Mahindra
LIFESPACES

Mahindra Lifespace
Developers Ltd.
CIN : L45200MH1999PLC118949

Mahindra Towers, 5th Floor,
Dr. G. M. Bhosale Marg, Worli,
Mumbai 400 018,
India

Tel: +91 22 67478600 / 8601
Fax: +91 22 24975084

www.mahindralifespaces.com

27th July, 2017

Bombay Stock Exchange Limited
Corporate Services,
Piroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001

Listing: http://listing.bseindia.com

National Stock Exchange of India Limited
Exchange Plaza,
Bandra Kurla Complex,
Bandra (East)
Mumbai – 400 051

Listing: https:www.connect2nse.com/LISTING/

Re:

Security	BSE	NSE	ISIN
Equity Shares	532313	MAHLIFE	INE813A01018
Debentures	Scrip Code : 949080 Scrip ID : 8MLDL2018C	-	INE813A07031

Dear Sirs,

Sub: Annual Report

Pursuant to Regulation 34(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby submit the annual report for the financial year 2017, approved and adopted in the Annual General Meeting of the Company held on 25th July, 2017.

Kindly acknowledge and take the above on record.

Thanking you,
Yours faithfully,
For **Mahindra Lifespace Developers Limited**

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

ISO 9001:2008 BUREAU VERITAS Certification 1828
OHSAS 18001:2007 BUREAU VERITAS Certification 1828
ISO 14001 BUREAU VERITAS Certification 1828
UKAS MANAGEMENT SYSTEMS

Mahindra LIFESPACES
JOYFUL HOMECOMINGS

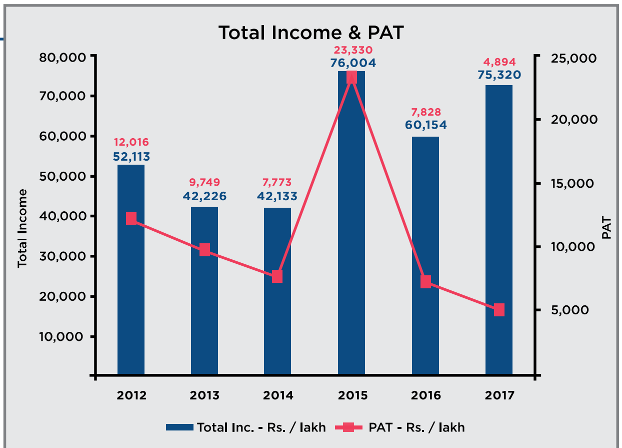
Building communities for a brighter tomorrow.

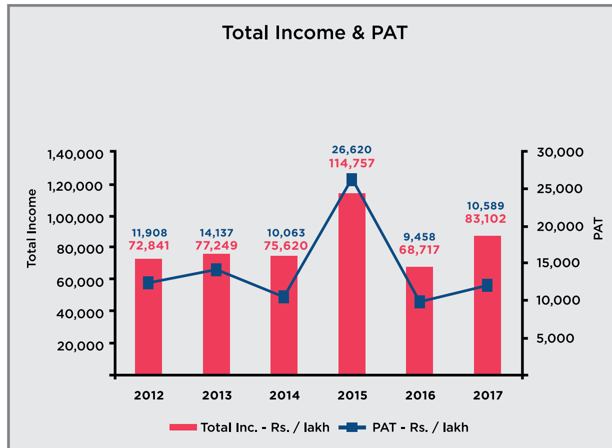
ANNUAL REPORT 2017

Financial Highlights

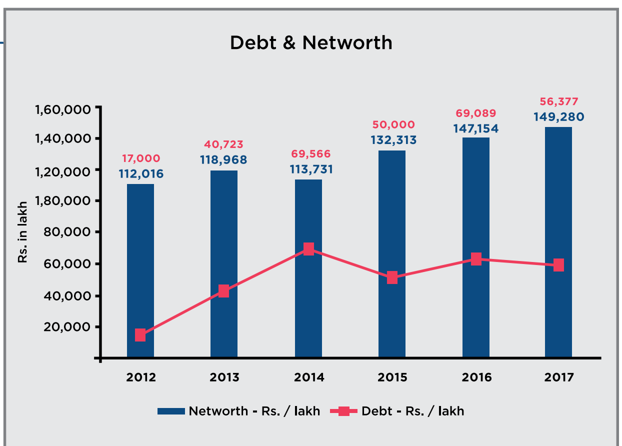
Standalone | Consolidated

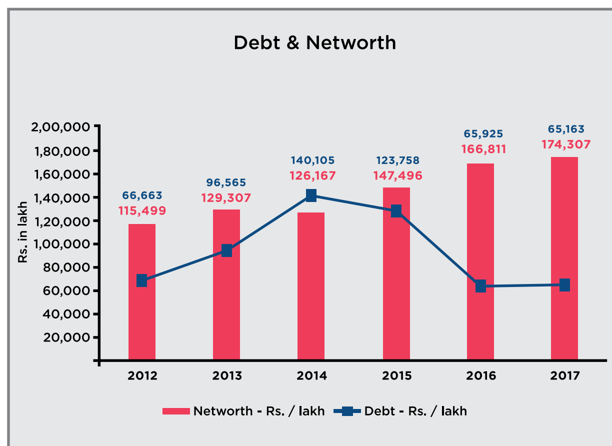
TOTAL INCOME & PAT



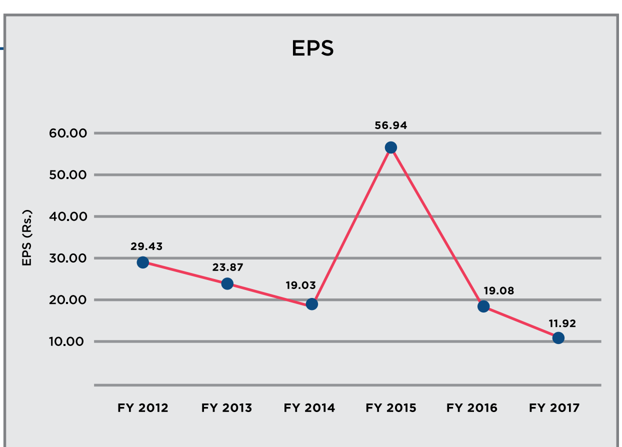


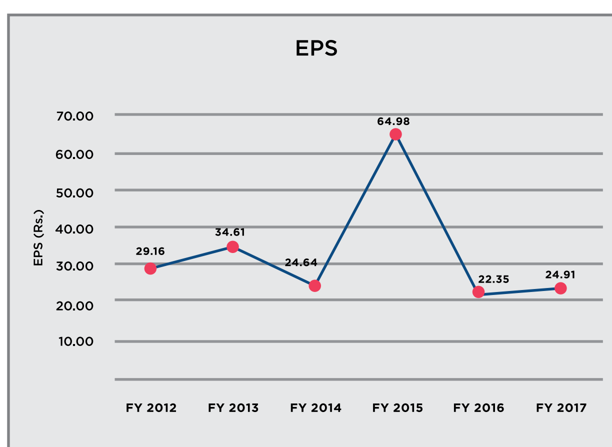
DEBT & NETWORTH





EPS





FINANCIALS HIGHLIGHTS

₹ in lakh

	F - 2017	F - 2016	F - 2015	F - 2014	F - 2013	F - 2012	F - 2011	F - 2010	F - 2009	F - 2008
Net Worth	149,280	147,154	132,313	113,731	118,968	112,016	102,828	95,879	89,802	86,375
Borrowings	56,377	69,089	50,000	69,566	40,723	17,000	10,000	-	-	-
Net Fixed Assets	4,079	3,385	2,980	2,857	2,557	2,907	3,192	3,237	3,482	2,688
Investments	80,393	77,621	57,340	75,027	43,114	44,860	36,214	40,955	36,153	50,291
Book Value Per Equity Share (₹)	364	359	323	278	291	274	252	232	218	209
Operating Income	68,055	50,211	62,401	30,707	35,152	46,895	47,656	32,065	16,540	17,212
Other Income	7,265	9,943	13,602	11,426	7,073	5,217	3,029	2,899	3,254	4,784
Operating Expenses	54,667	34,736	29,894	21,879	22,577	30,199	31,367	21,267	12,433	11,181
Other expenses	13,598	13,761	12,339	10,114	6,060	5,159	4,381	2,947	1,585	2,437
Profit Before Tax	7,055	11,657	33,771	10,140	13,588	16,755	14,937	10,750	5,777	8,378
Profit After Tax	4,894	7,828	23,330	7,773	9,749	12,016	10,305	7,938	4,636	6,539
Basic Earning per Share (₹)	11.92	19.08	56.94	19.03	23.87	29.43	24.94	19.15	11.06	16.00
Diluted Earning per Share (₹)	11.90	19.01	56.70	19.03	23.87	29.43	24.94	19.15	11.06	16.00
Equity Dividend per share (₹)	6.00	6.00	12.00*	6.00	6.00	6.00	5.00	3.50	2.50	2.50

Note : Figures of F-2017 & F-2016 are as per IND AS and from F-2015 to F-2008 are as per IGAAP.

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

Contents

As on 31st March, 2017

Board of Directors

Mr. Arun Nanda	Chairman
Mr. Sanjiv Kapoor	
Mr. Shailesh Haribhakti	
Dr. Prakash Hebalkar	
Mr. Bharat Shah	
Dr. Anish Shah	
Ms. Anita Arjundas	Managing Director & Chief Executive Officer

Leadership Team

Ms. Anita Arjundas	Managing Director & Chief Executive Officer, MLDL and President - Real Estate Sector
Ms. Sangeeta Prasad	CEO - Integrated cities and Industrial clusters
Mr. Vivek Sharma	Business Head – Mahindra World City, Chennai
Mr. Sanjay Srivastava	Business Head – Mahindra World City, Jaipur
Mr. K. Shyam	Business Head – Mahindra Industrial Park, Chennai
Mr. Siddharth Bafna	Business Head – Industrial Clusters (West) & Investor Relations
Mr. Sriram S. Mahadevan	Business Head – Happinest
Mr. Ramesh Ranganathan	Business Head – Residential (North & West)
Mr. Deepak Porayath	Business Head – Residential (South)
Mr. Vaibhav Jambhekar	Senior GM – Strategy & Business Excellence
Mr. V. Sundaresan	Head – Business Development
Mr. Jaimin Desai	Head – Design
Mr. Urs Eric Hauptstein	Head – Projects
Mr. Rahul Gupta	Vice President – Sales
Mr. Sunil Sharma	Vice President – Marketing & CRM
Mr. John Lancelot Cutinha	Head – Human Resources
Mr. Jayantt Manmadkar	Chief Financial Officer
Mr. Suhas Kulkarni	Senior Vice President – Legal & Company Secretary

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
Karvy Computershare Private Limited

Corporate Office:
Karvy Selenium, Tower B, Plot Nos. 31-32,
Gachibowli, Financial District,
Nanakramguda, Hyderabad 500032.
Tel: 91 40-67162222
Fax: 91 40-23420814
Email Id: einward.ris@karvy.com
Website: www.karvycomputershare.com

Investor Relation Centre:
24 B, Rajabahadur Mansion
Ground Floor, Ambalal Doshi Marg
Fort, Mumbai 400 023
Tel: 022-66235454 / 412 / 427

Registered Office
5th Floor, Mahindra Towers,
Worli, Mumbai 400 018

Branch / Representative Offices

NCR Offices:
Mahindra Towers, 2A,
Bhikaiji Cama Place,
New Delhi 110 066

Khasra No 12/19/2, 21/2 22/2 18/6,
At Village Behrampur, Sector 59,
Gurgaon, Haryana 122 001

Chennai Offices
Administrative Block, Central Avenue,
Mahindra World City, Natham Sub P.O.,
Chengalpet, Kancheepuram 603 002,
Tamil Nadu

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

Mumbai Offices
Chemtex House, Ground Floor,
Hiranandani Gardens,
Powai, Mumbai 400 076

Dev Corpora, Office No. 1304, 13th Floor,
Shree Ganesh Mandir Marg, Cadbury Junction,
Eastern Express Highway,
Thane West – 400601

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

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, Dubai

CHAIRMAN'S WELCOME

Dear Shareholders,

The last year has been one of the most eventful years for the Indian economy in many ways. There have been many significant developments that can change the course of our country's long term growth trajectory. FY 2018 hence becomes a very important year for all of us, especially in the real estate industry, since we will see the impact of several policy related initiatives in this year.

Let me start with demonetisation, which clearly had a visible impact on our business in FY2017, as we saw a sharp drop in residential sales volumes during the three months period post demonetisation. However, there was a quick recovery for Your Company in the following months as its customer friendly policies attracted end users. In our residential business, the strategy to be present in corridors with good social infrastructure and to create products in the mid-premium segment has been validated as we continue to see good traction in such markets and segments. I believe end user demand will continue to see good growth due to lowering interest rates coupled with increased offerings in the Affordable housing space due to good policy support from the Government in that segment. Our experience in the Affordable housing space has been very encouraging and we believe the timing is now ripe for this business to scale up.

The overall impact of demonetisation was relatively lower in our B2B business driven by commitments from existing customers for expansion and new customers with a long term play in the Indian market. Consequently, we saw good growth both in volumes and pricing at Mahindra World City, Jaipur. The forthcoming launch of the two industrial clusters at Chennai and Ahmedabad will help us widen our offering in this space and meet the opportunities arising out of the concerted thrust on 'Make in India'.

I would also like to discuss one policy transition, which effects us most directly, RERA. While the Central Act had been enacted, the process of enacting state level rules and authorities is still underway. As I mentioned last year, Your Company has been complying with many of the new norms being suggested under RERA, and its level of preparedness for adherence continues to be high. There will be some teething issues that the industry will face in the initial days, but I am confident that increased customer confidence will boost demand in the mid to long term.

The other big change is expected on account of GST, which will need some changes in our internal processes to ensure smooth and effective adoption. On an overall basis, we believe that GST will lead to increased transparency across the supply chain and minimise leakages and double taxation for Your Company. I also believe that GST will usher in a new wave of investments as many companies rationalise their supply chain while new companies enter the market triggering a new investment cycle. Given that real GDP growth for 2016-17 is expected to be 7.1%; and real GVA growth is pegged at 6.6%, rollout of GST will inject the much needed boost for growth in the economy. In addition, inflation is now under control, as is the fiscal deficit. These are creditable achievements, and with increased Government spending on infrastructure and improved liquidity due to lowering interest rates, I expect the macro economic environment to improve in FY2018.

I believe Your Company is in a good situation to benefit from the changes in the industry and the general economy. We are adequately capitalized with a strong balance sheet to build scale at a time when asset values are looking attractive. Financial partners have shown keen interest in working with us in each of our business segments and we believe this approach of having strategic relationships will enable us to improve the efficiency and Return on capital, while also substantially widening our reach in a de-risked manner. Our ability to create a larger pipeline of opportunities for Your Company and to convert these into revenues and profits in a faster and more productive manner will be strategic priorities in the coming year.

We will continue leading the way in our core tenet of sustainable urbanisation through strategic relationships like the Mahindra-TERI Centre of Excellence for Sustainable Habitats and a focus on innovative resource efficiency projects like the food waste to bio-fuel project at Mahindra World City, Chennai.

I expect Your Company to continue do well in 2017-18. I would like to thank our customers, shareholders, business partners and bankers for their continued support. Please also join me in thanking all the associates of Your Company for the good work done, and in wishing them the best for the year ahead.

With best regards,
Yours sincerely,

Arun Nanda
Chairman

Notice

The Eighteenth Annual General Meeting of **MAHINDRA LIFESPACE DEVELOPERS LIMITED** (CIN:L45200MH1999PLC118949) will be held on Tuesday, 25th July, 2017 at 3:00 p.m. at Y. B. Chavan Centre, General Jagannath Bhosle Marg, next to Sachivalaya Gymkhana, Mumbai 400 021, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited financial statement of the Company for the year ended on 31st March, 2017 (including audited consolidated financial statement) and the Reports of the Directors' and the Auditor's thereon.

2. To declare Dividend on equity shares for the financial year ended on 31st March, 2017.

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

4. **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 in terms of the provision of Sections 139, 141 and 142 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any modification or amendment or re-enactments thereof for the time being in force) and pursuant to the recommendation of the Audit committee, M/s. Deloitte Haskins & Sells LLP, Chartered Accountants, Mumbai (ICAI Registration Number -117366W/W-100018), be and are hereby appointed as Statutory Auditors of the Company, in place of M/s B. K. Khare & Co, Chartered Accountants, Mumbai (ICAI Registration Number. 105102W), the retiring Auditors of the Company whose tenure expires at this Annual General Meeting, to hold office for a term of five consecutive years from the conclusion of the 18th Annual General Meeting, until the conclusion of the 23rd Annual General Meeting of the Company to be held in the calendar year 2022 (subject to ratification of their appointment at every AGM), at a remuneration to be determined by the Board of Directors plus taxes, as applicable, and out of pocket expenses as may be incurred by them during the course of the Audit."

SPECIAL BUSINESS:

5. **Appointment of Mr. Bharat Shah as an Independent Director**

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

   "RESOLVED THAT in accordance with the provisions of Section 152 and all other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Bharat Shah (DIN 00136969) who was appointed by the Board of Directors pursuant to the provision of Section 161 of the Act and the Articles of Association of the Company as an Additional Director of the Company in the category of Non-Executive Independent Director with effect from 1st August, 2016 and who holds office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member alongwith the deposit of the requisite amount under Section 160 of the Act proposing his candidature for the office of a Director of the Company, be and is hereby appointed as a Director of the Company.

   RESOLVED FURTHER 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 and applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Bharat Shah (DIN 00136969), 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 be appointed as an Non-Executive Independent Director of the Company, not liable to retire by rotation, to hold office for a term of 5 (five) consecutive years with effect from 1st August, 2016.

6. **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 17th Annual General Meeting of the Company held on 28th July, 2016 and pursuant to the 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"], SEBI (Issue and Listing of Debt Securities) Regulations, 2009 and subject to other applicable Rules, Regulations, Guidelines, Notifications and Circulars issued by the Securities and Exchange Board of India ("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 hereinafter 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 any 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 ₹ 7,500,000,000 (Rupees Seven Hundred Fifty Crore 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."

7. **Remuneration of Cost Auditor**

To consider and, if thought fit, to pass, with or without modification(s), the following resolution 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), CMA Vaibhav Prabhakar Joshi, Cost Accountant, Mumbai (Registration No. 101329), appointed by the Board of Directors of the Company as Cost Auditor for conducting the audit of the cost records of the Company, for the financial year ended on 31st March, 2017, be paid the remuneration as set out in the Explanatory 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."

8. **Material Related Party Transactions with the Proposed SPV Company to be identified / incorporated in Joint Venture with SCM Real Estate (Singapore) Private Limited**

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

"RESOLVED THAT pursuant to the provisions of the Memorandum and Articles of Association of the Company and all applicable provisions of the Companies Act, 2013 and Rules made thereunder and Regulation 23(4) of Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 ["SEBI LODR"], including any statutory modifications or amendments or re-enactments thereof, for the time being in force, approval of the 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 hereinafter constitute to exercise its powers including the powers conferred by this resolution), to enter into material contracts / arrangements / transactions / commitments / investment in the ordinary course of business and at arm's length with the Proposed Special Purpose Vehicle Company ("SPV Company") to be identified / incorporated in joint venture with SCM Real Estate (Singapore) Private Limited ("SCM") for the purpose of undertaking residential developments in India, which may be construed as a 'Related Party' as defined under Section 2(76) of the Companies Act, 2013 and Regulation 2(1)(zb) of SEBI LODR, on such terms and conditions as set out under the Explanatory Statement annexed to the notice convening this meeting and as may be mutually agreed upon between the Company and SCM.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things, and to negotiate and finalize 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 A 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 Sunday, 23rd July, 2017, 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 its 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 intention 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 (30) members personally present;

G. **As of 31st March, 2017 :**

Mr. Arun Nanda, Chairman holds 1,31,064 shares of the Company (Out of 1,31,064 Equity Shares, 114 Equity Shares are held jointly with Ms. Neerja Nanda, being the second holder, 600 Equity Shares are held jointly with Ms. Neerja Nanda, being the first holder and Mr. Arun Nanda being the second holder and 350 Equity Shares are held jointly with Mr. Uday Nanda and Ms. Neerja Nanda, Mr. Arun Nanda being the third holder), Mr. Bharat Shah does not hold any shares in the Company.

Brief resume of Mr. Arun Nanda, Mr. Bharat Shah, nature of their expertise in specific functional areas, names of companies in which they hold directorships and memberships / chairmanships of Committees of the Board and their shareholding, etc. as stipulated under Regulation 36(3) of SEBI LODR and Secretarial Standards-2 (SS-2) on General Meetings issued by the Institute of Company Secretaries of India, 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 ("the Act") is annexed hereto;

I. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, 15th July, 2017 to Tuesday, 25th July, 2017 (both days inclusive);

J. Dividend, if declared, will be credited / dispatched between 26th July, 2016 to 29th July, 2017 to those members whose names will appear on the Register of Members of the Company and, in respect of those members who hold shares in the electronic form, as per the list of beneficial ownership furnished by National Securities Depository Limited (NSDL) and Central Depository Securities (India) Limited (CDSL) or to their mandate as of the close of business hours on Friday, 14th July, 2017;

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 the provision Section 205A of the Companies Act, 1956 (Section 124 of the Companies Act, 2013), unpaid / unclaimed dividends for the financial years ended on 31st March, 2000, 2001, 2002, 2006, 2007, 2008 and 2009 have been transferred to the Investor Education & Protection Fund (IE & PF) on 19th September, 2007, 24th October, 2008, 20th November, 2009, 23rd September, 2013, 14th November, 2014, 24th September, 2015 and 20th September, 2016, respectively. No claim lies against the Company in respect thereof.

Due dates of transferring unclaimed and unpaid dividends declared by the Company for the financial year ended on 31st March, 2010 and thereafter to IE&PF:

Equity Dividend for FY	**Date of declaration of dividend**	**Date by which unclaimed dividend can be claimed**	**Proposed period for transfer of unclaimed Equity Dividend to IE & PF**
2009 -2010	21st July, 2010	22nd August, 2017	23rd August, 2017 to 21st September, 2017
2010 -2011	21st July, 2011	22nd August, 2018	23rd August, 2018 to 21st September, 2018
2011-2012	24th July, 2012	28th August, 2019	29th August, 2019 to 27th September, 2019
2012-2013	24th July, 2013	29th August, 2020	30th August, 2020 to 28th September, 2020
2013-2014	7th August, 2014	6th September, 2021	7th September, 2021 to 6th October, 2021
2014-2015 (Interim Dividend)	29th September, 2014	4th November, 2021	5th November, 2021 to 4th November, 2021
2014-2015	31st July, 2015	31st August, 2022	1st September, 2022 to 30th September, 2022
2015-2016	28th July, 2016	1st September, 2023	2nd September, 2023 to 1st October, 2023

Members who have not encashed the dividend warrants so far in respect of the aforesaid financial years are requested to make their claim to the Company's Registrar & Share Transfer Agent, M/s. Karvy Computershare Private Limited well in advance of the above due dates.

The Company has uploaded the information in respect of the Unclaimed Dividends for the financial years from 2009-10 to 2015-16, as on the date of the 17th Annual General Meeting held on 28th July, 2016, on the website of the Company www.mahindralifespaces.com and website of the IE&PF www.iepf.gov.in;

M. Pursuant to the provisions of Section 124 and 125 of the Companies Act and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, ("the Rules"), all shares on which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to an IEPF suspense account.

In terms of the said Rules, the Company has initiated the process and issued individual notices to 7,747 shareholders holding 1,18,029 equity shares, who have not claimed their dividends (interim as well as final) for the last seven consecutive years. The Company has also uploaded full details of such shares due for transfer on the website of the Company. These shares shall be transferred to IEPF in accordance with procedure for transfer to IEPF as may be notified by Ministry of Corporate Affairs. Upon such transfer of shares to IEPF, the voting rights on shares transferred to IEPF shall remain frozen until the rightful owner claims and receive the shares from IEPF.

N. Members can avail the facility of nomination in respect of shares held by them in physical form in accordance with the provisions of Section 72 of the Act. Members desiring to avail this facility may send their nomination in the prescribed Form SH - 13 duly filled in to Karvy Computershare Private Limited;

O. Members are requested to: a) intimate to the Company's Registrar & Share Transfer Agent, Karvy Computershare Private Limited, changes, if any, in their registered addresses at an early date b) quote their folio numbers / client ID / DP ID in all correspondence;

P. Members holding shares under multiple folios in the identical order of names are requested to consolidate their holdings into one folio;

Q. 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;

R. 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, Karvy Computershare Private Limited;

S. Non-Resident Indian members are requested to inform Registrar & Share Transfer Agent, Karvy Computershare Private Limited, immediately of:

(a) Change in their residential status on return to India for permanent settlement;

(b) 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;

T. Payment of Dividends through Electronic mode:

In terms of Regulation 12 of SEBI LODR, listed companies shall mandatorily make all payments to investors including dividend to shareholders, by using any RBI approved electronic mode of payment viz. ECS, LECS (Local ECS), RECS (Regional ECS), NECS (National ECS), direct credit, RTGS, NEFT, etc.

We, therefore, request you to do the following:

i) In case of holding of shares in demat form, update your bank account details with your Depository Participant(s) (DP) immediately;

ii) 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. Karvy Computershare Private Limited at any of its following offices: a) Investor Relation Centre: 24 B, Rajabahadur Mansion, Ground Floor, Ambalal Doshi Marg, Fort, Mumbai 400 023 or b) Corporate Office: Karvy Selenium, Tower B, Plot Nos. 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad 500 032;

This will facilitate the remittance of the dividend amount as directed by SEBI in the Bank Account electronically.

U. Pursuant to Section 101 and 136 of the Act 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 Act read with Rules thereunder, a document may be served on any member by sending it to him by post or by registered post or by speed post or by courier or by delivering at his 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 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 Act read with the relevant Rules thereunder. Those members, who desire to receive notice / financial statement / 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. Karvy Computershare Private Limited, as the case may be;

Members are requested to support this Green Initiative by registering/updating their e-mail addresses with the Depository Participant (in case of Shares held in dematerialised form) or with Karvy (in case of Shares held in physical form).

V. Printed copies of the Notice of the 18th Annual General Meeting of the Company inter-alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all members in the permitted mode. In addition, Notice of the 18th Annual General Meeting of the Company in electronic form inter-alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is also being sent to all the members whose email IDs are registered with the Company / Depository Participant(s) for communication purposes.

Members may also note that the Notice of the 18th Annual General Meeting and the Annual Report for the financial year 2016 - 2017 will also be available on the Company's website www.mahindralifespaces.com for their download and also on the Website of Karvy Computershare Pvt. Limited. 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

W. Relevant documents referred to in the accompanying Notice and the Explanatory Statement are open for inspection by the members at the Registered Office of the Company on all working days (Monday to Friday), from 10:00 a.m. to 1:00 p.m. up to the date of the Meeting except Public Holidays.

X. Voting through electronic means

i) In terms of the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015 ("the Rules"), (as amended from time to time), Regulation 44 of SEBI LODR and Clause 8 of Secretarial Standards – 2 (SS - 2) of the Institute of Company Secretaries of India, the Company is providing e-voting facility to the members who are the members as on Wednesday, 19th July, 2017 (end of Day) being the "cut-off Date" fixed for the purpose, to exercise their right to vote at the 18th AGM by electronic means through the e-voting platform provided by Karvy Computershare Private Limited (Karvy). Members may transact the business through voting by electronic means. A person who is not a member as on the cut-off date should treat this Notice for information purposes only;

ii) The e-voting period commences on Friday, 21st July, 2017 (9:00 a.m.) and ends on Monday, 24th July, 2017 (5:00 p.m.). During the e-voting period, members of the Company, holding shares either in physical form or in dematerialised form, may cast their votes electronically. The e-voting module shall be disabled by Karvy for voting thereafter and thus, remote e-voting shall not be allowed beyond Monday, 24th July, 2017 (5:00 p.m.). Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently or cast vote again;

iii) The facility for voting through electronic voting system shall also be made available at the meeting and members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting;

iv) The members who have cast 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 and / or grievance, in respect of voting by electronic means members may refer to the Help & Frequently Asked Questions (FAQs) and E-voting user manual available at the download section of https://evoting.karvy.com (Karvy Website) or contact Mr. Prem Kumar, Manager, Karvy Computershare Private Limited, [Unit: Mahindra Lifespace Developers Limited], Karvy Selenium, Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad 500 032 or at evoting@karvy.com or phone no. 040 – 6716 1500/509 or call Karvy's toll free No. 1-800-34-54-001 for any further clarifications.

vi) If you are already registered with Karvy 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 Karvy [for members whose email IDs are registered with the Company / Depository Participant(s)]:

i. Launch internet browser by typing the URL: https://evoting.karvy.com.

ii. Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN (E-Voting Event Number) xxxx followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote.

iii. After entering these details appropriately, click on "LOGIN".

iv. You will now reach password change menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A- Z), one lower case (a-z), one numeric value (0-9) and a special character (@, #, $, etc.,). The system will prompt you to change your password and update your contact details like mobile number, email ID, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.

v. You need to login again with the new credentials.

vi. On successful login, the system will prompt you to select the "EVENT" i.e., 'Name of the Company".

vii. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date under "FOR / AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR/ AGAINST" taken together shall not exceed your total shareholding as mentioned herein above. You may also choose the option "ABSTAIN". If the member does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.

viii. Members holding multiple folios / demat accounts shall choose the voting process separately for each folio / demat accounts.

ix. Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.

x. You may then cast your vote by selecting an appropriate option and click on "Submit".

xi. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you have voted on the resolution(s), you will not be allowed to modify your vote. During the voting period, members can login any number of times till they have voted on the Resolution(s).

xii. Corporate / Institutional members (i.e. other than Individuals, HUF, NRI, etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution / Authority Letter, etc., together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutinizer at email id: mferraocs@yahoo.com with a copy marked to evoting@karvy.com. The scanned image of the above mentioned documents should be in the naming format "Corporate Name_Event No."

B. In case of members receiving physical copy of Notice [for members whose email IDs are not registered with the Company / Depository Participant(s)]:

i. E-Voting Event Number – XXXX (EVEN), User ID and Password is provided in the Attendance Slip;

ii. Please follow all steps from Sr. No. (i) to (xii) above to cast your vote by electronic means.

C. Voting at AGM

The Members, who have not cast their vote through remote e-voting can exercise their voting rights at the AGM. The Company will make necessary arrangements in this regard at the AGM Venue. The facility for voting through electronic voting system ('Insta Poll') shall be made available at the Meeting.

D. General Instructions:

(i) Members holding shares as on the cut-off date i.e. Wednesday, 19th July, 2017 shall be entitled to vote through remote e-voting at the venue of the Annual General Meeting. Members may participate in the Annual General Meeting even after exercising right to vote through remote e-voting 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 form in other cases) to the shareholders holding shares of the Company as on Friday, 23rd June, 2017. User ID and password for e-voting is sent in the email where notice is sent by email and in attendance slip sent along with notice where notice is sent in physical form. Members 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 19th July, 2017, being the cut-off date for the purpose. Shareholders who become members of the Company after 23rd June, 2017 and hold shares as on 19th July, 2017 may obtain the User ID and password for e-voting in the manner as mentioned below:

a) If the mobile number of the member is registered against Folio No. / DP ID / Client ID, the member may send SMS: MYEPWD <space> E-Voting Event Number + Folio No. or DP ID Client ID to the mobile no. 9212993399

Example for NSDL: MYEPWD <SPACE> IN12345612345678

Example for CDSL: MYEPWD <SPACE> 1402345612345678

Example for Physical: MYEPWD <SPACE> XXXX1234567890

b) If e-mail address or mobile number of the member is registered against Folio No. / DP ID / Client ID, then on the home page of https://evoting.karvy.com, the member may click “Forgot Password” and enter Folio No. or DP ID Client ID and PAN to generate a password.

c) Member may call Karvy’s toll free number 1800-3454-001.

d) Member may send an e-mail request to evoting@karvy.com. However, Karvy shall endeavour to send User ID and Password to those new Members whose mail ids are available.

(iii) In case of joint holders, attending the meeting, only such joint holder who is higher in the order of name, 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 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 cast at the meeting, thereafter unblock the votes cast 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 48 hours of conclusion of the meeting, a consolidated scrutiniser’s report of the total votes cast in favour or against, if any, to the Chairman who shall countersign the same.

(vi) The Scrutinizer shall submit his report to the Chairman or under his authority to Managing Director and CEO on or before, Thursday, 27th July, 2017, who shall declare the result of the voting. The result shall be declared on or before Thursday, 27th July, 2017. 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 Karvy and shall be communicated to the Stock Exchanges. If, as per the report of the scrutinizer, a resolution is passed, then the resolution shall be deemed to have been passed at the Annual General Meeting of the Company scheduled on Tuesday, 25th July, 2017;

(vii) The route map of the venue of the Meeting is given in the Notice. The prominent landmark for the venue is ‘Next to Sachivalaya Gymkhana’.

For and on behalf of the Board,

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

Mumbai, 16th May, 2017

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

ANNEXURE TO NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF COMPANIES ACT, 2013

Item No. 4

The Statutory Auditors, M/s. B. K. Khare & Co., Chartered Accountants (ICAI Registration Number - 105102W) have held office as Auditor of the Company from the conclusion of the 3rd AGM i.e. from 25th September, 2002. Since M/s. B. K. Khare & Co. have completed more than two terms of 5 years each and the transition period of 3 years from the date of commencement of the Companies Act 2013, the Company is now required to appoint a new Statutory Auditors, in place of M/s. B. K. Khare & Co., for a term of 5 consecutive years w.e.f. the conclusion of the 18th Annual General Meeting.

M/s. Deloitte Haskins & Sells LLP, Chartered Accountants, Mumbai (ICAI Registration Number -117366W/W-100018), have confirmed that the appointment, if made, would be acceptable to them and would be in compliance with the statutory requirements under the Companies Act, 2013 read with Rule 10 of the Companies (Audit and Auditors) Rules, 2014, as amended from time to time and SEBI LODR. The Board of Directors at its meeting held on 22nd April, 2017, basis recommendation of Audit Committee and subject to approval of the Shareholders, has appointed the M/s. Deloitte Haskins & Sells LLP as the Statutory Auditors of the Company, in place of M/s. B. K. Khare & Co., for a term of 5 consecutive years w.e.f. the conclusion of the 18th Annual General Meeting .

Accordingly, the Directors recommend the passing of the Resolution at Item No. 4 as an Ordinary Resolution.

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

Item No. 5

The Board of Directors at its meeting held on 28th July, 2016 has appointed Mr. Bharat Shah as an Additional Director of the Company in the category of Non-Executive Independent Director w.e.f. 1st August, 2016. Mr. Shah holds office upto the date of this Annual General Meeting in terms of Section 161 of the Companies Act, 2013 ("the Act") and in respect of whom the Company has received a Notice in writing from a member alongwith the deposit of the requisite amount under Section 160 of the Act proposing his candidature for the office of Director of the Company.

Pursuant to Sections 149 and 152 of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014, it is proposed that Mr. Bharat Shah who meets the criteria of Independence as provided in Section 149(6) of the Companies Act, 2013, 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 1st August, 2016.

Mr. Bharat Shah, is not disqualified from being re-appointed as Director by virtue of the provisions of Section 164 of the Companies Act, 2013.

In the opinion of the Board, Mr. Bharat Shah fulfils the conditions specified in the Companies Act, 2013 and Rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management of the Company. Having regard to the qualifications, knowledge and experience, his appointment for the first term of five consecutive years as Independent Director will be in the interest of the Company. Copy of the draft letter of appointment for Independent Director 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 his appointment as Non-Executive Independent Director in the interest of the Company.

Brief resume of Mr. Bharat Shah, nature of his expertise in specific functional areas, names of companies in which he holds directorships and memberships / chairmanships of Committees of the Board and his shareholding, etc. as stipulated under Regulation 36(3) of SEBI LODR and SS-2 on General Meetings, are provided in the Corporate Governance Report forming part of the Annual Report. Mr. Bharat Shah is not related to any Director or Key Managerial Personnel of the Company.

The Directors recommend passing of Resolution at Item No. 5 as a Ordinary Resolution.

None of the Directors are related to any of the Directors of the Company. Except Mr. Bharat Shah, who is interested in his appointment and his respective relatives, 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 this item of business.

Item No. 6

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 ("NCD") on private placement basis, is required to obtain the prior approval of the 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.

The borrowing of the Company as on the date of notice consists of secured NCDs, Fund & Non Fund based Credit Facilities from Banks by way of Cash Credit / Overdraft / Short Term loan / WCDL / LC / BG, etc. and Commercial Papers and, Short Term Loan from Banks aggregating ₹618 crore.

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 requirement, in line with the growth strategy of Company and general corporate purposes.

The members at the 17th Annual General Meeting of the Company held on 28th July, 2016 had approved a similar resolution, the validity of which shall be expiring on 27th July, 2017. 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 and / or other debt securities 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. 6, upto ₹ 750 crore within the overall borrowing limits of the Company, as approved by the members from time to time.

The Directors recommend passing of the Resolution at Item No. 6, as a Special Resolution.

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

Item No. 7

The Board of Directors, at its Meeting held on 28th July, 2016, on the recommendation of the Audit Committee and subject to approval of the members on the remuneration to be paid to the cost auditor, approved the appointment of CMA Vaibhav Prabhakar Joshi, Cost Accountant, Mumbai, as Cost Auditor of the Company for conducting the audit of the cost records of the Company, for the financial year ended on 31st March, 2017 at a remuneration of ₹ 1,35,000/- (Rupees One lakh Thirty-Five Thousand Only) plus reimbursement of out of pocket expenses incurred during the course of audit and applicable taxes.

Pursuant to Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, Members of the Company are required to determine the remuneration to be paid to the cost auditor of the Company.

Accordingly, consent of the Members is sought for passing an Ordinary Resolution as set out at Item No. 7, for ratification of the remuneration payable to the Cost Auditor for conducting the audit of the cost records of the Company, for the financial year ending 31st March, 2017.

Your Directors recommend passing of the Resolution at Item No. 7, 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. 8

The Board at its meeting held on 6th June, 2013, approved investment upto ₹500 Crore (Rupees Five Hundred Crore Only) in one or more tranches in Mahindra Homes Private Limited (presently Subsidiary company of the Company and earlier known as Watsonia Developers Private Limited and prior to that Watsonia Developers Limited) (MHomes), by way of subscribing to equity, convertible instruments, quasi - equity, debt or any combination thereof to enable MHomes to arrange funding for acquisition of land parcels / development rights.

The Company, SCM Real Estate (Singapore) Private Limited (SCM) and Mahindra Homes Private Limited (MHomes) had entered into a subscription agreement **("SA")** and a shareholders agreement **("SHA")**, for a 50:50 joint venture between the Company and SCM on 25th July, 2013.

Till date, the Company has invested ₹ 0.62 crore and ₹ 320.17 crore by subscribing to shares and debentures, respectively, aggregating ₹ 320.79 crore in MHomes and SCM has invested ₹ 2.16 crore and ₹ 320.17 crore by subscribing to shares and debentures, respectively, aggregating ₹ 322.33 Crore in MHomes. Pursuant to definitive agreements, SCM can further invest up to ₹ 177.67 crore and the Company shall make further investment upto ₹ 177.26 crore, in new projects to be undertaken by MHomes. The total combined investment of the Company and SCM shall be upto ₹ 354.93 crore. For the purpose of aforesaid investment by the Company in MHomes, the Company has obtained approval of the Members at the 17th AGM held on 28th July, 2016 and no further Shareholder approval is required for balance investment to be made in MHomes.

Presently, MHomes is developing, in collaboration with a developer, and land owning companies, a group housing project "Luminare" at NCR on approximately 6.79 acres and a residential project "Windchimes" at Bengaluru on approximately 5.85 acres.

The Company and SCM are considering investment in additional residential developments to be undertaken either through MHomes or through new Special Purpose Vehicle Company ("SPV company") to be identified / incorporated in joint venture between the Company and SCM to invest the balance amount as mentioned above of ₹ 354.93 crore. Such proposed investment may be by way of subscribing to equity, convertible instruments, quasi - equity, debt or any combination thereof to enable MHomes / the SPV company to arrange funding for acquisition of land parcels / development rights.

As the Company is engaged in the business of providing infrastructural facilities as envisaged under the Companies Act, 2013, pursuant to the provisions to 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. The said provisions are also not applicable to acquisition of shares if allotted in pursuance of Section 62 (1)(a) of the Companies Act, 2013.

The proposed investment in the SPV company may be construed as a 'Related Party' as defined under Section 2(76) of the Companies Act, 2013 and Regulation 2(1)(zb) of SEBI LODR and the applicable Accounting Standards.

In terms of provisions of Regulation 23 of SEBI LODR, a transaction with a Related Party shall be considered material if the transaction(s) to be entered into individually or taken together with the previous transactions during a financial year, will exceed 10 (Ten) percent of the annual consolidated turnover of the Company as per the last audited financial statement of the Company.

The proposed investment, if made, by the Company in SPV company up to ₹ 177.26 crore, in one or more tranches, as may be needed, will exceed 10 (Ten) percent of the annual consolidated turnover of the Company as per the last audited financial statement of the Company for the year 2016-17. Thus, in terms of Regulation 23(4) of SEBI LODR and Company's 'Policy on Materiality of and dealing with Related Party Transactions' and pursuant to applicable provisions of the Companies Act, 2013 and Rules made thereunder, the proposed investment would require the approval of Members by way of an Ordinary Resolution.

The particulars of the contracts / arrangements / transactions w.r.t. aforesaid proposal of investment, as envisaged under Rule15 of the Companies (Meetings of Board and its Powers) Rules, 2014 as amended, are given as under:

Particulars	**Information**
Name of Related Party	SPV company to be identified / to be incorporated in JV with SCM Real Estate (Singapore) Private Limited. ("proposed SPV company")
Name of Director(s) or Key Managerial Personnel who is related, if any, and nature of relationship.	Presently Not Applicable
Nature, material terms, monetary value and particulars of contracts or arrangements.	Further investment by the Company in the proposed SPV company, in terms of definitive documents to be executed with SCM Real Estate (Singapore) Private Limited (SCM) and the proposed SPV company upto ₹ 177.26 crore, in one or more tranches, to enable the proposed SPV company to undertake 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 the proposed SPV company to arrange funding for its proposed residential development projects in India, including acquisition of land parcels / development rights and preliminary development expenditure. These transactions will be in the ordinary course of business and will be conducted on an arm's length basis.
Whether the transactions have been approved by the Audit Committee	Yes. The proposed transactions shall be in accordance with the Related Party Transactions Policy of the Company and has been approved by the Audit Committee.
Any other information relevant or important for the Members to make a decision on the proposed transaction	None

As per Regulation 23(4) of SEBI LODR, all entities falling under the definition of related parties shall abstain from voting on such resolutions whether the entity is a related party to the particular transaction or not, wherein approval of material related party transactions is sought from shareholders.

The Directors recommend passing of the Resolution at Item No. 8 of the Notice, as an Ordinary Resolution by the unrelated shareholders.

No Director or any of the Key Managerial Personnel of the Company and their relatives are, in any way, financially or otherwise, deemed to be concerned or interested, in this item of business.

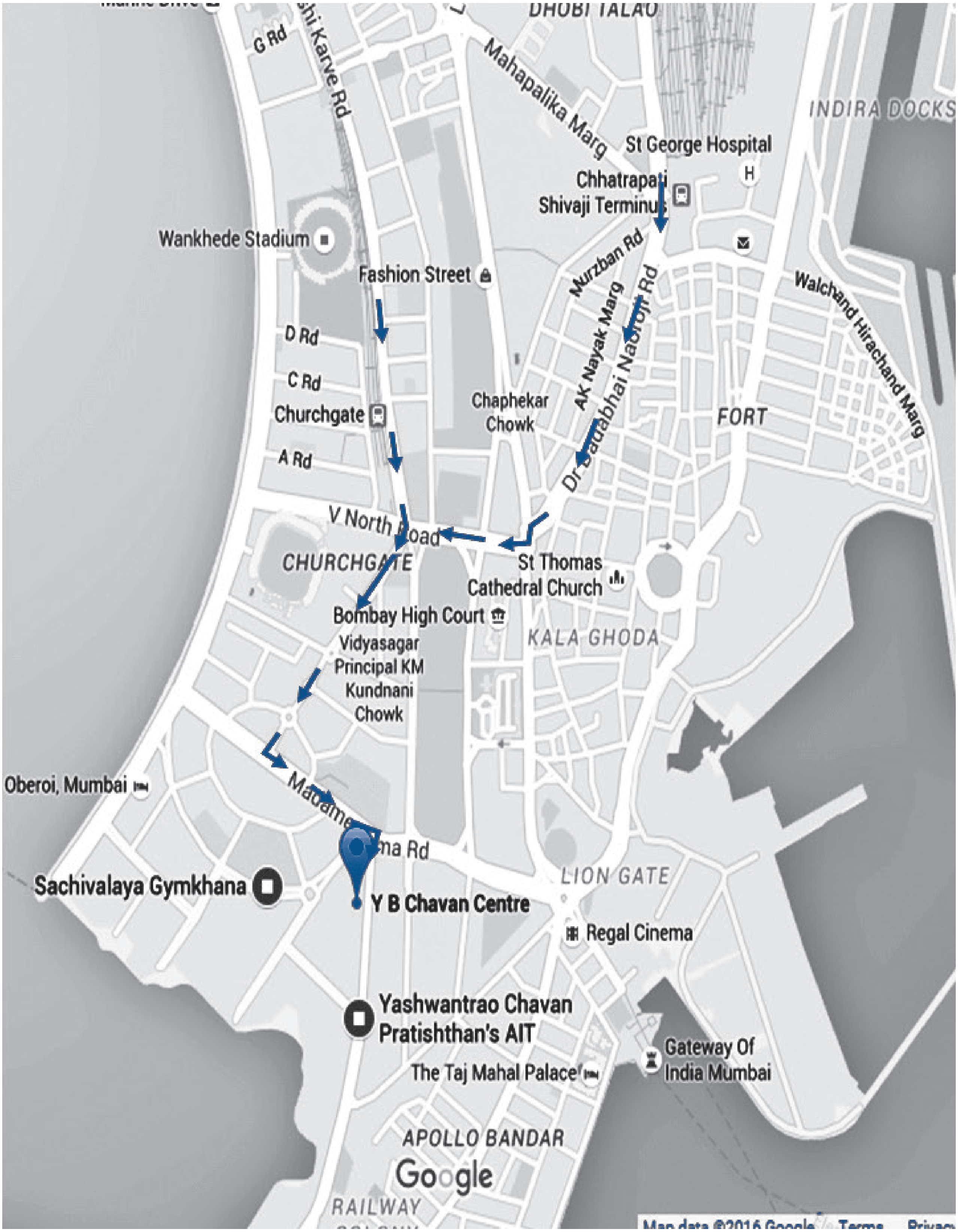
For and on behalf of Board,

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

Mumbai, 16th May, 2017

Registered Office
5th Floor, Mahindra Towers,
Worli, Mumbai 400 018

Route Map of AGM Venue



BOARD'S REPORT

Board's Report to the Members

Your Directors present their eighteenth report together with the audited financial statement of your Company for the year ended on 31st March, 2017.

FINANCIAL HIGHLIGHTS (STAND-ALONE)

(₹ in lakh)

	2017	2016
Income from Operations	**68,055**	50,211
Other Income	**7,265**	9,943
Total Income	**75,320**	60,154
Profit Before Depreciation, Finance cost and Taxation	**10,686**	16,749
Less : Depreciation	**434**	396
Profit Before Finance cost and Taxation	**10,252**	16,353
Less : Finance Cost	**3,197**	4,696
Profit Before Taxation	**7,055**	11,657
Less : Provision for Taxation		
• Current Tax	**2,349**	3,709
• Deferred Tax (including MAT Credit)	**(188)**	120
Profit After Tax	**4,894**	7,828
Add : Balance of Profit for earlier years	**50,120**	48,225
Amount available for appropriation		
Dividend paid* on Equity Shares (including tax on distributed profits)	**2,963**	2,798
Less/(Add): Transfer to/(from) Debenture Redemption Reserve	**(1,031)**	3,135
Balance carried forward	**53,082**	50,120

**Pursuant to applicable provisions of Indian Accounting Standards, the dividend amount mentioned in the columns for 2017 and 2016 represents the dividend amount paid (including tax on distributed profits) for the financial years 2016 and 2015, respectively.*

DIVIDEND

For the Financial Year 2016-17, your Directors have recommended a dividend of ₹ 6 per equity share of the face value of ₹ 10 each of the Company, i.e. 60 percent, payable to those shareholders whose names appear in the Register of Member as on the Book Closure Date.

The equity dividend outgo for the proposed dividend on equity shares for the financial year 2016-17 inclusive of tax on distributed profits (net of tax on distributed profits on dividend receivable from the subsidiaries during the current financial year) would absorb a sum of ₹ 2,753.91 lakh.

DIVIDEND DISTRIBUTION POLICY

In terms of Regulation 43A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR"), the Board of Directors of the Company at its meeting held on 27th October, 2016 has formulated and adopted 'Dividend Distribution Policy'. The Dividend Distribution Policy is attached herewith and marked as **Annexure 1** and is also available on the company's website at https://www.mahindralifespaces.com/media/1315/dividend-distribution-policy.pdf.

RESERVES

Out of the profits available for appropriation, no amount has been transferred to any reserves for the year under review.

OPERATIONS / STATE OF THE COMPANY'S AFFAIRS

The macro-economic environment in India during 2016 - 17 showed a moderate decline. According to the provisional estimates released by the Central Statistics Office, India's Gross Value Added (GVA) growth for 2016-17 is pegged at 6.6 per cent, compared to 7.9 per cent in the previous year. On the positive side, the impact of demonetisation on economic activity was not as pronounced over a longer period of time as was initially envisaged and economic activity showed some improvement towards the end of the year. As far as the real estate sector is concerned, while the overall demand situation remained muted during the first half of the year, the same was further impacted during the November to January period. However, since then, enquiry levels improved, which if sustained can help improve the overall demand situation.

In the residential segment, the Company, along with its subsidiaries, sold 889 residential units aggregating 0.95 million square feet of saleable area in 2016-17. Construction activity was completed in six phases across three of its projects aggregating 0.93 million square feet during 2016-17, and taking the completed area to over 4.2 million square feet in the last two years. This also meant a significant increase in handovers. The Company handed over 2,254 units to its customers in 2016-17, almost three-times the 823 units handed over in the previous year.

In the integrated cities and the industrial clusters segment, over 75 acres of land leases were concluded during the year across the two operational World Cities in Jaipur and Chennai, compared to 29 acres in 2015-16. The Company expects to further benefit from the ability to market to a wider customer base at Jaipur upon conversion of the sector-specific SEZs into a multi-product SEZ. In addition, it is gearing up to launch two new industrial clusters near Chennai and Ahmedabad — in line with its strategy for growth in this segment.

Affordable housing continues to be an important growth area for the Company. Learnings from its two pilot projects at Avadi and Boisar have enabled the Company to structure a standardised model that can be scalable. The outlook in the affordable housing space is promising, especially with recent developments on the government policies front driven by the agenda of ‘Housing for All’.

A more detailed account of the Company’s operations is provided in the Management Discussion and Analysis Report, which forms a part of this Annual Report.

The standalone and consolidated financial statements for 2016-17 have been prepared in accordance with applicable Indian Accounting Standards (INDAS) and the corresponding figures for the previous year have been restated as per INDAS for the purpose of comparison.

The consolidated total income of your Company increased from ₹ 68,717 lakh in 2015-16 to ₹ 83,102 lakh in 2016-17. The consolidated Profit before tax (PBT) stood at ₹ 13,890 lakh in 2016-17 as compared to ₹ 13,752 lakh in 2015-16, whereas the consolidated profit after tax (PAT) and minority interest was ₹ 10,224 lakh in 2016-17 as compared to ₹ 9,170 lakh in 2015-16.

Total income of your Company as a standalone entity was ₹ 75,320 lakh as compared to ₹ 60,154 lakh in 2015-16. PBT was ₹ 7,055 lakh as compared to ₹ 11,657 lakh in 2015-16, whereas PAT was ₹ 4,894 lakh as compared to ₹ 7,828 lakh in 2015-16. Total income in 2016 -17 includes dividend income of ₹ 824 lakh received from its subsidiary company Mahindra World City (Jaipur) Limited. In 2015-16, the Company had received dividend income of ₹ 629 lakh from Mahindra World City (Jaipur) Limited and ₹ 178 lakh from Mahindra World City Developers Limited, subsidiaries of the Company.

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

AWARDS AND RECOGNITION

Your Company and its subsidiaries received several awards and recognitions during 2016-17. Some of the prestigious awards are:

- Mahindra Lifespace Developers Ltd was ranked 28th amongst Top 100 companies in Asia in the 2016 Channel NewsAsia Sustainability Ranking.
- Mahindra Lifespace Developers Ltd was ranked 2nd in the Diversified/Listed Category-Asia in the 2016 Global Real Estate Sustainability Benchmark (GRESB) Rankings.
- Mahindra Lifespace Developers Ltd was awarded the 2016 Porter Prize for Excellence in Governance.
- Mahindra Lifespace Developers Ltd was selected as a “2016 Working Mother and AVTAR 100 Best Company for Women in India”.
- Splendour by Mahindra Lifespaces Developers Ltd was among the Top 3 projects around the world to be honoured with the ‘Global Human Settlements Model of Residential Area’ at the United Nations Conference on Housing and Sustainable Urban Development.
- Three projects by Mahindra Lifespaces Developers Ltd — Windchimes in Bengaluru, Luminare in Gurgaon and Antheia in Pune — were conferred with the Vishwakarma

Award for Health, Safety and Environment by the Construction Industry Development Council.

- Happinest Avadi received the 'Best Low Cost Housing Apartment Project of the Year' award at the NDTV Property Awards 2016.
- Mahindra World City Jaipur received the CSR Excellence Award by the Department of Industries and CSR, Government of Rajasthan under 'Life on Land' category.

SHARE CAPITAL

During the year, the Company has allotted 20,400 equity shares of ₹ 10 each at an exercise price of ₹ 10 per share to the eligible grantees pursuant to exercise of stock options granted under Employee Stock Option Scheme - 2012 (ESOS - 2012). No Stock Options were exercised under Employee Stock Option Scheme – 2006 (ESOS – 2006).

Consequently, during the year, the issued equity share capital has increased from ₹ 4,107.40 lakh to ₹ 4,109.44 lakh and the subscribed and paid up equity share capital of the Company has increased from ₹ 4,103.32 lakh to ₹ 4,105.36 lakh.

In April 2017, the Company has allotted 2,050 equity shares of ₹ 10 each at an exercise price of ₹ 10 per share to the eligible grantees pursuant to exercise of stock options granted under ESOS - 2012. Consequently, the issued equity share capital has increased from ₹ 4,109.44 lakh to ₹ 4,109.65 lakh and the subscribed and paid up equity share capital of the Company has increased from ₹ 4,105.36 lakh to ₹ 4,105.56 lakh.

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 (now corresponding to Section 126 of the Companies Act, 2013), 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.

RIGHTS ISSUE

The Board of Directors had at its meeting held on 27th October, 2016, approved Rights Issue upto an amount of ₹ 300 crore. The Rights Issue of 10,273,600 equity shares at a price of ₹ 292 (including face value of ₹ 10 each) per equity share aggregating ₹ 2,99.99 crore in the ratio of 1:4, that is, 1 (one) Right Equity Share for every 4 (four) fully paid-up equity shares of the Company held by the Equity Shareholders on the Record Date i.e. 31st March, 2017. The Rights Issue was opened on 12th April, 2017, and closed on 26th April, 2017 (both days inclusive). The Rights Issue proceeds are being utilized for the purpose of the Issue, i.e. payment of Rights Issue expenses, repayment of debt and for general corporate purposes. There is no deviation in the use of Rights Issue proceeds from the objects stated in the Letter of Offer dated 27th March, 2017. The Right Issue was subscribed 129.18 percent of the Issue size in terms of number of equity shares applied. The Basis of Allotment was finalized on 4th May, 2017 in consultation with the BSE Limited, the Designated Stock Exchange. Accordingly, the basis of allotment was approved and 10,263,388 Equity Shares of face value of ₹ 10 each, issued at a price of ₹ 292 per Equity Share (including a premium of ₹ 282 per Equity Share) fully paid up were allotted on 5th May, 2017 by the Rights Issue Committee. The said equity shares have been listed on the BSE Limited and National Stock Exchange of India Limited and they rank pari-passu with the existing equity shares in all respects. The allotment of 10,212 Rights Equity Shares have been kept in abeyance pursuant to provisions of the Companies Act, 2013, till such time the title of the bona-fide owner of the shares is certified by the concerned Stock Exchange or the Special Court (Trial of offenses relating to transactions in Securities).

Consequently, the issued equity share capital has increased from ₹ 4,109.65 lakh to ₹ 5,137.01 lakh and the subscribed and paid up equity share capital of the Company has increased from ₹ 4,105.56 lakh to ₹ 5,131.90 lakh. The Securities Premium account has increased from ₹ 68,495.25 lakh to ₹ 97,438.00 lakh.

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 lakh each for cash at par, aggregating ₹ 50,000 lakh (Rupees Fifty Thousand lakh Only) vide Series I, Series II, and Series III on Private Placement basis. The proceeds of the NCDs issue have been fully utilized for the purposes of the issue.

Series I and II of Secured Listed Rated Redeemable 10.78 per cent YTM, comprising of 1,250 and 1,750 Non-Convertible Debentures (NCDs) with a face value of ₹ 10 lakh each aggregating ₹ 30,000 lakh (Rupees Thirty Thousand lakh

Only) were redeemed in accordance with the terms of NCDs on 4th April, 2016 and 3rd April, 2017, respectively along with redemption premium. In terms of the issue, the Series III of Secured Listed Rated Redeemable 10.78 per cent YTM, Non-Convertible Debentures amounting to ₹ 20,000 lakh (Rupees Twenty Thousand lakh) are due for redemption on 4th April, 2018.

EMPLOYEE STOCK OPTIONS SCHEME

During the Financial Year 2016-17, in accordance with the ESOS–2012, the Nomination and Remuneration Committee had on 28th July, 2016, approved grant of total 30,000 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. No Stock Options have been granted under ESOS – 2006.

There is no scheme as envisaged under section 67 of the Companies Act, 2013 in respect of shares on which voting rights are not directly exercised by the employees.

There are no material changes made to the existing schemes i.e. ESOS – 2006 and ESOS – 2012. The existing schemes are implemented in compliance with Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and other applicable Regulations and Circulars in force from time to time.

The Information that the Company is required to disclose in relation to ESOS-2006 and ESOS-2012 under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 is uploaded on the website of the Company at https://www.mahindralifespaces.com/investors/disclosures-under-sebi

HOLDING COMPANY

At the beginning of the Financial Year 2016-17, the Promoter and the Holding Company i.e. Mahindra and Mahindra Limited (M&M) was holding 2,08,46,126 equity shares representing 50.80 percent of the total paid up equity capital of the Company. Consequent to the allotment of equity shares in the Rights Issue of the Company, M&M, as on the date of this report, holds 2,64,39,850 equity shares which represents 51.52 percent of the total paid up equity capital of the Company.

The Company continues to be a Subsidiary Company of M&M. All subsidiary companies of the Company are consequently subsidiary companies of M&M.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES AS PER COMPANIES ACT, 2013

A report highlighting performance of each of the subsidiaries, associates and joint venture companies as per the Companies Act, 2013, and their contribution to the overall performance of the Company is Annexed to the Consolidated Financial Statement.

The policy for determining material subsidiaries is available on the Company's website at the link: https://www.mahindralifespaces.com/media/1323/policy-for-determining-material-subsidiaries.pdf

SUBSIDIARY COMPANIES

Mahindra World City (MWC), Chennai, is implemented by Mahindra World City Developers Limited (MWCDL), currently an 89:11 joint venture between the Company and the Tamil Nadu Industrial Development Corporation Limited (TIDCO), respectively. 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 2016-17, the project had a total area of 1524 acres. With greater stabilization in the business zone, the focus is now on developing the residential and social infrastructure.

