 - (i) The above mentioned loans are given for tenure of 5 years repayable on 31st March, 2019 with certain repayment options available to the parties. These options have not been exercised by the parties upto 31st March, 2015. There are no specific terms mentioned for payment of interest.
 - (ii) In view of above, there is no overdue of principal and interest in respect of such loans.
4. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchases of inventory, fixed assets and for the sale of goods and services. In our opinion and according to the information and explanations given to us, there is no continuing failure to correct major weaknesses in internal control system.
5. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of section 73 to 76 the Companies Act, 2013, and the rules framed thereunder.
6. As informed to us, the maintenance of cost records has been prescribed by the Central Government under section 148(1) of the Companies Act, 2013, in respect of the activities carried on by the Company. We have broadly reviewed the books of account relating to materials, labour and other items of cost maintained by the company pursuant to the Rules made by the Central Government for the maintenance of cost records under section and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained.
7. (i) According to the records of the Company, the Company is generally regular in depositing with the appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, value added tax, and other statutory dues applicable to it. The provisions of Excise Duty are not applicable to the operations of the Company.
- (ii) According to the information and explanations given to us, there are no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty and Value Added Tax that were outstanding, at the year end for a period of more than six months from the date they became payable.
- (iii) According to the information and explanations given to us, dues of income-tax, sales tax, service tax, customs duty and work contract tax:

Sr No.	Assessment year	Nature of Dues	Amount ₹ In lakhs	Forum where case is pending
1	2003-04	Income Tax	162.96	Commissioner of Income tax (Appeals)
2	2005-06	Income Tax -Penalty	28.74	Income tax Appellate tribunal
3	2011-12	Income Tax	62.17	Commissioner of Income Tax (Appeals)
4	2010-11	Service Tax	4.61	Hyd IV Comm.
5	2006-07	Service Tax	67.70	Chennai III Comm..
8. The Company does not have any accumulated losses at the end of the financial year and it has not incurred any cash losses in the current year and in the immediately preceding financial year.

9. According to the information and explanations given to us and based on the documents and records produced before us, the Company has not defaulted in repayment of dues to a financial institution, banks or debenture holders.
10. In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
11. To the best of our knowledge and belief and according to the information and explanations given to us, the Company has not obtained any term loans during the year ended 31st March, 2015.
12. Based on the audit procedures performed and as per the information and explanations given to us by management, no fraud on or by the Company has been noticed or reported during the year.

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

Padmini Khare Kaicker
Partner
Membership No. 44784

Mumbai
Dated: 30th April, 2015

Balance Sheet as at 31st March, 2015

	Note	Current Year ₹ in lakhs	Previous Year ₹ in lakhs
EQUITY & LIABILITIES			
Shareholders' Funds			
Share Capital	2	4,101.22	4,084.84
Reserves & Surplus	3	1,28,212.27	1,09,646.41
		1,32,313.49	1,13,731.25
Non-Current Liabilities			
Long-Term Borrowings	4	50,000.00	55,000.00
Deferred Tax Liability (Net)	5	44.53	-
Long-Term Provisions	6	10,454.18	10,387.36
		60,498.71	65,387.36
Current Liabilities			
Short-Term Borrowings	7	-	4,565.63
Trade Payables	8	16,312.32	12,961.19
Other Current Liabilities	9	10,455.63	16,177.83
Short-Term Provisions	10	3,819.33	4,325.86
		30,587.28	38,030.51
TOTAL		2,23,399.48	2,17,149.12
ASSETS			
Non Current Assets			
Fixed Assets			
Tangible Assets	11	2,980.20	2,856.77
Non-Current Investments.....	12	57,339.79	65,690.41
Deferred Tax Assets (Net)	5	-	259.41
Long-Term Loans & Advances	13	25,631.56	21,429.56
Other Non-Current Assets	14	111.44	93.34
		86,062.99	90,329.49
Current Assets			
Current Investments	15	-	9,336.44
Inventories	16	78,932.66	65,490.33
Trade Receivables	17	1,552.42	2,630.66
Cash & Bank Balances	18	4,165.27	3,462.05
Short-term loans and advances	19	30,270.70	32,092.61
Other Current Assets	20	22,415.44	13,807.54
		1,37,336.49	1,26,819.63
TOTAL		2,23,399.48	2,17,149.12
Summary of significant accounting policies	1		
The accompanying notes are an integral part of these financial statements.			

As per our Report attached hereto
For and on behalf of
B. K. Khare & Co.
Chartered Accountants
Firm Registration No. 105102W

Padmini Khare Kaicker
Partner
Membership No:44784

Suhas Kulkarni Company Secretary
Jayant Manmadkar Chief Financial Officer

Mumbai : 30th April, 2015

Mumbai : 30th April, 2015

For and on behalf of the Board

Arun Nanda Chairman
Uday Y. Phadke Director
Sanjiv Kapoor Director
Shailesh Haribhakti Director
Anil Harish Director
Anita Arjundas Managing Director & CEO

Mumbai : 30th April, 2015

Statement of Profit & Loss for the year ended 31st March, 2015

	Note	Current Year ₹ in lakhs	Previous Year ₹ in lakhs
INCOME			
Income from Operations	21	62,401.30	30,706.52
Other Income	22	13,602.41	11,426.25
Total Income		<u>76,003.71</u>	<u>42,132.77</u>
EXPENDITURE			
Operating Expenses	23	29,894.15	21,878.91
Employee Remuneration & Benefits	24	4,518.20	3,038.69
Administration & Other Expenses	25	5,364.29	2,908.92
Finance Costs	26	2,181.66	3,934.88
Depreciation & Amortization Expenses	11	274.40	231.95
		<u>42,232.70</u>	<u>31,993.35</u>
Profit before tax		33,771.01	10,139.42
Less : Provision for Current Taxation		10,134.38	2,467.70
Less : Provision for Deferred Taxation		307.06	(101.29)
Profit after tax		<u>23,329.57</u>	<u>7,773.01</u>
Earnings per equity Share of face value of ₹ 10 each			
Basic Earnings Per Share	41	56.94	19.03
Diluted Earnings Per Share		56.70	19.03
Summary of significant accounting policies	1		
The accompanying notes are an integral part of these financial statements.			

As per our Report attached hereto
For and on behalf of
B. K. Khare & Co.
Chartered Accountants
Firm Registration No. 105102W

Padmini Khare Kaicker
Partner
Membership No:44784

Suhas Kulkarni Company Secretary
Jayant Manmadkar Chief Financial Officer

Mumbai : 30th April, 2015

Mumbai : 30th April, 2015

For and on behalf of the Board

Arun Nanda Chairman
Uday Y. Phadke Director
Sanjiv Kapoor Director
Shailesh Haribhakti Director
Anil Harish Director
Anita Arjundas Managing Director & CEO

Mumbai : 30th April, 2015

Cash Flow Statement for the year ended 31st March, 2015

	Current Year ₹ in lakhs	Previous Year ₹ in lakhs
A. Cash flow from operating activities		
Net Profit Before Tax	33,771.01	10,139.42
Adjustments for :		
Depreciation	274.40	231.95
Provision for diminution in value of investments	1,850.63	-
Provision for Doubtful debts	483.99	55.00
Amortisation of expenses	117.69	93.12
Provision for Losses Write Back.....	(1,552.04)	-
Profit on sale of current investments.....	33.13	2.20
Interest Income	(8,752.09)	(8,393.15)
Interest Expenses	2,181.66	6,576.79
Dividend Income	(2,638.69)	(2,331.06)
(Profit)/Loss on sale of Fixed assets (net)	11.39	11.06
Operating Profit Before Working Capital Changes	25,781.08	6,385.33
Adjustments for :		
Trade and Other Receivables	(2,967.46)	(5,743.81)
Inventories	(13,442.33)	(7,379.50)
Trade Payables and Other Liabilities	6,825.24	(3,571.40)
Cash Generated from Operations	16,196.53	(10,309.38)
Income taxes (paid) / received.....	(9,260.51)	(2,908.27)
Net Cash (used in) / from operating activities	6,936.02	(13,217.65)
B. Cash flow from investing activities		
Purchase of Fixed Assets	(432.02)	(552.46)
Proceeds from sale of Fixed Assets.....	13.87	8.93
Proceeds /(Investments) in others (Net)	9,336.44	1,764.66
Proceeds/ (Investment) in subsidiaries	8,350.62	(33,672.11)
Interest received	4,243.37	4,855.79
Dividend received	2,638.69	2,331.06
Deposits / Advances with Companies.....	(3,935.70)	10,523.50
Net Cash (used in) / from investing activities	20,215.27	(14,740.63)

Cash Flow Statement for the year ended 31st March, 2015 (contd.)

	Current Year	Previous Year
	₹ in lakhs	₹ in lakhs
C. Cash flow from financing activities		
Increase in borrowings	-	53,843.04
Repayment of Loan	(19,565.63)	(25,000.00)
Interest paid	(2,360.38)	(3,755.81)
Dividend Paid	(5,380.47)	(2,866.82)
Issue of share capital.....	16.38	0.87
Share Premium Proceeds	565.86	7.87
Net Cash (used in) / from financing activities.....	<u>(26,724.24)</u>	<u>22,229.15</u>
		-
Net increase/(decrease) in Cash and Cash equivalents	<u>427.05</u>	<u>(5,729.13)</u>
Cash and Cash Equivalents (Opening)	3,067.65	8,796.78
Cash and Cash Equivalents (Closing).....	3,494.70	3,067.65

As per our Report attached hereto

For and on behalf of

B. K. Khare & Co.

Chartered Accountants

Firm Registration No. 105102W

Padmini Khare Kaicker

Partner

Membership No:44784

Mumbai : 30th April, 2015**Suhas Kulkarni****Jayant Manmadkar**

Company Secretary

Chief Financial Officer

Mumbai : 30th April, 2015

For and on behalf of the Board

Arun Nanda**Uday Y. Phadke****Sanjiv Kapoor****Shailesh Haribhakti****Anil Harish****Anita Arjundas**

Chairman

Director

Director

Director

Director

Managing Director & CEO

Mumbai : 30th April, 2015

Notes to the Financial Statements as at and for the year ended 31st March, 2015

1) SIGNIFICANT ACCOUNTING POLICIES:

a) Basis of Preparation:

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards applicable under Section 133 of the Companies Act, 2013, read with Paragraph 7 of the Companies (Accounts) Rules, 2014 (as amended) and the relevant provisions of the Companies Act, 2013 ("the 2013 Act") as applicable. The financial statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

b) Presentation and Disclosure of Financial Statements

Assets & liabilities have been classified as current & non – current as per the Company's normal operating cycle and other criteria set out in the Schedule III of the Companies Act, 2013. Based on the nature of activity carried out by the company and the period between the procurement and realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 5 years for the purpose of Current – Non Current classification of assets & liabilities.

c) Use of Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported balances of assets and liabilities as of the date of the financial statements and reported amounts of income and expenses during the period. Management believes that the estimates used in the preparation of financial statements are prudent and reasonable. Actual results could differ from those estimates.

d) Fixed Assets:

Fixed assets are stated at cost of acquisition or construction less accumulated depreciation. Cost includes all incidental expenses related to acquisition and installation, other pre operation expenses and interest in case of construction.

The carrying amount of cash generating units / assets is reviewed at the balance sheet date to determine whether there is any indication of impairment. If such indication exists, the recoverable amount is estimated as the net selling price or value in use, whichever is higher. Impairment loss, if any, is recognized whenever carrying amount exceeds the recoverable amount.

Depreciation on tangible fixed assets has been provided on prorata basis, on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 or except for certain assets as indicated below

Lease hold improvements are amortised over the period of lease/estimated period of lease.

Plant and Machinery includes Plant and Machinery used in civil construction-others and amortised over a period of 5 years.

Vehicles used by employees are depreciated over the period of 48 months considering this period as the useful life of the vehicle for the Company.

Sales office and the sample flat/ show unit cost at site is amortised over 5 years or the duration of the project (as estimated by management) whichever is lower

e) Intangible Assets:

All Intangible Assets are initially measured at cost and amortised so as to reflect the pattern in which the assets' economic benefits are consumed.

Software expenses are treated as an intangible asset and amortised over the useful life of the asset. The maximum period for such amortization is 36 months

f) Investments:

Investments are classified into Non Current and Current Investments.

Non current investments are carried at cost less diminution other than temporary. Provision for diminution, if any, in the value of each long-term investment is made to recognize a decline, other than of a temporary nature.

Current Investments are carried individually at lower of cost and fair value and the resultant decline, if any, is charged to revenue.

g) Inventories:

Inventories are stated at lower of cost and net realisable value. The cost of construction material is determined on the basis of weighted average method. Construction Work-in-Progress includes cost of land, premium for development rights, construction costs and allocated interest and expenses incidental to the projects undertaken by the Company.

h) Revenue Recognition:Income from Projects

Income from real estate sales is recognised on the transfer of all significant risks and rewards of ownership to the buyers and it is not unreasonable to expect ultimate collection and no significant uncertainty exists regarding the amount of consideration. However if, at the time of transfer substantial acts are yet to be performed under the contract, revenue is recognised on proportionate basis as the acts are performed, i.e. on the percentage of completion basis. Up to 31st March 2012, revenue from real estate projects are recognized only when actual project cost incurred is atleast 25% of the total estimated project costs including land and when atleast 10% of the sales consideration is received.

In accordance with the Guidance Note on Accounting for Real Estate Transactions (Revised 2012) issued by the Institute of Chartered Accountants of India, in case of projects commencing on or after 1st April 2012 or in case of projects which have already commenced but where revenue is being recognised for the first time on or after 1st April 2012, revenues will be recognized from these real estate projects only when

- i. the actual construction and development cost incurred is at least 25% of the total construction and development cost (without considering land cost) and
- ii. when at least 10% of the sales consideration is realised and
- iii. where 25% of the total saleable area of the project is secured by contracts of agreement with buyers.

Income from long term contracting assignments is also recognised on the percentage of completion basis. As the long term contracts necessarily extend beyond one year, revision in costs and revenues estimated during the course of the contract are reflected in the accounting period in which the facts requiring the revision become known. Any expected loss on a project is recognised in the year in which costs incurred together with the balance costs to completion are likely to be in excess of the estimated revenues from project. Unbilled costs are carried as construction work-in-progress.

Determination of revenues under the percentage of completion method necessarily involves making estimates by the Company, some of which are of a technical nature, concerning, where relevant, the percentages of completion, costs to completion, the expected revenues from the project/activity and the foreseeable losses to completion.

Income from sale of land and other rights

Revenue from sale of land and other rights are considered upon transfer of all significant risks and rewards of ownership of such real estate/property as per the terms of the contract entered into with the buyers, which generally with the firmity of the sale contracts/agreements.

Income from Project Management

Project Management Fees receivable on fixed period contracts is accounted over the tenure of the contract/agreement. Where the fee is linked to the input costs, revenue is recognised as a proportion of the work completed based on progress claims submitted. Where the management fee is linked to the revenue generation from the project, revenue is recognised on the percentage of completion basis.

Income from operation of commercial complexes is recognised over the tenure of the lease/service agreement.

Interest and dividend income

Interest income is accounted on an accrual basis at contracted rates except where there is uncertainty of ultimate collection.

Dividend income is recognised when the right to receive the same is established.

i) Employee benefits:

(i) Defined contribution Plans

Company's contributions paid / payable during the year to Provident Fund and Superannuation Fund are recognised in the Statement of Profit and Loss.

(ii) Defined Benefit Plan

Company's liabilities towards gratuity and leave encashment are determined on actuarial basis using the projected unit credit method, which consider each period of service as giving rise to an additional unit of benefit and measures each unit separately to build up the final obligation. Past services are recognised on straight-line basis over the average period until the amended benefits become vested. Actuarial gain and losses are recognised immediately in the Statement of Profit and Loss Account as income or expense. Obligation is measured at the present value of estimated future cash flow using a discount rate that is determined by reference to market yields at the Balance Sheet date on government bonds where the currency and terms of the government bonds are consistent with the currency and estimated terms of the defined benefit obligation.

- (iii) In view of the past trends of leave availed, the amount of employee benefit in the form of compensated absences, being in the nature of short term benefit, is accounted for on accrual basis at an undiscounted value.

j) Borrowing Costs:

Borrowing costs that are directly attributable to long-term project management and development activities are capitalised as part of project cost. Other borrowing costs are recognised as expense in the period in which they are incurred.

Borrowing costs are capitalised as part of project cost when the activities that are necessary to prepare the asset for its intended use or sale are in progress. Borrowing costs are suspended from capitalisation on the project when development work on the project is interrupted for extended periods.

k) Provision for taxation:

Tax expense comprises both current and deferred tax.

Current tax is measured at the amount expected to be paid to the tax authorities, using the applicable tax rates and tax laws.

Deferred tax assets and liabilities are recognised for future tax consequences attributable to the timing differences between taxable income and accounting income that are capable of reversal in one or more subsequent periods and are measured using tax rates enacted or substantively enacted as at the Balance Sheet date. Deferred Tax assets are not recognised unless, in the management judgment, there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized except in case of deferred tax asset arising from unabsorbed depreciation, brought forward tax losses and items relating to capital losses wherein deferred tax asset is only recognized when there is virtual certainty. The carrying amount of deferred tax is reviewed at each balance sheet date.

l) Segment Information:

The Company operates in two main segments; namely "Projects, Project Management and Development activities" and "Operating of commercial complexes". The segments have been identified and reported taking into account the differing risks and returns and the internal business reporting systems. Revenues and expenses have been identified to the segments based on their relationship to the business activity of the segment. Income/expenses relating to the enterprise as a whole and not allocable on a reasonable basis to business segments are reflected as unallocated corporate income/expenses.

m) Provisions and Contingent Liabilities

Provisions are recognised in the financial statements in respect of a present obligation arising from a past event, the amount of which can be reliably estimated.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events but their existence is confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

n) Employee stock compensation costs

Measurement and disclosure of the employee share-based payment plans is done in accordance with SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and the Guidance Note on Accounting for Employee Share-based Payments, issued by ICAI. The company measures compensation cost relating to employee stock options using the intrinsic value method. Compensation expense is amortized over the vesting period of the option on a straight line basis.

2) SHARE CAPITAL:

	Current Year ₹ in lakhs	Previous Year ₹ in lakhs
Authorised		
11,50,00,000 (Previous year 11,50,00,000) Equity Shares of ₹ 10 each	11,500.00	11,500.00
60,00,000 (Previous year 60,00,000) Unclassified Shares of ₹ 10 each	600.00	600.00
	12,100.00	12,100.00
Issued		
4,10,53,051 (Previous year 4,08,89,201) Equity Shares of ₹ 10 each	4,105.31	4,088.92
	4,105.31	4,088.92
Subscribed and Paid-up		
4,10,12,200 (Previous year 4,08,48,350) Equity Shares of ₹ 10 each fully paid up	4,101.22	4,084.84
	4,101.22	4,084.84

a) Reconciliation of number of shares

	Current Year		Previous Year	
	No. of Shares	₹ in lakhs	No. of Shares	₹ in lakhs
Equity Shares				
Balance as at the beginning of the year	4,08,48,350	4,084.84	4,08,39,650	4,083.97
Add: Shares Issued (earlier kept in abeyance)	-	-	-	-
Add: Stock Options exercised during the year	163,850	16.38	8,700	0.87
Balance as at the end of the year	4,10,12,200	4,101.22	4,08,48,350	4,084.84

b) Equity Shares: The Company has issued one class of equity shares having a par value of ₹ 10 per share. Each shareholder is eligible for one vote per share.

c) Shares held by holding company

	Current Year		Previous Year	
	No of Shares	% holding	No of Shares	% holding
Mahindra & Mahindra Limited	2,08,46,126	50.83%	2,08,46,126	51.03%

other than the above shares, no shares are held by any subsidiaries or associates of the holding Company.

d) Details of shares held by shareholders including Holding Company, holding more than 5% of the aggregate shares in the Company

	Current Year		Previous Year	
	No of Shares	% holding	No of Shares	% holding
Mahindra & Mahindra Limited (Holding Company)	2,08,46,126	50.83%	2,08,46,126	51.03%
Amansa Investments Limited	25,05,170	6.11%	25,05,170	6.13%
Small Cap World Fund, INC	21,57,380	5.26%	21,57,380	5.28%

e) Shares reserved for issue under options

The Company has 5,58,430 (Previous Year 6,12,656) equity shares of ₹ 10/- each reserved for issue under options [Refer Note 25(b)].

f) The allotment of 40,851 (Previous Year 40,851) equity shares of the Company has been kept in abeyance in accordance with Section 206A of the Companies Act, 1956 (Section 126 of the Companies Act 2013), till such time as the title of the bonafide owner of the shares is certified by the concerned Stock Exchange or the Special Court (Trial of Offences relating to Transactions in Securities).

3) Reserves & Surplus

	Current Year ₹ in lakhs	Previous Year ₹ in lakhs
Capital Redemption Reserve		
Balance as at the beginning of the year	7,353.58	7,353.58
Add:- Transfer from Profit & Loss Account	-	-
Balance as at the end of the year.....	<u>7,353.58</u>	<u>7,353.58</u>
Debenture Redemption Reserve		
Balance as at the beginning of the year	3,135.42	-
Add:- Transfer from Profit & Loss Account	3,135.41	3,135.42
Balance as at the end of the year.....	<u>6,270.83</u>	<u>3,135.42</u>
Share Premium Account		
Balance as at the beginning of the year	57,428.01	67,664.79
Add: Premium on shares issued during the year	684.17	7.87
Less: Premium for Redemption of Debentures	-	(10,244.65)
Balance as at the end of the year.....	<u>58,112.18</u>	<u>57,428.01</u>
General Reserve		
Balance as at the beginning of the year	4,966.53	4,189.23
Add:- Transfer from Profit & Loss Account	2,332.96	777.30
Balance as at the end of the year.....	<u>7,299.49</u>	<u>4,966.53</u>
Share options outstanding account		
A) Employee Stock Option Outstanding:		
Balance as at the beginning of the year	541.98	424.30
Add: Grant of options during the year.....	136.65	117.68
Less: Amount transferred to Securities premium/Options Lapsed.....	(118.31)	-
Balance as at the end of the year.....	<u>560.32</u>	<u>541.98</u>
Less:		
B) Deferred Employee Compensation Expenses :		
Balance as at the beginning of the year	298.60	274.04
Add: Grant of options during the year.....	136.65	117.68
Less: Transfer to Employee Benefits Expenses / Options Lapsed.....	(151.21)	(93.12)
Balance as at the end of the year	<u>284.04</u>	<u>298.60</u>
Balance as at the end of the year.....	<u>276.28</u>	<u>243.38</u>
Surplus in Statement of Profit and Loss		
Balance as at the beginning of the year	36,519.49	35,526.63
Profit for the year	23,329.57	7,773.01
Less: Appropriations		
Proposed Dividend on Equity Shares	2,469.61	2,450.90
Tax on proposed dividend.....	502.46	416.53
Depreciation adjustment (Net of Deferred Tax Adj).....	6.05	-
Interim Dividend On Equity Shares	2,459.78	-
Tax on Interim Dividend	42.88	-
Transfer to Debenture Redemption Reserve	3,135.41	3,135.42
Transfer to General Reserve.....	2,332.96	777.30
Balance as at the end of the year.....	<u>48,899.91</u>	<u>36,519.49</u>
	<u>1,28,212.27</u>	<u>1,09,646.41</u>

The Company has during the year ended 31st March 2014, issued Non Convertible Debentures (NCDs) aggregating ₹ 50,000 lakhs which are redeemable at a premium. The total premium on redemption of ₹ 10,244.65 lakhs has been adjusted against the securities premium during the previous financial year as permitted under section 78 of the Companies Act, 1956.

4) Long Term Borrowings

	Current Year ₹ in lakhs	Previous Year ₹ in lakhs
Secured Loans		
Term Loans		
From Banks Secured*.....	-	5,000.00
Non Convertible Debentures		
Secured#	50,000.00	50,000.00
	50,000.00	55,000.00

* Term Loan from Bank was repaid on 10th June 2014. The loan was secured by a pari-passu charge on immovable properties of the Company and were also secured by pari-passu charge on specified movable and current assets of the Company, both present and future.

Non Convertible Debentures

The terms and conditions of the Secured Non Convertible Debentures issued by the Company are summarised below:-

Series	I	II	III
Face Value of Debentures (₹ lakhs)	12,500	17,500	20,000
Total Redemption Amount (₹ lakhs)	4,498.71	2,290.30	3,455.65
Rate of Interest Payable Annually	8%	8%	8%
Maturity Date	3 rd April 2016	3 rd April 2017	3 rd April 2018

The above debentures are secured by an exclusive charge over all assets, including Land & building as identified by the Company from time to time.

At present the identified assets are land owned by the Company which is accounted as a part of Construction Work in Progress and land owned by its Subsidiary Mahindra Integrated Township Limited.

5) Deferred Tax Asset/Liability (Net)

	Current Year ₹ in lakhs	Previous Year ₹ in lakhs
Deferred Tax Liability		
Relating to :		
Difference between book and tax depreciation.....	614.15	638.59
Less: Transition Adjustment	(3.12)	-
	611.03	638.59
Deferred Tax Asset		
Relating to :		
Provision for impairment in asset value	-	526.90
Expenses allowable on actual payment.....	566.50	371.10
	566.50	898.00
Deferred Tax Liability(Net)	44.53	-
Deferred Tax Asset(Net).....	-	259.41

6) Long Term Provisions

	Current Year ₹ in lakhs	Previous Year ₹ in lakhs
Provision for Employee benefits		
- Gratuity (Refer note no. 24a)	121.64	27.16
- Compensated absences.....	87.89	115.55
Provision for Premium on redemption of debentures (Refer note no.3)	10,244.65	10,244.65
	10,454.18	10,387.36

7) Short Term Borrowings

	Current Year ₹ in lakhs	Previous Year ₹ in lakhs
Secured Loans		
From Bank*	-	4,565.63
	<u>-</u>	<u>4,565.63</u>

Secured Loan

* Previous year amount is cash credit from Bank was repaid on 10th June 2014. The loan was secured by a pari-passu charge on immovable properties of the Company and were also secured by pari-passu charge on specified movable and current assets of the Company, both present and future.

8) Trade Payables

	Current Year ₹ in lakhs	Previous Year ₹ in lakhs
Trade Payables - Others	16,312.32	12,961.19
	<u>16,312.32</u>	<u>12,961.19</u>

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

9) Other Current Liabilities

	Current Year ₹ in lakhs	Previous Year ₹ in lakhs
Current Maturity of Long Term Borrowings	-	10,000.00
Advances and Deposits	5,001.15	1,084.58
Unclaimed Dividends	103.24	75.30
Interest accrued but not due	2,975.34	3,154.06
Other Liabilities	2,375.90	1,863.89
	<u>10,455.63</u>	<u>16,177.83</u>

a) There are no amounts due and outstanding to be credited to the Investor Education and Protection Fund.