Mahindra World City, Jaipur, is being implemented by Mahindra World City (Jaipur) Limited (MWCJL), a 74:26 joint venture between the Company and Rajasthan State Industrial Development & Investment Corporation Limited (RIICO), a Government of Rajasthan enterprise, respectively. Mahindra World City, Jaipur is being developed as a Multi-Product Special Economic Zone and a Domestic Tariff Area for which 2,913 acres have already been acquired. Currently, the project has five SEZ zones (2 in IT/ITES, 1 each in Handicrafts, Engineering & Related Industries, Gems & Jewellery), a Domestic Tariff Area and a Social and Residential zone. Going forward, the focus will continue to be on sale of industrial land in the project. Application by MWCJL for amalgamating sector specific SEZs into a multi-product SEZ has been approved by Board of Approvals, Ministry of Commerce, Government of India at its 74th meeting held on January 6, 2017. The multiproduct SEZ notification is awaited.

Mahindra Integrated Township Limited (MITL) is engaged as a co-developer in developing residential township area at Mahindra World City, New Chennai. Its current developments include 'Iris Court' and 'Nova'. Additionally, MITL is in the process of obtaining approvals for its next project at MWC comprising around 1.08 million square feet of estimated saleable area. After exculding the area under the above projects, MITL still has approximately 120 acres to be developed in phases for offering products in different formats and segments. MITL is 96.30 per cent owned by the Company.

Mahindra Residential Developers Limited (MRDL), which is a wholly owned subsidiary of Mahindra Integrated Township Limited (MITL), and 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'.

Mahindra Bebanco Developers Limited (MBDL) is a 70:30 joint venture between the Company and B.E. Billimoria & Co. Limited, one of the leading construction companies in India, respectively. This company is developing a residential complex across approximately 25.2 acres at Multi-modal International Hub Airport at Nagpur (MIHAN). During the year, certain disputes arose between the Company and the main contractor M/s. B.E. Billimoria & Co. Ltd. The matter is presently sub-judice and the Company, in consultation with lawyers, is taking necessary steps to protect the interest of the Company and its customers.

Mahindra Homes Private Limited (MHPL) (earlier known as Watsonia Developers Private Limited and prior to that Watsonia Developers Limited), is a 74.98 : 25.02 joint venture between the Company and SCM Real Estate (Singapore) Private Limited (SCM) and is developing in collaboration with a developer, and land owning companies, a group housing project "Luminare" at NCR on approximately 6.80 acres and a residential project "Windchimes" at Bengaluru on approximately 5.90 acres. The company is exploring the possibility of undertaking additional projects in residential development segment in India. At the beginning of the 2016-17, MHPL was a 50:50 joint venture between the Company and SCM. On 30th March, 2017, MHPL allotted in its Right Issue 4,11,251 Series A equity shares (with voting rights) of face value ₹ 10 each to the Company. Pursuant to the allotment, the shareholding of the Company in Series A equity shares (with voting rights) of MHPL has increased from 50 percent to 74.99 percent. Basis the overall paid up share capital of MHPL, the shareholding of the Company in MHPL increased from 50.00 percent to 74.98 percent. SCM Real Estate (Singapore) Private Limited holds 25.02 percent of the paid-up share capital as a joint venture partner in MHPL. Pursuant to the increase in shareholding, MHPL became a subsidiary of the Company, and an indirect subsidiary of the Promoter of the Company, viz Mahindra and Mahindra Limited.

Mahindra Industrial Park Chennai Limited (MIPCL), is a 60:40 joint venture between the MWCDL and Sumitomo Corporation, Japan. Accordingly, MIPCL is a subsidiary of MWCDL and consequently, a subsidiary of the Company. MIPCL is setting up an industrial cluster in North Chennai (the NH-16 corridor) on approximately 264 acres.

Mahindra Infrastructure Developers Limited (MIDL), a wholly owned subsidiary of the 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.

Mahindra World City (Maharashtra) Limited (MWCML), is a wholly owned subsidiary of the Company, which was set up to undertake large format development. The Company is looking out for an appropriate business opportunity to take up projects in real estate development. The Board of Directors of MWCML has approved a Scheme of Amalgamation amalgamating Raigad Industrial & Business Park Limited, a wholly owned subsidiary company of the Company, Topical Builders Developers Private Limited and Kismat Developers Private Limited, associate companies of the Company, with MWCML and accordingly, a Scheme of Amalgamation has been filed with National Company Law Tribunal, Mumbai Bench.

Knowledge Township Limited (KTL), a wholly owned subsidiary of the Company will be developing an industrial park in Maharashtra for which the company is in the process of procuring the required land area.

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

Raigad Industrial & Business Park Limited (RIBPL), a wholly owned subsidiary of the Company is in the business of real estate development.

Anthurium Developers Limited (ADL) a wholly owned subsidiary of the 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 the Company has acquired approximately 268 acres of contiguous land at Jansali near Ahmedabad for setting up an industrial cluster.

Mahindra Water Utilities Limited (MWUL) is engaged in the business of operation and maintenance service for water and sewerage facilities at Tirupur, India and is a 98.99 percent subsidiary of Mahindra Infrastructure Developers Limited and consequently, a subsidiary of the Company.

JOINT VENTURE COMPANIES

There is no direct joint venture company of the Company, except, Mahindra World City Developers Limited, Mahindra World City (Jaipur) Limited, Mahindra Homes Private Limited and Mahindra Bebanco Developers Limited which are joint venture subsidiary companies and have been dealt in the section of Subsidiary Companies.

ASSOCIATE COMPANIES

Topical Builders Developers Private Limited (TBPL), Kismat Developers Private Limited (KDPL) and Mahindra Knowledge Park (Mohali) Limited, are the associate companies of the Company.

During the year, Mahindra Homes Private Limited, which was an associate company (50: 50 joint venture company with SCM) ceased to be associate company and became a subsidiary of the Company. No other company has become or 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 the Companies Act, 2013 and applicable Accounting Standards along with all relevant documents and the Auditors' Report forms part of this Annual Report.

The financial statements of Subsidiaries companies are not attached along with the financial statements of the Company. Separate audited financial statement of each of the subsidiaries is placed on the website of the Company at web link: https://www.mahindralifespaces.com/investors/financial-information.

The Company will provide the financial statements of subsidiaries upon receipt of a written request from any member of the Company interested in obtaining the same. The financial statement of subsidiaries 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 with the requirements of Corporate Governance as stipulated under Para E of Schedule V of the SEBI LODR forms part of this Annual Report.

SUSTAINABLE DEVELOPMENT AND BUSINESS RESPONSIBILITY REPORT

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 Business Responsibility Report.

The Business Responsibility Report (BRR) for the financial year 2016-17 as required by Regulation 34(2)(f) of SEBI LODR forms part of this Annual Report.

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. The Company, in every financial year, in line with the new 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 Mr. Arun Nanda — Non-Executive Non-Independent Director, Mr. Shailesh Haribhakti — Non Executive Independent Director and Ms. Anita Arjundas — Managing Director & CEO. The role of the Committee is to formulate and recommend a CSR policy to the Board, to recommend 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 https://www.mahindralifespaces.com/media/1050/corporate-social-responsibility-csr-policy.pdf

The Company's CSR activities have traditionally focused on education, skill development, health, environment and promoting sustainable practices.

The objective of the 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 Employee Social Options.

The Company's commitment to CSR will be manifested by investing resources in any of the areas stipulated in Schedule VII to the Companies Act, 2013. The Company gives preference to the local area and area around it where it operates for spending the amounts earmarked for CSR activities.

Of the total budget of ₹ 520.59 lakh for financial year 2016-17(including ₹ 132.73 lakh being unspent amount of the previous year), the Company has spent ₹ 481.49 lakh as per the approved CSR plan for financial year 2016-17. The balance ₹ 39.11 lakh which was earmarked for the purpose of education, environment, Swachh Bharat and for promoting health measures remained unspent for following reasons:

1. ₹ 0.91 lakh of Gyandeep remained unspent due to closure of one of the schools
2. ₹ 27.67 lakh of Project Hariyali remained unspent due to unsuitable forest land parcel
3. ₹ 8.82 lakh of Gram Vikas – Local infrastructure, ₹ 0.95 lakh of Swachh Bharat, ₹ 0.53 lakh of health check-up camps and ₹ 0.23 lakh of Environmental Sustainability, eradication of Poverty and Mal-nutrition remained unspent due to local community issues.

In view of the above, the Board has approved that unspent amount of ₹ 39.11 lakh, out of the minimum required CSR expenditure of the financial year 2016-17 be carried forward to the next year and the carried forward amount shall be over and above the next year's CSR allocation equivalent to at least 2 per cent of the average net profit of the Company of the immediately preceding three years.

The annual report on the CSR activities in the prescribed format is at **Annexure 2** to this Report.

DIRECTORS

Pursuant to Section 152 of the Companies Act, 2013 and Article 116 of the Articles of Association of the Company, Mr. Arun Nanda (DIN: 00010029) Non-Executive Non-Independent Director retires by rotation at the 18th Annual General Meeting of the Company and being eligible has offered himself for re-appointment.

Pursuant to Section 152, 160, 161 and all other applicable provisions of the Companies Act, 2013 and Article 128 of the Articles of Association of the Company, Mr. Bharat Shah (DIN: 00136969), a Non-Executive Independent Director who was appointed as an Additional Director with effect from 1st August, 2016, shall hold office as per the provisions of Section 161 of the Companies Act, 2013, till the date of the ensuing Annual General Meeting. The Company has received a notice as per the provisions of Section 160(1) of the Companies Act, 2013 from a Member in writing proposing his candidature for the office of Director along with requisite deposit.

Brief resume of Mr. Arun Nanda and Mr. Bharat Shah, nature of their expertise in specific functional areas, names of companies in which they hold directorships and memberships / chairmanships of Board, Committees and shareholding as stipulated under Regulation 36(3) of SEBI LODR, 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. Both Directors i.e. Mr. Arun Nanda and Mr. Bharat Shah are not disqualified from being re-appointed / appointed as Directors by the provisions of Section 164 of the Companies Act, 2013.

Pursuant to the provisions of the Companies Act, 2013 and Part D of Schedule II of SEBI LODR, 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 was carried out by the Independent Directors. The performance evaluation of the Chairman of the Company was also carried out by the Independent Directors, taking into account the views of the Executive Director and Non-Executive Directors. Evaluation of Independent Directors was carried out by the entire Board of Directors, excluding the Director being evaluated. Structured questionnaires, 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. were circulated to the Directors for the evaluation process. The Directors expressed their satisfaction with the evaluation process.

The Company has received declarations from each of the Independent Directors confirming that they meet the criteria of independence as provided in sub-section 6 of Section 149 of the Companies Act, 2013 and Regulation 16(1) (b) of SEBI LODR.

The details of familiarization programme for Independent Directors have been disclosed on website of the Company and is available at the link https://www.mahindralifespaces.com/investors/disclosures-under-sebi

The following policies of the Company are attached herewith and marked as **Annexure 3, Annexure 4** and **Annexure 5:**

1. Policy on appointment of Directors and Senior Management **(Annexure 3)**
2. Policy on Remuneration of Directors **(Annexure 4)** and
3. Policy on Remuneration of Key Managerial Personnel and Employees **(Annexure 5)**

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 (KMP)

The Company has 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

During the year under review, there was no change in the KMP of the Company.

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, Secretarial Standards – 1 (SS-1) issued by the Institute of Company Secretaries of India and SEBI LODR.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, the Directors, based on the representations received from the operating management and after due enquiry, confirm that:

(a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(b) 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 31st March, 2017 and of the profit of the Company for that period;

(c) 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;

(d) they had prepared the annual accounts on a going concern basis;

(e) they had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and

(f) 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 statements. The Audit Committee of the Board reviews the internal control systems, the adequacy of internal audit function and significant internal audit findings with the management, Internal Auditors and Statutory Auditors.

AUDIT COMMITTEE

The Audit Committee of the Company as on 31st March, 2017 comprised of three independent Directors, namely Mr. Sanjiv Kapoor, Mr. Shailesh Haribhakti, Dr. Prakash Hebalkar and one Non-Executive Non-Independent Director, Dr. Anish Shah. Mr. Sanjiv Kapoor is the Chairman of the Committee.

All members of the Audit Committee possess strong knowledge of accounting and financial management. The Chairman of the Company, 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 Chairman of the Audit Committee. The significant audit observations and corrective actions as may be required and taken by the management are presented to the Audit Committee. The Board has accepted all recommendations made by the Audit Committee from time to time.

VIGIL MECHANISM / WHISTLE BLOWER MECHANISM

The Company has established a vigil mechanism by adopting a Whistle Blower Policy for stakeholders including directors and employees of the Company and their representative bodies to report genuine concerns in the prescribed manner to freely communicate their concerns / grievances about illegal or unethical practices in the Company, actual or suspected, fraud or violation of the Company's Code or Policies. The vigil mechanism is overseen by the Audit Committee and provides adequate safeguards against victimisation of stakeholders who use such mechanism. It provides a mechanism for stakeholders to approach the Chairman of Audit Committee or Chairman of the Company or the Corporate Governance Cell consisting of Head - Legal & Secretarial, Chief Financial Officer and Chief Ethics Officer (Head-Human Resources). During the year, no such incidence was reported and no person was denied access to the Chairman of the Audit Committee or to the Chairman of the Company or to the Corporate Governance Cell. The Whistle Blower Policy of the Company is available at web link https://www.mahindralifespaces.com/media/1318/whistle-blower-policy.pdf

RISK MANAGEMENT

The Company has in place a process to inform the Board about the risk assessment and minimisation procedures. It has an appropriate risk management system in place for identification and assessment of risks, measures to mitigate them, and mechanisms for their proper and timely monitoring and reporting. Presently, Regulation 21 of the SEBI LODR with respect to Risk Management Committee is not applicable to your Company. However, the Company has constituted a "Risk Management Committee" consisting of Mr. Shailesh Haribhakti, Non-Executive Independent Director and Ms. Anita Arjundas, Managing Director & CEO of the Company, and the Chief Financial Officer, for monitoring and reviewing of the risk assessment, mitigation and risk management plan from time to time. The Board reviews implementation and monitoring of the risk management plan for the Company including identification of risks, if any, which in the opinion of the Board may threaten the existence of the Company.

AUDITORS

The Shareholders of the Company at the 17th Annual General Meeting of the Company held on 28th July, 2016, had appointed M/s. B. K. Khare & Co., Chartered Accountants, Mumbai (Registration Number- 105102W), as Statutory Auditors of the Company to hold office from the conclusion of the 17th Annual General Meeting until the conclusion of the 18th Annual General Meeting to conduct the audit of the Accounts of the Company.

Under section 139(2) of the Companies Act, 2013 and Rules framed thereunder, it is mandatory to rotate the Statutory Auditors on completion of term including the transition period permitted under the said section.

M/s. B. K. Khare & Co., Chartered Accountants have held office as Statutory Auditor of the Company from the conclusion of the 3rd AGM i.e. from 25th September, 2002. Pursuant to section 139(2) of the Companies Act, 2013 read with Rules framed thereunder, M/s. B. K. Khare & Co., Chartered Accountants have completed a period of more than 10 years on the commencement of the Companies Act, 2013 and have completed the transition period of 3 years from the date of commencement of the Companies Act, 2013.

In terms of said section, M/s. B. K. Khare & Co will be holding the office of Statutory Auditors up to the conclusion of the forthcoming 18th Annual General Meeting.

Accordingly, the Board of Directors, based on the recommendation of Audit Committee and subject to approval of the Shareholders at the ensuing 18th Annual General Meeting, has proposed to appoint M/s. Deloitte Haskins & Sells LLP, Chartered Accountants, Mumbai (ICAI Registration Number -117366W/W-100018) as Statutory Auditors of the Company for a term of 5 consecutive years from the conclusion of the 18th Annual General Meeting till the conclusion of the 23rd Annual General Meeting to be held in the calendar year 2022 (subject to ratification of their appointment at every AGM), to conduct the audit of the Accounts of the Company, at such remuneration as may be mutually agreed upon between the Board of Directors of the Company and the Auditors.

The Company has also received a written consent and a certificate from M/s. Deloitte Haskins & Sells LLP, Chartered Accountants, to the effect that their appointment if made, would be in accordance with the provision of Section 139 and that they satisfy the criteria provided in section 141 of the Companies Act, 2013 read with Rules framed thereunder.

The Board places on record its appreciation for the services rendered by M/s. B. K. Khare & Co, Chartered Accountants, during their tenure as the Statutory Auditors of the Company.

The notes of the financial statements referred to in the Auditors' Report issued by M/s. B. K. Khare & Co for the financial year ended on 31st March, 2017 are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation or adverse remark.

COST AUDITORS

The Board of Directors, on recommendation of the Audit Committee, has appointed CMA Vaibhav Prabhakar Joshi, Practising Cost Accountant, Mumbai, as Cost Auditor of the Company to conduct audit of the cost records maintained by the Company for the financial year 2016-17. CMA Vaibhav Prabhakar Joshi has confirmed that his appointment is within the limits of Section 141(3)(g) of the Companies Act, 2013 and has also certified that he is free from any disqualification specified under Section 141(3) and proviso to Section 148(3) read with Section 141(4) of the Companies Act, 2013.

As per the provisions of the Companies Act, 2013, the remuneration payable to the Cost Auditor is required to be placed before the Shareholders in a General Meeting for their ratification. Accordingly, a resolution seeking Shareholders' ratification for the remuneration payable to CMA Vaibhav Prabhakar Joshi, Practising Cost Accountant is included in the Notice convening the Annual General Meeting.

SECRETARIAL AUDITOR

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board has appointed M/s. Martinho Ferrao & Associates, Practising Company Secretaries, to conduct the secretarial audit of the Company for the financial year(s) commencing on and from 1st April, 2014. The Secretarial Audit report for the financial year ended 31st March, 2017, is annexed herewith and marked as **Annexure 6** 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 the 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.45.

Particulars of investment made under Section 186 of the Companies Act, 2013 are provided in the standalone financial statement at Note no. 7.

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

All Related Party Transactions entered into during the year were in the Ordinary Course of Business and on arms' length basis. During the year under review, your Company had entered into Material Related Party Transactions, i.e. transactions exceeding ten percent of the annual consolidated turnover as per the last audited financial statements, details of which, as required to be provided under section 134(3)(h) of the Companies Act, 2013 are disclosed in Form AOC-2 marked as **Annexure 7** to this Report.

The Policy on materiality of related party transactions and on dealing with related party transactions as approved by the Board may be accessed on the Company's website at the link https://www.mahindralifespaces.com/media/1322/policy-on-materiality-of-and-dealing-with-related-party-transactions.pdf

The Directors draw attention of the members to Note no. 36 to the standalone financial statement which sets out related party disclosures.

DEPOSITS, LOANS AND ADVANCES

The Company has not accepted any deposits 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 Regulation 34(3) and 53 (f) read with Schedule V of the SEBI LODR with the Company, is annexed herewith and marked as **Annexure 8** to this Report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Information 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 is given in the **Annexure 9** to this report.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

Disclosures with respect to the remuneration of Directors, KMPs and employees as required under 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 given in **Annexure 10** to this Report.

Details of employee remuneration as required under provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5(2) & 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are available at the Registered Office of the Company 21 days before the Annual General Meeting during working hours and shall be made available to any shareholder on request. Such details are also available on your Company's website at: https://www.mahindralifespaces.com/investors/disclosures-under-sebi

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 11** and forms part of this Report.

GENERAL

No fraud has been reported during the audit conducted by the Statutory Auditors, Secretarial Auditors and Cost Auditors of the Company.

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

During the year ended on 31st March, 2017, there were no cases filed / reported pursuant to the Sexual Harassment of women at workplace (Prevention, Prohibition and Redressal) Act, 2013.

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.

DISCLAIMER

The Company is currently in the process of registering its ongoing projects in the applicable jurisdictions / States under the Real Estate (Regulation and Development) Act, 2016 ("RERA") and wherever the Rules under RERA have been notified by the respective States in which company has projects. Till such time, the projects that are required to be registered under RERA are registered, none of the images, material, projections, details, descriptions and other information that are mentioned in the Annual Report for the year 2016-17, should be deemed to be or constitute advertisements, solicitations, marketing, offer for sale, invitation to offer, invitation to acquire, including within the purview of the RERA.

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

Arun Nanda
Chairman
DIN: 00010029

Place: Mumbai
Date: 16th May, 2017

ANNEXURE 1

DIVIDEND DISTRIBUTION POLICY

The Dividend Distribution Policy ("the policy") establishes the principles to ascertain amounts that can be distributed to equity shareholders as dividend by the Company as well as to enable the Company strike a balance between pay-out and retained earnings, in order to address future needs of the Company. The policy shall come into force for accounting periods beginning from 1st April, 2016.

Dividend would continue to be declared on per share basis on the Ordinary Equity Shares of the Company having face value of ₹ 10 each. The Company currently has not issued any other class of shares. Therefore, dividend declared will be distributed amongst all shareholders, based on their shareholding on the record date.

Dividends will generally be recommended by the Board once a year, after the announcement of the full year results and before the Annual General Meeting (AGM) of the shareholders, out of the profits of the Company for current year or out of profits of the Company for any previous financial years or out of both, as may be permitted under the Companies Act, 2013 ("the Act").

In the event of inadequacy or absence of profits in any year, the Board may recommend to declare dividend out of the accumulated profits earned by the Company in any previous financial years and transferred to free reserves, provided such declaration of dividend shall be in accordance with the provisions of the Act and Rules framed thereunder.

The Board may also declare interim dividend as may be permitted by the Act.

The Company has a consistent dividend policy that balances the objectives of appropriately rewarding shareholders through dividends and to support the future growth.

As in the past, subject to the provisions of the applicable law, the Company's dividend payout will be determined based on available financial resources, investment requirements and taking into account optimal shareholder return. Within these parameters, the Company would endeavor to maintain a total dividend pay-out (including dividend distribution tax) ratio in the range of 20 percent to 35percent of the annual standalone Profits after Tax (PAT) of the Company.

While determining the nature and quantum of the dividend payout, including amending the suggested payout range as above, the Board would take into account the following factors:

- Internal Factors:
  - i. Profitable growth of the Company and specifically, profits earned during the financial year as compared with:
    - a. Previous years and
    - b. Internal budgets,
  - ii. Cash flow position of the Company,
  - iii. Accumulated reserves
  - iv. Earnings stability
  - v. Future cash requirements for organic growth/ expansion and/or for inorganic growth,
  - vi. Brand acquisitions,
  - vii. Current and future leverage and, under exceptional circumstances, the amount of contingent liabilities,
  - viii. Deployment of funds in short term marketable investments,
  - ix. Long term investments,
  - x. Capital expenditure(s), and
  - xi. The ratio of debt to equity (at net debt and gross debt level).
- External Factors:
  - i. Business cycles,
  - ii. Economic environment,
  - iii. Cost of external financing,
  - iv. Applicable taxes including tax on dividend,
  - v. Industry outlook for the future years,
  - vi. Inflation rate, and
  - vii. Changes in the Government policies, industry specific rulings & regulatory provisions.

Apart from the above, the Board also considers past dividend history and sense of shareholders' expectations while determining the rate of dividend. The Board may additionally recommend special dividend in special circumstances.

The Board may consider not declaring dividend or may recommend a lower payout for a given financial year, after analyzing the prospective opportunities and threats or in the event of challenging circumstances such as regulatory and financial environment. In such an event, the Board will provide rationale in the Annual Report.

The retained earnings of the Company may be used in any of the following ways:

i. Capital expenditure for working capital,
ii. Organic and/ or inorganic growth,
iii. Investment in new business(es) and/or additional investment in existing business(es),
iv. Declaration of dividend,
v. Capitalisation of shares,
vi. Buy back of shares,
vii. General corporate purposes, including contingencies,
viii. Correcting the capital structure,
ix. Any other permitted usage as per the Companies Act, 2013.

Information on dividends paid in the last 10 years is provided in the Annual Report.

This policy may be reviewed periodically by the Board. Any changes or revisions to the policy will be communicated to shareholders in a timely manner.

The policy will be available on the Company's website at https://www.mahindralifespaces.com/media/1315/dividend-distribution-policy.pdf

The policy will also be disclosed in the Company's annual report.

For and on behalf of the Board

Arun Nanda
Chairman
DIN: 00010029

Place: Mumbai
Date: 16th May, 2017

ANNEXURE 2
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) Mahindra Lifespaces is driven by its mission of 'Transforming urban landscapes by creating sustainable communities'. The path towards transformation calls for building on our strengths to embrace and drive change. Our current focus areas for our CSR efforts include education, environment, skill development and preventive healthcare. This is in alignment with Mahindra Group's core purpose of challenging conventional thinking and innovatively using all resources to drive positive change in the lives of our stakeholders and communities, thus, enabling them to Rise. Inclusive development at all our project locations ensures that we grow with the communities surrounding us, thereby enabling truly sustainable living.

   b) The company has adopted CSR policy which is available on https://www.mahindralifespaces.com/media/1050/corporate-social-responsibility-csr-policy.pdf

2. The composition of the CSR Committee of the Board of Directors as on 31st March, 2017:

   Mr Arun Nanda — Chairman

   Ms Anita Arjundas — Member

   Mr Shailesh Haribhakti — Member

3. Average net profit of the company for last three financial years: ₹ 19,393 lakh

4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above): ₹ 387.86 lakh

5. Details of CSR spent during the financial year.

   (a) Total amount to be spent for the financial year: ₹ 520.59 lakh (including carried forward from previous year ₹ 132.73 lakh)

   (b) Amount unspent, if any: ₹ 39.11 lakh

   (c) Manner in which the amount spent during the financial year is detailed below,

(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 was undertaken**	**Amount outlay (budget) project or programs wise (₹ in lakh)**	**Amount spent on the projects or programs Sub heads: (1) Direct expenditure on projects or programs (2) Overhead (₹ in lakh)**	**Cumulative expenditure upto the reporting period (₹ in lakh)**	**Amount spent: Direct or through implementing agency**
1	Nanhi Kali	Education	Pan India	193.47	Direct expenditure: 193.47	193.47	Through: KC Mahindra Education Trust
2	Gyandeep – Construction of new school and supporting child education of nearby community and construction site	Education	Delhi, Pune, Bengaluru and Boisar	12.46	Direct expenditure: 11.55	11.55	Through NGO: Doorstep, Samarthanam, Shree Amrut vahini, We for You Society
3	Project Haryali	Environment	Mumbai, Delhi, and Pune	31.05	Direct expenditure: 3.38	3.38	Through : Various regional NGOs

(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 was undertaken**	**Amount outlay (budget) project or programs wise (₹ in lakh)**	**Amount spent on the projects or programs Sub heads: (1) Direct expenditure on projects or programs (2) Overhead (₹ in lakh)**	**Cumulative expenditure upto the reporting period (₹ in lakh)**	**Amount spent: Direct or through implementing agency**
4	Green Army - School activation project covered 8000 school children from 40 schools to inculcate sustainable living habits	Environment	Mumbai and Pune	7.64	Direct expenditure: 7.64	7.64	Through : Parishar Asha
5	Centre of Excellence on Sustainable Habitat	Environment	Delhi	200.00	Direct expenditure: 200.00	200.00	The Energy and Research Institute (TERI)
6	Swachh Bharat	Health	Gurgaon	2.25	Direct expenditure: 1.30	1.30	Shree Amrut vahini
7	Medical camps and Health Check up camps in village	Health	Mumbai, Alibaug, Delhi, Bengaluru	4.30	Direct expenditure: 3.77	3.77	Through : Various regional NGOs
8	Gram Vikas – Local infrastructure in nearby village	Rural Development	Boisar, Avadi, Delhi	61.89	Direct expenditure: 53.07	53.07	Shree Amrut vahini
9	Samantar/ Women empowerment	Women empowerment	Mumbai, Alibaug, Bengaluru	3.00	Direct expenditure: 3.00	3.00	Shree Amrut vahini
10	Station and city beautification and Blanket, food and clothes donation	Others (Environmental sustainability, Poverty and mal-nutrition)	Worli, Bengaluru	4.53	Direct expenditure: 4.30	4.30	Karmayogi Charitable Trust
	Total			**520.59**	**481.48**	**481.48**	

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:

   As on 31st March, 2017, an amount of ₹ 39.11 lakh remained unspent due to following reasons:

   A) ₹ 0.91 lakh of Gyandeep remained unspent due to closure of one of the school.

   B) ₹ 27.67 lakh of Project Hariyali remained unspent due to unsuitable forest land parcel.

   C) ₹ 8.82 lakh of Gram Vikas – Local infrastructure, ₹ 0.95 lakh of Swachh Bharat, ₹ 0.53 lakh of health check-up camps and ₹ 0.23 lakh of Environmental Sustainability, Poverty and Mal-nutrition remained unspent due to local community issues.

   The carried forward amount shall be over and above the next year's CSR allocation equivalent to atleast 2 percent of the average net profit of the Company of the immediately preceding three years.

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

Anita Arjundas
(Managing Director & CEO)
DIN: 00243215
Mumbai, 22nd April, 2017

Arun Nanda
(Chairman – CSR Committee)
DIN: 00010029
Mumbai, 22nd April, 2017

ANNEXURE 3

POLICY ON APPOINTMENT OF DIRECTORS AND SENIOR MANAGEMENT

DEFINITIONS

The definitions of some of the key terms used in this Policy are given below.

"Board" means Board of Directors of the Company.

"Company" means Mahindra Lifespace Developers Limited.

"Committee(s)" means Committees of the Board for the time being in force.

"Employee" means employee of the Company whether employed in India or outside India including employees in the Senior Management Team of the Company.

"HR' means the Human Resource department of the Company.

"Key Managerial Personnel" (KMP) refers to key managerial personnel as defined under the Companies Act, 2013 and includes:

(i) Managing Director (MD), or Chief Executive Officer (CEO); or Manager; or Whole time Director (WTD);

(ii) Chief Financial Officer (CFO); and

(iii) Company Secretary (CS).

"Nomination and Remuneration Committee" (NRC) means Nomination and Remuneration Committee of Board of Directors of the Company for the time being in force.

"Senior Management" means personnel of the Company who are members of its Core Management Team / Executive Council excluding Board of Directors comprising of all members of management one level below the executive directors including the functional heads.

I. APPOINTMENT OF DIRECTORS

- The NRC 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 (ID) 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.

II. 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 the Director subject to the compliance of the applicable statutory provisions.

III. 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

Arun Nanda
Chairman
DIN: 00010029

Place : Mumbai
Date : 16th May, 2017

ANNEXURE 4
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 guides us to focus on enhancing the value of the Company by attracting and retaining Directors for achieving objectives of the Company.

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 of the Companies Act 2013 and Part D of Schedule II of the SEBI LODR 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 which is also subject to annual review based on performance and responsibilities and 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 of the Companies Act, 2013.

If a MD & CEO draws or receives, directly or indirectly by way of remuneration any such sum 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 sum 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 Nomination and Remuneration Committee / 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 Managing Director & Chief Executive Officer 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 and meeting of Independent Directors, 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

Arun Nanda
Chairman
DIN: 00010029

Place: Mumbai
Date: 16th May, 2017

ANNEXURE 5

Policy on Remuneration of Key Managerial Personnel and Employees

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 vary from 10 percent to 25 percent of the Cost-to-Company (CTC) and 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 BSC and KRA 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 and is around 60th percentile. 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 percent and absolute.
- Compensation corrections are made in a few cases where it is outside the band or to keep in tune with the market.

For and on behalf of the Board

Arun Nanda
Chairman
DIN: 00010029

Place: Mumbai
Date: 16th May, 2017

ANNEXURE 6
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2017

[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

1. 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.
2. 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, 2017, 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:
3. 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, 2017 according to the provisions of:
   a. The Companies Act, 2013 (the Act) and the rules made thereunder;
   b. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
   c. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
   d. 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;
   e. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
      i. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
      ii. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
      iii. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
      iv. The Securities and Exchange Board of India (Share Based Employee Benefit) Regulation, 2014;
      v. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
      vi. 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.
   f. 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
   g. 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.
4. 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:
   a) The Building & Other Construction Workers (Regulation of employment and conditions of service) Act, 1996.
   b) Town & Country Planning Acts and Development Control Regulations & Building Bye Laws as applicable at various locations
   c) The Special Economic Zone Act, 2005 and Rules thereunder
   d) The Ownership Flats & Apartment Ownership Act as applicable at various locations
   e) The Co-operative Societies Act, as applicable at various locations.
   f) The Environment Protection Act, 1986
   g) The Child and Adolescent Labour (Prohibition and Regulation) Act, 1986
5. We have also examined compliance with the applicable clauses of the following:
   a. Secretarial Standards issued by The Institute of Company Secretaries of India.

b. The Listing Agreements entered into by the Company with Bombay Stock Exchange and National Stock Exchange and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

6. 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.

7. We further report that:

   a. 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 are as follows:

      i. Mr. Bharat Shah (DIN: 00136969) was appointed as an Additional Director (Non-Executive, Independent Director) by the Board of Directors pursuant to the provisions of Section 161 of the Companies Act, 2013 w.e.f 1st August, 2016.

      ii. Dr. Anish Shah (DIN: 02719429) who was appointed by the Board of Directors pursuant to the provisions of Section 161 of the Companies Act, 2013 on 28th August, 2015 was regularised as a Director in the 17th Annual General Meeting (17th AGM) of the Company held on 28th July, 2016 as a Non-Executive, Non Independent Director liable to retire by rotation.

      iii. Ms. Anita Arjundas (DIN: 00243215) who retired by rotation at the 17th AGM of the Company, was re-appointed at the 17th AGM.

8. 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. Shorter Consent of the Board of Directors was obtained in cases where Meetings were scheduled by giving notice of less than seven days.

9. As per the minutes of the meetings duly recorded and signed by the Chairman, the decision of the Board were unanimous and there were no dissenting views communicated by the Directors.

10. 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.

11. We further report that during the audit period, the Company has taken approval of shareholders in the 17th AGM of the Company held on 28th July, 2016:

   a. for regularisation of the Appointment of Dr. Anish Shah as a Director;

   b. for Private Placement of Non-Convertible Debentures and / or other Debt Securities upto an aggregate amount of ₹ 750,00,00,000/- (Rupees Seven Hundred Fifty Crore only);

   c. for approving the remuneration of Cost Auditor for the financial year ended on 31st March, 2016;

   d. for Maintenance of Register of members and Related books at the office of the Company's Registrar and Share Transfer Agent, Karvy Computershare Private Limited, situated at 24 B, Rajabahadur Mansion Ground Floor, Ambalal Doshi Marg,Fort, Mumbai 400023 or such other place within Mumbai, where the registrar and Share Transfer Agent may shift its office from time to time.

   e. for alterations to the Articles of Association of the Company

   f. for Material Related Party Transactions with Mahindra Homes Private Limited, a Joint Venture company by further investment in Mahindra Homes Private Limited up to ₹ 177.67 crore, in one or more tranches.

   g. for Material Related Party Transaction(s) with respect to Sale of a Property valued at ₹ 176.71 crore to Mahindra Family Trust – II of which the beneficiaries are Mr. Anand Mahindra and/ or his family members, being a related party as defined under Section 2(76) of the Companies Act, 2013 and Regulation 2(1)(zb) of SEBI LODR.

For Martinho Ferrao & Associates
Company Secretaries

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

Place: Mumbai
Date: 16th May, 2017

This report is to be read with our letter which is annexed as **Annexure A** and forms an integral part of this report.

To,

'Annexure A'

The Members,

Mahindra Lifespace Developers Limited

Our report is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For Martinho Ferrao & Associates
Company Secretaries

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

Place: Mumbai
Date: 16th May, 2017

ANNEXURE 7

FORM NO. AOC -2

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto.

(Pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

1. Details of contracts or arrangements or transactions not at arm's length basis: NIL
2. Details of material contracts or arrangement or transactions at arm's length basis:

Name(s) of the related party and nature of relationship	Mahindra Family Trust – II (the Trust) Mr. Anand Mahindra who is the Key Managerial Personnel of the holding company, Mahindra and Mahindra Limited, along with his family members who are beneficiaries of the Trust and therefore the Trust is construed as a Related Party with respect to the Company.
Nature of contracts / arrangements / transactions	Conveyance of freehold land parcel together with dwelling house owned by the Company to Mahindra Family Trust – II along with the benefits and obligations attached thereto.
Duration of the contracts / arrangements / transactions and salient terms of the contracts or arrangements or transactions including the value, if any	In accordance with the terms and conditions approved by the shareholders' of the Company at 17th Annual General Meeting held on July 28, 2016, the Company, vide an indenture of conveyance dated March 27, 2017 ("Conveyance Deed"), has sold land registered under collector new numbers 3191 and C/3191(part), new survey numbers 7168, 2/7168(part) and 3/7168(part) and cadastral survey number 358 of Malabar Hill and Cumbala Hill division measuring 1,091.24 square meters ("Land") and the building located on the Land measuring 1,137.47 square meters built up area ("Building") to Mahindra Family Trust-II ("Purchaser"). The total consideration payable on the sale of the Land and Building is upto ₹ 237.21 crore ("Consideration"), out of which a net amount of ₹ 174.94 crore has been received by the Company after tax deducted at source ("TDS") of ₹ 1.77 crore. The balance amount of upto ₹ 60.5 crore ("Balance Amount") would be payable to the Company by the Purchaser upon the fulfilment of certain conditions pursuant to the closing of the transaction and the consequent obligation of the Company to pay the Balance Amount to the erstwhile owners of the property. If the Balance Amount is not payable by the Company to the erstwhile owners and therefore by the Purchaser to the Company, the Consideration would stand reduced to ₹ 176.71 crore.
Date(s) of approval by the Board, if any	10th June, 2016
Amount paid/received as advances, if any	Of the total consideration payable on the sale of the Land and Building which is upto ₹ 237.21 crore, the Company has received ₹ 174.94 crore after tax deducted at source ("TDS") of ₹ 1.77 crore. The balance amount of upto ₹ 60.5 crore is payable subject to certain conditions mentioned above.

For and on behalf of the Board

Arun Nanda
Chairman
DIN: 00010029

Place: Mumbai
Date: 16th May, 2017

ANNEXURE 8

Particulars of loans and advances to subsidiaries, associates and firms/companies in which directors are interested, and investments by the loanee in the shares of the parent company and subsidiary company required to be disclosed, in the annual accounts of the Company related to disclosure on Related Party pursuant to Para A of Schedule V of LODR.

The Subsidiary and Associate companies considered in the table below are as per Companies Act, 2013 and not as per INDAS. Whereas the accounts has disclosed at note no 45 the loans and advance in the nature of loans to subsidiaries, joint venture and associates as per INDAS.

Loans and advances in the nature of loans to subsidiaries:

(₹ in lakh)

Name of the Company	Balance as on 31st March, 2017	Maximum outstanding during the year
Mahindra Bebanco Developers Limited*	1,764.56	1,764.56

** Mahindra Bebanco Developers Limited (MBDL) is a joint venture subsidiary company wherein the Company holds 70 percent of the equity and the MD & CEO of the Company is also on the Board of MBDL*

Loans and advances in the nature of loans to Associates:

(₹ in lakh)

Name of the Company	Balance as on 31st March, 2017	Maximum outstanding during the year
Kismat Developers Private Limited	0.78	0.78
Topical Builders Private Limited	208.53	208.53

Investments by the loanee in the shares of parent company and subsidiary company, when the company has made a loan or advance in the nature of loan: **NIL**

For and on behalf of the Board

Arun Nanda
Chairman
DIN: 00010029

Place: Mumbai
Date: 16th May, 2017

ANNEXURE 9

A. CONSERVATION OF ENERGY:

(i)	the steps taken or impact on conservation of energy	:	As a part of sustainable development, adequate measures have been initiated to reduce energy consumption. With an intent to provide an Energy Efficient final product to its customers, the Company is developing Green Buildings. Green buildings increases resource efficiency (energy, water, and materials), while reducing the impact on human health and the environment, through better selection of sites, design, construction, operation, maintenance, i.e. the complete building life cycle. Steps taken for energy conservation: 1. Energy efficient building envelopes for walls and roofs including Low E glass in selective projects 2. Heat Reflective paints/ reflective surfaces for the roofs 3. Artificial lighting control via daylight sensor in selective projects 4. Adoption of high efficiency pumps, and motors 5. Group control mechanism for lifts 6. LED lamps for common areas & pathways and solar street lights for the landscape areas 7. Solar Water heating systems and Solar photovoltaic system for selective projects
(ii)	the steps taken by the Company for utilising alternate sources of energy;		Solar thermal water heaters for hot water generation and solar photovoltaic for common area lighting in selective projects.
(iii)	the capital investment on energy conservation equipments	:	Mahindra Lifespaces develops all its projects as green building projects. The Company does not capture these expenses separately under environmental protection expenditures/ green investments. During the feasibility study of the project for green building rating, these expenses are considered in the project budget itself. These expenditures are mainly for 1. use of energy efficient building envelopes (walls and roofs) 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 or LED lights, 8. organic waste converter, 9. energy efficient equipments such as pumps and motors, etc. 10. Solar Water heating systems 11. Solar photovoltaic system for selective projects

B. TECHNOLOGY ABSORPTION:

(i)	the efforts made towards technology absorption	:	The company took various efforts in identifying, evaluating and implementing alternate materials, methods, technologies for the ongoing projects. During the year, the company has evaluated and implemented various new technologies like use of Poly Urethane (PU) Foam for Door, Window fixing & nonstructural filling purposes, Block Joining Adhesives for faster, cleaner application for joining blockwork, RCC door Frames, Self-Curing Ready Mix Plasters, Polymer based plasters, Nano technology based waterproofing products and Curing Compounds.
(ii)	the benefits derived like product improvement, cost reduction, product development or import substitution	:	Increase in work speed, improved finish quality, conservation of environment, cost effectiveness & reducing the dependence on manpower.

(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 – RMD Shuttering (Airodeck slab formwork, Kwikstage propping etc). (b) The year of import – FY 16-17 (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:

During the year, there was no Foreign Exchange earnings, whereas the Foreign Exchange outgo in terms of actual outflows was ₹ 106.27 lakh.

For and on behalf of the Board

Arun Nanda
Chairman
DIN: 00010029

Place: Mumbai
Date: 16th May, 2017

ANNEXURE 10

The 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 remuneration of the employees of the Company for the financial year 2016-17:

Name	Designation	Ratio
Mr. Arun Nanda	Non-executive Non-Independent Chairman	4.31
Mr. Sanjiv Kapoor	Non-executive Independent Director	0.92
Mr. Shailesh Haribhakti	Non-executive Independent Director	0.92
Dr. Prakash Hebalkar	Non-executive Independent Director	0.92
Mr. Bharat Shah[1]	Non-executive Independent Director	0.62
Dr. Anish Shah	Non-executive Non-Independent Director	-
Ms. Anita Arjundas	Managing Director & Chief Executive Officer	27.69

[1] Mr. Bharat Shah was appointed as an Additional Director in the category of Non- Executive Independent Director with effect from 1st August, 2016.

For this purpose, sitting fees and reimbursement of out of pocket expenses incurred in attending the meetings of the Board and Committees and meetings of Independent Directors 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 was 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 is as follows:

Name of the Person	Designation	Percent increase / (decrease) over the FY 2015-16 (annualised basis)
Mr. Arun Nanda	Non-executive Non-Independent Chairman	(51)
Mr. Sanjiv Kapoor	Non-executive Independent Director	(10)
Mr. Shailesh Haribhakti	Non-executive Independent Director	(10)
Dr. Prakash Hebalkar	Non-executive Independent Director	(10)
Mr. Bharat Shah[1]	Non-executive Independent Director	0
Dr. Anish Shah	Non-executive Non-Independent Director	0
Ms. Anita Arjundas	Managing Director & Chief Executive Officer	0
Mr. Jayantt Manmadkar	Chief Financial Officer	8
Mr. Suhas Kulkarni	Company Secretary	12

[1] Mr. Bharat Shah was appointed as an Additional Director in the category of Non- Executive Independent Director with effect from 1st August, 2016.

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 7 percent. 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 is 349.

5. 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 eligible employees other than the Key Managerial Personnel for FY 2017 is 9 percent, while the average increase in the remuneration of the Key Managerial Personnel is 6.67 percent. This increment is in line with the factors more particularly described in the Policy for Remuneration of the Directors and the Policy on remuneration of Key Managerial Personnel and Employees which are at Annexure 4 and 5 of this Report.

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

For and on behalf of the Board

Arun Nanda
Chairman
DIN: 00010029

Place: Mumbai
Date: 16th May, 2017

ANNEXURE 11

FORM NO. MGT - 9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31st March, 2017

(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, 5th Floor, Worli, Mumbai 400 018. Contact: 022-67478600 / 8601 Fax: 022-24975084
6.	**Whether listed Company (Yes/No)**	Yes
7.	**Name, Address and Contact details of Registrar and Transfer Agent, if any**	**Karvy Computershare Private Limited** Corporate Office: Karvy Selenium, Tower B, Plot Nos. 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500032. Tel: 91 40-67162222 Fax: 91 40-23420814 Email Id: einward.ris@karvy.com Website: www.karvycomputershare.com Investor relation centre: 24 B, Rajabahadur Mansion, Ground Floor, Ambalal Doshi Marg, Fort, Mumbai - 400 023

2. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 percent 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*	Percent to total turnover of the Company#
1.	Construction of Buildings	410	84.95

*As per National Industrial Classification- Ministry of Statistics and Programme Implementation
on the basis of Gross Turnover (Total Income)

3. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

Sr. No.	Name and Address of the Company	CIN/GIN	Holding / Subsidiary / Associate / Joint Venture	Percent of shares held	Applicable Section
1.	Mahindra and Mahindra Limited$	L65990MH1945PLC004558	Holding	50.78	2(46)
2.	Mahindra Infrastructure Developers Limited@	U45201MH2001PLC131942	Subsidiary	100.00	2(87)(ii)
3.	Mahindra World City Developers Limited Add: Ground floor, Mahindra Towers, 17/18, Patulous Road, Chennai 600002 – Tamil Nadu	U92490TN1997PLC037551	Subsidiary	89.00	2(87)(ii)
4.	Mahindra World City (Jaipur) Limited Add: 4th Floor, 411, Neelkanth Tower, Bhawani Singh Road, C-Scheme, Jaipur – 302001, Rajasthan.	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 Add: Administrative Block, Central Avenue, Mahindra World City, Natham Sub P.O., Chengelpet Taluk, Kancheepuram 603002, Tamil Nadu	U74140TN1996PLC068288	Subsidiary	96.30*	2(87)(ii)
7.	Knowledge Township Limited@	U72900MH2007PLC173137	Subsidiary	100.00	2(87)(ii)
8.	Mahindra Residential Developers Limited Add: Mahindra World City, Administrative Block, Chengelpet Taluk, Kancheepuram 603002, Tamil Nadu	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 Limited@	U70102MH2009PLC193399	Subsidiary	100.00	2(87)(ii)
12.	Anthurium Developers Limited@	U70109MH2010PLC203619	Subsidiary	100.00	2(87)(ii)
13.	Industrial Cluster Private Limited@	U70102MH2013PTC241512	Subsidiary	100.00	2(87)(ii)
14.	Mahindra Industrial Park Chennai Limited Add: Ground floor, Mahindra Towers, 17/18, Patulous Road, Chennai 600002 – Tamil Nadu	U45209TN2014PLC098543	Subsidiary	53.40^	2(87)(ii)
15.	Mahindra Water Utilities Limited$	U45205MH1999PLC121235	Subsidiary	98.99^	2(87)(ii)

Sr. No.	Name and Address of the Company	CIN/GIN	Holding / Subsidiary / Associate / Joint Venture	Percent of shares held	Applicable Section
16.	Mahindra Homes Private Limited# @	U70102MH2010PTC203618	Subsidiary	74.98	2(87)(ii)
17.	Kismat Developers Private Limited@	U45200MH1994PTC079544	Associate	42.86	2(6)
18.	Topical Builders Private Limited@	U45200MH1997PTC108695	Associate	50.00	2(6)
19.	Mahindra Knowledge Park (Mohali) Limited Add: Fortis Heart Institute Sector 62 Mohali Chandigarh, Punjab - 160062	U00000PB2000PLC024091	Associate	46.15	2(6)

$ Add: Gateway Building, Apollo Bunder, Mumbai 400 001

*Includes direct and indirect holding

^Indirect shareholding through subsidiary company.

Subsidiary w.e.f. 30th March, 2017.

@ Add: Mahindra Towers, 5th Floor, Worli, Mumbai – 400018.

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 2016-17				No. of Shares held at the end of the year 2016-17				Percent Change during the year
	Demat	Physical	Total	Percent of total subscribed and paid up share capital	Demat	Physical	Total	Percent 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	20,846,126	-	20,846,126	50.80	20,846,126	-	20,846,126	50.78	-0.02
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other….	-	-	-	-	-	-	-	-	-
Sub-total (A) (1):-	20,846,126	-	20,846,126	50.80	20,846,126	-	20,846,126	50.78	-0.02
(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)	**20,846,126**	**-**	**20,846,126**	**50.80**	**20,846,126**	**-**	**20,846,126**	**50.78**	**-0.02**

Category of Shareholder	No. of Shares held at the beginning of the year 2016-17				No. of Shares held at the end of the year 2016-17				Percent Change during the year
	Demat	Physical	Total	Percent of total subscribed and paid up share capital	Demat	Physical	Total	Percent of total subscribed and paid up share capital	
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	483,118	1,968	485,086	1.18	910,267	1,638	911,905	2.22	1.04
b) Banks / FI	11,520	5,436	16,956	0.04	13,317	330	13,647	0.03	-0.01
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) FIIs	10,611,052	2,757	10,613,809	25.87	9,942,249	2,257	9,944,506	24.22	-1.65
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	**11,105,884**	**10,217**	**11,116,101**	**27.09**	**10,866,027**	**4,281**	**10,870,308**	**26.48**	**-0.61**
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	2,618,723	9,630	2,628,353	6.41	2,785,494	14,966	2,800,460	6.82	0.41
ii) Overseas	11	276	287	0.00	11	276	287	0.00	0.00
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	3,311,930	568,851	3,880,781	9.45	3,473,967	558,416	4,032,383	9.82	0.37
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	1,984,503	-	1,984,503	4.83	1,618,352	-	1,618,352	3.94	-0.89
c) Others (Non-Resident Individuals)	518,018	2,236	520,254	1.27	327,342	2,206	329,548	0.80	-0.47
d) Others Trust, HUF and Clearing Members	11,975	-	11,975	0.03	511,316	-	511,316	1.25	1.22
Sub-total (B)(2):-	**8,445,160**	**580,993**	**9,026,153**	**21.99**	**8,716,482**	**575,864**	**9,292,346**	**22.63**	**0.64**
Total Public Shareholding (B)=(B)(1)+(B)(2)	19,551,044	591,210	20,142,254	49.09	19,582,509	580,145	20,162,654	49.11	0.02
C. Shares held by Custodian for GDRs & ADRs	44,540	230	44,770	0.11	44,540	230	44,770	0.11	0.00
Grand Total (A+B+C)	**40,441,710**	**591,440**	**41,033,150**	**100.00**	**40,473,175**	**580,375**	**41,053,550**	**100.00**	**0.00**

(ii) Shareholding of Promoters

Name of Shareholder	No. of Shares held at the beginning of the year 2016-17			No. of Shares held at the end of the year 2016-17			percent Change during the year
	No. of Shares	percent of total Shares of the Company	percentof Shares Pledged / encumbered to total shares	No. of Shares	percent of total Shares of the Company	percent of Shares Pledged / encumbered to total shares	
Body Corporate - Mahindra & Mahindra Limited	20,846,126	50.80	0.00	20,846,126	50.78	0.00	-0.02

(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 (01.04.2016 to 31.03.2017)	
		No. of shares at the beginning 01.04.2016 / end of the year 31.03.2017	Percent of total shares of the Company				No. of shares	Percent of total shares of the Company
1	Amansa Holdings Private Limited#	2,341,170	5.71	01.04.2016				
				03.02.2017	(345,537)	Transfer	1,995,633	4.86
				10.02.2017	(134,612)	Transfer	1,861,021	4.54
				17.02.2017	(235,972)	Transfer	1,625,049	3.96
				24.02.2017	(1,000)	Transfer	1,624,049	3.96
				10.03.2017	(1,624,049)	Transfer	0	0.00
		0	0	31.03.2017				
2	Smallcap World Fund, Inc	2,157,380	5.28	01.04.2016	No change		2,157,380	5.26
		2,157,380	5.26	31.03.2017				
3	ICICI Prudential Life Insurance Company Ltd	1,800,896	4.39	01.04.2016	-	-	-	
				08.04.2016	(210)	Sale	1,800,686	4.39
				13.05.2016	58,804	Purchase	1,859,490	4.53
				20.05.2016	4,171	Purchase	1,863,661	4.54
				26.08.2016	(2,016)	Sale	1,861,645	4.54
				02.09.2016	(987)	Sale	1,860,658	4.53
				16.09.2016	(672)	Sale	1,859,986	4.53
				30.09.2016	(336)	Sale	1,859,650	4.53
				07.10.2016	(672)	Sale	1,858,978	4.53
				21.10.2016	(378)	Sale	1,858,600	4.53
				04.11.2016	(378)	Sale	1,858,222	4.53
				18.11.2016	(189)	Sale	1,858,033	4.53
				25.11.2016	225	Purchase	1,858,258	4.53
		1,858,258	4.53	31.03.2017				
4	The Scottish Oriental Smaller Companies	437,365	1.07	01.04.2016				
				29.04.2016	(61,331)	Sale	376,034	0.92
				22.07.2016	(107,368)	Sale	268,666	0.65
				28.10.2016	(2,110)	Sale	266,556	0.65
				11.11.2016	(186,476)	Sale	80,080	0.20
				10.03.2017	738,440	Purchase	818,520	1.99
		818,520	1.99	31.03.2017				
6	American Funds Insurance Series Global Small Capitalization Fund	681,356	1.67	01.04.2016				
				22.07.2016	174,000	Purchase	855,356	2.08
		855,356	2.08	31.03.2017				

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 (01.04.2016 to 31.03.2017)	
		No. of shares at the beginning 01.04.2016 / end of the year 31.03.2017	Percent of total shares of the Company				No. of shares	Percent of total shares of the Company
7	National Westminster Bank Plc as Depositary of First State Indian Subcontinent Fund A Sub Fund of FI	636,385	1.55	01.04.2016				
				11.11.2016	2,071	Purchase	638,456	1.56
				18.11.2016	55,055	Purchase	693,511	1.69
		693,511	1.69	31.03.2017				
8	First State Investments ICVC- Stewart Investors Asia Pacific Fund	823,260	2.01	01.04.2016				
				11.11.2016	6,048	Purchase	829,308	2.02
				18.11.2016	160,817	Purchase	990,125	2.41
		990,125	2.41	31.03.2017				
9	First State Investments ICVC- Stewart Investors Global Emerging Markets Fund	765,442	1.87	01.04.2016				
				29.07.2016	(12,404)	Sale	753,038	1.84
				05.08.2016	(10,465)	Sale	742,573	1.81
				12.08.2016	(25,047)	Sale	717,526	1.75
				19.08.2016	(278)	Sale	717,248	1.75
				26.08.2016	(14,854)	Sale	702,394	1.71
				02.09.2016	(3,326)	Sale	699,068	1.70
				09.09.2016	(3,225)	Sale	695,843	1.70
				16.09.2016	(5,553)	Sale	690,290	1.68
				23.09.2016	(4,234)	Sale	686,056	1.67
				11.11.2016	4,650	Purchase	690,706	1.68
				18.11.2016	123,637	Purchase	814,343	1.98
		814,343	1.98	31.03.2017				
10	Hitesh Satish Chandra Doshi #	404,702	0.99	01.04.2016				
				29.04.2016	(8,000)	Sale	396,702	0.97
				23.09.2016	(21,413)	Sale	375,289	0.91
				25.11.2016	(5,769)	Sale	369,520	0.90
				06.01.2017	(9,429)	Sale	360,091	0.88
				13.01.2017	(3,682)	Sale	356,409	0.87
				20.01.2017	(60,000)	Sale	296,409	0.72
				03.02.2017	(112,442)	Sale	183,967	0.45
				03.03.2017	(28,226)	Sale	155,741	0.38
				17.03.2017	(10,000)	Sale	145,741	0.35
				31.03.2017	(56,186)	Sale	89,555	0.22
		89,555	0.22	31.03.2017				

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 (01.04.2016 to 31.03.2017)	
		No. of shares at the beginning 01.04.2016 / end of the year 31.03.2017	Percent of total shares of the Company				No. of shares	Percent of total shares of the Company
11	UTI- Balance Fund*	216,006	0.53	01.04.2016				
				21.10.2016	5,000	Purchase	221,006	0.54
				11.11.2016	15,000	Purchase	236,006	0.58
				18.11.2016	15,000	Purchase	251,006	0.61
				25.11.2016	53,192	Purchase	304,198	0.74
				09.12.2016	10,000	Purchase	314,198	0.77
				03.02.2017	35,000	Purchase	349,198	0.85
				10.02.2017	25,000	Purchase	374,198	0.91
				17.02.2017	40,000	Purchase	414,198	1.01
				24.03.2017	50,000	Purchase	464,198	1.13
				31.03.2017	17,391	Purchase	481,589	1.17
		481,589	1.17	31.03.2017				
12	National Westminster Bank Plc As Depositary Of FIR*	338,816	0.83	01.04.2016				
				11.11.2016	2,779	Purchase	341,595	0.83
				18.11.2016	73,903	Purchase	415,498	1.01
		415,498	1.01	31.03.2017				
13	First State Investments (HongKong) Limited A/C FIR*	185,054	0.45	01.04.2016				
				29.04.2016	(25,950)	Sale	159,104	0.39
				22.07.2016	(45,429)	Sale	113,675	0.28
				28.10.2016	(893)	Sale	112,782	0.27
				11.11.2016	(78,899)	Sale	33,883	0.08
				10.03.2017	698,082	Purchase	731,965	1.78
				24.03.2017	62,376	Purchase	794,341	1.93
				31.03.2017	103,279	Purchase	897,620	2.19
		897,620	2.19	31.03.2017				

The Shareholder was in Top10 category as on 01.04.2016 but not as on 31.03.2017.
*The Shareholder was not in Top10 category as on 01.04.2016 but in the Top 10 category as on 31.03.2017.

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Name of the Directors and Key Managerial Personnel	Shareholding at the beginning 01.04.2016 & end of the year 31.03.2017		Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease			Cumulative Shareholding during the year (01.04.2016 to 31.03.2017)	
		No. of shares	percent of total shares of the Company	Date of transaction	Increase / Decrease in shareholding	Reason	No. of shares	percent of total shares of the Company
1.	Mr. Arun Nanda	131,064	0.32	01.04.2016	NO CHANGE		131,064	0.32
		131,064	0.32	31.03.2017				
	Note: Out of the total 131,064 shares, 600 shares are jointly held by Ms. Neerja Nanda (Wife), first holder and Mr. Arun Nanda, second holder and 350 shares are jointly held by Mr. Uday Nanda (Son), first holder, Ms. Neerja Nanda (Wife), second holder and Mr. Arun Nanda, third holder. There is no change in the joint shareholding as aforesaid during the year.							
2	Dr. Anish Shah	0	0.00	01.04.2016	NO CHANGE		0	0.00
		0	0.00	31.03.2017				
3	Ms. Anita Arjundas	8,000	0.02	01.04.2016	NO CHANGE		8,000	0.02
		8,000	0.02	31.03.2017				
4	Mr. Bharat Shah	0	0.00	01.08.2016	NO CHANGE		0	0.00
		0	0.00	31.03.2017				
Note: Bharat Shah was appointed as Additional Director in the category of Independent Director w.e.f. 1st August, 2016								
5	Dr. Prakash Hebalkar	5,000	0.01	01.04.2016	NO CHANGE		5,000	0.01
		5,000	0.01	31.03.2017				
6	Mr. Shailesh Haribhakti	5,000	0.01	01.04.2016	NO CHANGE		5,000	0.01
		5,000	0.01	31.03.2017				
7	Mr. Sanjiv Kapoor	0	0.00	01.04.2016	NO CHANGE		0.00	0
		0	0.00	31.03.2017				
8	Mr. Suhas Kulkarni	2,800	0.00	01.04.2016				
				27.10.2016	1,200	Allotment under ESOS - 2012	4,000	0.01
		4,000	0.01	31.03.2017				
9	Mr. Jayantt Manmadkar	1,600	0.00	01.04.2016	NO CHANGE		1,600	0.00
		1,600	0.00	31.03.2017				

5. INDEBTEDNESS

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

(₹ in lakh)

PARTICULARS	Secured Loans Excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	62,088.86	7,000	-	69,088.86
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	2,993.64	-	-	2,993.64
Total (i+ii+iii)	**65,082.50**	**7,000**	**-**	**72,082.5**
Change in Indebtedness during the financial year				
• Addition	9,723.00	2,522.60	-	12,245.60
• Reduction	17,916.23	7,000.00	-	24,916.23
Net Change	**(8,193.23)**	**4,477.40**	**-**	**(12,670.63)**
Indebtedness at the end of the financial year				
i) Principal Amount	53,877.19	2,500.00	-	56,377.19
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	**3,012.08**	**22.60**	**-**	**3,034.68**
Total (i+ii+iii)	**56,889.27**	**2,522.60**	**-**	**59,411.87**

6. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(₹ in lakh)

Sr. No	Particulars of Remuneration		Name of MD / WTD / MANAGER	Total Amount
			Anita Arjundas	
1.	Gross salary			
	(a)	Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	246.50	246.50
	(b)	Value of perquisites u/s 17(2)Income-tax Act, 1961	11.91	11.91
	(c)	Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-
2.	Stock Option Related Perquisites		11.63	11.63
3.	Sweat Equity		-	-
4.	Commission			
	•	as percent of profit	-	-
	•	others, specify…	-	-
5.	Others, please specify		-	-
	Total (A)		**270.04**	**270.04**
	Ceiling as per the Act		**376.38**	**376.38**

B. REMUNERATION OF OTHER DIRECTORS:

(₹ in lakh)

Sr. No.	Particulars of Remuneration	Name of Directors				Total Amt
1.	**Independent Directors**	**Mr. Sanjiv Kapoor**	**Mr. Shailesh Haribhakti**	**Dr. Prakash Hebalkar**	**Mr. Bharat Shah**	
	• Fee for attending board / committee meetings / meetings of the Independent Directors	11.60	11.60	11.00	5.30	39.5
	• Commission	9.00	9.00	9.00	6.00	33.00
	• Others, please specify	-	-	-	-	-
	Total (1)	**20.60**	**20.60**	**20.00**	**11.30**	**72.50**
2.	Other Non-Executive Directors	**Mr. Arun Nanda**		**Dr. Anish Shah**		
	• Fee for attending board / committee meetings	9.15		-		9.15
	• Commission	42.00		-		42.00
	• Others, please specify	-		-		-
	Total (2)	**51.15**		**-**		**51.15**
	Total (B)=(1+2)	**-**		**-**		**124.00**
	Total (A)	**-**		**-**		**270.05**
	Total Managerial Remuneration	-		-		394.05
	Overall Ceiling as per the Act	-		-		75.28

* Mr. Bharat Shah was appointed as an Additional Director in the category of Non- Executive Independent Director with effect from 1st August, 2016.

C. Remuneration to Key Managerial Personnel Other Than Managing Director / Manager / Whole time director

(₹ in lakh)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	**Company Secretary**	**CFO**	**Total**
1.	Gross Salary	-			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	108.36	84.49	192.84
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	0.39	0.29	0.68
	(c) Profits in lieu of salary under section 17(3) Income tax Act, 1961	-	-	-	-
2.	Stock Option related perquisites	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission	-	-	-	-
	• as percent of profit	-	-	-	-
	• others, specify…	-	-	-	-
5.	Others, please specify	-	-	-	-
	Total	**-**	**108.75**	**84.77**	**193.52**

7. 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)
A. **Company**					
Penalty	None				
Punishment					
Compounding					
B. **Directors**					
Penalty	None				
Punishment					
Compounding					
C. **Other Officers In Default**					
Penalty	None				
Punishment					
Compounding					

For and on behalf of the Board

Arun Nanda
Chairman
DIN: 00010029

Place: Mumbai
Date: 16th May, 2017

MANAGEMENT DISCUSSION AND ANALYSIS

Mahindra Lifespace Developers Limited ('Mahindra Lifespaces', 'MLDL' 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.

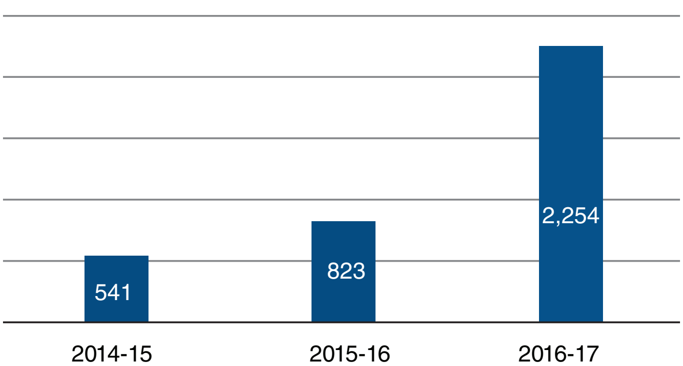
Mahindra Lifespaces, along with its subsidiary companies, is engaged in the development of residential projects (Mahindra Lifespaces) and integrated cities (Mahindra World City). Its residential offering comprises mid-premium segment housing as well as affordable housing (Happinest). This chapter presents an overview of the performance of the Company during 2016-17 and its strategy for future growth.

Performance Highlights

Strong focus on execution

In the residential space, **2016-17 saw a strong focus on execution with over 2,250 units handed over to customers. As shown in Chart A, handovers have risen considerably over the last few years.**

Chart A: Number of Units Handed Over

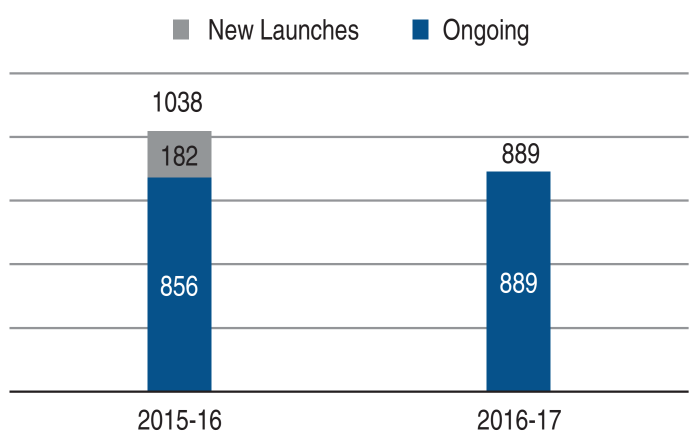


This is a direct result of reducing the project life cycle i.e. time taken from procuring land to delivery of the projects. **Around 4.2 million square feet of the total completed development of 13.87 million square feet by the Company[1], has happened in the last two years — 2015-16 and 2016-17.** The improvement in the pace of project execution and handover has been aided by building people and process capabilities as well as scalable systems in quality, safety and customer relations. These have been discussed in greater detail in the respective sections of this report.

Sustained sales performance in Residential

In the residential segment, the Company sold[2] 889 residential units aggregating to 0.95 million square feet of saleable area in 2016-17 compared to 1,038 units or 1.21 million square feet in 2015-16. Though this is less than what was achieved in the previous year, it is noteworthy for two reasons. **First, the Company could not launch three projects planned for launch during the year due to high court orders banning new construction in the Mumbai Metropolitan Region (MMR)[3].** As shown in Chart B, the Company's sales performance across ongoing projects alone was better than the previous year — 889 units during the year compared to 856 units in 2015-16.

Chart B: Sales (Units): Ongoing and New Lanuches



Second, sales velocity was affected in the aftermath of currency demonetisation on account of uncertainty and slowdown in economic activity due to consumer expectations of major price corrections in the property market post-demonetisation. The demand situation saw a marked improvement towards the close of the year, as enquiries climbed back to pre-demonetisation levels and sales velocity improved. Further discussion on market situation, opportunities and the Company's strategy is presented in the next section on 'Opportunities and Strategy'.

Creditable contribution from World Cities

2016-17 saw an increase in contribution from the integrated cities and the industrial clusters business. **Over 75 acres of land leases were concluded during the year across the two operational World Cities in Jaipur and Chennai, versus 29 acres in the previous year.** This was possible primarily due to the launch of the second phase of the domestic tariff area (DTA) in Jaipur after successful area reallocation and product-mix

[1] Does not include selected projects that were completed by GESCO. Includes certain commercial developments undertaken by the Company.

[2] Sales of units includes the Company's share, partner's share in joint developments as well as sales by its subsidiaries and joint ventures.

[3] The Honourable Bombay High Court placed restrictions on: (a) granting permissions for new construction due to solid waste management issue in Mumbai, and (b) granting building height approvals in the funnel area of the airport in Mumbai. These restrictions have affected upcoming projects of all developers, not just Mahindra Lifespaces.

approvals. Mahindra World City (MWC), Chennai, also added around 40 acres to its saleable area that was previously not marketable due to pending approvals. Both these developments allowed the business to reach out to a larger base of potential customers.

The Company expects to further benefit from the ability to market to a wider customer base at Jaipur upon conversion of the sector-specific SEZs into a multi-product SEZ. In addition, **it is gearing up to launch two new industrial clusters near Chennai and Ahmedabad — in line with its strategy for growth in this segment.** This is discussed in greater detail in the next section on 'Opportunities and Strategy', whereas developments in the two ongoing projects are discussed in 'Operations'.

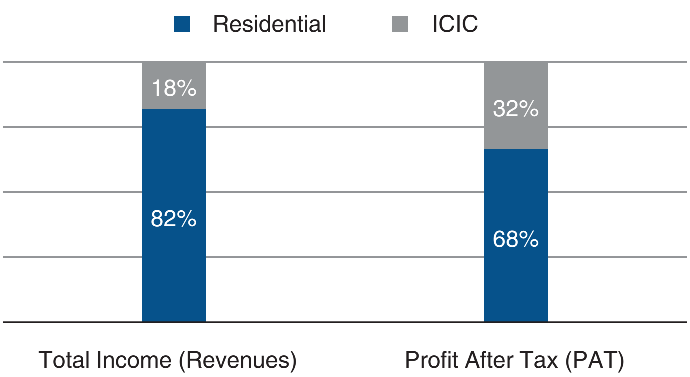
11.5percent growth in consolidated PAT

Despite headwinds faced by the Company in the form of an adverse macroeconomic environment and regulatory events, Mahindra Lifespaces registered a creditable performance during 2016-17.

- Consolidated total revenue grew by 20.9 per cent, from ₹ 68,717.31 lakh in 2015-16 to ₹ 83,101.70 lakh in 2016-17.
- Profit before taxes (PBT) of the consolidated entity, after including share in profit from joint venture (JV) entities and associates[4], stood at ₹ 13,890.29 lakh in 2016-17 as compared to ₹ 13,752.32 lakh in 2015-16.
- Consolidated profit after taxes (PAT) after minority interest was ₹ 10,223.72 lakh in 2016-17, a growth of 11.5 per cent over ₹ 9,170.32 lakh in the previous year. Diluted EPS also increased by 11.6 per cent to ₹ 24.85 for the consolidated entity.

Chart C provides the indicative share of operating entities[5] engaged in the Residential and Integrated Cities & Industrial Clusters (ICIC) businesses in the revenues and profits during 2016-17. Further, details of the financial performance of all operating entities is provided in the section on 'Financials'.

Chart C : Share of Businesses in Revenue & Profit



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 opportunities in the current environment, and the Company's strategy for growth.

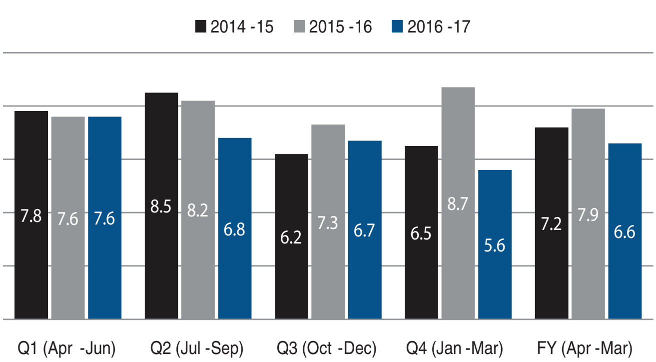
Opportunities and Strategy

2016 was another difficult year for the world economy — marked by stagnant global trade and subdued investment. However, there was some improvement towards the end of the year, which has spilled on to 2017 and is expected to continue. The first quarter of 2017 (January-March) also saw signs of stronger activity in most advanced economies and easing of recessionary conditions in commodity exporting large emerging market economies. **According to the IMF, global growth is projected to increase from 3.1 per cent in 2016 to 3.5 percent in 2017. The outlook for global trade and investments has also improved.**

On the domestic front, there was a moderate decline in macroeconomic performance in 2016-17. **According to the provisional estimates released by the Central Statistics Office (CSO) on 31 May 2017, India's Gross Value Added (GVA) growth for 2016-17 is pegged at 6.6 per cent, compared to 7.9 per cent in the previous year.** The deceleration in industrial growth was more significant, even as agriculture and higher government expenditure offsets some of the slowdown in economic activity. Construction sector, which accounts for around 8 per cent of the GDP grew at a meagre 1.7 per cent in 2016-17.

On the positive side, the quarterly estimates of GDP (See Chart D) suggest that the impact of demonetisation on economic activity was not as large as initially envisaged. The growth rate for October-December, 2016 was only 0.1 percentage points less than that of the immediately preceding quarter; and that of January-March, 2017 was 1.1 percentage points less. The contraction on account of demonetisation was not as severe as prophesied by the critics. This is in line with the Company's experience. Moreover, from February, 2017 the demand situation began to improve and enquiries started getting back to pre-demonetisation levels.

Chart D : Growth in Gross in Value Added at Basic Prices (YoY, %)



[4]Following the adoption of Indian Accounting Standards (IND AS) by the Company, classification of subsidiary is now based on control and not just shareholding. As a result, four entities including the two operating integrated cities in Chennai and Jaipur, which were formerly being consolidated as subsidiaries, will be treated as JVs. As per IND AS, for all JVs, equity method of accounting is now applicable, whereby MLDL's share of profit in joint ventures is directly credited to profit and loss account instead of proportional line-by-line consolidation. List of these entities is provided in the section on 'Financials'.

[5]Share is computed based on the sum of standalone Income and PAT of the operating entities engaged in the two businesses. The list of these entities along with the figures on Income and PAT are provided in Table 4, in the section on 'Financials'.

The farm sector has done well with record production of major foodgrains; and one should expect a pick-up in demand in 2017-18. The Index of Industrial Production (IIP) recovered in January, 2017 with a broad-based improvement in manufacturing. Activity in the services sector, too, is gathering pace. **The overall outlook for Indian economy is positive with the RBI expecting GVA growth to strengthen to 7.4 per cent in 2017-18.**

In addition, a stable inflationary environment is likely to keep the monetary policy stance of the RBI in the neutral zone. Besides, complete transmission of past policy rate reductions into bank lending rates is yet to take place. This transmission to lower lending rates should help encourage both consumption and investment demand from businesses. These augur well for the real estate industry.

Residential Developments

During 2016-17, the demand situation in the residential developments space remained subdued. Inventory levels increased despite drop in new launches. The luxury segment was most hit with very low absorption levels across markets. In the geographies where Mahindra Lifespaces operates, Delhi-NCR market continued to be the most affected followed by Chennai. In comparison, the demand situation was better in Mumbai, Pune, Hyderabad and Bengaluru.

Besides, demand is now driven by end-users and not investors, which has resulted in a greater preference for developers with differentiated offerings and an established track record. In line with its customer-centric approach, the Company has identified ‘Joyful Homecomings’ as the brand proposition around which the homeowner’s experience is built and communicated. This encompasses the delivery of thoughtfully designed homes and community spaces, hassle free experiences, a portfolio of post-handover services together with the creation of a vibrant community that augments the living experience for homeowners. Mahindra Lifespaces has benefited from this differentiation strategy; and the ‘Mahindra’ brand — a name associated with honesty, transparency, fairness and trust — has continued to play a consistently positive, consumer-attracting role. **The Company was awarded the “Porter Prize for Excellence in Governance” in 2016.**

The Company has identified the western and southern regions as the growth corridors for its residential business. It already has projects in the Mumbai Metropolitan Region (MMR), Pune and Chennai which are in advanced stages of planning / approvals. The Company is actively seeking opportunities, in Mumbai, Pune, Bengaluru and Hyderabad to build a critical mass of projects before exploring new geographies. Equally, **the focus is on adopting quick-turnaround, asset-light models though the Joint Development or Joint Venture route — either in collaboration with land owners or through financial partners in such projects.**

In the affordable housing space, learnings from its two pilot projects at Avadi and Boisar have enabled the Company to structure a templated model that is both scalable and brings down the project cycle, thereby increasing the capital efficiency. Moreover, recent developments on the government policies front such as ‘Housing for All’ and the ‘Pradhan Mantri Awas Yojana’ have further improved the viability and outlook for the segment. Accordingly, **affordable housing continues to be an important growth area for the Company. It is currently awaiting approvals for its third project in this space.**

Integrated Cities & Industrial Clusters (ICIC)

2016-17 saw focused demand for industrial land and built-to-suit solutions from multinational companies looking to address the large Indian market. The government’s manufacturing push as well as a gradual turnaround in the macroeconomic situation can further strengthen this trend in 2017-18, especially in certain manufacturing corridors.

The Company is a pioneer in the integrated business cities space, and currently has two operational integrated cities — Mahindra World City — at Chennai and Jaipur developed in a public-private partnership model with the respective State Governments. On the product mix side, expansion of the domestic tariff area (DTA) in MWC, Jaipur, through area re-allocation has already contributed to the Company’s performance during the year. The conversion of sector-specific SEZs into a multi-product SEZ in Jaipur, which is expected in 2017-18, will further unlock its leasing potential. Further, the year also saw the addition of 40 acres of marketable land, in Mahindra World City, Chennai.

The Company has identified upcoming industrial destinations and corridors in the western and southern regions, where it is looking to create a network of smaller industrial clusters as part of its growth strategy for this business. **It is currently working on two such industrial parks: one, near Chennai (Tamil Nadu) in a joint venture with Sumitomo Corporation, Japan, and the other near Ahmedabad (Gujarat).**

A pre-aggregated approach to land acquisition — as successfully implemented in the project near Ahmedabad — along with a smaller footprint for the industrial clusters will significantly help to reduce the turnaround time, and thus increase capital efficiency while reducing the risk profile of these projects. These also help in improving the attractiveness of such projects to strategic and financial investors, allowing the Company to raise capital through collaborations and equity participation, such as its joint venture with Sumitomo for the project near Chennai. Smaller projects should also enable the Company to augment its product offerings by focusing on specific industrial segments that operate in these clusters.

Operations – Projects Update

Residential Developments

2016-17 saw continued focus on execution, with sustained momentum in the completion of construction and a major step-up in the number of handovers by the Company. Construction activity was completed in six phases across three of its projects aggregating to 0.93 million square feet during 2016-17 — taking the completed area to over 4.2 million square feet in the last two years. This also meant a significant increase in the handovers. **The Company handed over 2,254 units to its customers in 2016-17, almost three-times the 823 units handed over in the previous year.**

Table 1 provides a snapshot of the Company's project portfolio across different markets. As of 31st March, 2017, the Company along with its subsidiaries has completed projects covering 13.87 million square feet[6] in the residential segment, including 0.93 million square feet completed during the year. During 2016-17, the Company launched fresh inventory in four of its existing projects. **It is currently developing 3.59 million square feet and another 5.3 million square feet is available in the form of new phases of ongoing projects or fresh projects that are in different stages of planning to be launched in the near future.**

Table 1: Projects Snapshot as on 31st March, 2017 (million square feet#)

Location	Completed Development	Current Development	Future Development
MMR*	3.04	0.43	1.78
Pune	2.08	0.79	0.97
Hyderabad	1.08	-	-
Chennai	3.81^	0.38	1.45
Nagpur	0.41	0.78	0.35
NCR**	3.04	0.78	0.33
Bengaluru	-	0.44	0.43
Jaipur	0.40^	-	-
Total	**13.87**	**3.59**	**5.30**

Estimated saleable area

* MMR includes Mumbai, Boisar, Palghar, Thane and Alibaug

** NCR includes Delhi, Gurgaon and Faridabad

^ Includes residential and commercial developments inside MWC, Chennai and Jaipur

[6]Does not include selected projects that were completed by GESCO

Table 2 provides project-wise status of completion and sales of the Company's ongoing projects as well as information on forthcoming projects for which design development or approvals are underway. In addition to this, the Company has a landbank with a development potential aggregating around 11.04 million square feet[7], 86 per cent of which is within Mahindra World City, Chennai.

Table 2: Project-wise status as on 31st March, 2017

Market	Project	Estimated Area (million square feet)		(Percent of Launched)	
		Total	Launched	Sales#	Completed
Ongoing Projects					
Chennai	Aqualily^	1.58	1.51	70	82
Chennai	Iris Court*^	0.86	0.86	98	100
Chennai	Nova^	0.54	0.54	81	100
NCR	Aura*	1.39	1.39	99	100
NCR	Luminare^	1.10	0.78	55	48
Nagpur	Bloomdale^	1.55	1.14	81	75
Pune	Antheia	1.63	1.22	80	87
Pune	L'Artista	0.09	0.09	-	99
Hyderabad	Ashvita	1.08	1.08	80	100
MMR	Vivante	0.16	0.16	89	71
MMR	The Serenes	0.16	0.06	40	58
Bengaluru	Windchimes^	0.87	0.44	65	68
MMR	Happinest Boisar	0.52	0.42	85	88
Chennai	Happinest Avadi	0.73	0.44	77	89
Total		**12.26**	**10.12**	**82.54**	**-**

Forthcoming Projects	Estimated Area (million square feet)	
	Total	Launched
Kandivili, Mumbai	0.14	-
Sakinaka, Mumbai	0.34	-
Palghar (1 & 2), MMR	0.89	-
Andheri, Mumbai	0.23	-
Pimpri, Pune	0.56	-
MWC, Chennai^	1.07	-
Total	**3.24**	

Sales (percent) based on MLDL's share in launched area

* Last phase of these projects completed in 2015-16; Handover activity in 2016-17

^ Projects implemented by subsidiaries

Integrated Cities & Industrial Clusters

2016-17 saw a major thrust in the acquisition of new customers and expansion by existing customers in the Mahindra World Cities resulting in a significant increase in acreages leased. Combined exports by companies at the two World Cities crossed ₹11,000 crore and their direct employment crossed 46,000 persons.

Mahindra World City, Chennai added two new customers and an existing client leased additional land, taking the total number of industrial customers to 64 — 26 in the SEZ and 38 in the DTA. 52 of these companies were operational as of 31st March, 2017.

The four operational residential projects at Mahindra World City, Chennai saw occupancy increase from around 700 families in the previous year to 1,100 families in 2016-17. The details of the residential projects in Mahindra World City, Chennai have already been provided in the section on Residential developments.

On the retail and social infrastructure front, a hostel for young working professionals started operations during the year. JSP Hospitals also expanded its service offering to a 30 bed, 24x7 facility including outpatient services, ambulance services and a pharmacy.

Mahindra World City, Jaipur, leased 67 acres during the year adding 7 new customers while 2 existing customers took up additional space. At the end of the year, the Company had 74 industrial customers, 45 in the SEZs and 29 in the DTA, of which 41 companies are operational and 9 have initiated development activities. An important development during the year was the

[7]Estimated saleable area of 0.59 million square feet at Thane has an impediment. The matter has been taken up with concerned authorities for removal of the impediment.

completion of the economic land use plan for around 450 acres of residential, institutional and social infrastructure zone and the signing up of an anchor customer for the establishment of Bharat Skill Development University in the World City.

In the industrial clusters space, the Company, through its subsidiary, secured environmental clearances for its 264 acres project near Chennai in a joint venture with Sumitomo Corporation. It has also received in-principle approval for commencement of construction activities from the relevant authority.

The Company, through its subsidiary, also acquired around 268 acres of land near Ahmedabad in Gujarat for its second industrial cluster and has initiated the master planning for the project. It is in the process of securing necessary approvals, following which infrastructure development and launch of the project can be initiated.

Operations – Strategic Priorities

The strategic priorities of the Company have been to focus on value creation for the customer so as to increase throughput and build brand equity as well as on resourcing for scale — be it land as raw material, capital for financing growth or building capability of its human resources.

Customer Acquisition and Engagement

2016-17 was a challenging year for the residential sector with slow demand further exacerbated by a three months impact on sale owing to demonetization. Against this backdrop, the Company took several initiatives to drive sales at its projects.

The Company undertook an outreach program to increase the number of channel partners associated with it by over 20 per cent. The Company also launched a corporate outreach program covering around 60 corporates across the country with around 3 per cent of annual sales coming from corporate customers. Along with the sales outreach, the Company also worked towards ensuring greater access to its customers at any point of time. Towards this end, the capacity of the call centre was expanded by over 5 times, which enabled it to serve all time zones effectively. At the same time, online chat facilitated addressing queries on a real-time basis.

During the year, the Company introduced its brand proposition, 'Joyful Homecomings' as a part of its communication strategy with it target customer base. It also invested significantly in its digital and social marketing efforts to engage consumers including the use of Online Reputation Management (ORM) to listen and respond to consumers engaging with the brand in the digital space. **The Company won the prestigious "Best Real Estate Brand on Social Media" award from a well-known social media analysis and research organisation.**

In the World Cities, engagement with industry specific and country specific trade / industry bodies and dedicated road shows helped increase the outreach to potential customers. **The Company also expanded the reach and diversity of the 3rd edition of its thought leadership platform 'Confluence', by putting together a global platform of urban planners, practitioners, consultants, financial institutions and government stakeholders from India and across the world.**

Execution Excellence

Mahindra Lifespaces' focus on this priority area has been to 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. It has embraced an Integrated Management System (IMS) 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. During the year, it successfully completed IMS re-certification.

The Company's strong quality management system has been instrumental in improving the quality of its products and processes, while enhancing the productivity of its operations to make these more competitive. **During 2016-17, the Company's focus on delivering a 'Zero-Snag Product' received a major boost with the implementation of a mobile application 'Q SCAN'. This app automates the entire home inspection process prior to handover, ensuring zero defects and seamless communication of handover readiness to the Customer Relations function.** As mentioned earlier over 2,250 units were handed over to customers during the year. Over 60 per cent of these had zero snags identified by customers. Moreover, the Company achieved a Top 2 box score of over 80 per cent on product quality parameters on possession. **'Q SCAN' received the BestPrax Prize 2016, awarded by QIMPRO, for 'Indigenous Mobile Application'.**

The Company has an established 'Safety Policy' which underscores its commitment to prevent accidental injuries and improve the occupational health of its associates. **In line with recent developments in construction safety, it has adopted the principles of "Behaviour Based Safety Management", which internalises safe practices in the construction process itself, rather than considering it a distinct activity.**

The Company's flagship safety initiative "Safe Methods and Risk Reduction Techniques" (SMARRT) implements international best practices and aims to eliminate unsafe acts by proactive reporting of such incidents. During the year, the Company implemented several initiatives to improve processes, sensitise workers and promote safe practices. Some of these include visual identification of workers trained for working at heights, SMS campaign to workers in local languages, spot recognition programme offering cash rewards to workmen for identifying unsafe acts, conditions, reporting near misses and safe work practices.

In recognition of its efforts, Mahindra Lifespaces received the 'CIDC Vishwakarma Award' for 'Health Safety & Environment' for three of its projects: Windchimes in Bengaluru, Luminare in Gurgaon and Antheia in Pune. These awards are given by Construction Industry Development Council (CIDC), established by Planning Commission, Government of India, and the Construction Industry. **There we no accidents during 2016-17 and no man days were lost on this account. As of 31st March, 2017, the Company had 32 million safe man hours.**

During the year, the Company also initiated a large scale intervention around building a customer centric design and execution organisation that would not only be geared for significant scale but also be able to reduce the project life cycle and costs through the use of standardized, productized and technology driven solutions.

Customer Relations

The Customer Relations (CR) function at Mahindra Lifespaces endeavours to service the customers through their entire lifecycle — right from the time of booking to post-handover facilitation. Over the last few years, **focus has been on building capabilities and driving excellence in CR to achieve differentiation and ability to handle scale. These efforts have enabled the Company to efficiently handover more than 2,250 residential units during 2016-17, which is around three times the number of units handed over in the previous year.**

Several measures were taken to strengthen capabilities and processes. The Company implemented the first stage of a tech-based CRM solution, aimed at enabling a single view of the customer right from the prospecting stage to post-handover. This has already brought about considerable simplification and standardisation of systems for front line executives. Interactive learning e-modules were also introduced, which are being used both for inducting new hires as well as upgrading knowledge and skills of existing team members.

With a considerable increase in handovers in the last couple of years, another area which saw a lot of effort was post-handover services and Facility Management (FM). During the year, the Company piloted its offering of post-possession value added services in two of its projects. These services covering design and fit-outs, lighting solutions and modular kitchens were well received by the customers. **These initiatives have resulted in significant improvement in the customer satisfaction and customer as promoter scores in 2016-17.** Going forward, the focus will be on offering a complete bouquet of value added services as well as enabling digital access through a mobile application.

At Mahindra World City, Chennai, the Company initiated bio-fuel based shuttle services and launched a mobile application for the citizens. Both the World Cities continued to focus on services excellence and customer feedback through 'Coalesce' — the customer connect forum at the operations level — as well as on community building through initiative such as 'Mindquest' and the Champions League.

Land and Financial Capital

The Company has followed an approach of acquiring residential land inventory to meet the targeted sales of the next 3 to 5 years. Barring three projects that are awaiting removal of restrictions relating to construction in Mumbai, all land parcels acquired by it prior to 2015-16, have since been launched for sale and construction. With the completion of some of its projects, the Company is focused on adding more projects in the markets identified by it for its growth. **Besides the traditional outreach channels, the Company has established direct engagement with banks and other financial institutions as well as existing developers to scale up its presence in this space through asset light models of land acquisition including joint developments and joint ventures.**

During the year, the Company completed the acquisition of 268 acres near Ahmedabad in Gujarat for the development of an industrial cluster.

The Company also focused on reducing its cost of capital by re-negotiating interest rates on existing loans and prudently using options like commercial paper. The average cost of debt for the Company together with all its subsidiaries (based on consolidated financials as per IND AS), was reduced from 10.32 per cent in 2015-16 to 9.85 per cent in 2016-17.

During the year, the Company completed the regulatory approval for a ₹ 300 crore rights issue to its shareholders. Since then, it has completed the entire process and issued the shares to the participating shareholders. In addition to its existing platform for residential developments, the Company has also initiated dialogue with financial institutions for platforms in its other business segments.

Human Capital

Mahindra Lifespaces recognises that its people are the key to the success of the organisation and in meeting its growth objectives. 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 also has relationships with specialised institutions in the construction industry such as National Institute of Construction Management and Research and RICS School of Built Environment for entry level positions in project management and sales.

Catering to the learning and development needs of its associates continues to be a key focus area. **The Company 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 associates. Each associate of Mahindra Lifespaces received an average of 36 man hours of training in 2016-17.** During the year, the Company digitised induction training for the CR function. This will be extended to other functions such as sales and projects in the future.

The Company launched its skill up-gradation program for construction workers, **'PARIVARTAN', where enrolled candidates go through intensive classroom and on-the-job training followed by a comprehensive assessment leading up to certification by Central Skill Development Council of India (CSDCI).** This initiative, which is linked to the 'Skill India Initiative' of the government, will benefit not just the Company, but the entire real estate industry. **During 2016-17, 182 workers in different trades enrolled and attended this program across 3 projects, of which 92 were successfully certified.** The Company intends to extend this programme further in 2017-18.

As a part of its flagship programme 'My Customer, My Valentine', which aims to make the organisation more customer centric, several initiatives were carried out to engage associates and reward customer centric behaviour. **The Company carries out two associate engagement surveys every year, MCARES for internal benchmarking within the Mahindra Group and the Great Place to Work survey for external benchmarking. Both surveys showed improvement in engagement levels during 2016-17.**

Mahindra Lifespaces endeavours to keep its workplaces safe, transparent and friendly for people to work in. It also has a policy which is aligned to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. It has a 'Diversity Council' with the objective of creating an inclusive environment in the workplace. **Its gender diversity as of 31st March, 2017 was 19 per cent. Mahindra Lifespaces was selected by Working Mother and AVTAR as one of the "100 Best Companies for Women in India" in 2016.**

As of 31st March, 2017, the Company together with its subsidiaries had 413 associates on its rolls. In addition, the Company had 4,245 workmen across all its sites employed by its contractors. Associate relations remained cordial during the year.

Financials

Indian Accounting Standards (IND AS) is applicable to the Company for the period commencing 1st April, 2016 as per the limit prescribed for the networth under notification issued by the Ministry of Corporate Affairs. Following the adoption of IND AS, classification of subsidiary for consolidation of accounts is now based on control and not just shareholding. As a result, four entities — Mahindra World City (Jaipur) Limited (MWCJL), Mahindra World City Developers Limited (MWDCL), Mahindra Industrial Park Chennai Limited (MIPCL) and Mahindra Bebanco Developers Limited (MBDL) — which were formerly being consolidated, will be treated as JVs. As per IND AS, for all JVs, equity method of accounting is now applicable, whereby MLDL's share of profit in joint ventures is directly credited to profit and loss account instead of proportional line-by-line consolidation.

The results for 2015-16 are also IND AS compliant to facilitate comparison. Table 3 presents the abridged profit and loss statement of Mahindra Lifespace Developers Limited.

Table 3: Abridged Profit and Loss Statement

				(₹ lakh)
	Standalone		**Consolidated**	
	2016-17	**2015-16**	**2016-17**	**2015-16**
Operating Income	68,055.38	50,211.29	76,214.77	59,316.69
Other Income	7,264.83	9,943.02	6,886.93	9,400.62
Total Revenue	**75,320.21**	**60,154.31**	**83,101.70**	**68,717.31**
Project and Operating Expenses	54,666.93	34,736.08	58,850.39	40,138.14
Employee and Other Expenses	9,966.81	8,669.21	12,331.18	10,616.62
Financial Expenses	3,196.94	4,695.83	2,020.84	3,569.85
Depreciation	434.32	395.78	462.18	417.60
Total Expenditure	**68,265.00**	**48,496.90**	**73,664.59**	**54,742.21**
PBDIT	10,686.47	16,749.02	16,373.31	17,739.75
PBDT	7,489.53	12,053.19	14,352.47	14,169.92
PBIT	10,252.15	16,353.24	15,911.13	17,322.17
Share in Net Profit/(Loss) of Associates	-	-	4,453.18	(222.78)
PBT	7,055.21	11,657.41	13,890.29	13,752.31
Tax	2,161.56	3,829.36	3,301.22	4,293.92
PAT	**4,893.65**	**7,828.05**	**10,589.07**	**9,458.40**
Minority Interest	-	-	365.36	288.08
PAT (After Minority Interest)	**4,893.65**	**7,828.05**	**10,223.71**	**9,170.32**
Other Comprehensive Income	67.85	66.66	57.00	65.00
Total Comprehensive Income	**4,961.50**	**7,894.71**	**10,280.71**	**9,235.32**
Diluted EPS (₹)	**11.90**	**19.01**	**24.85**	**22.28**

Mahindra Lifespaces registered a creditable financial performance during 2016-17. Consolidated total revenue grew by 20.9 per cent, from ₹ 68,717.31 lakh in 2015-16 to ₹ 83,101.70 lakh in 2016-17. Total consolidated expenditure grew at 34.6 per cent during the period to ₹ 73,664.59 lakh in 2016-17. Most of this increase in expenditure was due to higher project and operating expenses which grew at 46.6 per cent. This was a direct result of higher project activity during the year. In contrast, employee and other costs grew at a more modest 16.2 per cent, and finance costs dropped sharply during the year. In fact, employee and finance related costs, taken together, remained stable during the year.

The performance also benefited from an improved contribution from the operating entities in the integrated cities and industrial cluster business. Profit before taxes (PBT) of the consolidated entity, after including share in profit from joint venture entities and associates, stood at ₹ 13,890.29 lakh in 2016-17 as compared to ₹ 13,752.32 lakh in 2015-16. After accounting for minority interest, the consolidated PAT of the Company was ₹ 10,223.71 lakh in 2016-17, a growth of 11.5 per cent over a consolidated PAT of ₹ 9170.32 lakh in the previous year. PBT of the standalone entity was ₹ 7055.21 lakh in 2016-17. Net profit (PAT) of the standalone entity was ₹ 4,893.65 lakh in 2016-17.

As a result, diluted EPS during the year was ₹ 24.85 and ₹ 11.90 for the consolidated and standalone entities respectively.

Under the IND AS, line-by-line consolidation is not being done for certain operating entities. Table 4 provides a summary of the financial performance of various legal entities operating in the two key businesses during 2016-17. The numbers stated in Table 4 are from standalone financials/accounts of these entities. Also, inter-company transactions have not been eliminated and a simple aggregation of numbers is shown as "Total" for entities engaged in the Residential and ICIC businesses. Hence, the "Total" of Revenues and PAT for the two businesses are indicative in nature.

Table 4: Summary of Financial Performance of Operating Entities (₹ lakh)

Legal/Operating Entity	MLDL's Economic Interest (in Percent)	Total Income (Revenues)	Profit After Tax (PAT)
Residential			
MLDL	100.0	75,320.21	4,893.65
MHPL^	50.0	20,419.57	1,598.17
MBDL^	70.0	4,952.27	670.62
MITL	96.3	6,558.04	1,370.26
MRDL	96.3	1,315.20	-274.18
Total (Entities in Residential)		**108,565.29**	**8,258.52**
Industrial Cities & Clusters (ICIC)			
MWCDL^	89.0	6,093.47	-314.42
MWCJL^	74.0	17,527.86	4,505.49
MIPCL^	53.4	-	-208.99
Total (Entities in ICIC)		**23,621.33**	**3,982.08**
Share (percent)			
Residential	-	82.1	67.6
Industrial Cities & Clusters	-	17.9	32.4
Total		**100.0**	**100.0**

^ JVs and Associates as per IND AS.

As of 31st March, 2017, Mahindra Lifespaces' standalone debt equity ratio was at 0.38:1 and consolidated debt equity ratio (under IND AS based consolidation) was at 0.38:1. The liquidity situation during the year remained comfortable. 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 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 reviews implementation and monitoring of the Company's risk management plan.

Economic Risks

GDP growth saw a moderate deceleration during the year as the economy adjusted to the demonetisation of large denomination currency notes in November, 2016. Even as the situation has since improved, business confidence and investments have not improved significantly. Lending rates for business and home loans still do not reflect the reduction in policy rates by the RBI. This can have a direct impact on the performance of the real estate sector and the Company. Besides, even as there are signs of revival in the advanced economies and large commodity exporter among engaging markets, investment outlays in Indian businesses, especially those in export oriented industries, has not seen a significant rebound.

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 slow economic performance. Besides, prudent financial management has also kept it relatively insulated from the economic downturn. The Company is well placed to raise capital at competitive rates.

Operational Risks

Key operational risks 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, slow 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 through a well-structured framework which identifies the desired controls and assigns ownership to monitor and mitigate the risks. It has also invested significant resources in transparent customer friendly processes and an enabling IT infrastructure, which are expected to go a long way to address some of these risks. It also has a Code of Conduct for all its associates. 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 industry has been traditionally quite unorganised. Unfavourable changes in the government policies and the regulatory environment may adversely impact the performance of the Company.

The Company, with its approach towards acquisition of land based on thorough due diligence and its transparent processes in developing the projects, has effectively mitigated these risks. Besides, its focus on environment friendly and sustainable practices also helps in remaining compliant with the environmental regulations.

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 outlook for the world economy improved towards the end of 2016-17 — driven by stronger activity in most advanced economies and easing of recessionary conditions in large commodity-exporting emerging market economies. Despite slower growth in 2016-17 than the year earlier, India has performed better than its peers in the emerging markets over the last few years.

While there are still downside risks, the outlook for Indian economy has improved considerably. Proposals in the Union Budget are expected to stimulate capital expenditure and rural demand; and the step-up in government spend on physical infrastructure and housing is likely to benefit the real estate industry. In addition, policy breakthroughs such as Real Estate (Regulation and Development) Act (RERA) and structural reforms like the Goods and Services Tax (GST) should not only stimulate demand, but make the sector more efficient and organised.

The RERA seeks to improve transparency and accountability in the industry thereby protecting the rights of home buyers. The key provisions of the Act include registration of projects with requisite approvals in place before launch of any project, penalties for delayed delivery, 70 percent of collection from customers to be mandatorily set aside for use in the specific project, 5 years defect liability period etc.

Mahindra Lifespaces' believes that RERA will pave the way for a stronger and robust real estate sector in India by bringing in greater uniformity in the processes followed by developers and removing trust deficit between them and the buyers. The Company is already compliant on many aspects pertaining to RERA and its level of preparedness for adherence continues to be high. It also believes that RERA will throw up opportunities for investments in green field / brown field real estate projects.

As RERA shapes a new way forward for the Real Estate industry, the introduction of Goods and Services Tax (GST) will be a significant structural reform as it will subsume a myriad of indirect taxes, eliminate their cascading impact and harmonise tax rates across the country. The benefits of GST will not be limited to better tax administration and reduction in compliance costs. In the longer run, it is also expected to bring in considerable efficiencies and stimulate demand, resulting in higher economic growth and buoyancy in tax collections.

As far as the real estate sector is concerned, the introduction of GST is expected to bring in multiple benefits: seamless credit on all inputs; streamlining of a complicated web of taxes, authorities and jurisdictions under the current regime; and greater transparency in pricing for the consumers as well as establishing better audit trails and monitoring mechanisms from the point of view of investors.

Real estate is a capital-intensive sector. Mahindra Lifespaces has a strong balance sheet and has been able to raise capital at competitive terms even during challenging times. With its focus on execution, it has been successful in attracting equity participation in both residential and industrial projects, thereby increasing efficiency in the utilisation of its risk capital. As the economic environment improves further, Mahindra Lifespaces believes that it is well-positioned to benefit from the opportunities.

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.

Disclaimer

The Company is currently in the process of registering its ongoing projects in the applicable jurisdictions / States under the Real Estate (Regulation and Development) Act, 2016 and wherever the Rules under RERA have been notified by the respective States in which company has projects. Till such time, the projects that are required to be registered under RERA are registered, none of the images, material, projections, details, descriptions and other information that are mentioned in the Annual Report for the year 2016-17, should be deemed to be or constitute advertisements, solicitations, marketing, offer for sale, invitation to offer, or invitation to acquire, including within the purview of the RERA.

PORTFOLIO OF ONGOING PROJECTS 2016 - 2017

RESIDENTIAL PROJECTS

AURA
Location: NCR
Development Entity: Mahindra Lifespace Developers Limited

Saleable Area: 1.39 million square feet
Launched Area : 1.39 million square feet
*Percentage Sold: 99% of launched area
Percentage Completed : 100% of launched area

LUMINARE
Location: NCR
Development Entity: Mahindra Homes Private Limited

Saleable Area: 1.10 million square feet
Launched Area : 0.78 million square feet
*Percentage Sold: 55% of launched area
Percentage Completed : 48% of launched area

VIVANTE
Location: Mumbai
Development Entity: Mahindra Lifespace Developers Limited

Saleable Area: 0.16 million square feet
Launched Area : 0.16 million square feet
*Percentage Sold: 89% of launched area
Percentage Completed : 71% of launched area

THE SERENES
Location: Alibaug
Development Entity: Mahindra Lifespace Developers Limited

Saleable Area: 0.16 million square feet
Launched Area : 0.06 million square feet
*Percentage Sold: 40% of launched area
Percentage Completed : 58% of launched area

*Percentage Sold upto March 2017. Based on Company’s Share of Saleable Area.

RESIDENTIAL PROJECTS

HAPPINEST BOISAR

Location: Boisar, Mumbai
Development Entity: Mahindra Lifespace Developers Limited

Saleable Area: 0.52 million square feet
Launched Area : 0.42 million square feet
*Percentage Sold: 85% of launched area
Percentage Completed: 88% of launched area

BLOOMDALE

Location: Nagpur
Development Entity: Mahindra Bebenco Developers Limited

Saleable Area: 1.55 million square feet
Launched Area : 1.14 million square feet
*Percentage Sold: 81% of launched
Percentage Completed: 75% of launched area

ANTHEIA

Location: Pimpri, Pune
Development Entity: Mahindra Lifespace Developers Limited

Saleable Area: 1.63 million square feet
Launched Area : 1.22 million square feet
*Percentage Sold: 80% of launched area
Percentage Completed: 87% of launched area

L' ARTISTA

Location: Pune
Development Entity: Mahindra Lifespace Developers Limited

Saleable Area: 0.09 million square feet
Launched Area : 0.09 million square feet
Percentage Completed: 99% of launched area

*Percentage Sold upto March 2017. Based on Company's Share of Saleable Area.

PORTFOLIO OF ONGOING PROJECTS 2016 - 2017

RESIDENTIAL PROJECTS

ASHVITA

Location: Hyderabad
Development Entity: Mahindra Lifespace Developers Limited

Saleable Area: 1.08 million square feet
Launched Area : 1.08 million square feet
*Percentage Sold: 80% of launched area
Percentage Completed: 100% of launched area

WINDCHIMES

Location: Bengaluru
Development Entity: Mahindra Homes Private Limited

Saleable Area: 0.87 million square feet
Launched Area : 0.44 million square feet
*Percentage Sold: 65% of launched area
Percentage Completed: 68% of launched area

HAPPINEST AVADI

Location: Chennai
Development Entity: Mahindra Lifespace Developers Limited

Saleable Area: 0.73 million square feet
Launched Area : 0.44 million square feet
*Percentage Sold: 77% of launched area
Percentage Completed: 89% of launched area

AQUALILY

Location: Chennai
Development Entity: Mahindra Residential Developers Limited

Saleable Area: 1.58 million square feet
Launched Area : 1.51 million square feet
*Percentage Sold: 70% of launched area
Percentage Completed: 82% of launched area

*Percentage Sold upto March 2017. Based on Company's Share of Saleable Area.

RESIDENTIAL PROJECTS

IRIS COURT

Location: Chennai
Development Entity: Mahindra Integrated Township Limited

Saleable Area: 0.86 million square feet
Launched Area : 0.86 million square feet
*Percentage Sold: 98% of launched area
Percentage Completed: 100% of launched area

NOVA

Location: Chennai
Development Entity: Mahindra Integrated Township Limited

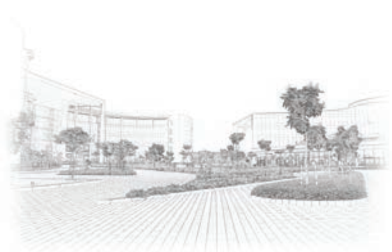
Saleable Area: 0.54 million square feet
Launched Area : 0.54 million square feet
*Percentage Sold: 81% of launched area
Percentage Completed: 100% of launched area

INTEGRATED CITIES

MWC - JAIPUR

Location: Jaipur
Development Entity: Mahindra World City (Jaipur) Limited

Total Area Procured: 2913 acres
Total Saleable Area: 2033 acres
Total Area Leased:
SEZ - 366 acres / DTA - 328 acres / Residential & Social - 30 acres
Balance Inventory:
SEZ - 660 acres / DTA - 367 acres / Residential & Social - 282 acres



MWC - CHENNAI

Location: Chennai
Development Entity: Mahindra World City Developers Limited

Total Area Procured: 1524 acres
Total Saleable Area: 1141 acres
Total Area Leased:
SEZ - 425 acres / DTA - 383 acres / Residential & Social - 264 acres
Balance Inventory:
SEZ - Nil / DTA - 39 acres / Residential & Social - 30 acres

*Percentage Sold upto March 2017. Based on Company's Share of Saleable Area.

CORPORATE GOVERNANCE REPORT

CORPORATE GOVERNANCE PHILOSOPHY

Mahindra Lifespaces is committed to good corporate governance and endeavors 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 stakeholder 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 Regulation 15(2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR") and provisions of the Companies Act, 2013 ("the Act"). As a Company which believes in implementing corporate governance practices in letter and in spirit, the Company has adopted practices mandated by the Act and SEBI LODR and has established procedures and systems to remain compliant with it. This report provides the Company's compliance with these provisions as on 31st March, 2017.

1. BOARD OF DIRECTORS

The Company has a Non-Executive Chairman and more than 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 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 stakeholder's strategy and oversees the actions and results of the Management to ensure that the long-term objective of enhancing value is met. The Managing Director & Chief Executive Officer 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 meetings of the Board, the Committees (except Corporate Social Responsibility Committee) thereof and meetings of Independent Directors and would also be entitled to the commission under the Act. Mr. Arun Nanda, Non-Executive Chairman, who is also on the Board of Mahindra World City Developers Limited (MWCDL), receives sitting fees for attending the meetings of the Board and the Committees (except Corporate Social Responsibility Committee) of MWCDL and would be entitled to the commission under the Act, as may be approved by MWCDL. Mr. Sanjiv Kapoor, Independent Director who is also on the Boards of Mahindra World City Developers Limited and Mahindra Residential Developers Limited, receives sitting fees for attending the meeting of the Board and the Committees (except Corporate Social Responsibility Committee) of these companies and would be entitled to the commission under the Act, as may be approved by these companies. Dr. Anish Shah, Non-Executive Non-Independent Director is the Group President-Strategy at Mahindra and Mahindra Limited (M&M) and receives remuneration from M&M. Dr. Anish Shah does not receive any sitting fees or remuneration from the Company. Apart from the above and the reimbursement of expenses incurred in discharge of their duties, none of the Directors have any pecuniary relationships or transactions with the Company, its Holding company, Subsidiaries and Associate companies, their Promoters, Directors, Senior Management, 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 is 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) Composition, Status, Attendance at the Board Meetings and at the last Annual General Meeting

As on 31st March, 2017, 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. One member of the Board is a Non-Executive Non-Independent Director and remaining four members are Non-Executive Independent Directors. 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	Category	No. of Board Meetings		Attendance at the last AGM
			Held	Attended	
Mr. Arun Nanda, Chairman	00010029	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	No
Dr. Prakash Hebalkar	00370499	Non-Executive Independent	7	7	Yes
Mr. Bharat Shah*	00136969	Non-Executive Independent	7	4	Not Applicable
Dr. Anish Shah	02719429	Non-Executive Non-Independent	7	6	Yes
Ms. Anita Arjundas, Managing Director & Chief Executive Officer	00243215	Executive	7	7	Yes

* Mr. Bharat Shah was appointed as an Additional Director in the category of Non-Executive Independent Director with effect from 1st August, 2016.

b) Details of Directorships / Committee Memberships as of 31st March, 2017

As mandated by the Act, none of the Directors is a director in more than ten Public Limited Companies. In terms of Regulation 25 of SEBI LODR, none of the Independent Directors of the Company is serving as an independent director in more than seven listed entities or serving as a whole time director in any listed entities. Further, in terms of Regulation 26 of SEBI LODR, none of the Directors is a member of more than ten committees or acting as a chairman of more than five committees across all listed entities in which they are Directors. The number of directorships and committee positions held by them in Public Companies are given below:

Name of the Director	Category	Directorship of Public Companies*	Membership in Committees of Public limited companies, whether listed or not**	Chairmanship in Committees of Public limited companies, whether listed or not**
Mr. Arun Nanda, Chairman	Non-Executive Non Independent	6	Nil	2
Mr. Sanjiv Kapoor	Non-Executive Independent	3	Nil	2
Mr. Shailesh Haribhakti	Non-Executive Independent	10	6	4
Dr. Prakash Hebalkar	Non-Executive Independent	1	2	NIL
Mr. Bharat Shah***	Non-Executive Independent	10	6	1
Dr. Anish Shah	Non-Executive Non-Independent	3	2	NIL
Ms. Anita Arjundas, Managing Director & Chief Executive Officer	Executive	10	1	1

* Including Directorship in Mahindra Lifespace Developers Limited as of 31st March, 2017 and includes Public companies whether listed or not and Private companies which are either holding or subsidiary of Public companies. Listed entity means an entity which has any of its securities listed on a recognized stock exchange(s).

** Committees considered are Audit Committee and Stakeholders Relationship Committee including that of Mahindra Lifespace Developers Limited. Committee Membership(s) and Chairmanship are counted separately.

*** Mr. Bharat Shah was appointed as an Additional Director in the category of Non - Executive Independent Director with effect from 1st August, 2016.

c) Number of Board Meetings

Seven Board meetings were held during the year i.e. from 1st April, 2016 to 31st March, 2017, on the following dates: 26th April, 2016; 10th June, 2016; 28th July, 2016; 27th October, 2016; 11th January, 2017; 30th January, 2017 and 24th March, 2017. The maximum gap between any two meetings did not exceed one hundred and twenty days.

d) Meeting of Independent Directors

Independent Directors of your Company meet without the presence of the Chairman, Managing Director, other Non-Independent Director, Chief Financial Officer and any other Management Personnel. This Meeting is conducted to enable the Independent Directors to, inter-alia, discuss matters pertaining to review of performance of Non-Independent Directors and the Board as a whole, review the performance of the Chairman of the Company (taking into account the views of the Executive and Non-Executive Directors), assess the quality, quantity and timeliness of flow of information between the Company Management and the Board, that is necessary for the Board to effectively and reasonably perform its duties.

During the year, one Meeting of Independent Directors was held on 24th March, 2017, and this meeting was attended by all Independent Directors.

e) Board Procedure

A detailed agenda folder is sent to each Director in advance of the meetings of Board and Committees. 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 report on operations is also presented at every Meeting of the Board. 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 the Board, sustainability plan and its performance and CSR spends, CSR plan and its review, etc. The Board reviews the compliance certificate issued by the Managing Director & Chief Executive Officer regarding compliance with the requirements of various Statutes, Regulations and Rules applicable to the business of the Company.

2. DIRECTORS SEEKING APPOINTMENT / REAPPOINTMENT

Pursuant to Section 152 of the Companies Act, 2013 ("the Act"), Mr. Arun Nanda retires by rotation at the forthcoming Annual General Meeting of the Company and being eligible has offered himself for re-appointment. Mr. Arun Nanda is not related to any of the Directors or Key Managerial Personnel of the Company.

The Board of Directors at its meeting held on 28th July, 2016, had appointed Mr. Bharat Shah as an Additional Director in the category of Non-Executive Independent Director with effect from 1st August, 2016. Pursuant to Section 161 of the Act and Article 128 of the Articles of Association of the Company, he holds office upto the date of forthcoming Annual General Meeting. Further, in terms of Sections 149 and 152 of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014, it is proposed that Mr. Bharat Shah 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 1st August, 2016.

The Board is of the view that Mr. Bharat Shah's knowledge and experience will be of benefit and value to the Company. Mr. Bharat Shah is not related to any of the Directors or Key Managerial Personnel of the Company. Pursuant to Section 160 of the Act, the Company has received notice along with prescribed deposit proposing candidature of Mr. Bharat Shah as a Director of the Company. Accordingly, the resolution relating to appointment of Mr. Bharat Shah at Item No. 5 of the Notice as an Ordinary Resolution is recommended for approval of the Members.

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

Brief resumes of Directors seeking appointment / reappointment are given below:

Mr. Arun Nanda

Mr. Arun Nanda aged 68 holds a Degree in Law from the University of Calcutta and is a fellow member of the Institute of Chartered Accountants of India (FCA) and of the Institute of Company Secretaries of India (FCS).

He joined the Mahindra Group in 1973 and held several important positions within the Group over the 40 years. He was inducted to the Board of Mahindra and Mahindra Limited (M&M) in August, 1992 and resigned as an 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 of M&M from April, 2010 to August, 2014.

He was a Member of the Task Force set up by the B20 on Anti-Corruption which presented the policy paper to President Mr. Sarkozy at the G20 Summit held in Cannes in November, 2011 and to President Mr. Putin in St. Petersburg in June, 2013. He was also a co-chair of CII National Committee on Tourism & Hospitality for 2016-17. He was the Chairman of CII Western Region Council for 2010-2011. He has also been appointed as the Chairman of CII National Committee on skill development for 2017-18.

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 is the recipient of 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.
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.
7. "Recognition of CAs in Social Service" for best work for Senior Citizens in August, 2015 from the Institute of Chartered Accounts of India.
8. "IFCA Award of Excellence" for outstanding contribution to the development of culinary profession and promotion of culinary art in India from Indian Federation of Culinary Association in September, 2015.
9. "Lifetime Achievement Award" in September, 2016 for exceptional contribution to India's real estate sector from National Real Estate Development Council (NAREDCO).

As on 31st March, 2017, Mr. Arun Nanda holds Directorships and Committee positions in the following companies:

Name of Company / Trust	Designation	Name of Committee	Position held
Mahindra Lifespace Developers Limited	Chairman, Non-Executive Director	Stakeholders Relationship Committee	Chairman
		Loans and Investment Committee	Chairman
		Nomination and Remuneration Committee	Member
		Share Transfer and Allotment Committee	Member
		Committee for Large Format Developments	Member
		Committee for Residential Projects in Joint Venture	Member
		Qualified Institutional Placement Committee	Member
		Corporate Social Responsibility Committee	Chairman
		Rights Issue Committee	Chairman

Name of Company / Trust	Designation	Name of Committee	Position held
Mahindra World City Developers Ltd.	Vice Chairman (Non-executive Director)	-	-
Mahindra World City (Jaipur) Ltd.	Non-executive Director	Capital Issue Committee	Member
		Loans and Investment Committee	Member
Mahindra Holidays & Resorts (India) Ltd.	Chairman, Non-Executive Director	Inventory Approval Committee	Chairman
		Strategy and Review Committee	Chairman
		Corporate Social Responsibility Committee	Chairman
		Nomination and Remuneration Committee	Member
		Stakeholders Relationship Committee	Chairman
		Loans and Investment Committee	Chairman
		Risk Management Committee	Member
		Committee of Directors-Investment	Chairman
		Investment Committee	Chairman
Multi Commodity Exchange of India Limited	Public Interest Director (Non-executive Director)	Nomination and Remuneration Committee	Member
		Corporate Social Responsibility Committee	Chairman
		Investment Committee	Member
		Independent Directors Committee	Member
		Membership Selection Committee	Chairman
Mahindra Holdings Limited	Non-Executive Director	Loans and Investment Committee	Member
Foreign Companies			
Holiday Club Resorts Oy, Finland	Chairman (Non-Executive Director)	-	-
HCR Management Oy, Finland	Non-Executive Director	-	-
Section 8 Company			
Indo-French Chamber of Commerce and Industry (Section 8 Private Company	-	-	Chairman Emeritus
Other Memberships			
Blossoming Hope	Managing Trustee	-	-
Adhata Trust	Managing Trustee	-	-

Name of Company / Trust	Designation	Name of Committee	Position held
Integrity Action (Registered Charity Company in UK)	Trustee	-	-
I Hear Foundation	Trustee	-	-
Mahindra World School Educational Trust, Chennai	Trustee	-	-
HelpAge India	Member-Governing Board	-	-
Techno Serve India Center	Member-Advisory Board	-	-
Trinity College Dublin	Member- South Asia Board	-	-
3i Investment PLC	Advisor	-	-
M & M Benefit Trust	Trustee	-	-
M & M Fractional Entitlement Trust	Trustee	-	-
Tourism & Hospitality Skill Council	Chairman	-	-

As of 31st March, 2017, Mr. Arun Nanda, Director holds 131,064* equity shares of the Company.

*Out of 131,064 Equity Shares, 114 Equity Shares are held jointly with Ms. Neerja Nanda, being the second holder, 600 Equity Shares are held jointly with Ms. Neerja Nanda, being the first holder and Mr. Arun Nanda being the second holder and 350 Equity Shares are held jointly with Mr. Uday Nanda and Ms. Neerja Nanda, Mr.Arun Nanda being the third holder.

Details of stock options granted to Mr. Arun Nanda under Employee Stock Option Scheme 2006 and 2012 are given at point no. 6 of this report.

Mr. Bharat Shah

Mr. Bharat Shah, aged 70 years, was appointed as an Additional Director with effect from 1st August, 2016 in the category of Non-Executive Independent Director. He holds office upto the date of this Annual General Meeting. He has graduated from the University of Bombay with a Bachelor's of Science and has done higher national diploma in applied chemistry from Borough Polytechnic, London. He has over four decades of work experience and prior to joining the Company, he was associated with various Indian and multinational companies.