10) Short Term Provisions

	Current Year ₹ in lakhs	Previous Year ₹ in lakhs
Provision for Employee benefits		
- Gratuity (Refer note 24 a)	3724	2728
- Compensated absences	286.17	68.64
Others		
Defect Liabilities / Warranties@	534.23	339.51
Proposed Dividend	2,460.73	2,450.90
Provision for tax on Proposed Dividend	500.96	416.53
Provision for Losses to project Completion (Refer note 16#)	-	1,023.00
	<u>3,819.33</u>	<u>4,325.86</u>

@The movement in provisions for defect liability is as follows:

	Current Year ₹ in lakhs	Previous Year ₹ in lakhs
Balance as on 1 st April	339.51	448.90
Add: Provision made during the year	209.56	151.56
Less: Provision written back	-	250.00
Less: Utilisation during the year	14.84	10.95
Balance as on 31 st March	<u>534.23</u>	<u>339.51</u>

11) Fixed Assets

₹ in lakhs

Particulars	GROSS BLOCK			DEPRECIATION			NET BLOCK				
	As at 31st March, 2014	Additions	Deductions/ Adjustments	As at 31st March, 2015	Up to 31st March, 2014	Deductions/ Adjustments	Depreciation Adjustment *	For the Year	Up to 31st March, 2015	As at 31st March, 2015	As at 31st March, 2014
Tangible Assets:											
Land	44.27	-	-	44.27	-	-	-	-	-	44.27	44.27
Buildings	164.06	189.55	-	353.61	24.55	-	-	58.90	83.45	270.16	139.50
- Owned	2,955.17	-	-	2,955.17	1,012.13	-	-	12.22	1,024.35	1,930.82	1,943.04
- Given Under Operating Lease											
Furniture & Fixtures	116.14	2.55	-	118.69	60.21	-	-	5.79	66.00	52.69	55.93
Plant & Machinery	176.04	10.67	-	186.71	141.82	-	-	13.67	155.49	31.22	34.59
Computers	414.85	96.09	3.30	507.64	268.41	3.55	9.16	100.55	374.57	133.07	145.94
Vehicles	352.98	70.48	49.44	374.02	96.21	24.15	-	55.56	127.62	246.40	256.91
Leasehold improvements	389.40	62.69	-	452.09	152.81	-	-	27.71	180.52	271.57	236.59
SUB TOTAL	4,612.91	432.03	52.74	4,992.20	1,756.14	27.70	9.16	274.40	2,012.00	2,980.20	2,856.77
Previous Year	4,093.48	634.34	114.91	4,612.91	1,618.81	94.62	-	231.95	1,756.14	2,856.77	2,474.69
Intangible assets:											
Software	289.52	-	-	289.52	289.52	-	-	-	289.52	-	-
SUB TOTAL	289.52	-	-	289.52	289.52	-	-	-	289.52	-	-
Previous Year	289.52	-	-	289.52	289.52	-	-	-	289.52	-	-
Total	4,902.43	432.03	52.74	5,281.72	2,045.66	27.70	9.16	274.40	2,301.52	2,980.20	2,856.77
Previous year total	4,383.00	634.34	114.91	4,902.43	1,908.33	94.62	-	231.95	2,045.66	2,856.77	2,474.69
Capital Work In Progress											
										2,980.20	2,856.77

*Depreciation adjustment is due to change in useful life as prescribed in Schedule II to the Companies Act, 2013

- a) There is debit to retained earnings of ₹ 6.05 lakhs (net of deferred tax) for the asset whose remaining life on 1st April, 2014 is reduced to NIL, in accordance with revised life as considered by management.
- b) The depreciation charge for the year ended 31st March 2015 is higher by ₹ 45.45 lakhs.

Fixed Assets (Previous Year)

₹ in lakhs

Particulars	GROSS BLOCK			DEPRECIATION				NET BLOCK		
	As at 31 st March, 2013	Additions	Deductions	As at 31 st March, 2014	Up to 31 st March, 2013	Deductions	For the Year	Up to 31 st March, 2014	As at 31 st March, 2014	As at 31 st March, 2013
Tangible Assets:										
Land	44.27	-	-	44.27	-	-	-	-	44.27	44.26
Building	99.51	64.56	-	164.07	15.81	-	8.76	24.57	139.50	83.70
- Owned	2,955.17	-	-	2,955.17	963.95	-	48.18	1,012.13	1,943.04	1,991.22
- Given Under Operating Lease	97.69	28.49	10.04	116.14	54.38	7.48	13.31	60.21	55.93	43.31
Furniture & Fixtures	162.85	23.18	9.41	176.62	139.39	8.68	11.32	142.03	34.59	23.47
Plant & Machinery	402.40	64.49	52.63	414.26	275.60	52.33	45.05	268.32	145.94	126.81
Computers	228.05	165.57	40.64	352.98	79.02	24.48	41.53	96.07	256.91	149.04
Vehicles	103.54	288.05	2.19	389.40	90.66	1.65	63.80	152.81	236.59	12.88
Leasehold improvements	4,093.48	634.34	114.91	4,612.91	1,618.81	94.62	231.95	1,756.14	2,856.77	2,474.69
SUB TOTAL	4,476.72	197.13	580.35	4,093.50	1,569.67	127.90	17704	1,618.81	2,474.69	2,90705
Previous Year										
Intangible assets:										
Software	289.52	-	-	289.52	289.52	-	-	289.52	-	-
SUB TOTAL	289.52	-	-	289.52	289.52	-	-	289.52	-	-
Previous Year										
Total	4,383.00	634.34	114.91	4,902.43	1,908.33	94.62	231.95	2,045.66	2,856.77	2,474.69
Previous year total	4,766.24	197.13	580.35	4,383.02	1,859.19	127.90	17704	1,908.33	2,474.69	2,90705
Capital Work In Progress										
									2,856.77	81.87
										2,556.56

12) Non Current Investments

	Face Value ₹	Number of shares	Current Year ₹ in lakhs	Previous Year ₹ in lakhs
Trade, Unquoted (At Cost)				
Equity Shares				
In Subsidiary Companies				
Mahindra Infrastructure Developers Limited	10	1,80,00,000	1,800.00	1,800.00
Mahindra World City Developers Limited	10	1,77,99,999	3,886.54	3,886.54
Mahindra World City (Jaipur) Limited	10	11,10,00,000	11,100.00	11,100.00
Mahindra World City (Maharashtra) Limited	10	11,70,400	117.04	117.04
Mahindra Integrated Township Limited	10	3,70,00,000	3,700.00	3,700.00
Knowledge Township Limited	10	2,10,00,000	2,100.00	2,100.00
Mahindra Bebanco Developers Limited	10	35,000	3.50	3.50
Industrial Township (Maharashtra) Limited	10	50,00,000	500.00	500.00
Industrial Cluster Private Limited (Earlier Known as Mahindra Housing Private Limited)	10	50,000	5.00	5.00
Raigad Business and Industrial Park limited	10	1,10,000	11.00	11.00
Anthurium Developers Limited	10	50,000	5.00	5.00
In Joint Venture				
Mahindra Homes Private Limited Company (Earlier Known as Watsonia Developers Private Limited and before that Watsonia Developers Limited)				
Class A Equity Shares	10	2,05,628	20.56	20.56
Class C Equity Shares	10	389	0.04	0.04
			23,248.68	23,248.68
In Associates				
Topical Builders Private Limited	10	175	0.02	0.02
Kismat Developers Private Limited	10	15	0.00	0.00
			0.02	0.02
In Others				
Deepmangal Developers Private Limited	100	177	284.61	284.61
New Tirupur Area Development Corporation Limited	10	5,00,000	50.63	50.63
Mahindra Knowledge Park (Mohali) Limited	10	6	0.00	0.00
			335.24	335.24
Preference Shares				
In Subsidiary Companies				
Mahindra World City Developers Limited (8.5% Cumulative Redeemable Preference Shares (Redeemed during the year))	100	65,00,000	-	6,500.00
Mahindra World City Jaipur Limited (8% Redeemable Cumulative Preference Shares)	10	3,70,00,000	3,700.00	3,700.00
			3,700.00	10,200.00
In Joint Venture				
Mahindra Homes Private Limited (Earlier Known as Watsonia Developers Private Limited and before that Watsonia Developers Limited) (0.01% Optionally Convertible Redeemable Preference Shares)				
	10	1	0.00	0.00
			0.00	0.00
In Associates				
Topical Builders Private Limited (8.5% Non-cumulative Redeemable Preference Shares)	10	4,825	0.48	0.48
Kismat Developers Private Limited (8.5% Non-cumulative Redeemable Preference Shares)	10	4,985	0.50	0.50
			0.98	0.98

	Face Value ₹	Number of shares	Current Year ₹ in lakhs	Previous Year ₹ in lakhs
In Others				
Mahindra Knowledge Park (Mohali) Limited (7% Non Cumulative Redeemable Participating Optionally Convertible Preference Shares)	-	-	0.00	0.00
Moonshine Construction Private Limited (7% Non-Cumulative Redeemable Participating Optionally Convertible Preference Shares)	10	5,000	0.50	0.50
			<u>0.50</u>	<u>0.50</u>
Debentures				
In Joint Venture				
Mahindra Homes Private Limited (Earlier Known as Watsonia Developers Private Limited and before that Watsonia Developers Limited) (17.65% Optionally Convertible Debentures)	100	3,20,17,000	32,017.00	32,017.00
			<u>32,017.00</u>	<u>32,017.00</u>
			<u>59,302.42</u>	<u>65,802.41</u>
Less : Provision for diminution in value of investments			<u>(1,962.63)</u>	<u>(112.00)</u>
			<u>57,339.79</u>	<u>65,690.41</u>

- a) The Company's investment in the equity shares of New Tirpur Area Development Corporation Limited ("NTADCL") aggregates ₹ 1,550.63 lakhs comprising ₹ 50.63 lakhs invested directly by the Company and ₹ 1,500 lakhs by its wholly owned subsidiary Mahindra Infrastructure Developers Limited ("MIDL"). Other than the investment in NTADCL, MIDL has no other operations. The net worth of NTADCL and MIDL is substantially eroded.

NTADCL was exploring the option of supplying industrial water to a textile park proposed to be set up by the state government of Karnataka which would have contributed substantially to its revenues. Consequent, to the finalization of the financial statements for the year ended 31st March, 2014 it is expected that there are likely to be delays in setting up the same including the probability of the whole project being set up is significantly lower as compared to the previous year. As a result MIDL has made provision for diminution of its investment in NTADCL of ₹ 1,500 lakhs. The Company has also made a provision for diminution of its investment in MIDL of ₹ 1,800 lakhs and ₹ 50.63 lakhs of its investment in NTADCL.

13) Long Term Loans & advances

(Unsecured, considered good, unless otherwise stated)

	Current Year ₹ in lakhs	Previous Year ₹ in lakhs
Loans and advances to related parties		
- Considered good*	25,631.56	21,429.56
- Considered doubtful	-	-
Less: Allowance for doubtful loans and advances	-	-
	<u>25,631.56</u>	<u>21,429.56</u>

The long term loans and advances comprise entirely of unsecured loans to related parties for business purpose:

*Loans to subsidiaries

Name of the Company	Balance as on 31 st March 2015 (₹ in lakhs)	Maximum outstanding during the year (₹ in lakhs)
Knowledge Township Limited	1,897.00	1,897.00
Mahindra World City Developers Limited	16,200.00	16,200.00
Mahindra Babanco Developers limited	1,764.56	1,764.56
Mahindra Integrated Township Limited	5,770.00	8,370.00
Total	<u>25,631.56</u>	<u>28,231.56</u>

14) Other Non Current Assets

	Current Year ₹ in lakhs	Previous Year ₹ in lakhs
Bank Balances		
Long Term Deposits with Banks having maturity more than 12 months	111.44	93.34
(Fixed deposit of ₹ 60.75 lakhs (Previous year- ₹ 62.33 lakhs)		
is against Margin Monies with banks for Bank Guarantee).....		
	111.44	93.34

15) Current Investments

	Number of units	Current Year ₹ in lakhs	Previous Year ₹ in lakhs
Unquoted, Non Trade			
(At lower of cost or fair value)			
In Units of Mutual Fund			
Redeemed during the year			
JP Morgan India Treasury Fund - Growth	(P.Y.) 2,43,34,955	-	4,089.20
HSBC Cash Fund - Growth.....	(P.Y.) 3,20,306	-	4,094.64
ICICI Prudential Liquid - Growth.....	(P.Y.) 6,08,077	-	1,152.60
		-	9,336.44

16) Inventories

(At lower of cost and net realizable value)

	Current Year ₹ in lakhs	Previous Year ₹ in lakhs
Raw material.....	2,170.11	1,362.74
Construction Work in Progress *#.....	76,762.55	64,127.59
	78,932.66	65,490.33

* Construction Work in Progress represents materials at site and unbilled costs on the projects. Based on projections and estimates by the Company of the expected revenues and costs to completion, provision for losses to completion and/ or write off of costs carried to inventory are made on projects where the expected revenues are lower than the estimated costs to completion. In the opinion of the management, the net realisable value of the construction work in progress will not be lower than the costs so included therein.

The Company has during the year entered into mutually agreed consent terms with a land-owner in respect of this project, commencement of which had been delayed and in accordance with the consent terms, the Company during the year has completed the sale of land in relation thereto. Accordingly, the provision for losses to project completion for ₹ 1023.00 lakhs in respect is no longer required and has been reversed during the year. Further, revenue from operations for the year ended 31st March 2015 includes ₹ 25,262.65 lakhs on sale thereof, net of the advances given and interest thereon. Operating expenses include ₹ 2,262.65 lakhs of costs incurred in relation thereto. Other income includes ₹ 1,550.15 lakhs pertaining to write back of the provision for the interest on the aforesaid advance no longer required.

Consequent to the above, construction work-in-progress of ₹ 765.87 lakhs and short term loans and advances and interest accrued on project advances included in other current assets of ₹ 4,205.26 lakhs and ₹ 2,174.98 lakhs, respectively, at 31st March 2014 have been realised during the year.

Specified land owned by the Company is given as security for debentures.(Refer Note 4).

17) Trade Receivables

	Current Year ₹ in lakhs	Previous Year ₹ in lakhs
Outstanding over six months		
Considered Good	481.98	250.81
Considered Doubtful	595.15	261.16
	1,077.13	511.97
Other debts		
Considered Good	1,070.44	2,379.85
Considered Doubtful	-	-
	1,070.44	2,379.85
Less: Provision for doubtful receivables	(595.15)	(261.16)
	1,552.42	2,630.66

18) Cash & Bank Balances

	Current Year ₹ in lakhs	Previous Year ₹ in lakhs
Cash in hand	1.55	1.01
Bank Balances		
- In Current Accounts	3,056.77	2,293.90
- In Deposit Accounts with Banks	1,106.95	1,167.14
(Fixed deposit of ₹ 443.75 lakhs (Previous year- ₹ 337.50 lakhs) is against Margin Monies with banks for Bank Guarantee)		
	4,165.27	3,462.05

(a) Cash and cash equivalents for the purposes of cash flow

	Current Year ₹ in lakhs	Previous Year ₹ in lakhs
Cash in hand	1.55	1.01
Bank Balances		
- In Current Accounts	3,056.77	2,293.90
- In Deposit Accounts with maturity upto 3 months	436.38	772.74
	3,494.70	3,067.65

(b) Balance with Banks includes Unclaimed Dividend of ₹ 103.24 lakhs (Previous year ₹ 75.30 lakhs)

19) Short Term Loans & Advances

	Current Year ₹ in lakhs	Previous Year ₹ in lakhs
(Unsecured, Considered good unless otherwise stated)		
- Loans and advances to related parties (considered good).....	2,262.64	2,232.39
	<u>2,262.64</u>	<u>2,232.39</u>
Other Loans & Advances		
- Considered good *#.....	22,347.09	24,150.17
- Considered doubtful	271.25	121.25
	<u>22,618.34</u>	<u>24,271.42</u>
Less : Provision for doubtful loans & advances	(271.25)	(121.25)
	<u>22,347.09</u>	<u>24,150.17</u>
Advance payment of Income tax (net of Provision for tax ₹ 32,987.63 lakhs (Previous year) ₹ 22,869.66 lakhs)).....	1,730.65	2,604.52
Staff Loans and Advances	20.25	14.08
Deposits		
- Considered good	3,910.07	3,091.45
- Considered doubtful	-	-
Less : Provision for doubtful advances	-	-
	<u>30,270.70</u>	<u>32,092.61</u>

* Refer note no. 16(#)

Other Loans and advances include project advances of ₹ 10,000 lakhs pending for over 3 years relating to a project whose commencement has been delayed due to non performance with respect to the agreed condition precedents by Vendors. The Company has taken legal action against the vendors to protect the interest of the Company where in the H'ble High Court at Mumbai has given order restraining the vendors from creating any third party rights in respect of the suit property or part with possession thereof.

The short term loans and advances comprise entirely unsecured loans to related parties for business purpose:

Loans and advances to Holding Company (Mahindra & Mahindra Limited) ₹ 2,000 lakhs

Loans to Associate

Name of the Company	Balance as on 31st March 2015 (₹ in lakhs)	Maximum outstanding during the year (₹ in lakhs)
Kismat Developers Private Limited	0.25	0.25
Topical Builders Private Limited	262.39	262.39
	<u>262.64</u>	<u>262.64</u>

20) Other Current Assets

(Unsecured, considered good, unless otherwise stated)

	Current Year ₹ in lakhs	Previous Year ₹ in lakhs
Interest accrued on Project advances*		4,070.32
Less: Provision for impairment in asset value.....	-	(1,550.15)
	-	<u>2,520.17</u>
Interest accrued - Others	11,731.27	4,702.38
(including ₹ 1,964.78 lakhs, (Previous year ₹ 1,047.12 lakhs) due from subsidiaries, ₹ 8,853.45 lakhs (Previous year ₹ 3,202.45 lakhs) due from Joint Venture and ₹ 32.65 lakhs (Previous year ₹ 3.51 lakhs) due from associates.		
Unbilled Revenue	10,684.17	6,584.99
	<u>22,415.44</u>	<u>13,807.54</u>

*Refer note no. 16 (#)

21) Income from Operations

	Current Year ₹ in lakhs	Previous Year ₹ in lakhs
Income from Projects*.....	58,837.65	27,730.30
Project Management Fees.....	1,583.12	1,345.06
Income from Operation of Commercial Complexes.....	1,980.53	1,631.16
	62,401.30	30,706.52

* Refer note no. 16 (#)

22) Other Income

	Current Year ₹ in lakhs	Previous Year ₹ in lakhs
Interest Income		
- On Inter Corporate Loans.....	2,724.48	3,776.67
- On Bank Deposits.....	237.66	1,079.72
- On Optionally Convertible Debentures.....	5,651.00	3,202.45
- Others.....	138.95	334.32
Dividend on Long Term Investments-Trade (Subsidiary).....	2,207.47	1,471.44
Dividend on Current Investments-Non Trade.....	431.22	859.62
Profit on sale of Current investments-Non Trade.....	33.13	2.20
Profit on sale of Fixed assets.....	0.12	0.81
Write-back of provisions for losses to completion*.....	1,550.15	-
Miscellaneous Income.....	628.23	699.02
	13,602.41	11,426.25

* Refer note no. 16(#)

23) Operating expenses

	Current Year ₹ in lakhs	Previous Year ₹ in lakhs
Cost of Project		
Opening Stock		
- Work-in-progress.....	64,127.59	57,091.95
- Raw Material.....	1,362.74	1,018.88
	65,490.33	58,110.83
Add: Expenses incurred during the year : #		
Premium for Development Rights.....	5,566.04	3,805.84
Architect Fees.....	547.81	399.62
Preliminaries & Site Expenses.....	1,077.05	275.51
Civil, Electrical, Contracting etc.....	27,377.29	18,427.40
Overheads allocated.....	1,396.46	1,243.62
Interest allocated.....	1,714.98	2,641.91
Payment to Local Agencies.....	1,959.64	499.43
Insurance.....	26.87	22.29
Legal & Professional Fees.....	429.66	791.47
	40,095.80	28,107.09
	1,05,586.13	86,217.92

	Current Year ₹ in lakhs	Previous Year ₹ in lakhs
Less : Closing Stock		
Work-in-progress	76,762.55	64,127.59
Raw Material	2,170.11	1,362.74
	<u>78,932.66</u>	<u>65,490.33</u>
Rent, Rates & Taxes	175.19	50.66
Insurance	0.63	0.37
Repairs & Maintenance - Commercial Properties	138.81	192.60
Professional Fees#	533.53	173.17
Brokerage	200.60	51.45
Advertisement, Marketing & Business Development	1,006.33	456.91
Electricity	6.66	2.10
Other Operating Expenses	1,178.95	224.06
	<u>29,894.15</u>	<u>21,878.91</u>

Refer Note 16(#)

24) Employee Benefits Expenses

	Current Year ₹ in lakhs	Previous Year ₹ in lakhs
Salaries, Allowances & Bonus	5,080.81	3,725.47
Contribution to Provident & Other Funds	334.02	200.51
Expense on Employee Stock Option Scheme	117.69	93.12
Staff Welfare Expenses	382.15	263.21
	<u>5,914.66</u>	<u>4,282.31</u>
Less :- Allocated to projects	(1,396.46)	(1,243.62)
	<u>4,518.20</u>	<u>3,038.69</u>

a) Gratuity

The components of the net benefit expense recognized in the statement of profit and loss, the funded status and the amounts recognized in the balance sheet in respect of the Company's gratuity plan is summarized below

(1) Description of the Plan:

The Company has covered its gratuity liability by a Group Gratuity Policy named 'Employee Group Gratuity Assurance Scheme' issued by Life Insurance Corporation of India ('LIC'). Employee at retirement are eligible for benefit, which will be equal to 15 days salary for each completed year of service. The balance in the Employee Group Gratuity Assurance Scheme is the plan asset.

(2) Principal actuarial assumptions:

	Current Year ₹ in lakhs	Previous Year ₹ in lakhs
Discount rate	7.77%	9.19%
Rate of Return on Plan Assets	9.40%	9.50%
Attrition	5.00%	5.00%

(3) Reconciliation of Benefit Obligation:

	Current Year ₹ in lakhs	Previous Year ₹ in lakhs
Liability at the beginning of the year	203.36	121.66
Adjustment to the opening balance	3.84	(3.85)
Interest Cost	18.24	10.94
Current Service Cost	67.33	42.33
Benefit Paid	(17.38)	-
Unrecognised Past Service Cost		
Actuarial (Gain) / Loss on Obligations	5.13	32.28
Liability at the end of the year	280.52	203.36
Fair Value of Plan Assets at the end of the year	121.64	148.92
Amount recognised and disclosed under the head "Provisions for Gratuity"	158.88	54.44
Current Liability	37.24	27.28
Non – Current Liability	121.64	27.16

(4) Reconciliation of Fair value of Plan Assets:

	Current Year ₹ in lakhs	Previous Year ₹ in lakhs
Fair Value of Plan Assets at the beginning of the year	148.92	111.18
Adjustment to the opening balance	(27.28)	-
Expected Return on Plan Assets	11.56	11.70
Contributions	17.37	27.28
Benefit Paid	(17.27)	-
Actuarial Gain /(Loss) on Obligations	(11.56)	(1.25)
Fair Value of Plan Assets at the end of the year	121.64	148.92

(5) Actual Return on Plan Asset

	Current Year ₹ in lakhs	Previous Year ₹ in lakhs
Expected Return on Plan Assets	11.56	11.70
Actuarial Gain /(Loss) on Plan Assets	(11.56)	(1.25)
Actual Return on Plan Assets	-	10.45

(6) Expenses recognised in the Statement of Profit and Loss under the head "Employee Remuneration & Benefits":

	Current Year ₹ in lakhs	Previous Year ₹ in lakhs
Current Service Cost	67.33	42.33
Interest Cost	18.24	10.94
Unrecognised Past Service Cost	-	-
Expected Return on Plan Assets	(11.56)	(11.70)
Net Actuarial (Gain) / Loss recognised	16.68	-
Settlement Cost	-	33.52
Expenses recognised in Profit and Loss Account	90.70	75.09

(7) Experience Adjustments

	2015	2014	2013	2012	2011
Defined benefit obligation	280.52	207.20	121.66	119.20	109.60
Fair value of plan assets	121.64	148.92	111.18	68.92	68.92
Surplus / (Deficit)	158.88	(58.28)	(10.48)	(50.28)	(40.68)
Experience adjustment on plan liability [(Gain) / Loss]	5.13	32.27	-	9.08	(7.88)
Experience adjustment on plan assets [Gain / (Loss)]	(11.56)	(1.25)	-	(3.27)	0.04

(8) Amount expected to be contributed to fund in coming year is ₹ 37.24 lakh.

(9) The gratuity fund is entirely invested in a group gratuity policy with the Life Insurance Corporation of India. The information or the allocation of the fund into major asset classes and the expected return on major class is not readily available.

b) Employee Stock Option Scheme

- a) The Company had granted 678,359 Equity shares on 25th April, 2008 to the eligible employees under the Employee Stock Option Scheme 2006 (ESOS 2006) of the company.

The details of the Employee Stock Option Scheme are:

Particulars	Grant dated 25 th April, 2008
Type of Arrangement	Employee Share-Based Payment by issue of shares.
Number of Options Granted	678,359
Contractual life	Options will lapse if not exercised within 5 years from the date of individual vesting.
Exercise Price	₹ 428 /- per share
Method of Settlement	By Issue of Shares at Exercise Price
Vesting Conditions	25 % On expiry of 12 months from the date of grant ;
	25 % On expiry of 24 months from the date of grant ;
	25 % On expiry of 36 months from the date of grant ;
	25 % On expiry of 48 months from the date of grant ;

The company has adopted intrinsic value method for computing the compensation cost for the Options granted. The exercise price of the shares is based on the average of the daily high and low of the prices for the Company's Equity Shares quoted on the Bombay Stock Exchange Limited, during the 15 days preceding the grant of the Options. The Intrinsic value i.e. the difference between the market price of the share and the exercise price is being amortised as employee compensation cost over the vesting period. The details of the same are given here under:

Particulars	Grant dated 25 th April,2008
Total Amount amortized over the vesting period	₹ 100.42 lakhs
Charge to Profit & Loss Account for the year	NIL
Compensation in respect of lapsed cases	-
Unamortized Amount Carried Forward	NIL

The Fair Value has been calculated using the Black Scholes Options Pricing Model and the significant assumptions made in this regard are as follows:

Particulars	Grant dated 25 th April ,2008
Risk free interest rate	7.79% -8.15%
Expected life	3.5 -6.5 Years
Expected volatility	66.76%- 70.65%
Expected dividend yield	0.33%
Exercise price	₹ 428
Stock price	₹ 443.79

During the year, the Company modified the exercise period of the options granted under ESOS 2006 whereby the exercise period of the options granted was extended from 5 years from the date of vesting of the respective tranche of the option to the last date of the exercise period for the last tranche of the option granted under the said scheme.