As on 31st March, 2017, Mr. Bharat Shah holds Directorships and Committee positions in the following companies:

Name of Company / Trust	Designation	Name of Committee	Position held
Strides Shasun Limited	Non-Executive Independent Director	Audit Committee	Member
		Qualified Institutional Placement Committee	Member
		Allotment Committee	Member
3M India Limited	Chairman, Non-Executive Independent Director	Audit Committee	Member
		Stakeholders Relationship Committee	Chairman
		Corporate Social Responsibility Committee	Chairman
		Nomination and Remuneration Committee	Member
Exide Industries Limited	Chairman, Non-Executive Independent Director	Corporate Social Responsibility Committee	Chairman
Hexaware Technologies Limited	Non-Executive Independent Director	Nomination and Remuneration Committee	Member
		Corporate Social Responsibility Committee	Chairman
		Strategy and Risk Committee	Member
Salisbury Investments Private Limited	Non-Executive Independent Director	-	-
HDFC Securities Limited	Chairman, Non-Executive Independent Director	Nomination and Remuneration Committee	Member
		Capex Committee	Member
		Corporate Social Responsibility Committee	Member
IDFC Alternatives Limited	Non-Executive Independent Director	Audit Committee	Member
		Nomination and Remuneration Committee	Member
		Corporate Social Responsibility Committee	Member
AGS Transact Technologies Limited	Non-Executive Independent Director	Audit Committee	Member
		Nomination and Remuneration Committee	Chairman
		Corporate Social Responsibility Committee	Member
		Stakeholders Relationship Committee	Member
		Risk Management Committee	Member
India Transact Services Limited	Non-Executive Independent Director	Nomination and Remuneration Committee	Chairman
Faering Capital Trustee Company Private Limited	Non-Executive Independent Director	-	-
Tata Sky Limited	Non-Executive Independent Director	Audit Committee	Member
		Nomination and Remuneration Committee	Chairman
Mahindra Lifespace Developers Limited	Non-Executive Independent Director	Rights Issue Committee	Member
Amadeus Advisors Private Limited	Non-Executive Independent Director	-	-
Sterling Pharma Solutions Limited	Non-Executive Independent Director	-	-

Mr. Bharat Shah does not hold any Equity Shares in the Company.

3. FAMILIARISATION OF INDEPENDENT DIRECTORS

The details of familiarization program for Independent Directors have been disclosed on website of the Company and is available at the link: http://www.mahindralifespaces.com/investors/disclosures-sebi

4. CODES OF CONDUCT AND POLICIES

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 Act.

The Board, at its meeting held on 28th July, 2016, approved and adopted the revised Code of Conduct for Senior Management and Employees. The Code is made more user-friendly and easy to refer on an ongoing basis.

These codes are posted on the Company's website: http://www.mahindralifespaces.com/investors/disclosures-sebi

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.

In accordance with the requirement of SEBI LODR, the Company has formulated and adopted policy for determining material subsidiaries, policy on materiality of and dealing with related party transactions, policy for determining materiality for disclosures. These policies are posted on the Company's website at: http://www.mahindralifespaces.com/investors/disclosures-sebi

5. CEO /CFO CERTIFICATION

As required under Regulation 17(8) read with Part B of Schedule II of SEBI LODR, the Managing Director & Chief Executive Officer and the Chief Financial Officer of the Company have certified to the Board regarding the Financial Statements for the year ended on 31st March, 2017.

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 of the Company by attracting and retaining Directors 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 Act 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 (NRC) 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 meetings, Committee meetings and meeting of Independent Directors. The Directors have voluntarily waived sitting fees for attending Corporate Social Responsibility Committee meetings. The Board determines the remuneration, if any, of Non-Executive Directors, subject to requisite approvals, if any. At the 16th Annual General Meeting of the Company held on 31st July, 2015, the shareholders had approved the payment of commission, at a rate not exceeding one percent (1 percent) 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 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. Accordingly, the Board of Directors at its meeting held on 22nd April, 2017 has approved payment of commission to Directors.

Performance Evaluation

Pursuant to the provisions of the Act and Part D of Schedule II of SEBI LODR, 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 Chairman 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. Structured questionnaires, covering various aspects of the evaluation such as adequacy of the size and composition of the Board and Committees 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. were circulated to the Directors for the evaluation process. The Directors expressed their satisfaction with the evaluation process.

Criteria for making payments to Non-Executive Directors

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, Committee of the Board (except Corporate Social Responsibility Committee) and meeting of Independent Directors attended by him of such sum as may be approved by the Board of Directors within the overall limits prescribed under the Act 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 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 percent of the net profit of the Company calculated in the prescribed manner. The Board in determining the quantum of commission payable to the Directors, takes into consideration the remuneration policy of the Company;

iii. The Board may approve a higher commission for the Chairman of the Board of Directors taking into consideration his overall responsibility;

iv. The Commission shall be payable on pro-rata basis to Directors who occupy office for part of the year and;

v. As per provisions of the Act, the Independent Directors are not entitled to fresh grant of any Stock Options.

Detailed information of Directors' remuneration for the year 2016-17 is set forth below:

(₹ in lakh)

Name of the Director	Status	Sitting Fees (Note a)	Commission (Note g)	Salary, Performance Pay and Perquisites	Aggregate of Company's contributions to Superannuation & Provident Fund	Total
Mr. Arun Nanda, Chairman	Non-Executive Non-Independent	9.15	42.00	Nil	Nil	51.15
Mr. Sanjiv Kapoor	Non- Executive Independent	11.60	9.00	Nil	Nil	20.60
Mr. Shailesh Haribhakti	Non- Executive Independent	11.60	9.00	Nil	Nil	20.60
Dr. Prakash Hebalkar	Non- Executive Independent	11.00	9.00	Nil	Nil	20.00
Mr. Bharat Shah*	Non- Executive Independent	5.30	6.00	Nil	Nil	11.30
Dr. Anish Shah	Non- Executive Non-Independent	NA	NA	NA	NA	NA
Ms. Anita Arjundas, (Note b)	Executive (Managing Director and Chief Executive Officer)	NA	NA	243.05	26.99	270.04

* Mr. Bharat Shah was appointed as an Additional Director in the category of Non-Executive Independent Director w.e.f. 1st August, 2016.

Notes:

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

Meeting	Sitting Fees per meeting (₹)
Board	100,000
Independent Directors Meeting (effective from 23rd March, 2016)	100,000
Share Transfer & Allotment Committee	5,000
Corporate Social Responsibility (CSR) Committee*	Nil
All other Committees	30,000

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

The Managing Director & CEO and Non-Executive Non-Independent Director (not being the Chairman) do not receive sitting fees for attending meetings of the Board / Committees of the Board of Directors of the Company.

b. (i) Ms. Anita Arjundas, prior to her appointment as Managing Director & CEO 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 Managing Director & 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 7,000 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 & CEO includes:

- Salary and allowances of ₹ 175.72 lakh
- Superannuation of ₹ 14.99 lakh
- Provident fund of ₹ 12.00 lakh
- Perquisites of ₹ 11.91 lakh
- Performance pay of ₹ 55.42 lakh

The nature of employment of Managing Director & CEO 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 fee.

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 25th April, 2008. (Exercise Price ₹ 428/- per Stock Option)	No. of Stock Options Granted on 25th April, 2008 which are vested but to be exercised on or before 24th April, 2017. (Exercise Price ₹ 428/- per Stock Option)	No. of Stock Options Granted on 4th August, 2012. (Exercise Price ₹ 325/- per Stock Option)	No. of Stock Options Granted on 4th August, 2012. which are vested but to be exercised on or before 3rd August, 2021. (Exercise Price ₹325/- per Stock Option)	No. of Stock Options Exercised as on 31st March, 2017*
Mr. Arun Nanda, Chairman	200,000	70,000	-	-	130,000
Mr. Sanjiv Kapoor	10,000	10,000	-	-	-
Mr. Shailesh Haribhakti	10,000	-	-	-	10,000
Dr. Prakash Hebalkar	-	-	10,000	5,000	5,000
Mr. Bharat Shah	-	-	-	-	-
Dr. Anish Shah	-	-	-	-	-
Ms. Anita Arjundas, Managing Director and Chief Executive Officer	50,000	49,000	-	-	1,000
Total	270,000	129,000	10,000	5,000	146,000

* As of 31st March, 2017, a total of 175,250 Stock Options have been exercised by the grantees, out of which 146,000 Stock Options have been exercised by the above Directors and 29,250 Stock Options have been exercised by other grantees under ESOS-2006.

e. **ESOS-2012:** As of 31st March, 2017, a total of 64,650 Stock Options have been exercised by the grantees at an exercise price of ₹ 10 per Stock Option, out of which 7,000 Stock Options have been exercised by Ms. Anita Arjundas, Managing Director & CEO and 57,650 Stock Options have been exercised by other grantees under ESOS-2012.

Details of Vesting period is as below:

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

The Options are to be exercised within a period of five years from the respective dates of vesting.

f. Besides Stock Options, in case of Managing Director & CEO, the performance pay in accordance with 'The Policy for Remuneration of the Directors' is the only component which is performance linked and variable. All other components are fixed.

g. In case of other Directors, Employee Stock Option and Commission are the only components of Remuneration that are performance linked and variable.

h. As per provisions of the Act and SEBI LODR, the Independent Directors are not entitled to fresh grant of any Stock Options.

Shares and Convertible Instruments held by Non-Executive Directors:

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

As on 31st March, 2017, the details of equity shares held by the Directors are as follows:

- The details of equity shares held by Mr. Arun Nanda have been given in earlier section of Directors seeking appointment / re-appointment of this Report.
- Dr. Prakash Hebalkar holds 5,000 equity shares jointly with Ms. Shailaja Prakash Hebalkar in the Company.
- Mr. Shailesh Haribhakti holds 5,000 equity shares in the Company.
- Dr. Anish Shah does not hold any equity shares in the Company either on his own or for any other person on a beneficial basis.
- Mr. Sanjiv Kapoor does not hold any equity shares in the Company either on his own or for any other person on a beneficial basis.
- Mr. Bharat Shah does not hold any equity shares in the Company either on his own or for any other person on a beneficial basis.

7. COMMITTEES OF THE BOARD

Audit Committee

As on 31st March, 2017, the Audit Committee of the Company comprises three Independent Directors, namely Mr. Sanjiv Kapoor, Mr. Shailesh Haribhakti and Dr. Prakash Hebalkar and one Non-Executive Non-Independent Director, Dr. Anish Shah. Mr. Sanjiv Kapoor is the Chairman of the Committee.

All members of the Audit Committee possess strong knowledge of accounting and financial management.

The terms of reference of the Committee pursuant to Section 177 of the Act, inter-alia, includes:

- Review and Monitor the auditor's independence, 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 Regulation 18(3) read with Part C of Schedule II of SEBI LODR which, interalia, includes:

- 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;
- Evaluation of the internal control systems and risk management system with the management, Internal Auditors and Statutory Auditors;
- Review with the management, the annual financial statements and auditors report before submission to the Board for approval, with special emphasis on accounting policies and practices, compliance and other legal requirements concerning financial statements;
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- Review of Management Discussion and Analysis of financial condition and results of the operations;
- Management letters / letters of internal control weakness issued by Statutory Auditors;
- Review of material Individual Transactions with related parties not in normal course of business or which are not on 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 of financial statements and investment of unlisted subsidiary companies.

During the year under review, 1st April, 2016 to 31st March, 2017, eight meetings of the committee were held on the following dates: 26th April, 2016; 10th June, 2016, 28th July, 2016; 9th September, 2016; 27th October, 2016; 11th January, 2017; 30th January, 2017; and 23rd March, 2017. The maximum gap between any two meetings did not exceed one hundred and twenty days. The details of attendance at the Audit Committee meetings held during the year are as under:

Name of the Director	Status	No. of Audit Committee Meetings	
		Held	Attended
Mr. Sanjiv Kapoor	Non-Executive Independent	8	8
Mr. Shailesh Haribhakti	Non-Executive Independent	8	8
Dr. Prakash Hebalkar	Non-Executive Independent	8	8
Dr. Anish Shah	Non-Executive Non-Independent	8	7

Mr. Sanjiv Kapoor, Chairman of the Audit Committee, was present at the Annual General Meeting of the Company held on 28th July, 2016. The Chairman of the Company, the Managing Director & CEO, Chief Financial Officer, the Internal Auditors and Statutory Auditors are 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 Stakeholders including Directors and employees and their representative bodies to report genuine concerns in the prescribed manner. The vigil mechanism is overseen by the Audit Committee and provides adequate safeguards against victimization of stakeholders including employees and Directors and their representative bodies. 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 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 provides details on the Whistle Blower Policy of the Company and the Policy is available at web link: https://www.mahindralifespaces.com/media/1318/whistle-blower-policy.pdf

Stakeholders Relationship Committee

As on 31st March, 2017, the Stakeholders Relationship Committee of the Company comprises Non-Executive Non-Independent Director, Mr. Arun Nanda and Non-Executive Independent Director, Dr. Prakash Hebalkar. Mr. Arun Nanda is the Chairman of the Committee. Mr. Suhas Kulkarni, Senior Vice President – Legal & Company Secretary, is the Compliance Officer for 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 twice on 26th April, 2016 and 10th June, 2016. Mr. Arun Nanda and Dr. Prakash Hebalkar attended the said meetings and the Annual General Meeting of the Company held on 28th July, 2016.

Status of Investors Complaints received during the period 1st April, 2016 to 31st March, 2017:

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.	107
2	Number of complaints resolved	107
3	Complaints pending as at 31st March, 2017	0
4	Number of share transfers pending for approval as at 31st March, 2017	5

Nomination and Remuneration Committee

As on 31st March, 2017, the Nomination and Remuneration Committee of the Company comprises two Independent Directors, Mr. Sanjiv Kapoor and Mr. Shailesh Haribhakti and a Non-Executive Non-Independent Director, Mr. Arun Nanda, Mr. Sanjiv Kapoor is the Chairman of the Committee. The Board at its meeting held on 16th May, 2017, has nominated Dr. Anish Shah, a Non-executive Non-Independent Director on the Committee. During the year under review, 1st April, 2016 to 31st March, 2017, the Committee met four times on the following dates: 26th April, 2016; 10th June, 2016; 28th July, 2016 and 23rd March, 2017. 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 28th July, 2016.

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

- 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;
- To formulate and administer the Employee Stock Option Scheme ("the Scheme");
- To formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommending to the Board, a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees;
- 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;
- Devising a policy on Board Diversity.
- To attend to such other matters and functions as may be prescribed from time to time;

Corporate Social Responsibility Committee

As on 31st March, 2017, the Committee comprises Non-Executive Non-Independent Director Mr. Arun Nanda, Independent Director, Mr. Shailesh Haribhakti and the Managing Director & CEO, Ms. Anita Arjundas. Mr. Arun Nanda is the Chairman of the Committee.

During the year under review, the Committee met four times on the following dates: 26th April, 2016; 28th July, 2016; 27th October, 2016 and 30th January, 2017. All members attended the meetings.

Loans & Investment Committee

As on 31st March, 2017, the Loans & Investment Committee of the Board of the Company comprises two Non-Executive Non-Independent Directors, Mr. Arun Nanda and Dr. Anish Shah and Non-executive Independent Director, Dr. Prakash Hebalkar.

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 the following:

- to issue duplicate share certificates in lieu of original certificates, which are lost or misplaced against an Indemnity Bond;
- 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;

- to approve in physical mode transfers in excess of 5,000 equity shares per transfer;
- to approve transmission in physical mode of equity shares of a market value exceeding ₹ 5,00,000;
- 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 shares / 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.

As on 31st March, 2017, the Committee comprises two Non-Executive Non-Independent Directors, Mr. Arun Nanda and Dr. Anish Shah and the Managing Director & CEO, Ms. Anita Arjundas.

During the year, the Committee also approved issue of duplicate share certificates cum transfer / transmission of shares through circular resolutions.

Committee for Residential Projects in Joint Venture

As on 31st March, 2017, the Committee for Residential Projects in Joint Venture comprises Non-Executive Non-Independent Director, Mr. Arun Nanda, Independent Director, Mr. Shailesh Haribhakti and the Managing Director & CEO, 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

As on 31st March, 2017, the Committee for Large Format Developments comprises Non-Executive Non-Independent Director, Mr. Arun Nanda, Independent Director, Dr. Prakash Hebalkar and the Managing Director & CEO, Ms. Anita Arjundas. The objective of the Committee is to evaluate business plans and investments in large format development projects.

Qualified Institutional Placement (QIP) Committee

The Committee comprises Non-Executive Non-Independent Director, Mr. Arun Nanda, Independent Director, Mr. Shailesh Haribhakti and the Managing Director & CEO, Ms. Anita Arjundas. The objective of the Committee is to finalize the terms of issue of equity shares to Qualified Institutional Buyers, and to finalize and approve the Preliminary Placement Document / Placement Document, etc.

Risk Management Committee

The Company already has in place a procedure to inform the Board about the risk assessment and minimization procedures. Presently, in terms of Regulation 21 of the SEBI LODR, the requirement of Risk Management Committee is not applicable to your Company. However, the Board has constituted Risk Management Committee comprising Directors and Chief Financial Officer of the Company.

The Committee comprises Mr. Shailesh Haribhakti, Independent Director, Ms. Anita Arjundas, Managing Director & CEO and Mr. Jayantt 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.

Rights Issue Committee

The Board at its Meeting held on 27th October, 2016, constituted a Rights Issue Committee. The Committee comprises Non-Executive Non-Independent Director, Mr. Arun Nanda, Non-executive Independent Director, Mr. Bharat Shah and Non-Executive Non-Independent Director Dr. Anish Shah. The role of the Rights Issue Committee, inter-alia, includes appointment of lead managers, legal advisors, registrars, bankers and other intermediaries, approve Draft Letter of Offer and Letter of Offer, Abridged Letter of Offer and Composite Application Form, etc, approve issue size, ratio entitlement, issue price, record date, issue opening and closing date, finalizing basis of allotment, allotment of shares, listing of shares, etc.

During the year under review, the Committee met once on 20th March, 2017.

8. GENERAL SHAREHOLDER INFORMATION

Eighteenth Annual General Meeting – Financial Year 2016-17

Day / Date: Tuesday, 25th July, 2017

Time: 3:00 p.m.

Venue: Y.B. Chavan Centre, General Jagannath

Bhosle Marg, Next to Sachivalaya

Gymkhana, Mumbai 400 021

Details of Annual / Extra-ordinary General Meetings held and Special Resolutions passed during past three years

Year	Date	Time	Venue	Special Resolutions passed
2014	15th AGM, 7th August, 2014	3:00 p.m	Y. B. Chavan Centre, General Jagannathrao Bhonsle Marg, Next to Sachivalaya Gymkhana, Mumbai - 400 021	• 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 ₹750 crore
2015	16th AGM, 31st July, 2015	3:00 p.m	Walchand Hirachand Hall, 4th Floor, Indian Merchant Chamber Building, IMC Marg, Churchgate, Mumbai – 400020	• Appointment of Mr. Shailesh Haribhakti as an Independent Director • Appointment of Mr. Sanjiv Kapoor as an Independent Director • Appointment of Dr. Prakash Hebalkar as an Independent Director • Private placement of Non-Convertible Debentures and / or other Debt Securities upto aggregate of ₹ 750 crore. • Commission to Non-Executive Directors • Adoption of new set of Articles of Association • Material Related Party Transaction
2016	17th AGM, 28th July, 2016	3:00 p.m.	Y. B. Chavan Centre, General Jagannath Bhosle Marg, next to Sachivalaya Gymkhana, Mumbai 400 021	• Private Placement of Non-Convertible Debentures and/or other Debt Securities upto aggregate of ₹ 750 crore; • Maintenance of the Register of Members and Related Books at a Place other than the Registered Office of the Company; • Alteration of Articles of Association of the Company;

No Extra-Ordinary General Meeting (EGM) was held during last three years and no special resolution was passed in the previous year through Postal Ballot.

Dates of Book Closure

Saturday, 15th July, 2017 to Tuesday, 25th July, 2017 (both days inclusive)

Final Dividend Payment Date

Final Dividend, if declared, will be credited / dispatched between 26th July, 2017 to 29th July, 2017.

Financial Year

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

Financial reporting for 2017-18 (Tentative)

For Quarter ending– 30th June, 2017	By end of July, 2017
For Half Year ending – 30th September, 2017	By end of October, 2017
For Quarter ending – 31st December, 2017	By end of January, 2018
For year ending – 31st March, 2018	By end of April, 2018

Listing on Stock Exchanges

The equity shares of the Company are listed on BSE Limited and National Stock Exchange of India Limited. The Secured Listed Rated Redeemable 10.78 percent YTM, Non-Convertible Debentures (NCDs) are listed on BSE Limited. Listing fees have been paid to the Stock Exchanges for the period up to 31st March, 2018.

The Company's Stock Exchange Codes and address:

Name and Address of the Stock Exchanges	Type of Security / Scrip Code	International Security Identification Number (ISIN)
BSE Limited Piroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001	Equity Shares: Scrip Code - 532313	INE813A01018
National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai 400 051	Equity Shares: Scrip Code - MAHLIFE	INE813A01018
BSE Limited Piroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001	Non-Convertible Debentures: Series III - Scrip Code: 949080 Scrip ID: 8MLDL2018C	Non-Convertible Debentures: Series III – INE813A07031

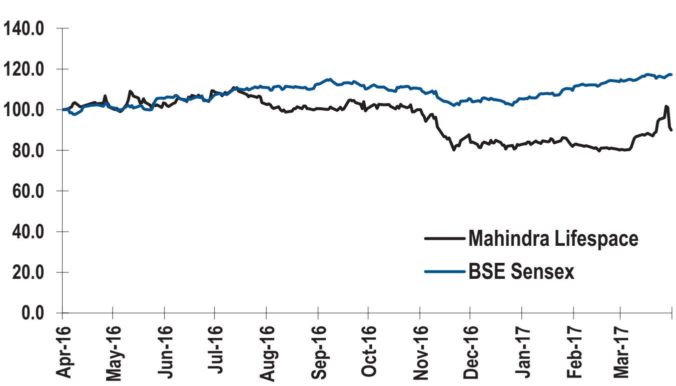
BSE and NSE – Monthly High / Low and Volumes

Year	Month	BSE			NSE		
		High (₹)	Low (₹)	Monthly Volume	High (₹)	Low (₹)	Monthly Volume
2016	April	495.85	422.00	91,679	495.00	421.20	727,147
2016	May	476.70	424.00	52,409	477.95	423.25	328,738
2016	June	474.80	435.00	137,747	475.00	423.45	197,653
2016	July	483.10	443.00	66,766	483.00	443.00	362,976
2016	August	451.25	422.50	48,872	453.75	422.35	229,770
2016	September	470.00	425.10	43,336	464.50	420.40	250,485
2016	October	465.80	421.05	91,167	466.45	417.00	553,991
2016	November	434.90	343.30	528,622	434.55	343.50	669,138
2016	December	376.00	344.00	54,402	378.00	344.00	155,465
2017	January	375.00	349.55	106,611	375.30	349.05	568,197
2017	February	369.00	342.00	214,748	368.00	341.15	1,632,180
2017	March	454.40	342.05	1,375,905	455.05	343.55	4,105,046

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

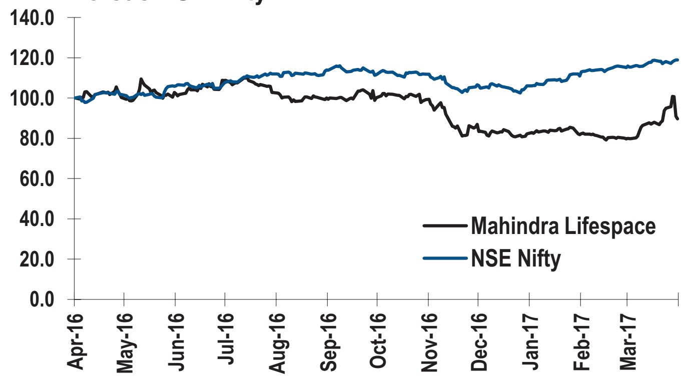
Year	Month	Closing Price on Last Trading Day of the Month				
		MLDL at BSE	BSE Sensex	NSE Nifty	BSE 500	BSE Realty
2016	April	434.80	25,606.62	7,849.80	10,406.12	1,356.71
2016	May	444.60	26,667.96	8,160.10	10,761.49	1,421.08
2016	June	470.05	26,999.72	8,287.75	11,029.45	1,532.82
2016	July	444.85	28,051.86	8,638.50	11,585.96	1,607.07
2016	August	432.80	28,452.17	8,786.20	11,834.89	1,542.10
2016	September	432.25	27,865.96	8,611.15	11,700.65	1,512.19
2016	October	430.35	27,930.21	8,625.70	11,878.89	1,556.14
2016	November	377.00	26,652.81	8,224.50	11,195.09	1,281.82
2016	December	354.95	26,626.46	8,185.80	11,036.44	1,263.94
2017	January	352.50	27,655.96	8,561.30	11,659.94	1,369.73
2017	February	344.65	28,743.32	8,879.60	12,176.95	1,495.06
2017	March	387.05	29,620.50	9,173.75	12,631.90	1,599.97

Chart A: Mahindra Lifespaces' Share Performance versus BSE Sensex



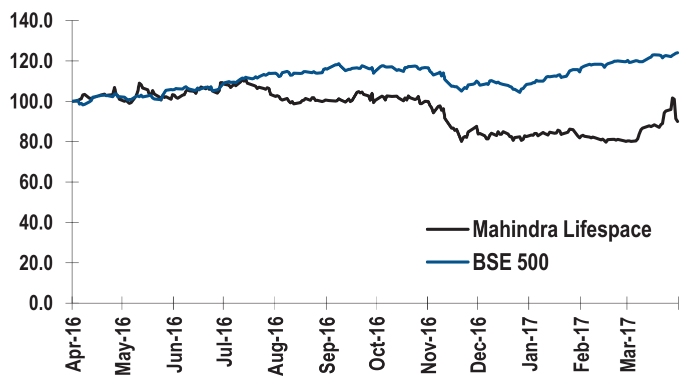
Note: Share price of Mahindra Lifespaces and BSE Sensex have been indexed to 100 on 1st April, 2016

Chart B: Mahindra Lifespaces' Share Performance versus NSE Nifty



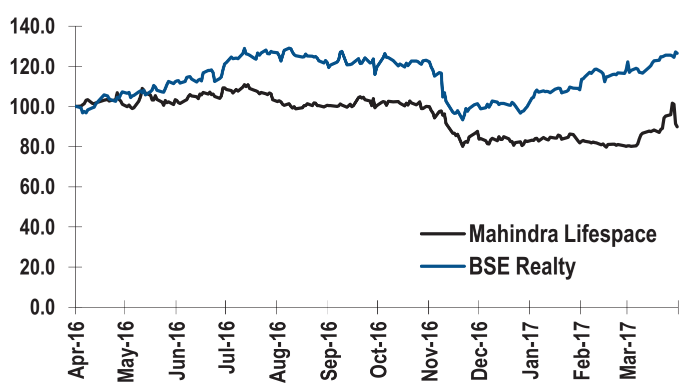
Note: Share price of Mahindra Lifespaces and NSE NIFTY have been indexed to 100 on 1st April, 2016

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, 2016

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, 2016

Registrar and Share Transfer Agents

Karvy Computershare Private Limited

Corporate Office:

Karvy Selenium, Tower
B, Plot Nos. 31-32,
Gachibowli, Financial District,
Nanakramguda, Hyderabad 500 032.
Tel: 91 40-67162222
Email Id: einward.ris@karvy.com
Website: www.karvycomputershare.com

Investor Relation Centre:

Karvy Computershare Private Limited
24 B, Rajabahadur Mansion,
Ground Floor, Ambalal Doshi
Marg Fort, Mumbai – 400 023
Tel: 022-66235454 / 412 / 427

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 the documents are valid and complete in all respect. With a view to expedite the process of share transfers, Ms. Anita Arjundas, Managing Director & CEO, Mr. Suhas Kulkarni, Senior Vice President - Legal & Company Secretary and Ms. Arti Shinde, Deputy General Manager - 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 1,00,000 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, 2017

No. of Equity Shares	No. of Shareholders	percent of Shareholders	No. of Shares Held	percent of Shareholding
1-100	58,381	89.24	1,358,484	3.31
101-200	3,226	4.93	487,541	1.19
201-300	1,181	1.81	303,151	0.74
301-400	563	0.86	202,932	0.49
401-500	548	0.84	261,403	0.64
501-1000	790	1.21	604,614	1.47
1001-2000	346	0.53	500,038	1.22
2001-3000	108	0.17	273,383	0.67
3001-4000	60	0.09	213,929	0.52
4001-5000	43	0.07	204,879	0.50
5001-10000	76	0.12	561,992	1.37
10001 & above	98	0.15	36,081,204	87.89
Total	**65,420**	**100.00**	**41,053,550**	**100.00**

Shareholding Pattern

Category	As on 31st March, 2017		As on 31st March, 2016	
	No. of Equity Shares Held	percent of Shareholding	No. of Equity Shares Held	percent of Shareholding
Promoter's and Promoter Group	20,846,126	50.78	20,846,126	50.80
Insurance Companies, Banks and Financial Institutions	13,567	0.03	21,746	0.05
UTI and Mutual Funds	912,235	2.22	485,086	1.17
FIIs	9,944,506	24.22	10,613,809	25.87
NRIs / OCB	329,835	0.80	520,541	1.27
Bank of New York Mellon (for GDR Holders)	44,770	0.11	44,770	0.11
Domestic Companies	2,800,460	6.82	2,623,813	6.40
Trust	9,663	0.02	11,975	0.03
Resident Individuals	5,650,735	13.76	5,865,284	14.30
Others – Clearing members	59,139	0.14	-	-
Others HUF	442,514	1.08	-	-
Total	**41,053,550**	**100.00**	**41,033,150**	**100.00**

Dematerialisation of Shares

As of 31st March, 2017, 4,04,73,175 shares (98.59 percent) 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, 2017, outstanding GDR's represent 44,770 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

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. The Company had sent three reminder letters to such shareholders whose share certificates returned undelivered and hence remained unclaimed, by requesting them to update correct details viz. postal addresses, PAN details, etc. registered with the Company 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". Any corporate benefits in terms of securities accruing on such shares viz. bonus shares, split, etc., are being and will be credited to such Demat Suspense Account. The Suspense Account is 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 delivering the shares as and when the shareholders approach the Company. The voting rights on such shares shall remain frozen as long as such shares remain in the Suspense Account. As and when the allottee approaches the Company, the Company credits 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, 2017:

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: 3,140 Outstanding shares: 49,204
2	Number of shareholders who approached the issuer for transfer of shares from suspense account during the year;	No. of requests : 5 No. of shares : 113
3	Number of shareholders to whom shares were transferred from suspense account during the year;	No. of transfer : 5 No. of shares : 113
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: 3,135 Outstanding shares: 49,091

Offices of the Company

Registered Office & Corporate Office

Mahindra Lifespace Developers Limited
CIN: L45200MH1999PLC118949
5th Floor, Mahindra Towers, Worli, Mumbai 400 018
Tel: 022- 67478600 / 67478601

Mumbai Offices

- Chemtex House, Ground Floor, Hiranandani Gardens, Powai, Mumbai 400 076

  Tel: 022- 66793191 / 66793190
- Dev Corpora, Office No. 1304, 13th Floor, Shree Ganesh Mandir Marg, Cadbury Junction, Eastern Express Highway, Thane West – 400601

NCR Offices

- 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 Offices

- Administrative Block, Central Avenue, Mahindra World City, Natham Sub P.O., Chengalpet, Kancheepuram 603 002, Tamil Nadu Tel: 044- 4940 0000
- The Canopy, I 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- 4940 0050

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

Bengaluru Office

37/2A, Opp. to BPL Software Bannerghatta Road, Arakere Village, Bengaluru 560 076

Dubai Representative Office

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

Shareholders may correspond with the Company at its Registered Office and /or with the Registrars and Share Transfer Agent, Karvy Computershare Private Limited at 24 B, Rajabahadur Mansion, Ground Floor, Ambalal Doshi Marg, Fort, Mumbai 400 023. Tel: 022-66235454 / 412 / 427 Email Id: einward.ris@karvy.com.

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.mldl@mahindra.com

Company's website

www.mahindralifespaces.com

10. DISCLOSURE OF ACCOUNTING TREATMENT

The standalone and consolidated financial statements for 2016-17 have been prepared in accordance with applicable Indian Accounting Standards (INDAS) issued by the Institute of Chartered Accountants of India and the provisions of the Companies Act, 2013 and the Rules framed thereunder and the corresponding figures for the previous year have been restated as per INDAS for the purpose of comparison.

11. 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: https://www.mahindralifespaces.com/media/1322/policy-on-materiality-of-and-dealing-with-related-party-transactions.pdf

All related party transactions are entered into with prior approval of the Audit Committee. During 2016-17, there were no materially significant related party transactions entered between the Company and its Promoters, Directors or Key Managerial Personnel, 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. 36 to Annual Accounts. Details of material related party transaction on arm's length basis are disclosed in Form AOC-2 marked as Annexure 7 to the Board's Report.

12. COMPLIANCE WITH MANDATORY REQUIREMENTS

As of 31st March, 2017, the Company was fully compliant with all applicable mandatory requirements of the provisions of SEBI LODR.

13. NON-MANDATORY REQUIREMENTS

The status of compliance with non-mandatory recommendations of Part E of Schedule II of SEBI LODR is provided below:

- Non-Executive Chairman's Office: The Company at its expense partially maintains office of the Non-Executive Chairman of the Company and reimburses expenses incurred in performance of his duties.
- Shareholders' Rights: As the quarterly, half yearly, financial performance and summary of significant events in last six-months are published in the newspapers and are also posted on the Company's website, the same are not mailed to the shareholders.
- Audit Qualifications: The Company's financial statement for 2016-17 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.

14. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

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

15. OTHER DISCLOSURES

Details of Non-compliance relating to Capital Markets during the past 3 years:

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. The Company has also complied with the requirements of Corporate Governance Report of sub paras (2) to (10) mentioned in Para C of Schedule V of SEBI LODR and disclosed necessary information as specified in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) of SEBI LODR at the respective places in this report.

Code for Prevention of Insider Trading Practices

In compliance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Company has, on 30th April, 2014 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)" ("these Codes") which are effective from 15th May, 2015. The Code for Prohibition of Insider Trading and to regulate, monitor and report trading by Insiders and designated persons was further modified to align with the amendments / clarifications to the Regulations. These Codes lays down guidelines and procedures to be followed and disclosures to be made while dealing with shares of the Company and caution about the consequences of violations. These Codes have been formulated to regulate, monitor and ensure reporting of trading by the Employees and Connected Persons designated on the basis of their functional roles in the Company towards achieving compliance with the Regulations and is designed to maintain the highest ethical standards of trading in Securities of the Company by persons to whom it is applicable.

Risk Assessment and Minimization

The 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. Presently, in terms of Regulation 21 of SEBI LODR, the requirement of Risk Management Committee is not applicable to your Company. However, the Board has constituted Risk Management Committee comprising of two Directors and the Chief Financial Officer, for monitoring and reviewing 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.

Foreign Exchange

In compliance with the Reserve Bank of India guidelines, the Company proactively manages foreign exchange risk to protect value of exposures, if any, with an objective to manage financial statement volatility. Currently, the Company is only an importer and has in place appropriate risk hedging strategy. Foreign exchange exposures are periodically reviewed and if necessary, hedged while avoiding trading and speculative positions. The Board periodically reviews foreign exchange exposure, if any, and hedges undertaken by the Company.

Material Non-Listed Subsidiary Company

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: https://www.mahindralifespaces.com/media/1323/policy-for-determining-material-subsidiaries.pdf

Till 31st March, 2017, Mahindra World City Developers Limited was a material non-listed subsidiary company under Regulation 16(c) of SEBI LODR read with the Company's 'Policy for determining material subsidiaries'. Effective 1st April, 2017, Mahindra World City (Jaipur) Limited is a 'material non-listed subsidiary company' in terms of Regulation 16(c) of SEBI LODR read with the Company's 'Policy for determining material subsidiaries'

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.

Means of Communication

During the financial year 2016-17, the quarterly, half-yearly and yearly results were published in the Economics Times and Maharashtra Times 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 Bombay Stock Exchange (BSE) and National Stock Exchange (NSE). The Company's results, earnings call transcripts, corporate and investor presentations, news and press releases are displayed on the Company's website www.mahindralifespaces.com.

Declaration on Codes of Conduct

As required by Regulation 34(3) read with Schedule V(D) of SEBI LODR, the Declaration on Codes of Conduct is given below:

To,

The Members

Mahindra Lifespace Developers Limited

I, Anita Arjundas, Managing Director & CEO of the Company declare that all Board Members and Senior Management Personnel of the Company have affirmed compliance with the Codes of Conduct for Board of Directors and Senior Management.

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

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

Mumbai, 16th May, 2017

Auditor's Certificate on Corporate Governance

To
The Members of
Mahindra Lifespace Developers Limited

We have examined the compliance of conditions of Corporate Governance by Mahindra Lifespace Developers Limited ("the Company") for the financial year ended on 31st March, 2017 as stipulated in Regulation 17 to 27, 46 (2) (b) to (i) and para C, D and E of Schedule V of Chapter IV of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR") [collectively referred to as the "Corporate Governance Requirements"].

The compliance of 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 the 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 referred Corporate Governance Requirements.

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 Registration Number 105102W

Padmini Khare Kaicker
Partner
Membership Number: 044784

Mumbai, 16th May, 2017

INDEPENDENT AUDITOR'S REPORT

To the Members of Mahindra Lifespace Developers Limited

Report on the Ind AS Financial Statements

1. We have audited the accompanying standalone Ind AS financial statements of MAHINDRA LIFESPACE DEVELOPERS LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March 2017, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Cash Flow Statement for the year then ended, and a summary of 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 in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS 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 Indian Accounting Standards specified under Section 133 of the Act.

3. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

4. Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.

5. 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.

6. 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 Ind AS financial statements are free from material misstatement.

7. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS 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 Ind AS financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

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

Opinion

9. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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, 2017, and its profit and cash flows for the year ended on that date.

Other Matters

10. The comparative financial information of the Company for the year ended March 31, 2016 and the transition date opening balance sheet as at April 1, 2015 prepared in accordance with Ind AS included in these Ind AS financial statements have been audited by us. The report on the comparative financial information and the opening balance sheet, dated June 6, 2016 expressed an unmodified opinion.

Report on other Legal and Regulatory Requirements

11. As required by the Companies (Auditor's Report) Order,2016, 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 a statement on the matters specified in the paragraphs 3 and 4 of the Order.

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;

    b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;

    c) the Balance Sheet, the Statement of Profit and Loss, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;

d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act;

e) On the basis of written representations received from the directors as on 31 March, 2017, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2017, from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure B.

g) With respect to the other matters 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 our 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 Ind AS 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.

iv. The Company has provided requisite disclosures in its financial statements as to holdings as well as dealings in the specified bank notes during the period from 8th November to 30th December, 2016 and these are in accordance with the books of accounts maintained by the Company.

For **B. K. Khare and Co.**
Chartered Accountants
Firm's Registration No. : 105102W

Padmini Khare Kaicker
Partner
Membership No. : 44784

Place: Mumbai
Date: 22nd April, 2017

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 9 of our report of even date on the accounts of Members of Mahindra Lifespace Developers Limited for the year ended 31st March, 2017

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.

iii) The title deeds of immovable properties are held in the name of the Company.

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 companies covered in the register maintained under section 189 of the Companies Act, 2013 at 31st March, 2017.

i) The terms and conditions of the grant of such loans are not prejudicial to the company's interest

ii) 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, 2017. There are no specific terms mentioned for payment of interest.

iii) 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, the Company has not given any guarantee for loans taken by others from banks or financial institutions.

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 of 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, 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, 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 lakh	Forum where case is pending
1	2011-12	Income Tax	62.17	Commissioner of Income Tax (Appeals)
2	2006-07	Service Tax	67.70	Chennai III Comm.

8) The Company has not defaulted in repayment of loans or borrowings to a financial institution, bank, Government or repayment of dues to debenture holders.

9) The Company has not raised money by way of initial public offer or further public offer (including debt instruments) and the term loans were applied for the purposes for which those are raised.

10) 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.

11) Managerial remuneration paid is in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

12) The Company, not being a Nidhi Company, the para 3(xii) of the Order is not applicable to the Company.

13) According to the information and explanations given to us all transactions with related parties during the year are in compliance with sections 177 and 188 of Companies Act, 2013 and the details of the same have been disclosed in the financial statements as required by the applicable accounting standards.

14) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Hence provisions of para 3(xiv) of the Order are not applicable to the Company.

15) According to the information and explanations given to us, the Company has not entered into non-cash transactions with directors or persons connected with him. Hence provisions of para 3(xv) are not applicable to the Company.

16) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence provisions of para 3(xvi) of the Order are not applicable to the Company.

For **B. K. Khare and Co.**
Chartered Accountants
Firm's Registration No. : 105102W

Padmini Khare Kaicker
Partner
Membership No. : 44784

Place: Mumbai
Date: 22nd April, 2017

ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT

of Even Date on the Standalone Financial Statements of Mahindra Lifespace Developers Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of Mahindra Lifespace Developers Limited (“the Company”) as of March 31, 2017 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **B. K. Khare and Co.**
Chartered Accountants
Firm’s Registration No. : 105102W

Padmini Khare Kaicker
Partner
Membership No. : 44784

Place: Mumbai
Date: 22nd April, 2017

Balance Sheet as at 31st March, 2017

All amounts are in ₹ lakh unless otherwise stated

	Note No.	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
I ASSETS				
1 Non-Current Assets				
(a) Property, Plant and Equipment	4	**827.39**	941.40	1,004.05
(b) Capital Work-in-Progress		**846.68**	70.21	-
(c) Investment Property	5	**2,345.23**	2,373.51	2,401.78
(d) Intangible Assets	6	**60.09**	-	-
(e) Financial Assets				
(i) Investments	7	**65,829.18**	57,506.14	57,339.78
(ii) Loans	8	**1,764.58**	3,681.56	25,631.56
(iii) Other Financial Assets	9	**20.52**	75.66	111.15
(f) Non Current Tax Assets		**1,007.05**	2,200.79	1,730.65
SUB-TOTAL		**72,700.72**	66,849.27	88,218.97
2 Current Assets				
(a) Inventories	10	**87,925.27**	109,605.51	80,064.46
(b) Financial Assets				
(i) Investments	7	**14,563.37**	20,114.76	-
(ii) Trade Receivables	11	**5,929.69**	5,095.98	1,552.42
(iii) Cash and Cash Equivalents	12	**4,616.91**	13,795.49	3,391.46
(iv) Bank balances other than (iii) above	12	**652.98**	783.19	773.81
(v) Loans	8	**24,453.20**	21,084.63	28,411.74
(vi) Other Financial Assets	9	**12,315.73**	7,702.59	11,731.27
(c) Other Current Assets	13	**22,906.92**	14,380.22	10,812.93
SUB-TOTAL		**173,364.07**	192,562.37	136,738.09
TOTAL		**246,064.79**	259,411.64	224,957.06
II EQUITY AND LIABILITIES				
1 EQUITY				
(a) Equity Share Capital	14	**4,105.36**	4,103.32	4,101.22
(b) Other Equity	15	**145,174.36**	143,051.18	137,765.12
SUB-TOTAL		**149,279.72**	147,154.50	141,866.34
LIABILITIES				
2 Non-Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	16	**19,981.00**	37,441.74	49,883.19
(ii) Other Financial Liabilities	17	**5,096.88**	8,186.02	5,189.71
(b) Provisions	18	**324.41**	268.50	209.53
(c) Deferred Tax Liabilities (Net)	19	**169.49**	321.87	201.80
SUB-TOTAL		**25,571.78**	46,218.13	55,484.23
3 Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	20	**18,896.19**	19,147.12	-
(ii) Trade Payables	21	**22,309.33**	21,090.89	14,543.95
(iii) Other Financial Liabilities	17	**25,573.85**	20,201.18	7,314.31
(b) Provisions	18	**785.93**	605.27	838.41
(c) Other Current Liabilities	22	**3,647.99**	4,994.55	4,909.82
SUB-TOTAL		**71,213.29**	66,039.01	27,606.49
TOTAL		**246,064.79**	259,411.64	224,957.06

Summary of significant accounting policies 2

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

Mumbai : 22nd April, 2017

Suhas Kulkarni
Company Secretary

Jayantt Manmadkar
Chief Financial Officer

Mumbai : 22nd April, 2017

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

Arun Nanda Chairman - DIN 00010029
Sanjiv Kapoor Director - DIN 00004005
Bharat Shah Director - DIN 00136969
Shailesh Haribhakti Director - DIN 00007347
Prakash Hebalkar Director - DIN 00370499
Anish Shah Director - DIN 02719429
Anita Arjundas Managing Director & CEO - DIN 00243215

Mumbai : 22nd April, 2017

Statement of Profit & Loss for the year ended 31st March, 2017

All amounts are in ₹ lakh unless otherwise stated

		Note No.	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Continuing Operations				
I	Revenue from Operations	23	**68,055.38**	50,211.29
II	Other Income	24	**7,264.83**	9,943.02
III	**Total Revenue (I + II)**		**75,320.21**	60,154.31
IV	**EXPENSES**			
	(a) Operating Expenses	25	**54,666.93**	34,736.08
	(b) Employee benefit expense	26	**6,223.90**	5,447.26
	(c) Finance costs	27	**3,196.94**	4,695.83
	(d) Depreciation and amortisation expense	4,5,6	**434.32**	395.78
	(e) Other expenses	28	**3,742.91**	3,221.95
	Total Expenses (IV)		**68,265.00**	48,496.90
V	**Profit before tax (III - IV)**		**7,055.21**	11,657.41
VI	**Tax Expense**			
	(a) Current tax	29	**2,349.39**	3,709.29
	(b) Deferred tax	29	**(187.83)**	120.07
	Total tax expense (VI)		**2,161.56**	3,829.36
VII	**Profit after tax (V - VI)**		**4,893.65**	7,828.05
VIII	**Other comprehensive income**			
	Items that will not be recycled to profit or loss			
	Re-measurements of the defined benefit liabilities (Net of taxes)		**67.85**	66.66
IX	**Total comprehensive income for the period (VII + VIII)**		**4,961.50**	7,894.71
X	**Earnings per equity share:**			
	(a) Basic	30	**11.92**	19.08
	(b) Diluted	30	**11.90**	19.01
Summary of significant accounting policies		2		

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

Mumbai : 22nd April, 2017

Suhas Kulkarni
Company Secretary

Jayantt Manmadkar
Chief Financial Officer

Mumbai : 22nd April, 2017

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

Arun Nanda	Chairman	- DIN 00010029
Sanjiv Kapoor	Director	- DIN 00004005
Bharat Shah	Director	- DIN 00136969
Shailesh Haribhakti	Director	- DIN 00007347
Prakash Hebalkar	Director	- DIN 00370499
Anish Shah	Director	- DIN 02719429
Anita Arjundas	Managing Director & CEO	- DIN 00243215

Mumbai : 22nd April, 2017

Cash Flow Statement for the year ended 31st March, 2017

All amounts are in ₹ lakh unless otherwise stated

	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Cash flows from operating activities		
Profit before tax for the year	**7,055.21**	11,657.41
Adjustments for:		
Finance costs recognised in profit or loss	**3,196.94**	2,259.12
Investment/Interest income recognised in profit or loss	**(6,750.09)**	(9,286.23)
Gain on disposal of property, plant and equipment	**(7.30)**	(0.25)
Net (gain)/loss arising on financial assets mandatorily measured at fair value through profit or loss	**(105.68)**	-
Depreciation and amortisation of non-current assets	**434.32**	414.30
Expense recognised in respect of equity-settled share-based payments	**124.37**	118.71
	(3,107.44)	(6,494.35)
Movements in working capital:		
Increase in trade and other receivables	**(10,767.56)**	(5.53)
(Increase)/decrease in inventories	**21,680.24**	(24,778.19)
Decrease in trade and other payables	**522.14**	7,251.28
Cash generated from operations	**15,382.59**	(12,639.38)
Income taxes paid	**(1,155.63)**	(4,144.06)
Net cash generated by operating activities	**14,226.96**	(16,513.44)
Cash flows from investing activities		
Payments to acquire financial assets	**-**	(20,091.64)
Proceeds on sale of financial assets	**5,551.39**	-
Interest received	**883.68**	12,244.08
Dividends received from associates	**824.44**	807.00
Other dividends received	**428.57**	263.83
Amounts advanced to related parties	**2,124.62**	21,786.84
Payments for property, plant and equipment	**(1,199.91)**	(392.80)
Proceeds from disposal of property, plant and equipment	**20.20**	18.01
Net cash inflow on disposal of subsidiary	**(8,323.03)**	-
Net cash (used in)/generated by investing activities	**309.96**	14,635.32

All amounts are in ₹ lakh unless otherwise stated

	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Cash flows from financing activities		
Proceeds from issue of equity instruments of the Company	**66.27**	12.13
Proceeds from borrowings	**(211.67)**	19,088.86
Repayment of borrowings	**(12,500.00)**	-
Dividends paid to owners of the Company	**(2,835.15)**	(2,797.59)
Interest paid	**(8,234.95)**	(4,508.51)
Net cash used in financing activities	**(23,715.50)**	11,794.89
Net increase in cash and cash equivalents	**(9,178.58)**	9,916.77
Cash and cash equivalents at the beginning of the year	**13,795.49**	3,878.72
Cash and cash equivalents at the end of the year	**4,616.91**	13,795.49

Summary of significant accounting policies (Refer Note 2)

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

Mumbai : 22nd April, 2017

Suhas Kulkarni
Company Secretary

Jayantt Manmadkar
Chief Financial Officer

Mumbai : 22nd April, 2017

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

Arun Nanda	Chairman	- DIN 00010029
Sanjiv Kapoor	Director	- DIN 00004005
Bharat Shah	Director	- DIN 00136969
Shailesh Haribhakti	Director	- DIN 00007347
Prakash Hebalkar	Director	- DIN 00370499
Anish Shah	Director	- DIN 02719429
Anita Arjundas	Managing Director & CEO	- DIN 00243215

Mumbai : 22nd April, 2017

Statement of Changes in Equity as at 31st March, 2017

A. Equity share capital

Particulars	Amount
As at 1st April, 2015	4,101.22
Stock options excercised during the year	2.10
As at 31st March, 2016	4,103.32
Stock options excercised during the year	2.04
As at 31st March, 2017	4,105.36

B. Other Equity

Particulars	Share application money pending allotment	Reserves and Surplus				Other items of Other Comprehensive Income*	Total
		Securities Premium Reserve	General Reserve	Other Reserves#	Retained Earnings		
As at 1st April, 2015		68,356.83	7,299.39	13,883.91	48,224.99	-	137,765.12
Profit / (Loss) for the period	-	-	-	-	7,828.05	-	7,828.05
Other Comprehensive Income / (Loss)	-	-	-	-	-	66.66	66.66
Total Comprehensive Income for the year	-	-	-	-	7,828.05	66.66	7,894.71
Dividend paid on Equity Shares	-	-	-	-	(2,462.16)	-	(2,462.16)
Dividend Distribution Tax	-	-	-	-	(335.45)	-	(335.45)
Transfers to Reserves	-	-	-	-	(3,135.42)	-	(3,135.42)
Transfers from retained earnings	-	-	-	3,135.42		-	3,135.42
Premium on shares issued during the year	-	74.26	-	-		-	74.26
Arising on share based payment	-	-	-	114.60		-	114.60
Other changes	-	-	0.10	-		-	0.10
As at 31st March, 2016	-	68,431.09	7,299.49	17,133.93	50,120.01	66.66	143,051.18
Profit / (Loss) for the period	-	-	-	-	4,893.65	-	4,893.65
Other Comprehensive Income / (Loss)	-	-	-	-		67.85	67.85
Total Comprehensive Income for the year	-	-	-	-	4,893.65	67.85	4,961.92
Dividend paid on Equity Shares	-	-	-	-	(2,461.99)	-	(2,461.99)
Dividend Distribution Tax	-	-	-	-	(501.21)	-	(501.21)
Transfers to Reserves	-	-	-	(1,031.25)		-	(1,031.25)
Transfers from retained earnings	0.08	-	-	-	1,031.25	-	1,031.33
Premium on shares issued during the year	-	64.16	-	-	-	-	64.16
Arising on share based payment	-	-	-	60.64	-	-	60.64
As at 31st March, 2017	0.08	68,495.25	7,299.49	16,163.32	53,081.71	134.51	145,174.36

* Consists of acturial gain on valuation of gratuity

B. Other Equity (Cont…)

#Other Reserves

Particulars	31st March, 2017	31st March, 2016	31st March, 2015
(I) Debenture Redemption Reserve :			
Balance as at the beginning of the year	**9,406.25**	6,270.83	6,270.83
Add :			
Transfer from Surplus in Statement of Profit and Loss	**-**	3,135.42	-
Less :			
Transfer to Surplus in Statement of Profit and Loss	**1,031.25**	-	-
Balance as at the end of the year	**8,375.00**	9,406.25	6,270.83
(II) Capital Redemption Reserve :			
Balance as at the beginning of the year	**7,353.58**	7,353.58	7,353.58
Less :			
Transfer to Surplus in Statement of Profit and Loss	**-**	-	-
Balance as at the end of the year	**7,353.58**	7,353.58	7,353.58
(III) Share Options Outstanding Account			
Balance as at the beginning of the year	**374.10**	259.50	243.38
Arising on share based payment	**60.64**	114.60	16.12
Others	**-**	-	-
Balance as at the end of the year	**434.74**	374.10	259.50
	16,163.32	17,133.93	13,883.91

Particulars	31st March, 2017	31st March, 2016
Cash dividends on equity shares declared and paid		
Final dividend for the year: ₹ 6 per share	**2,462.03**	2,460.90
Dividend Distribution Tax on final dividend	**373.16**	336.69
	2,835.19	2,797.59
Proposed dividends on Equity shares		
Final dividend for the year	**2,463.26**	2,461.99
Dividend Distribution Tax on proposed dividend	**501.55**	501.21
	2,964.81	2,963.20

Proposed dividends on equity shares are subject to approval in annual general meeting and are not recognised as a liability (including Dividend Distribution Tax thereon) as at 31 March of the respective years.

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 : 22nd April, 2017

Suhas Kulkarni
Company Secretary

Jayantt Manmadkar
Chief Financial Officer

Mumbai : 22nd April, 2017

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

Arun Nanda Chairman - DIN 00010029
Sanjiv Kapoor Director - DIN 00004005
Bharat Shah Director - DIN 00136969
Shailesh Haribhakti Director - DIN 00007347
Prakash Hebalkar Director - DIN 00370499
Anish Shah Director - DIN 02719429
Anita Arjundas Managing Director & CEO - DIN 00243215

Mumbai : 22nd April, 2017

Notes to the Financial Statement as at and for the year ended 31st March, 2017

1) General Information

Mahindra Lifespace Developers Limited ("The Company") is a limited company incorporated in India. Its parent and ultimate holding company is Mahindra & Mahindra Limited.

The address of its registered office and principal place of business are disclosed in the introduction to the annual report. The Company along with its subsidiary companies is engaged in the development of residential projects and large formats developments such as integrated cities and industrial clusters.

2) Significant Accounting Policies

2.1 Statement of compliance

The financial statements have been prepared in accordance with Ind AS's notified under the Companies (Indian Accounting Standards) Rules, 2015.

Upto the year ended 31st March 2016, the Company prepared its financial statements in accordance with the requirements of previous GAAP, which includes Standards notified under the Companies (Accounting Standards) Rules, 2006.

These are the Company's first Ind AS financial statements. The date of transition to Ind AS is 1st April 2015. Refer note 2.19 for the details of first-time adoption exemptions availed by the Company.

2.2 Basis of preparation and presentation

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability, if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

2.3 Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

2.4 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer returns, rebates and other similar allowances.

2.4.1 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.

When the outcome of a construction contract can be estimated reliably, revenue and costs are recognised by reference to the stage of completion of the contract activity at the end of the reporting period, measured based on the proportion of contract costs incurred for work performed to date relative to the estimated total contract costs, except where this would not be representative of the stage of completion. Variations in contract work, claims and incentive payments are included to the extent that the amount can be measured reliably and its receipt is considered probable.

When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred that it is probable will be recoverable. Contract costs are recognised as expenses in the period in which they are incurred.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

When contract costs incurred to date plus recognised profits less recognised losses exceed progress billings, the surplus is shown as amounts due from customers for contract work. For contracts where progress billings exceed contract costs incurred to date plus recognised profits less recognised losses, the surplus is shown as the amounts due to customers for contract work. Amounts received before the related work is performed are included in the balance sheet, as a liability, as advances received. Amounts billed for work performed but not yet paid by the customer are included in the balance sheet under trade receivables, whereas amount not billed for work performed are included as unbilled revenue under other current assets.

Further, in accordance with the Guidance Note on Accounting for Real Estate Transactions (for entities to whom Ind AS is applicable) issued by the Institute of Chartered Accountants of India, revenues will be recognized from these real estate projects only when

i. All critical approvals necessary for commencement of the project have been obtained and

ii. the actual construction and development cost incurred is at least 25% of the total construction and development cost (without considering land cost) and

iii. when at least 10% of the sales consideration is realised and

iv. where 25% of the total saleable area of the project is secured by contracts of agreement with buyers.

2.4.2 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.

2.4.3 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.

2.4.4 Dividend and interest income

Dividend income from investment in mutual funds is recognised when the unit holder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably).

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

2.5 Foreign currencies

In preparing the financial statements of the Company, transactions in currencies other than the entity's functional currency are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings; and
- exchange differences on transactions entered into in order to hedge certain foreign currency risks (see note 2.18 below for hedging accounting policies)

2.6 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.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.7 Share-based payment transaction of the Company

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in note 26.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

Equity-settled share-based payment transactions with parties other than employees are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counterparty renders the service.

For cash-settled share-based payments, a liability is recognised for the goods or services acquired, measured initially at the fair value of the liability. At the end of each reporting period until the liability is settled, and at the date of settlement, the fair value of the liability is remeasured, with any changes in fair value recognised in profit or loss for the year.

2.8 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

2.8.1 Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

2.8.2 Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

2.8.3 Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

2.9 Property, plant and equipment

Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. Freehold land is not depreciated.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Fixtures and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Depreciation on tangible fixed assets has been provided on pro-rata basis, on the 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 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.

Fixed Assets held for disposal are valued at estimated net realizable value.

2.10 Investment Property

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured in accordance with Ind AS 16's requirements for cost model.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

2.11 Impairment of tangible and intangible assets other than goodwill

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

2.12 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 & manpower costs and expenses incidental to the projects undertaken by the Company.

2.13 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

2.13.1 Onerous contracts

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

2.14 Financial instruments

Financial assets and financial liabilities are recognised when a Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

2.15 Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets

2.15.1 Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Interest income is recognised in profit or loss for fair value through other comprehensive income (FVTOCI) debt instruments. For the purposes of recognising foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortised cost. Thus, the exchange differences on the amortised cost are recognised in profit or loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income and accumulated under the heading of 'Reserve for debt instruments through other comprehensive income'. When the investment is disposed of, the cumulative gain or loss previously accumulated in this reserve is reclassified to profit or loss.

All other financial assets are subsequently measured at fair value.

2.15.2 Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the "Other income" line item.

2.15.3 Investments in equity instruments at fair value through other comprehensive income (FVTOCI)

On initial recognition, the Company can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument or a financial guarantee.

2.15.4 Financial assets at fair value through profit or loss (FVTPL)

Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Debt instruments that do not meet the amortised cost criteria or FVTOCI criteria (see above) are measured at FVTPL. In addition, debt instruments that meet the amortised cost criteria or the FVTOCI criteria but are designated as at FVTPL are measured at FVTPL.

A financial asset that meets the amortised cost criteria or debt instruments that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Company has not designated any debt instrument as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognised when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

2.15.5 Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Company measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information and also other factors like the underlying collateral security resulting in ultimate exposure which may lead to credit loss, if any.

The impairment requirements for the recognition and measurement of a loss allowance are equally applied to debt instruments at FVTOCI except that the loss allowance is recognised in other comprehensive income and is not reduced from the carrying amount in the balance sheet.

2.15.6 Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

2.15.7 Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

- For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in profit or loss except for those which are designated as hedging instruments in a hedging relationship.
- Changes in the carrying amount of investments in equity instruments at FVTOCI relating to changes in foreign currency rates are recognised in other comprehensive income.
- For the purposes of recognising foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortised cost. Thus, the exchange differences on the amortised cost are recognised in profit or loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income.

2.16 Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

2.16.1 Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

2.16.2 Compound financial instruments

The component parts of compound financial instruments (convertible notes) issued by the Company are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. A conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments is an equity instrument.

At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible instruments. This amount is recognised as a liability on an amortised cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date.

The conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound financial instrument as a whole. This is recognised and included in equity, net of income tax effects, and is not subsequently remeasured. In addition, the conversion option classified as equity will remain in equity until the conversion option is exercised, in which case, the balance recognised in equity will be transferred to other component of equity. When the conversion option remains unexercised at the maturity date of the convertible note, the balance recognised in equity will be transferred to retained earnings. No gain or loss is recognised in profit or loss upon conversion or expiration of the conversion option.

Transaction costs that relate to the issue of the convertible notes are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are recognised directly in equity. Transaction costs relating to the liability component are included in the carrying amount of the liability component and are amortised over the lives of the convertible notes using the effective interest method.

2.16.2.1 Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Company, and commitments issued by the Company to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

2.16.2.2 Financial liabilities at Fair value through profit and loss (FVTPL)

Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading or contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies, may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- the financial liability forms part of a Company of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with Ind AS 109.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'Other income' line item.

However, for non-held-for-trading financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss, in which case these effects of changes in credit risk are recognised in profit or loss. The remaining amount of change in the fair value of liability is always recognised in profit or loss. Changes in fair value attributable to a financial liability's credit risk that are recognised in other comprehensive income are reflected immediately in retained earnings and are not subsequently reclassified to profit or loss.

Gains or losses on financial guarantee contracts and loan commitments issued by the Company that are designated by the Company as at fair value through profit or loss are recognised in profit or loss.

2.16.2.3 Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

2.16.2.4 Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the Company are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 18.

2.16.2.5 Commitments to provide a loan at a below-market interest rate

Commitments to provide a loan at a below-market interest rate are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 18.

2.16.2.6 Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in 'Other income'.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in profit or loss.

2.16.2.7 Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

2.17 First-time adoption – mandatory exceptions and optional exemptions

2.17.1 Overall principle

The Company has prepared the opening balance sheet as per Ind AS as of 1st April, 2015 (the transition date) by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognised assets and liabilities. However, this principle is subject to the certain exception and certain optional exemptions availed by the Company as detailed below.

2.17.2 Derecognition of financial assets and financial liabilities

The Company has applied the derecognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after 1st April, 2015 (the transition date).

2.17.3 Classification of debt instruments

The Company has determined the classification of debt instruments in terms of whether they meet the amortised cost criteria or the FVTOCI criteria based on the facts and circumstances that existed as of the transition date.

2.17.4 Impairment of financial assets

The Company has applied the impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised in order to compare it with the credit risk at the transition date. Further, the Company has not undertaken an exhaustive search for information when determining, at the date of transition to Ind ASs, whether there have been significant increases in credit risk since initial recognition, as permitted by Ind AS 101.

2.17.5 Assessment of embedded derivatives

The Company has assessed whether an embedded derivative is required to be separated from the host contract and accounted for as a derivative on the basis of the conditions that existed at the later of the date it first became a party to the contract and the date when there has been a change in the terms of the contract that significantly modifies the cash flows that otherwise would be required under the contract.

2.17.6 Deemed cost for property, plant and equipment, investment property, and intangible assets

The Company has not elected the exemption of previous GAAP carrying value of all its Property, Plant and Equipment, Investment Property, and Intangible Assets recognised as of 1st April 2015 (transition date) as deemed cost.

2.17.7 Determining whether an arrangement contains a lease

The Company has applied Appendix C of Ind AS 17 Determining whether an Arrangement contains a Lease to determine whether an arrangement existing at the transition date contains a lease on the basis of facts and circumstances existing at that date.

3) Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 2, the management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only the period of the revision and future periods if the revision affects both current and future periods.

Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the significant effect on the amounts recognised in the financial statements:

Taxes

Deferred tax assets are recognised for unused tax losses and other temporary differences leading to deferred tax assets to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

4) Property, Plant and Equipment

Description of Assets	Buildings - Freehold	Buildings - Leasehold	Plant and Equipment - Freehold	Furniture and Fixtures	Vehicles	Computers	Total
I. Gross Carrying Amount							
Balance as at 1st April, 2016	305.84	452.09	196.15	264.80	452.00	557.59	2,228.47
Additions	26.60	-	8.29	75.64	95.43	76.51	282.47
Disposals	-	-	-	-	44.96	10.29	55.25
Balance as at 31st March, 2017	**332.44**	**452.09**	**204.44**	**340.44**	**502.47**	**623.81**	**2,455.69**
II. Accumulated depreciation and impairment							
Balance as at 1st April, 2016	133.18	217.16	167.74	81.85	235.01	452.13	1,287.07
Depreciation expense for the year	106.82	11.98	12.23	91.75	103.94	68.67	395.39
Eliminated on disposal of assets	-	-	-	-	44.96	9.20	54.16
Balance as at 31st March, 2017	**240.00**	**229.14**	**179.97**	**173.60**	**293.99**	**511.60**	**1,628.30**
III. Net carrying amount (I-II)	**92.44**	**222.95**	**24.47**	**166.84**	**208.48**	**112.21**	**827.39**

Description of Assets	Buildings - Freehold	Buildings - Leasehold	Plant and Equipment - Freehold	Furniture and Fixtures	Vehicles	Computers	Total
I. Gross Carrying Amount							
Balance as at 1st April, 2015	305.84	452.09	186.71	118.68	374.02	507.64	1,944.98
Additions	-	-	9.44	146.12	110.59	56.46	322.61
Disposals	-	-	-	-	32.61	6.51	39.12
Balance as at 31st March, 2016	**305.84**	**452.09**	**196.15**	**264.80**	**452.00**	**557.59**	**2,228.47**
II. Accumulated depreciation and impairment							
Balance as at 1st April, 2015	36.72	180.52	155.49	66.00	127.62	374.58	940.93
Depreciation expense for the year	96.46	36.64	12.25	15.85	122.25	84.05	367.50
Balance as at 31st March, 2016	**133.18**	**217.16**	**167.74**	**81.85**	**235.01**	**452.13**	**1,287.07**
III. Net carrying amount (I-II)	**172.66**	**234.93**	**28.41**	**182.95**	**216.99**	**105.46**	**941.40**

Commitments	31st March, 2017	31st March, 2016	01st April 2015
Capital Commitment : Estimated value of contracts remaining to be executed on capital account and not provided for (net of advances)	**5.77**	8.00	27.50

5) Investment Property

Description of Assets	Land	Buildings	Total
I. Gross Carrying Amount			
Balance as at 1st April, 2016	1,810.44	1,236.77	3,047.21
Addition	-	-	-
Disposals	-	-	-
Balance as at 31st March, 2017	**1,810.44**	**1,236.77**	**3,047.21**
II. Accumulated depreciation and impairment			
Balance as at 1st April, 2016	-	673.70	673.70
Depreciation for the year	-	28.28	28.28
Balance as at 31st March, 2017	**-**	**701.98**	**701.98**
III. Net carrying amount (I-II)	**1,810.44**	**534.79**	**2,345.23**

Description of Assets	Land	Buildings	Total
I. Gross Carrying Amount			
Balance as at 1st April, 2015	1,810.44	1,236.77	3,047.21
Addition	-	-	-
Disposals	-	-	-
Balance as at 31st March, 2016	**1,810.44**	**1,236.77**	**3,047.21**
II. Accumulated depreciation and impairment			
Balance as at 1st April, 2015	-	645.43	645.43
Depreciation for the year	-	28.27	28.27
Balance as at 31st March, 2016	**-**	**673.70**	**673.7**
III. Net carrying amount (I-II)	**1,810.44**	**563.07**	**2,373.51**

Fair value disclosure on Company's investment properties

The Company's investment properties consist of two commercial properties in India, Mahindra Towers at Gurgaon and GE Plaza at Pune. Management determined that the investment properties consist of two classes of assets – office and retail – based on the nature, characteristics and risks of each property.

As at 31st March 2017 and 31st March 2016, the fair values of the Mahindra Tower, Delhi have been arrived at on the basis of a valuation carried out as on the respective dates by Gandhi & Associates, independent valuer not related to the Group. Gandhi & Associates are registered with the authority which governs the valuers in India and they have appropriate qualifications and experience in the valuation of properties in the relevant locations. The Fair value was determined using the market comparable approach based on recent market prices without any significant adjustments being made to the market observable data.

As at 31st March 2017 and 31st March 2016, the fair values of the GE Plaza, Pune have been arrived at on the basis of a valuation carried out as on the respective dates by Dixit Valuers & Engineers, independent valuer not related to the Group. Dixit Valuers & Engineers are registered with the authority which governs the valuers in India and they have appropriate qualifications and experience in the valuation of properties in the relevant locations. The Fair value was determined using the market comparable approach based on recent market prices without any significant adjustments being made to the market observable data.

Details of the Company investment's properties and information about the fair value hierarchy as at 31st March 2017, 31st March 2016 and 1st April 2015 are as follows:

Particulars	Mahindra Towers, Delhi			GE Plaza, Pune		
	Land	Buildings	Total	Land	Buildings	Total
Opening balance as at 1st April, 2015	**12,220.88**	**1,464.76**	**13,685.63**	**92.19**	**195.14**	**287.32**
Fair value difference	271.58	(109.86)	161.72	13.83	(9.46)	4.38
Opening balance as at 1st April, 2016	**12,492.45**	**1,354.90**	**13,847.35**	**106.02**	**185.68**	**291.70**
Fair value difference	543.15	(101.62)	441.53	-	4.44	4.44
Closing balance as at 31st March, 2017	**13,035.60**	**1,253.28**	**14,288.88**	**106.02**	**190.12**	**296.14**

Information regarding income and expenditure of Investment property:

	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Rental income derived from investment properties (included in 'Revenue from Operations')	**2,018.71**	2,018.95
Direct operating expenses (including repairs and maintenance) that generate rental income	**16.94**	47.12
Direct operating expenses (including repairs and maintenance) that did not generate rental income	**-**	0.79

6) Intangible Assets

Description of Assets	Computer Software
I. Gross Carrying Amount	
Balance as at 1 April, 2016	289.52
Additions from separate acquisitions	70.76
Disposals	-
Balance as at 31 March, 2017	**360.28**
II. Accumulated depreciation and impairment	
Balance as at 1 April, 2016	289.52
Amortisation expense for the year	10.67
Balance as at 31 March, 2017	**300.19**
III. Net carrying amount (I-II)	**60.09**

Description of Assets	Computer Software
Intangible Assets	
I. Cost	
Balance as at 1 April 2015	289.52
Additions from separate acquisitions	-
Disposals	-
Balance as at 31 March, 2016	**289.52**
II. Accumulated depreciation and impairment	
Balance as at 1 April 2015	289.52
Amortisation expense for the year	-
Balance as at 31 March, 2016	**289.52**
III. Net carrying amount (I-II)	**-**

7) Investments

Particular	As at 31st March, 2017				As at 31st March, 2016				As at 1st April, 2015			
	Face Value ₹	QTY (Nos)	Amounts* Current ₹ Lakh	Amounts* Non Current ₹ Lakh	Face Value ₹	QTY (Nos)	Amounts* Current ₹ Lakh	Amounts* Non Current ₹ Lakh	Face Value ₹	QTY (Nos)	Amounts* Current ₹ Lakh	Amounts* Non Current ₹ Lakh
A. COST												
I. Unquoted Investments (all fully paid)												
Investments in Equity Instruments - of Subsidiaries												
Mahindra Infrastructure Developers Limited	10	18,000,000	-	1,800.00	10	18,000,000	-	1,800.00	10	18,000,000	-	1,800.00
Mahindra World City (Maharashtra) Limited	10	1,170,400	-	117.04	10	1,170,400	-	117.04	10	1,170,400	-	117.04
Mahindra Integrated Township Limited	10	37,000,000	-	3,700.00	10	37,000,000	-	3,700.00	10	37,000,000	-	3,700.00
Knowledge Township Limited	10	21,000,000	-	2,372.94	10	21,000,000	-	2,831.03	10	21,000,000	-	2,100.00
Industrial Township (Maharashtra) Limited	10	5,000,000	-	500.00	10	5,000,000	-	500.00	10	5,000,000	-	500.00
Industrial Cluster Private Limited (Earlier Known as Mahindra Housing Private Limited)	10	50,000	-	5.00	10	50,000	-	5.00	10	50,000	-	5.00
Raigad Business and Industrial Park limited	10	110,000	-	11.00	10	110,000	-	11.00	10	110,000	-	11.00
Anthurium Developers Limited	10	50,000	-	5.00	10	50,000	-	5.00	10	50,000	-	5.00
Topical Builders Private Limited	10	175	-	0.02	10	175	-	0.02	10	175	-	0.02
Kismat Developers Private Limited	10	15	-	0.00	10	15	-	0.00	10	15	-	0.00
Deepmangal Developers Private Limited	10	177	-	284.61	10	177	-	284.61	10	177	-	284.61
- of Joint Ventures												
Mahindra World City (Jaipur) Limited	10	111,000,000	-	11,115.43	10	111,000,000	-	11,100.00	10	111,000,000	-	11,100.00
Mahindra World City Developers Limited	10	17,799,999	-	3,889.43	10	17,799,999	-	3,886.54	10	17,799,999	-	3,886.54
Mahindra Bebanco Developers Limited	10	35,000	-	3.50	10	35,000	-	3.50	10	35,000	-	3.50
Mahindra Homes Private Limited (Earlier Known as Watsonia Developers Private Limited and before that Watsonia Developers Limited)												
Class A Equity Shares	10	616,879	-	61.69	10	205,628	-	20.56	10	205,628	-	20.56
Class C Equity Shares	10	389	-	0.04	10	389	-	0.04	10	389	-	0.04
INVESTMENTS CARRIED AT COST [A]	-	-	-	23,865.70	-	-	-	24,264.34	-	-	-	23,533.31
B. AMORTISED COST												
Investments Carried at Amortised Cost												
Unquoted												
Investments in Preference Shares - of Subsidiaries												
Topical Builders Private Limited (8.5% Non-cumulative Redeemable Preference Shares)	10	4,825	-	0.48	10	4,825	-	0.48	10	4,825	-	0.48
Kismat Developers Private Limited (8.5% Non-cumulative Redeemable Preference Shares)	10	4,985	-	0.50	10	4,985	-	0.50	10	4,985	-	0.50
Moonshine Construction Private Limited 7% Non-Cumulative Redeemable Participating	10	5,000	-	0.50	10	5,000	-	0.50	10	5,000	-	0.50
- of joint ventures												
Mahindra World City (Jaipur) Limited	-	-	-	-	10	37,000,000	-	3,700.00	10	37,000,000	-	3,700.00
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	10	1	-	0.00	10	1	-	0.00

7) Investments

Particular	As at 31st March, 2017				As at 31st March, 2016				As at 1st April, 2015			
	Face Value ₹	QTY (Nos)	Amounts* Current ₹ Lakh	Amounts* Non Current ₹ Lakh	Face Value ₹	QTY (Nos)	Amounts* Current ₹ Lakh	Amounts* Non Current ₹ Lakh	Face Value ₹	QTY (Nos)	Amounts* Current ₹ Lakh	Amounts* Non Current ₹ Lakh
Investments in Non Convertible debentures or bonds **- of joint ventures**												
Mahindra Homes Private Limited (Earlier Known as Watsonia Developers Private Limited and before that Watsonia Developers Limited)* (17.65% Optionally Convertible Debentures)	100	32,017,000	-	32,017.00	100	32,017,000	-	31,452.33	100	32,017,000	-	32,017.00
- of subsidiaries												
Knowledge Township Limited (11.00% Optionally Convertible Debentures)	100,000	2,637	-	2,637.00	-	-	-	-	-	-	-	-
Industrial Cluster Private Limited (11.00% Optionally Convertible Debentures)	100,000	9,220	-	9,220.00	-	-	-	-	-	-	-	-
TOTAL INVESTMENTS CARRIED AT AMORTISED COST [B]	-	-	-	43,875.48	-	-	-	35,153.81	-	-	-	35,718.48
C Designated as Fair Value Through Profit and Loss												
I. Quoted Investments (specify whether fully paid or partly paid)												
Investments in Mutual Funds	-	-	14,563.37	-	-	-	20,114.76	-	-	-	-	-
Total Aggregate Quoted Investments	-	-	14,563.37	-	-	-	20,114.76	-	-	-	-	-
II. Unquoted Investments (all fully paid)												
Investments in Equity Instruments - of other entities												
New Tirupur Area Development Corporation Limited	10	500,000	-	-	10.00	500,000	-	-	10	500,000	-	-
Mahindra Knowledge Park (Mohali) Limited	10	6	-	0.00	10	6	-	0.00	10	6	-	0.00
Total Unquoted Investments	-	500,006	-	-		500,006	-	-	-	500,006	-	-
INVESTMENTS CARRIED AT FVTPL [C]	-	-	14,563.37	-			20,114.76	-	-	-	-	-
TOTAL INVESTMENTS CARRIED AT FAIR VALUE	-	-	14,563.37	-			20,114.76	-	-	-	-	-
TOTAL INVESTMENTS (A) + (B)+ (C)	-	-	14,563.37	67,741.19			20,114.76	59,418.15			-	59,251.79
Total Impairment value for investment carried at cost	-	-	-	(1,912.01)	-	-	-	(1,912.01)	-	-	-	(1,912.01)
Total impairment value for investments (D)	-	-	-	(1,912.01)	-	-	-	(1,912.01)	-	-	-	(1,912.01)
TOTAL INVESTMENTS CARRYING VALUE (A) + (B) + (C) + (D)	-	-	14,563.37	65,829.18	-	-	20,114.76	57,506.14	-	-	-	57,339.78
Other disclosures												
Aggregate amount of quoted investments	-	-	14,563.37	-	-	-	20,114.76	-	-	-	-	-
Aggregate amount of Market value of investments												
Aggregate amount of unquoted investments	-	-	-	67,741.19	-	-	-	67,741.19	-	-	-	67,741.19
Aggregate amount of impairment in value of investments	-	-	-	(1,912.01)	-	-	-	(1,912.01)	-	-	-	(1,912.01)

The Company's investment in the equity shares of New Tirpur Area Development Corporation Limited ("NTADCL") aggregates ₹ 1,550.63 lakh comprising ₹ 50.63 lakh invested directly by the Company and ₹ 1,500 lakh 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 was expected that there were likely to be delays in setting up the same and the probability of the whole project being set up was significantly lower as compared to the previous year. As a result, MIDL during the year ended 31st March, 2015 had made a provision for diminution of its investment in NTADCL of ₹ 1,500 lakh. The Company has also made a provision for diminution of its investment in MIDL of ₹ 1,800 lakh and ₹ 50.63 lakh of its investment in NTADCL in year ending 31st March, 2015.

Refer Schedule No. 31 for disclosure of Measurement Requirements as per IND AS 107, 109, 113

8) Loans

Particulars	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	Current	**Non- Current**	Current	Non- Current	Current	Non- Current
a) Security Deposits						
- Unsecured, considered good	**3,447.19**	**-**	3,428.45	-	3,910.07	-
TOTAL (A)	**3,447.19**	**-**	3,428.45	-	3,910.07	-
b) Loans to related parties						
- Unsecured, considered good#	**2,000.00**	**1,764.58**	2,207.64	3,681.56	2,000.00	25,631.56
TOTAL (B)	**2,000.00**	**1,764.58**	2,207.64	3,681.56	2,000.00	25,631.56
c) Other Loans and Advances						
- Unsecured, considered good*	**19,006.01**	**-**	15,448.54	-	22,501.67	-
TOTAL (C)	**19,006.01**	**-**	15,448.54	-	22,501.67	-
GRAND TOTAL	**24,453.20**	**1,764.58**	21,084.63	3,681.56	28,411.74	25,631.56

Refer Note 31 for disclosures related to credit risk and related financial instrument disclosures.

* During the year ended 31st March 2015, Other Loans and advances included project advances of ₹ 10,000 lakh pending for over 3 years relating to a project whose commencement had been delayed due to non-performance with respect to the agreed condition precedents by Vendors. The Company had taken legal action against the vendors to protect the interest of the Company where in the H'ble High Court at Mumbai had given order restraining the vendors from creating any third party rights in respect of the suit property or part with possession thereof.

* During the previous year ended 31st March, 2016, the company had received an award in terms of the consent terms filed by the Company and the Vendors before the H'ble Arbitral Tribunal and the Company had acquired the property. The Company had planned to undertake the redevelopment of the property on completion of all obligation by the Vendors. Consequently the amount of ₹ 10,000 lakh was transferred to Construction Work in Progress in the previous year ended 31st March, 2016.

* With the approval of the shareholders received at the 17th Annual General Meeting held on 28th July, 2016, the Company has on 27th March, 2017 sold the property in its inventory, situated at South Mumbai for a total consideration upto ₹ 23,721.00 lakh to a related party. The Company has received conveyance consideration of ₹ 17,671.00 lakh. As per the terms of settlement between the Company and the erstwhile landowners, upon completion of certain obligations by them, the Company shall pay an amount upto ₹ 6,050.00 lakh to the erstwhile landowners and the same shall be paid by the related party to the Company as balance consideration. The matter of determination of the factum of completion of the obligations by the erstwhile landowners is presently pending before the Hon'ble Arbitrator. The profit booked from this sale transaction will not be affected by the outcome of such arbitration.

The Company had entered into an agreement to acquire a parcel of land near Thane, Maharashtra, at a consideration of ₹ 2,000.00 lakh. While full consideration was paid, the land was not conveyed pending completion of certain formalities. The amount currently standing in the books as a current asset is ₹ 2,879.00 lakh. During the period, Tahsildar (Thane) has issued an order against the registered owner alleging non-adherence of certain conditions pertaining to Bombay Tenancy and Agricultural Lands Act, 1948 and changed the land records to reflect Government of Maharashtra as the holder of the land. The Company has been legally advised that the said order and the demand thereunder is grossly erroneous and not tenable.

9) Other financial assets

Particulars	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	Current	**Non- Current**	Current	Non- Current	Current	Non- Current
Financial assets at amortised cost						
a) Bank Deposit with more than 12 months maturity	**-**	**20.52**	-	75.66	-	111.15
b) Interest Accrued	**12,315.73**	**-**	7,702.59	-	11,731.27	-
	12,315.73	**20.52**	7,702.59	75.66	11,731.27	111.15

Refer Note 31 for disclosures related to credit risk and related financial instrument disclosures.

10) Inventories

Particulars		As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
(a)	Raw materials	**2,162.81**	2,156.66	2,170.11
(b)	Construction Work-in-progress*#	**79,289.42**	98,568.35	77,597.32
(c)	Stock in Trade	**6,473.04**	8,880.50	297.03
Total Inventories (at lower of cost and net realisable value)		**87,925.27**	109,605.51	80,064.46

* 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 had during the year ending 31st March 2015 entered into mutually agreed consent terms with a land-owner in respect of the project, commencement of which had been delayed and in accordance with the consent terms, the Company during the year ending 31st March, 2015 completed the sale of land in relation thereto. Accordingly, the provision for losses to project completion for ₹ 1,023.00 lakh in respect was no longer required and reversed during the year ending 31st March 2015. Further, revenue from operations for the year ended 31st March 2015 includes ₹ 25,263 lakh on sale thereof, net of the advances given and interest thereon. Operating expenses included in the year ended 31st March, 2015 ₹ 2,263 lakh of costs incurred in relation thereto. Other income included in the year ending 31st March 2015 was ₹ 1,550 lakh 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 lakh and short term loans and advances and interest accrued on project advances included in other current assets of ₹4,205.26 lakh and ₹ 2,174.98 lakh, respectively, at 31st March 2014 have been realized during the year ending 31st March 2015.

The cost of inventories recognised as an expense during the year in respect of continuing operations was ₹ 52,343.58 lakh (Previous year ending 31st March, 2016: ₹ 32,754.97 lakh)

Details of Work in progress and inventories pledged or mortgaged as security is as below:

Particulars	Carrying Value	Security pledged/Mortgaged against
31st March, 2017		
Work in progress & Inventories	**19,981.00**	**Non Current Secured Debentures**
Work in progress & Inventories	**16,396.19**	**Current Secured Borrowings**
31st March, 2016		
Work in progress & Inventories	37,441.74	Non Current Secured Debentures
Work in progress & Inventories	12,147.12	Current Secured Borrowings
1st April, 2015		
Work in progress & Inventories	49,883.19	Non Current Secured Debentures
Work in progress & Inventories	-	Current Secured Borrowings

11) Trade receivables

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Trade receivables			
(a) Unsecured, considered good	**5,929.69**	5,095.98	1,552.42
(b) Doubtful	**595.15**	595.15	595.15
Less: Allowance for doubtful debts	**(595.15)**	(595.15)	(595.15)
Total Current Trade Receivables	**5,929.69**	5,095.98	1,552.42

Refer Note 31 for disclosures for to credit risk related to trade receivables and also Note no. 2.15.5.

11 a) Movement in the allowance for doubtful debts

Particulars	As at 31st March, 2017	As at 31st March, 2016
Balance at beginning of the year	**595.15**	595.15
Other receivables during the year	**-**	-
Balance at end of the year	**595.15**	595.15

Trade receivables are non interest bearing and are generally on the terms of 21 to 60 days.

12) Cash and Bank Balances

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Cash and cash equivalents			
(a) Cash on hand	**1.06**	1.05	1.55
(b) Others			
On current account	**1,512.08**	11,921.01	2,953.53
Deposit account Less than 3 months	**3,103.77**	1,873.43	436.38
Total Cash and cash equivalent	**4,616.91**	13,795.49	3,391.46
Other Bank Balances			
(a) Earmarked balances with banks	**125.45**	112.62	103.24
(b) Balances with Banks:			
(i) On Margin Accounts	**469.66**	435.73	443.75
(ii) Fixed Deposits with maturity greater than 3 months	**57.87**	234.84	226.82
Total Other Bank balances	**652.98**	783.19	773.81

Reconciliation of Cash and Cash Equivalents

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Total Cash and Cash Equivalents as per Balance Sheet	**4,616.91**	13,795.49	3,391.46
Add: Bank Overdraft	**-**	-	-
Add: Cash and bank balances included in a disposal group held for sale	**-**	-	-
Total Cash and Cash Equivalents as per Statement of Cashflow	**4,616.91**	13,795.49	3,391.46

13) Other Current Assets

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Advances other than capital advances			
(i) Unbilled Revenues	**22,906.92**	14,380.22	10,812.93
Total Other Current Assets	**22,906.92**	14,380.22	10,812.93

13a) Additional disclosure as per Guidance note on accounting for Real Estate Transactions

Particulars	As at 31st March, 2017	As at 31 March, 2016
Contracts in Progress at the end of reporting Period		
Construction costs incurred plus profits recognised less losses recognised	**35,755.00**	17,724.07
Advances received from customers	**639.18**	3,154.56
Work in progress and inventories	**53,290.51**	70,302.04

14) Equity Share Capital

Particulars	As at 31st March, 2017 No. of shares	As at 31st March, 2017 Amount ₹ in Lakh	As at 31st March, 2016 No. of shares	As at 31st March, 2016 Amount ₹ in Lakh	As at 1st April, 2015 No. of shares	As at 1st April, 2015 Amount ₹ in Lakh
Authorised:						
Equity shares of ₹ 10 each with voting rights	**115,000,000**	**11,500.00**	115,000,000	11,500.00	115,000,000	11,500.00
Unclassified shares of ₹10 each	**6,000,000**	**600.00**	6,000,000	600.00	6,000,000	600.00
Issued, Subscribed and Fully Paid:						
Equity shares of ₹ 10 each with voting rights	**41,094,401**	**4,109.44**	41,074,001	4,107.40	41,053,051	4,105.31
Issued, Subscribed and Partly Paid:						
Equity shares of ₹ 10 each with voting rights	**41,053,550**	**4,105.36**	41,033,150	4,103.32	41,012,200	4,101.22
Total	**41,053,550**	**4,105.36**	41,033,150	4,103.32	41,012,200	4,101.22

(i) Reconciliation of the number of shares outstanding at the beginning and at the end of the period.

Particulars	Opening Balance	ESOP	Closing Balance
(a) Equity Shares with Voting rights			
Year Ended 31st March 2017			
No. of Shares	**41,033,150**	**20,400**	**41,053,550**
Amount ₹ in Lakh	**4,103.32**	**2.04**	**4,105.36**
Year Ended 31st March 2016			
No. of Shares	41,012,200	20,950	41,033,150
Amount ₹ in lakh	4,101.22	2.09	4,103.32
Year Ended 1st April 2015			
No. of Shares	41,012,200	-	41,012,200
Amount ₹ in lakh	4,101.22	-	4,101.22

Terms/ rights attached to equity shares

The Company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in ensuing Annual General Meeting.

(ii) Details of shares held by the holding company, the ultimate holding company, their subsidiaries and associates:

Particulars	**Equity Shares with Voting rights**
As at 31st March 2017	
Mahindra & Mahindra Ltd. the Holding Company	20,846,126
As at 31st March 2016	
Mahindra & Mahindra Ltd. the Holding Company	20,846,126
As at 1st April 2015	
Mahindra & Mahindra Ltd. the Holding Company	20,846,126

Other than the above shares, no shares are held by any subsidiaries or associates of the holding company.

(iii) Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at 31st March 2017		As at 31st March 2016		As at 1st April 2015	
	Number of shares held	**% holding in that class of shares**	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights						
Mahindra & Mahindra Limited	**20,846,126**	**50.78%**	20,846,126	50.80%	20,846,126	50.83%
Amansa Investments Limited	**-**	**-**	2,341,170	5.71%	2,505,170	6.11%
Small Cap World Fund, INC	**2,157,380**	**5.26%**	2,157,380	5.26%	2,157,380	5.26%

iv) Shares reserved for issue under options

The Company has 5,53,430 (Previous Year ending 31st March, 2016. 5,58,380) equity shares of ₹ 10/- each reserved for issue under options [Refer Note 26].

v) The allotment of 40,851 (Previous Year ending 31st March, 2016. 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).

15) Other equity

Particulars	**As at 31st March, 2017**	As at 31st March, 2016	As at 31st March, 2015
General reserve	**7,299.49**	7,299.49	7,299.39
Securities premium reserve	**68,495.25**	68,431.09	68,356.83
Reserve for debt instruments through other comprehensive income	**134.92**	66.66	-
Share options outstanding account	**434.33**	374.11	259.50
Retained earnings	**53,081.71**	50,120.00	48,224.99
Capital redemption reserve	**7,353.58**	7,353.58	7,353.58
Debenture redemption reserve	**8,375.00**	9,406.25	6,270.83
Share Application money pending allotment	**0.08**	-	-
	145,174.36	143,051.18	137,765.12

Details Reserves

Particulars	**As at 31st March, 2017**	As at 31st March, 2016	As at 31st March, 2015
(I) Debenture Redemption Reserve:			
Balance as at the beginning of the year	**9,406.25**	6,270.83	6,270.83
Add :			
Transfer from Surplus in Statement of Profit and Loss	**-**	3,135.42	-
Less :			
Transfer to Surplus in Statement of Profit and Loss	**1,031.25**	-	-
Balance as at the end of the year	**8,375.00**	9,406.25	6,270.83
(II) Capital Redemption Reserve :			
Balance as at the beginning of the year	**7,353.58**	7,353.58	7,353.58
Less :			
Transfer to Surplus in Statement of Profit and Loss	**-**	-	-
Balance as at the end of the year	**7,353.58**	7,353.58	7,353.58
(III) General reserve			
Balance as at the beginning of the year	**7299.49**	7,299.39	7,299.39
Add: Transfer from Surplus in Statement of Profit and Loss	**-**	0.10	-
Less: Transfer to Surplus in Statement of Profit and Loss	**-**	-	-
Balance as at the end of the year	**7,299.49**	7,299.49	7,299.39

Debenture Redemption Reserve: A debenture redemption reserve is a provision created against issue of debentures to protect investors against the possibility of default by the company.

General Reserve: The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. There is no policy of regular transfer. Items included under General Reserve shall not be reclassified back into the P&L.

16) Non-Current Borrowings

Description of the instrument	Currency of Loan	Effective Interest Rate used for Discounting Cashflows %	Coupon Rate %	Repayment Bullet (or) Installment	Number of Installments Nos	Date of Redemption (or) Conversion	**Amortised cost as at 31st March 2017**	Amortised cost as at 31st March 2016	Amortised cost as at 1st April 2015
Secured Borrowings									
Fully Redeemable									
I. Non Convertible Debentures..........	INR	12.04%	8.00%	Installment	1	4/4/2018	**19,981.00**	19,941.74	20,000.00
II. Non Convertible Debentures..........	INR	11.86%	8.00%	Installment	1	4/4/2017	**-**	17,500.00	17,383.19
III. Non Convertible Debentures..........	INR	11.76%	0.00%	Installment	1	4/4/2016	**-**	-	12,500.00
Total Secured Borrowings							**19,981.00**	37,441.74	49,883.19

Non Convertible Debentures

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 (₹ Lakh)........................	12,500.00	17,500.00	20,000.00
Total Redemption Amount (₹ Lakh)........................	4,498.71	2,290.30	3,455.65
Rate of Interest Payable Annually (%)....................	0%	8%	8%
Maturity Date	4th April 2016	4th April 2017	4th April 2018

The above debentures are secured by an exclusive charge over 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.

17) Other Financial Liabilities

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Other Financial Liabilities Measured at Amortised Cost			
Non-Current			
(a) Other long term liabilities*	**5,096.88**	8,186.02	5,189.71
	5,096.88	8,186.02	5,189.71
Current			
(a) Current maturities of long-term debt	**17,500.00**	12,500.00	-
(b) Interest accrued	**3,034.68**	2,993.64	2,975.34
(c) Unpaid dividends	**125.45**	112.62	103.24
(d) Other liabilities			
(1) Others#	**2,243.19**	1,704.71	2,467.36
(2) Retention Money	**2,670.53**	2,890.21	1,768.37
	25,573.85	20,201.18	7,314.31
Total other financial liabilities	**30,670.73**	28,387.20	12,504.02

* Other long term liabilities include provision for redemption premium payable on debentures
# Others include trade deposits and Society Maintenance deposits

18) Provisions

Particulars	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	Current	Non-Current	Current	Non-Current	Current	Non-Current
(a) Provision for employee benefits	**142.70**	**324.41**	187.03	268.50	323.41	209.53
(b) Other Provisions						
Defect Liabilities	**643.23**	**-**	418.24	-	515.00	-
Total Provisions	**785.93**	**324.41**	605.27	268.50	838.41	209.53

Details of movement in provisions for defect liability is as follows:

Particulars	**Defect Liability Provisions**
Balance at 1st April 2015	515.00
Additional provisions recognised	459.62
Amounts used during the period	(31.38)
Unused amounts reversed during the period	(525.00)
Unwinding of discount and effect of changes in the discount rate	-
Balance at 31st March 2016	418.24
Balance at 1st April, 2016	**418.24**
Additional provisions recognised	**597.51**
Amounts used during the period	**(31.48)**
Unused amounts reversed during the period	**(341.05)**
Unwinding of discount and effect of changes in the discount rate	**-**
Balance at 31st March 2017	**643.23**

Defect Liability Provisions:

Provision for defect liability represents present value of management's best estimate of the future outflow of economic resources that will be required for rectification of defects, if any, in respect of residential units sold or given under perpetual lease. Management estimates the related provision for future defect liability claims based on historical cost of rectifications and is adjusted regularly to reflect new information. The residential units are generally covered under the defect liability period limited to 1 - 3 years from the date of handover of residential units. It is estimated that most of these costs are likely to be incurred within two years after the reporting date.

19) Deferred Tax Balances

Particulars	For the Year ended 31st March 2017	For the Year ended 31st March 2016	For the Year ended 1st April 2015
Deferred Tax Liabilities	760.84	830.98	768.30
Deferred Tax Assets	591.35	509.11	566.50
Net Tax Assets/(Liabilities)	(169.49)	(321.87)	(201.80)

(i) Movement in deferred tax balances

Particulars	For the Year ended 31st March 2017		
	Opening Balance	Recognised in profit and Loss	Closing Balance
Tax effect of items constituting deferred tax liabilities			
FVTPL financial asset/(liability)	830.98	(70.14)	760.84
	830.98	(70.14)	760.84
Tax effect of items constituting deferred tax assets			
Other Items	509.11	82.24	591.35
	509.11	82.24	591.35
Net Tax Asset /(Liabilities)	(321.87)	152.38	(169.49)

Particulars	For the Year ended 31st March 2016		
	Opening Balance	Recognised in profit and Loss	Closing Balance
Tax effect of items constituting deferred tax liabilities			
FVTPL financial asset	768.30	62.68	830.98
	768.30	62.68	830.98
Tax effect of items constituting deferred tax assets			
Other Items	566.50	(57.39)	509.11
	566.50	(57.39)	509.11
Net Tax Asset /(Liabilities)	(201.80)	(120.07)	(321.87)

20) Current Borrowings

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
A. Secured Borrowings			
(a) Loans repayable on demand			
From Banks	16,396.19	12,147.12	-
Total Secured Borrowings	16,396.19	12,147.12	-
B. Unsecured Borrowings			
(a) Loans repayable on demand			
From Banks	-	7,000.00	-
(b) Loans from related parties	2,500.00	-	-
Total Unsecured Borrowings	2,500.00	7,000.00	-
Total Current Borrowings	18,896.19	19,147.12	-

Secured Borrowing

Nature of Security

The Short Term Loan/ Working Capital Demand Loan (WCDL) is secured by exclusive mortgage charge on immovable properties (part of Work in progress and Inventories) of the company while Cash Credit/Overdraft is secured by first hypothecation charge on all existing and future current assets of the company.

Terms of Repayment

Rate of interest for WCDL 9.25% while CC is MCLR plus 0.35% (presently 8.85%p.a). Cash Credit/ Overdraft facility is repayable on demand from bank.

Unsecured Loan

Includes Short Term Loan from bank for working capital purposes.

21) Trade Payables

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Trade payable - Micro and small enterprises*	**-**	-	-
Trade payable - Other than micro and small enterprises	**22,309.33**	21,090.89	14,543.95
Total Current Trade Payables	**22,309.33**	21,090.89	14,543.95

Trade Payables are payables in respect of the amount due on account of goods purchased or services received in the normal course of business.

* 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.

22) Other Liabilities

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Current			
a. Advances received from customers	**3,163.17**	4,473.17	4302.63
b. Statutory dues payable	**484.82**	521.38	607.19
Total Other Current Liabilities	**3,647.99**	4,994.55	4,909.82

23) Revenue from Operations

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
(a) Income From Projects	**63,985.59**	46,003.60
(b) Project Management Fees	**2,051.08**	2,188.74
(c) Income from Operation of Commercial Complexes	**2,018.71**	2,018.95
Total Revenue from Operations	**68,055.38**	50,211.29

24) Other Income

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
(a) Interest Income		
(1) Interest on InterCorporate Deposits	**396.86**	2,304.20
(2) Interest on Bank Deposits	**294.04**	195.86
(3) Interest on Optionally Convertible Debentures	**4,482.38**	6,148.76
(4) Others	**815.24**	242.34
(b) Dividend Income		
(1) Dividend income from Joint Ventures and Subsidiaries	**333.00**	333.00
(2) Dividend income from current investment - Non Trade	**428.57**	263.83
(c) Net Gain / (Loss) on sale of investments		
(1) Sale of Current Investments-Non Trade	**105.68**	23.12
(d) Profit on sale of capital assets (net of loss on assets sold / scrapped / written off)	**7.30**	0.25
(e) Miscellaneous Income	**401.76**	431.66
Total Other Income	**7,264.83**	9,943.02

25) Operating Expenses

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Cost of Project		
Opening Work-in-progress	**98,568.35**	77,597.32
Opening Raw Material	**2,156.66**	2,170.11
Opening Stock in trade	**8,880.50**	297.03
Sub-Total (a)	**109,605.51**	80,064.46
Add: Expenses incurred during the year		
Land Cost/Premium for Development Rights	**5,836.61**	21,738.83
Architect Fees	**298.09**	595.30
Preliminaries & Site Expenses	**112.92**	6,613.41
Civil Electricals, Contracting etc	**15,715.46**	26,262.01
Interest	**2,723.05**	2,905.07
Overheads Allocated	**1,258.17**	1,268.69
Payment to Local Agencies	**4,002.60**	1,938.72
Insurance	**37.78**	44.24
Legal & Professional Fees	**678.66**	929.75
Other Expenses	**-**	-
Sub-Total (b)	**30,663.34**	62,296.02
Total A (a+b)	**140,268.85**	142,360.48
Less: Closing Stock		
Closing work in progress	**79,289.42**	98,568.35
Closing Raw Material	**2,162.81**	2,156.66
Closing Stock in trade	**6,473.04**	8,880.50
Total B	**87,925.27**	109,605.51
Capital Work-In-Progress	**-**	-
Rent, Rates & Taxes	**82.22**	103.14
Insurance	**2.92**	(0.64)
Repairs & Maintenance - Commercial Properties	**128.57**	181.04
Professional Fees	**62.73**	8.64
Brokerage	**232.70**	282.59
Advertisement, Marketing & Business Development	**1,117.64**	1,056.72
Electricity	**88.05**	48.91
Other Operating Expenses	**608.52**	300.71
Total C	**2,323.35**	1,981.11
Other Operating Expenses (A-B+C)	**54,666.93**	34,736.08

26) Employee Benefits Expense

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
(a) Salaries and wages, including bonus	6,602.64	5,889.44
(b) Contribution to provident and other funds	398.11	335.95
(c) Share based payment transactions expenses		
(1) Equity-settled share-based payments	124.37	90.15
(2) Cash-settled share-based payments	-	-
(d) Staff welfare expenses	356.95	400.41
Less : Allocated to projects	(1,258.17)	(1,268.69)
Total Employee Benefit Expense	6,223.90	5,447.26

Share based payment

The Company has granted options to its eligible employees under the Employee Stock Options Scheme 2006 ("ESOS 2006") and the Employee Stock Options Scheme 2012 ("ESOS 2012). The options granted under both the schemes are equity settled. The other details of the schemes are summarised below:

Where there a number of tranches of share based payments, the following table may be presented

		Number of Shares	Grant Date	Expiry Date	Exercise Price per share ₹	Fair value at Grant Date ₹
	ESOS 2006					
1	Series 1 Granted on 25th April, 2008	678,359	25-Apr-08	25-Apr-17	428	443.79
2	Series 2 Granted on 4th August, 2012	10,000	4-Aug-12	4-Aug-21	325	294.06
	ESOS 2012					
1	Series 3 Granted on 4th August, 2012	101,000	4-Aug-12	4-Aug-21	10	294.06
2	Series 4 Granted on 24th July, 2013	26,500	24-Jul-13	24-Jul-22	10	294.06
3	Series 5 Granted on 17th October, 2014	27,000	17-Oct-14	17-Oct-23	10	461.87
4	Series 6 Granted on 30th April, 2015	3,000	30-Mar-15	30-Apr-24	10	402.60
5	Series 7 Granted on 28th January, 2016	31,000	28-Jan-16	28-Jan-25	10	417.10
6	Series 8 Granted on 28th July, 2016	30,000	28-Jul-2016	28-Jul-2025	10	420.53

Movement in Share Options

	Particulars	For the year ended 31st March, 2017		For the year ended 31st March, 2016	
		Number of Shares	Weighted average exercise price ₹	Number of Shares	Weighted average exercise price ₹
1	The number and weighted average exercise prices of share options outstanding at the beginning of the period;	558,380	336.76	558,430	338.60
2	Granted during the period	30,000	10.00	34,000	10.00
3	Forfeited during the period	-	-	-	-
4	Exercised during the period	(20,400)	10.00	(20,950)	59.88
5	Expired during the period	(14,550)	10.00	(13,100)	10.00
6	Outstanding at the end of the period	553,430	339.68	558,380	336.76
7	Exercisable at the end of the period	486,780	338.48	467,730	398.40

Share Options Exercised in the Year

Particulars		Number of Shares Exercised	Exercise Date	Share Price at Exercise Date ₹
Equity Settled				
1	ESOS 2012 Granted on 04-Aug-2012	6,000	30-Jan-2017	356.15
2	ESOS 2012 Granted on 04-Aug-2012	600	26-Apr-2016	459.65
3	ESOS 2012 Granted on 04-Aug-2012	2,000	28-Jul-2016	457.65
4	ESOS 2012 Granted on 04-Aug-2012	6,300	27-Oct-2016	425.65
5	ESOS 2012 Granted on 24-Jul-2013	2,300	30-Jan-2017	356.15
6	ESOS 2012 Granted on 24-Jul-2013	1,200	27-Oct-2016	425.65
7	ESOS 2012 Granted on 17-Oct-2014	1,700	30-Jan-2017	356.15
7	ESOS 2012 Granted on 30-Apr-2015	300	27-Oct-2016	425.65
		20,400		

The share options outstanding at the end of the year had a range of exercise prices of ₹ 10 - ₹ 428 (as at March 31, 2016: ₹ 10 - ₹ 428), and weighted average remaining contractual life of 433 days (as at March 31, 2016: 360 days).

The Fair value has been calculated using the Black Scholes option pricing model and the significant inputs used for the valuation are as follows:

	25th April 2008	4th August 2012	4th August 2012	24th July 2013	17th October 2014	30th April 2015	28th January 2016	28th July 2016
Share price at grant date	₹ 443.79	₹ 324.14	₹ 324.14	₹ 454.09	₹ 516.08	₹ 467.60	₹ 482.25	₹ 450.60
Exercise price	₹ 428.00	₹ 325.00	₹ 10.00	₹ 10.00	₹ 10.00	₹ 10.00	₹ 10.00	₹ 10.00
Expected volatility	66.76% - 70.65%	44.15% - 59.61%	44.15% - 59.61%	47.63%	26.68% - 43.74%	26.11% - 37.68%	27.17% - 30.20%	26.98% - 28.17%
Expected life / Option Life	3.5 - 6.5 Years	3.5 - 6.5 Years	3.5 - 6.5 Years	6 - 9 Years	3.5 - 6.5 Years	3.5 - 6.5 Years	3.5 - 6.5 Years	3.5 - 6.5 Years
Expected dividends yield	0.33%	1.38%	1.38%	1.31%	2.28%	2.57%	2.49%	1.31%
Risk-free interest rate	7.79% - 8.15%	8.06% - 8.20%	8.06% - 8.20%	8.31% - 8.39%	8.49% - 8.52%	7.69% - 7.74%	7.43% - 7.73%	6.88% - 7.14%

27) Finance Cost

Particulars		For the year ended 31st March, 2017	For the year ended 31st March, 2016
(a)	Interest on term loans, bonds and debentures*	5,473.84	6,458.95
(b)	Interest on other loans*	-	19.23
(c)	Finance charges	446.15	485.34
(d)	Less: Allocated to projects	(2,723.05)	(2,267.69)
Total finance costs		**3,196.94**	4,695.83

*Analysis of Interest Expenses by Category

Particulars		For the year ended 31st March, 2017	For the year ended 31st March, 2016
Interest Expenses			
(a)	On Financial Liability at Amortised Cost	5,473.84	6,478.18
(b)	On Financial Liabilities at FVTPL	-	-

28) Other Expenses

Particulars			For the year ended 31st March, 2017	For the year ended 31st March, 2016
(a)	Power & Fuel		48.58	42.24
(b)	Rent, Rates & Taxes		636.45	582.73
(c)	Insurance		23.82	23.01
(d)	Repairs and maintenance - Buildings		0.41	276.90
(e)	Repairs and maintenance - Others		120.11	7.71
(f)	Advertisement, Marketing & Business Development		381.88	188.06
(g)	Travelling and Conveyance Expenses		508.38	550.19
(h)	Expenditure on corporate social responsibility (CSR) under section 135 of the Companies Act, 2013.		481.48	244.23
(i)	Donations and Contributions#		10.00	-
(j)	Auditors remuneration and out-of-pocket expenses			
	(i)	As Auditors	21.21	27.19
	(ii)	For Taxation matters	2.25	4.79
	(iii)	For Other services	6.24	8.83
	(iv)	For reimbursement of expenses	2.68	0.96
(k)	Other expenses			
	(i)	Legal and other professional costs	767.13	696.49
	(ii)	Printing & Stationery	71.32	87.79
	(iii)	Communication	138.21	126.18
	(iv)	Others	522.76	354.65
Total Other Expenses			**3,742.91**	3,221.95

Donation & Contribution to New Democratic Electoral trust (Incorporated as a section 8 Company under the Companies Act, 2013) Regd Office: 3rd Floor, Cecil Court, Plot 24/26, Mahakavi Bhushan Road, Regal Cinema, Colaba, Mumbai 400001 CIN:-U74120MH2014NPL258367

29) Income Taxes

(a) Income Tax recognised in profit or loss

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Current Tax:		
In respect of current year	2,349.39	3,709.29
Deferred Tax:		
In respect of current year origination and reversal of temporary differences		
Adjustment due to Provision	(81.88)	(23.02)
40a(ia) disallowance	-	80.15
Difference between book and tax base of Fixed assets	(105.95)	(6.30)
Others (Due to IND AS Adjustment)	-	69.24
	(187.83)	120.07
Total income tax expense on continuing operations	2,161.56	3,829.36

(b) Reconciliation of income tax expense and the accounting profit multiplied by Company's domestic tax rate:

Particulars	Year ended 31st March, 2017	Year ended 31st March, 2016
Profit before tax from continuing operations	7,055.21	11,657.41
Income tax expense calculated at 34.608% (2016: 34.608%)	2,441.67	4,034.40
Effect of income that is exempt from taxation	(433.64)	(370.59)
Effect of expenses that is non-deductible in determining taxable profit	341.36	45.49
Changes in recognised deductible temporary differences	(187.83)	120.06
Changes in estimates related to prior years	2,161.56	3,829.36
Adjustments recognised in the current year in relation to the current tax of prior years	-	-
Income tax expense recognised In profit or loss from continuing operations	2,161.56	3,829.36

30) Earnings per Share

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
	₹	₹
	Per Share	Per Share
Basic Earnings per share		
From continuing operations	11.92	19.08
From discontinuing operations	-	-
Total basic earnings per share	11.92	19.08
Diluted Earnings per share		
From continuing operations	11.90	19.01
From discontinuing operations	-	-
Total diluted earnings per share	11.90	19.01

Basic earnings per share

The earnings and weighted average number of ordinary shares used in the calculation of basic earnings per share are as follows:

	For the year ended 31st March 2017	For the year ended 31st March, 2016
Profit / (loss) for the year attributable to owners of the Company	**4,893.65**	7,828.05
Less: Preference dividend and tax thereon	**-**	-
Profit / (loss) for the year used in the calculation of basic earnings per share	**4,893.65**	7,828.05
Profit for the year on discontinued operations used in the calculation of basic earnings per share from discontinued operations	**-**	-
Profits used in the calculation of basic earnings per share from continuing operations	**4,893.65**	7,828.05
Weighted average number of equity shares	**41,040,742**	41,021,975
Earnings per share from continuing operations - Basic (₹)	**11.92**	19.08

Diluted earnings per share

The diluted earnings per share has been computed by dividing the Net profit after tax available for Equity shareholders by the weighted average number of equity shares, after giving dilutive effect of the outstanding Warrants, Stock options and Convertible bonds for the respective periods. Since, the effect of the conversion of Preference shares was anti-dilutive, it has been ignored.

	For the year ended 31st March 2017	For the year ended 31st March, 2016
Profit / (loss) for the year used in the calculation of basic earnings per share	**4,893.65**	7,828.05
Add: Interest expense and exchange fluctuation on convertible bonds (net) - adjusted for attributable taxes	**-**	-
Profit / (loss) for the year used in the calculation of diluted earnings per share	**4,893.65**	7,828.05
Profit for the year on discontinued operations used in the calculation of diluted earnings per share from discontinued operations	**-**	-
Profits used in the calculation of diluted earnings per share from continuing operations	**4,893.65**	7,828.05

The weighted average number of ordinary shares for the purpose of diluted earnings per share reconciles to the weighted average number of ordinary shares used in the calculation of basic earnings per share as follows:

	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Weighted average number of equity shares used in the calculation of Basic EPS	**41,040,742**	41,021,975
Add: Effect of Warrants		
ESOPs	**95,490**	145,784
Weighted average number of equity shares used in the calculation of Diluted EPS	**41,136,232**	41,167,759
Diluted earnings per share (₹)	**11.90**	19.01

31) Financial Instruments

Capital management

The Company's capital management objectives are:

- safeguard its ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders
- maintain an optimal capital structure to reduce the cost of capital

The Management of the Company monitors the capital structure using debt ratio which is determined as the proportion of total debt to total equity.

Debt-to-equity ratio are as follows :

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Debt (A)	**56,377**	69,089	49,883
Equity (B)	**149,280**	147,154	141,866
Debt Equity Ratio (A / B)	**0.38**	0.47	0.35

Categories of financial assets and financial liabilities

As at 31st March, 2017

	Amortised Costs	**FVTPL**	**FVOCI**	**Total**
Non-current Assets				
Investments	**65,829.18**	**-**	**-**	**65,829.18**
Loans	**1,764.58**	**-**	**-**	**1,764.58**
Other Financial Assets				
- Non Derivative Financial Assets	**20.52**	**-**	**-**	**20.52**
Current Assets				
Investments	**-**	**14,563.37**	**-**	**14,563.37**
Trade Receivables	**5,929.69**	**-**	**-**	**5,929.69**
Other Bank Balances	**652.98**	**-**	**-**	**652.98**
Loans	**24,453.20**	**-**	**-**	**24,453.20**
Other Financial Assets				
- Non Derivative Financial Assets	**12,315.73**	**-**	**-**	**12,315.73**
Non-current Liabilities				
Borrowings	**19,981.00**	**-**	**-**	**19,981.00**
Other Financial Liabilities				
- Non Derivative Financial Liabilities	**5,096.88**	**-**	**-**	**5,096.88**
Current Liabilities				
Borrowings	**18,896.19**	**-**	**-**	**18,896.19**
Trade Payables	**22,309.33**	**-**	**-**	**22,309.33**
Other Financial Liabilities				
- Non Derivative Financial Liabilities	**25,573.85**	**-**	**-**	**25,573.85**

	Amortised Costs	FVTPL	FVOCI	Total
				As at 31st March, 2016
Non-current Assets				
Investments	57,506.14	-	-	57,506.14
Loans	3,681.56	-	-	3,681.56
Other Financial Assets				
- Non Derivative Financial Assets	75.66	-	-	75.66
Current Assets				
Investments	-	20,114.76	-	20,114.76
Trade Receivables	5,095.98	-	-	5,095.98
Other Bank Balances	783.19	-	-	783.19
Loans	21,084.63	-	-	21,084.63
Other Financial Assets				
- Non Derivative Financial Assets	7,702.59	-	-	7,702.59
Non-current Liabilities				
Borrowings	37,441.74	-	-	37,441.74
Other Financial Liabilities				
- Non Derivative Financial Liabilities	8,186.02	-	-	8,186.02
Current Liabilities				
Borrowings	19,147.12	-	-	19,147.12
Trade Payables	21,090.89	-	-	21,090.89
Other Financial Liabilities	-	-		-
- Non Derivative Financial Liabilities	20,201.18	-	-	20,201.18

	Amortised Costs	FVTPL	FVOCI	Total
				As at 1st April, 2015
Non-current Assets				
Investments	57,339.78	-	-	57,339.78
Loans	25,631.56	-	-	25,631.56
Other Financial Assets				
- Non Derivative Financial Assets	111.15	-	-	111.15
Current Assets				
Investments	-	-	-	-
Trade Receivables	1,552.42	-	-	1,552.42
Other Bank Balances	773.81	-	-	773.81
Loans	28,411.74	-	-	28,411.74
Other Financial Assets				
- Non Derivative Financial Assets	11,731.27	-	-	11,731.27
Non-current Liabilities				
Borrowings	49,883.19	-	-	49,883.19
Other Financial Liabilities				
- Non Derivative Financial Liabilities	5,189.71	-	-	5,189.71
Current Liabilities				
Borrowings	-	-	-	-
Trade Payables	14,543.95	-	-	14,543.95
Other Financial Liabilities				
- Non Derivative Financial Liabilities	7,314.31	-	-	7,314.31

Financial Risk Management Framework

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk . In order to manage the aforementioned risks, the Company operates a risk management policy and a program that performs close monitoring of and responding to each risk factor.

CREDIT RISK

(i) Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk arises from cash and cash equivalents, investments carried at amortised cost, deposits with banks and financial institutions as well as credit exposures to customers including outstanding receivables.

Trade Receivables:

The Companys trade receivables include receivables on sale of residential flats and rent receivable. As per the Company's flat handover policy, a flat is handed over to a customer only upon payment of entire amount of consideration.The rent receivables are secured by security deposits obtained under the lease agreement. Thus, the Company is not exposed to any credit risk on receivables from sale of residential flats and rent receivables.

Balances with Banks, mutual funds and other financial assets:

For banks and financial institutions, only high rated banks/institutions are accepted. The Company holds cash and cash equivalents with bank and financial institution counterparties, which are having highest safety ratings based on ratings published by various credit rating agencies. The Company considers that its cash and cash equivalents have low credit risk based on external credit ratings of the counterparties.

Disclose - Amount of maximum Exposure to Credit Risk of Each / Company of financial asset where impairment as per Ind AS 109 is not applied

The Company holds mutual funds with financial institution counterparties, which are having highest safety ratings based on ratings published by various credit rating agencies. The Company considers that its mutual funds have low credit risk based on external credit ratings of the counterparties.

For other financial assets, the Company assesses and manages credit risk based on reasonable and supportive forward looking information. The Company does not have significant credit risk exposure for these items.

LIQUIDITY RISK

(i) Liquidity risk management

The Company established an appropriate liquidity risk management framework for the management of the Company's short-, medium- and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

(ii) Maturities of financial liabilities

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The amount disclosed in the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the Company may be required to pay.

Particulars	Less than 1 Year	1-3 Years	3-5 Years
Non-derivative financial liabilities			
31-Mar-17			
Non-interest bearing			
Trade Payable	22,309.33	-	-
Short Term Borrowing		-	-
Short Term Borrowing - Principal	18,896.19		
Long Term Borrowing			
Long Term Borrowing - Principal	-	20,000.00	-
Long Term Borrowing - Interest	5,290.30	5,055.65	-
Current Maturity of Long Term Debt			
Current Maturities - Principal	17,500.00	-	-
Other Current Financial Liability	427.32	-	-
Total	64,423.14	25,055.65	-

Particulars	Less than 1 Year	1-3 Years	3-5 Years
31st March, 2016			
Non-interest bearing			
Trade Payable	23,981.10	-	-
Short Term Borrowing			
Short Term Borrowing - Principal	19,147.12	-	-
Long Term Borrowing			
Long Term Borrowing - Principal	-	37,500.00	-
Long Term Borrowing - Interest	-	10,345.94	-
Current Maturity of Long Term Debt			
Current Maturities - Principal	12,500.00	-	-
Current Maturities - Interest	2,993.64	-	-
Other Current Financial Liability	4,498.71	-	-
Other Payable	6,699.27	-	-
Total	**69,819.84**	**47,845.94**	**-**
1st April, 2015			
Trade Payable	23,494.51	-	-
Long Term Borrowing - Principal	-	50,000.00	-
Long Term Borrowing - Interest	-	17,828.26	-
Current Maturities - Interest	3,016.44	-	-
Other Non Current Financial Liability	7,432.31	-	-
Other Payable	10,772.24	-	-
Total	**44,715.50**	**67,828.26**	**-**

(iii) Financing arrangements

The Company had access to following undrawn borrowing facilities at the end of the reporting period:

Particulars	**As at 31st March, 2017**	As at 31st March, 2016	As at 1st April, 2015
Secured Bank Overdraft facility			
- Expiring within one year	**10,978.00**	7,852.88	-
Secured Bank Guarantee Limit			
- Expiring within one year	**314.00**	1,194.53	333.86
Secured Letter of Credit (sub limit of Bank Guarantee)			
- Expiring within one year	**-**	-	880.85
	11,292.00	9,047.41	1,214.71

(iv) Maturities of financial assets

The following table details the Company's expected maturity for its non-derivative financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the Company's liquidity risk management as the liquidity is managed on a net asset and liability basis.