- b) The Company had granted 10,000 Equity shares on 4th August, 2012 to the eligible employee under the Employee Stock Option Scheme 2006 (ESOS 2006) of the company.

The details of the Employee Stock Option Scheme are:

Particulars	Grant dated 4 th August, 2012
Type of Arrangement	Employee Share-Based Payment by issue of shares.
Number of Options Granted	10,000
Contractual life	Options will lapse if not exercised within 5 years from the date of individual vesting.
Exercise Price	₹ 325 /- per share
Method of Settlement	By Issue of Shares at Exercise Price
Vesting Conditions	25% On expiry of 12 months from the date of grant ;
	25% On expiry of 24 months from the date of grant ;
	25% On expiry of 36 months from the date of grant ;
	25% On expiry of 48 months from the date of grant ;

The company has adopted intrinsic value method for computing the compensation cost for the Options granted. The exercise price of the shares is based on the average of the daily high and low of the prices for the Company's Equity Shares quoted on the Bombay Stock Exchange Limited, during the 15 days preceding the grant of the Options. The Intrinsic value i.e. the difference between the market price of the share and the exercise price is being amortised as employee compensation cost over the vesting period. The details of the same are given here under:

Particulars	Grant dated 4 th August, 2012
Total Amount to be amortized over the vesting period	₹ (0.09) lakh
Charge to Statement of Profit & Loss for the year	₹ (0.02) lakh
Compensation in respect of lapsed cases	-
Unamortized Amount Carried Forward	₹ (0.05) lakh

The Fair Value has been calculated using the Black Scholes Options Pricing Model and the significant assumptions made in this regard are as follows:

Particulars	Grant dated 4 th August, 2012
Risk free interest rate	8.06% -8.20%
Expected life	3.5 -6.5 Years
Expected volatility	44.15%- 59.61%
Expected dividend yield	1.38%
Exercise price	₹ 325
Stock price	₹ 324.14

- c) The Company had granted 101,000 Equity shares on 4th August,2012 to the eligible employees under the Employee Stock Option Scheme (ESOS 2012) of the company.

The details of the Employee Stock Option Scheme are:

Particulars	Grant dated 4 th August, 2012
Type of Arrangement	Employee Share-Based Payment by issue of shares.
Number of Options Granted	101,000
Contractual life	Options will lapse if not exercised within 5 years from the date of individual vesting.
Exercise Price	₹ 10 /- per share
Method of Settlement	By Issue of Shares at Exercise Price
Vesting Conditions	20% On expiry of 12 months from the date of grant ; 20% On expiry of 24 months from the date of grant ; 30% On expiry of 36 months from the date of grant ; 30% On expiry of 48 months from the date of grant ;

The company has adopted intrinsic value method for computing the compensation cost for the Options granted. The exercise price of the shares is ₹ 10/- per stock option. The Intrinsic value i.e. the difference between the market price of the share and the exercise price is being amortised as employee compensation cost over the vesting period. The details of the same are given here under:

Particulars	Grant dated 4 th August, 2012
Total Amount to be amortized over the vesting period	₹ 289.01 lakhs
Charge to Statement of Profit & Loss for the year	₹ 76.83 lakhs
Compensation in respect of lapsed cases	-
Unamortized Amount Carried Forward	₹ 96.34 lakhs

- d) The Company had granted 26,500 Equity shares on 24th July, 2013 to the eligible employees under the Employee Stock Option Scheme (ESOS 2012) of the company.

The details of the Employee Stock Option Scheme are:

Particulars	Grant dated 24 th July, 2013
Type of Arrangement	Employee Share-Based Payment by issue of shares.
Number of Options Granted	26,500
Contractual life	Options will lapse if not exercised within 5 years from the date of individual vesting.
Exercise Price	₹ 10 /- per share
Method of Settlement	By Issue of Shares at Exercise Price
Vesting Conditions	20% On expiry of 12 months from the date of grant ; 20% On expiry of 24 months from the date of grant ; 30% On expiry of 36 months from the date of grant ; 30% On expiry of 48 months from the date of grant ;

The company has adopted intrinsic value method for computing the compensation cost for the Options granted. The exercise price of the shares is ₹ 10/- per stock option. The Intrinsic value i.e. the difference between the market price of the share and the exercise price is being amortised as employee compensation cost over the vesting period. The details of the same are given here under:

Particulars	Grant dated 24 th July, 2013
Total Amount to be amortized over the vesting period	₹ 111.02 lakhs
Charge to Statement of Profit & Loss for the year	₹ 26.65 lakhs
Compensation in respect of lapsed cases	-
Unamortized Amount Carried Forward	₹ 64.76 lakhs

The Fair Value has been calculated using the Black Scholes Options Pricing Model and the significant assumptions made in this regard are as follows:

Particulars	Grant dated 24 th July, 2013
Risk free interest rate	8.31% -8.39%
Expected life	6-9 Years
Expected volatility	47.63%
Expected dividend yield	1.31%
Exercise price	₹ 10.00
Stock price	₹ 454.09

- e) The Company had granted 27,000 Equity shares on 17th October, 2014 to the eligible employees under the Employee Stock Option Scheme (ESOS 2012) of the company.

The details of the Employee Stock Option Scheme are:

Particulars	Grant dated 17 th October, 2014
Type of Arrangement	Employee Share-Based Payment by issue of shares.
Number of Options Granted	27,000
Contractual life	Options will lapse if not exercised within 5 years from the date of individual vesting.
Exercise Price	₹ 10 /- per share
Method of Settlement	By Issue of Shares at Exercise Price
Vesting Conditions	20% On expiry of 12 months from the date of grant ; 20% On expiry of 24 months from the date of grant ; 30% On expiry of 36 months from the date of grant ; 30% On expiry of 48 months from the date of grant ;

The company has adopted intrinsic value method for computing the compensation cost for the Options granted. The exercise price of the shares is ₹ 10/- per stock option. The Intrinsic value i.e. the difference between the market price of the share and the exercise price is being amortised as employee compensation cost over the vesting period. The details of the same are given here under:

Particulars	Grant dated 17 th October, 2014
Total Amount to be amortized over the vesting period	₹ 136.64 lakhs
Charge to Statement of Profit & Loss for the year	₹ 14.23 lakhs
Compensation in respect of lapsed cases	-
Unamortized Amount Carried Forward	₹ 122.41 lakhs

The Fair Value has been calculated using the Black Scholes Options Pricing Model and the significant assumptions made in this regard are as follows:

Particulars	Grant dated 17 th October, 2014
Risk free interest rate	8.49% -8.52%
Expected life	3.5 -6.5 Years
Expected volatility	26.68%- 43.74%
Expected dividend yield	2.28%
Exercise price	₹ 10
Stock price	₹ 516.08

Earnings Per Share as required by Accounting Standard 20 read with the Guidance Note on "Accounting for Employee share-based Payments" is as follows.

Particulars	Intrinsic Value Method		Fair Value Method	
	March 2015	March 2014	March 2015	March 2014
A Net Profit After Tax (₹ in lakhs)	23,329.57	7,773.01	23,338.47	7,791.19
Less Preference dividend	-	-	-	-
B Weighted Average number of Equity Shares of ₹ 10/- each (Basic)	40,967,118	40,841,051	40,967,118	40,841,051
C Weighted Average number of Equity Shares of ₹ 10/- each (Diluted)	41,142,517	40,841,051	41,142,517	40,841,051
D Basic Earning per Share (₹)	56.94	19.03	56.97	19.08
E Diluted Earning per Share (₹)	56.70	19.03	56.73	19.08

The compensation costs of stock options granted to employees are accounted by the Company using the intrinsic value method.

Summary of Stock Options	Current Year	Previous Year
Options outstanding on 1 st April	6,12,656	6,98,436
Options inadvertently cancelled during prior year, reinstated	84,249	-
Options granted during the year	27,000	26,500
Options lapsed during the year	1,625	-
Options cancelled during the year	-	1,03,580
Options exercised during the year	163,850	8,700
Options outstanding on 31 st March	5,58,430	6,12,656
Options vested but not exercised on 31 st March	4,51,530	5,07,856

During the year vesting period of ESOS 2006 was extended by one year hence the number of options cancelled during the year indicates the number of option cancelled netted of with the options revived as the result of such extension.

Information in respect of options outstanding as at 31st March, 2015:

Exercise price	No. of Options	Weighted average remaining life
₹ 428	4,35,230	30 months
₹ 325	5,000	48 months
₹ 10	68,300	36 months
₹ 10	22,900	48 months
₹ 10	27,000	60 months

25) Administration & Other Expenses

	Current Year ₹ in lakhs	Previous Year ₹ in lakhs
Rent, Rates and Taxes.....	467.63	538.84
Insurance.....	9.46	8.20
Repairs and Maintenance.....		
- Buildings.....	-	6.11
- Others.....	203.74	192.50
Electricity Charges.....	57.63	46.27
Travelling & Conveyance.....	624.64	418.07
Legal & Professional Fees.....	391.18	442.02
Printing & Stationery.....	69.50	63.98
Communication.....	117.82	123.70
Advertisement, Marketing & Business Development.....	319.30	353.99
Auditors Remuneration.....	54.30	43.04
Expenditure on Corporate Social Responsibility.....	264.17	70.52
Donation & Contribution*.....	-	200.00
Loss on Sale of Fixed Assets.....	11.51	11.87
Diminution In Value Of Long Term Investment#.....	1,850.63	-
Doubtful Debts Provided.....	483.99	55.00
Miscellaneous Expenses.....	438.79	334.81
	5,364.29	2,908.92

*Particulars of Donations and Contribution are given below -

	Current Year ₹ in lakhs	Previous Year** ₹ in lakhs
Bharatiya Janata Party, Rajasthan.....	-	100.00
All India Congress Committee.....	-	100.00

** In the previous year, these were included in Miscellaneous Expenses

#Diminution in value of long term investment - Refer Note 12(a)

Auditors' Remuneration (including service tax):

	Current Year ₹ in lakhs	Previous Year ₹ in lakhs
Audit Fees.....	27.81	25.00
Tax Audit Fees.....	1.55	1.55
Tax matters.....	12.86	5.70
Certification and Other Services.....	12.08	10.79
Total.....	54.30	43.04

26) Finance Costs

	Current Year ₹ in lakhs	Previous Year ₹ in lakhs
On Term Loan.....	3,896.64	6,576.79
Less : Allocated to projects.....	(1,714.98)	(2,641.91)
	2,181.66	3,934.88

27) Earnings in Foreign Currency:

	Current Year ₹ in lakhs	Previous Year ₹ in lakhs
Consideration received on sale of residential units	4.98	-
Total	4.98	-

28) Expenditure in Foreign Currency:

	Current Year ₹ in lakhs	Previous Year ₹ in lakhs
a) Other expenditure		
Travelling	26.93	17.18
Marketing expenses	15.37	7.57
Project expenses	30.19	50.95
Professional Fees	91.01	-
Others	17.89	13.71
Total	181.39	89.41
b) Value of Imported and Indigenous Consumption		
a. Imported	492.41	576.25
b. Indigenously obtained	4,199.42	2,575.01
Total	4,691.83	3,151.26
% Imported	10.50%	18.29%
% Indigenously obtained	89.50%	81.71%
	100%	100%

29) Forwards Contracts

The Company enters into foreign currency exposure contract for the purpose of hedging its currency risk. These contracts are not intended for trading or speculation.

Contract Type	Maturity Year	Currency	Amount	Average Rate
	Financial Year			
Forward	2015-16	USD	10,569 USD	62.96

30) Remittance in Foreign Currency on account of dividends to non-resident shareholders

Number of		Amount remitted ₹ in lakhs	Dividend relating to
Shareholders	Equity Shares		
2015-1	47,040	2.82	Year ended 31 st March, 2015 (Interim Dividend)
2015-1	47,040	2.82	Year ended 31 st March, 2014 (Final Dividend)
2014-1	83,290	5.00	Year ended 31 st March, 2013 (Final Dividend)

31) Commitments

	Current Year ₹ in lakhs	Previous Year ₹ in lakhs
Capital Commitment: Estimated value of contracts remaining to be executed on capital account and not provided for (net of advances)	27.50	4.49

The disclosure of commitment is given only to the extent of capital commitment and other disclosure relating to commitment has not been given in order to avoid providing excessive details that may not assist users of Financial Statements.

- 32)** In respect of real estate projects under long term contracts, determination of profits/ losses and realisability of the construction work in progress & project advances necessarily involves making estimates by the Company, some of which are of a technical nature, concerning, where relevant, the percentage of completion, costs to completion and the projections of revenues expected from projects / activity and the foreseeable losses to completion. Profit from these contracts and valuation of construction work in progress is based on such estimates.

33) Leases:

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

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

	Current Year ₹ in lakhs	Previous Year ₹ in lakhs
Gross Carrying Amount of premises.....	2,889.92	2,765.27
Accumulated Depreciation.....	896.92	852.13
Depreciation for the year	44.79	45.09
Future minimum lease payments under non-cancellable operating leases		
➤ Not later than 1 year	1,506.16	1,395.76
➤ Later than 1 year and not later than 5 years.....	7.08	88.29
➤ Later than 5 years.....	-	-

- b) Lease expenditure for operating leases is recognised on a straight-line basis over the period of lease. The particulars of the premises taken on operating leases are as under:

	Current Year ₹ in lakhs	Previous Year ₹ in lakhs
Future minimum lease payments under non-cancellable operating leases		
➤ Not later than 1 year	114.28	109.96
➤ Later than 1 year and not later than 5 years.....	-	-
➤ Later than 5 years.....	-	-
Lease payments recognized in Statement of Profit & Loss Account is ₹ 466.46 lakhs		

34) Contingent Liabilities

- a) Claims against the Company not acknowledged as debts represent :
- i) Claims awarded by the Arbitrator to a civil contractor in respect of a project at Mumbai and the Company's appeal against the award has been admitted by the Mumbai High Court.....
 - ii) Demand from local authorities for transfer fees on transfer of property, disputed by the Company.....
 - iii) Demand from a local authority for energy dues disputed by the Company.
 - iv) Claim from welfare association in connection with project work, disputed by the Company
- b) Income tax matters under appeal

	Current Year ₹ in lakhs	Previous Year ₹ in lakhs
In respect of certain business incomes re-classified by the Income tax Department as income from house property and other disallowances, the Company has partially succeeded in appeal and is pursuing the matter further with the higher appellate authorities.....	584.53	360.43
The liability net of Deferred Tax Asset/Deferred Tax Liability would be ₹ 584.53 lakhs (previous year ₹ 360.43 lakhs)		

35) Managerial Remuneration

	Current Year ₹ in lakhs	Previous Year ₹ in lakhs
Salaries and Allowances.....	179.85	162.02
Contribution to Provident, Gratuity and Superannuation Funds.....	26.49	23.04
Perquisites (estimated monetary value).....	12.77	17.50
Total	219.11	202.56

36) Computation of Net Profit in accordance with Section 198 of the Companies Act, 2013:

	Current Year ₹ in lakhs	Previous Year ₹ in lakhs
Profit before Tax	33,771.01	10,139.42
Add :		
Depreciation as per accounts	274.40	231.95
Managerial remuneration.....	219.11	202.56
Director's fees	34.10	14.10
Commission to Directors(non executive Director)	140.00	134.05
Loss on disposal of fixed assets not allowable as per proviso to Section 198.....	11.51	11.87
	679.12	11.87
	34,450.13	10,733.95
Less :		
Depreciation under Section 198	237.51	138.77
Loss on disposal of fixed assets allowable as per proviso to Section 198.....		11.87
Profit on sale of fixed assets not allowable as per proviso to Section 198.....	0.12	0.81
Net Profit as per Section 198 of the Companies Act, 2013..	34,212.50	10,582.50
5% of Net Profit as computed above.....	1,710.63	529.13

37) Details of Loans Given, Investments made and Guarantee given covered u/s 186(4) of the Companies Act, 2013

Loans given and Investments made are given under the respective heads.

Corporate Guarantees given by the Company in respect of loans as at 31st March, 2015- Nil

38) Segmental Reporting

	Operating of Commercial Complexes	Projects, Project Management & Development	Business Centre	Consolidated
REVENUE				
External Revenue	1,980.53	60,420.78	-	62,401.30
<i>Previous Year</i>	1,631.16	29,075.36	-	30,706.52
Inter-segment Revenues	-	-	-	-
<i>Previous Year</i>	-	-	-	-
TOTAL REVENUE	1,980.53	60,420.78	-	62,401.30
<i>Previous Year</i>	1,631.16	29,075.36	-	30,706.52
SEGMENT RESULT	1,812.14	30,190.00	-	32,002.14
<i>Previous Year</i>	1,443.53	7,453.02	-	8,896.55
Unallocated Corporate Expenses (net)	-	-	-	(4,745.38)
<i>Previous Year</i>	-	-	-	(2,922.44)

	Operating of Commercial Complexes	Projects, Project Management & Development	Business Centre	Consolidated
Operating profit	-	-	-	27,256.75
<i>Previous Year</i>	-	-	-	5,976.11
Interest expense	-	-	-	(2,181.66)
<i>Previous Year</i>	-	-	-	(3,934.89)
Interest income	-	-	-	8,695.92
<i>Previous Year</i>	-	-	-	8,098.47
Income taxes	-	-	-	(10,441.44)
<i>Previous Year</i>	-	-	-	(2,366.71)
Net Profit	-	-	-	23,329.57
<i>Previous Year</i>	-	-	-	7,773.01
OTHER INFORMATION				
Segment Assets	1,981.39	1,71,081.15	0.60	1,73,063.14
<i>Previous Year</i>	2,079.99	1,64,746.22	0.55	1,66,826.76
Unallocated Corporate Assets				50,336.34
<i>Previous Year</i>				50,322.36
TOTAL ASSETS				2,23,399.48
<i>Previous Year</i>				2,17,149.12
Segment Liabilities	557.66	70,505.01	11.95	71,074.62
<i>Previous Year</i>	603.04	93,791.88	24.18	94,419.09
Unallocated Corporate Liabilities				20,011.36
<i>Previous Year</i>	-	-	-	8,998.78
TOTAL LIABILITIES				91,085.98
<i>Previous Year</i>	-	-	-	1,03,417.87
Capital Expenditure		174.39	-	432.03
<i>Previous Year</i>	-	82.03	-	634.32
Depreciation	50.07	22.33	-	274.40
<i>Previous Year</i>	58.10	9.64	-	231.95

Note:

The segment result for Projects, Project Management and Development activity is arrived at after considering an interest expense of ₹ 375.88 lakhs (Previous year ₹ 1,381.03 lakhs), as it formed part of the cost of projects according to the method of accounting followed by the Company.

39) Related Party Transactions

List of related parties

Enterprises Controlling the Company

Mahindra & Mahindra Limited: Holding Company

Enterprises under the control of the Company

Mahindra Infrastructure Developers Limited	Mahindra Integrated Township Limited.
Mahindra World City Developers Limited	Mahindra Residential Developers Limited
Mahindra World City (Jaipur) Limited	Industrial Township (Maharashtra) Limited
Knowledge Township Limited	Mahindra Bebanco Developers Limited
Mahindra World City (Maharashtra) Limited	Raigad Industrial & Business Park Limited
Anthurium Developers Limited	
Industrial Cluster Private Limited (Earlier Known as Mahindra Housing Private Limited)	
Mahindra Industrial Park Chennai Limited (w.e.f. 22 nd December 2014)	

Fellow Subsidiaries

Bristlecone India Limited
 Mahindra Holidays & Resorts India Limited
 Mahindra Consulting Engineers Limited
 Mahindra Integrated Business Solutions Private Limited
 NBS International Private Limited

Associates

Kismat Developers Private Limited
 Topical Builders Private Limited

Joint Ventures

Mahindra Inframan Water Utilities Private Limited
 Mahindra Water Utilities Private Limited
 Mahindra Homes Private Limited (earlier known as Watsonia Developers Private Limited and before that Watsonia Developers Limited)

Key Managerial Personnel

Managing Director & Chief Executive Officer of the Company- Ms. Anita Arjundas
 Chief Financial Officer - Mr. Jayantt Manmadkar
 Company Secretary - Mr. Suhas Kulkarni

Directors

Mr. Arun Nanda, Non-executive Non-Independent Chairman
 Mr. Uday Y. Phadke, Non-executive Non-Independent Director
 Mr. Sanjiv Kapoor, Non-executive Independent Director
 Mr. Shailesh Haribhakti, Non-executive Independent Director
 Mr. Anil Harish, Non-executive Independent Director
 Dr. Prakash Hebalkar, Non-executive Independent Director

Enterprises over which Key Managerial Personnel are able to exercise significant influence: Nil

Transactions with related parties during the year and balance as on 31st March 2015:

(₹ in lakhs)

Nature of Transactions	Enterprise controlling the Company	Enterprises under the control of the Company	Companies under common control including Fellow Subsidiaries	Joint Ventures / Associates	Key Managerial Personnel/ Non - Executive Directors
Rendering of Services	2,094.05	1,480.34	-	361.58	-
<i>Previous Year</i>	<i>1,520.89</i>	<i>1,237.67</i>	-	<i>294.59</i>	-
Receiving of Services	374.02	484.89	68.33	-	-
<i>Previous Year</i>	<i>373.11</i>	<i>384.24</i>	<i>72.97</i>	-	-
Sale of Goods	749.24	-	-	-	-
<i>Previous Year</i>	-	-	-	-	-
Purchase of Fixed Assets	-	-	26.69	-	-
<i>Previous Year</i>	-	-	-	-	-
Remuneration to Key Managerial Personnel	-	-	-	-	392.51
<i>Previous Year</i>	-	-	-	-	<i>202.56</i>
Commission and Other Benefits to Non - Executive / Independent Directors	-	-	-	-	176.15
<i>Previous Year</i>	-	-	-	-	<i>117.55</i>
Reimbursement made to parties	303.32	27.14	-	-	-
<i>Previous Year</i>	<i>290.83</i>	<i>0.70</i>	-	-	-
Reimbursement received by parties	68.49	-	-	-	-
<i>Previous Year</i>	-	<i>32.19</i>	-	<i>21.74</i>	-

Nature of Transactions	Enterprise controlling the Company	Enterprises under the control of the Company	Companies under common control including Fellow Subsidiaries	Joint Ventures / Associates	Key Managerial Personnel/ Non - Executive Directors
Redemption of Preference Shares	-	6,500.00	-	-	-
<i>Previous Year</i>	-	-	-	-	-
Advance paid	-	19.00	-	2.00	-
<i>Previous Year</i>	-	-	-	-	-
Advance Refund	-	15.00	-	2.00	-
<i>Previous Year</i>	-	-	-	-	-
Finance given during the year	-	9,502.00	-	30.25	-
<i>Previous Year</i>	-	<i>16,070.00</i>	-	<i>65,875.00</i>	-
Purchase of Equity Shares	-	-	-	-	-
<i>Previous Year</i>	-	<i>1,643.03</i>	-	<i>15.62</i>	-
Purchase of Preference Shares	-	-	-	-	-
<i>Previous Year</i>	-	-	-	<i>0.98</i>	-
ICD refunded	-	5,300.00	-	-	-
<i>Previous Year</i>	-	<i>15,134.00</i>	-	<i>44,666.00</i>	-
Interest received	-	2,687.88	-	5,683.37	-
<i>Previous Year</i>	-	<i>2,406.08</i>	-	<i>1,366.69</i>	-
Dividend Paid	2,501.54	-	-	-	-
<i>Previous Year</i>	<i>1,250.77</i>	-	-	-	-
Dividend Income	-	2,207.47	-	-	-
<i>Previous Year</i>	-	<i>1,471.44</i>	-	-	-
Receivables	2,173.98	28,668.10	2.46	41,557.41	-
<i>Previous Year</i>	<i>2,017.68</i>	<i>23,247.82</i>	<i>2.46</i>	<i>35,239.16</i>	-
Payables	839.95	-	6.86	-	-
<i>Previous Year</i>	<i>2,202.19</i>	-	<i>9.10</i>	-	-

Current Remuneration to Key Managerial Personnel includes remuneration paid to Ms. Anita Arjundas (Managing Director & Chief Executive Officer), Mr Suhas Kulkarni (Company Secretary) and Mr Jayant Manmadkar (Chief Financial Officer). The significant related party transactions are as under:

Nature of Transactions	Enterprises controlling the Company	Amount ₹ in lakhs	Enterprises under the control of the Company	Amount ₹ in lakhs	Enterprises under the Common control of the Company / Fellow Subsidiaries	Amount ₹ in lakhs	Joint Ventures / Associates	Amount ₹ in lakhs	Key Managerial Personnel	Amount ₹ in lakhs
Rendering of services	Mahindra & Mahindra Limited	2,094.05	Mahindra Residential Development Limited	448.80			Mahindra Homes Private Limited*	361.58		
			Mahindra Bebanco Developers Limited	453.55						
			Mahindra Integrated Township Limited	568.80						
Receiving of services	Mahindra & Mahindra Limited	374.02	Mahindra Integrated Township Limited	435.75	Bristle Cone India Limited	22.89				
			Mahindra World City Developers Limited	49.14	Mahindra Integrated Business Solutions Private Limited	7.55				
					Mahindra Holidays & Resorts India Limited	37.89				

Nature of Transactions	Enterprises controlling the Company	Amount ₹ in lakhs	Enterprises under the control of the Company	Amount ₹ in lakhs	Enterprises under the Common control of the Company / Fellow Subsidiaries	Amount ₹ in lakhs	Joint Ventures / Associates	Amount ₹ in lakhs	Key Managerial Personnel	Amount ₹ in lakhs
Sale of Goods	Mahindra & Mahindra Limited	749.24								
Purchased of Fixed Assets					NBS International Private Limited	26.69				
Remuneration									Anita Arjundas	219.11
									Suhas Kulkarni	92.49
									Jayant Manmadkar	80.91
Reimbursement made to parties	Mahindra & Mahindra Limited	303.32	Mahindra World City Developers Limited	5.97						
			Mahindra World City (Jaipur) Limited	20.16						
Reimbursement received by parties	Mahindra & Mahindra Limited	68.49								
Redemption of Preference Shares			Mahindra World City Developers Limited	6,500.00						
Finance given during the year			Mahindra World City Developers Limited	7,500.00			Topical Builders Private Limited	30.25		
			Mahindra World City (Jaipur) Limited	2,000.00						
Advance Refund			Mahindra World City Developers Limited	3.00			Mahindra Homes Private Limited*	2.00		
			Mahindra World City (Jaipur) Limited	2.00						
			Mahindra Bebanco Developers Limited	2.00						
			Industrial Cluster Private Limited	2.00						
			Mahindra Integrated Township Limited	2.00						
Advance Paid			Knowledge Township Limited	3.00			Mahindra Homes Private Limited*	2.00		
			Mahindra World City Developers Limited	3.00						
			Industrial Cluster Private Limited	2.00						
			Mahindra Integrated Township Limited	2.00						
			Mahindra Bebanco Developers Limited	2.00						
			Mahindra World City (Jaipur) Limited	2.00						
			Mahindra Infrastructure Developers Limited	2.00						
ICD refunded			Mahindra World City (Jaipur) Limited	2,000.00						
			Mahindra Integrated Township Limited	2,600.00						