Particulars	Less than 1 Year	1-3 Years	3 Years to 5 Years
Non-derivative financial assets			
31st March, 2017			
Non Current Investment	**65,829.18**	**-**	**-**
Current Investment	**14,563.37**	**-**	**-**
Trade Receivable	**5,929.69**	**-**	**-**
Non Current Intercorporate Deposit	**-**	**-**	**1,764.58**
Current Intercorporate Deposit	**2,000.00**	**-**	**-**
Other Loan & Advances	**19,006.01**	**-**	**-**
Other Current Assets	**22,906.91**	**-**	**-**
Fixed Deposit	**-**	**20.52**	
Security Deposits	**3,447.19**	**-**	**-**
Total	**133,682.35**	**20.52**	**1,764.58**
31st March, 2016			
Non Current Investment	57,339.79	-	-
Current Investment	20,114.76	-	-
Trade Receivable	5,095.98	-	-
Non Current Intercorporate Deposit	-	-	3,681.56
Current Intercorporate Deposit	2,207.64	-	-
Other Loan & Advances	18,873.81	-	-
Other Current Assets	10,246.59	-	-
Fixed Deposit	-	75.66	-
Total	113,878.57	75.66	3,681.56
1st April, 2015			
Non Current Investment	57,339.79	-	-
Current Investment	-	-	-
Trade Receivable	1,552.42	-	-
Cash & Cash Equivalent	3,878.72	-	-
Non Current Intercorporate Deposit	21,970.00	-	3,661.56
Current Intercorporate Deposit	2,000.00	-	-
Other Loan & Advances	26,411.74	-	-
Other Current Assets	12,017.82	-	-
Fixed Deposit		111.15	-
Total	125,170.49	111.15	3,661.56

MARKET RISK

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk such as equity price risk and commodity price risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. All such transactions are carried out within the guidelines set by the Board of Directors.

Currency Risk

Foreign currency risk is the risk that the fair value or the future cash flows of an exposure will fluctuate because of changes in the foreign exchange rate. The Company undertakes transactions denominated in foreign currencies only for the purchases of the components which are required to carry out the construction activities. The Company manages its foreign currency risk by forward contracts that are expected to occur within a maximum 12 month from the entering of a contract.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company’s exposure to the risk of changes in market interest rates relates primarily to the Company’s long-term debt obligations with floating interest rates.The Company manages its interest rate risk by having a balanced portfolio of fixed and floating rate loans and borrowings.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected, after the impact of hedge accounting. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

	Currency	Increase / decrease in basis points	Effect on profit before tax
31-Mar-17	**INR**	**+100**	**(7.61)**
	INR	**-100**	**1.16**
31-Mar-16	INR	+100	(2.59)
	INR	-100	2.59

32) Fair Value Measurement

Fair Valuation Techniques and Inputs used - recurring Items

Financial assets/ financial liabilities measured at Fair value	Fair value as at			Fair value hierarchy	Valuation technique(s) and key input(s)
	31st March, 2017	**31st March, 2016**	**1st April, 2015**		
Financial assets					
Investments					
1) Mutual fund investments	**14,563.37**	20,114.76		Level 1	NAV
Total financial assets	**14,563.37**	20,114.76	-		
Financial liabilities					
Total financial liabilities	**-**	-	-		

Financial assets and financial liabilities that are not measured at fair value

Particulars	**As at 31st March, 2017**		As at 31st March, 2016		As at 1st April, 2015	
	Carrying amount	**Fair value**	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets						
Financial assets carried at Amortised Cost						
– investments	**65,829.18**		57,506.15		57,339.79	
– loans to related parties	**1,764.58**		3,681.56		25,631.56	
– Fixed Deposit...	**20.52**		75.66		111.15	
– Trade and other receivables..........................	**5,929.69**		5,095.98		1,552.42	
– Cash and cash equivalents	**4,616.91**		12,034.68		3,878.72	
– Other Bank Balance	**652.98**		783.19		773.81	
– Short Term Loans...	**24,453.20**		21,084.63		28,411.74	
– Other Current Financial	**12,315.73**		7,702.59		11,731.27	
Total	**115,582.81**		107,964.44		129,430.46	
Financial liabilities						
Financial liabilities held at amortised cost						
– Non Current Borrowing.................................	**19,981.00**		37,441.74		49,883.19	
– Other Long Term Financial Liability................	**5,096.88**		8,186.02		5,189.71	
– Short Term Borrowing	**18,896.19**		19,147.12		-	
– Trade Payable	**22,309.33**		21,090.89		14,543.95	
– Other Current Financial Liability	**25,573.85**		20,201.18		7,314.31	
Total	**91,857.25**		106,066.95		76,931.16	

Fair value hierarchy as at 31st March, 2017

	Level 1	Level 2	Level 3	Total
Financial assets				
Financial assets carried at Amortised Cost				
Investments in debt instruments	-	65,829.18	-	65,829.18
Loans to related parties	-	1,764.58	-	1,764.58
Other Non Current Financial Assets	-	20.52	-	20.52
Trade and other receivables	-	5,929.69	-	5,929.69
Cash and cash equivalents	-	4,616.91	-	4,616.91
Other Bank Balance	-	652.98	-	652.98
Short Term Loans	-	24,453.20	-	24,453.20
Other Current Financial assets	-	12,315.73	-	12,315.73
Total	-	115,582.81	-	115,582.81
Financial liabilities				
Financial Instruments not carried at Fair Value				
Non Current Borrowing	-	19,981.00	-	19,981.00
Other Long Term Financial Liability	-	5,096.88	-	5,096.88
Short Term Borrowing	-	18,896.19	-	18,896.19
Trade Payable	-	22,309.33	-	22,309.33
Other Current Financial Liability	-	25,573.85	-	25,573.85
Total	-	91,857.25	-	91,857.25

Fair value hierarchy as at 31st March, 2016

	Level 1	Level 2	Level 3	Total
Financial assets				
Financial assets carried at Amortised Cost				
Investments in debt instruments	-	57,506.15	-	57,506.15
Loans to related parties	-	3,681.56	-	3,681.56
Other Non Current Financial Assets	-	75.66	-	75.66
Trade and other receivables	-	5,095.98	-	5,095.98
Cash and cash equivalents	-	12,034.68	-	12,034.68
Other Bank Balance	-	783.19	-	783.19
Short Term Loans	-	21,084.63	-	21,084.63
Other Current Financial	-	7,702.59	-	7,702.59
Total	-	107,964.44	-	107,964.44
Financial liabilities				
Financial Instruments not carried at Fair Value				
Non Current Borrowing	-	37,441.74	-	37,441.74
Other Long Term Financial Liability	-	8,186.02	-	8,186.02
Short Term Borrowing	-	19,147.12	-	19,147.12
Trade Payable	-	21,090.89	-	21,090.89
Other Current Financial Liability	-	20,201.18	-	20,201.18
Total	-	106,066.95	-	106,066.95

	Fair value hierarchy as at 1st April, 2015			
	Level 1	Level 2	Level 3	Total
Financial assets				
Financial assets carried at Amortised Cost				
Investments in debt instruments	-	57,339.79	-	57,339.79
Loans to related parties	-	25,631.56	-	25,631.56
Other Non Current Financial Assets	-	111.15	-	111.15
Current Investment				
Trade and other receivables	-	1,552.42	-	1,552.42
Cash and cash equivalents	-	3,878.72	-	3,878.72
Other Bank Balance	-	773.81	-	773.81
Short Term Loans	-	28,411.74	-	28,411.74
Other Current Financial	-	11,731.27	-	11,731.27
Total	-	129,430.46	-	129,430.46
Financial liabilities				
Financial Instruments not carried at Fair Value				
Non Current Borrowing	-	49,883.19	-	49,883.19
Other Long Term Financial Liability	-	5,189.71	-	5,189.71
Trade Payable	-	14,543.95	-	14,543.95
Other Current Financial Liability	-	7,314.31	-	7,314.31
Total	-	76,931.16	-	76,931.16

Note: The Group has not disclosed the fair value for financial instruments, because the carrying amounts are a reasonable approximation of fair value.

33) Leases

Particulars	**For the year ended 31st March 2017**	For the year ended 31st March 2016	For the year ended 1st April 2015
Details of leasing arrangements			
The company's significant leasing arrangement are in respect of operating leases for Commercial & Residential premises.			
As Lessor			
Operating Lease			
The Company has entered into operating lease arrangements for Mahindra Towers, Delhi and GE Plaza, Pune. The lease is non-cancellable for a period of 1 to 5 years and may be renewed for a further period of 1 year based on mutual agreement of the parties.			
Future minimum lease payments			
not later than one year	**5.64**	2.79	1506.16
later than one year and not later than five years	**-**	-	7.08
later than five years	**-**	-	-
As Lessee			
Operating Lease			
The Company has entered into operating lease arrangements for Worli Office. The lease is non-cancellable for a period of 1 to 5 years and may be renewed for a further period of 1 year based on mutual agreement of the parties.			
Future Non-Cancellable minimum lease commitments			
not later than one year	**166.25**	142.40	114.28
later than one year and not later than five years	**37.32**		
later than five years	**-**	-	-
Expenses recognised in the Statement of Profit and Loss			
Minimum Lease Payments	**531.84**	499.18	466.46

34) Segment information

As per Ind AS 108 ‘Operating Segment’, the Company has reported Segment Information for below segments :

i) **Operating of Commercial Complexes:** This Segment of the business includes rental income from commercial properties at Gurgaon and Pune.

ii) **Projects, Project Management & Development:** This Segment of the business includes income from sale of residential units across projects, project management and development in India.

For the purpose of this, the Managing Director & CEO is the Chief Operating Decision Maker

Year ended 31st March, 2017

Particulars	Operating of Commercial Complexes	Projects, Project Management & Development	Total Segments	Adjustment & Eliminations	Total
REVENUE					
External customers	2,018.71	66,036.67	68,055.38	-	68,055.38
Inter-segment					
Total revenue	**2,018.71**	**66,036.67**	**68,055.38**	**-**	**68,055.38**
Income/ (Expenses)					
Depreciation and amortisation	(50.31)	(106.95)	(157.26)	(277.07)	(434.32)
Income tax expense or income			-	(2,161.56)	(2,161.56)
Interest income		142.18	142.18	5,354.89	5,497.08
Interest expense		(0.01)	(0.01)	(3,196.95)	(3,196.94)
Segment profit	**1,951.46**	**11,351.23**	**13,302.69**	**(8,409.04)**	**4,893.65**
Total assets	**1,789.57**	**199,752.90**	**201,542.47**	**44,522.32**	**246,064.79**
Total liabilities	**689.60**	**83,902.00**	**84,591.60**	**12,193.47**	**96,785.07**

Year ended 31st March, 2016

Particulars	Operating of Commercial Complexes	Projects, Project Management & Development	Total Segments	Adjustment & Eliminations	Total
REVENUE					
External customers	2,018.95	48,192.34	50,211.29	-	50,211.29
Inter-segment			-		
Total revenue	**2,018.95**	**48,192.34**	**50,211.29**	**-**	**50,211.29**
Income/ (Expenses)					
Depreciation and amortisation	(50.31)	(61.16)	(111.47)	(284.30)	(395.77)
Income tax expense or income			-	(3,825.48)	(3,825.48)
Interest income	122.02		122.02	8,295.13	8,417.15
Interest expense	-	(1.39)	(1.39)	(4,694.44)	(4,695.83)
Segment profit	**1,920.74**	**13,497.19**	**15,417.93**	**(7,589.88)**	**7,828.05**
Total assets	**2,003.00**	**200,118.44**	**202,121.44**	**57,290.20**	**259,411.64**
Total liabilities	**560.00**	**97,206.00**	**97,766.00**	**14,491.14**	**112,257.14**

Reconciliation of profit	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Segment profit	**13,302.69**	15,417.93
Finance income	**5,354.89**	8,295.13
Other finance costs	**(3,196.95)**	(4,694.44)
Depreciation	**(277.07)**	(284.30)
Employee Benefit Expenses	**(5,820.35)**	(5,024.02)
Other Income	**1,435.32**	1,184.83
Other Expenses	**(3,743.32)**	(3,237.72)
Profit before tax and discontinued operations	**7,055.21**	11,657.41

Reconciliation of assets	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Segment operating assets	**201,542.47**	202,121.44	173,421.11
PPE	**1,065.24**	1,046.63	1,171.16
Investments	**14,563.37**	20,114.75	-
Cash & Cash equivalents	**4,616.91**	12,034.68	3,214.47
Other financial assets	**12,336.26**	10,322.22	12,129.19
Loan	**10,281.93**	10,788.12	32,387.91
Bank balances	**652.98**	783.19	773.81
Non Current Tax Assets	**1,005.63**	2,200.60	1,859.41
Total assets	**246,064.79**	259,411.63	224,957.06

Reconciliation of liabilities	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Segment operating liabilities	**84,591.60**	97,766.00	71,074.62
Deferred tax liabilities	**169.49**	321.87	201.80
Provisions	**1,110.34**	874.76	1,047.94
Trade Payables	**2,604.28**	1,905.40	2,720.15
Other Financial liabilities	**8,112.98**	11,389.11	8,046.21
Other Current liabilities	**196.39**	-	-
Total liabilities	**96,785.08**	112,257.14	83,090.72

Geographic information	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Revenue from external customers		
India	**68,055.38**	50,211.00
Outside India		-
Total revenue per consolidated statement of profit or loss	**68,055.38**	50,211.00

Non-current operating assets:	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
India	**3,232.71**	3,314.90	3,405.83
Outside India	**-**	-	-
Total	**3,232.71**	3,314.90	3,405.83

Non-current assets for this purpose consist of property, plant and equipment, investment properties and intangible assets.

35) Employee benefits

(a) Defined Contribution Plan

The Company's contribution to Provident Fund and Superannuation Fund aggregating ₹ 347.56 lakh (2016 : ₹131.47 lakh) has been recognised in the Statement of Profit or Loss under the head Employee Benefits Expense.

(b) Defined Benefit Plans:

Gratuity

The Company operates a gratuity plan covering qualifying employees. The benefit payable is the greater of the amount calculated as per the Payment of Gratuity Act, 1972 or the Company scheme applicable to the employee. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting. The Company makes annual contribution to the group gratuity scheme administered by the Life Insurance Corporation of India through its Gratuity Trust Fund.

The significant actuarial assumptions used for the purposes of the actuarial valuations were as follows:

	Valuation as at		
	31-Mar-17	31-Mar-16	1-Apr-15
Discount rate(s)	**6.68%**	7.46%	7.77%
Expected rate(s) of salary increase	**6.00%**	6.00%	6.00%
Attrition Rate	**5.00%**	5.00%	5.00%
Mortality	**IALM (2006-08) ULT.**	IALM (2006-08) ULT.	IALM (2006-08) ULT.

Retirement age of the employees is assumed to be 60 years.

Defined benefit plans – as per actuarial valuation on 31st March, 2017

Particulars	**Funded Plan Gratuity**	
	2017	2016
Amounts recognised in comprehensive income in respect of these defined benefit plans are as follows:		
Service Cost		
Current Service Cost	**72.05**	71.98
Past service cost and (gains)/losses from settlements	**-**	-
Net interest expense	**8.51**	10.58
Components of defined benefit costs recognised in profit or loss	**80.55**	82.56
Remeasurement on the net defined benefit liability		
Return on plan assets (excluding amount included in net interest expense)	**(1.02)**	(2.35)
Actuarial (gains) / loss arising form demographic assumptions	**-**	(36.74)
Actuarial (gains) / loss arising form changes in financial assumptions	**28.74**	12.56
Actuarial (gains) / loss arising form experience adjustments	**(131.47)**	(78.21)
Components of defined benefit costs recognised in other comprehensive income	**(103.75)**	(104.74)
Total	**(23.20)**	(22.18)
I. Net Asset/(Liability) recognised in the Balance Sheet as at 31st March		
1. Present value of defined benefit obligation as at 31st March	**261.50**	271.91
2. Fair value of plan assets as at 31st March	**170.67**	157.87
3. Surplus/(Deficit) (2-1)	**(90.84)**	(114.04)
4. Current portion of the above	**(4.23)**	(5.59)
5. Non current portion of the above (3-4)	**(86.60)**	(108.44)

Particulars				Funded Plan Gratuity 2017	2016
II.	**Change in the obligation during the year ended 31st March**				
	1.	Present value of defined benefit obligation at the beginning of the year		**271.91**	280.52
	2.	Add/(Less) on account of Scheme of Arrangement/Business Transfer		**-**	-
	3.	Expenses Recognised in Profit and Loss Account			
		-	Current Service Cost	**72.05**	71.98
		-	Past Service Cost	**-**	-
		-	Interest Expense (Income)	**20.28**	21.80
	4.	Recognised in Other Comprehensive Income			
		Remeasurement gains / (losses)			
		-	Actuarial Gain (Loss) arising from:		
			i. Demographic Assumptions	**-**	(36.74)
			ii. Financial Assumptions	**28.74**	12.56
			iii. Experience Adjustments	**(131.47)**	(78.21)
	5.	Benefit payments		**-**	-
	6.	Others (Specify)		**-**	-
	7.	Present value of defined benefit obligation at the end of the year		**261.50**	271.91
III.	**Change in fair value of assets during the year ended 31st March**				
	1.	Fair value of plan assets at the beginning of the year		**157.88**	121.64
	2.	Add/(Less) on account of Scheme of Arrangement/Business Transfer		**-**	22.67
	3.	Expenses Recognised in Profit and Loss Account			
		-	Expected return on plan assets	**12.79**	13.57
	4.	Recognised in Other Comprehensive Income			
		Remeasurement gains / (losses)			
		-	Actual Return on plan assets in excess of the expected return	**-**	-
		-	Others (specify)	**-**	-
	5.	Contributions by employer (including benefit payments recoverable)		**-**	-
	6.	Benefit payments		**-**	-
	7.	Fair value of plan assets at the end of the year		**170.67**	157.88
IV.	**The Major categories of plan assets**				
	-	Insurer managed funds (Non quoted value)		**170.67**	157.88

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Principal assumption		Changes in assumption	Impact on defined benefit obligation: Increase in assumption	Impact on defined benefit obligation: Decrease in assumption
Discount rate	**2017**	**1.00%**	**225.44**	**305.72**
	2016	1.00%	234.04	318.32
	2015	1.00%	256.08	309.00
Salary growth rate	**2017**	**1.00%**	**291.80**	**234.25**
	2016	1.00%	300.82	244.43
	2015	1.00%	299.39	262.95

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the Balance Sheet.

The Company expects to contribute ₹ 4.23 lakh to the gratuity trusts during the next financial year of 2018.

Maturity profile of defined benefit obligation:

	2017	2016	2015
Within 1 year	**4.23**	5.59	158.88
1 - 2 year	**19.23**	9.27	39.86
2 - 3 year	**19.93**	23.48	58.92
3 - 4 year	**11.68**	26.07	92.57
4 - 5 year	**13.57**	18.07	103.23
5 - 10 years	**113.06**	146.22	398.47

Plan Assets

The fair value of Company's pension plan asset as of 31 March 2016 and 2015 by category are as follows:

	2017	2016	2015
Asset category:			
Deposits with Insurance companies	**100%**	100%	100%
	100%	100%	100%

The weighted average duration of the defined benefit obligation as at 31 March 2017 is 35.39 years (2016: 35.10 years, 2015: 35.19 years)

VIII. Experience Adjustments :

		Period Ended				
		2017	2016	2015	2014	2013
		Gratuity				
1.	Defined Benefit Obligation	**261.50**	271.91	280.52	207.20	121.66
2.	Fair value of plan assets	**170.67**	157.87	121.64	148.92	111.18
3.	Surplus/(Deficit)	**(90.84)**	(114.03)	(158.88)	(58.29)	(10.48)
4.	Experience adjustment on plan assets [Gain/(Loss)]	**1.02**	2.35	(11.56)	(6.41)	(8.86)

36) Related Party Transactions

List of related parties

Enterprises Controlling the company

Mahindra & Mahindra Limited

Subsidiaries

Mahindra Infrastructure Developers Limited

Mahindra Residential Developers Limited

Mahindra World City (Maharashtra) Limited

Mahindra Integrated Township Limited

Raigad Industrial & Business Park Limited

Industrial Township (Maharashtra) Limited

Anthurium Developers Limited

Deepmangal Developers Private Limited

Kismat Developers Private Limited

Topical Builders Private Limited

Knowledge Township Limited

Industrial Cluster Private Limited (Earlier known as Mahindra Housing Private Limited)

Joint Ventures

Mahindra World City Developers Limited

Mahindra World City (Jaipur) Limited

Mahindra Bebanco Developers Limited

Mahindra Homes Private Limited (earlier known as Watsonia Developers Private Limited and before that Watsonia Developers Limited)

Fellow subsidiaries

Mahindra Consulting Engineers Limited

Bristlecone India Limited

EPC Industries Limited

Mahindra Integrated Business Solutions Private Limited

Mahindra & Mahindra Contech Limited

Mahindra Holidays & Resorts India Limited

NBS International Limited

Mahindra First Choice Wheels Limited

key managerial personnel

Managing Director and Chief Executive Officer - Ms. Anita Arjundas

Enterprises over which key managerial personnel are able to exercise significant influence: Nil

Related party transactions

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

Particulars	For the year ended	Parent Company	Subsidiaries	Joint ventures	Other related parties
Sale of goods	**31-Mar-17**	**-**	**-**	**-**	**-**
	31-Mar-16	*1,132.00*	-	-	-
Rendering of services	**31-Mar-17**	**1,967.51**	**841.28**	**1,276.75**	**-**
	31-Mar-16	*1,967.51*	*895.29*	*1,383.83*	-
Receiving of services	**31-Mar-17**	**717.22**	**438.19**	**-**	**120.29**
	31-Mar-16	*407.68*	*435.75*	-	*108.93*
Reimbursement made to parties	**31-Mar-17**	**154.78**	**7.61**	**0.86**	**3.44**
	31-Mar-16	*380.84*	-	*1.04*	-
Reimbursement received from parties	**31-Mar-17**	**-**	**-**	**13.08**	**-**
	31-Mar-16	-			
Loans given	**31-Mar-17**	**-**	**9,901.00**	**-**	**-**
	31-Mar-16	-	*20.00*	-	-
ICD Refunded	**31-Mar-17**	**-**	**-**	**-**	**-**
	31-Mar-16	-	*5,825.00*	*16,200.00*	-
Interest Received	**31-Mar-17**	**-**	**46.93**	**4,707.36**	**-**
	31-Mar-16		*319.35*	*7,635.85*	-
Dividend Paid	**31-Mar-17**	**1,250.77**	**-**	**-**	**-**
	31-Mar-16	*1,250.77*	-	-	-
Dividend Income	**31-Mar-17**	**-**	**-**	**824.44**	**-**
	31-Mar-16	-	-	*807.00*	-
Purchase of shares	**31-Mar-17**	**-**	**-**	**41.13**	**-**
	31-Mar-16	-	-	-	-
Purchase of Fixed Assets	**31-Mar-17**	**-**	**21.65**	**-**	**-**
	31-Mar-16	-	-	-	-
The following table provides the balances with related parties as on the relevant date:					
	Balance as on	**Parent Company**	**Subsidiaries**	**Joint ventures**	**Other related parties**
Receivable	**31-Mar-17**	**2,833.12**	**13,293.92**	**45,573.83**	**4.32**
	31-Mar-16	2,427.88	3,570.33	40,902.91	2.46
	31-Mar-15	2,173.98	9,676.64	60,548.88	2.46
Payables	**31-Mar-17**	**714.67**	**-**	**-**	**15.87**
	31-Mar-16	680.59	-	-	65.42
	31-Mar-15	839.95	-	-	6.86

Terms and conditions of transactions with related parties

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. For the year ended 31 March 2017, the Group has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

Compensation of key managerial personnel

The remuneration of key managerial personnel during the year was as follows:

	As at 31st March, 2017	As at 31st March, 2016
Short-term employee benefits	**231.43**	232.25
Post-employment benefits	**26.99**	26.99
Other long-term benefits	**-**	-
Termination benefits	**-**	-
Share-based payment	**11.63**	22.18
	270.05	281.42

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.

The remuneration of directors and key executives is determined by the remuneration committee having regard to the performance of individuals and market trends.

Below table shows remuneration paid to directors:

Name	**Designation**	**31st March, 2017**	31st March, 2016
Mr. Arun Nanda	Non-executive Non-Independent Chairman	**51.15**	95
Mr. Sanjiv Kapoor	Non-executive Independent Director	**20.6**	21.9
Mr. Shailesh Haribhakti	Non-executive Independent Director	**20.6**	23.5
Mr. Prakash Hebalkar	Non-executive Independent Director	**20**	18.1
Mr. Bharat Shah	Non-executive Independent Director	**11.3**	-
Mr. Anil Harish	Non-executive Independent Director	**-**	5.1
Mr. Anish Shah	Non-executive Non-independent Director	**NA**	NA

37) Contingent liabilities

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Contingent liabilities			
(a) Claims against the Company not acknowledged as debt			
(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.	**93.89**	93.89	93.89
(ii) Demand from local authorities for transfer fees on transfer of property, disputed by the Company.	**123.99**	123.99	123.99
(iii) Demand from a local authority for energy dues disputed by the Company.	**2,164.04**	2,164.04	2,164.04
(iv) Claim from welfare association in connection with project work, disputed by the Company.	**4,500.00**	4,500.00	4,500.00
(b) Income Tax Matter under appeal			
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.	**421.57**	421.57	584.53

38) First-time adoption of Ind-AS

First Time Ind AS Adoption reconciliations

(i) Reconciliation of Total Equity as at 31st March 2016 and 1st April 2015:

Particulars	Notes	As at 31st March, 2016	As at 1st April, 2015
Equity as reported under previous GAAP		140,094.59	132,313 .49
Ind AS: Adjustments increase (decrease):			
NCD Redemption Premium Impact	a	10,244.56	10,244.65
Proposed Dividend & Dividend Distribution Tax	b	2,963.20	2,961.69
Others		470.00	462.68
ESOP charge based on fair value	c	(28.03)	(17.79)
NCD Interest on Effective Interest Rate	a	(6,331.37)	(3,941.10)
Deferred Tax Impact	d	(156.21)	(157.28)
Actuarial Gain/Loss -Gratuity & Leave encashment	e	(102.24)	-
Equity as reported under IND AS		147,154.50	141,866.34

(ii) Reconciliation of Total Comprehensive Income for the year ended 31 March 2016:

PARTICULARS	Notes	For the year ended 31st March, 2016
Profit or Loss as per previous GAAP		10,449. 27
Ind AS: Adjustments increase / (decrease):		
Deemed Interest- ICD to Subsidiary	f	202.00
ESOP charge based on fair value	c	130.80
Discounting of provisions/liabilities	g	38.00
NCD Redemption Premium Impact	a	(2,684.02)
Gratuity gain/loss	e	(204.00)
Deferred tax on Ind AS Adjustment	d	(104.00)
Net Profit under Ind AS		7,828.05
Other comprehensive income	e	66.66
Total comprehensive income under Ind AS		7894.71

Note: No statement of comprehensive income was produced under previous GAAP. Therefore the reconciliation starts with profit under previous GAAP.

Note

- a Under previous GAAP, redemption on premium was charged to securites premium. Under IND AS the same is restated to Profit & Loss account
- b Under previous GAAP, Proposed Dividend and Dividend Distribution Tax was charged to Profit & Loss appropriation account. Under IND AS Proposed Dividend and Dividend Distribution Tax is given in notes as disclosure hence reversed.
- c Under previous GAAP, ESOP charge is based on intrinsic value. Under IND AS ESOP charge is based on fair value.
- d Deferred tax impact on IND AS adjustment
- e Under IND AS Acturial gain & loss on Gratuity is charged to OCI
- f ICD given to subsidiary for which interest was not charged under previous GAAP, Under IND AS it is considered as deemed interest.
- g Under IND AS Provision and Liability is discounted.

39) Managerial Remuneration

Particulars	**For the year ended 31st March, 2017**	For the year ended 31st March, 2016
Salaries and Allowances	**231.14**	240.04
Contribution to Provident, Gratuity and Superannuation Funds	**26.99**	26.99
Perquisites (estimated monetary value)	**11.92**	14.39
Total :	**270.05**	281.42

40) Computation of Net Profit in accordance with Section 198 of the Companies Act, 2013

Particulars	**For the year ended 31st March, 2017**	For the year ended 31st March, 2016
Profit Before Tax	**7,055.21**	11,657.41
Add :		
Depreciation as per accounts	**434.32**	414.30
Managerial Remuneration	**270.05**	281.42
Loss on disposal of fixed assets not allowable as per proviso to sec 198	**0.07**	-
Commission to Directors(Non Executive Director)	**75.00**	117.50
Director's Fees	**47.01**	46.18
Less:		
Depreciation under Companies Act	**346.69**	345.01
Loss on disposal of fixed assets allowable as per proviso to sec 198	**-**	-
Profit on sale of fixed assets not allowable as per proviso to sec 198	**7.30**	0.25
Net Profit as per Sec 198 of the Companies Act, 2013	**7,527.67**	12,171.55
5% of Net Profit as computed above (for Managing Director)	**376.38**	608.58

41) Details of Specified Bank Notes (SBN) held and transacted during the specified period

	SBNs	**Other denomination notes**	**Total**
Closing cash in hand as on 08.11.2016	1.69	0.97	2.66
(+) Permitted receipts	-	5.01	5.01
(-) Permitted payments	-	4.64	4.64
(-) Amount deposited in Banks	1.69	-	1.69
Closing cash in hand as on 30.12.2016	**-**	**1.33**	**1.33**

42) Prior Period Items

No material events have occurred after the balance sheet date and upto the approval of the financial statements.

43)

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.

44) Previous Period Figures

The figures for previous year have been regrouped wherever necessary to conform to current year's classification.

45) Additional Information to the Financial Statements

Dividend

In respect of the current year, the Board at its meeting held on 22nd April, 2017 has recommended a dividend of ₹ 6 per share on equity shares of ₹ 10 each subject to approval by shareholders at the Annual General Meeting. The same has not been included as a liability in these financial statements. The proposed equity dividend is payable to all shareholders on the Register of Members on 31st March, 2017. The total estimated equity dividend to be paid is ₹ 2,463.26 lakh. The payment of this dividend is estimated to result in payment of dividend tax of ₹ 290.65 lakh @ 20.36% on the amount of dividends grossed up for the related dividend distribution tax.

Disclosure as per Clause 32 of the Listing Agreements with the Stock Exchanges

Loans and advances in the nature of loans given to subsidiaries, associates, firms / companies in which directors are interested:

Name of the party	Relationship	Amount outstanding as at 31 March 2017	Maximum balance outstanding during the year
Kismat Developers Private Limited..	**Subsidiary**	**0.78**	**0.78**
		(0.25)	(0.25)
Deepmangal Developers Private Limited	Subsidiary	**35.31**	35.31
		(34.42)	(34.42)
Topical Builders Private Limited	Subsidiary	**208.53**	208.53
		(207.39)	(207.39)
Moonshine Construction Pvt. Ltd..	Subsidiary	**0.50**	0.50
		-	-
Rathnabhoomi Enterprises Pvt. Ltd..	Subsidiary	**1.25**	1.25
		-	-
Mahindra Bebanco Developers Limited..	Joint Venture	**1,764.56**	1,764.56
		(1,764.56)	(1,764.56)

Note: Figures in bracket relate to the previous year.

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 : 22nd April, 2017

Suhas Kulkarni
Company Secretary

Mumbai : 22nd April, 2017

Jayantt Manmadkar
Chief Financial Officer

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

Arun Nanda	Chairman	- DIN 00010029
Sanjiv Kapoor	Director	- DIN 00004005
Bharat Shah	Director	- DIN 00136969
Shailesh Haribhakti	Director	- DIN 00007347
Prakash Hebalkar	Director	- DIN 00370499
Anish Shah	Director	- DIN 02719429
Anita Arjundas	Managing Director & CEO	- DIN 00243215

Mumbai : 22nd April, 2017

FINANCIALS HIGHLIGHTS CONSOLIDATED

₹ in lakh

	F - 2017	F - 2016	F - 2015	F - 2014	F - 2013	F - 2012	F - 2011	F - 2010	F - 2009	F - 2008
Net Worth	174,307	166,811	147,496	126,167	129,307	115,499	106,515	98,876	93,491	85,574
Borrowings	65,163	65,925	123,758	140,105	96,565	66,663	54,413	42,071	33,210	28,552
Net Fixed Assets	10,802	10,095	36,116	33,794	31,117	23,203	22,517	20,481	22,484	13,681
Investments	74,246	79,316	22,160	30,138	13,322	17,479	8,743	14,812	10,831	33,043
Book Value Per Equity Share (₹)	425	407	360	309	317	283	261	240	227	207
Operating Income	76,215	59,317	108,610	70,526	73,834	70,127	61,193	41,787	34,178	23,108
Other Income	6,887	9,401	6,147	5,094	3,415	2,714	1,508	2,209	2,940	3,352
Operating Expenses	58,850	40,138	50,128	42,566	39,777	42,717	36,577	25,315	22,897	13,121
Other expenses	14,814	14,604	22,527	16,960	13,865	11,318	8,919	6,793	4,012	4,074
Profit Before Tax	9,437	13,975	42,102	16,094	23,607	18,806	17,205	11,888	10,209	9,265
Profit after Tax (after minority interest)	10,589	9,458	26,620	10,063	14,137	11,908	10,817	7,849	6,564	6,641
Basic Earning per Share(₹)	24.91	22.35	64.98	24.64	34.61	29.16	26.20	18.93	15.79	16.26
Diluted Earning per Share(₹)	24.85	22.28	64.70	24.64	34.61	29.16	26.20	18.93	15.79	16.26
Equity Dividend per share(₹)	6.00	6.00	12.00*	6.00	6.00	6.00	5.00	3.50	2.50	2.50

Note : Figures of F-2017 & F-2016 are as per IND AS and from F-2015 to F-2008 are as per IGAAP.

* 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 Ind AS Financial Statements

1. We have audited the accompanying consolidated Ind AS financial statements of Mahindra Lifespace Developers Limited ("the Holding Company") and its subsidiaries, its associates and jointly controlled entities comprising the Consolidated Balance Sheet as at March 31, 2017, and 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.

Management's Responsibility for the Financial Statements

2. The Holding Company's Board of Directors is responsible for the preparation of these Consolidated Ind AS 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.

3. 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 judgements 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.

Auditor's Responsibility

4. Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. 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 Ind AS 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 Ind AS 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 an adequate internal financial controls system over financial reporting in place 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 sub-paragraph (a) of the 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 Ind AS 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, its associates and jointly controlled entities as at 31st March, 2017, and their consolidated profit/loss and their consolidated cash flows for the year ended on that date.

Other Matters

9. Other Matters:

   a. 9 subsidiaries whose financial statements (before consolidation adjustments) reflect total assets (net) of Rs. 40,746.74 lakhs as at March 31, 2017 and total revenues of Rs. 9,635.52 lakhs for the year then ended;

   b. 5 jointly controlled entities whose financial statements (before consolidation adjustments) reflect total assets (net) of Rs. 259,675.11 lakhs as at March 31, 2017, total revenues of Rs. 44,037.01 lakhs and Company's share in profit (before consolidation adjustments) of Rs. 3,983.90 lakhs for the year then ended as considered and

c. The financial statements referred to in (a) and (b) have been audited by other auditors whose reports have been furnished to us by the Management, and our opinion in so far as it relates to these financial statements, is based solely on the reports of the other auditors.

d. We did not audit the financial statements of 1 jointly controlled entity included in the consolidated financial results, whose financial statements reflect total assets (before consolidation adjustments) of Rs. 10,501.25 lakhs as at March 31, 2017 and total revenue of Rs. 4,952.27 lakhs and Company's share in profit (before consolidation adjustments) of Rs. 469.44 lakhs for the year then ended as considered. These financial statements and other financial information are unaudited and have been furnished to us by the management, and our opinion on the consolidated financial results to the extent they have been derived from such financial statements is based solely on such unaudited financial statements/ financial information. In our opinion and according to the information and explanations given to us by the management, these financial statements/financial information are not material to the Group.

Our opinion on the consolidated Ind AS financial statements, and our report on other legal and regulatory requirements below, is not modified in respect of the above maters with respect to our reliance on the work done and the reports of the other auditors and the Ind AS financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

10. 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 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 books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.

d. In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act;

e. On the basis of written representations received from the directors of the Holding Company as on March 31, 2017 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, associate companies 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, 2017 from being appointed as a director in terms of section 164(2) of the Act.

f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

g. With respect to the other matters 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 our 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.

ii. The Company has made provision, as required under the applicable law or Indian 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: 044784

Place: Mumbai,
Date: 22nd April, 2017

ANNEXURE "A" TO OUR REPORT

To Our Report of Even Date on the Consolidated Financial Statements of Mahindra Lifespace Developers Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated Ind AS financial statements of the Mahindra Lifespace Developers Limited as of March 31, 2017 and for the period from April 1, 2016 to March 31, 2017 we have audited the internal financial controls over financial reporting of Mahindra Lifespace Developers Limited (hereinafter referred to as "the Holding Company") and its fifteen subsidiary companies incorporated in India ("Indian Subsidiary Companies"), as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the of the Holding company and its Indian Subsidiary Companies are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control sated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that operate effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and efforts, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 ("the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on internal financial controls over financial reporting based on our audit for the Group Companies in India. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by the Institute of Chartered Accountants of India ("ICAI") and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Group Companies in India.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Group Companies in India have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Group Companies in India considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by ICAI.

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

Padmini Khare Kaicker
Partner
Membership Number: 044784

Place: Mumbai,
Date: 22nd April, 2017

Consolidated Balance Sheet as at 31st March, 2017

All amounts are in ₹ lakh unless otherwise stated

	Note No.	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
I ASSETS				
1 Non-Current Assets				
(a) Property, Plant and Equipment	4	**1,022.53**	1,125.10	1,085.52
(b) Capital Work-in-Progress		**846.68**	70.21	-
(c) Investment Property	5	**2,267.85**	2,295.37	2,322.89
(d) Goodwill	6	**6,604.47**	6,604.47	6,604.47
(e) Intangible Assets	7	**60.09**	-	-
(f) Financial Assets				
(i) Investments	8	**59,680.04**	59,198.72	61,709.31
(ii) Trade receivables	9	**2,200.47**	3,306.66	-
(iii) Loans	10	**1,629.11**	1,883.89	18,613.71
(iv) Other Financial Assets	11	**20.52**	157.12	111.91
(g) Other Non-current Assets	12	**1,978.22**	3,037.86	568.69
SUB-TOTAL		**76,309.98**	77,679.40	91,016.50
2 Current Assets				
(a) Inventories	13	**117,122.97**	130,595.70	97,830.78
(b) Financial Assets				
(i) Investments	8	**14,566.34**	20,117.57	-
(ii) Trade Receivables	9	**7,608.72**	6,347.19	2,870.14
(iii) Cash and Cash Equivalents	14	**7,508.03**	11,943.60	4,789.39
(iv) Bank balances other than (iii) above	14	**893.21**	845.71	732.29
(v) Loans	10	**27,333.87**	19,034.96	27,893.17
(vi) Other Financial Assets	11	**12,566.37**	10,538.41	11,048.35
(c) Current Tax Assets (Net)		**-**	-	1,855.05
(d) Other Current Assets	12	**27,895.34**	23,869.73	18,374.90
SUB-TOTAL		**215,494.85**	223,292.87	165,394.07
TOTAL		**291,804.83**	300,972.27	256,410.57
II EQUITY AND LIABILITIES				
1 EQUITY				
(a) Equity Share Capital	15	**4,105.36**	4,103.32	4,101.22
(b) Other Equity	16	**165,851.70**	158,854.27	149,938.02
Equity attributable to owners of the company		**169,957.06**	162,957.59	154,039.24
Non-controlling interests	17	**4,349.46**	3,853.38	3,565.30
SUB-TOTAL		**174,306.52**	166,810.97	157,604.54
LIABILITIES				
2 Non-Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	18	**27,478.26**	44,934.27	49,893.19
(ii) Other Financial Liabilities	19	**5,545.19**	8,412.98	5,189.79
(b) Provisions	20	**212.03**	204.11	210.63
(c) Deferred Tax Liabilities (Net)	21	**3,749.40**	3,328.06	3,449.86
SUB-TOTAL		**36,984.88**	56,879.42	58,743.47
3 Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	22	**20,184.77**	20,990.75	1,767.30
(ii) Trade Payables	23	**25,669.75**	25,378.19	19,667.65
(iii) Other Financial Liabilities	19	**29,076.32**	24,331.81	11,589.61
(b) Provisions	20	**1,018.03**	907.83	1,081.25
(c) Current Tax Liabilities (Net)		**106.13**	20.72	-
(d) Other Current Liabilities	24	**4,458.43**	5,652.58	5,956.75
SUB-TOTAL		**80,513.43**	77,281.88	40,062.56
TOTAL		**291,804.83**	300,972.27	256,410.57
Summary of significant accounting policies	2			

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

Mumbai : 22nd April, 2017

Suhas Kulkarni
Company Secretary

Jayantt Manmadkar
Chief Financial Officer

Mumbai : 22nd April, 2017

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

Arun Nanda Chairman - DIN 00010029
Sanjiv Kapoor Director - DIN 00004005
Bharat Shah Director - DIN 00136969
Shailesh Haribhakti Director - DIN 00007347
Prakash Hebalkar Director - DIN 00370499
Anish Shah Director - DIN 02719429
Anita Arjundas Managing Director & CEO - DIN 00243215

Mumbai : 22nd April, 2017

Consolidated Statement of Profit and Loss for the year ended 31st March, 2017

All amounts are in ₹ lakh unless otherwise stated

		Note No.	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Continuing Operations				
I	Revenue from operations	25	**76,214.77**	59,316.69
II	Other Income	26	**6,886.93**	9,400.62
III	**Total Revenue (I + II)**		**83,101.70**	68,717.31
IV	**EXPENSES**			
	(a) Operating Expenses	27	**58,850.39**	40,138.14
	(b) Employee benefit expense	28	**6,813.57**	5,928.44
	(c) Finance costs	29	**2,020.84**	3,569.85
	(d) Depreciation and amortisation expense	4,5,7	**462.18**	417.60
	(e) Other expenses	30	**5,517.61**	4,688.18
	Total Expenses (IV)		**73,664.59**	54,742.21
V	**Profit before tax (III - IV)**		**9,437.11**	13,975.10
VI	**Share of profit / (loss) of joint ventures and associates**		**4,453.18**	(222.78)
VII	**Profit before tax including sahre of profit/(loss) of JV and associates(V + VI)**		**13,890.29**	13,752.32
VIII	**Tax Expense**			
	(a) Current tax	31	**2,876.04**	4,214.37
	(b) Deferred tax	31	**425.18**	79.55
	Total tax expense		**3,301.22**	4,293.92
IX	**Profit after tax (VII - VIII)**		**10,589.07**	9,458.40
X	**Profit for the period attributable to:**			
	Owners of the Company		**10,223.71**	9,170.32
	Non controlling interests	17	**365.36**	288.08
XI	**Other comprehensive income**			
	Remeasurements of the defined benefit liabilities (Net of taxes)		**57.00**	65.00
XII	**Total comprehensive income for the period (IX + XI)**		**10,646.07**	9,523.40
XIII	**Total comprehensive income for the period attributable to:**			
	Owners of the Company		**10,280.71**	9,235.32
	Non controlling interests		**365.36**	288.08
XIV	**Earnings per equity share:**			
	(1) Basic	32	**24.91**	22.35
	(2) Diluted	32	**24.85**	22.28
Summary of significant accounting policies		2		

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

Mumbai : 22nd April, 2017

Suhas Kulkarni
Company Secretary

Jayantt Manmadkar
Chief Financial Officer

Mumbai : 22nd April, 2017

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

Arun Nanda	Chairman	- DIN 00010029
Sanjiv Kapoor	Director	- DIN 00004005
Bharat Shah	Director	- DIN 00136969
Shailesh Haribhakti	Director	- DIN 00007347
Prakash Hebalkar	Director	- DIN 00370499
Anish Shah	Director	- DIN 02719429
Anita Arjundas	Managing Director & CEO	- DIN 00243215

Mumbai : 22nd April, 2017

Consolidated Cash Flow Statement for the year ended 31st March, 2017

All amounts are in ₹ lakh unless otherwise stated

	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Cash flows from operating activities		
Profit before tax for the year	**9,437.11**	13,975.10
Adjustments for:		
Share of profit of joint venture and associates	**4,453.18**	(222.78)
Finance costs recognised in profit and loss	**2,020.84**	3,569.85
Investment income recognised in profit and loss	**(105.68)**	(23.71)
Gain on disposal of property, plant and equipment	**(9.35)**	(2.65)
Interest Income	**(5,943.16)**	(8,566.11)
Dividend Income	**(428.73)**	(267.93)
Depreciation and amortisation of non-current assets	**462.18**	417.60
Expense recognised in respect of equity-settled share-based payments	**124.37**	90.15
	10,010.76	8,969.52
Movements in working capital:		
(Increase)/decrease in trade and other receivables	**(9,525.62)**	3,018.14
(Increase)/decrease in inventories	**13,472.72**	(32,764.92)
Increase/(decrease) in trade and other payables	**(827.89)**	8,361.05
Increase/(decrease) in provisions	**(7.92)**	6.52
	3,111.29	(21,379.21)
Cash generated from operations	**13,122.05**	(12,409.69)
Income taxes paid	**(1,709.59)**	(4,944.44)
Net cash (used in)/generated by operating activities	**11,412.46**	(17,354.13)
Cash flows from investing activities		
Proceeds on sale of financial assets	**5,551.23**	(20,117.58)
Interest received	**1,375.76**	12,057.43
Other dividends received	**428.73**	267.93
Repayments by related parties	**3,466.62**	18,786.17
Payments for property, plant and equipment	**(1,208.81)**	(392.80)
Proceeds from disposal of property, plant and equipment	**20.20**	18.01
Net cash (used in)/generated by investing activities	**9,633.73**	10,619.16

All amounts are in ₹ lakh unless otherwise stated

	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Cash flows from financing activities		
Proceeds from issue of equity instruments of the Company	**(66.27)**	7.91
Proceeds from borrowings	**127.23**	26,764.54
Repayment of borrowings	**(13,389.23)**	-
Dividends paid to owners of the Company	**(2,835.15)**	(2,797.59)
Interest paid	**(9,318.34)**	(10,085.68)
Net cash used in financing activities	**(25,481.76)**	13,889.18
Net increase in cash and cash equivalents	**(4,435.57)**	7,154.21
Cash and cash equivalents at the beginning of the year	**11,943.60**	4,789.39
Cash and cash equivalents at the end of the year	**7,508.03**	11,943.60

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 : 22nd April, 2017

Suhas Kulkarni
Company Secretary

Jayantt Manmadkar
Chief Financial Officer

Mumbai : 22nd April, 2017

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

Arun Nanda	Chairman	- DIN 00010029
Sanjiv Kapoor	Director	- DIN 00004005
Bharat Shah	Director	- DIN 00136969
Shailesh Haribhakti	Director	- DIN 00007347
Prakash Hebalkar	Director	- DIN 00370499
Anish Shah	Director	- DIN 02719429
Anita Arjundas	Managing Director & CEO	- DIN 00243215

Mumbai : 22nd April, 2017

Statement of changes in Equity as at 31st March, 2017

A. Equity share capital

Particulars	Amount
As at 1st April, 2015	4,101.22
Stock options excercised during the year	2.10
As at 31st March, 2016	4,103.32
Stock options excercised during the year	2.04
As at 31st March, 2017	4,105.36

B. Other Equity

Particulars	Share application money pending allotment	Reserves and Surplus				Other Comprehensive income		Attributable to owners of the parent	Non-controlling interests	Total
		Securities Premium Reserve	General Reserve	Other Reserve#	Retained Earnings	Effective portion of Cash Flow Hedges	Actuarial Gain / (Loss)			
As at 1st April, 2015		73,889.64	7,535.59	18,890.57	49,622.22			149,938.02	3,565.30	153,503.32
Profit / (Loss) for the period	-	-	-	-	9,170.32	-	-	9,170.32	288.08	9,458.40
Other Comprehensive Income / (Loss)	-	-	-	-	-	-	65.00	65.00	-	65.00
Total Comprehensive Income for the year	-	-	-	-	9,170.32	-	65.00	9,235.32	288.08	9,523.40
Dividend paid on Equity Shares	-	-	-	-	(2,462.16)	-	-	(2,462.16)	-	(2,462.16)
Dividend Distribution Tax	-	-	-	-	(336.95)	-	-	(336.95)	-	(336.95)
Transfers to Reserves	-	-	-	-	(9,831.27)	-	-	(9,831.27)	-	(9,831.27)
Transfers from retained earnings	-	-	0.10	9,831.27	-	(5.64)	-	9,825.63	-	9,825.63
Premium on shares issued during the year	-	74.26	-	-	-	-	-	74.26	-	74.26
Arising on share based payment	-	-	-	102.17	-	-	-	102.17		102.17
Consequent to change in Group's Interest (Refer Note 35 e)	-	-	-	2,309.15	-	-	-	2,309.15	-	2,309.15
As at 31st March, 2016	-	73,963.90	7,535.69	31,133.16	46,162.16	(5.64)	65.00	158,854.27	3,853.38	162,707.65
Profit / (Loss) for the period	-	-	-	-	10,223.71	-	-	10,223.71	365.36	10,589.07
Other Comprehensive Income / (Loss)	-	-	-	-	-	-	57.00	-	-	57.00
Total Comprehensive Income for the year	-	-	-	-	10,223.71	-	57.00	10,280.71	365.36	10,646.07
Dividend paid on Equity Shares	-	-	-	-	(2,461.99)	-	-	(2,461.99)	-	(2,461.99)
Dividend Distribution Tax	-	-	-	-	(501.21)	-	-	(501.21)	-	(501.21)
Transfers to Reserves	-	-	-	(672.09)	-	-	-	(672.09)	130.72	(541.37)
Transfers from retained earnings	0.08	-	-	-	672.09	-	-	672.17	-	672.17
Premium on shares issued during the year	-	64.16	-	-	-	-	-	64.16	-	64.16
Other Adjustment	-	-	-	-	(444.55)	-	-	(444.55)	-	(444.55)
Exercise of employee stock options	-	-	-	-	-	-	-	-	-	-
Arising on share based payment	-	-	-	60.22	-	-	-	60.22	-	60.22
As at 31st March, 2017	0.08	74,028.06	7,535.69	30,521.29	53,650.22	(5.64)	122.00	165,851.70	4,349.46	170,201.16

#Other Reserves

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
(I) Capital Reserve on Consolidation :			
Balance as at the beginning of the year	**2,309.15**	-	-
Add :			
Consequent to change in Group's Interest	-	2,309.15	-
Less :			
Consequent to change in Group's Interest	-	-	-
Balance as at the end of the year	**2,309.15**	2,309.15	-

(II) Debenture Redemption Reserve :			
Balance as at the beginning of the year	**15,323.76**	11,277.49	11,277.49
Add :			
Transfer from Surplus in Statement of Profit and Loss	**-**	4,046.27	-
Less :			
Transfer to Surplus in Statement of Profit and Loss	**672.09**	-	-
Balance as at the end of the year	**14,651.67**	15,323.76	11,277.49
(III) Capital Redemption Reserve :			
Balance as at the beginning of the year	**13,138.58**	7,353.58	7,353.58
Add :			
Transfer from Surplus in Statement of Profit and Loss	**-**	5,785.00	-
Less :			
Transfer to Surplus in Statement of Profit and Loss	**-**	-	-
Balance as at the end of the year	**13,138.58**	13,138.58	7,353.58
(IV) Share Options Outstanding Account			
Balance as at the beginning of the year	**303.15**	259.50	243.38
Arising on share based payment	**60.22**	43.65	16.12
Others	**-**	-	-
Balance as at the end of the year	**363.37**	303.15	259.50
	30,462.77	31,074.64	18,890.57

Particulars	**As at 31st March, 2017**	**As at 31st March, 2016**
Cash dividends on equity shares declared and paid		
Final dividend for the year: ₹ 6 per share	**2,462.03**	2,460.90
Dividend Distribution Tax on final dividend	**373.16**	336.69
	2,835.19	2,797.59
Proposed dividends on Equity shares		
Final dividend for the year	**2,463.26**	2,461.99
Dividend Distribution Tax on proposed dividend	**501.55**	501.21
	2,964.81	2,963.20

Proposed dividends on equity shares are subject to approval in annual general meeting and are not recognised as a liability (including Dividend Distribution Tax thereon) as at 31st March of the respective years.

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 : 22nd April, 2017

Suhas Kulkarni
Company Secretary

Mumbai : 22nd April, 2017

Jayantt Manmadkar
Chief Financial Officer

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

Arun Nanda	Chairman	- DIN 00010029
Sanjiv Kapoor	Director	- DIN 00004005
Bharat Shah	Director	- DIN 00136969
Shailesh Haribhakti	Director	- DIN 00007347
Prakash Hebalkar	Director	- DIN 00370499
Anish Shah	Director	- DIN 02719429
Anita Arjundas	Managing Director & CEO	- DIN 00243215

Mumbai : 22nd April, 2017

Notes to Financial Statement for the year ended 31st March, 2017

1. General Information

Mahindra Lifespace Developers Limited ("The Company") is a limited company incorporated in India. Its parent and ultimate holding company is Mahindra & Mahindra Limited.

The address of its registered office and principal place of business are disclosed in the introduction to the annual report. The Company along with its subsidiary companies is engaged in the development of residential projects and large formats developments such as integrated cities and industrial clusters.

2. Significant Accounting Policies

2.1 Statement of compliance

The financial statements have been prepared in accordance with Ind AS's notified under the Companies (Indian Accounting Standards) Rules, 2015.

Upto the year ended 31st March 2016, the Company prepared its financial statements in accordance with the requirements of previous GAAP, which includes Standards notified under the Companies (Accounting Standards) Rules, 2006.

These are the Company's first Ind AS financial statements. The date of transition to Ind AS is 1st April 2015. Refer note 2.19 for the details of first-time adoption exemptions availed by the Company.

2.2 Basis of preparation and presentation

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability, if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

2.3 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities (including structured entities) controlled by the Company and its subsidiaries.

Subsidiaries

Subsidiaries are entities (including structured entities) over which the Company has control. Subsidiares are consolidated on a line-by-line basis from the date the control is transferred to the Company. They are deconsolidated from the date that control ceases. The acquisition method of accounting is used to account for business combinations by the Company. Changes in the Company interest in subsidiaries that do not result in a loss of control are accounted as equity transactions. The carrying amount of the Company's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. These financial statements are prepared by applying uniform accounting polices in use at the group.

Associates

Associates are the entities over which the Company has significant influence. Investment in associates are accounted for using the equity method of accounting, after initially being recognised at cost.

Joint Arrangements

A joint venture is a joint arrangement whereby the Company has the rights to the net assets of the arrangement. The results, assets and liabilities of a joint venture are accounted using the equity method of accounting. Where the Company activities are conducted through joint operations (i.e. the parties have rights to the assets and obligation for liabilities relating to the arrangement), the Company recognises its share of assets, liabilities, income and expenses of such joint operations incurred jointly along with its share of income from the sale of output and any liability and expenses incurred in relation to the joint operations.

2.4 Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

2.5 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer returns, rebates and other similar allowances.

2.5.1 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.

When the outcome of a construction contract can be estimated reliably, revenue and costs are recognised by reference to the stage of completion of the contract activity at the end of the reporting period, measured based on the proportion of contract costs incurred for work performed to date relative to the estimated total contract costs, except where this would not be representative of the stage of completion. Variations in contract work, claims and incentive payments are included to the extent that the amount can be measured reliably and its receipt is considered probable.

When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred that it is probable will be recoverable. Contract costs are recognised as expenses in the period in which they are incurred.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

When contract costs incurred to date plus recognised profits less recognised losses exceed progress billings, the surplus is shown as amounts due from customers for contract work. For contracts where progress billings exceed contract costs incurred to date plus recognised profits less recognised losses, the surplus is shown as the amounts due to customers for contract work. Amounts received before the related work is performed are included in the balance sheet, as a liability, as advances received. Amounts billed for work performed but not yet paid by the customer are included in the consolidated balance sheet under trade receivables, whereas amounts not billed for work performed are included as unbilled revenue under other current assets.

Further, in accordance with the Guidance Note on Accounting for Real Estate Transactions (for entities to whom Ind AS is applicable) issued by the Institute of Chartered Accountants of India, revenues will be recognized from these real estate projects only when

i. All critical approvals necessary for commencement of the project have been obtained and

ii. the actual construction and development cost incurred is at least 25% of the total construction and development cost (without considering land cost) and

iii. when at least 10% of the sales consideration is realised and

iv. where 25% of the total saleable area of the project is secured by contracts of agreement with buyers.

2.5.2 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.

2.5.3 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.

2.5.4 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.

2.5.5 Dividend and interest income

Dividend income from investment in mutual funds is recognised when the unit holder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably).

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

2.6 Foreign currencies

In preparing the financial statements of the Company, transactions in currencies other than the entity's functional currency are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings; and
- exchange differences on transactions entered into in order to hedge certain foreign currency risks (see note 2.18 below for hedging accounting policies)

2.7 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.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.8 Share-based payment transaction of the Company

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in note 28.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

Equity-settled share-based payment transactions with parties other than employees are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counterparty renders the service.

For cash-settled share-based payments, a liability is recognised for the goods or services acquired, measured initially at the fair value of the liability. At the end of each reporting period until the liability is settled, and at the date of settlement, the fair value of the liability is remeasured, with any changes in fair value recognised in profit or loss for the year.

2.9 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

2.9.1 Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

2.9.2 Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

2.9.3 Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

2.10 Property, plant and equipment

Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. Freehold land is not depreciated.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Fixtures and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Depreciation on tangible fixed assets has been provided on pro-rata basis, on the 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 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.

Fixed Assets held for disposal are valued at estimated net realizable value.

2.11 Investment Property

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured in accordance with Ind AS 16's requirements for cost model.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

2.12 Impairment of tangible and intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

2.13 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 & manpower costs and expenses incidental to the projects undertaken by the Company.

2.14 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

2.14.1 Onerous contracts

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

2.15 Financial instruments

Financial assets and financial liabilities are recognised when a Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

2.16 Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

2.16.1 Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Interest income is recognised in profit or loss for fair value through other comprehensive income (FVTOCI) debt instruments. For the purposes of recognising foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortised cost. Thus, the exchange differences on the amortised cost are recognised in profit or loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income and accumulated under the heading of 'Reserve for debt instruments through other comprehensive income'. When the investment is disposed of, the cumulative gain or loss previously accumulated in this reserve is reclassified to profit or loss.

All other financial assets are subsequently measured at fair value.

2.16.2 Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the "Other income" line item.

2.16.3 Investments in equity instruments at fair value through other comprehensive income (FVTOCI)

On initial recognition, the Company can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument or a financial guarantee.

2.16.4 Financial assets at fair value through profit or loss (FVTPL)

Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Debt instruments that do not meet the amortised cost criteria or FVTOCI criteria (see above) are measured at FVTPL. In addition, debt instruments that meet the amortised cost criteria or the FVTOCI criteria but are designated as at FVTPL are measured at FVTPL.

A financial asset that meets the amortised cost criteria or debt instruments that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Company has not designated any debt instrument as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognised when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

2.16.5 Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Company measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information and also other factors like the underlying collateral security resulting in ultimate exposure which may lead to credit loss, if any.

The impairment requirements for the recognition and measurement of a loss allowance are equally applied to debt instruments at FVTOCI except that the loss allowance is recognised in other comprehensive income and is not reduced from the carrying amount in the balance sheet.

2.16.6 Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

2.16.7 Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

- For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in profit or loss except for those which are designated as hedging instruments in a hedging relationship.
- Changes in the carrying amount of investments in equity instruments at FVTOCI relating to changes in foreign currency rates are recognised in other comprehensive income.
- For the purposes of recognising foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortised cost. Thus, the exchange differences on the amortised cost are recognised in profit or loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income.

2.17 Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

2.17.1 Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

2.17.2 Compound financial instruments

The component parts of compound financial instruments (convertible notes) issued by the Company are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. A conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments is an equity instrument.

At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible instruments. This amount is recognised as a liability on an amortised cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date.

The conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound financial instrument as a whole. This is recognised and included in equity, net of income tax effects, and is not subsequently remeasured. In addition, the conversion option classified as equity will remain in equity until the conversion option is exercised, in which case, the balance recognised in equity will be transferred to other component of equity. When the conversion option remains unexercised at the maturity date of the convertible note, the balance recognised in equity will be transferred to retained earnings. No gain or loss is recognised in profit or loss upon conversion or expiration of the conversion option.

Transaction costs that relate to the issue of the convertible notes are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are recognised directly in equity. Transaction costs relating to the liability component are included in the carrying amount of the liability component and are amortised over the lives of the convertible notes using the effective interest method.

2.17.2.1 Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Company, and commitments issued by the Company to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

2.17.2.2 Financial liabilities at Fair value through profit and loss (FVTPL)

Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading or contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies, may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- the financial liability forms part of a Company of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with Ind AS 109.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'Other income' line item.

However, for non-held-for-trading financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss, in which case these effects of changes in credit risk are recognised in profit or loss. The remaining amount of change in the fair value of liability is always recognised in profit or loss. Changes in fair value attributable to a financial liability's credit risk that are recognised in other comprehensive income are reflected immediately in retained earnings and are not subsequently reclassified to profit or loss.

Gains or losses on financial guarantee contracts and loan commitments issued by the Company that are designated by the Company as at fair value through profit or loss are recognised in profit or loss.

2.17.2.3 Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

2.17.2.4 Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the Company are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 18.

2.17.2.5 Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in 'Other income'.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in profit or loss.

2.17.2.6 Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

2.18 First-time adoption – mandatory exceptions and optional exemptions

The Company has prepared the opening balance sheet as per Ind AS as of 1st April, 2015 (the transition date) by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognised assets and liabilities. However, this principle is subject to the certain exception and certain optional exemptions availed by the Company as detailed below.

2.18.1 Derecognition of financial assets and financial liabilities

The Company has applied the derecognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after 1st April, 2015 (the transition date).

2.18.2 Past business combinations

The Company has elected not to apply Ind AS 103 - Business Combinations retrospectively to past business combinations that occurred before the transition date of 1st April, 2015 as per available option.

2.18.3 Classification of debt instruments

The Company has determined the classification of debt instruments in terms of whether they meet the amortised cost criteria or the FVTOCI criteria based on the facts and circumstances that existed as of the transition date.

2.18.4 Impairment of financial assets

The Company has applied the impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised in order to compare it with the credit risk at the transition date. Further, the Company has not undertaken an exhaustive search for information when determining, at the date of transition to Ind ASs, whether there have been significant increases in credit risk since initial recognition, as permitted by Ind AS 101.

2.18.5 Assessment of embedded derivatives

The Company has assessed whether an embedded derivative is required to be separated from the host contract and accounted for as a derivative on the basis of the conditions that existed at the later of the date it first became a party to the contract and the date when there has been a change in the terms of the contract that significantly modifies the cash flows that otherwise would be required under the contract.

2.18.6 Deemed cost for property, plant and equipment, investment property, and intangible assets

The Company has not elected the exemption of previous GAAP carrying value of all its Property, Plant and Equipment, Investment Property, and Intangible Assets recognised as of 1 April 2015 (transition date) as deemed cost.

2.18.7 Determining whether an arrangement contains a lease

The Company has applied Appendix C of Ind AS 17 Determining whether an Arrangement contains a Lease to determine whether an arrangement existing at the transition date contains a lease on the basis of facts and circumstances existing at that date.

3) Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 2, the management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only the period of the revision and future periods if the revision affects both current and future periods.

Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the significant effect on the amounts recognised in the financial statements:

Taxes

Deferred tax assets are recognised for unused tax losses and other temporary differences leading to deferred tax assets to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

4) Property, Plant and Equipment

Description of Assets	Land - Freehold	Buildings - Freehold	Buildings - Leasehold	Plant and Equipment - Freehold	Office Equipment	Furniture and Fixtures	Vehicles	Computers	Total
I. Gross Carrying Amount									
Balance as at 1st April, 2016	44.27	385.20	452.09	408.31	37.57	365.91	542.43	600.18	2,835.96
Additions	-	26.60	-	9.64	11.84	75.95	109.17	89.10	322.30
Disposals	-	-	-	0.72	2.99	0.57	52.75	9.88	66.91
Balance as at 31st March, 2017	**44.27**	**411.80**	**452.09**	**417.23**	**46.42**	**441.29**	**598.85**	**679.40**	**3,091.35**
II. Accumulated depreciation and impairment									
Balance as at 1st April, 2016	-	178.67	217.16	368.57	21.69	120.88	310.15	493.74	1,710.86
Depreciation expense for the year	-	107.61	11.97	13.75	4.84	106.67	107.35	71.81	424.00
Additions	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	0.46	2.99	0.57	52.76	9.26	66.04
Balance as at 31st March, 2017	**-**	**286.28**	**229.13**	**381.86**	**23.54**	**226.98**	**364.74**	**556.29**	**2,068.82**
III. Net carrying amount (I-II)	**44.27**	**125.52**	**222.96**	**35.37**	**22.88**	**214.31**	**234.11**	**123.11**	**1,022.53**

Description of Assets	Land - Freehold	Buildings - Freehold	Buildings - Leasehold	Plant and Equipment - Freehold	Office Equipment	Furniture and Fixtures	Vehicles	Computers	Total
I. Gross Carrying Amount									
Balance as at 1st April, 2015	44.27	385.20	452.09	382.15	4.11	119.59	374.98	511.56	2,273.95
Additions	-	-	-	26.83	33.46	246.32	207.68	95.69	609.98
Disposals	-	-	-	0.67	-	-	40.23	7.07	47.97
Balance as at 31st March, 2016	**44.27**	**385.20**	**452.09**	**408.31**	**37.57**	**365.91**	**542.43**	**600.18**	**2,835.96**
II. Accumulated depreciation and impairment									
Balance as at 1st April, 2015	-	81.46	180.52	350.88	1.90	66.53	128.58	378.56	1,188.43
Depreciation expense for the year	-	96.38	36.64	13.49	3.26	29.59	126.51	84.21	390.08
Additions	-	0.83	-	5.46	16.53	24.76	77.54	38.10	163.22
Disposals	-	-	-	1.26	-	-	22.48	7.13	30.87
Balance as at 31st March, 2016	**-**	**178.67**	**217.16**	**368.57**	**21.69**	**120.88**	**310.15**	**493.74**	**1,710.86**
III. Net carrying amount (I-II)	**44.27**	**206.53**	**234.93**	**39.74**	**15.88**	**245.03**	**232.28**	**106.44**	**1,125.10**

Commitments	31st March, 2017	31st March, 2016	01st April 2015
Capital Commitment : Estimated value of contracts remaining to be executed on capital account and not provided for (net of advances)	**5.77**	8.00	27.50

5) Investment Property

Description of Assets	Land	Buildings	Total
I. Gross Carrying Amount			
Balance as at 1st April, 2016	1,766.17	1,189.00	2,955.17
Addition	-	-	-
Disposals	-	-	-
Balance as at 31st March, 2017	**1,766.17**	**1,189.00**	**2,955.17**
II. Accumulated depreciation and impairment			
Balance as at 1st April, 2016	-	659.80	659.80
Addition	-	27.52	27.52
Disposals	-	-	-
Balance as at 31st March, 2017	**-**	**687.32**	**687.32**
III. Net carrying amount (I-II)	**1,766.17**	**501.68**	**2,267.85**

Description of Assets	Land	Buildings	Total
I. Gross Carrying Amount			
Balance as at 1st April, 2015	1,766.17	1,189.00	2,955.17
Addition	-	-	-
Disposals	-	-	-
Balance as at 31st March, 2016	**1,766.17**	**1,189.00**	**2,955.17**
II. Accumulated depreciation and impairment			
Balance as at 1st April, 2015	-	632.28	632.28
Addition	-	27.52	27.52
Disposals	-	-	-
Balance as at 31st March, 2016	**-**	**659.80**	**659.80**
III. Net carrying amount (I-II)	**1,766.17**	**529.20**	**2,295.37**

Fair value disclosure on Company's investment properties

The Company's investment properties consist of two commercial properties in India, Mahindra Towers at Gurgaon and GE Plaza at Pune. Management determined that the investment properties consist of two classes of assets – office and retail – based on the nature, characteristics and risks of each property.

As at 31st March 2017 and 31st March 2016, the fair values of the Mahindra Tower, Delhi have been arrived at on the basis of a valuation carried out as on the respective dates by Gandhi & Associates, independent valuer not related to the Group. Gandhi & Associates are registered with the authority which governs the valuers in India and they have appropriate qualifications and experience in the valuation of properties in the relevant locations. The Fair value was determined using the market comparable approach based on recent market prices without any significant adjustments being made to the market observable data.

As at 31st March 2017 and 31st March 2016, the fair values of the GE Plaza, Pune have been arrived at on the basis of a valuation carried out as on the respective dates by Dixit Valuers & Engineers, independent valuer not related to the Group. Dixit Valuers & Engineers are registered with the authority which governs the valuers in India and they have appropriate qualifications and experience in the valuation of properties in the relevant locations. The Fair value was determined using the market comparable approach based on recent market prices without any significant adjustments being made to the market observable data.

Details of the Group's investment properties and information about the fair value hierarchy as at 31st March, 2017, 31st March, 2016 and 1st April, 2015 are as follows:

Particulars	Mahindra Towers, Delhi			GE Plaza, Pune		
	Land	Buildings	Total	Land	Buildings	Total
Opening balance as at 1st April, 2015	**12,220.88**	**1,464.76**	**13,685.63**	**92.19**	**195.14**	**287.32**
Fair value difference	271.58	(109.86)	161.72	13.83	(9.46)	4.38
Purchases	-	-	-	-	-	-
Opening balance as at 1st April, 2016	**12,492.45**	**1,354.90**	**13,847.35**	**106.02**	**185.68**	**291.70**
Fair value difference	543.15	(101.62)	441.53	-	4.44	4.44
Purchases	-	-	-	-	-	-
Closing balance as at 31st March, 2017	**13,035.60**	**1,253.28**	**14,288.88**	**106.02**	**190.12**	**296.14**

Information regarding income and expenditure of Investment property:

	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Rental income derived from investment properties (included in 'Revenue from Operations')	2,018.71	2,018.95
Direct operating expenses (including repairs and maintenance) that generate rental income	16.94	47.12
Direct operating expenses (including repairs and maintenance) that did not generate rental income	-	0.79

6) Goodwill

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Cost			
Balance at beginning of year	6,604.47	6,604.47	6,604.47
Additional amounts recognised from business combinations occurring during the year	-	-	-
Balance at end of year	6,604.47	6,604.47	6,604.47
Accumulated impairment losses			
Balance at beginning of year	-	-	-
Impairment losses recognised in the year	-	-	-
Balance at end of year	-	-	-

This Goodwill relates to acquisition of Shares of Mahindra Residential Developers Limited from Velands Investments Limited

7) Intangible Assets

Description of Assets		Computer Software
I.	**Gross Carrying Amount**	
	Balance as at 1 April, 2016	289.52
	Additions from separate acquisitions	70.75
	Balance as at 31 March, 2017	360.27
II.	**Accumulated depreciation and impairment**	
	Balance as at 1 April, 2016	289.52
	Amortisation expense for the year	10.66
	Balance as at 31 March, 2017	300.18
III.	**Net carrying amount (I-II)**	60.09

Description of Assets		Computer Software
Intangible Assets		
I.	**Cost**	
	Balance as at 1 April 2015	289.52
	Additions from separate acquisitions	-
	Disposals	-
	Balance as at 31 March, 2016	289.52
II.	**Accumulated depreciation and impairment**	
	Balance as at 1 April 2015	289.52
	Amortisation expense for the year	-
	Other adjustment	-
	Balance as at 31 March, 2016	289.52
III.	**Net carrying amount (I-II)**	-

8) Investments

Particular	As at 31 March, 2017				As at 31 March, 2016				As at 1 April, 2015			
	Face Value ₹	QTY (Nos)	Amounts Current ₹ Lakh	Amounts Non Current ₹ Lakh	Face Value ₹	QTY (Nos)	Amounts Current ₹ Lakh	Amounts Non Current ₹ Lakh	Face Value ₹	QTY (Nos)	Amounts Current ₹ Lakh	Amounts Non Current ₹ Lakh
A. COST												
I. Quoted Investments (specify whether fully paid or partly paid)	-	-	-	-	-	-	-	-	-	-	-	-
II. Unquoted Investments (all fully paid)												
Investments in Equity Instruments -												
Joint Ventures												
Mahindra World City (Jaipur) Limited..	10	111,000,000	-	19,058.62	10	111,000,000	-	16,040.88	10	111,000,000	-	15,929.12
Mahindra World City Developers Limited....................................	10	17,799,999	-	11,509.78	10	17,799,999	-	11,630.78	10	17,799,999	-	12,035.10
Mahindra Bebanco Developers Limited	10	35,000	-	811.63	10	35,000	-	253.27	10	35,000	-	21.91
Mahindra Homes Private Limited (Earlier Known as Watsonia Developers Private Limited and before that Watsonia Developers Limited)												
Class A Equity Shares..	10	616,879	-	61.69	10	205,628	-	20.56	10	205,628	-	20.56
Class C Equity Shares	10	389	-	0.04	10	389	-	0.04	10	389	-	0.04
Mahindra Water Utilities Limited...	-	-	-	-	-	-	-	-	10	50,000	-	2,225.77
Mahindra Inframan Water Utilities Limited	10	24,999	-	2.31	10	24,999	-	3.51	10	24,999	-	4.12
Total Unquoted Investments												
INVESTMENTS CARRIED AT COST [A]...................................	-	-	-	31,444.07		-	-	27,949.04		-	-	30,236.62
B. AMORTISED COST												
Unquoted Investments (all fully paid)												
Investments in Preference Shares - Subsidiaries												
Mahindra World City (Jaipur) Limited.. (8% Redeemable Cumulative Preference Shares)	-	-	-	-	10	37,000,000	-	3,700.00	10	37,000,000	-	3,700.00
- of others												
Prudential Management & Services Pvt. Ltd...............................	2	2	-	0.00	2	2	-	0.00	2	2	-	0.00
Investments in Non Convertible debentures or bonds												
- of joint ventures												
Mahindra Homes Private Limited (Earlier Known as Watsonia Developers Private Limited and before that Watsonia Developers Limited).. (14.00% Optionally Convertible Debentures)	100	32,017,000	-	28,217.34	100	32,017,000	-	27,531.06	100	32,017,000	-	27,772.35
TOTAL INVESTMENTS CARRIED AT AMORTISED COST [B]	-	-	-	28,217.34	-	-	-	31,231.06	-	-	-	31,472.35

Particular	As at 31 March, 2017				As at 31 March, 2016				As at 1 April, 2015			
	Face Value ₹	QTY (Nos)	Amounts Current ₹ Lakh	Amounts Non Current ₹ Lakh	Face Value ₹	QTY (Nos)	Amounts Current ₹ Lakh	Amounts Non Current ₹ Lakh	Face Value ₹	QTY (Nos)	Amounts Current ₹ Lakh	Amounts Non Current ₹ Lakh
C. Designated as Fair Value Through Profit and Loss (FVTPL)												
I. Quoted Investments												
Investments in Mutual Funds	-	-	14,566.34	-	-	-	20,117.57	-	-	-	-	-
Total Aggregate Quoted Investments	-	-	14,566.34	-		-	20,117.57	-	-	-	-	-
II. Unquoted Investments (all fully paid)												
Investments in Equity Instruments - of other entities												
New Tirupur Area Development Corporation Limited	10	500,000	-	-	10	500,000	-	-	10	500,000	-	-
Mahindra Knowledge Park (Mohali) Limited	10	6	-	0.00	10	6	-	0.00	10	6	-	0.00
Mahindra Construction Company Limited	10	3,000	-	0.30	10	3,000	-	0.30	10	3,000	-	0.30
INDAS Deemed Investment- ESOP	-	-	-	18.32	-	-	-	18.32	-	-	-	-
Total Unquoted Investments	-	-	-	18.62	-	-	-	18.62	-	-	-	0.30
INVESTMENTS CARRIED AT FVTPL [C]	-	-	14,566.34	18.62	-	-	20,117.57	18.62	-	-	-	0.30
TOTAL INVESTMENTS CARRIED AT FAIR VALUE	-	-	14,566.34	18.62	-	-	20,117.57	18.62	-	-	-	0.30
TOTAL INVESTMENTS (A) + (B)+ (C)	-	-	14,566.34	59,680.04	-	-	20,117.57	59,198.72	-	-	-	61,709.27
Total Impairment value for investment carried at cost	-	-	-	-	-	-	-	-	-	-	-	-
Total impairment value for investments (D)	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL INVESTMENTS CARRYING VALUE (A) + (B) + (C) - (D)	-	-	14,566.34	59,680.04	-	-	20,117.57	59,198.72	-	-	-	61,709.27
Other disclosures	-	-	-	-	-	-	-	-	-	-	-	-
Aggregate amount of quoted investments	-	-	14,566.34	-	-	-	20,117.57	-	-	-	-	-
Aggregate amount of Market value of investments	-	-	-	-	-	-	-	-	-	-	-	-
Aggregate amount of unquoted investments	-	-	-	59,680.04	-	-	-	59,198.72	-	-	-	61,709.27
Aggregate amount of impairement in value of investments	-	-	-	-	-	-	-	-	-	-	-	-

The Company's investment in the equity shares of New Tirpur Area Development Corporation Limited ("NTADCL") aggregates ₹ 1,550.63 lakh comprising ₹ 50.63 lakh invested directly by the Company and ₹ 1,500 lakh 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 March 31, 2014 it was expected that there were likely to be delays in setting up the same and the probability of the whole project being set up was significantly lower as compared to the previous year. As a result, MIDL during the year ended 31st March, 2015 had made a provision for diminution of its investment in NTADCL of ₹ 1,500 lakh. The Company has also made a provision for diminution of its investment in MIDL of ₹ 1,800 lakh and ₹ 50.63 lakh of its investment in NTADCL in year ending 31st March, 2015.

Refer Schedule No. 36 for disclosure of Measurement Requirements as per IND AS 107, 109, 113

9) Trade receivables

Particulars	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	Current	**Non Current**	Current	Non Current	Current	Non Current
Trade receivables						
(a) Secured, considered good	**-**	**-**	-	-	20.00	-
(b) Unsecured, considered good	**7,534.73**	**2,200.47**	6,273.20	3,306.66	2,850.14	-
(c) Doubtful	**595.15**	**602.44**	595.15	578.72	595.15	-
Less: Allowance for doubtful debts	**(521.16)**	**(602.44)**	(521.16)	(578.72)	(595.15)	-
TOTAL	**7,608.72**	**2,200.47**	6,347.19	3,306.66	2,870.14	-

Refer Note 36 for disclosures for credit risk related to trade receivables and also Note No. 2.16.5

9 a) Movement in the allowance for doubtful debts

Particulars	Current		Non Curent	
	As at 31st March, 2017	As at 31st March, 2016	**As at 31st March, 2017**	As at 31st March, 2016
Balance at beginning of the year	**521.16**	595.15	**578.72**	-
On receivables originated in the year	**-**	-	**23.72**	578.72
Amounts recovered during the year	**-**	73.99	**-**	-
Balance at end of the year	**521.16**	521.16	**602.44**	578.72

Trade receivables are non interest bearing and are generally on the terms of 21 to 60 days.

10) Loans

Particulars	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	Current	**Non- Current**	Current	Non- Current	Current	Non- Current
a) Security Deposits						
- Unsecured, considered good	**3,447.19**	**100.83**	3,428.45	112.47	3,910.07	92.36
Less: Allowance for Credit Losses	**-**	**-**	-	-	-	-
TOTAL (A)	**3,447.19**	**100.83**	3,428.45	112.47	3,910.07	92.36
b) Loans to related parties						
- Unsecured, considered good#	**3,001.44**	**1,521.44**	2,253.08	1,764.56	2,001.44	18,514.56
TOTAL (B)	**3,001.44**	**1,521.44**	2,253.08	1,764.56	2,001.44	18,514.56
c) Other Loans and Advances						
- Unsecured, considered good*	**20,885.24**	**6.84**	13,353.43	6.86	21,981.66	6.79
TOTAL (C)	**20,885.24**	**6.84**	13,353.43	6.86	21,981.66	6.79
GRAND TOTAL	**27,333.87**	**1,629.11**	19,034.96	1,883.89	27,893.17	18,613.71

Refer Note 36 for disclosures related to credit risk and related financial instrument disclosures.

* During the year ending 31st March 2015, Other Loans and advances included project advances of ₹ 10,000 lakh pending for over 3 years relating to a project whose commencement had been delayed due to non-performance with respect to the agreed condition precedents by Vendors. The Company had taken legal action against the vendors to protect the interest of the Company where in the H'ble High Court at Mumbai had given order restraining the vendors from creating any third party rights in respect of the suit property or part with possession thereof.

During the previous year ended 31st March, 2016 the company has received an award in terms of the consent terms filed by the Company and the Vendors before the H'ble Arbitral Tribunal and the Company has acquired the property. The Company shall be undertaking the redevelopment of the property on completion of all obligation by the Vendors. Consequently the amount of ₹. 10,000 lakh now stands transferred to Construction Work in Progress in the previous year ended 31st March, 2016.

* With the approval of the shareholders received at the 17th Annual General Meeting held on 28th July, 2016, the Company has on 27th March, 2017 sold the property in its inventory, situated at South Mumbai for a total consideration upto ₹ 23,721.00 lakh to a related party. The Company has received conveyance consideration of ₹ 17,671.00 lakh. As per the terms of settlement between the Company and the erstwhile landowners, upon completion of certain obligations by them, the Company shall pay an amount upto ₹ 6,050.00 lakh to the erstwhile landowners and the same shall be paid by the related party to the Company as balance consideration. The matter of determination of the factum of completion of the obligations by the erstwhile landowners is presently pending before the Hon'ble Arbitrator. The profit booked from this sale transaction will not be affected by the outcome of such arbitration.

\# The Company had entered into an agreement to acquire a parcel of land near Thane, Maharashtra, at a consideration of ₹ 2,000.00 lakh. While full consideration was paid, the land was not conveyed pending completion of certain formalities. The amount currently standing in the books as a current asset is ₹ 2,879.00 lakh. During the period, Tahsildar (Thane) has issued an order against the registered owner alleging non-adherence of certain conditions pertaining to Bombay Tenancy and Agricultural Lands Act, 1948 and changed the land records to reflect Government of Maharashtra as the holder of the land. The Company has been legally advised that the said order and the demand thereunder is grossly erroneous and not tenable.

11) Other financial assets

Particulars	**As at 31st March, 2017**		As at 31st March, 2016		As at 1st April, 2015	
	Current	**Non- Current**	Current	Non- Current	Current	Non- Current
Financial assets at amortised cost						
a) Bank Deposit with more than 12 months maturity	-	20.52	-	157.12	-	111.15
b) Margin Money	-	-	-	-	-	0.76
c) Others						
Interest Accrued	11,785.40	-	7,218.00	-	10,709.32	-
Fixed Deposits	780.97	-	3,320.41	-	339.03	-
Total	12,566.37	20.52	10,538.41	157.12	11,048.35	111.91

Refer Note 36 for disclosures related to credit risk and related financial instrument disclosures.

12) Other Assets

Particulars	**As at 31st March, 2017**		As at 31st March, 2016		As at 1st April, 2015	
	Current	**Non- Current**	Current	Non- Current	Current	Non- Current
(a) Advances other than capital advances						
(i) Balances with government authorities (other than income taxes)	**919.55**	**-**	1,072.03	-	608.15	-
(ii) Non Current Tax Assets	**-**	**1,978.22**	-	3,037.86	-	568.69
(iii) Unbilled Revenues	**26,597.25**	**-**	22,797.55	-	17,637.83	-
(iv) Prepaid Expenses	**378.54**	**-**	0.15	-	128.92	-
Total Other Assets	**27,895.34**	**1,978.22**	23,869.73	3,037.86	18,374.90	568.69

12 a) Additional disclosure as per Guidance note on accounting for Real Estate Transactions

Particulars	**As at 31st March, 2017**	As at 31st March, 2016
Contracts in Progress at the end of reporting Period		
Construction costs incurred plus profits recognised less losses recognised	**35,755.00**	18,558.07
Advances received from customers	**1,316.25**	3,490.55
Work in progress and inventories	**63,157.46**	81,768.39

13) Inventories

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
(a) Raw materials	**2,530.34**	2,977.60	3,059.20
(b) Construction Work-in-progress*#	**100,629.17**	111,765.91	92,095.79
(c) Stock in Trade	**13,963.46**	15,852.19	2,675.79
Total Inventories (at lower of cost and net realisable value)	**117,122.97**	130,595.70	97,830.78

*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 had during the year ending 31st March 2015 entered into mutually agreed consent terms with a land-owner in respect of the project, commencement of which had been delayed and in accordance with the consent terms, the Company during the year ending 31st March 2015 completed the sale of land in relation thereto. Accordingly, the provision for losses to project completion for ₹ 1,023.00 lakh in respect was no longer required and reversed during the year ending 31st March 2015. Further, revenue from operations for the year ended 31st March 2015 includes ₹ 25,263 lakh on sale thereof, net of the advances given and interest thereon. Operating expenses included in the year ending 31st March, 2015 ₹ 2,263 lakh of costs incurred in relation thereto. Other income included in the year ending 31st March 2015 was ₹ 1,550 lakh 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 lakh and short term loans and advances and interest accrued on project advances included in other current assets of ₹ 4,205.26 lakh and ₹ 2,174.98 lakh, respectively, at 31st March 2014 have been realized during the year ending 31st March 2015.

The cost of inventories recognised as an expense during the year in respect of continuing operations was ₹ 56,589.70 lakh (31st March 2016: ₹. 38,054.88 lakh)

Details of Work in progress and inventories pledged or mortgaged as security is as below:

Particulars	Carrying Value	Security pledged/Mortgaged against
31st March, 2017		
Work in progress & Inventories	**27,468.26**	**Non Current Secured Debentures**
Work in progress & Inventories	**17,117.82**	**Current Secured Borrowings**
31st March, 2016		
Work in progress & Inventories	44,924.27	Non Current Secured Debentures
Work in progress & Inventories	13,223.45	Current Secured Borrowings
1st April, 2015		
Work in progress & Inventories	49,883.19	Non Current Secured Debentures
Work in progress & Inventories	-	Current Secured Borrowings

14) Cash and Bank Balances

Particulars	As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
Cash and cash equivalents			
(a) Cash on hand	**1.38**	1.33	1.98
(b) Others			
On current account	**3,514.88**	10,068.84	3,867.01
Deposit account Less than 3 months	**3,991.77**	1,873.43	920.40
Total Cash and cash equivalent	**7,508.03**	11,943.60	4,789.39
Other Bank Balances			
(a) Earmarked balances with banks	**125.45**	402.94	288.54
(b) Balances with Banks:			
(i) On Margin Accounts	**478.40**	442.77	443.75
(ii) Fixed Deposit with maturity greater than 3 months	**289.36**	-	-
Total Other Bank balances	**893.21**	845.71	732.29

Reconciliation of Cash and Cash Equivalents

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Total Cash and Cash Equivalents as per Balance Sheet	**7,508.03**	11,943.60	4,789.39
Add: Bank Overdraft	**-**	-	-
Add: Cash and bank balances included in a disposal group held for sale	**-**	-	-
Total Cash and Cash Equivalents as per Statement of Cashflow	**7,508.03**	11,943.60	4,789.39

15) Equity Share Capital

Particulars	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	No. of shares	**Amount ₹ in Lakh**	No. of shares	Amount ₹ in Lakh	No. of shares	Amount ₹ in Lakh
Authorised:						
Equity shares of ₹ 10 each with voting rights	**115,000,000**	**11,500.00**	115,000,000	11,500.00	115,000,000	11,500.00
Unclassified shares of ₹ 10 each	**6,000,000**	**600.00**	6,000,000	600.00	6,000,000	600.00
Issued, Subscribed and Fully Paid:						
Equity shares of ₹ 10 each with voting rights	**41,074,001**	**4,107.40**	41,074,001	4,107.40	41,053,051	4,105.31
Issued, Subscribed and Partly Paid:						
Equity shares of ₹ 10 each with voting rights	**41,053,550**	**4,105.36**	41,033,150	4,103.32	41,012,200	4,101.22
Total	**41,053,550**	**4,105.36**	41,033,150	4,103.32	41,012,200	4,101.22

(i) Reconciliation of the number of shares outstanding at the beginning and at the end of the period.

Particulars	Opening Balance	ESOP	Closing Balance
(a) Equity Shares with Voting rights			
Year Ended 31st March, 2017			
No. of Shares	**41,033,150**	**20,400**	**41,053,550**
Amount ₹ in lakh	**4,103.32**	**2.04**	**4,105.36**
Year Ended 31st March, 2016			
No. of Shares	41,012,200	20,950	41,033,150
Amount ₹ in lakh	4,101.22	2.09	4,103.32
Year Ended 1st April, 2015			
No. of Shares	41,012,200	-	41,012,200
Amount ₹ in lakh	4,101.22	-	4,101.22

Terms/ rights attached to equity shares

The Company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in ensuing Annual General Meeting.

(ii) Details of shares held by the holding company, the ultimate holding company, their subsidiaries and associates: (details of fully paid and partly paid also needs to be given)

Particulars	Equity Shares with Voting rights
As at 31st March, 2017	
Mahindra & Mahindra Ltd. the Holding Company	20,846,126
As at 31st March, 2016	
Mahindra & Mahindra Ltd. the Holding Company	20,846,126
As at 1st April, 2015	
Mahindra & Mahindra Ltd. the Holding Company	20,846,126

Other than the above shares, no shares are held by any subsidiaries or associates of the holding company

(iii) Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	**As at 31st March, 2017**		As at 31st March, 2016		As at 1st April, 2015	
	Number of shares held	**% holding in that class of shares**	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights						
Mahindra & Mahindra Limited	**20,846,126**	**50.78%**	20,846,126	50.80%	20,846,126	50.83%
Amansa Investments Limited	**-**	**-**	2,341,170	5.71%	2,505,170	6.11%
Small Cap World Fund, INC	**2,157,380**	**5.26%**	2,157,380	5.26%	2,157,380	5.26%

iv) Shares reserved for issue under options

The Company has 5,53,430 (Previous year ending 31st March, 2016: 5,58,380) equity shares of ₹ 10/- each reserved for issue under options [Refer Note 28].

v) The allotment of 40,851 (Previous year ending 31st March, 2016: 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).

16) Other equity

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2015
General reserve	**7,535.69**	7,535.69	7,535.59
Securities premium reserve	**74,028.06**	73,963.90	73,889.64
Share options outstanding account	**363.37**	303.15	259.50
Cash flow hedging reserve	**(5.64)**	(5.64)	-
Actuarial Gain / (Loss)	**229.32**	136.12	-
Retained earnings	**53,601.42**	46,149.56	49,622.22
Capital Reserve on Consolidation	**2,309.15**	2,309.15	-
Capital redemption reserve	**13,138.58**	13,138.58	7,353.58
Debenture redemption reserve	**14,651.67**	15,323.76	11,277.49
Share Application money pending allotment	**0.08**	-	-
	165,851.70	158,854.27	149,938.02

#Details of Reserves as under :

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2015
(I) Capital Reserve on Consolidation :			
Balance as at the beginning of the year	**2,309.15**	-	-
Add :			
Consequent to change in Group's Interest	**-**	2,309.15	-
Less :			
Consequent to change in Group's Interest	**-**	-	-
Balance as at the end of the year	**2,309.15**	2,309.15	-
(II) Debenture Redemption Reserve:			
Balance as at the beginning of the year	**15,323.76**	11,277.49	11,277.49
Add :			
Transfer from Surplus in Statement of Profit and Loss	**-**	4,046.27	-
Less :			
Transfer to Surplus in Statement of Profit and Loss	**672.09**	-	-
Balance as at the end of the year	**14,651.67**	15,323.76	11,277.49
(III) Capital Redemption Reserve :			
Balance as at the beginning of the year	**13,138.58**	7,353.58	7,353.58
Add:			
Transfer from Surplus in Statement of Profit and Loss	**-**	5,785.00	-
Less :			
Transfer to Surplus in Statement of Profit and Loss	**-**	-	-
Balance as at the end of the year	**13,138.58**	13,138.58	7,353.58
(IV) General reserve :			
Balance as at the beginning of the year	**7535.69**	7,535.59	7,535.59
Add:Transfer from Surplus in Statement of Profit and Loss	**-**	0.10	-
Less: Transfer to Surplus in Statement of Profit and Loss	**-**	-	-
Balance as at the end of the year	**7,535.69**	7,535.69	7,535.59

Capital Reserve on Consolidation: This reserve was created at the time of acquisition of additional shares of Mahindra Water Utilities Limited, earlier it was Joint venture and pursuant to acquisition of additional shares it became subsidiary on 27th July, 2015.

Debenture Redemption Reserve: A debenture redemption reserve is a provision created against issue of debentures to protect investors against the possibility of default by the company.

General Reserve: The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. There is no policy of regular transfer. Items included under General Reserve shall not be reclassified back into the P&L.

17) Non Controlling Interests

Particulars	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Balance at beginning of year	**3,853.38**	3,565.30	3,565.30
Share of profit for the year	**365.36**	288.08	-
Non-controlling interests arising on Debenture Redemption Reserve	**130.72**	-	-
Balance at end of year	**4,349.46**	3,853.38	3,565.30

18) Non-Current Borrowings

Description of the instrument	Currency of Loan	Effective Interest Rate used for Discounting Cashflows %	Coupon Rate %	Repayment Bullet (or) Installment	Number of Installments Nos.	Date of Redemption (or) Conversion	**Amortised cost as at 31st March, 2017**	Amortised cost as at 31st March, 2016	Amortised cost as at 1st April, 2015
Secured Borrowings									
Fully Redeemable									
Mahindra Lifespace Developers Limited									
I. Non Convertible Debentures	INR	12.04%	8.00%	Installment	1	4/4/2018	**19,981.00**	19,941.74	20,000.00
II. Non Convertible Debentures	INR	11.86%	8.00%	Installment	1	4/4/2017	**-**	17,500.00	17,383.19
III. Non Convertible Debentures	INR	11.76%	0.00%	Installment	1	4/4/2016	**-**	-	12,500.00
Mahindra Integrated Township Limited									
I. Non Convertible Debentures	INR	9.68%	7%	Installment	1	31-08-2020	**2,493.98**	2,492.49	
II. Non Convertible Debentures	INR	9.68%	7%	Installment	1	31-08-2019	**2,495.87**	2,494.38	
III. Non Convertible Debentures	INR	9.68%	7%	Installment	1	31-08-2018	**2,497.41**	2,495.66	
Total Secured Borrowings							**27,468.26**	44,924.27	49,883.19
Unsecured Borrowing									
Other loans	INR	9.50%	NA	NA	NA	NA	**10.00**	10.00	10.00
Total Unsecured Borrowing							**10.00**	10.00	10.00
Total non current borrowing							**27,478.26**	44,934.27	49,893.19

Mahindra Lifespace Developers Limited

Non Convertible Debentures

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 (₹ Lakh)	12,500.00	17,500.00	20,000.00
Total Redemption Amount (₹ Lakh)	4,498.71	2,290.30	3,455.65
Rate of Interest Payable Annually (%)	0%	8%	8%
Maturity Date	4th April, 2016	4th April, 2017	4th April, 2018

The above debentures are secured by an exclusive charge over 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.

Mahindra Integrated Township Limited

The Terms and conditions of the Secured Non Convertible Debentures issued by the Company are summarised below

Series	**I**	**II**	**III**
Face Value of the Debentures(₹ in lakh)	2,500.00	2,500.00	2,500.00
Total Redemption Premium (₹ in lakh)	214.32	299.64	393.68
Rate of Interest Payable Annually	7%	7%	7%
Maturity Date (one time repayment in full including Redemption Premium)	31st Aug, 2018	31st Aug,2019	31st Aug, 2020

The above Debentures are secured by first ranking pari passu mortgage and charge on specific lands of the Company.

19) Other Financial Liabilities

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Other Financial Liabilities Measured at Amortised Cost			
Non-Current			
(a) Other long term liabilities*	**5,169.65**	8,281.04	5,189.79
(b) Interest accrued but not due on borrowings	**375.54**	131.94	-
	5,545.19	8,412.98	5,189.79
Current			
(a) Current maturities of long-term debt	**17,500.00**	12,500.00	
(b) Interest accrued but not due on borrowings	**3,667.50**	3,628.04	3,303.79
(c) Unpaid dividends	**125.45**	112.62	103.24
(d) Other liabilities			
(1) Others#	**5,112.85**	5,200.94	6,414.21
(2) Retention Money	**2,670.52**	2,890.21	1,768.37
	29,076.32	24,331.81	11,589.61
Total other financial liabilities	**34,621.51**	32,744.79	16,779.40

* Other long term liabilities include provision for redemption premium payable on debentures

Others include trade deposits and Society Maintenance deposits

20) Provisions

Particulars	As at 31st March, 2017 Current	As at 31st March, 2017 Non-Current	As at 31st March, 2016 Current	As at 31st March, 2016 Non-Current	As at 1st April, 2015 Current	As at 1st April, 2015 Non-Current
(a) Provision for employee benefits	**221.60**	**212.03**	204.59	204.11	324.84	210.63
(b) Defect Liability Provision	**796.43**	**-**	703.24	-	756.41	-
Total Provisions	**1,018.03**	**212.03**	907.83	204.11	1,081.25	210.63

Details of movement in Defect Liability is as follows:

Particulars	**Defect Liability Provisions**
Balance at 1st April 2015	756.41
Additional provisions recognised	490.10
Amounts used during the period	(40.46)
Unused amounts reversed during the period	(525.00)
Unwinding of discount and effect of changes in the discount rate	22.19
Balance at 31st March 2016	703.24
Balance at 1st April 2016	**703.24**
Additional provisions recognised	**634.17**
Amounts used during the period	**(120.63)**
Unused amounts reversed during the period	**(438.98)**
Unwinding of discount and effect of changes in the discount rate	**18.63**
Balance at 31st March 2017	**796.43**

Defect Liability Provisions:

Provision for defect liability represents present value of management's best estimate of the future outflow of economic resources that will be required for rectification of defects, if any, in respect of residential units sold or given under perpetual lease. Management estimates the related provision for future defect liability claims based on historical cost of rectifications and is adjusted regularly to reflect new information. The residential units are generally covered under the defect liability period limited to 1 - 3 years from the date of handover of residential units. It is estimated that most of these costs are likely to be incurred within two years after the reporting date.

21) Deferred Tax Balances

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Deferred Tax Liabilities	**6,000.87**	5,546.41	5,608.11
Deferred Tax Assets	**2,251.47**	2,218.35	2,158.25
Net Tax Assets/(Liabilities)	**(3,749.40)**	(3,328.06)	(3,449.86)

(i) Movement in deferred tax balances

Particulars	For the Year ended 31st March, 2017 Opening Balance	Recognised in profit and Loss	Closing Balance
Tax effect of items constituting deferred tax liabilities			
FVTPL financial asset/(liability)	**5,546.41**	**454.46**	**6,000.87**
	5,546.41	**454.46**	**6,000.87**
Tax effect of items constituting deferred tax assets			
Other Items	**2218.35**	**33.12**	**2,251.47**
	2,218.35	**33.12**	**2,251.47**
Net Tax Asset/(Liabilities)	**(3,328.06)**	**(421.34)**	**(3,749.40)**

Particulars	For the Year ended 31st March, 2016 Opening Balance	Recognised in profit and Loss	Closing Balance
Tax effect of items constituting deferred tax liabilities			
FVTPL financial asset	5,608.11	(61.70)	5,546.41
	5,608.11	(61.70)	5,546.41
Tax effect of items constituting deferred tax assets			
Other Items	2,158.25	60.10	2218.35
	2,158.25	60.10	2,218.35
Net Tax Asset (Liabilities)	(3,449.86)	121.80	(3,328.06)

22) Current Borrowings

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
A. Secured Borrowings			
(a) Loans repayable on demand			
(1) From Banks	**17,117.77**	13,223.45	-
(2) from other parties	**0.05**	-	-
Total Secured Borrowings	**17,117.82**	13,223.45	-
B. Unsecured Borrowings			
(a) Loans repayable on demand			
(1) From Banks	**-**	7,000.00	-
(2) from other parties	**-**	-	-
(b) Loans from related parties	**2,324.80**	-	1,000.00
(c) Deposits	**742.15**	767.30	767.30
Total Unsecured Borrowings	**3,066.95**	7,767.30	1,767.30
Total Current Borrowings	**20,184.77**	20,990.75	1,767.30

Secured Borrowing

Mahindra Lifespace Developers Limited

Nature of Security

Short Term Loan/Working Capital Demand Loan and Cash Credit/Overdraft facility. The Short Term Loan/WCDL is secured by exclusive mortgage charge on immovable properties (part of Work in progress and Inventories) of the company while Cash Credit/ Overdraft is secured by first hypothecation charge on all existing and future current assets of the company.

Terms of Repayment

Rate of interest for WCDL is 9.25% and CC is MCLR plus 0.35% (presently 8.85% p.a). Cash Credit/ Overdraft facility is repayable on demand from bank.

Mahindra Integrated Township Limited

Nature of Security

Cash Credit facility is scured by hypothecation of book debts and Work in progress.

Terms of Repayment

Rate of interest is base rate plus 0.25% p.a. The Cash Credit facility is repayable on a monthly basis.

Unsecured Loan

Includes Short Term Loan from bank for working capital purposes.

23) Trade Payables

Particulars	**As at 31st March, 2017**	As at 31st March, 2016	As at 1st April, 2015
Trade payable - Micro and small enterprises*	**-**	-	-
Trade payable - Other than micro and small enterprises	**25,669.75**	25,378.19	19,667.65
Total Current Trade Payables	**25,669.75**	25,378.19	19,667.65

Trade Payables are payables in respect of the amount due on account of goods purchased or services received in the normal course of business.

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

24) Other Liabilities

Particulars	**As at 31st March, 2017**	As at 31st March, 2016	As at 1st April, 2015
Current			
a. Advances received from customers	**3,925.10**	5,045.77	5,256.84
b. Statutory dues payable	**529.72**	606.81	699.87
c. Others	**3.61**	-	0.04
Total Other Current Liabilities	**4,458.43**	5,652.58	5,956.75

25) Revenue from Operations

Particulars	**For the year ended 31st March, 2017**	For the year ended 31st March, 2016
a. Income From Projects	**72,921.98**	55,913.91
b. Project Management Fees	**1,274.08**	1,383.83
c. Income from Operation of Commercial Complexes	**2,018.71**	2,018.95
Total Revenue from Operations	**76,214.77**	59,316.69

26) Other Income

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
(a) Interest Income		
(1) Interest on Inter Corporate Deposits	**243.48**	2,052.92
(2) Interest on Bank Deposits	**392.58**	260.25
(3) Interest on Preference shares	**491.44**	473.99
(4) Interest on Optionally Convertible Debentures	**4,482.38**	5,714.61
(5) Others	**333.28**	64.34
(b) Dividend Income		
(1) Dividend income from Joint Venture	**428.73**	267.93
(2) Dividend income from current investment - Non Trade	**105.68**	23.71
(c) Profit on Sale of other Fixed Assets	**9.42**	2.65
(d) Miscellaneous Income	**399.94**	540.22
Total Other Income	**6,886.93**	9,400.62

27) Operating Expenses

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Cost of Project		
Opening Work-in-progress	**111,765.91**	92,095.79
Opening Raw Material	**2,977.60**	3,059.20
Opening Stock in trade	**15,852.19**	2,675.79
Sub-Total (a)	**130,595.70**	97,830.78
Add: Expenses incurred during the year		
Land Cost/Premium for Development Rights	**14,498.54**	21,738.83
Architect Fees	**465.57**	622.13
Preliminaries & Site Expenses	**112.92**	6,613.41
Civil Electricals, Contracting etc	**17,635.44**	32,994.32
Interest	**4,281.88**	4,317.18
Overheads Allocated	**1,258.17**	1,268.69
Payment to Local Agencies	**4,002.60**	1,938.72
Insurance	**38.08**	44.76
Legal & Professional Fees	**697.29**	1,052.23
Other Expenses	**126.48**	229.53
Sub-Total (b)	**43,116.97**	70,819.80
Total A (a+b)	**173,712.67**	168,650.58
Less: Closing Stock		
Closing work in progress	**100,629.17**	111,765.91
Closing Raw Material	**2,530.34**	2,977.60
Closing Stock in trade	**13,963.46**	15,852.19
Total B	**117,122.97**	130,595.70
Capital Work-In-Progress	**-**	-
Rent, Rates & Taxes	**82.22**	116.92
Insurance	**2.92**	(0.64)
Repairs & Maintenance - Commercial Properties	**128.57**	181.04
Professional Fees	**62.73**	8.64
Brokerage	**232.70**	327.84
Advertisement, Marketing & Business Development	**1,117.64**	1,056.85
Electricity	**88.05**	48.91
Other Operating Expenses	**545.86**	343.70
Total C	**2,260.69**	2,083.26
Other Operating Expenses (A-B+C)	**58,850.39**	40,138.14

28) Employee Benefits Expense

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
(a) Salaries and wages, including bonus	**7,143.13**	6,335.45
(b) Contribution to provident and other funds	**424.85**	355.97
(c) Share based payment transactions expenses		
(1) Equity-settled share-based payments	**124.37**	90.15
(2) Cash-settled share-based payments	**-**	-
(d) Staff welfare expenses	**379.39**	415.56
Less : Allocated to projects	**(1,258.17)**	(1,268.69)
Total Employee Benefit Expense	**6,813.57**	5,928.44

Share based payment

The Company has granted options to its eligible employees under the Employee Stock Options Scheme 2006 (“ESOS 2006”) and the Employee Stock Options Scheme 2012 (“ESOS 2012). The options granted under both the schemes are equity settled. The other details of the schemes are summarised below:

		Number of Shares	Grant Date	Expiry Date	Exercise Price Per Share ₹	Fair value at Grant Date ₹
	ESOS 2006					
1	Series 1 Granted on 25th April, 2008	678,359	25-Apr-08	25-Apr-17	428	443.79
2	Series 2 Granted on 4th August, 2012	10,000	4-Aug-12	4-Aug-21	325	294.06
	ESOS 2012					
1	Series 3 Granted on 4th August, 2012	101,000	4-Aug-12	4-Aug-21	10	294.06
2	Series 4 Granted on 24th July, 2013	26,500	24-Jul-13	24-Jul-22	10	294.06
3	Series 5 Granted on 17th October, 2014	27,000	17-Oct-14	17-Oct-23	10	461.87
4	Series 6 Granted on 30th April, 2015	3,000	30-Mar-15	30-Apr-24	10	402.60
5	Series 7 Granted on 28th January, 2016	31,000	28-Jan-16	28-Jan-25	10	417.10
6	Series 8 Granted on 28th July, 2016	30,000	28-Jul-2016	28-Jul-2025	10	420.53

Movement in Share Options

	Particulars	For the year ended 31st March, 2017		For the year ended 31st March, 2016	
		Number of Shares	Weighted average exercise price ₹	Number of Shares	Weighted average exercise price ₹
1	The number and weighted average exercise prices of share options outstanding at the beginning of the period;	**558,380**	**336.76**	558,430	338.60
2	Granted during the period	**30,000**	**10.00**	34,000	10.00
3	Forfeited during the period	**-**	**-**	-	-
4	Exercised during the period	**(20,400)**	**10.00**	(20,950)	59.88
5	Expired during the period	**(14,550)**	**10.00**	(13,100)	10.00
6	Outstanding at the end of the period	**553,430**	**339.68**	558,380	336.76
7	Exercisable at the end of the period	**486,780**	**338.48**	467,730	398.40

Share Options Excercised in the Year

Particulars		Number of Shares Exercised	Exercise Date	Share Price at Exercise Date ₹
Equity Settled				
1	ESOS 2012 Granted on 04-Aug-2012	6,000	30-Jan-2017	356.15
2	ESOS 2012 Granted on 04-Aug-2012	600	26-Apr-2016	459.65
3	ESOS 2012 Granted on 04-Aug-2012	2,000	28-Jul-2016	457.65
4	ESOS 2012 Granted on 04-Aug-2012	6,300	27-Oct-2016	425.65
5	ESOS 2012 Granted on 24-Jul-2013	2,300	30-Jan-2017	356.15
6	ESOS 2012 Granted on 24-Jul-2013	1,200	27-Oct-2016	425.65
7	ESOS 2012 Granted on 17-Oct-2014	1,700	30-Jan-2017	356.15
8	ESOS 2012 Granted on 30-Apr-2015	300	27-Oct-2016	425.65
		20,400		

Share Options outstanding at the end of the year

The share options outstanding at the end of the year had a range of exercise prices of ₹. 10 - ₹. 428 (as at March 31, 2016: ₹. 10 - ₹.428), and weighted average remaining contractual life of 433 days (as at March 31, 2016: 360 days).

The Fair value has been calculated using the Black Scholes option pricing model and the significant inputs used for the valuation are as follows:

	25th April, 2008	4th August, 2012	4th August, 2012	24th July, 2013	17th October, 2014	30th April, 2015	28th January, 2016	28th July, 2016
Share price at grant date	₹ 443.79	₹ 324.14	₹ 324.14	₹ 454.09	₹ 516.08	₹ 467.60	₹ 482.25	₹ 450.60
Exercise price	₹ 428.00	₹ 325.00	₹ 10.00	₹ 10.00	₹ 10.00	₹ 10.00	₹ 10.00	₹ 10.00
Expected volatility	66.76% - 70.65%	44.15% - 59.61%	44.15% - 59.61%	47.63%	26.68% - 43.74%	26.11% - 37.68%	27.17% - 30.20%	26.98% - 28.17%
Expected life / Option Life	3.5 - 6.5 Years	3.5 - 6.5 Years	3.5 - 6.5 Years	6 - 9 Years	3.5 - 6.5 Years	3.5 - 6.5 Years	3.5 - 6.5 Years	3.5 - 6.5 Years
Expected dividends yield	0.33%	1.38%	1.38%	1.31%	2.28%	2.57%	2.49%	1.31%
Risk-free interest rate (based on government bonds)	7.79% - 8.15%	8.06% - 8.20%	8.06% - 8.20%	8.31% - 8.39%	8.49% - 8.52%	7.69% - 7.74%	7.43% - 7.73%	6.88% - 7.14%

29) Finance Cost

Particulars		For the year ended 31st March, 2017	For the year ended 31st March, 2016
(a)	Interest on term loans, bonds and debentures*	**4,810.08**	5,349.35
(b)	Interest on other loans*	**39.52**	532.41
(c)	Finance charges	**9.50**	29.47
(d)	Less: Allocated to projects	**(2,838.26)**	(2,341.38)
Total finance costs		**2,020.84**	3,569.85

* Analysis of Interest Expenses by Category

Particulars		For the year ended 31st March, 2017	For the year ended 31st March, 2016
Interest Expenses			
(a)	On Financial Liability at Amortised Cost	**4,849.60**	5,881.76
(b)	On Financial Liabilities at FVTPL	**-**	-

30) Other Expenses

Particulars		For the year ended 31st March, 2017	For the year ended 31st March, 2016
(a)	Power & Fuel	**48.58**	42.24
(b)	Rent, Rates & Taxes	**659.50**	591.98
(c)	Insurance	**35.63**	39.82
(d)	Repairs and maintenance - Buildings	**533.74**	629.86
(e)	Advertisement, Marketing & Business Development	**970.58**	740.86
(f)	Travelling and Conveyance Expenses	**531.11**	557.16
(g)	Expenditure on corporate social responsibility (CSR) under section 135 of the Companies Act, 2013.	**565.89**	90.89
(h)	Donations and Contributions #	**10.00**	-
(i)	Auditors remuneration and out-of-pocket expenses		
	(1) As Auditors	**45.69**	52.77
	(2) For Taxation matters	**2.25**	4.79
	(3) For Other services	**16.74**	18.13
	(4) For reimbursement of expenses	**2.92**	1.01
(k)	Other expenses		
	(1) Doubtful Debts Provided	**-**	-
	(2) Legal and other professional costs	**856.37**	767.86
	(3) Printing & Stationery	**78.82**	93.07
	(4) Communication	**147.47**	134.26
	(5) Others	**1,012.32**	923.48
Total Other Expenses		**5,517.61**	4,688.18

Donation & Contribution to New Democratic Electoral trust (Incorporated as a section 8 Company under the Companies Act, 2013) Regd Office: 3rd Floor, Cecil Court, Plot 24/26, Mahakavi Bhushan Road, Regal Cinema, Colaba, Mumbai 400001 CIN:- U74120MH2014NPL258367

31) Income Taxes

(a) Income Tax recognised in profit and loss

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Current Tax:		
In respect of current year	**2,876.04**	4,214.37
In respect of prior years	**-**	-
Deferred Tax:		
In respect of current year origination and reversal of temporary differences		
Adjustment due to Provision	**(51.83)**	(28.69)
40a(ia) disallowance	**-**	80.15
Difference between book and tax base of Fixed assets	**(106.43)**	(6.30)
Minimum Alternate Tax Credit	**(173.57)**	-
Deferred Tax on Stock Reserve	**430.06**	232.11
Deferred Tax on Undistriburted Profits of JV/Associates	**326.95**	(197.72)
	425.18	79.55
Total income tax expense on continuing operations	**3,301.22**	4,293.92

(b) Reconciliation of income tax expense and the accounting profit multiplied by Company's domestic tax rate:

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Profit before tax from continuing operations	**9,437.11**	13,975.10
Income tax expense calculated at 34.608% (2016: 34.608%)	**3,266.00**	4,836.50
Effect of income that is exempt from taxation	**(731.31)**	(667.63)
Effect of expenses that is non-deductible in determining taxable profit	**341.36**	45.49
Changes in recognised deductible temporary differences	**425.17**	79.55
	3,301.22	4,293.92
Adjustments recognised in the current year in relation to the current tax of prior years	**-**	-
Income tax expense recognised In profit or loss from continuing operations	**3,301.22**	4,293.92

32) Earnings per Share

Particulars	For the year ended 31st March, 2017 ₹ Per Share	For the year ended 31st March, 2016 ₹ Per Share
Basic Earnings per share		
From continuing operations	**24.91**	22.35
From discontinuing operations	**-**	-
Total basic earnings per share	**24.91**	22.35
Diluted Earnings per share		
From continuing operations	**24.85**	22.28
From discontinuing operations	**-**	-
Total diluted earnings per share	**24.85**	22.28

Basic earnings per share

The earnings and weighted average number of ordinary shares used in the calculation of basic earnings per share are as follows:

	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Profit / (loss) for the year attributable to owners of the Company	**10,223.71**	9170.32
Less: Preference dividend and tax thereon	**-**	-
Profit / (loss) for the year used in the calculation of basic earnings per share	**10,223.71**	9170.32
Profit for the year on discontinued operations used in the calculation of basic earnings per share from discontinued operations	**-**	-
Profits used in the calculation of basic earnings per share from continuing operations	**10,223.71**	9170.32
Weighted average number of equity shares	**41,040,742**	41,021,975
Earnings per share from continuing operations - Basic (₹)	**24.91**	22.35

Diluted earnings per share

The diluted earnings per share has been computed by dividing the Net profit after tax available for Equity shareholders by the weighted average number of equity shares, after giving dilutive effect of the outstanding Warrants, Stock options and Convertible bonds for the respective periods. Since, the effect of the conversion of Preference shares was anti-dilutive, it has been ignored.

	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Profit / (loss) for the year used in the calculation of basic earnings per share	**10,223.71**	9170.32
Add: Interest expense and exchange fluctuation on convertible bonds (net) - adjusted for attributable taxes	**-**	-
Profit / (loss) for the year used in the calculation of diluted earnings per share	**10,223.71**	9170.32
Profit for the year on discontinued operations used in the calculation of diluted earnings per share from discontinued operations	**-**	-
Profits used in the calculation of diluted earnings per share from continuing operations	**10,223.71**	9170.32

The weighted average number of ordinary shares for the purpose of diluted earnings per share reconciles to the weighted average number of ordinary shares used in the calculation of basic earnings per share as follows:

	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Weighted average number of equity shares used in the calculation of Basic EPS	**41,040,742**	41,021,975
Add: Effect of Warrants		
ESOPs	**95,490**	145,784
Weighted average number of equity shares used in the calculation of Diluted EPS	**41,136,232**	41,167,759
Diluted earnings per share (₹)	**24.85**	22.28

Note: The weighted average number of shares takes into account the weighted average effect of changes in treasury share transactions during the year.

33) Disclosure of interest in Subsidiaries and Non Controlling Interest

(a) Details of the Group's material subsidiaries at the end of the reporting period are as follows:

Name of the Subsidiary	Principal Activity	Place of Incorporation and Place of Operation	Proportion of Ownership Interest and Voting power held by the Group			Quoted (Yes/No)
			31-Mar-17	31-Mar-16	01-Apr-15	
Mahindra Residential Developers Limited	Construction of Buildings	India	**96.30%**	96.30%	96.30%	No
Mahindra Integrated Township Limited	Construction of Buildings	India	**96.30%**	96.30%	96.30%	No
Mahindra Water Utilities Limited	Operation & Maintenance of water collection, treatment & distribution	India	**98.99%**	98.99%	NA*	No
Mahindra Infrastructure Developers Limited	Construction of Buildings	India	**100.00%**	100.00%	100.00%	No
Raigad Industrial and Business Park Limited	Construction of Buildings	India	**100.00%**	100.00%	100.00%	No
Industrial Township (Maharashtra) Ltd.	Construction of Buildings	India	**100.00%**	100.00%	100.00%	No
Anthurium Developers Limited	Construction of Buildings	India	**100.00%**	100.00%	100.00%	No
Industrial Cluster Private Limited (Earlier Known as Mahindra Housing Private Limited)	Construction of Buildings	India	**100.00%**	100.00%	100.00%	No
Deepmangal Developers Private Limited	Construction of Buildings	India	**99.99%**	99.99%	99.99%	No
Knowledge Township Limited	Construction of Buildings	India	**100.00%**	100.00%	100.00%	No
Kismat Developers Private Limited	Construction of Buildings	India	**99.99%**	99.99%	99.99%	No
Topical Builders Pvt Ltd	Construction of Buildings	India	**99.99%**	99.99%	99.99%	No
Mahindra World City (Maharashtra) Limited	Construction of Buildings	India	**100.00%**	100.00%	100.00%	No
Moonshine Constructions Private Limited	Construction of Buildings	India	**99.99%**	99.99%	99.99%	No
Ratnabhoomi Enterprises Private Limited	Construction of Buildings	India	**99.99%**	99.99%	99.99%	No

b) As the Group holds majority shares in all the above subsidiaries, there is no material non-controlling interest.

* Mahindra Water Utilities Limited became subsidiary of the Company wef 27th July, 2015. Till then it was joint venture

34) Investment in Joint Arrangements

(a) Details of Material Joint Ventures

Name of associate	Principal activity	Place of incorporation and operation	Proportion of ownership interest/voting rights held by the Group (%)		
			31-Mar-17	31-Mar-16	01-Apr-15
Mahindra World City Developers Limited	Multi Product Special Economic Zone and a Domestic Tariff Area	India	**89.00%**	89.00%	89.00%
Mahindra World City (Jaipur) Limited	Multi Product Special Economic Zone and a Domestic Tariff Area	India	**74.00%**	74.00%	74.00%
Mahindra Bebanco Developers Limited	Development of Residential Complex	India	**70.00%**	70.00%	70.00%
Mahindra Inframan Water Utilities Private Limited	O&M of water & sewerage facilities at Navi Mumbai	India	**50.00%**	50.00%	50.00%
Mahindra Homes Private Limited (Earlier Known as Watsonia Developers Private Limited and before that Watsonia Developers Limited)	Residential Development	India	**74.98%***	50.00%	50.00%
Mahindra Water Utilities Limited	Operation & Maintenance of water collection, treatment & distribution	India	**NA****	NA**	50.00%

All of the above Joint Ventures are accounted for using the equity method in these consolidated financial statements.

** With effect from 27th July, 2015 Mahindra Water Utilities Limited has been ceased to be joint venture and has become subsidiary.

***** During the year ended 31st March 2017, Mahindra Homes Private Limited (MHPL), a 50:50 Joint Venture of the Company and SCM Real Estate (Singapore) Private Limited has allotted in its rights issue 4,11,251 Series A equity shares (with voting rights) of face value of Rs 10 each to the Company on 30th March 2017. As a result, the shareholding and voting rights of the Company in Series A equity shares (with voting rights) of MHPL has increase from 50% to 74.99%.