Nature of Transactions	Enterprises controlling the Company	Amount ₹ in lakhs	Enterprises under the control of the Company	Amount ₹ in lakhs	Enterprises under the Common control of the Company / Fellow Subsidiaries	Amount ₹ in lakhs	Joint Ventures / Associates	Amount ₹ in lakhs	Key Managerial Personnel	Amount ₹ in lakhs
Interest received			Mahindra World City Developers Limited	1,583.18			Mahindra Homes Private Limited*	5,651.00		
			Mahindra Integrated Township Limited	808.85						
Dividend paid during the year	Mahindra & Mahindra Limited	2,501.54								
Dividend received during the year			Mahindra World City Developers Limited	727.47						
			Mahindra World City (Jaipur) Limited	740.00						
			Mahindra Integrated Township Limited	740.00						
Receivables	Mahindra & Mahindra Limited	2,173.98	Mahindra World City Developers Limited	16,668.42	Mahindra Consulting Engineers Limited	2.46	Mahindra Homes Private Limited*	41,262.13		
			Mahindra Integrated Township Limited	6,653.19						
Payables	Mahindra & Mahindra Limited	839.95			Mahindra Integrated Busines Solutions Private Limited	1.82				
					Mahindra Consulting Engineers Limited	1.49				
					Bristle Cone India Limited	3.55				

* Mahindra Homes Private Limited (earlier known as Watsonia Developers Private Limited and before that Watsonia Developers Limited)

(₹ in lakhs)

Name	Designation	Current Year	Previous Year
Mr. Arun Nanda	Non-executive Non-Independent Chairman	107.05	77.05
Mr. Sanjiv Kapoor	Non-executive Independent Director	17.70	10.20
Mr. Shailesh Haribhakti	Non-executive Independent Director	17.40	10.65
Mr. Anil Harish	Non-executive Independent Director	17.70	10.65
Dr. Prakash Hebalkar	Non-executive Independent Director	16.30	9.00

40) Information in respect of Jointly Controlled Operations and Joint Venture

a) Jointly Controlled operations

i) Development of the following residential projects:

G. E. Gardens, Mumbai

Kukatpally, Hyderabad

ii) Project for providing potable drinking water and sewerage facilities at Tirupur, Tamil Nadu.

b) Joint Venture

Sector 59, Gurgaon

Bannerghatta Road, Bangalore

c) Jointly controlled entities

Name	Country of Incorporation	Business Activity	Proportion of Ownership Interest
Mahindra Water Utilities Limited	India	O&M of water & sewerage facilities at Tirupur	50.00%
Mahindra Inframan Water Utilities Private Limited	India	O&M of water & sewerage facilities at Navi Mumbai	50.00%
Mahindra Homes Private Limited (earlier known as Watsonia Developers Private Limited and before that Watsonia Developers Limited)	India	Residential Development	50.00%

d) Interest in the Assets, Liabilities, Income and Expenses with respect to jointly controlled entities :

	Current Year ₹ in lakhs	Previous Year ₹ in lakhs
Current Assets	43,333.75	35,283.63
Non-current Assets	2,016.23	33.12
Total	45,349.98	35,316.75
Current Liabilities	11,544.74	1,851.56
Non-Current Liabilities	11,208.45	16,024.46
Total	22,753.19	17,876.02
Income	836.30	742.55
Expenses	1,142.88	455.13

41) Earnings per share

Calculation of Net Profit available for Equity Shareholders:

	Current Year ₹ in lakhs	Previous Year ₹ in lakhs
A. Net Profit After Tax	23,329.57	7,773.01
B. Less : Dividend on Non Cumulative Redeemable Preference Shares (including Tax on distributed Profits)	-	-
C. Profit available for Equity Shareholders	23,329.57	7,773.01
D. Weighted Average number of Equity Shares of ₹ 10/- each used for computing basic earnings per share	409.67	408.41
E. Weighted Average number of Equity Shares of ₹ 10/- each used for computing diluted earnings per share	411.43	408.41
F. Basic Earnings per Share (₹)	56.94	19.03
G. Diluted Earnings per Share (₹)	56.70	19.03

42) The figures for previous year have been regrouped wherever necessary to conform to current year's classification.

As per our Report attached hereto
For and on behalf of
B. K. Khare & Co.
Chartered Accountants
Firm Registration No. 105102W

Padmini Khare Kaicker
Partner
Membership No:44784

Suhas Kulkarni Company Secretary
Jayant Manmadkar Chief Financial Officer

Mumbai : 30th April, 2015Mumbai : 30th April, 2015

For and on behalf of the Board

Arun Nanda Chairman
Uday Y. Phadke Director
Sanjiv Kapoor Director
Shailesh Haribhakti Director
Anil Harish Director
Anita Arjundas Managing Director & CEO

Mumbai : 30th April, 2015

FINANCIALS HIGHLIGHTS CONSOLIDATED

	₹ in lakhs									
	F - 2015	F - 2014	F - 2013	F - 2012	F - 2011	F - 2010	F - 2009	F - 2008	F - 2007	F - 2006
Net Worth	147,496	126,167	129,307	115,499	106,515	98,876	93,491	85,574	76,566	18,043
Borrowings	123,758	140,105	96,565	66,663	54,413	42,071	33,210	28,552	4,813	18,079
Net Fixed Assets	36,116	33,794	31,117	23,203	22,517	20,481	22,484	13,681	8,980	6,542
Investments	22,160	30,138	13,322	17,479	8,743	14,812	10,831	33,043	17,582	1,848
Book Value Per Equity Share (₹)	360	309	317	283	261	240	227	207	188	37
Operating Income	108,610	70,526	73,834	70,127	61,193	41,787	34,178	23,108	21,635	21,626
Other Income	6,147	5,094	3,415	2,714	1,508	2,209	2,940	3,352	764	448
Operating Expenses	50,128	42,566	39,777	42,717	36,577	25,315	22,897	13,121	16,150	15,966
Other expenses	22,527	16,960	13,865	11,318	8,919	6,793	4,012	4,074	3,527	3,614
Profit Before Tax	42,102	16,094	23,607	18,806	17,205	11,888	10,209	9,265	2,723	2,494
Profit after Tax (after minority interest)	26,620	10,063	14,137	11,908	10,817	7,849	6,564	6,641	1,790	1,650
Basic Earning per Share (₹)	64.98	24.64	34.61	29.16	26.20	18.93	15.79	16.26	4.92	2.29
Diluted Earning per Share (₹)	64.70	24.64	34.61	29.16	26.20	18.93	15.79	16.26	4.91	2.29
Equity Dividend per share (₹)	12.00*	6.00	6.00	6.00	5.00	3.50	2.50	2.50	1.50	1.00

* Special Dividend by way of an Interim Dividend of ₹ 6 per share and Final Dividend of ₹ 6 per share.

INDEPENDENT AUDITOR'S REPORT To the Members of Mahindra Lifespace Developers Limited

Report on the Consolidated Financial Statements

1. We have audited the accompanying consolidated financial statements of Mahindra Lifespace Developers Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiary are hereinafter referred to as "the Group") and its associates and jointly controlled entities comprising the consolidated balance sheet as at 31st March 2015, the consolidated statement of profit and loss, the consolidated cash flow statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

2. The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its associates and jointly controlled entities in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended). The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the directors of the Holding Company, as aforesaid.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

4. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain

reasonable assurance about whether the consolidated financial statements are free from material misstatement.

6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Holding Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.
7. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associates and jointly controlled entities as at 31st March, 2015, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Emphasis of matter

9. We draw attention to Note 21(#) of the financial statements and our reliance on management representation, in respect of the realisability of project advance of ₹ 10,000 lakhs where commencement of the project has been delayed and which is being settled by the parties out of court.

Our opinion is not modified in respect of this matter

Other Matter

10. We did not audit the financial statements of six subsidiaries and three jointly controlled entities, whose financial statements reflect total assets of ₹ 2,52,164.89 lakhs as at 31st March 2015, total revenues of ₹ 43,863.95 lakhs and net cash flows amounting to ₹ 3,028.84 lakhs for the year ended on that date, before consolidation adjustments as considered in the consolidated financial statements. The consolidated financial statements also include the Group's

share of net loss of ₹ 32.53 lakhs for the year ended 31st March 2015, as considered in the consolidated financial statements, in respect of two associates, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, associates and jointly controlled entities, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, associates and jointly controlled entities, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

11. As required by the Companies (Auditor's Report) Order, 2015, issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act ("the Order"), based on the comments in the auditors' reports of the Holding Company, subsidiary companies and associate companies and jointly controlled entities incorporated in India, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable
12. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept by the Holding Company so far as it appears from our examination of those books and the reports of the other auditors.
 - c) The consolidated balance sheet, the consolidated statement of profit and loss, and the consolidated cash flow statement dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

- d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended).
- e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2015 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, associate company and jointly controlled companies incorporated in India, none of the directors of the Group companies, its associate companies and jointly controlled companies incorporated in India is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its associates – Refer Note 35 to the consolidated financial statements.
 - ii. The Group, its associates and jointly controlled entities did not have any material foreseeable losses on long-term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies and associate companies incorporated in India.

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

Padmini Khare Kaicker
Partner
Membership No. 44784

Mumbai
Dated: 30th April, 2015

Annexure to the Auditor's Report referred to in our report of even date:

- 1 (a) Based on the comments in the auditors' reports of the Holding Company, its subsidiary, associate and jointly controlled companies incorporated in India, we report that the Group and its associate and subsidiary companies have maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets have been physically verified by the management's of the respective companies, during the year. The discrepancies noticed on such verification were not material and have been properly dealt with in the books of account. In our opinion, the frequency of verification is reasonable.
- 2 (a) The inventory has been physically verified by the management's of the respective companies during the year. Confirmations have been received in respect of inventories lying with third parties. In our opinion, the frequency of verification is reasonable.
- (b) Based on the comments in the auditors' reports of the Holding Company its subsidiary, associate and jointly controlled companies incorporated in India, in our opinion, the procedure of physical verification of inventory followed by the managements of the above mentioned entities, is reasonable and adequate in relation to the size of the Group, its associates and jointly controlled entities and the nature of their businesses.
- (c) Based on the comments in the auditors' reports of the Holding Company, its subsidiary, associate and jointly controlled companies incorporated in India, in our opinion, the Group and its associate and jointly controlled companies are maintaining proper records of inventory. The discrepancies noticed on verification between physical stocks and book records were not material and have been properly dealt with in the books of account.
- 3 (a) Based on the comments in the auditors' reports of the Holding Company, its subsidiary, associate and jointly controlled companies incorporated in India, the Group has granted unsecured loans (as considered in the consolidated financial statements), to two companies covered in the Register maintained under section 189 of the Act aggregating ₹ 263 lakhs at 31st March, 2015.
- (b) The above mentioned loans are given for a tenure of 5 years repayable on 31st March, 2019 with certain repayment options available to the parties. These options have not been exercised by the parties upto 31st March, 2015. There are no specific terms mentioned for payment of interest and no interest has been demanded and due at 31st March, 2015.
- (c) In view of the above, there is no overdue of principal and interest in respect of such loans.
- 4 Based on the comments in the auditors' reports of the Holding Company, its subsidiary, associate and jointly controlled companies incorporated in India, in our opinion and according to the information and explanations given to us, the Group and associate and jointly controlled companies are having an adequate internal control system commensurate with the size and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. Based on the comments in the respective auditors' reports of the above mentioned companies, in our opinion and according to the information and explanations given to us, we have neither come across, nor have we been informed of, any continuing failure to correct any major weaknesses in the aforesaid internal control system.
- 5 Based on the comments in the auditors' reports of the Holding Company, its subsidiary, associate and jointly controlled companies incorporated in India, the above mentioned entities have not accepted any deposits to which the directives issued by the Reserve Bank of India and the provisions of Sections 73-76 of the Act apply. Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- 6 Based on the comments in the auditors' reports of the Holding Company, its subsidiary, associate and jointly controlled companies incorporated in India, we are of the opinion that prima facie the prescribed records, where applicable have been made and maintained by the respective companies pursuant to the Rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013.
- 7 (a) Based on the comments in the auditors' reports of the Holding Company, its subsidiary, associate and jointly controlled companies incorporated in India, and the information and explanations given to us, the above mentioned entities are regular in depositing undisputed statutory dues including Provident fund, Employees' state insurance, Income tax, Sales tax, Wealth tax and service tax, duty of customs, duty of excise, value added tax, cess and other applicable statutory dues with the appropriate authorities.
- (b) No undisputed amounts payable in respect of Income Tax, VAT, Wealth Tax, Service Tax, Customs duty, Excise duty and Cess are in arrears, as on 31st March, 2015 for a period of more than six months from the date they became payable.
- (c) Based on the comments in the auditors' reports of the Holding Company, its subsidiary, associate and jointly controlled companies incorporated in India, and according to the information and explanations given to us, there are no dues of income tax, sales tax, wealth tax, service tax, duty of excise, duty of customs, value added tax, and cess which have not been deposited on account of any dispute except as follows:

Name of the Statute	Nature of dues	Amount (₹ In lakhs)	Periods to which amounts relates	Forum where the dispute is pending
Income tax Act, 1961	Income Tax	162.96	A.Y. 2003-04	Commissioner of Income tax (Appeals)
	Income Tax -Penalty	28.74	A.Y. 2005-06	Income tax Appellate tribunal
	Income Tax	16.15	A.Y. 2006-07	Income Tax Appellate Tribunal
	Income Tax	26.54	A.Y. 2007-08	Income Tax Appellate Tribunal
	Income Tax - Interest	64.43	A.Y. 2008-09	Income Tax Appellate Tribunal
	Income Tax - Interest	174.91	A.Y. 2009-10	Commissioner of Income tax (Appeals)
	Income Tax - Interest	30.73	A.Y. 2010-11	Commissioner of Income Tax (Appeals)
	Income Tax	0.87	A.Y. 2010-11	Income Tax Appellate Tribunal
	Income Tax	62.17	A.Y. 2011-12	Commissioner of Income Tax (Appeals)
	Income Tax	122.19	A.Y. 2012-13	Commissioner of Income tax (Appeals)
Service Tax Laws	Service Tax	89.39	A.Y. 2003-04 to 2008-09	Custom, Excise & Service Tax Appellate Tribunal
	Service Tax	0.78	A.Y. 2004-05 to 2010- 2011	Custom, Excise & Service Tax Appellate Tribunal
	Service Tax	67.70	A.Y. 2006-07	Commissionerate of Service Tax, Chennai
	Service Tax	4.61	A.Y. 2010-11	Commissionerate of Service Tax, Hyderabad
Rajasthan Entry Tax Act, 1999	Rajasthan Entry Tax	42.93	A.Y. 2010-11 to 2014-15	Rajasthan High Court

- (d) Based on the comments in the auditors' reports of the Holding Company its subsidiary, associate and jointly controlled companies incorporated in India, there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Group or its associate.
- 8 The Group has no accumulated losses as at the end of the financial year. The Group has not incurred any cash losses in the current and the immediately preceding financial year.
- 9 Based on the comments in the auditors' reports of the Holding Company its subsidiary, associate and jointly controlled companies incorporated in India, the above mentioned companies have not defaulted in repayment of dues to any financial institution, bank or debenture holders during the year.
- 10 Based on the comments in the auditors' reports of the Holding Company its subsidiary, associate and jointly controlled companies incorporated in India, and according to the information and explanations given to us, the above mentioned entities have not given any guarantee for loans taken by others from banks or financial institutions during the year. Accordingly, the provisions of clause 3(x) of the Order are not applicable.
- 11 Based on the comments in the auditors' reports of the Holding Company, its subsidiary, associate and jointly controlled companies incorporated in India, and according to the information and explanations given to us, in our opinion the term loans availed by the abovementioned entities have been applied by the Group for the purposes for which they were obtained.
- 12 Based on the comments in the auditors' reports of the Holding Company its subsidiary, associate and jointly controlled companies incorporated in India, during the course of our audit, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management

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

Padmini Khare Kaicker
Partner
Membership No. 44784

Mumbai
Dated: 30th April, 2015

Consolidated Balance Sheet as at 31st March, 2015

	Note	Current Year ₹ in lakh	Previous Year ₹ in lakh
EQUITY & LIABILITIES			
Shareholders' Funds :			
Share Capital	2	4,101.22	4,084.84
Reserves & Surplus	3	1,43,395.00	1,22,082.02
		<u>1,47,496.22</u>	<u>1,26,166.86</u>
Minority Interest	4	9,719.85	8,353.07
Non-Current Liabilities			
Long-Term Borrowings	5	1,11,713.28	1,19,721.36
Deferred Tax Liability (Net)	6	5,618.07	4,338.05
Other Long-Term Liabilities	7	719.82	622.50
Long-Term Provisions	8	11,919.74	11,627.48
		<u>1,29,970.91</u>	<u>1,36,309.39</u>
Current Liabilities			
Short-Term Borrowings	9	2,367.15	5,054.51
Trade Payables	10	26,685.10	22,529.36
Other Current Liabilities	11	39,860.51	39,605.98
Short-Term Provisions	12	4,765.33	4,652.09
		<u>73,678.09</u>	<u>71,841.94</u>
		<u>3,60,865.07</u>	<u>3,42,671.26</u>
ASSETS			
Non Current Assets			
Fixed Assets :			
Tangible Assets	13	25,128.37	22,037.54
Intangible Assets		10,224.54	10,220.97
Capital Work in Progress		762.66	1,535.33
		<u>36,115.57</u>	<u>33,793.84</u>
Non Current Investments	14	16,294.57	17,845.20
Long Term Loans & Advances	15	661.24	890.58
Other Non Current Assets	16	169.45	904.24
		<u>53,240.83</u>	<u>53,433.86</u>
Current Assets			
Current Investments	17	5,865.14	12,292.43
Inventories	18	1,97,030.58	1,77,640.66
Trade Receivables	19	5,934.13	10,897.70
Cash & Bank Balance	20	7,696.23	6,671.42
Short-Term Loans & Advances	21	68,728.39	68,458.02
Other Current Assets	22	22,369.77	13,277.17
		<u>3,07,624.24</u>	<u>2,89,237.40</u>
		<u>3,60,865.07</u>	<u>3,42,671.26</u>
Summary of significant accounting policies	1		

As per our Report attached hereto
For and on behalf of
B. K. Khare & Co.
Chartered Accountants
Firm Registration No. 105102W

Padmini Khare Kaicker
Partner
Membership No:44784

Suhas Kulkarni Company Secretary
Jayantt Manmadkar Chief Financial Officer

Mumbai : 30th April, 2015

Mumbai : 30th April, 2015

For and on behalf of the Board

Arun Nanda Chairman
Uday Y. Phadke Director
Sanjiv Kapoor Director
Shailesh Haribhakti Director
Anil Harish Director
Anita Arjundas Managing Director & CEO

Mumbai : 30th April, 2015

Consolidated Statement of Profit & Loss for the year ended 31st March, 2015

	Note	Current Year ₹ in lakh	Previous Year ₹ in lakh
INCOME			
Income from operations	23	1,08,609.82	70,525.74
Other Income	24	6,146.85	5,094.03
Total Income		<u>1,14,756.67</u>	<u>75,619.77</u>
EXPENDITURE			
Operating Expenses	25	50,127.68	42,565.59
Employee benefits expenses	26	5,502.79	3,993.44
Administration & Other Expenses	27	10,561.08	6,942.23
Finance Costs	28	5,139.66	5,018.68
Depreciation & Amortization Expenses	13	1,323.43	1,005.38
		<u>72,654.64</u>	<u>59,525.32</u>
Profit before tax		42,102.03	16,094.45
Tax expense / (benefit):			
Current Tax		12,482.75	4,475.73
Deferred Tax		<u>1,294.49</u>	<u>617.38</u>
Profit after tax		28,324.79	11,001.34
Less: Minority Interest		1,705.29	938.42
Consolidated Net Profit		<u>26,619.50</u>	<u>10,062.92</u>
Earnings per equity share of face value of ₹ 10 each			
Basic Earnings per Share		64.98	24.64
Diluted Earnings per Share		64.70	24.64
Summary of significant accounting policies	1		

As per our Report attached hereto
For and on behalf of
B. K. Khare & Co.
Chartered Accountants
Firm Registration No. 105102W

Padmini Khare Kaicker
Partner
Membership No:44784

Suhas Kulkarni Company Secretary
Jayant Manmadkar Chief Financial Officer

Mumbai : 30th April, 2015

Mumbai : 30th April, 2015

For and on behalf of the Board

Arun Nanda Chairman
Uday Y. Phadke Director
Sanjiv Kapoor Director
Shailesh Haribhakti Director
Anil Harish Director
Anita Arjundas Managing Director & CEO

Mumbai : 30th April, 2015

Consolidated Cash Flow Statement for the year ended 31st March, 2015

	Current Year ₹ in lakh	Previous Year ₹ in lakh
A. Cash flow from operating activities		
Net Profit Before Tax	42,102.03	16,094.45
Adjustments for :		
Depreciation & Amortisation Expenses	1,323.43	1,005.38
Amortisation of Esop Expenses	117.69	93.12
Provision for Doubtful debts	610.36	55.00
Provision for diminution in value of Long term investments	1,550.63	-
Provision Written Back(Net)	(1,550.15)	-
Interest Income	(3,437.52)	(3,252.85)
Finance Cost	5,139.66	5,018.68
Profit on Sale of Investments	(242.87)	(276.52)
Dividend Income	(431.31)	(859.62)
Loss/(Profit) on sale of Fixed assets (Net)	12.95	26.45
Operating Profit Before Working Capital Changes	45,194.90	17,904.09
Adjustments for :		
Trade and Other Receivables	(749.02)	(25,585.71)
Inventories	(19,389.92)	(14,566.94)
Trade Payables and Other Liabilities	10,274.55	2,217.25
Cash Generated from Operations	35,330.51	(20,031.31)
Income taxes received / (paid)	(12,713.69)	(5,537.82)
Net Cash (used in) / from operating activities	22,616.82	(25,569.13)
B. Cash flow from investing activities		
Purchase of Fixed Assets	(4,938.72)	(3,006.47)
Proceeds from Sale of Fixed Assets	17.34	17.18
Proceeds / (Investments) in Others (Net)	6,427.29	(16,815.24)
Goodwill on acquisition	-	(715.55)
Minority interest	(338.51)	(1,148.68)
Interest received	2,646.61	1,303.00
Dividend received	431.31	859.62
Net Cash from / (used in) investing activities	4,245.32	(19,506.14)

Consolidated Cash Flow Statement for the year ended 31st March, 2015 (contd.)

	Current Year	Previous Year
	₹ in lakh	₹ in lakh
C. Cash flow from financing activities		
Increase / (Repayment) of borrowings	(16,347.36)	43,540.02
Finance Costs	(5,111.97)	(2,106.99)
Dividend Paid	(5,380.47)	(2,866.82)
Proceeds on issue of shares on exercise of stock options	582.24	8.74
Net Cash from / (used in) financing activities	(26,257.56)	38,574.95
Net increase/(decrease) in cash and cash equivalents	604.58	(6,500.32)
Cash and Cash Equivalents (Opening)	5,714.70	12,215.02
Cash and Cash Equivalents (Closing)	6,319.28	5,714.70

As per our Report attached hereto

For and on behalf of

B. K. Khare & Co.

Chartered Accountants

Firm Registration No. 105102W

Padmini Khare Kaicker

Partner

Membership No:44784

Mumbai : 30th April, 2015**Suhas Kulkarni****Jayant Manmadkar**

Company Secretary

Chief Financial Officer

Mumbai : 30th April, 2015

For and on behalf of the Board

Arun Nanda**Uday Y. Phadke****Sanjiv Kapoor****Shailesh Haribhakti****Anil Harish****Anita Arjundas**

Chairman

Director

Director

Director

Director

Managing Director & CEO

Mumbai : 30th April, 2015

Notes to the consolidated financial statements as at and for the year ended 31st March, 2015

1) SIGNIFICANT ACCOUNTING POLICIES:

a) Basis of Preparation

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India to comply with the Accounting Standards applicable under Section 133 of the Companies Act, 2013, read with Paragraph 7 of the Companies (Accounts) Rules, 2014 (as amended) and the relevant provisions of the Companies Act, 2013 (“the 2013 Act”) as applicable (“Indian GAAP”). The financial statements have been prepared on an accrual basis and under the historical cost convention.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

b) Presentation and Disclosure of Financial Statements

Assets and liabilities have been classified as current & non – current as per the Company’s normal operating cycle and other criteria set out in the Schedule III of the Act. In case of projects-residential units, based on the nature of activity carried out by the Company and the period between their procurement and realisation in cash and cash equivalents. The Company has ascertained its operating cycle as 5 years for the purpose of current – non current classification of assets and liabilities. In case of projects-commercial units, the operating cycle is 3 years. Similarly, in case of projects-for large format developments/ integrated business cities, the said period is 20 years.

c) Use of Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported balances of assets and liabilities as of the date of the financial statements and reported amounts of income and expenses during the period. Management believes that the estimates used in the preparation of financial statements are prudent and reasonable. Actual results could differ from those estimates.

d) Basis of consolidation :

The consolidated financial statements comprise the financial statements of Mahindra Lifespace Developers Limited (the Company) and its subsidiary companies (the Company and its subsidiaries are hereinafter referred to as “the Group”) and the interest of the Company in joint ventures and its investment in associates.

A. Basis of accounting:

The Financial Statements of the subsidiary companies and the joint venture companies (JVCs) used in the preparation of the Consolidated Financial Statements are drawn upto the same reporting date as that of the Company i.e. 31st March 2015.

B. Principles of Consolidation:

The consolidated financial statements have been prepared on the following basis:-

- (i) The financial statements of the Company and its subsidiary companies have been consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses in accordance with the requirements of Accounting Standard AS 21- “Consolidated Financial Statements”. The intra group balances and intra group transactions and unrealised profits or losses resulting from intra group transactions are fully eliminated.
- (ii) The consolidated financial statements include the interest of the Company in JVCs, which has been accounted for using the proportionate consolidation method whereby the Company’s share of the assets, liabilities, income and expenses of a jointly controlled entity in accordance with AS 27 - “Financial Reporting of Interests in Joint Ventures”.
- (iii) The excess of the Company’s investment in a subsidiary over the subsidiary’s net assets is recognized in the financial statement as goodwill. The excess of the subsidiary’s net assets over its investment is recognized in the financial statement as capital reserve.
- (iv) Minority interest in the net assets of subsidiaries comprises the aggregate of the amount of equity attributable to the minority shareholders as on the dates on which investments are made by the Company in the subsidiary companies and minority share in the equity subsequent to acquisition.

The entities included in the consolidated financial statements of the Group along with the respective voting power and beneficial interest are summarized below

Name of Subsidiary

	Proportion of Ownership Interest		Proportion of Beneficial Interest	
	Current Year	Previous Year	Current Year	Previous Year
Mahindra Infrastructure Developers Limited	100.00%	100.00%	100.00%	100.00%
Mahindra World City Developers Limited.....	89.00%	89.00%	89.00%	89.00%
Mahindra World City (Jaipur) Limited	74.00%	74.00%	74.00%	74.00%
Mahindra World City (Maharashtra) Limited	100.00%	100.00%	100.00%	100.00%
Mahindra Integrated Township Limited.....	73.36%	73.36%	96.30%	96.30%
Knowledge Township Limited.....	100.00%	100.00%	100.00%	100.00%
Mahindra Residential Developers Limited	0%	0%	96.30%	96.30%
Mahindra Bebanco Developers Limited	70.00%	70.00%	70.00%	70.00%
Industrial Township Maharashtra Limited.....	100.00%	100.00%	100.00%	100.00%
Raigad Industrial Business Park Ltd.....	100.00%	100.00%	100.00%	100.00%
Anthurium Developers Limited.....	100.00%	100.00%	100.00%	100.00%
Industrial Cluster Private Limited (Earlier known as Mahindra Housing Private Limited).....	100.00%	100.00%	100.00%	100.00%
Mahindra Industrial Park Chennai Limited*	0%	0%*	0%	0%*

*New subsidiary with effect from 22nd December 2014.

Name of Joint Venture

	Proportion of Ownership Interest	
	Current Year	Previous Year
Mahindra Water Utilities Limited	50.00%	50.00%
Mahindra Inframan Water Utilities Private Limited	50.00%	50.00%
Mahindra Homes Private Limited (earlier known as Watsonia Developers Private Limited and before that Watsonia Developers Limited).....	50.00%	50.00%

Name of Associates

	Proportion of Ownership Interest
Kismat Developers Private Limited	42.86%
Topical Builders Private Limited	50.00%

e) Fixed Assets :

Fixed assets are stated at cost of acquisition or construction less accumulated depreciation. Cost includes all incidental expenses related to acquisition and installation, other pre operation expenses and interest in case where the asset takes a substantial period of time to be ready for its intended use.

The carrying amount of assets is reviewed at the balance sheet date to determine whether there is any indication of impairment. If such indication exists, the recoverable amount is estimated as the net selling price or value in use, whichever is higher. Impairment loss, if any, is recognised whenever carrying amount exceeds the recoverable amount.

Depreciation on tangible fixed assets has been provided on prorata basis, on a straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except for certain assets as indicated below:

Lease hold improvements are amortised over the period of lease/estimated period of lease.

Plant & Machinery includes Plant & Machinery used in civil construction – Others and amortised over a period of 5 years.

Vehicles used by employees are depreciated over the period of 48 months considering this period as the useful life of the vehicle for the Company.

Sales office and the sample flat/ show unit cost is amortised over 5 years or the duration of the project (as estimated by management) whichever is lower.

Fixed Assets held for disposal are valued at estimated net realizable value.

f) Intangible Assets:

All intangible assets are initially measured at cost and amortised so as to reflect the pattern in which the assets' economic benefits are consumed.

Software expenses are treated as an intangible asset and amortised over the useful life of the asset. The maximum period for such amortization is 36 months

g) Investments :

Investments are classified into Non Current and Current Investments.

Non Current Investments are carried at cost. Provision for diminution, if any, in the value of each long-term investment is made to recognize a decline, other than of a temporary nature.

Current investments are carried individually at lower of cost and fair value and the resultant decline, if any, is charged to revenue.

h) Inventories :

Inventories are stated at lower of cost or net realisable value. The cost of construction material is determined on the basis of the weighted average method. Construction Work-in-Progress includes cost of land, premium for development rights, construction costs and allocated interest and expenses incidental to the projects undertaken by the Company.

i) Revenue Recognition:Income from Projects

Income from real estate sales is recognised on the transfer of all significant risks and rewards of ownership to the buyers and it is not unreasonable to expect ultimate collection and no significant uncertainty exists regarding the amount of consideration. However if, at the time of transfer substantial acts are yet to be performed under the contract, revenue is recognised on proportionate basis as the acts are performed, i.e. on the percentage of completion basis. Up to 31st March 2012, revenue from real estate projects are recognized only when actual project cost incurred is atleast 25% of the total estimated project costs including land and when atleast 10% of the sales consideration is received.

In accordance with the Guidance Note on Accounting for Real Estate Transactions (Revised 2012) issued by the Institute of Chartered Accountants of India, in case of projects commencing on or after 1st April 2012 or in case of projects which have already commenced but where revenue is being recognised for the first time on or after 1st April 2012, revenues will be recognized from these real estate projects only when

- (i) the actual construction and development cost incurred is at least 25% of the total construction and development cost (without considering land cost) and
- (ii) when at least 10% of the sales consideration is realised and where 25% of the total saleable area of the project is secured by contracts of agreement with buyers.

Income from long term contracting assignments is also recognised on the percentage of completion basis. As the long term contracts necessarily extend beyond one year, revision in costs and revenues estimated during the course of the contract are reflected in the accounting period in which the facts requiring the revision become known. Any expected loss on a project is recognised in the year in which costs incurred together with the balance costs to completion are likely to be in excess of the estimated revenues from project. Unbilled costs are carried as construction work-in-progress.

Determination of revenues under the percentage of completion method necessarily involves making estimates by the Company, some of which are of a technical nature, concerning, where relevant, the percentages of completion, costs to completion, the expected revenues from the project/activity and the foreseeable losses to completion.

Income from sale of land and other rights

Revenue from sale of land and other rights are considered upon transfer of all significant risks and rewards of ownership of such real estate/property as per the terms of the contract entered into with the buyers, which generally with the firmity of the sale contracts/agreements.

Income from Project Management

Project Management Fees receivable on fixed period contracts is accounted over the tenure of the contract/agreement. Where the management fee is linked to the input costs, revenue is recognised as a proportion of the work completed based on progress claims submitted. Where the fee is linked to the revenue generation from the project, revenue is recognised on the percentage of completion basis.

Income from operation of commercial complexes is recognised over the tenure of the lease/service agreement.

Land Lease Premium

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

Property lease rentals, income from operation & maintenance charges and water charges are recognized on an accrual basis as per terms of the agreement with the lessees.

Interest and dividend income

Interest income is accounted on an accrual basis at contracted rates except where there is uncertainty of ultimate collection.

Dividend income is recognised when the right to receive the same is established.

k) Employee benefits:**(i) Defined Contribution Plans**

Company's contributions paid / payable during the year to Provident Fund, Superannuation Fund are recognised in the Statement of Profit and Loss.

(ii) Defined Benefit Plan

Company's liabilities towards gratuity and leave encashment are determined on actuarial basis using the projected unit credit method, which consider each period of service as giving rise to an additional unit of benefit and measures each unit separately to build up the final obligation. Past services are recognised on straight-line basis over the average period until the amended benefits become vested. Actuarial gain and losses are recognised immediately in the Statement of Profit and Loss as income or expense. Obligation is measured at the present value of estimated future cash flow using a discount rate that is determined by reference to market yields at the Balance Sheet date on government bonds where the currency and terms of the government bonds are consistent with the currency and estimated terms of the defined benefit obligation.

(iii) In view of the past trends of leave availed, the amount of employee benefit in the form of compensated absences, being in the nature of short term benefit, is accounted for on accrual basis at an undiscounted value

l) Borrowing Costs:

Borrowing costs that are directly attributable to long-term project management and development activities are capitalised as part of project cost. Other borrowing costs are recognised as expense in the period in which they are incurred.

Borrowing costs are capitalised as part of the project cost when the activities that are necessary to prepare the asset for its intended use or sale are in progress. Borrowing costs are suspended from capitalisation on the project when development work on the project is interrupted for extended periods.

m) Foreign Currency Transactions:

Foreign Currency assets and liabilities are translated at the relevant rates of exchange prevailing at the year end and the translation differences are recognised in the Statement of Profit and Loss. The exchange gain or loss on settlement is also recognised in the Statement of Profit and Loss.

n) Provision for taxation:

Tax expense comprises both current and deferred tax.

Current tax is measured at the amount expected to be paid to the tax authorities, using the applicable tax rates and tax laws.

Deferred tax assets and liabilities are recognised for future tax consequences attributable to the timing differences between taxable income and accounting income that are capable of reversal in one or more subsequent periods and are measured using tax rates enacted or substantively enacted as at the Balance Sheet date. Deferred Tax assets are not recognized unless, in the management judgment, there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized except in case of deferred tax asset arising from brought forward tax losses, unabsorbed depreciation and items relating to capital losses wherein deferred tax asset is only recognized when there is virtual certainty. The carrying amount of deferred tax is reviewed at each balance sheet date.

o) Segment Information:

The Company operates in three main segments; namely, Projects, Project Management and Development activities, Operating of commercial complexes and Business Centers. The segments have been identified and reported taking into account the differing risks and returns and the internal business reporting systems. Revenues and expenses have been identified to the segments based on their relationship to the business activity of the segment. Income/expenses relating to the enterprise as a whole and not allocable on a reasonable basis to business segments are reflected as unallocated corporate income/expenses.

p) Provisions and Contingent Liabilities

Provisions are recognised in the accounts in respect of present obligation arising from past event, the amount of which can be reliably estimated.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events but their existence is confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

q) Employee stock compensation costs

Measurement and disclosure of the employee share-based payment plans is done in accordance with SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and the Guidance Note on Accounting for Employee Share-based Payments, issued by ICAI. The company measures compensation cost relating to employee stock options using the intrinsic value method. Compensation expense is amortized over the vesting period of the option on a straight line basis.

2) SHARE CAPITAL:

	Current Year ₹ in lakhs	Previous Year ₹ in lakhs
Authorised		
11,50,00,000 (Previous year 11,50,00,000) Equity Shares of ₹ 10 each	11,500.00	11,500.00
60,00,000 (Previous year 60,00,000) Unclassified Shares of ₹ 10 each.....	600.00	600.00
	12,100.00	12,100.00
Issued		
4,10,53,051 (Previous year 4,08,89,201) Equity Shares of ₹ 10 each	4,105.31	4,088.92
	4,105.31	4,088.92
Subscribed and Paid-up		
4,10,12,200 (Previous year 4,08,48,350) Equity Shares of ₹ 10 each fully paid up	4,101.22	4,084.84
	4,101.22	4,084.84

a) Reconciliation of number of shares

	Current Year		Previous Year	
	No. of Shares	₹ in lakhs	No. of Shares	₹ in lakhs
Equity Shares				
Balance as at the beginning of the year	4,08,48,350	4,084.84	4,08,39,650	4,083.97
Add: Shares Issued (earlier kept in abeyance)	-	-	-	-
Add: Stock Options exercised during the year	1,63,850	16.38	8,700	0.87
Balance as at the end of the year	4,10,12,200	4,101.22	4,08,48,350	4,084.84

b) Equity Shares: The Company has one class of equity shares having a par value of ₹ 10 per share. Each shareholder is eligible for one vote per share.

c) Shares held by holding company

	Current Year		Previous Year	
	No of Shares	% holding	No of Shares	% holding
Equity Shares				
Mahindra & Mahindra Limited	2,08,46,126	50.83%	2,08,46,126	51.03%

d) Details of shares held by shareholders, holding more than 5% of the aggregate shares in the Company

	Current Year		Previous Year	
	No of Shares	% holding	No of Shares	% holding
Equity Shares				
Mahindra & Mahindra Limited (Holding Company)	2,08,46,126	50.83%	2,08,46,126	51.03%
Amansa Investments Limited	25,05,170	6.11%	25,05,170	6.13%
Small Cap World Fund, INC	21,57,380	5.26%	21,57,380	5.28%

e) Shares reserved for issue under options

The Company has reserved 5,58,430 (Previous Year 6,12,656) equity shares of ₹ 10/- each for issue under options [Refer Note 26(b)].

f) The allotment of 40,851 (Previous Year 40,851) equity shares of the Company has been kept in abeyance in accordance with Section 206A of the Companies Act, 1956 (Section 126 of the Companies Act 2013), till such time as the title of the bonafide owner of the shares is certified by the concerned Stock Exchange or the Special Court (Trial of Offences relating to Transactions in Securities).

3) Reserves & Surplus

	Current Year ₹ in lakhs	Previous Year ₹ in lakhs
Capital Redemption Reserve		
Balance as at the beginning of the year	7,353.58	7,353.58
Transfer from General Reserve	-	-
Balance as at the end of the year.....	<u>7,353.58</u>	<u>7,353.58</u>
Share Premium Account		
Balance as at the beginning of the year	62,960.82	73,100.12
Add: Premium on shares issued during the year	684.17	7.87
Less: Premium on redemption of Debenture	-	(10,244.65)
Add Share in Jointly Controlled Entity	-	97.48
Balance as at the end of the year.....	<u>63,644.99</u>	<u>62,960.82</u>
General Reserve		
Balance as at the beginning of the year	5,235.55	4,463.38
Add: Transfer from Profit & Loss Account.....	2,332.96	772.17
Balance as at the end of the year.....	<u>7,568.51</u>	<u>5,235.55</u>
Debenture Redemption Reserve		
Balance as at the beginning of the year	5,988.57	1,593.75
Add:- Transfer from Profit & Loss Account	5,288.92	4,394.82
Balance as at the end of the year.....	<u>11,277.49</u>	<u>5,988.57</u>
Employee Stock Option Outstanding		
A) Employee Stock Option Outstanding :		
Opening Balance	541.98	424.30
Add: Fresh grant of options.....	136.65	117.68
Less: Amount transferred to Securities premium/Options Lapsed.....	118.31	-
Closing Balance.....	<u>560.32</u>	<u>541.98</u>
Less:		
B) Deferred Employee Compensation Expenses :		
Opening Balance	298.60	274.04
Add: Fresh grant of options.....	136.65	117.68
Less: Transfer to Employee Compensation / Options Lapsed	(151.21)	(93.12)
Closing Balance.....	<u>284.04</u>	<u>298.60</u>
Balance as at the end of the year.....	<u>276.28</u>	<u>243.37</u>
Surplus in the Statement of Profit & Loss		
Balance as at the beginning of the year	40,300.13	38,562.41
Consolidated Net Profit for the year	26,619.50	10,062.92
Add/(Less): Adjustment on account of Increase/Decrease in Joint Venture interest	-	(0.92)
Less : APPROPRIATIONS		
Proposed Dividend:		
On Equity Shares	2,469.61	2,450.90
Income Tax on Proposed Dividend	502.46	416.53
Interim Equity Dividend.....	2,459.78	-
Income Tax on Interim Dividend	360.60	46.82
Income Tax on Dividend	203.60	243.04
Depreciation Adjustment.....	27.55	-
Transfer to General Reserve.....	2,332.96	772.17
Transfer to Debenture Redemption Reserve	5,288.92	4,394.82
Balance as at the end of the year.....	<u>53,274.15</u>	<u>40,300.13</u>
	<u>1,43,395.00</u>	<u>1,22,082.02</u>

The Company has during previous financial year issued Non Convertible Debentures (NCDs) aggregating ₹ 50,000 lakhs which are redeemable at a premium. The total premium on redemption of ₹ 10,244.65 lakhs has been adjusted against the Securities Premium during the year ended 31st March 2014 as permitted under section 78 of the Companies Act, 1956.

4) Minority Interest

	Current Year ₹ in lakhs	Previous Year ₹ in lakhs
Shares held by Minorities in Subsidiaries.....	9,719.85	8,353.07
	9,719.85	8,353.07

5) Long Term Borrowings

	Current Year ₹ in lakhs	Previous Year ₹ in lakhs
Secured Loan		
-Term loans from Banks.....	18,447.92	27,956.00
-Non Convertible Debentures	76,500.00	75,000.00
	94,947.92	1,02,956.00
UnSecured Loan		
From Others.....	756.86	756.86
	756.86	756.86
Add: Share of jointly controlled entites.....	16,008.50	16,008.50
	1,11,713.28	1,19,721.36

The term loan from bank and others have been taken by the entities in the Group. The key terms and conditions in respect of these loans are summarized below.

Term Loan**Mahindra Lifespace Developers Limited**

The Term Loan was repaid on 10th June 2014. The loan was secured by a pari-passu charge on immovable properties of the Company and were also secured by pari-passu charge on specified movable and current assets of the Company, both present and future.

Subsidiaries**Mahindra World City Jaipur Limited**

The Term loan from Bank has been fully paid in December 2014 before the due date.

Mahindra World City Developers Limited**a) Nature of Security**

Term loans are secured by equitable Mortgage of specified lands.

b) Terms of Repayment

Term loan carries interest @ 12.35% - Principal to be repaid in 12 equal quarterly installments, commencing from 31st March, 2016. The rate of interest is revised to 12.10% with effect from 1st February, 2015.

Non Convertible Debentures**Mahindra Lifespace Developers Limited**

The terms and conditions of the Secured Non Convertible Debentures issued by the Company are summarized below:-

Series	I	II	III
Face Value of Debentures (₹ lakhs)	12,500.00	17,500.00	20,000.00
Total Redemption Premium Amount (₹ lakhs)	4,498.71	2,290.30	3,455.65
Rate of Interest Payable Annually	8%	8%	8%
Maturity Date	3 rd April 2016	3 rd April 2017	3 rd April 2018

The above debentures are secured by an exclusive charge over all assets, including Land & building as identified by the Company from time to time.

At present the identified assets are land owned by the Company which is accounted as a part of Construction Work in Progress and land owned by its Subsidiary Mahindra Integrated Township Limited.

Subsidiaries

Mahindra World City Jaipur Limited

Company has issued 2,500 10% Redeemable Secured Non Convertible Debentures of ₹ 10 lakh each aggregating to ₹ 25,000 lakhs repayable in 3, 4 and 5 years in the ratio of 30:30:40 respectively along with redemption premium.

Series	I	II	III
Face Value of Debentures (₹ lakhs)	7,500.00	7,500.00	10,000.00
Total Redemption Premium Amount (₹ lakhs)	583.76	830.95	1,474.21
Rate of Interest Payable Annually	10%	10%	10%
Maturity Date	13 th July 2015	13 th July 2016	13 th July 2017

a) Nature of Security

These Debentures are secured by way of first pari passu charge along with the debenture holders of ₹ 6,500 lakhs as mentioned below on the assets of the project (excluding specified assets) by way of constructive mortgage through deposit of the title deeds with the Debenture Trustee / hypothecation. The company has to maintain minimum fixed asset coverage ratio (FACR) of 1.25 at all times during the currency of debentures.

b) Terms of Repayment.

Interest on these debentures is payable annually in July.

Company has issued 650 10.90% Redeemable Secured Non Convertible Debentures of ₹ 10 Lakhs each aggregating to ₹ 6,500 lakhs repayable in 3, 4 and 5 years in the ratio of 31:31:38 respectively alongwith redemption premium

Series	I	II	III
Face Value of Debentures (₹ lakhs)	2,000.00	2,000.00	2,500.00
Total Redemption Premium Amount (₹ lakhs)	0.00	0.00	0.00
Rate of Interest Payable Annually	10.90%	10.90%	10.90%
Maturity Date	19 th December 2017	19 th December 2018	19 th December 2019

a) Nature of Security

These debentures are secured by way of first pari passu charge along with the debenture holders of ₹ 25,000 lakhs as mentioned above on the assets of the project (excluding specified assets) by way of constructive mortgage, through deposit of the title deeds with the Debenture Trustee. The company has to maintain minimum fixed asset coverage ratio (FACR) of 1.25 at all times during the currency of debentures.

b) Terms of Repayment.

Interest on these debentures is payable annually in December.

Mahindra Bebanco Developers Limited

a) Nature of Security

Non Convertible Debentures are secured by first pari passu charge by way of mortgage on the Property / Project and second charge over escrow of receivables from the project.

b) Terms of Repayment.

The debentures are repayable on 9th Sept 2016. Coupon Rate is 11.25% per annum, payable semi-annually.

Joint Venture

Mahindra Homes Private Limited

Debentures (Unsecured)

The debentures shall earn, net of tax, simple interest of 15% per annum payable quarterly. Interest shall become due and payable only on availability of distributable cash. Interest on the debentures shall be cumulative and payable until the debentures are converted into equity shares. One debenture shall convert into one equity share. The conversion of the debentures shall at all times be made at the conversion price of ₹ 50,000. Debentures can be converted to equity shares at the conversion ratio with the consent of all shareholders. All debentures, to the extent outstanding, shall automatically and mandatorily convert to equity shares at the conversion Price upon the expiry of 12 years from the date of allotment. The Series B equity shares issued on conversion of the Series A debentures shall rank pari passu in all respects with the Series C equity shares, respectively, in issue on the relevant date of conversion, with reference to all rights and benefits, including but not limited to voting rights, dividends, stock splits, bonus and/or rights issuance.

Unsecured Loan**Mahindra Bebanco Developers Limited**

Unsecured loan relates to inter corporate loans repayable after redemption of the NCD's issued by Mahindra Bebanco Developers Limited (as described earlier).

Presently it is expected that this loan will be repaid after 9th Sept 2016.

6) Deferred Tax Liability (Net)**Deferred Tax Liability**

Relating to :

	Current Year ₹ in lakhs	Previous Year ₹ in lakhs
Difference between book and tax depreciation.....	2,980.83	2,505.68
Interest inventorised but claimed as allowable for tax purposes.....	4,341.18	3,287.75
Income accrued based on lease equalisation	(14.33)	34.29
Less: Transition Adjustment on depreciation.....	(11.76)	-
	7,295.92	5,827.72
Add: Share in Jointly controlled entities	-	0.11
	7,295.92	5,827.83

Deferred Tax Asset

Relating to :

Provision for impairment in asset value	-	526.90
Business loss carried forward.....	949.14	558.94
Expenses allowable on actual payment.....	621.04	392.04
	1,570.18	1,477.88
Add: Share in Jointly controlled entities	107.67	11.90
	1,677.85	1,489.78
	5,618.07	4,338.05

7) Other Long Term Liabilities

	Current Year ₹ in lakhs	Previous Year ₹ in lakhs
Advances & Deposits-	719.82	622.50
	719.82	622.50

8) Long Term Provisions

	Current Year ₹ in lakhs	Previous Year ₹ in lakhs
Provision for Employee Benefits		
- Compensated absences.....	132.98	128.64
- Gratuity(Refer Note 26(a)).....	156.58	41.15
Provision for premium on redemption of debentures(Refer Note 3).....	11,609.74	11,441.73
	11,899.30	11,611.52
Add: Share in Jointly controlled entities	20.44	15.96
	11,919.74	11,627.48

9) Short Term Borrowings

	Current Year ₹ in lakhs	Previous Year ₹ in lakhs
Secured Loans		
From Banks	1,367.15	5,029.51
Unsecured Loans		
Intercompany Deposits	1,000.00	-
	<u>2,367.15</u>	<u>5,029.51</u>
Add: Share in Jointly controlled entities	-	25.00
	<u>2,367.15</u>	<u>5,054.51</u>

The short term borrowing from bank and others have been taken by the entities in the Group. The key terms and conditions in respect of these loans are summarized below.

Secured Loans
a) Loan from Bank :
Mahindra Lifespace Developers Limited

Previous year amount includes a cash credit from bank which was repaid on 10th June 2014. The loan was secured by a pari-passu charge on immovable properties of the Company and were also secured by pari-passu charge on specified movable and current assets of the Company, both present and future.

Mahindra Bebanco Developers Limited
Nature of Security

The Cash Credit facility is secured by first pari passu charge by way of mortgage on the Property / Project and second charge over escrow of receivables from Project

Terms of Repayment

Loan is repayable on demand from bank

Mahindra World City (Jaipur) Limited
Nature of Security

Overdraft from banks is secured against earmarked Fixed deposits of ₹ 240.30 lakhs.

Terms of Repayment

The overdraft is repayable on demand.

b) Unsecured Loan
Mahindra Integrated Township Limited

The Company has taken Inter corporate deposits from Mahindra Logistics Limited.

10) Trade Payables

	Current Year ₹ in lakhs	Previous Year ₹ in lakhs
Trade Payable Others	26,211.71	22,416.70
	<u>26,211.71</u>	<u>22,416.70</u>
Add: Share in Jointly controlled entities	473.39	112.66
	<u>26,685.10</u>	<u>22,529.36</u>

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

11) Other Current Liabilities

	Current Year ₹ in lakhs	Previous Year ₹ in lakhs
Advances and Deposits	9,750.55	9,500.25
Unclaimed Dividends	103.24	75.30
Current maturities of long-term loan from Banks	9,677.08	15,329.00
Other Liabilities	8,883.55	7,818.57
Interest accrued but not due on loans	5,198.03	5,170.34
	33,612.45	37,893.46
Add: Share in Jointly controlled entities	6,248.06	1,712.52
	39,860.51	39,605.98

- a) There are no amounts due and outstanding to be credited to Investor Education and Protection Fund.
- b) Current maturities of long term loans relate to debts, details of which have been given in note 5. In addition the amount at 31st March, 2015 includes current maturity of long term debt of ₹ 500 lakhs representing 366 day unsecured loan availed during the year at an interest rate of 11.50% repayable on 25th March, 2016.

Interest is payable quarterly.

The current maturity of long term debt of ₹ 4,000 lakhs at 31st March, 2014 includes secured non convertible debentures carrying a coupon rate of 11.60% per annum, compounded semi-annually. Interest is paid semi annually. The debentures were redeemed during the year.

Mahindra Residential Developers Limited

The term loan balance of ₹ 300 lakhs from HDFC Limited was repaid in April 2014. Out of the available sanctioned limit, amount yet to be drawn is ₹ 2,100 lakhs. This loan is secured by deposit of title deeds of leasehold rights of land and carries an interest @ CPLR-1.75%.

12) Short Term Provisions

	Current Year ₹ in lakhs	Previous Year ₹ in lakhs
Provision for Employee benefits		
- Gratuity [Refer Note 26(a)]	46.21	37.95
- Leave Encashment Benefits	313.81	123.05
Others		
Proposed Dividend	2,460.73	2,450.90
Provision for tax on Proposed Dividend	500.96	416.53
Provision for Losses to project Completion (Refer Note 18#)	-	1,023.00
Defect Liabilities / Warranties@	896.09	512.53
Provision for premium on redemption of debentures*	528.86	-
Others	17.12	86.75
	4,763.78	4,650.71
Add: Share in Jointly controlled entities	1.55	1.38
	4,765.33	4,652.09

@The movement in provision for defect liability is as follows:

	Current Year	Previous Year
Balance as on 1 st April	512.53	467.95
Add: Provision during the year	460.87	314.22
Less: Provision written back	-	250.00
Less: Utilisation during the year	77.31	19.64
Balance as on 31 st March	896.09	512.53

*This premium is towards debentures redeemable in July 2015.

13) Fixed Assets

₹ in lakhs

Particulars	GROSS BLOCK			DEPRECIATION				NET BLOCK				
	As at 31st March, 2014	Additions	Deductions / Adjustments	As at 31st March, 2015	Up to 31st March, 2014	Deductions / Adjustments	Depreciation Adjustment *	For the Year	Impairment losses	Up to 31st March, 2015	As at 31st March, 2015	As at 31st March, 2014
Tangible Assets												
Land												
Land - Freehold	152.07	100.59	-	252.66	-	-	-	-	-	-	252.66	152.07
Land - Leasehold	422.53	20.54	-	443.07	31.77	-	-	4.31	-	36.08	406.99	390.76
Building												
Building - Freehold	15,834.41	2,524.91	-	18,359.32	1,470.22	0.01	-	416.04	28.45	1,914.70	16,444.62	14,364.19
Building - Leasehold	2,955.17	-	-	2,955.17	1,012.13	-	-	12.22	-	1,024.35	1,930.82	1,943.04
Furniture & Fixtures												
Owned	413.43	714.46	249.80	878.09	110.48	7.64	0.72	22.45	0.10	126.11	751.98	302.95
Given under operating lease	1,390.60	-	-	1,390.60	733.19	-	-	164.98	-	898.17	492.43	657.41
Plant & Machinery												
Owned	3,378.69	686.30	-	4,064.99	899.41	(17.35)	16.88	279.39	168.80	1,381.83	2,683.16	2,479.29
Given under operating lease	1,185.93	-	-	1,185.93	226.85	-	-	118.10	-	344.95	840.98	959.07
Computers	496.08	136.55	3.57	629.06	317.22	20.99	17.51	120.94	0.10	434.78	194.28	178.86
Vehicles	479.87	70.48	55.61	494.74	129.06	25.16	-	73.74	0.48	178.12	316.62	350.81
Leasehold Improvement	394.83	312.50	-	707.33	158.24	(7.04)	-	71.99	-	237.27	470.06	236.59
Sub Total (A)	27,103.61	4,566.33	308.98	31,360.96	5,088.57	29.41	35.11	1,284.16	197.93	6,576.36	24,784.60	22,015.04
Previous Year	25,137.47	2,186.26	220.12	27,703.61	4,268.42	179.72	-	999.87	-	5,088.57	22,015.04	20,869.05
Intangible Assets												
Software Expenditure	397.14	3.57	-	400.71	397.14	-	-	-	-	397.14	3.57	0.00
Goodwill	10,220.97	-	-	10,220.97	-	-	-	-	-	-	10,220.97	10,220.97
Sub Total (B)	10,618.11	3.57	-	10,621.68	397.14	-	-	-	-	397.14	10,224.54	10,220.97
Previous Year	9,902.56	715.55	-	10,618.11	397.14	-	-	-	-	397.14	10,220.97	9,505.42
Total (A+B)	37,721.72	4,569.90	308.98	41,982.64	5,485.71	29.41	35.11	1,284.16	197.93	6,973.50	35,009.14	32,236.01
Share in Jointly Controlled Entities	88.52	368.82	-	457.34	66.02	(2.67)	5.61	39.27	-	113.57	343.77	22.50
Grand Total	37,810.24	4,938.72	308.98	42,439.98	5,551.73	26.74	40.72	1,323.43	197.93	7,087.07	35,352.91	32,258.51
Previous year total	35,128.01	2,902.32	220.12	37,810.24	4,726.07	179.72	-	1,005.98	-	5,551.73	32,258.51	30,401.97
Capital Work In Progress											762.66	1,535.33
											36,115.57	33,793.84

*Depreciation adjustment is due to change in useful life as prescribed in Schedule II to the Companies Act, 2013

- There is debit to retained earnings of ₹ 27.54 lakhs (net of deferred tax) for the asset whose remaining life on 1st April 2014 is reduced to NIL, in accordance with revised life as considered by management.
- The depreciation charge for the year ended 31st March 2015 is higher by ₹ 188.87 Lakhs.

Fixed Assets (Previous Year)

₹ in lakhs

Particulars	GROSS BLOCK			DEPRECIATION			NET BLOCK			
	As at 31st March 2013	Additions	Deductions / Adjustments	As at 31st March 2014	Up to 31st March 2013	Deductions / Adjustments	For the Year	Up to 31st March 2014	As at 31st March 2014	As at 31st March 2013
Tangible Assets										
Land										
Land - Freehold	152.07	-	-	152.07	-	-	-	-	152.07	152.06
Land - Leasehold	422.53	-	-	422.53	27.56	-	4.21	31.77	390.76	394.98
Building										
Building - Freehold	14,630.24	1,204.17	-	15,834.41	1,121.24	-	348.98	1,470.22	14,364.19	13,509.00
Building - Leasehold	2,955.17	-	-	2,955.17	963.95	-	48.18	1,012.13	1,943.04	1,991.22
Furniture & Fixtures										
Owned	191.98	243.41	21.96	413.43	100.49	17.87	27.86	110.48	302.95	91.49
Given under operating lease	1,390.60	-	-	1,390.60	586.66	-	146.53	733.19	657.41	803.94
Plant & Machinery										
Owned	3,319.75	82.15	23.21	3,378.69	683.89	13.76	229.28	899.41	2479.28	2635.86
Given under operating lease	1,108.09	77.84	-	1,185.93	206.33	-	20.52	226.85	959.08	901.76
Computers	524.34	74.03	102.29	496.08	361.86	100.83	56.19	317.22	178.86	162.48
Vehicles	333.73	216.61	70.47	479.87	121.71	45.61	52.96	129.06	350.81	212.02
Leasehold Improvement	108.97	288.05	2.19	394.83	94.73	1.65	65.16	158.24	236.59	14.24
Sub Total (A)	25,137.47	2,186.26	220.12	27,103.61	4,268.42	179.72	999.87	5,088.57	22,015.04	20,869.05
Previous Year	23,009.76	2,742.93	615.22	25,137.47	3,548.99	145.23	864.66	4,268.42	20,869.05	19,460.77
Intangible Assets										
Software Expenditure	397.14	-	-	397.14	397.14	-	-	397.14	-	-
Goodwill	9,505.42	715.55	-	10,220.97	-	-	-	-	10,220.97	9,505.42
Sub Total (B)	9,902.56	715.55	-	10,618.11	397.14	-	-	397.14	10,220.97	9,505.42
Previous Year	3,298.09	6,604.47	-	9,902.56	397.14	-	-	397.14	9,505.42	2,900.95
Total (A+B)	35,040.00	2,901.81	220.12	37,721.72	4,665.56	179.72	999.87	5,485.71	32,236.01	30,374.47
Share in Jointly Controlled Entities	88.01	0.51	-	88.52	60.51	-	5.51	66.02	22.50	27.50
Grand Total	35,128.01	2,902.32	220.12	37,810.24	4,726.07	179.72	1,005.38	5,551.73	32,258.51	30,401.97
Previous year total	26,395.56	9,347.70	615.22	35,128.01	4,000.86	145.23	870.44	4,726.07	30,401.94	22,394.70
Capital Work In Progress									1,535.33	715.12
									33,793.84	31,117.09

(*) Indicates Addition/(reversal) due to increase/decrease of stake in the Joint Venture/Associate Company.

14) Non Current Investments

	Face Value ₹	Number of shares/units (Current year and previous year except as stated)	Current Year ₹ in lakh	Previous Year ₹ in lakh
Trade, Unquoted (At Cost)				
Equity Shares				
In Associates				
Topical Builders Private Limited	10	175	0.02	0.02
Kismat Developers private Limited	10	15	0.00	0.00
In Others				
Deepmangal Developers Private Limited	100	177	284.62	284.62
Mahindra Knowledge Park (Mohali) Limited	10	6	0.00	0.00
New Tirupur Area Development Corporation Limited.....	10	1,55,00,000	1,550.63	1,550.63
Preference Shares				
In Associates				
Topical Builders Private Limited	10	4,825	0.48	0.48
(8.5% Non Cumulative Preference Share)				
Kismat Developers Private Limited.	10	4,985	0.50	0.50
(8.5% Non Cumulative Preference Share)				
In Others				
Rathna Bhoomi Enterprises Private Limited	10	1,19,250	11.93	11.93
(10% Non Cumulative Redeemable Participating Optionally Convertible Preference Shares)				
Moonshine Construction Private Limited	10	5,000	0.50	0.50
7% Non-Cumulative Redeemable Participating Optionally Convertible Preference Shares)				
Debentures				
In Joint Venture				
Mahindra Homes Private Limited (Earlier Known as Watsonia Developers Private Limited and before that Watsonia Developers Limited).....	100	1,60,08,500	16,008.50	16,008.50
(15% Compulsory Convertible Debentures)				
			17,857.18	17,857.18
			(1,562.61)	(11.98)
			16,294.57	17,845.20
Less : Provision for Diminution in Value of Investments.....				

- a) The Groups investment in the equity shares of New Tirpur Area Development Corporation Limited ("NTADCL") aggregates ₹ 1,550.63 lakhs. The net worth of NTADCL is substantially eroded.

NTADCL was exploring the option of supplying industrial water to a textile park proposed to be set up by the state government of Karnataka which would have contributed substantially to its revenues. Consequent, to the finalization of the financial statements for the year ended 31st March 2014 it is expected that there are likely to be delays in setting up the same and the probability of the whole project being set up is significantly lower as compared to the previous year. As a result the Group has made a provision for diminution of its investment in NTADCL of ₹ 1,550.63 lakhs.

15) Long Term Loans & advances

(Unsecured, considered good, unless otherwise stated)

	Current Year ₹ in lakhs	Previous Year ₹ in lakhs
Deposits.....	119.30	209.15
Other Loans & Advances Considered good		
Secured	91.19	148.88
Unsecured	448.79	532.45
	539.98	681.33
	659.28	890.48
Add: Share in Jointly controlled entities	1.96	0.10
	661.24	890.58

16) Other Non Current Assets

	Current Year ₹ in lakhs	Previous Year ₹ in lakhs
Long Term Deposits with maturity more than 12 months..... (Fixed deposit of ₹ 18.47 lakhs (Previous year- ₹ 43.68 lakhs) is against Margin Monies with banks for Bank Guarantee)	151.46	893.72
	151.46	893.72
Add: Share in Jointly controlled entities	17.99	10.52
	169.45	904.24

17) Current Investments

	Number of units	Current Year ₹ in lakhs	Previous Year ₹ in lakhs
Unquoted, Non Trade			
(At lower of cost or fair value)			
In Units of Mutual Fund			
Redeemed during the year			
JP Morgan India Treasury Fund -Growth	2,43,34,955	-	4,089.20
HSBC Cash Fund - Growth.....	3,20,306	-	4,094.64
ICICI Prudential Liquid - Growth	6,08,077	-	1,152.60
Kotak Floater Long Term Fund- Daily Dividend.....	2,95,47,960	-	2,954.80
Acquired during the year			
ICICI- Ultra Short Term Plan - Direct Growth.....	53,08,832	750.00	-
DSP Black Rock Money manager Fund-Direct plan-Growth	231	4.31	-
JM Money Manager Fund Super Plus Plan - Growth	78,46,192	1,520.24	-
IDFC Money Manager Fund - Treasury Plan	36,31,816	800.00	-
JM High Liquidity Fund - Growth Option (452)	7,78,187	295.12	-
Reliance Interval Fund Quarterly Plan Series- II	26,42,371	500.00	-
Templeton India Ultra Short Bond Fund Super Institutional Plan - Direct Growth	1,06,31,481	1,924.12	-
Reliance Liquid Fund- Treasury Plan- Direct Growth Plan- Growth Option	2,063	70.00	-
		5,863.80	12,291.24
Add:Share of jointly controlled entites.....		1.34	1.19
		5,865.14	12,292.43

18) Inventories

(At lower of cost and net realizable value)

	Current Year ₹ in lakhs	Previous Year ₹ in lakhs
(At lower of cost and net realisable values)		
Raw Material.....	3,059.21	3,069.53
Stock-in-trade	2,378.76	1,893.57
Construction Work in Progress*#	1,78,868.09	1,63,506.04
	<u>1,84,306.05</u>	<u>1,68,469.14</u>
Add:Share of jointly controlled entites.....	12,724.53	9,171.52
	<u>1,97,030.58</u>	<u>1,77,640.66</u>

* Construction Work in Progress represents materials at site and unbilled costs on the projects. Based on projections and estimates by the Company of the expected revenues and costs to completion, provision for losses to completion and/ or write off of costs carried to inventory are made on projects where the expected revenues are lower than the estimated costs to completion. In the opinion of the management, the net realisable value of the construction work in progress will not be lower than the costs so included therein.

The Company has during the year entered into mutually agreed consent terms with a land-owner in respect of this project, commencement of which had been delayed and in accordance with the consent terms, the Company during the year has completed the sale of land in relation thereto. Accordingly, the provision for losses to project completion for ₹ 1,023.00 lakhs in respect is no longer required and has been reversed during the year. Further, revenue from operations for the year ended 31st March 2015 includes ₹ 25,262.65 lakhs on sale thereof, net of the advances given and interest thereon. Operating expenses include ₹ 2,292.65 lakhs of costs incurred in relation thereto. Other income includes ₹ 1,550.15 lakhs pertaining to write back of the provision for the interest on the aforesaid advance no longer required.

Consequent to the above, construction work-in-progress of ₹ 765.87 lakhs and short term loans and advances and interest accrued on project advances included in other current assets of ₹ 4,205.26 lakhs and ₹ 2,174.98 lakhs, respectively, at 31st March 2014 have been realized during the year.

Specified land owned by the Company is given as security for debentures.(Refer Note 5).

19) Trade Receivables

	Current Year ₹ in lakhs	Previous Year ₹ in lakhs
(Unsecured, Considered Good,Unless otherwise stated)		
Outstanding over six months		
Considered good	1,886.66	1,282.71
Considered doubtful	599.83	261.16
	<u>2,486.49</u>	<u>1,543.87</u>
Other debts, considered good	1,985.25	7,328.40
Less: Provision for doubtful receivables.....	(599.83)	(261.16)
	<u>3,871.91</u>	<u>8,611.11</u>
Add:Share of jointly controlled entites.....	2,062.22	2,286.59
	<u>5,934.13</u>	<u>10,897.70</u>

20) Cash & Bank Balance

	Current Year ₹ in lakhs	Previous Year ₹ in lakhs
Cash on hand	3.14	3.19
Balances with Scheduled Banks		
- On Current Accounts	4,753.47	3,759.34
- In Deposit Accounts with Banks	1,913.33	1,729.46
(Fixed deposit of ₹ 980.22 lakhs (Previous year- ₹ 1,088.66 lakhs) is against Margin Monies with banks for bank guarantee, overdraft facilities, interest coverage on term loans and other non-fund based facilities)		
	<u>6,669.94</u>	<u>5,491.99</u>
Share in Jointly controlled entities	1,026.29	1,179.43
	<u>7,696.23</u>	<u>6,671.42</u>

(a) Cash and cash equivalents for the purposes of cash flow

	Current Year ₹ in lakhs	Previous Year ₹ in lakhs
Cash and Bank Balances	7,696.23	6,671.42
Less: Margin money deposit and other bank balances / deposit with maturity more than 3 months.....	1,376.95	956.72
	<u>5,292.99</u>	<u>4,535.27</u>
Share in Jointly controlled entities	1,026.29	1,179.43
Cash and cash equivalents for the purposes of cash flow.....	<u>6,319.28</u>	<u>5,714.70</u>

(b) Balance with Banks includes Unclaimed Dividend of ₹ 103.24 lakhs (Previous Year ₹ 75.30 lakhs)

21) Short Term Loans & Advances

	Current Year ₹ in lakhs	Previous Year ₹ in lakhs
(Unsecured, considered Good, unless otherwise stated)		
Loans and advances to related parties		
- Considered good	2,264.08	2,248.83
- Considered doubtful	-	-
	<u>2,264.08</u>	<u>2,248.83</u>
Other Loans and Advances		
Secured considered good.....	5,346.57	5,821.19
Unsecured		
- Considered good*#.....	27,561.04	28,240.96
- Considered doubtful	271.25	121.25
Less: Allowance for doubtful loans and advances	<u>(271.25)</u>	<u>(121.25)</u>
	<u>32,907.61</u>	<u>34,062.15</u>
Advance payment of Income tax (net of Provision for tax ₹ 43,707.85 lakh, Previous year ₹ 31,225.10 lakh).....	6,662.98	6,432.04
Staff Loans and Advances	20.25	14.08
Deposits.....	<u>3,890.88</u>	<u>3,057.62</u>
	<u>45,745.80</u>	<u>45,814.72</u>
Add:Share of jointly controlled entites.....	<u>22,982.59</u>	<u>22,643.30</u>
	<u><u>68,728.39</u></u>	<u><u>68,458.02</u></u>

* Refer note no. 18(#)

Other Loans and advances include project advances of ₹ 10,000 lakhs pending for over 3 years relating to a project whose commencement has been delayed due to non performance with respect to the agreed condition precedents by Vendors. The Company has taken legal action against the vendors to protect the interest of the Company where in the H'ble High Court at Mumbai has given order restraining the vendors from creating any third party rights in respect of the suit property or part with possession thereof.

The short term loans and advances comprise entirely unsecured loans to related parties for business purpose:

Loans and advances to Holding Company (Mahindra & Mahindra Ltd) ₹ 2,000 lakhs

The following table summarises the loans and advances required to be disclosed under section 186(4) of the Act and Clause 32 of the listing agreement.

Loans & Advances to Associate

Names of the Company	Balance as on 31 st March, 2015 ₹ in lakhs	Maximum outstanding during the year ₹ in lakhs
Kismat Developers Private Limited	0.25	0.25
Topical Builders Pvt. Limited	262.39	262.39
	<u>262.64</u>	<u>262.64</u>

22) Other Current Assets

	Current Year ₹ in lakhs	Previous Year ₹ in lakhs
(Unsecured, considered Good, unless otherwise stated)		
Interest accrued on Project advances (Refer Note 18#)	-	4,070.32
Less :-Provision for impairment in asset value	-	(1,550.15)
	-	2,520.17
Interest accrued on deposits	<u>5,740.32</u>	<u>2,429.24</u>
	<u>5,740.32</u>	4,949.41
Unbilled Revenue	16,192.42	8,217.91
Others.....	<u>429.63</u>	<u>108.25</u>
	<u>22,362.37</u>	13,275.57
Add:Share of jointly controlled entites.....	<u>7.40</u>	<u>1.60</u>
	<u><u>22,369.77</u></u>	<u><u>13,277.17</u></u>

23) Operating Income

	Current Year ₹ in lakhs	Previous Year ₹ in lakhs
Income from Projects (Refer Note 18#).....	1,05,624.27	68,059.19
Project Management Fees	180.79	147.29
Income from Operation of Commercial Complexes	1,980.53	1,631.16
	<u>1,07,785.59</u>	<u>69,837.64</u>
Add: Share in Jointly controlled entities	824.23	688.10
	<u>1,08,609.82</u>	<u>70,525.74</u>

24) Other Income

	Current Year ₹ in lakhs	Previous Year ₹ in lakhs
Interest Earned		
- On InterCorporate Loans.....	37.09	5.57
- On Bank Deposits	357.59	1,238.05
- On Optionally Convertible Debentures	2,825.50	1,601.23
- Others.....	217.34	408.00
Dividend - On Current Investments-Non Trade.....	431.31	859.62
Profit on Sale of Current Investments-Non Trade.....	242.87	276.52
Write-back of provisions for losses to completion(Refer Note 18#).....	1,550.15	-
Miscellaneous Income	472.92	650.59
	<u>6,134.77</u>	<u>5,039.58</u>
Add: Share in Jointly controlled entities	12.08	54.45
	<u>6,146.85</u>	<u>5,094.03</u>

25) Operating expenses

	Current Year ₹ in lakhs	Previous Year ₹ in lakhs
Opening Stock in trade	1,893.57	14.61
Opening Work-in-progress.....	1,63,505.60	1,61,260.34
Opening Raw Material	3,069.53	1,798.77
	<u>1,68,468.70</u>	<u>1,63,073.72</u>
Add: Expenses incurred during the year *:		
Land Cost / Premium for Development Rights.....	5,689.18	5,127.06
Architect Fees.....	669.87	574.01
Preliminaries & Site Expenses.....	1,077.05	275.51
Civil, Electrical, Contracting etc.	44,420.97	40,519.63
Interest (net)	5,352.05	8,232.57
Overheads allocated.....	1,701.44	1,566.92
Payment to Local Agencies.....	1,959.64	499.43
Insurance.....	27.40	22.78
Legal & Professional Fees	666.96	964.77
Other Expenses.....	274.07	220.99
	<u>61,838.63</u>	<u>58,003.67</u>
Less :-Closing Work-in-progress.....	(1,78,868.39)	(1,63,506.04)
Closing Raw Material.....	(3,059.20)	(3,069.53)
Closing Stock in trade.....	(2,378.76)	(1,893.57)
Capital Work in Progress	(79.04)	(42.00)
	<u>(1,84,385.39)</u>	<u>(1,68,511.14)</u>
	<u>45,921.94</u>	<u>52,566.25</u>
Rent, Rates & Taxes	175.19	56.80
Insurance.....	0.63	(0.29)
Repairs & Maintenance - Commercial Properties.....	138.81	192.60

	Current Year ₹ in lakhs	Previous Year ₹ in lakhs
Professional Fees *	533.53	173.17
Brokerage	330.71	145.09
Advertisement, Marketing & Business Development.....	1,006.39	644.84
Electricity	6.66	7.79
Other Operating Expenses	1,400.26	331.77
	<u>49,514.12</u>	<u>54,118.02</u>
Add: Share in Jointly controlled entities	613.56	50.21
JV adjustment.....	-	11,602.64
	<u>50,127.68</u>	<u>42,565.59</u>

* Refer Note 18(#)

26) Employee Remuneration and Benefits

	Current Year ₹ in lakhs	Previous Year ₹ in lakhs
Salaries, Allowances & Bonus	6,072.51	4,690.84
Contribution to Provident & Other Funds	385.29	232.73
Expense on Employee Stock Option Scheme	117.69	93.12
Staff Welfare Expenses.....	422.49	307.84
	<u>6,997.98</u>	<u>5,324.53</u>
Less :- Allocated to projects.....	<u>(1,736.10)</u>	<u>(1,538.50)</u>
	5,261.88	3,786.03
Add: Share in Jointly controlled entities	240.91	207.41
	<u>5,502.79</u>	<u>3,993.44</u>

a) Gratuity

(1) Principal actuarial assumptions:

	Current Year ₹ in lakhs	Previous Year ₹ in lakhs
Discount rate	7.77%-9.20%	8.00%-9.20%
Rate of Return on Plan Assets	8.00%-9.50%	8.00%-9.50%
Salary escalation	12.00%	12.00%
Attrition	5.00%	2.00%

(2) Reconciliation of Benefit Obligation:

	Funded		Unfunded	
	Current Year ₹ in lakhs	Previous Year ₹ in lakhs	Current Year ₹ in lakhs	Previous Year ₹ in lakhs
Liability at the beginning of the year	259.16	175.64	14.79	22.70
Adjustment to Opening Balance	3.85	(3.85)		
Interest Cost	23.29	15.03	1.15	1.50
Current Service Cost	75.01	48.33	6.54	4.04
Past Service Cost		-	-	-
Benefit Paid	(21.22)	(10.32)	(4.64)	(7.87)
Actuarial (Gain) / Loss on Obligations	6.69	34.34	5.60	(5.58)
Liability at the end of the year	325.13	259.17	23.43	14.79
Fair Value of Plan Assets at the end of the year	145.75	191.37	-	-
Amount recognised and disclosed under the head "Provisions for Gratuity"	179.37	67.80	23.43	14.79
Current	45.87	37.15	0.35	0.80
Non - Current	133.50	27.16	23.08	13.99

(3) Reconciliation of Fair value of Plan Assets:

	Funded	
	Current Year ₹ in lakhs	Previous Year ₹ in lakhs
Fair Value of Plan Assets at the beginning of the year	171.22	139.65
Adjustment to the opening balance	(27.28)	-
Expected Return on Plan Assets	13.28	13.62
Contributions	19.19	27.90
Benefit Paid	(20.65)	(9.56)
Actuarial Gain / (Loss) on Obligations	(9.91)	(0.40)
Fair Value of Plan Assets at the end of the year	145.75	171.22

(4) Actual Return on Plan Asset

	Funded	
	Current Year ₹ in lakhs	Previous Year ₹ in lakhs
Expected Return on Plan Assets	13.28	3.17
Actuarial Gain / (Loss) on Plan Asset	(9.91)	(0.40)
Actual Return on Plan Assets	3.37	2.77

(5) Expenses recognised in the Profit and Loss Account under the head "Employee Benefits":

	Funded		Unfunded	
	Current Year ₹ in lakhs	Previous Year ₹ in lakhs	Current Year ₹ in lakhs	Previous Year ₹ in lakhs
Current Service Cost	75.01	46.90	6.54	4.04
Interest Cost	23.29	13.60	1.15	15.01
Expected Return on Plan Assets	(15.05)	(13.62)	-	-
Net Actuarial (Gain) / Loss recognised	16.27	29.18	5.60	(5.58)
Effect of limit in Para 59(b)	0.15	0.06		
Expenses recognised in Profit and Loss Account	99.68	76.12	13.28	13.47

(6) Experience Adjustments

	2015	2014	2013	2012	2011	2010
Gratuity (Funded)						
Defined benefit obligation	328.97	239.37	159.65	159.45	135.96	72.73
Fair value of plan assets	145.75	171.22	139.65	97.36	89.14	58.55
Surplus / (Deficit)	154.10	(68.15)	(20.00)	(62.09)	(46.82)	(14.18)
Experience adjustment on plan liability [(Gain) / Loss]	(19.57)	27.93	(48.73)	22.03	(13.24)	25.06
Experience adjustment on plan assets [Gain / (Loss)]	1.65	(3.17)	(10.67)	(4.55)	(0.77)	(5.17)

	2015	2014	2013	2012	2011	2010
Gratuity (Unfunded)						
Defined benefit obligation	23.43	22.70	25.28	25.28	18.17	28.91
Fair value of plan assets				-	-	-
Surplus / (Deficit)	(23.43)	(22.70)	(25.28)	(25.28)	(18.17)	(28.91)
Experience adjustment on plan liability [(Gain) / Loss]	0.96	(5.58)	(0.80)	(1.04)	(10.17)	(3.93)
Experience adjustment on plan assets [Gain / (Loss)]		-	-	-	-	-

(7) The unfunded amounts referred to in this note relate to gratuity plans of subsidiaries associates and joint ventures as the case may be whose plans are unfunded.

(8) Amount expected to be contributed to fund in coming year is ₹ 46.22 lakh.

(9) The gratuity fund is entirely invested in a group gratuity policy with the Life Insurance Corporation of India. The information or the allocation of the fund into major asset classes and the expected return on major class is not readily available.

b) Employee Stock Option Scheme

- A) The Company had granted 678,359 Equity shares on 25th April, 2008 to the eligible employees under the Employee Stock Option Scheme 2006 (ESOS 2006) of the company.

The details of the Employee Stock Option Scheme are:

Particulars	Grant dated 25 th April, 2008
Type of Arrangement	Employee Share-Based Payment by issue of shares.
Number of Options Granted	678,359
Contractual life	Options will lapse if not exercised within 5 years from the date of individual vesting.
Exercise Price	₹ 428 /- per share
Method of Settlement	By Issue of Shares at Exercise Price
Vesting Conditions	25% On expiry of 12 months from the date of grant
	25% On expiry of 24 months from the date of grant
	25% On expiry of 36 months from the date of grant
	25% On expiry of 48 months from the date of grant

The company has adopted intrinsic value method for computing the compensation cost for the Options granted. The exercise price of the shares is based on the average of the daily high and low of the prices for the Company's Equity Shares quoted on the Bombay Stock Exchange Limited, during the 15 days preceding the grant of the Options. The Intrinsic value i.e. the difference between the market price of the share and the exercise price is being amortised as employee compensation cost over the vesting period. The details of the same are given here under:

Particulars	Grant dated 25 th April, 2008
Total Amount amortized over the vesting period	₹ 100.42 lakh
Charge to Profit & Loss Account for the year	NIL
Compensation in respect of lapsed cases	-
Unamortized Amount Carried Forward	NIL

The Fair Value has been calculated using the Black Scholes Options Pricing Model and the significant assumptions made in this regard are as follows:

Particulars	Grant dated 25 th April, 2008
Risk free interest rate	7.79% -8.15%
Expected life	3.5 -6.5 Years
Expected volatility	66.76%- 70.65%
Expected dividend yield	0.33%
Exercise price	₹ 428
Stock price	₹ 443.79

During the year, the Company modified the exercise period of the options granted under ESOS 2006 whereby the exercise period of the options granted was extended from 5 years from the date of vesting of the respective tranche of the option to the last date of the exercise period for the last tranche of the option granted under the said scheme.

- B) The Company had granted 10,000 Equity shares on 4th August, 2012 to the eligible employee under the Employee Stock Option Scheme 2006 (ESOS 2006) of the company.

The details of the Employee Stock Option Scheme are:

Particulars	Grant dated 4 th August, 2012
Type of Arrangement	Employee Share-Based Payment by issue of shares.
Number of Options Granted	10,000
Contractual life	Options will lapse if not exercised within 5 years from the date of individual vesting.
Exercise Price	₹ 325 /- per share
Method of Settlement	By Issue of Shares at Exercise Price
Vesting Conditions	25% On expiry of 12 months from the date of grant
	25% On expiry of 24 months from the date of grant
	25% On expiry of 36 months from the date of grant
	25% On expiry of 48 months from the date of grant

The company has adopted intrinsic value method for computing the compensation cost for the Options granted. The exercise price of the shares is based on the average of the daily high and low of the prices for the Company's Equity Shares quoted on the Bombay Stock Exchange Limited, during the 15 days preceding the grant of the Options. The Intrinsic value i.e. the difference between the market price of the share and the exercise price is being amortised as employee compensation cost over the vesting period. The details of the same are given here under:

Particulars	Grant dated 4 th August, 2012
Total Amount to be amortized over the vesting period	₹ (0.09) lakhs
Charge to Statement of Profit & Loss for the year	₹ (0.02) lakhs
Compensation in respect of lapsed cases	-
Unamortized Amount Carried Forward	₹ (0.05) lakhs

The Fair Value has been calculated using the Black Scholes Options Pricing Model and the significant assumptions made in this regard are as follows:

Particulars	Grant dated 4 th August, 2012
Risk free interest rate	8.06% -8.20%
Expected life	3.5 -6.5 Years
Expected volatility	44.15%- 59.61%
Expected dividend yield	1.38%
Exercise price	₹ 325
Stock price	₹ 324.14

- C) The Company had granted 101,000 Equity shares on 4th August, 2012 to the eligible employees under the Employee Stock Option Scheme (ESOS 2012) of the company.

The details of the Employee Stock Option Scheme are:

Particulars	Grant dated 4 th August, 2012
Type of Arrangement	Employee Share-Based Payment by issue of shares.
Number of Options Granted	101,000
Contractual life	Options will lapse if not exercised within 5 years from the date of individual vesting.
Exercise Price	₹ 10 /- per share
Method of Settlement	By Issue of Shares at Exercise Price
Vesting Conditions	20 % On expiry of 12 months from the date of grant 20 % On expiry of 24 months from the date of grant 30 % On expiry of 36 months from the date of grant 30 % On expiry of 48 months from the date of grant

The company has adopted intrinsic value method for computing the compensation cost for the Options granted. The exercise price of the shares is ₹ 10/- per stock option. The Intrinsic value i.e. the difference between the market price of the share and the exercise price is being amortised as employee compensation cost over the vesting period. The details of the same are given here under:

Particulars	Grant dated 4 th August, 2012
Total Amount to be amortized over the vesting period	₹ 289.01 lakhs
Charge to Statement of Profit & Loss for the year	₹ 76.83 lakhs
Compensation in respect of lapsed cases	-
Unamortized Amount Carried Forward	₹ 96.34 lakhs

- D) The Company had granted 26,500 Equity shares on 24th July, 2013 to the eligible employees under the Employee Stock Option Scheme (ESOS 2012) of the company.

The details of the Employee Stock Option Scheme are:

Particulars	Grant dated 24 th July, 2013
Type of Arrangement	Employee Share-Based Payment by issue of shares.
Number of Options Granted	26,500
Contractual life	Options will lapse if not exercised within 5 years from the date of individual vesting.
Exercise Price	₹ 10 /- per share
Method of Settlement	By Issue of Shares at Exercise Price
Vesting Conditions	20 % On expiry of 12 months from the date of grant 20 % On expiry of 24 months from the date of grant 30 % On expiry of 36 months from the date of grant 30 % On expiry of 48 months from the date of grant

The company has adopted intrinsic value method for computing the compensation cost for the Options granted. The exercise price of the shares is ₹ 10/- per stock option. The Intrinsic value i.e. the difference between the market price of the share and the exercise price is being amortised as employee compensation cost over the vesting period. The details of the same are given here under:

Particulars	Grant dated 24 th July, 2013
Total Amount to be amortized over the vesting period	₹ 111.02 lakhs
Charge to Statement of Profit & Loss for the year	₹ 26.65 lakhs
Compensation in respect of lapsed cases	-
Unamortized Amount Carried Forward	₹ 64.76 lakhs

The Fair Value has been calculated using the Black Scholes Options Pricing Model and the significant assumptions made in this regard are as follows:

Particulars	Grant dated 24 th July, 2013
Risk free interest rate	8.31% - 8.39%
Expected life	6 - 9 Years
Expected volatility	47.63%
Expected dividend yield	1.31%
Exercise price	₹ 10.00
Stock price	₹ 454.09

- E) The Company had granted 27,000 Equity shares on 17th October, 2014 to the eligible employees under the Employee Stock Option Scheme (ESOS 2012) of the company.

The details of the Employee Stock Option Scheme are:

Particulars	Grant dated 17 th October, 2014
Type of Arrangement	Employee Share-Based Payment by issue of shares.
Number of Options Granted	27,000
Contractual life	Options will lapse if not exercised within 5 years from the date of individual vesting.
Exercise Price	₹ 10 /- per share
Method of Settlement	By Issue of Shares at Exercise Price
Vesting Conditions	20 % On expiry of 12 months from the date of grant 20 % On expiry of 24 months from the date of grant 30 % On expiry of 36 months from the date of grant 30 % On expiry of 48 months from the date of grant

The company has adopted intrinsic value method for computing the compensation cost for the Options granted. The exercise price of the shares is ₹ 10/- per stock option. The Intrinsic value i.e. the difference between the market price of the share and the exercise price is being amortised as employee compensation cost over the vesting period. The details of the same are given here under:

Particulars	Grant dated 17 th October, 2014
Total Amount to be amortized over the vesting period	₹ 136.64 lakhs
Charge to Statement of Profit & Loss for the year	₹ 14.23 lakhs
Compensation in respect of lapsed cases	-
Unamortized Amount Carried Forward	₹ 122.41 lakhs

The Fair Value has been calculated using the Black Scholes Options Pricing Model and the significant assumptions made in this regard are as follows:

Particulars	Grant dated 17 th October, 2014
Risk free interest rate	8.49% -8.52%
Expected life	3.5 -6.5 Years
Expected volatility	26.68%- 43.74%
Expected dividend yield	2.28%
Exercise price	₹ 10
Stock price	₹ 516.08

Earnings Per Share as required by Accounting Standard 20 read with the Guidance

Note on "Accounting for Employee share-based Payments" is as follows.

Particulars	Intrinsic Value Method		Fair Value Method	
	March 2015	March 2014	March 2015	March 2014
A Net Profit After Tax (₹ in lakhs)	26,619.50	10,062.92	26,628.40	10,081.10
Less Preference dividend	-	-	-	-
B Weighted Average number of Equity Shares of ₹ 10/- each (Basic)	40,967,118	40,841,051	40,967,118	40,841,051
C Weighted Average number of Equity Shares of ₹ 10/- each (Diluted)	41,142,517	40,841,051	41,142,517	40,841,051
D Basic Earning per Share (₹)	64.98	24.64	65.00	24.68
E Diluted Earning per Share (₹)	64.70	24.64	64.72	24.68

The compensation costs of stock options granted to employees are accounted by the Company using the intrinsic value method.

Summary of Stock Options	Current Year	Previous Year
Options outstanding on 1 st April	6,12,656	6,98,436
Options inadvertently cancelled during prior year, reinstated	84,249	-
Options granted during the year	27,000	26,500
Options lapsed during the year	1,625	-
Options cancelled during the year	-	1,03,580
Options exercised during the year	163,850	8,700
Options outstanding on 31 st March	5,58,430	6,12,656
Options vested but not exercised on 31 st March	4,51,530	5,07,856

During the year vesting period of ESOS 2006 was extended by one year hence the number of options cancelled during the year indicates the number of option cancelled netted of with the options revived as the result of such extension.

Information in respect of options outstanding as at 31st March, 2015:

Exercise price	No. of Options	Weighted average remaining life
₹ 428	4,35,230	30 months
₹ 325	5,000	48 months
₹ 10	68,300	36 months
₹ 10	22,900	48 months
₹ 10	27,000	60 months

The Group has incurred ₹ 15.47 lakhs (previous year ₹ 3.40 lakhs) on behalf of Mahindra World City Jaipur Limited and ₹ 7.07 lakhs (previous year ₹ 7.07 lakhs) on behalf of Mahindra World City Developers Limited towards ESOP.

The Holding Company has incurred ₹ 2.57 lakhs (previous year ₹ 5.43 lakhs) on behalf of Mahindra Lifespace Developers Limited towards ESOP.

27) Administration & Other Expenses

	Current Year ₹ in lakhs	Previous Year ₹ in lakhs
Rent, Rates and Taxes.....	457.58	555.69
Insurance.....	55.29	51.61
Repairs and Maintenance		
- Buildings	-	6.11
- Others	392.19	277.41
Electricity Charges.....	550.16	450.71
Travelling & Conveyance.....	793.15	593.64
Legal & Professional Fees	686.94	767.14
Printing & Stationery.....	83.26	82.08
Communication.....	166.51	151.67
Advertisement, Marketing & Business Development.....	1,452.24	1,084.72
Auditors Remuneration	108.22	90.35
Expenditure on Corporate Social Responsibility	434.22	102.20
Donation & Contribution*	-	200.00
Loss on sale of Fixed assets	12.95	26.45
Doubtful Debts Provided.....	610.36	55.00
Provision for diminution in value of Long term investments	1,550.63	-
Miscellaneous Expenses.....	2,838.68	2,254.76
	<u>10,192.38</u>	<u>6,749.54</u>
Add: Share in Jointly controlled entities	218.70	192.69
	<u>10,561.08</u>	<u>6,942.23</u>

*Particulars of Donations and Contribution are given below –

	Current Year ₹ in lakhs	Previous Year** ₹ in lakhs
Bharatiya Janata Party, Rajasthan	-	100.00
All India Congress Committee	-	100.00

** In the previous year, these were included in Miscellaneous Expenses

Diminution in value of long term investment – Refer Note 14(a)

28) Finance Costs

	Current Year ₹ in lakhs	Previous Year ₹ in lakhs
Interest on Loans.....	12,465.35	13,424.32
Less : Allocated to projects	(7,354.71)	(8,410.46)
	<u>5,110.64</u>	<u>5,013.86</u>
Add: Share in Jointly controlled entities	29.02	4.82
	<u>5,139.66</u>	<u>5,018.68</u>

29) Earnings in Foreign Currency:

	Current Year ₹ in lakhs	Previous Year ₹ in lakhs
Consideration received on sale of residential units	4.98	-
Total	<u>4.98</u>	<u>-</u>

30) Expenditure in Foreign Currency:

	Current Year ₹ in lakhs	Previous Year ₹ in lakhs
a) Other expenditure		
Travelling	27.41	18.69
Marketing expenses	28.65	27.58
Project expenses	30.19	50.95
Professional Fees	91.01	-
Others	20.44	13.71
Total	197.70	111.24
b) Value of Imported and Indigenous Consumption		
a. Imported	578.93	576.25

31) Forward Contracts

The Company enters into foreign currency exposure contract for the purpose of hedging its currency risk. These contract are not intended for trading or speculation.

Contract Type	Maturity Year	Currency	Amount	Average Rate
	Financial Year			
Forward	2015-16	USD	USD 10,569	INR 62.96

The year end foreign currency exposures for amounts payable in foreign currency have not been specifically hedged by a derivative instrument or otherwise are given below:

Contract Type	2015	2015	2014	2014
	lakhs	foreign currency	lakhs	foreign currency
Creditors (Net)	INR 8.57	GBP 9264	INR 9.25	GBP 9264

32) In respect of real estate projects under long term contracts, determination of profits / losses and realisability of the construction work in progress & Project advances necessarily involves making estimates by the Company, some of which are of a technical nature, concerning, where relevant, the percentage of completion, costs to completion and the projections of revenues expected from projects / activity and the foreseeable losses to completion. Profit from these contracts and valuation of construction work in progress is based on such estimates.

33) The Company has subsidiaries which are engaged in the business of land development for industrial, commercial and residential use. Few companies are in the initial phase of development and have conducted preliminary studies and surveys for the project.

34) Leases:

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

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

	Current Year ₹ in lakhs	Previous Year ₹ in lakhs
Gross Carrying Amount of premises	16,493.52	16,394.43
Accumulated Depreciation	3,356.44	2,787.04
Depreciation for the year	569.40	450.58
Future minimum lease payments under non-cancellable operating leases		
• Not later than 1 year	1,643.30	2,058.05
• Later than 1 year and not later than 5 years	1,654.80	1,810.65
• Later than 5 years	1,015.59	373.47

- b) Lease expenditure for operating leases is recognised on a straight-line basis over the period of lease. The particulars of the premises taken on operating leases are as under:

	Current Year ₹ in lakhs	Previous Year ₹ in lakhs
Future minimum lease payments under non-cancellable operating leases		
• Not later than 1 year	117.73	109.96
• Later than 1 year and not later than 5 years	13.91	-
• Later than 5 years	-	-
Lease payments recognized in Statement of Profit & Loss Account is ₹ 466.46 lakhs		

- (c) Rent for current year is ₹ 443.33 lakh and previous year is ₹ 535.88 lakh.

35) Contingent Liabilities

	Current Year ₹ in lakhs	Previous Year ₹ in lakhs
a) Claims against the Company not acknowledged as debts represent :		
i) Claims raised by a civil contractor in respect of a project at Mumbai.	93.89	93.89
ii) Demand from local authorities for transfer fees on transfer of property, disputed by the Company.	123.99	123.99
iii) Demand from a local authority for energy dues disputed by the company.	2,164.04	2,164.04
iv) Claim from welfare association for in connection with project work, disputed by the company.	4,500.00	4,500.00
b) Tax matters under appeal		
Income Tax		
The Income tax Department has sought to re-classify certain business income as income from house property, in respect of which the Company has partially succeeded in appeal and is pursuing the matter further with the higher appellate authorities	584.53	360.43
The liability net of Deferred Tax Asset/Deferred Tax Liability would be ₹ 584.53 lakhs (previous year ₹ 360.43 lakhs)		
Other demand, for which the Subsidiary Companies are contesting with the Appellate Authorities.	457.32	336.27
Indirect Tax		
Other demand, for which the Subsidiary Companies are contesting with the Appellate Authorities.	88.02	45.09
c) Guarantee/ Counter guarantee given by Mahindra Infrastructure Developers Limited for its joint ventures	900.00	900.00

- 36) The estimated amount of the contracts entered into and remaining to be executed on Capital account and not provided for (net of advances) as at 31st March 2015 is ₹ 440.75 lakhs (Previous year: ₹ 2,426.82 lakhs).

37) Segmental Reporting

₹ in lakhs

	Operating of Commercial Complexes	Projects, Project Management & Development	Business Centre	Consolidated
REVENUE				
External Revenue	1,980.53	1,06,629.29	-	1,08,609.82
<i>Previous Year</i>	<i>1,631.16</i>	<i>68,894.58</i>	-	<i>70,525.74</i>
Inter-segment Revenues	-	-	-	-
<i>Previous Year</i>	-	-	-	-
TOTAL REVENUE	1,980.53	1,06,629.29	-	1,08,609.82
<i>Previous Year</i>	<i>1,631.16</i>	<i>68,894.58</i>	-	<i>70,525.74</i>
SEGMENT RESULT	1,812.14	48,935.13	-	50,747.27
<i>Previous Year</i>	<i>1,443.53</i>	<i>20,825.78</i>	-	<i>22,269.31</i>
Unallocated Corporate Expenses (net)	-	-	-	(6,894.28)
<i>Previous Year</i>	-	-	-	<i>(4,114.35)</i>
Operating profit	-	-	-	43,852.99
<i>Previous Year</i>	-	-	-	<i>18,154.96</i>
Interest expense	-	-	-	(5,139.66)
<i>Previous Year</i>	-	-	-	<i>(5,018.68)</i>
Interest income	-	-	-	3,388.70
<i>Previous Year</i>	-	-	-	<i>2,958.16</i>
Income taxes	-	-	-	(13,777.24)
<i>Previous Year</i>	-	-	-	<i>(5,093.11)</i>
Net Profit	-	-	-	28,324.79
<i>Previous Year</i>	-	-	-	<i>11,001.34</i>
OTHER INFORMATION				
Segment Assets	1,981.39	3,40,569.67	-	3,42,551.06
<i>Previous Year</i>	<i>2,079.99</i>	<i>3,18,137.14</i>	-	<i>3,20,217.13</i>
Unallocated Corporate Assets				18,314.01
<i>Previous Year</i>				<i>22,454.13</i>
TOTAL ASSETS				3,60,865.07
<i>Previous Year</i>				<i>3,42,671.26</i>
Segment Liabilities	557.66	2,03,286.59	-	2,03,844.25
<i>Previous Year</i>	<i>603.04</i>	<i>2,07,137.33</i>	-	<i>2,07,740.37</i>
Unallocated Corporate Liabilities				9,524.60
<i>Previous Year</i>	-	-	-	<i>8,764.03</i>
TOTAL LIABILITIES				2,13,368.85
<i>Previous Year</i>	-	-	-	<i>2,16,504.40</i>
Capital Expenditure	-	4,763.74	-	4,938.13
<i>Previous Year</i>	-	<i>2,350.03</i>	-	<i>2,902.32</i>
Depreciation	50.07	1,071.36	-	1,323.43
<i>Previous Year</i>	<i>58.10</i>	<i>783.06</i>	-	<i>1,005.38</i>

Notes:

- The segment result for Projects, Project Management and Development activity is arrived at after considering an interest of ₹ 1,277.88 lakhs (Previous year ₹ 2,426.82 lakhs), as it formed part of the cost of projects according to the method of accounting followed by the Company.

38) Related Parties

List of related parties	
Enterprises Controlling the Company	
Mahindra & Mahindra Limited:	Holding Company
Fellow Subsidiaries	
Bristlecone India Limited	Mahindra Integrated Business Solutions Private Limited
Mahindra Holidays & Resorts India Limited	Mahindra Logistics Limited
Mahindra Consulting Engineers Limited	
Joint Ventures	
Mahindra Water Utilities Limited	Mahindra Homes Private Limited (earlier known as Watsonia Developers Private Limited and before that Watsonia Developers Limited)
Mahindra Inframan Water Utilities Private Limited)	
Associates	
Kismat Developers Private Limited	Topical Builders Private Limited

Key Managerial Personnel

Managing Director & Chief Executive Officer	Ms. Anita Arjundas
Chief Financial Officer	Mr. Jayantt Manmadkar
Company Secretary	Mr. Suhas Kulkarni

Directors

Name	Designation
Mr. Arun Nanda	Non-executive Non-Independent Chairman
Mr. Uday Y. Phadke	Non-executive Non-Independent Director
Mr. Sanjiv Kapoor	Non-executive Independent Director
Mr. Shailesh Haribhakti	Non-executive Independent Director
Mr. Anil Harish	Non-executive Independent Director
Dr. Prakash Hebalkar	Non-executive Independent Director

Enterprises over which Key Managerial Personnel are able to exercise significant influence: Nil

Transactions with related parties during the year and balance as on 31st March 2015:

₹ in lakhs

Nature of Transactions	Enterprise controlling the Company	Companies under common control including Fellow Subsidiaries	Key Managerial Personnel/ Non - Executive Directors
Rendering of Services	2,282.46	0.12	-
<i>Previous Year</i>	<i>1,520.89</i>	<i>0.12</i>	-
Receiving of services	417.08	177.44	-
<i>Previous Year</i>	<i>373.11</i>	<i>207.03</i>	-
Sale of Goods	749.24	1.86	-
<i>Previous Year</i>	-	-	-
Purchase of Goods	42.57	-	-
<i>Previous Year</i>	-	6.34	-
Purchase of Fixed Assets	-	26.69	-
<i>Previous Year</i>	-	-	-
Remuneration to Key Managerial Personnel	-	-	392.51
<i>Previous Year</i>	-	-	373.49
Commission and Other Benefits to Non - Executive / Independent Directors	-	-	176.15
<i>Previous Year</i>	-	-	117.55
Reimbursement made to parties	376.73	-	-
<i>Previous Year</i>	<i>290.83</i>	-	-
Reimbursement received from parties	68.49	-	-
<i>Previous Year</i>	-	-	-
Finance Received	-	1,000.00	-
<i>Previous Year</i>	-	-	-
Interest paid	-	0.33	-
<i>Previous Year</i>	-	-	-

₹ in lakhs

Nature of Transactions	Enterprise controlling the Company	Companies under common control including Fellow Subsidiaries	Key Managerial Personnel/ Non - Executive Directors
Dividend Paid	2,501.54	-	-
<i>Previous Year</i>	<i>1,250.77</i>	-	-
Advance Received	325.00	-	-
<i>Previous Year</i>	-	-	-
Receivables	2,181.99	2.46	-
<i>Previous Year</i>	<i>2,017.68</i>	<i>2.46</i>	-
Payables	2,184.66	1,007.26	-
<i>Previous Year</i>	<i>2,202.19</i>	<i>11.13</i>	-
Deposits Payable	7.00	-	-
<i>Previous Year</i>	-	-	-

Current Remuneration to Key Managerial Personnel includes remuneration paid to Ms. Anita Arjundas (Managing Director & Chief Executive Officer), Mr Suhas Kulkarni (Company Secretary) and Mr Jayant Manmadkar (Chief Financial Officer).

The significant related party transactions are as under:

Nature of Services	Enterprises Controlling the Company	Amount (₹ in Lakhs)	Enterprises under the Common Control of the Company / Fellow subsidiaries	Amount (₹ in Lakhs)	Key Management of Personnel	Amount (₹ in Lakhs)
Rendering of Services	Mahindra & Mahindra Limited	2,282.46	Mahindra EPC Services Private Limited	0.12		
Receiving of Services	Mahindra & Mahindra Limited	417.08	Mahindra Integrated Business Solutions Private Limited	9.71		
			Mahindra Holidays & Resorts India Limited	50.91		
			Mahindra Consulting Engineers Limited	93.94		
			Bristle Cone India Limited	22.89		
Sale of Goods	Mahindra & Mahindra Limited	749.24	Mahindra Consulting Engineers Limited	1.86		
Purchase of goods	Mahindra & Mahindra Limited	42.57				
Purchase of Fixed Assets			NBS International Private Limited	26.69		
Remuneration					Anita Arjundas	219.11
					Mr. Jayant Manmadkar	80.91
					Mr. Suhas Kulkarni	92.49
Reimbursement made to parties	Mahindra & Mahindra Limited	376.73				
Reimbursement received by parties	Mahindra & Mahindra Limited	68.49				
Finance Received			Mahindra Logistics Limited	1,000.00		
Interest Paid			Mahindra Logistics Limited	0.33		
Dividend paid during the year	Mahindra & Mahindra Limited	2,501.54				
Advances received	Mahindra & Mahindra Limited	325.00				
Receivables	Mahindra & Mahindra Limited	2,181.99	Mahindra Consulting Engineers Limited	2.46		

Nature of Services	Enterprises Controlling the Company	Amount (₹ in Lakhs)	Enterprises under the Common Control of the Company / Fellow subsidiaries	Amount (₹ in Lakhs)	Key Management of Personnel	Amount (₹ in Lakhs)
Payables	Mahindra & Mahindra Limited	2,184.66	Mahindra Integrated Business Solutions Private Limited	1.92		
			Mahindra Consulting Engineers Limited	1.49		
			Bristle Cone India Limited	3.55		
			Mahindra Logistics Limited	1,000.30		
Deposits Payable	Mahindra & Mahindra Limited	7.00				

(₹ in lakhs)

Name	Designation	Current Year	Previous Year
Mr. Arun Nanda	Non-executive Non-Independent Chairman	107.05	77.05
Mr. Sanjiv Kapoor	Non-executive Independent Director	17.70	10.20
Mr. Shailesh Haribhakti	Non-executive Independent Director	17.40	10.65
Mr. Anil Harish	Non-executive Independent Director	17.70	10.65
Dr. Prakash Hebalkar	Non-executive Independent Director	16.30	9.00

39) Information in respect of Jointly Controlled Operations and Joint Ventures

a) Jointly Controlled operations

i) Development of the following residential projects:

G. E. Gardens, Mumbai
Kukatpally, Hyderabad

ii) Project for providing potable drinking water and sewerage facilities at Tirupur, Tamil Nadu.

b) Joint Venture

Sector 59, Gurgaon
Bannerghatta Road, Bangalore

c) Jointly controlled entities

Name	Country of Incorporation	Business Activity	Proportion of Ownership Interest
Mahindra Water Utilities Limited	India	O&M of water & sewerage facilities at Tirupur	50.00%
Mahindra Inframan Water Utilities Private Limited	India	O&M of water & sewerage facilities at Navi Mumbai	50.00%
Mahindra Homes Private Limited (earlier known as Watsonia Developers Private Limited and before that Watsonia Developers Limited)	India	Residential Development	50.00%

d) Interest in the Assets, Liabilities, Income and Expenses with respect to jointly controlled entities :

	Current Year ₹ in lakhs	Previous Year ₹ in lakhs
Current Assets	43,333.75	35,283.63
Non-current Assets	2,016.23	33.12
Total	45,349.98	35,316.75
Current Liabilities	11,544.74	1,851.56
Non-Current Liabilities	11,208.45	16,024.46
Total	22,753.19	17,876.02
Income	836.30	742.55
Expenses	1,142.88	455.13

40) Details of Associates

Name of Associate	Country of Incorporation	% of Ownership Holding
Kismat Developers Private Limited	India	42.86%
Topical Builders Private Limited	India	50.00%

41) Earnings per share

Calculation of Net Profit (including extraordinary item) available for Equity Shareholders:

		Current Year ₹ Lakhs	Previous Year ₹ Lakhs
A	Net Profit After Tax	26,619.50	10,062.92
	Less : Dividend on Non Cumulative Redeemable Preference Shares (including Tax on distributed Profits)	—	—
	Profit available for Equity Shareholders	26,619.50	10,062.92
B	Weighted Average number of Equity Shares of ₹ 10/- each used for computing basic earnings per share	409.67	408.41
C	Weighted Average number of Equity Shares of ₹ 10/- each used for computing diluted earnings per share	411.43	408.41
D	Basic Earnings per Share (₹)	64.98	24.64
E	Diluted Earnings per Share (₹)	64.70	24.64

42) Additional information, as required under schedule III to the Companies Act, 2013, of the enterprises consolidated as subsidiary/Associates/Joint Ventures.

Name of the Entity	Net Assets i.e total assets minus total Liabilities		Share in Profit & Loss	
	As a % of Consolidated Net Assets	Amount (₹ In lakhs)	As a % of Consolidated Net Assets	Amount (₹ In lakhs)
PARENT	85.74%	134,801.22	89.16%	25,254.00
SUBSIDIARIES				
- Indian				
Anthurium Developers Limited	0.00%	-	0.01%	2.48
Industrial Township (Maharashtra) Limited	-0.15%	(228.48)	0.00%	(1.06)
Knowledge Township Ltd	-0.40%	(623.16)	0.00%	0.21
Mahindra Bebanco Developers Limited	-0.40%	(625.30)	3.60%	1,019.45
Mahindra Infrastructure Developers Limited	-1.02%	(1,606.97)	-5.65%	(1,601.01)
Mahindra Integrated Township Limited	-0.82%	(1,296.36)	11.72%	3,319.72
Mahindra Residential Developers Limited	5.04%	7,916.89	-0.75%	(212.95)
Mahindra World City Developers Limited	4.34%	6,821.86	-0.81%	(228.22)
Mahindra World City (Jaipur) Limited	4.06%	6,379.90	9.52%	2,696.53
Mahindra World City (Maharashtra) Limited	-0.07%	(113.77)	0.00%	(0.35)
Raigad Industrial and Business Park Limited	-0.01%	(10.10)	0.00%	(0.51)
Industrial Cluster Private Limited (Earlier Known as Mahindra Housing Private Limited)	0.00%	(1.20)	0.00%	(0.57)

Name of the Entity	Net Assets i.e total assets minus total Liabilities		Share in Profit & Loss	
	As a % of Consolidated Net Assets	Amount (₹ In lakhs)	As a % of Consolidated Net Assets	Amount (₹ In lakhs)
Mahindra Industrial Park Chennai Limited (w.e.f. 22 nd December 2014)	0.00%	(0.98)	0.00%	(0.98)
Minority Interest in all subsidiaries	6.18%	9,719.85	6.02%	1,705.29
ASSOCIATES				
- Indian				
Kismat Developers Private Limited	0.00%	-	0.00%	-
Topical Builders Private Limited	0.00%	-	0.00%	-
JOINT VENTURES				
- Indian				
Mahindra Water Utilities Limited	1.41%	2,220.77	0.31%	86.89
Mahindra Inframan Water Utilities Private Limited	0.00%	1.62	0.00%	0.14
Mahindra Homes Private Limited (earlier known as Watsonia Developers Private Limited and before that Watsonia Developers Limited)	-3.91%	(6,139.71)	-13.11%	(3,714.26)

ANNEXURE-A
Salient features of financial Statements of Subsidiary / Associates / Joint ventures as per Companies Act, 2013

(₹ lakhs)

Sl. No.	SUBSIDIARY	Reporting Period	Reporting Currency	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	% of shareholding
1	Mahindra Infrastructure Developers Limited	31 st March 2015	INR	1,800.00	(1,607.31)	322.18	129.49	750	4.93	(1,655.72)	(54.37)	(1,601.35)	-	100.00%
2	Mahindra World City Developers Limited	31 st March 2015	INR	2,000.00	9,692.39	56,253.50	44,561.11	1,305.00	6,421.83	2,125.25	699.64	1,425.61	200.00	89.00%
3	Mahindra World City (Jaipur) Limited	31 st March 2015	INR	20,000.00	6,011.05	69,016.46	43,005.42	5,863.80	13,428.26	5,615.35	1,816.45	3,798.90	850.00	74.00%
4	Mahindra World City (Maharashtra) Limited	31 st March 2015	INR	117.04	(113.79)	4.11	0.86	-	0.23	(0.27)	-	(0.27)	-	100.00%
5	Mahindra Integrated Township Limited	31 st March 2015	INR	5,043.50	2,331.33	21,807.90	14,433.07	6,630.48	15,567.10	4,199.51	148.12	4,051.39	-	96.30%
6	Knowledge Township Limited	31 st March 2015	INR	2,100.00	(43.95)	4,476.26	2,420.21	-	0.84	0.21	-	0.21	-	100.00%
7	Mahindra Residential Developers Limited	31 st March 2015	INR	26.00	8,788.11	13,470.16	4,656.05	-	6,769.24	1,761.72	369.26	1,392.46	-	96.30%
8	Mahindra Bebanco Developers Limited	31 st March 2015	INR	5.00	637.71	12,905.48	12,262.77	-	8,113.16	1,519.78	321.56	1,198.22	-	70.00%
9	Industrial Township (Maharashtra) Limited	31 st March 2015	INR	500.00	(14.85)	517.34	32.19	-	-	(1.06)	-	(1.06)	-	100.00%

10	Raigad Industrial & Business Park Limited	31 st March 2015	INR	11.00	(10.11)	6.33	5.43	-	-	(0.51)	-	(0.51)	-	100.00%
11	Anthurium Developers Limited	31 st March 2015	INR	5.00	0.01	240.07	235.07	-	2.95	2.47	-	2.47	-	100.00%
12	Industrial Cluster Private Limited (Earlier Known as Mahindra Housing Private Limited)	31 st March 2015	INR	5.00	(1.20)	4.08	0.28	-	-	(0.57)	-	(0.57)	-	100.00%
13	Mahindra Industrial Park Chennai Limited(w.e.f. 22 nd December 2014)	31 st March 2015	INR	5.00	(1.10)	5.00	1.10	-	-	(1.10)	-	(1.10)	-	89.00%

Names of subsidiaries which are yet to commence operations- NA

Names of subsidiaries which have been liquidated or sold during the year.- NA

	Latest Audited Balance Sheet Date	Shares of Associate/Joint Venture held by the Company on the year end			Description of how there is significant influence	Reason why the associate/joint venture is not consolidated	Networth attributable to Shareholding as per latest audited Balance sheet (₹ in Lakhs)	Profit/Loss for the year	
		No. of Shares	Amount of investment in Associates/ Joint Venture (₹)	Extent of Holding (%)				Considered in Consolidation (₹ in Lakhs)	Not Considered in Consolidation (₹ in Lakhs)
ASSOCIATES									
Kismat Developers Private Limited	31 st March 2015	15	150	42.86%	NoteA	NA	(21.83)	(0.05)	(0.06)
Topical Builders Private Limited	31 st March 2015	175	1,750	50.00%	NoteA	NA	(275.50)	(16.21)	(16.21)
JOINT VENTURES									
Mahindra Inframan Water Utilities Private Limited	31 st March 2015	24,999	249,990	50.00%	NoteA	NA	4.12	0.14	0.14
Mahindra Water Utilities Private Limited	31 st March 2015	50,000	500,000	50.00%	NoteA	NA	2,225.75	86.88	86.88
Mahindra Homes Private Limited (earlier known as Watsonia Developers Private Limited and before that Watsonia Developers Limited)	31 st March 2015	206,018	2,060,180	50.00%	NoteA	NA	(643.63)	(707.97)	(707.97)

A) There is significant influence due to percentage(%) of Share Capital.

Names of Associates/Joint Venture which are yet to commence operations- NA

Names of Associates/Joint Venture which have been liquidated or sold during the year.- NA

Mahindra Inframan Water Utilities Private Limited and Mahindra Water Utilities Private Limited are 50% Joint Ventures of Mahindra Infrastructure Developers Limited which is a 100% subsidiary of the Company . There is no direct holding in the JV by the Company.

As per our Report attached hereto
For and on behalf of
B. K. Khare & Co.
Chartered Accountants
Firm Registration No. 105102W

Padmini Khare Kaicker
Partner
Membership No:44784

Suhas Kulkarni Company Secretary
Jayant Manmadkar Chief Financial Officer

For and on behalf of the Board

Arun Nanda Chairman
Uday Y. Phadke Director
Sanjiv Kapoor Director
Shailesh Haribhakti Director
Anil Harish Director
Anita Arjundas Managing Director & CEO

Mumbai : 30th April, 2015

Mumbai : 30th April, 2015

Mumbai : 30th April, 2015

urboonisation



Urbanisation, if leveraged in its true essence, can catalyse the most productive use of all three resources - natural, financial and human. Mahindra Lifespaces is focusing on the real potential of urban infrastructure in order to achieve the highest possible returns for its stakeholders, the communities around its developments and the environment.

responcity

Urbanisation that is responsible and responsive to all three bottom-lines.

ecosystemic

A holistic approach that helps manage the complex cause and effect relationships between various economic and ecological phenomena.

happitat

Vibrant life spaces that enhance culture, commerce and connectivity.



Far-sighted planning and multi-dimensional thinking are two imperatives that shape the Company's spaces into resourceful habitats



Lifespaces' green buildings stand testament to natural resource efficiency across the lifecycle



The World Cities integrate diverse aspects of sustainability to enable life, living, and livelihood



Happinest, the Company's affordable housing foray, focuses on delivering happy homes that realise the dreams of a wider cross-section of customers



Sustainability - a business imperative

Mahindra Lifespaces was born out of the idea of sustainability. It is not something that the Company pursues; it is the reason it exists. Its holistic approach to sustainability addresses all three facets:

1 Business Responsibility

Build a sustainable business by adopting the highest standards of governance, customer centricity, diversity and inclusion

2 Environmental Stewardship

Create a green canvas by reducing the environment footprint of the products and the supply chain and drive innovation through the adoption of sustainable technologies

3 Community Outreach

Develop ecosystems that create a positive impact on the communities around its developments and drive interventions that positively influence the society at large

Sustainability risks are now an integral part of the enterprise wide risk management framework of your Company. A risk assessment has been carried out which involves the quantification of the impact of sustainability risks to determine potential severity and probability of occurrence.

Sustainability - a collective responsibility

With half of the world's population living in urban areas and the other half increasingly depending upon cities for economic progress, urbanisation cannot happen in isolation and calls for mass adoption. Pioneers of sustainable development in India, Mahindra Lifespaces engages with policy makers, planners, practitioners and academia to promote responsible urbanisation and evolve sustainable frameworks that can collectively nurture the future of our cities.

- Mahindra Lifespaces is part of WBCSD's India Council and India Steering Committee for the Energy Efficiency in Buildings (EEB 2.0) project. EEB 2.0 will work with owners and managers of large building portfolios across different market segments to analyse the decision-making process for energy efficiency measures, to identify the key barriers and develop recommendations on how to overcome them.
- The Company provided feedback to the Gold Standard Cities Programme. A results-based finance framework, it enables cities to develop, audit and verify urban programmes in order to unlock the finance needed by cities around the globe for low carbon development.
- Mahindra Lifespaces is the only real estate company from India to participate in the CDP Global Water Report 2014 which explored the increasing recognition that mismanagement of water can result in significant business failure while effective and innovative action can result in sustainable growth.
- The Company has strengthened the sustainability capability of its suppliers by conducting 'Suppliers and Contractors Meet' for 200+ companies in West, North and South regions in order to empower them with knowledge on various sustainability aspects as well as share the globally recognised tools for GHG accounting and water footprinting. The aim is to institutionalise sustainable development in the value chain in line with the Company's 'Sustainability Roadmap Target 2020'.

Mahindra Lifespaces was awarded as the sector leader in Asia, in its category, by the Global Real Estate Sustainability Benchmark (GRESB).

It also received the 'Commendation for Significant Achievement' at the CII-ITC Sustainability Awards 2014 and the 'Order of Merit' at the Skoch Renaissance Awards, 2014 for Sustainability Leadership.

These recognitions are testimonials of the Company's efforts toward establishing and promoting thought leadership in the area of sustainability.



A city is a hotbed of economic growth as well as home to social inequity. It has the potential of mass conservation and mass exploitation of resources, at the same time. Urban development does pose many a challenge. But none of these challenges exist due to urbanisation itself, they exist due to unsustainable planning, management, and governance of urbanisation.

At Mahindra Lifespaces, the design and development of projects is directed towards creation of efficient, inclusive, and responsible cities. Cities which offer residents access to economic opportunities, fight climate change and encourage social cohesion. Through its responsibly planned integrated cities, green residential developments and now with the foray into affordable housing - the Company is seeding sustainable urbanisation across segments and geographies with the core objective of improving the quality of life.

Lifespaces

The Company's green buildings are designed to sustain. The approach is to ensure that the lifetime operation of the building is sustainable - right from construction, to use and end-of-life phase. Alongside ensuring natural resource efficiency, this also helps offer a healthy and happy lifestyle for the residents.

In the financial year, Mahindra Lifespaces launched 'The Serenes', a green, luxury weekend villa product, with its first project being nestled in Alibaug. While this project will add a whole new dimension to the luxurious living experience, the fundamental commitment of creating sustainable infrastructure remains steadfast.

The Company is using prefabricated construction technology for complete assembly of structures, including all villas and the club house.

Precast enables preservation of resources, thanks to its increased dependance on recycled content and zero waste processes. This technology is not just fire-resistant, leak-proof and earthquake proof, but comes replete with operational advantages like design versatility, speedy construction, all-weather construction ability and low maintenance.



Over 15 million sq.ft.
Green Residential Footprint



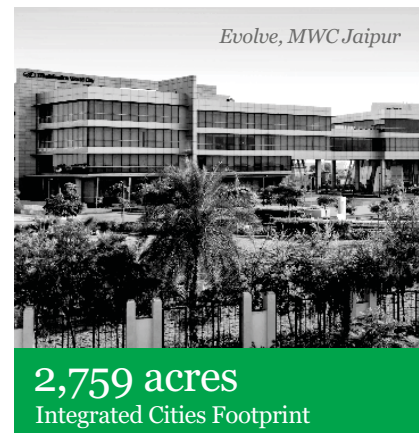
The Serenes' - Alibaug

World Cities

Pioneers of the integrated business city concept in India, the world cities are located over 4,600 acres, house over 125 reputed global companies that employ over 42,000 people, generate exports in excess of USD 1.50 bn and boost the economic and social development of neighbouring villages.

The Company, through Mahindra World City, Jaipur, has collaborated with Tech Mahindra to design ICT-based smart management solutions for implementation on a pilot basis. The smart blueprint will further enhance the efficiency of street lighting, garbage management, security and surveillance, building energy management, parking, metering infrastructure and water management.

As a first step to execute the above, a small demo command centre has been established at Jaipur, with a unified view to handle different smart city solutions.



Happinest

With an objective of making quality housing accessible at affordable prices to a wider cross-section of society, the Company launched two affordable homes projects during the year, one each in Chennai and Mumbai. With over 33% of the customers working in the informal sector, the Company has also focused on creating an ecosystem for access to finance.

As many of these customers don't have income proofs, Mahindra Lifespaces has tied up with around 9 NBFCs who survey their financial capability and accordingly approve the home loan. Easy payment schemes are being offered where initially the customer has to pay only a 5% booking amount, and 90% is funded by HFFC, while the remaining 5% amount is to be paid by the customer before possession.

With 650+ homes sold, the cancellation rate is well under 10%, much lower than the category average. Happinest has witnessed an overwhelming response from the customers across different spectrums of the social pyramid ranging from teachers, bank employees, Government employees, industrial workers, street vendors, and contractual employees.



Happinest, Avadi



Happinest, Boisar



Economic Value Generated
INR 11,476 million



Economic Value Distributed
INR 7,327 million



75% of building materials
(by cost) sourced within a 500-km
range of the project site



ecosystemic

Environmental responsibility at Mahindra Lifespaces is about systemic change management. Change that occurs in all aspects and stages of a lifecycle. The Company's conservation efforts begin at the design stage of its buildings and are followed through the construction phase as well as occupancy and end of life stages.

Owing to the nature of operations, green measures focus on 3 parameters, which are key for upholding environmental sustainability.

1 Reduction of Pollution



Pollution at construction sites is one of the key challenges faced by the industry which causes disastrous impact on the ecology of the area as well as deteriorates public health. Mahindra Lifespaces ensures compliance with all statutory emission norms laid by the Government and relevant agencies.

2 Conservation of Resources



Preservation of natural capital is one of the core focus areas for the Company. Conservation of energy, water and material is carried out at different stages of the projects, some of which include:

- Signed an MOU with WRI to procure green power for Mahindra World City, Chennai and is in the process of chalking out a win-win system whereby clean power can be procured and the occupants can have access to stable supply at competitive prices.
- Chalked out a Natural Capital Action Plan (NCAP) for the integrated cities, based on the IBBI Baseline assessment.
- Carried out a biodiversity assessment at the Happinest - Boisar project, followed by preparation of a comprehensive biodiversity management plan.
- Set up a portable Sewage Treatment Plant (STP) at Aura in Gurgaon, treating 50,000-55,000 litre wastewater per day which is fully compliant with I.S 456 requirements and is perfectly fit for construction purpose.

3 Reduction of Carbon Footprint



Cities are a key contributor to climate change. But they are also places which have the power to change this anomaly. The Company's participation in the Climate Positive Development Programme (C40 programme), which is pushing the Climate+ve urbanisation agenda, is in line with this approach.

Mahindra World City, Jaipur is a model urban project, which is implementing climate change mitigation strategies for a large scale development project. An innovative avoid-shift-improve approach has been developed for transport impact reduction and an ambitious energy impact reduction target has been set (30% savings from buildings and 20% savings from utilities). This is one of the 17 founding C40 projects which have spearheaded meaningful, measurable and sustainable actions on climate change.





happitat

Housing for all, livelihood opportunities, a booming local economy, responsible future citizens - inclusive growth is the cornerstone of a sustainable future.

Associates

In order to build happy lifespaces, we need to nurture a happy workspace. It is a well-known fact that enthused associates, who are provided an enabling work environment and enriching opportunities, are more productive. At Mahindra Lifespaces, 'being an employer of choice' is a sustainability target. A host of people-friendly policies and processes have been put in practice to recruit, retain, develop, reward and recognise talent. The Company, was recognised during the year, as a 'Great Place to Work' by GPTW.

During the year, four new policies were introduced to encourage gender diversity, facilitate work-life balance and promote health and wellbeing. Additionally, multiple developmental and wellness platforms were provided, some of which are:

Developmental Platforms



A change management initiative was launched to drive customer centricity. The cross functional teams deployed various crowd sourcing methodologies to articulate perspectives and four project charters were rolled out through several activities. The end objective of these activities was to encourage employees to place the customer at the core of any intent, initiative, and outcome.

Wellness Programmes



During the year, the Safety Week was celebrated based on the Company's new safety concept 'Mahindra Lifespaces - Rise for Safety' and various safety programmes were launched focussing on fitness assessment, safety training & retraining, revalidation of safety SOPs, guidelines and checklists, safe method and risk reduction techniques, constitution of a safety committee for every site, awareness camps and movie screenings.

Communities

The Company's mission is to transform urban landscapes by creating sustainable communities. A CSR mechanism is in place to strategically plan, execute and evaluate need-specific social interventions.

In the financial year, Mahindra Lifespaces strengthened its engagement with its suppliers, service providers and citizens, encouraging them to give back to the community. At an operational level, it focused on reaching out to the impressionable minds in order to affect a lasting change.

CSR Spend
INR 26.4 mn

Focus Areas
Environment
Education
Health
Skill Development

Through 'Cubs of Cubbon' and 'The Green Army' the Company interacted with over 5,500 children encouraging them to connect with nature and inculcate sustainable living habits. Scores of students and their family members took part in these programmes nurturing their love for art, nature and beauty. The Company aims to create 1 million caring citizens to be the torchbearers of sustainable living.



The Company's CSR activities have traditionally focussed on education, skill development, health, environment and promoting sustainable practices.

Mahindra Lifespaces' guiding principle is to build a win-win relationship with stakeholders and the community at large, and contribute towards their long term growth and welfare.

The Company has been investing 1% of its profit after tax, every year, in CSR activities since 2005-06 even when there were no legal and statutory requirements in this regard.

In line with the new Companies Act, 2013, commencing from 1st April, 2014, every year, the Company will spend 2% of the average net profits made during the three immediately preceding financial years towards CSR initiatives. The Company has formulated a CSR Policy which lays out the vision, objectives and implementation mechanisms including a Board committee on CSR. The Company's CSR activities have focussed on education, skill development, health, environment and promoting sustainable practices.

Key developments during the year are as below:

In the area of education, the Company continued its 'Gyandeep' initiative - an informal school to provide basic education and a safe environment for children in the neighbourhood of its projects at Pune, Nagpur, Delhi and Jaipur.

It contributed to the education of 4,370 girls through 'Nanhi Kali' - the flagship programme of the Mahindra Group for education of the girl child.

Skill development programmes were carried out for women around project sites in Chennai and Pune. Apart from these initiatives, the Company carried out awareness programmes and supported education related needs of the disadvantaged sections in the local communities.

In the area of environment, the Company continued to participate in 'Mahindra Hariyali' - a tree plantation programme initiated in 2008-09.

During the year, 25,150 trees were planted across multiple locations: Delhi, Pune, Mumbai, Chennai and Nagpur.

As part of the focus on health, the Company continued to conduct periodic cleanliness drives, vaccination camps, blood donation drives, general health and eye-check camps as well as HIV awareness programmes for communities around the Company's operational sites.

Your Company is committed to further the cause of sustainable urbanisation, responsible business conduct, ethical value generation as well as care for the community and for the planet.

Sustainability Roadmap 2020

This roadmap is a culmination of inputs from an enhanced stakeholder base (both internal and external) such as employees, customers, competitors, vendors, consultants and local community. The roadmap sports aggressive targets across all three bottom-lines and will help align efforts with the real needs of the enterprise and its stakeholders.



BUSINESS RESPONSIBILITY

Set and uphold the highest standards of ethics & transparency with all our stakeholders

Increase shareholder value by significantly enhancing the Return On Capital Employed

Be recognised among the most trusted brand for customers in the markets we operate in, through reputable survey(s)

Be among industry leaders in the 'Great Places to Work' Survey

Improve our gender diversity ratio to 30% women

Build partnerships to drive innovation in the development of sustainable habitats and ecosystems



COMMUNITY OUTREACH

100% of our projects to have community engagement programmes

Community engagement programmes to reach out and cover >30% of the target group

Enable employability by driving skill development and up-gradation programmes reaching out to over 10,000 persons



ENVIRONMENTAL STEWARDSHIP

10% energy intensity reduction and 10% Greenhouse Gas intensity reduction

10% improvement in water efficiency and exceeding the minimum wastewater standards

5% of energy requirement to be met through renewable energy

Reduce waste intensity by 20%

Zero fatalities and reportable accidents at all sites and continued reduction in lost work day accident rates

Ensure that 50% of the total building materials (by cost) are procured within a distance of 400 km

Build sustainable supply chain for top 100 suppliers through capacity building and establish monitoring mechanism for carbon and water footprint

Develop biodiversity plans for at least two key locations



Mahindra LIFESPACES

Our Presence:

Bengaluru | Chennai | Delhi NCR | Hyderabad | Jaipur | Mumbai | Nagpur | Pune

Corporate Office: Mahindra Lifespace Developers Limited, CIN L45200MH1999PLC118949

5th Floor, Mahindra Towers, Worli, Mumbai - 400 018. India. | Tel: 022 - 67478600 / 67478601 | Fax: 022 - 24975084

Email: homes@mahindra.com | **Website:** www.mahindralifespaces.com

FORM A

Covering letter of the Annual Audit Report for the Financial Year 2014-15 to be filed with the Stock Exchange pursuant to Clause 31(a) of the Listing Agreement

1	Name of the Company	Mahindra Lifespace Developers Limited
2	Annual financial statement for the year ended	31 st March, 2015
3	Type of Audit observation	Matter of Emphasis Refer to point 9- Emphasis of Matter of the Auditor's Report and Note 19(#) to the Financial Statement (appearing for 2 Years)
4	Frequency of observation	Refer Point No 3 above

For Mahindra Lifespace Developers Limited

For B. K. Khare & Co.
Chartered Accountants
FRN : 105102W



Audit Committee Chairman



Managing Director



Chief Financial Officer

Padmini Khare Kaicker
Partner

M. No. 44784

Date: 30th April, 2015



For B. K. KHARE & CO.
Chartered Accountants
HIMANSHU CHAPSEY, Partner
Membership No 105731.
Firm Registration No. 105102W