Summarised financial information in respect of the Group's material joint venture is set out below. The summarised financial information below represents amounts shown in the joint venture's financial statements prepared in accordance with Ind ASs.

Particulars	Mahindra World City Developers Limited			Mahindra World City (Jaipur) Limited			Mahindra Bebanco Developers Limited		
	31-Mar-17	31-Mar-16	01-Apr-15	**31-Mar-17**	31-Mar-16	01-Apr-15	**31-Mar-17**	31-Mar-16	01-Apr-15
Current assets	**38,246.66**	36,966.34	46,412.96	**52,913.28**	48,951.31	51,107.63	**10,119.78**	14,202.40	12,422.77
Non-current assets	**16,841.60**	18,909.97	9,705.01	**17,157.68**	18,382.56	18,238.47	**381.46**	444.58	474.63
Current liabilities	**16,855.63**	7,629.17	4,794.29	**21,360.40**	25,434.47	14,342.76	**6,426.42**	11,267.04	7,241.35
Non-current liabilities	**27,820.64**	35,715.57	38,067.60	**22,700.96**	19,845.50	33,095.80	**2,545.68**	2,521.42	5,021.42
The above amounts of assets and liabilities include the following:									
Cash and cash equivalents	**428.82**	411.22	159.29	**2,415.89**	629.84	276.90	**338.82**	133.14	129.13
Current financial liabilities (excluding trade and other payables and provisions)	**15,841.93**	6,448.60	2,233.10	**17,302.29**	22,124.94	11,385.54	**2,282.35**	6,341.44	2,510.24
Non-current financial liabilities (excluding trade and other payables and provisions)	**24,090.50**	31,744.08	35,113.60	**19,487.83**	16,454.83	29,645.51	**2,521.42**	2,521.42	5,021.42
Revenue	**6,093.47**	21,359.26	-	**17,527.86**	8,570.60	-	**4,952.27**	5,949.14	-
Profit or loss from continuing operations	**(314.42)**	821.20	-	**4,505.49**	694.97	-	**670.62**	223.89	-
Post-tax profit (loss) from discontinued operations		-	-	**-**	-	-	**-**	-	-
Profit (loss) for the year	**(314.42)**	821.20	-	**4,505.49**	694.97	-	**670.62**	223.89	-
Other comprehensive income for the year	**7.95**	-	-	**8.18**	7.00	-	**6.08**	-	-
Total comprehensive income for the year	**(306.47)**	821.21	-	**4,497.31**	687.97	-	**676.71**	223.89	-
Dividends received from the joint venture during the year									
The above profit (loss) for the year includes the following:									
Depreciation and amortisation	**464.67**	471.33	-	**767.99**	860.60	-	**64.75**	62.19	-
Interest income	**-**	141.18	-	**102.22**	66.48	-	**48.47**	47.50	-
Interest expense	**4,110.55**	4,141.43	-	**3,941.93**	4,044.64	-	**-**	-	-
Income tax expense (income)	**(158.59)**	104.56	-	**2,469.37**	728.83	-	**395.06**	111.95	-

34) Investment in Joint Arrangements (Cont….)

Particulars	Mahindra Homes Private Limited		
	31-Mar-17	31-Mar-16	1-Apr-15
Current assets	**107,688.40**	99,037.42	84,238.03
Non-current assets	**870.96**	1,467.58	884.74
Current liabilities	**25,144.42**	18,751.64	22,376.03
Non-current liabilities	**82,467.22**	82,452.31	64,034.00
The above amounts of assets and liabilities include the following:			
Cash and cash equivalents	**740.28**	787.60	1,441.00
Current financial liabilities (excluding trade and other payables and provisions)	**20,347.47**	11,322.34	17,885.94
Non-current financial liabilities (excluding trade and other payables and provisions)	**82,467.22**	82,452.31	64,034.00
Revenue	**20,419.57**	15,618.34	-
Profit or loss from continuing operations	**1,598.17**	595.68	-
Post-tax profit (loss) from discontinued operations	**-**	-	-
Profit (loss) for the year	**1,598.17**	595.68	-
Other comprehensive income for the year	**7.37**	(7.37)	-
Total comprehensive income for the year	**1,605.54**	588.31	-
Dividends received from the joint venture during the year	**-**	-	-
The above profit (loss) for the year includes the following:	**-**	-	-
Depreciation and amortisation	**215.71**	203.26	-
Interest income	**21.75**	30.49	-
Interest expense	**229.13**	164.40	-
Income tax expense (income)	**871.85**	(532.02)	-

Reconciliation of the above summarised financial information to the carrying amount of the interest in the joint venture recognised in the consolidated financial statements:

Particulars	Mahindra World City Developers Limited			Mahindra World City (Jaipur) Limited			Mahindra Bebanco Developers Limited		
	31-Mar-17	31-Mar-16	01-Apr-15	**31-Mar-17**	31-Mar-16	01-Apr-15	**31-Mar-17**	31-Mar-16	01-Apr-15
Net assets of the associate	**12,201.15**	12,535.46	11,951.07	**26,046.27**	21,988.39	21,907.55	**1,411.68**	819.76	599.73
Proportion of the Group's ownership interest in Joint Venture	**10,859.02**	11,156.56	10,636.45	**19,274.24**	16,271.41	16,211.59	**988.18**	573.83	419.81
Goodwill	**1,761.23**	1,761.23	1,761.23						
Stock Reserve	**(5,007.11)**	(5,007.11)	(2,576.34)	**(369.64)**	(392.44)	(431.96)	**(269.99)**	(490.21)	(608.49)
Deferred Tax On stock reserve	**1,737.96**	1,737.96	891.67	**154.02**	161.91	149.49	**93.44**	169.65	210.59
Share of Profit of Mahindra Residential Developers Limited	**814.64**	877.54	777.66	**-**	-	-	**-**	-	-
Share of Profit of Mahindra Integrated Township Limited	**1,013.10**	664.03	540.40	**-**	-	-	**-**	-	-
Share of Mahindra Industrial Park Chennai Limited	**(149.65)**	(40.03)	4.02	**-**	-	-	**-**	-	-
Share of Deemed Divestiture Gain	**480.60**	480.60	-	**-**	-	-	**-**	-	-
Carrying amount of the Group's interest in Joint Venture	**11,509.78**	11,630.78	12,035.10	**19,058.62**	16,040.88	15,929.12	**811.63**	253.28	21.91

Particulars	Mahindra Homes Private Limited		
	31-Mar-17	31-Mar-16	01-Apr-15
Net assets of the associate	**947.72**	(702.84)	(1,287.26)
Proportion of the Group's ownership interest in Joint Venture	**473.86**	(351.42)	(643.63)
Carrying amount of the Group's interest in Joint Venture	**473.86**	(351.42)	(643.63)

Aggregate information of Joint Venture that are not individually material

Particulars	Mahindra Inframan Water Utilities Private Limited		
	31-Mar-17	31-Mar-16	01-Apr-15
The Group's share of profit (loss) from continuing operations	**(1.32)**	(0.62)	0.14
The Group's share of post-tax profit (loss) from discontinued operations	**-**	-	-
The Group's share of other comprehensive income	**-**	-	-
The Group's share of total comprehensive income	**(1.32)**	(0.62)	0.14
Aggregate carrying amount of the Group's interests in these Joint Ventures	**(1.32)**	(0.62)	0.14
Unrecognised share of loss of a Joint Venture for the year	**-**	-	-
Cumulative share of loss of a Joint Venutre	**(1.32)**	(0.62)	0.14

(b) Details of Jointly Controlled Operations

(i) Development of the following residential projects:

G.E. Gardens, Mumbai

Kukattpally, Hyderabad

(ii) Project for providing potable drinking water and sewerage facilities at Tirupur, Tamil Nadu

35) Business Combinations

(a) Joint Venture became Subsidiary after Acquisition

On 27th July, 2015, Mahindra Lifespace Developers Limited acquired 48.99 % of voting shares of Mahindra Water Utilities Limited. The primary reason for business combination was to increase stake.

Name of the Company	Principal Activity	Date of Acquisition	Proportion of voting equity interest acquired	Consideration transferred [Refer Note (d)]
Mahindra Water Utilities Limited	Operation & Maintenance of water collection, treatment & distribution	27th July 2015	48.99%	0.52
Consequent to above, Mahindra Lifespace Developers Limited holds 98.99% of voting shares of Mahindra Water Utilities Limited.				

(b)

Consideration Transferred	Mahindra Water Utilities Limited
Cash	0.52
Total Consideration	0.52

(c) Assets Acquired and liabilities recognised at the date of acquisition

Particulars	Amount
Current Assets	
Cash and & cash equivalents	1,000.98
Trade and other receivables	1,750.00
Inventories	-
Current investments	2.72
Short-term loans and advances	34.11
Other current assets	17.04
Non-current assets	
Tangible assets	15.17
Deferred tax assets (net)	211.84
Long-term loans and advances	154.23
Other non-current assets	2,223.00
Current liabilities	
Trade payables	(290.85)
Other current liabilities	(140.84)
Short-term provisions	(192.58)
Non-current liabilities	
Long-term provisions	(40.87)
	4,743.95

35) Business Combinations (Cont.....)

(d) Non Controlling Interest

For each business combination in which the acquirer holds less than 100 per cent of the equity interests in the acquiree at the acquisition date:

(i) the amount of the non-controlling interest in the acquiree recognised at the acquisition date and the measurement basis for that amount; and

(ii) for each non-controlling interest in an acquiree measured at fair value, the valuation technique(s) and significant inputs used to measure that value.

Particulars	Proportionate holding by non controlling interest	Amount of non controlling interest	Measurement basis of non controlling interest
Minority Interest	1.01%	47.91	Proportionate share of acquired net identifiable assets.

(e) Goodwill/(Capital Reserve) arising on acquistion

A qualitative description of the factors that make up the goodwill recognised, such as expected synergies from combining operations of the acquiree and the acquirer, intangible assets that do not qualify for separate recognition or other factors.

Particulars	Mahindra Water Utilities Limited
Consideration transferred	0.52
Less : Fair Value of net assets acquired	2,309.67
Goodwill / (Capital Reserve) Arising on acquisition	(2,309.15)

(f) Impact of acquisitions on the results of the Group

The acquired business contributed revenue of ₹. 1,143.33 lakh and net profit of ₹. 275.28 lakh to Mahindra Lifespace Developers Limited for the period from 27th July 2015 to 31st March 2016.

Had this business combination been effected at 1st April 2015, the revenue of the Group from continuing operations for FY.2016 would have been ₹. 69,147.75 lakh, and the profit for the year from continuing operations would have been ₹. 9,229.82 lakh.

36) Financial Instruments

Capital management

The Group's capital management objectives are:

- safeguard its ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders
- maintain an optimal capital structure to reduce the cost of capital

The Management of the Group monitors the capital structure using debt ratio which is determined as the proportion of total debt to total equity.

Debt-to-Equity ratios are as follows:

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Debt (A)	**65,163**	78,425	51,660
Equity (B)	**169,957**	162,958	154,039
Debt Equty Ratio (A / B)	**0.38**	0.48	0.34

Categories of financial assets and financial liabilities

The following tables shows the carrying amount and fair values of financial assets and financial liabilities by category:

As at 31st March, 2017

	Amortised Costs	FVTPL	FVOCI	Total
Non-current Assets				
Investments	**59,680.04**	**-**	**-**	**59,680.04**
Trade Receivables	**2,200.47**	**-**	**-**	**2,200.47**
Loans	**1,629.11**	**-**	**-**	**1,629.11**
Other Financial Assets				
- Non Derivative Financial Assets	**20.52**	**-**	**-**	**20.52**
Current Assets				
Investments	**-**	**14,566.34**	**-**	**14,566.34**
Trade Receivables	**7,608.72**	**-**	**-**	**7,608.72**
Cash and Cash Equivalents	**7,508.03**	**-**	**-**	**7,508.03**
Other Bank Balances	**893.21**	**-**	**-**	**893.21**
Loans	**27,333.87**	**-**	**-**	**27,333.87**
Other Financial Assets				
- Non Derivative Financial Assets	**12,566.37**	**-**	**-**	**12,566.37**
Non-current Liabilities				
Borrowings	**27,478.26**	**-**	**-**	**27,478.26**
Other Financial Liabilities				
- Non Derivative Financial Liabilities	**5,545.19**	**-**	**-**	**5,545.19**
Current Liabilities				
Borrowings	**20,184.77**	**-**	**-**	**20,184.77**
Trade Payables	**25,669.75**	**-**	**-**	**25,669.75**
Other Financial Liabilities				
- Non Derivative Financial Liabilities	**29,076.32**	**-**	**-**	**29,076.32**

As at 31st March, 2016

	Amortised Costs	FVTPL	FVOCI	Total
Non-current Assets				
Investments	59,198.72	-	-	59,198.72
Trade Receivables	3,306.66	-	-	3,306.66
Loans	1,883.89	-	-	1,883.89
Other Financial Assets				
- Non Derivative Financial Assets	157.12	-	-	157.12
Current Assets				
Investments	-	20,117.57	-	20,117.57
Trade Receivables	6,347.19	-	-	6,347.19
Cash and Cash Equivalents	11,943.60	-	-	11,943.60
Other Bank Balances	845.71	-	-	845.71
Loans	19,034.96	-	-	19,034.96
Other Financial Assets				
- Non Derivative Financial Assets	10,538.41	-	-	10,538.41
Non-current Liabilities				
Borrowings	44,934.27	-	-	44,934.27
Other Financial Liabilities				
- Non Derivative Financial Liabilities	8,412.98	-	-	8,412.98
Current Liabilities				
Borrowings	20,990.75	-	-	20,990.75
Trade Payables	25,378.19	-	-	25,378.19
Other Financial Liabilities				
- Non Derivative Financial Liabilities	24,331.81	-	-	24,331.81

36) Financial Instruments (Cont…..)

As at 1st April, 2015

	Amortised Costs	FVTPL	FVOCI	Total
Non-current Assets				
Investments	61,709.31	-	-	61,709.31
Trade Receivables	-	-	-	-
Loans	18,613.71	-	-	18,613.71
Other Financial Assets	-	-	-	-
- Non Derivative Financial Assets	111.91	-	-	111.91
Current Assets				
Investments	-	-	-	-
Trade Receivables	2,870.14	-	-	2,870.14
Cash and Cash Equivalents	4,789.39	-	-	4,789.39
Other Bank Balances	732.29	-	-	732.29
Loans	27,893.17	-	-	27,893.17
Other Financial Assets				
- Non Derivative Financial Assets	11,048.35	-	-	11,048.35
Non-current Liabilities				
Borrowings	49,893.19	-	-	49,893.19
Other Financial Liabilities				
- Non Derivative Financial Liabilities	5,189.79	-	-	5,189.79
Current Liabilities				
Borrowings	1,767.30	-	-	1,767.30
Trade Payables	19,667.65	-	-	19,667.65
Other Financial Liabilities				
- Non Derivative Financial Liabilities	11,589.61	-	-	11,589.61

Financial Risk Management Framework

The Group's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk. In order to manage the aforementioned risks, the Group operates a risk management policy and a program that performs close monitoring of and responding to each risk factor.

CREDIT RISK

(i) Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. Credit risk arises from cash and cash equivalents, investments carried at amortised cost, deposits with banks and financial institutions as well as credit exposures to customers including outstanding receivables.

Trade Receivables:

The Groups trade receivables include receivables on sale of residential flats and rent receivable. As per the Group's flat handover policy, a flat is handed over to a customer only upon payment of entire amount of consideration.The rent receivables are secured by security deposits obtained under the lease agreement. Thus, the Group is not exposed to any credit risk on receivables from sale of residential flats and rent receivables.

Balances with Banks, mutual funds and other financial assets:

For banks and financial institutions, only high rated banks/institutions are accepted. The Group holds cash and cash equivalents with bank and financial institution counterparties, which are having highest safety ratings based on ratings published by various credit rating agencies. The Group considers that its cash and cash equivalents have low credit risk based on external credit ratings of the counterparties.

The Group holds mutual funds with financial institution counterparties, which are having highest safety ratings based on ratings published by various credit rating agencies. The Group considers that its mutual funds have low credit risk based on external credit ratings of the counterparties.

For other financial assets, the Group assesses and manages credit risk based on reasonable and supportive forward looking information. The Group does not have significant credit risk exposure for these items.

LIQUIDITY RISK

(i) Liquidity risk management

The Company has established an appropriate liquidity risk management framework for the management of the Company's short-, medium- and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

(ii) Maturities of financial liabilities

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The amount disclosed in the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows.

To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the Company may be required to pay.

Particulars	Less than 1 Year	1-3 Years	3 -5 Years
Non-derivative financial liabilities			
31st March, 2017			
Non-interest bearing			
Trade Payable	**25,669.75**	**-**	**-**
Other Current Financial Liabilities	**29,076.32**	**-**	**-**
Interest Accrued but not due	**4,043.04**	**-**	**-**
Variable interest rate instruments			
Short Term Borrowing - Principal	**721.58**	**-**	**-**
Fixed interest rate instruments			
Long Term Borrowing - Principal	**-**	**4,993.27**	**2,493.98**
Total	**59,510.69**	**4,993.27**	**2,493.98**
31st March, 2016			
Non-interest bearing			
Trade Payable	25,378.19	-	-
Other Current Financial Liabilities	24,331.81	-	-
Interest Accrued but not due	3,759.98	-	-
Variable interest rate instruments			
Short Term Borrowing - Principal	1,503.65	-	-
Fixed interest rate instruments			
Redeemable Preference shares	1.00	-	-
Long Term Borrowing - Principal	-	2,495.66	4,986.86
Total	**54,974.64**	**2,495.66**	**4,986.86**
1st April, 2015			
Non-interest bearing			
Trade Payable	19,667.65	-	-
Other Current Financial Liabilities	11,589.61	-	-
Interest Accrued but not due	3,303.79	-	-
Variable interest rate instruments			
Short Term Borrowing - Principal	2,700.00	-	-
Fixed interest rate instruments			
Redeemable Preference shares	1.00	-	-
Long Term Borrowing - Principal	-	5,770.00	-
Total	**37,262.05**	**5,770.00**	**-**

(iii) Financing arrangements

The Company had access to following undrawn borrowing facilities at the end of the reporting period:

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Secured Bank Overdraft facility			
- Expiring within one year	**14,901.42**	9,276.55	-
Secured Bank Guarantee Limit			
- Expiring within one year	**414.00**	1,244.53	333.86
Secured Letter of Credit (sub limit of Bank Guarantee)			
- Expiring within one year	**100.00**	50.00	880.85
	15,415.42	10,571.08	1,214.71

(iv) Maturities of financial assets

The following table details the Company's expected maturity for its non-derivative financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the Company's liquidity risk management as the liquidity is managed on a net asset and liability basis.

Particulars	**Less than 1 Year**	**1-3 Years**	**3-5 Years**
Non-derivative financial assets			
31st March, 2017			
Non Current Investment	**59,680.03**	**-**	**-**
Current Investment	**14,566.34**	**-**	**-**
Trade Receivable	**2,200.47**	**7,608.72**	**-**
Non Current Intercorporate Deposit	**-**	**-**	**1,629.11**
Current Intercorporate Deposit	**3,001.44**	**-**	**-**
Other Loan & Advances	**24,332.43**	**-**	**-**
Other Financial Assets	**12,566.37**	**-**	**-**
Fixed Deposit	**-**	**20.52**	**-**
Total	**116,347.08**	**7,629.24**	**1,629.11**
31st March, 2016			
Non Current Investment	59,198.72	-	-
Current Investment	20,117.57	-	-
Trade Receivable	3,306.66	6,347.19	-
Non Current Intercorporate Deposit	-	-	1,883.89
Current Intercorporate Deposit	2,253.08	-	-
Other Loan & Advances	16,781.88	-	-
Other Financial Assets	10,538.41	-	-
Fixed Deposit	-	157.12	-
Total	112,196.31	6,504.31	1,883.89
1st April, 2015			
Non Current Investment	61,709.31	-	-
Current Investment	-	-	-
Trade Receivable	2,870.14	-	-
Non Current Intercorporate Deposit	-	-	18,613.71
Current Intercorporate Deposit	2,253.08	-	-
Other Loan & Advances	25,640.09	-	-
Other Financial Assets	11,048.35	-	-
Fixed Deposit	-	111.91	-
Total	103,520.97	111.91	18,613.71

36) Financial Instruments (Cont…..)

MARKET RISK

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk such as equity price risk and commodity price risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. The Company uses derivatives to manage market risks. Derivatives are only used for economic hedging purposes and not as speculative investments. All such transactions are carried out within the guidelines set by the Board of Directors.

Currency Risk

Foreign currency risk is the risk that the fair value or the future cash flows of an exposure will fluctuate because of changes in the foreign exchange rate. The Group undertakes transactions denominated in foreign currencies only for the purchases of the components which are required to carry out the construction activities. The Group manages its foreign currency risk by forward contracts that are expected to occur within a maximum 12 month from the entering of a contract.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.The Company manages its interest rate risk by having a balanced portfolio of fixed and floating rate loans and borrowings.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's financial statements are affected through the impact on floating rate borrowings, as follows:

	Currency	Increase / decrease in basis points	Effect on profit before tax (₹ in lakh)
31-Mar-17	**INR**	**+100**	**85.64**
	INR	**-100**	**(85.64)**
31-Mar-16	INR	+100	35.99
	INR	-100	(35.99)

37) Fair Value Measurement

Fair Valuation Techiques and Inputs used - recurring Items

Financial assets/ financial liabilities measured at Fair value	Fair value as at			Fair value hierarchy	Valuation technique(s) and key input(s)
	31st March, 2017	31st March, 2016	1st April, 2015		
Financial assets					
Investments					
1) Mutual fund investments	**14,566.34**	20,117.57	-	Level 1	NAV
Total financial assets	**14,566.34**	20,117.57	-		
Financial liabilities	**-**	-	-		
Total financial liabilities	**-**	-	-		

Financial assets and financial liabilities that are not measured at fair value

Particulars	As at 31st March, 2017 Carrying amount	Fair value	As at 31st March, 2016 Carrying amount	Fair value	As at 1st April, 2015 Carrying amount	Fair value
Financial assets						
Financial assets carried at Amortised Cost						
– investments	**59,680.04**	**-**	59,198.72	-	61,709.31	-
– loans to related parties	**1,629.11**	**-**	1,883.89	-	18,613.71	-
– Fixed Deposit	**20.52**	**-**	157.12	-	111.91	-
– Current Investment	**-**	**-**	-	-		-
– trade and other receivables	**7,608.72**	**-**	6,347.19	-	2,870.14	-
– Cash and cash equivalents	**7,508.03**	**-**	12,379.33	-	5,233.14	-
– Other Bank Balance	**893.21**	**-**	845.71	-	732.29	-
– Short Term Loans	**27,333.87**	**-**	19,034.96	-	27,893.17	-
– Other Current Financial	**12,566.37**	**-**	10,538.41	-	11,048.35	-
Total	**117,239.87**	**-**	110,385.33	-	128,212.02	-
Financial liabilities						
Financial liabilities held at amortised cost						
– Non Current Borrowing						
– Other Long Term Financial Liability	**27,478.25**	**-**	37,441.74	-	49,893.19	-
– Short Term Borrowing	**5,545.19**	**-**	8,186.02	-	5,189.71	-
– Trade Payable	**20,184.77**	**-**	19,147.12	-	1,767.30	-
– Other Current Financial Liability	**25,669.75**	**-**	23,981.10	-	21,436.02	-
– Financial lease payables	**29,076.32**	**-**	22,305.53	-	14,731.06	-
Total	**107,954.28**	**-**	111,061.51	-	93,017.28	-

Fair value hierarchy as at 31st March, 2017

	Level 1	**Level 2**	**Level 3**	**Total**
Financial assets				
Financial assets carried at Amortised Cost				
– investments in debt instruments	**-**	**59,680.04**	**-**	**59,680.04**
– loans to related parties	**-**	**1,629.11**	**-**	**1,629.11**
– Other Non Current Financial Assets	**-**	**20.52**	**-**	**20.52**
– trade and other receivables	**-**	**7,608.72**	**-**	**7,608.72**
– Cash and cash equivalents	**-**	**7,508.03**	**-**	**7,508.03**
– Other Bank Balance	**-**	**893.21**	**-**	**893.21**
– Short Term Loans	**-**	**27,333.87**	**-**	**27,333.87**
– Other Current Financial assets	**-**	**12,566.37**	**-**	**12,566.37**
Total	**-**	**117,239.87**	**-**	**117,239.87**
Financial liabilities				
Financial Instruments not carried at Fair Value				
– Non Current Borrowing	**-**	**27,478.25**	**-**	**27,478.25**
– Other Long Term Financial Liability	**-**	**5,545.19**	**-**	**5,545.19**
– Short Term Borrowing	**-**	**20,184.77**	**-**	**20,184.77**
– Trade Payable	**-**	**25,669.75**	**-**	**25,669.75**
– Other Current Financial Liability	**-**	**29,076.32**	**-**	**29,076.32**
Total	**-**	**107,954.28**	**-**	**107,954.28**

Fair value hierarchy as at 31st March, 2016

	Level 1	Level 2	Level 3	Total
Financial assets				
Financial assets carried at Amortised Cost				
– investments in debt instruments	-	59,198.72	-	59,198.72
– loans to related parties	-	1,883.89	-	1,883.89
Other Non Current Financial Assets	-	154.01	-	154.01
Current Investment	-	-	-	-
– trade and other receivables	-	6,347.19	-	6,347.19
Cash and cash equivalents	-	12,379.33	-	12,379.33
– Other Bank Balance	-	845.71	-	845.71
Short Term Loans	-	19,034.96	-	19,034.96
Other Current Financial	-	10,538.41	-	10,538.41
Total	-	110,385.33	-	110,385.33
Financial liabilities				
Financial Instruments not carried at Fair Value				
Non Current Borrowing	-	44,934.27	-	44,934.27
Other Long Term Financial Liability	-	8,299.50	-	8,299.50
Short Term Borrowing	-	20,990.75	-	20,990.75
Trade Payable	-	28,268.40	-	28,268.40
Other Current Financial Liability	-	26,436.08	-	26,436.08
Total	-	128,929.00	-	128,929.00

Fair value hierarchy as at 1st April, 2015

	Level 1	Level 2	Level 3	Total
Financial assets				
Financial assets carried at Amortised Cost				
– investments in debt instruments	-	61,709.31	-	61,709.31
– loans to related parties	-	18,613.71	-	18,613.71
Other Non Current Financial Assets	-	111.91	-	111.91
Current Investment	-		-	
– trade and other receivables	-	2,870.14	-	2,870.14
Cash and cash equivalents	-	5,233.14	-	5,233.14
– Other Bank Balance	-	732.29	-	732.29
Short Term Loans	-	27,893.17	-	27,893.17
Other Current Financial	-	11,048.35	-	11,048.35
Total	-	128,212.02	-	128,212.02
Financial liabilities				
Financial Instruments not carried at Fair Value				
Non Current Borrowing	-	49,893.19	-	49,893.19
Other Long Term Financial Liability	-	5,189.71	-	5,189.71
Short Term Borrowing	-	1,767.30	-	1,767.30
Trade Payable	-	21,436.02	-	21,436.02
Other Current Financial Liability	-	14,731.06	-	14,731.06
Total	-	93,017.28	-	93,017.28

Note: The Group has not disclosed the fair value for financial instruments, because the carrying amounts are a reasonable approximation of fair value.

38) Leases

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016	For the year ended 1st April, 2015
Details of leasing arrangements			
As Lessor			
Operating Lease			
The Company has entered into operating lease arrangements for Mahindra Towers, Delhi and GE Plaza, Pune. The lease is non-cancellable for a period of 1 to 5 years and may be renewed for a further period of 1 year based on mutual agreement of the parties.			
Future minimum lease payments			
not later than one year	**5.64**	2.79	1506.16
later than one year and not later than five years	**-**	-	7.08
later than five years	**-**	-	-
As Lessee			
Operating Lease			
The Company has entered into operating lease arrangements for Worli Office. The lease is non-cancellable for a period of 1 to 5 years and may be renewed for a further period of 1 year based on mutual agreement of the parties.			
Future Non-Cancellable minimum lease commitments			
not later than one year	**166.25**	142.40	114.28
later than one year and not later than five years	**37.32**	-	-
later than five years	**-**	-	-
Expenses recognised in the Statement of Profit and Loss			
Minimum Lease Payments	**531.84**	499.18	466.46

39) Segment information

As per Ind AS 108 'Operating Segment', the Company has reported Segment Information for below segments :

i) **Operating of Commercial Complexes:** This Segment of the business includes rental income from commercial properties at Gurgaon and Pune.

ii) **Projects, Project Management & Development:** This Segment of the business includes income from sale of residential units across projects, project management and development in India.

For the purpose of this, the Managing Director & CEO is the Chief Operating Decision Maker

Year ended 31st March, 2017

Particulars	Operating of Commercial Complexes	Projects, Project Management & Development	Total Segments	Adjustment & Eliminations	Consolidated
REVENUE					
External customers	2,018.71	74,196.06	76,214.77	-	76,214.77
Inter-segment	-	-	-	-	-
Total revenue	**2,018.71**	**74,196.06**	**76,214.77**	**-**	**76,214.77**
Income/ (Expenses)					
Depreciation and amortisation	(50.31)	(134.80)	(185.11)	(277.07)	(462.18)
Entity's interest in the profit or loss of associates and joint ventures accounted for by equity method	-	4,453.18	4,453.18	-	4,453.18
Income tax expense or income	-	-	-	(3,301.22)	(3,301.22)
Interest income	-	588.27	588.27	5,354.89	5,943.16
Interest expense	-	(2,020.84)	(2,020.84)	-	(2,020.84)
Segment profit	**1,951.46**	**15,812.94**	**17,764.40**	**(7,175.33)**	**10,589.07**
Total assets	**1,789.57**	**261,724.06**	**263,513.63**	**28,291.20**	**291,804.83**
Total liabilities	**689.60**	**104,033.02**	**104,722.62**	**12,775.69**	**117,498.31**

39) Segment information (Cont…)

Year ended 31 March, 2016

Particulars	Operating of Commercial Complexes	Projects, Project Management & Development	Total Segments	Adjustment & Eliminations	Consolidated
REVENUE					
External customers	2,018.95	57,297.74	59,316.69	-	59,316.69
Inter-segment	-	-	-	-	-
Total revenue	**2,018.95**	**57,297.74**	**59,316.69**	**-**	**59,316.69**
Income/ (Expenses)					
Depreciation and amortisation	(50.31)	(64.47)	(114.78)	(302.82)	(417.60)
Goodwill impairment"	-	-	-	-	-
Impairment on FVTOCI financial assets	-	-	-	-	-
Entity's interest in the profit or loss of associates and joint ventures accounted for by equity method	-	222.78	222.78	-	(222.78)
Income tax expense or income	-	-	-	(4,293.91)	(4,293.91)
Interest income	-	412.52	412.52	8,449.59	8,862.11
Interest expense	-	(3,569.85)	(3,569.85)	-	(3,569.85)
Segment profit	**1,920.74**	**11,420.00**	**13,340.74**	**(3,882.34)**	**9,458.40**
Segment assets	**2,002.82**	**268,235.21**	**270,238.03**	**30,734.24**	**300,972.27**
Segment liabilities	**560.00**	**120,935.51**	**121,495.51**	**12,665.79**	**134,161.30**

Reconciliation of profit	**For the year ended 31st March, 2017**	For the year ended 31st March, 2016
Segment profit	**17,764.40**	13,340.74
Finance income	**5,354.89**	8,404.19
Depreciation	**(277.07)**	(284.30)
Employee Benefit Expenses	**(5,820.35)**	(5,024.02)
Other Income	**611.32**	538.51
Other Expenses	**(3,742.91)**	(3,222.81)
Profit before tax and discontinued operations	**13,890.29**	13,752.31

Reconciliation of assets	**As at 31st March, 2017**	As at 31st March, 2016
Segment operating assets	**263,513.64**	270,238.03
PPE	**1,065.24**	1,046.63
Cash & Cash equivalents	**4,616.91**	12,034.68
Other financial assets	**12,336.26**	10,322.22
Loan	**10,272.78**	7,330.71
Total assets	**291,804.83**	300,972 .27

Reconciliation of liabilities	As at 31st March, 2017	As at 31st March, 2016
Segment operating liabilities	**104,722.62**	121,495.51
Deferred tax liabilities	**760.84**	321.41
Provisions	**1,110.34**	873.76
Trade Payables	**2,604.28**	1,905.40
Other Financial liabilities	**8,112.98**	9,565.22
Other Current Liabilities	**187.25**	-
Total liabilities	**117,498.31**	134,161.30

Geographic information	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Revenue from Operations from external customers		
India	**76,214.77**	59,316.69
Outside India	**-**	-
Total revenue per consolidated statement of profit or loss	**76,214.77**	59,316.69

Non-current operating assets:	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
India	**9,954.94**	10,024.94	10,012.88
Outside India	**-**	-	-
Total	**9,954.94**	10,024.94	10,012.88

Non-current assets for this purpose consist of property, plant and equipment, investment properties, Goodwill and intangible assets.

40) Employee benefits

(a) Defined Contribution Plan

The Company's contribution to Provident Fund and Superannuation Fund aggregating ₹ 424.85 lakh (31st March, 2016 : ₹ 355.97 Lakh) has been recognised in the Statement of Profit or Loss under the head Employee Benefits Expense.

(b) Defined Benefit Plans:

Gratuity

The Company operates a gratuity plan covering qualifying employees. The benefit payable is the greater of the amount calculated as per the Payment of Gratuity Act, 1972 or the Company scheme applicable to the employee. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting. The Company makes annual contribution to the group gratuity scheme administered by the Life Insurance Corporation of India through its Gratuity Trust Fund.

The significant actuarial assumptions used for the purposes of the actuarial valuations were as follows:

	Valuation as at		
	31st March, 2017	31st March, 2016	1st April, 2015
Discount rate(s)	**6.68% - 7.30%**	7.46% - 7.65%	7.77% - 7.95%
Expected rate(s) of salary increase	**6% - 7%**	7% - 9%	12.00%
Attrition Rate	**5.00%**	2% - 5%	5.00%
Mortality	**IALM (2006-08) ULT.**	IALM (2006-08) ULT.	IALM (2006-08) ULT.

Retirement age of the employees is assumed to be 60 years.

40 Employee benefits (Cont…..)

Defined benefit plans – as per actuarial valuation on 31st March, 2017

Particulars	Funded Plan Gratuity 2017	2016
Amounts recognised in comprehensive income in respect of these defined benefit plans are as follows:		
Service Cost		
Current Service Cost	**77.61**	76.88
Past service cost and (gains)/losses from settlements	**-**	-
Net interest expense	**7.96**	9.92
Components of defined benefit costs recognised in profit or loss	**85.58**	86.80
Remeasurement on the net defined benefit liability		
Return on plan assets (excluding amount included in net interest expense)	**(0.58)**	(2.63)
Actuarial gains and loss arising form demographic assumptions	**(0.23)**	(37.05)
Actuarial gains and loss arising form changes in financial assumptions	**30.93**	14.08
Actuarial gains and loss arising form experience adjustments	**(119.50)**	(76.90)
Components of defined benefit costs recognised in other comprehensive income	**(89.38)**	(102.50)
Total	**(3.80)**	(15.70)
I. Net Asset/(Liability) recognised in the Balance Sheet as at 31st March		
1. Present value of defined benefit obligation as at 31st March	**317.25**	324.83
2. Fair value of plan assets as at 31st March	**226.98**	218.11
3. Surplus/(Deficit) (2-1)	**(90.27)**	(106.72)
4. Current portion of the above (3-4)	**(4.23)**	(5.59)
5. Non current portion of the above	**(86.03)**	(101.13)
II. Change in the obligation during the year ended 31st March		
1. Present value of defined benefit obligation at the beginning of the year	**324.83**	323.84
2. Add/(Less) on account of Scheme of Arrangement/Business Transfer	**-**	-
3. Expenses Recognised in Profit and Loss Account	**-**	-
- Current Service Cost	**77.61**	76.88
- Past Service Cost	**-**	-
- Interest Expense (Income)	**23.88**	25.15
4. Recognised in Other Comprehensive Income		
Remeasurement gains / (losses)	**-**	-
- Actuarial Gain (Loss) arising from:	**-**	-
i. Demographic Assumptions	**-**	(36.74)
ii. Financial Assumptions	**30.93**	14.08
iii. Experience Adjustments	**(119.50)**	(76.90)
5. Benefit payments	**(20.50)**	(1.48)
6. Others (Specify)	**-**	-
7. Present value of defined benefit obligation at the end of the year	**317.25**	324.83
III. Change in fair value of assets during the year ended 31st March		
1. Fair value of plan assets at the beginning of the year	**218.11**	173.80
2. Add/(Less) on account of Scheme of Arrangement/Business Transfer	**-**	22.67
3. Expenses Recognised in Profit and Loss Account	**-**	-
- Expected return on plan assets	**16.94**	17.62
4. Recognised in Other Comprehensive Income	**-**	-
Remeasurement gains / (losses)	**-**	-
- Actual Return on plan assets in excess of the expected return	**(0.44)**	0.28
- Others (specify)	**-**	-
5. Contributions by employer (including benefit payments recoverable)	**12.87**	5.22
6. Benefit payments	**(20.50)**	(1.48)
7. Fair value of plan assets at the end of the year	**226.98**	218.11
IV. The Major categories of plan assets		
- Insurer managed funds (Non Quoted Value)	**226.98**	218.11

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Principal assumption		Changes in assumption	Impact on defined benefit obligation	
			Increase in assumption	Decrease in assumption
Discount rate	**2017**	**1.00%**	**275.25**	**368.50**
	2016	1.00%	282.19	376.89
	2015	1.00%	295.46	356.97
Salary growth rate	**2017**	**1.00%**	**354.53**	**283.99**
	2016	1.00%	359.29	292.60
	2015	1.00%	347.20	302.43

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the Balance sheet.

The methods and types of assumptions used in preparing the sensitivity analyses did not change compared to previous period.

The Company expects to contribute ₹ 4.23 lakh to the gratuity trusts during the next financial year of 2018.

Maturity profile of defined benefit obligation:

	2017	2016	2015
Within 1 year	**6.52**	17.56	158.88
1 - 2 year	**23.89**	23.17	39.86
2 - 3 year	**28.51**	27.40	58.92
3 - 4 year	**20.15**	33.47	92.57
4 - 5 year	**18.00**	25.34	103.23
5 - 10 years	**256.65**	266.54	398.47

Plan Assets

The fair value of Company's pension plan asset as of 31 March, 2016 and 2015 by category are as follows:

	2017	2016	2015
Asset category:			
Deposits with Insurance companies	**100%**	100%	100%
	100%	100%	100%

The Company's policy is driven by considerations of maximizing returns while ensuring credit quality of the debt instruments. The asset allocation for plan assets is determined based on investment criteria prescribed under the Indian Income Tax Act, 1961, and is also subject to other exposure limitations. The Company evaluates the risks, transaction costs and liquidity for potential investments. To measure plan asset performance, the Company compares actual returns for each asset category with published benchmarks.

The weighted average duration of the defined benefit obligation as at 31 March, 2017 is 35.39 years (2016: 35.10 years, 2015: 35.19 years)

VIII. Experience Adjustments :

		Period Ended				
		2017 Gratuity	2016	2015	2014	2013
1.	Defined Benefit Obligation	**317.25**	324.83	323.84	241.94	153.61
2.	Fair value of plan assets	**226.98**	218.11	173.80	189.21	148.03
3.	Surplus/(Deficit)	**(90.27)**	(106.72)	(150.04)	(52.73)	(5.58)
4.	Experience adjustment on plan liabilities [Gain/(Loss)]	**11.97**	1.31	(2.13)	0.92	2.22
5.	Experience adjustment on plan assets [Gain/(Loss)]	**1.45**	2.09	(10.92)	(5.50)	(8.57)

41) Related Party Transactions

List of related parties

Enterprises Controlling the company

Mahindra & Mahindra Limited

Joint Ventures

Mahindra World City Developers Limited

Mahindra World City (Jaipur) Limited

Mahindra Bebanco Developers Limited

Mahindra Homes Private Limited (earlier known as Watsonia Developers Private Limited and before that Watsonia Developers Limited)

Mahindra Industrial Park Chennai Limited

Fellow subsidiaries

Mahindra Consulting Engineers Limited

Bristlecone India Limited

EPC Industries Limited

Mahindra Integrated Business Solutions Private Limited

Mahindra & Mahindra Contech Limited

Mahindra Holidays & Resorts India Limited

NBS International Limited

Mahindra First Choice Wheels Limited

Mahindra Defence Systems Limited

Mahindra Susten Private Limited

Tech Mahindra Limited

key managerial personnel

Managing Director and Chief Executive Officer - Ms. Anita Arjundas

Enterprises over which key managerial personnel are able to exercise significant influence: Nil

Related party transactions

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

Particulars	For the year ended	Parent Company	Joint ventures	Other related parties including fellow subsidiaries
Sale of goods	31-Mar-17	-	-	-
	31-Mar-16	1,132.00	-	*0.42*
Sale of land	31-Mar-17	-	-	-
	31-Mar-16	-	*21,046.67*	-
Rendering of services	31-Mar-17	2,005.60	1,372.83	0.22
	31-Mar-16	*1,998.21*	*1,400.32*	*0.12*
Receiving of services	31-Mar-17	752.75	3.28	177.10
	31-Mar-16	*430.27*	-	*114.92*
Leasing Income	31-Mar-17	-	7.52	-
	31-Mar-16	-	*7.52*	-
Reimbursement made to parties	31-Mar-17	191.62	0.86	6.86
	31-Mar-16	*432.14*	*1.04*	-
Reimbursement received from parties	31-Mar-17	-	54.01	-
	31-Mar-16	-	*112.84*	
Loans & Advances taken	31-Mar-17	-	-	570.00
	31-Mar-16	-	-	*570.00*
ICD Refunded	31-Mar-17	-	-	-
	31-Mar-16	-	*16,200.00*	-
Interest Received	31-Mar-17	-	4,707.36	-
	31-Mar-16	-	*7,723.44*	-
Interest Paid	31-Mar-17	-	-	-
	31-Mar-16	-	-	*57.86*
Dividend Paid	31-Mar-17	1,250.77	-	-
	31-Mar-16	*1,250.77*	-	-
Dividend Income	31-Mar-17	-	824.44	-
	31-Mar-16	-	*807.00*	-
Purchase of shares	31-Mar-17	-	41.13	-
	31-Mar-16	-	*10,195.00*	-
Sale of Fixed Assets	31-Mar-17	-	11.29	-
	31-Mar-16	-	-	-
Deposit Repaid	31-Mar-17	-	-	-
	31-Mar-16	-	-	*1,000.00*
The following table provides the balances with related parties as on the relevant date:				
	Balance as on	Parent Company	Joint ventures	Other related parties including fellow subsidiaries
Receivable	31-Mar-17	2,836.09	48,413.92	4.49
	31-Mar-16	2,436.31	43,937.46	2.48
	31-Mar-15	2,173.98	60,803.60	2.46
Payables	31-Mar-17	799.57	0.42	21.72
	31-Mar-16	746.87	-	70.22
	31-Mar-15	885.49	-	1,007.16
Deposit Payable	31-Mar-17	8.40	-	-
	31-Mar-16	8.35	-	-
	31-Mar-15	7.00	-	-

Terms and conditions of transactions with related parties

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. For the year ended 31 March 2017, the Group has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

Compensation of key managerial personnel

The remuneration of key managerial personnel includes remuneration paid to Ms. Anita Arjundas as below:

	year ended 31st March, 2017	For the year ended 31st March, 2016
Short-term employee benefits	**231.43**	232.25
Post-employment benefits	**26.99**	26.99
Other long-term benefits	**-**	-
Termination benefits	**-**	-
Share-based payment	**11.63**	22.18
	270.05	281.42

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.

The remuneration of directors and key executives is determined by the remuneration committee having regard to the performance of individuals and market trends.

Below table shows remuneration paid to directors:

Name	**Designation**	**31st March, 2017**	31st March, 2016
Mr. Arun Nanda	Non-executive Non-Independent Chairman	**51.15**	95
Mr. Sanjiv Kapoor	Non-executive Independent Director	**20.6**	21.9
Mr. Shailesh Haribhakti	Non-executive Independent Director	**20.6**	23.5
Mr. Prakash Hebalkar	Non-executive Independent Director	**20**	18.1
Mr. Bharat Shah	Non-executive Independent Director	**11.3**	-
Mr. Anil Harish	Non-executive Independent Director	**-**	5.1
Mr. Anish Shah	Non-executive Non-independent Director	**NA**	NA

42) Contingent liabilities

Particulars	As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
Contingent liabilities			
(a) Claims against the Company not acknowledged as debt			
(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.	**93.89**	93.89	93.89
(ii) Demand from local authorities for transfer fees on transfer of property, disputed by the Company.	**123.99**	123.99	123.99
(iii) Demand from a local authority for energy dues disputed by the Company.	**2,164.04**	2,164.04	2,164.04
(iv) Claim from welfare association in connection with project work, disputed by the Company.	**4,500.00**	4,500.00	4,500.00
(b) **Tax Matter under appeal**			
(i) 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	**421.57**	421.57	584.53
Other demand, for which the Subsidiary Companies are contesting with the Appellate Authorities	**1,319.50**	378.94	175.94
(ii) Indirect Tax	**90.18**	120.46	88.02
Other demand, for which the Subsidiary Companies are contesting with the Appellate Authorities			
(c) Guarantee/Counter guarantee given by Mahindra Infrastructure Developers Limited for its joint ventures	**900.00**	900.00	900.00

43)

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.

44) First-time adoption of Ind-AS

First Time Ind AS Adoption reconciliations

(i) Reconciliation of Total Equity as at 31st March, 2016 and 1st April, 2015:

Particulars	Notes	As at 31st March, 2016	As at 1st April, 2015
Equity under PREVIOUS GAAP		152,233.10	147,496.22
Add/(Less):			
NCD Redemption Premium Impact	a	10,244.90	10,244.65
ESOP Fair Valuation Impact	b	(10.24)	(17.79)
Impact of Effective Interest rate adjustment on Borrowings	a	(6,358.47)	(10,141.00)
Deferred Tax Impact on IND AS Adjustments	c	(151.22)	(150.73)
Impact of Fair valuation adjustments of provisions and liabilities	d	79.74	73.20
Proposed Dividend Adjustment	e	2,461.99	2,460.73
Tax on Proposed Dividend Adjustment	e	501.21	500.96
Impact of Actuarial Gain/Loss -Gratuity & Leave Encashment	f	(68.36)	
Impact of New Companies getting Consolidated	g		(1,283.46)
Deferred Tax on Undistibuted Profit	h		(3,977.17)
Impact of consolidation of new companies, computation of stock reserve, interest inventorised on consolidation as per Ind As and deferred tax (net) on the same.	i	(505.00)	4,306.75
Others		425.62	425.66
Equity under INDAS		158,854.27	149,938.02

(ii) Reconciliation of Total Comprehensive Income for the year ended 31st March, 2016:

PARTICULARS	Notes	Year Ended 31st March 2016
Net Profit under PREVIOUS GAAP		9,309.00
Add/(Less):		
Redemption Premium charged to profit and loss	a	(2,684.80)
Effective Interest rate on borrowings	a	506.57
Inventorisation of borrowing cost under IND AS	a	(31.12)
Fair valuation of Provisions/ESOP/ Mutual Fund	b	187.05
Deferred tax on Ind AS Adjustments	c	15.83
Impact of computation of stock reserve, interest inventorised on consolidation as per Ind As and deferred tax (net) on the same.	i	1,601.50
Net Deferred tax in respect of undistributed earnings of Joint Venture/associate companies	h	266.29
Net Profit under IND AS		9,170.32
Other comprehensive income	f	65.00
Total comprehensive income under Ind AS		9235.32

Note: No statement of comprehensive income was produced under previous GAAP. Therefore the reconciliation starts with profit under previous GAAP.

44) First-time adoption of Ind-AS (Cont.....)

a Under previous GAAP, redemption on premium was charged to securities premium. Under IND AS the same is restated to Profit & Loss account

b Under previous GAAP, ESOP charge is based on intrinsic value. Under IND AS ESOP charge is based on fair value.

c Deferred tax impact on IND AS adjustment

d Under IND AS Provision and Liabilitiy is discounted.

e Under previous GAAP, Proposed Dividend and Dividend Distribution Tax was charged to Profit & Loss appropriation account. Under IND AS Proposed Dividend and Dividend Distribution Tax is given in notes as disclosure hence reversed.

f Under IND AS Acturial gain & loss on Gratuity is charged to OCI

g Under IND AS, Adjustment effect is due to New Companies getting consolidated.

h Deferred Tax on Undistibuted Profit of Joint Venture Companies

i Under IND AS share of stock reserve is also distributed to minority and Deferred tax on stock reserve created.

45) Additional Information to the consolidated Financial Statements

Dividend

In respect of the current year, the Board at its meeting held on 22nd April, 2017 has recommended a dividend of ₹ 6 per share on equity shares of ₹ 10 each subject to approval by shareholders at the Annual General Meeting. The same has not been included as a liability in these financial statements. The proposed equity dividend is payable to all shareholders on the Register of Members on 31st March, 2017. The total estimated equity dividend to be paid is ₹ 2,463.26 lakh. The payment of this dividend is estimated to result in payment of dividend tax of ₹ 290.65 lakh @ 20.36% on the amount of dividends grossed up for the related dividend distribution tax.

Disclosure as per Clause 32 of the Listing Agreements with the Stock Exchanges

Loans and advances in the nature of loans given to subsidiaries, associates, firms / companies in which directors are interested:

Name of the party	Relationship	Amount outstanding as at 31st March, 2017	Maximum balance outstanding during the year
Kismat Developers Private Limited	Susidiary	0.78	0.78
		(0.25)	(0.25)
Deepmangal Developers Private Limited	Susidiary	35.31	35.31
		(34.42)	(34.42)
Topical Builders Private Limited	Susidiary	208.53	208.53
		(207.39)	(207.39)
Moonshine Construction Private Limited	Susidiary	0.50	0.50
		-	-
Rathnabhoomi Enterprises Private Limited	Susidiary	1.25	1.25
		-	-
Mahindra Bebanco Developers Limited	Joint Venture	1,764.56	1,764.56
		(1,764.56)	(1,764.56)

Note: Figures in bracket relate to the previous year.

46) Additional Information to the consolidated Financial Statements (continued)

Following is the share of net assets and the profit or loss of the entities which have been consolidated for preparation of the consolidated financial statements of Mahindra Lifespace Developers Limited for the financial year ended 31st March, 2017:

Name of the entity	Net assets		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	Amount	As a % of consolidated net assets	Amount	As a % of consolidated profit or loss	Amount	As a % of consolidated profit or loss	Amount	As a % of consolidated profit or loss
Mahindra Lifespace Developers Limited	101,077.89	58.0%	4,228.36	41.4%	67.85	119.0%	4,296.21	41.8%
Indian subsidiaries								
Mahindra Integrated Township Limited	108.62	0.1%	1,941.67	19.0%	-	-	1,941.67	18.9%
Mahindra Residential Developers Limited	8,217.08	4.7%	(340.47)	-3.3%	-	-	-340.47	-3.3%
Mahindra Water Utilities Limited	3,023.52	1.7%	340.14	3.3%	(10.85)	(19.0%)	329.29	3.2%
Mahindra Infrastructure Developers Limited	700.25	0.4%	(4.78)	0.0%	-	-	-4.78	0.0%
Raigad Industrial and Business Park Limited	(11.17)	0.0%	(0.56)	0.0%	-	-	-0.56	0.0%
Industrial Township Maharashtra Ltd.	(229.74)	-0.1%	(1.64)	0.0%	-	-	-1.64	0.0%
Anthurium Developers Limited	11.67	0.0%	6.87	0.1%	-	-	6.87	0.1%
Industrial Cluster Private Limited (Earlier known as Mahindra Housing Private Limited)	(24.55)	0.0%	(0.65)	0.0%	-	-	-0.65	0.0%
Deepmangal Developers Private Limited	(362.74)	-0.2%	(0.14)	0.0%	-	-	-0.14	0.0%
Knowledge Township Private Limited	(745.79)	-0.4%	2.88	0.0%	-	-	2.88	0.0%
Kismat Developers Limited	(52.57)	0.0%	(0.27)	0.0%	-	-	-0.27	0.0%
Topical Builders Pvt Ltd	(1,240.24)	-0.7%	(0.25)	0.0%	-	-	-0.25	0.0%
Mahindra World City (Maharashtra) Limited	(144.31)	-0.1%	(30.20)	-0.3%	-	-	-30.20	-0.3%
Moonshine Constructions Private Limited	(29.62)	0.0%	(3.93)	0.0%	-	-	-3.93	0.0%
Ratnabhoomi Enterprises Private Limited	(2.65)	0.0%	(1.14)	0.0%	-	-	-1.14	0.0%
						-		
Minority interest in all subsidiaries	**4,349.46**	**2.5%**	**(365.36)**	**-3.6%**	**-**	**-**	**-365.36**	**-3.6%**
Indian joint ventures (as per equity method)						-		
Mahindra World City Developers Limited*	11,509.78	6.6%	(121.00)	-1.2%	-	-	-121.00	-1.2%
Mahindra World City (Jaipur) Limited	19,058.62	10.9%	3,350.74	32.8%	-	-	3350.74	32.6%
Mahindra Bebanco Developers Limited	811.63	0.5%	558.36	5.5%	-	-	558.36	5.5%
Mahindra Inframan Water Utilities Private Limited	2.31	0.0%	(1.20)	0.0%	-	-	-1.20	0.0%
Mahindra Homes Private Limited (earlier known as Watsonia Developers Private Limited and before that Watsonia Developers Limited)	28,279.07	16.2%	666.28	6.5%	-	-	666.28	6.5%
Total	**174,306.52**		**10,223.72**		**57.00**		**10,280.72**	

Following are the entities which have not been consolidated due to the reasons stated against the name of the entity below, while preparing the consolidated financial statement for the financial year ended 31 March 2017: NA

* This also includes indirect holding of Mahindra Lifespace Developers Limited in Mahindra Industrial Park Chennai Limited through Mahindra World City Developers Limited.

47) Details of Specified Bank Notes (SBN) held and transacted during the specified period

	SBNs	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	1.88	1.41	3.29
(+) Permitted receipts	-	5.64	5.64
(-) Permitted payments	0.19	5.21	5.40
(-) Amount deposited in Banks	1.69	-	1.69
Closing cash in hand as on 30.12.2016	-	1.83	1.83

48) Prior Period Items

No material events have occurred after the balance sheet date and upto the approval of the financial statements.

49) Previous Period Figures

The figures for previous year have been regrouped wherever necessary to conform to current year's classification.

Salient Features of financial statements of Subsidiary / Associates / Joint Ventures as per Companies Act, 2013

Part"A" Subsidiaries

Name of Subsidiary	Mahindra Infrastructure Developers Limited	Mahindra World City Developers Limited	Mahindra World City Jaipur Limited	Mahindra World City (Maharashtra) Limited	Mahindra Integrated Township Limited	Knowledge Township Limited	Mahindra Residential Developers Limited	Mahindra Bebanco Developers Limited	Industrial Township (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	Mahindra Water Utilities Private Limited	Mahindra Homes Private Limited(earlier known as Watsonia Developers Limited)
Sl. No.	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
The date since when subsidiary acquired	14th December, 2001	22nd September, 2004	26th August, 2005	21st September, 2005	04th May, 2006	16th August, 2007	01st February, 2008	3rd June, 2008	2nd July 2008	18th June, 2009	02nd June, 2010	29th March, 2013	22nd Dec., 2014	27th July, 2015	30th March, 2017
Reporting period of the subsidiary concerned, if different from the holding company's reporting period	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Reporting Currency and Exchange rate as on the last date of the relevant Financial yearin the case of foreign subsidiaries	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Share capital	1,800.00	2,000.00	15,000.00	117.04	5,043.50	2,100.00	25.00	5.00	500.00	11.00	5.00	5.00	17,000.00	10.00	82.33
Reserves & surplus	(1,622.16)	10,225.09	11,009.60	(144.38)	4,264.36	1,341.10	8,985.82	1,524.15	(16.10)	(11.16)	9.56	(2.30)	556.89	5,337.35	865.39
Total assets	306.37	56,887.33	70,070.96	354.30	21,754.86	5,488.12	11,706.58	10,501.25	517.20	5.34	236.75	9,230.49	24,155.51	5,714.78	108,559.36
Total Liabilities	128.53	44,662.24	44,061.36	381.64	12,447.01	2,047.02	2,695.76	8,972.09	33.29	5.50	222.19	9,227.79	6,598.61	367.44	107,611.64
Investments	10.29	11,500.00	4,224.22	350.00	6,629.48	-	-	-	-	-	-	-	-	2.97	-
Turnover	3.08	5,858.16	17,168.61	-	6,056.72	-	1,217.52	4,898.32	-	-	2.12	-	-	1,662.15	20,127.04
Profit before taxation	(4.78)	(473.01)	6,974.86	(30.20)	1,521.38	2.88	(274.18)	1,065.68	(1.64)	(0.56)	4.75	(0.65)	(208.99)	571.67	2,470.02
Provision for taxation	(0.01)	(158.59)	2,469.37	-	151.12	-	-	395.06	-	-	-	-	-	231.52	871.85
Profit after taxation	(4.78)	(314.42)	4,505.49	(30.20)	1,370.26	2.88	(274.18)	670.62	(1.64)	(0.56)	6.87	(0.65)	(208.99)	340.15	1,598.17
Proposed Dividend	-		900.00	-	-	-	-	-	-	-	-	-	-	-	-
Extent of shareholding (%)	100.00%	89.00%	74.00%	100.00%	96.30%	100.00%	96.30%	70.00%	100.00%	100.00%	100.00%	100.00%	53.40%	99%	74.98%

Names of subsidiaries which are yet to commence operations: NA

Names of subsidiaries which have been liquidated or sold during the year: NA

Part “B”Associates/ Joint Ventures

Name of Associates/Joint Ventures	ASSOCIATES			JOINT VENTURES
	Kismat Developers Private Limited	Topical Builders Pvt. Limited	Mahindra Knowledge Park Mohali Limited	Mahindra Inframan Water Utilities Private Limited
Latest Audited Balance Sheet Date	31st March, 2017	31st March, 2017	31st March, 2017	31st March, 2017
The date on which the Associate or Joint Venture was associated or acquired	9th September, 2013	9th September, 2013	11th December, 2012	19th January, 2004
Shares of Associate/Joint Venture held by the Company on the year end:				
No. of Shares	15	175	6	24,999
Amount of investment in Associates/ Joint Venture	150.00	1,750.00	60.00	249,990.00
Extent of Holding (%)	42.86%	50.00%	46.15%	50.00%
Description of how there is significant influence	Note a	Note a	Note a	Note a
Reason why the Associate/joint venture is not consolidated	NA	NA	NA	NA
Networth attributable to Shareholding as per latest audited Balance sheet	(22.10)	(296.09)	(53.68)	2.27
Profit/Loss for the year:				
i) Considered in Consolidation	(0.14)	(10.69)	(1.45)	(1.22)
i) Not Considered in Consolidation	(0.19)	(10.69)	(1.69)	(1.22)

Names of Associates/Joint Venture which are yet to commence operations: NA

Mahindra Inframan Water Utilities Private Limited is the 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

a) There is significant influence due to percentage (%) of Share Capital.

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 : 22nd April, 2017

Suhas Kulkarni
Company Secretary

Jayantt Manmadkar
Chief Financial Officer

Mumbai : 22nd April, 2017

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

Arun Nanda Chairman - DIN 00010029
Sanjiv Kapoor Director - DIN 00004005
Bharat Shah Director - DIN 00136969
Shailesh Haribhakti Director - DIN 00007347
Prakash Hebalkar Director - DIN 00370499
Anish Shah Director - DIN 02719429
Anita Arjundas Managing Director & CEO - DIN 00243215

Mumbai : 22nd April, 2017

Mahindra Lifespaces, one of the leading real estate development companies in India, is leveraging the positive power of urban infrastructure to achieve the highest possible returns for its stakeholders and be a responsible corporate citizen for the community and the environment. Part of the Mahindra Group, the Company strongly espouses green design and takes pride in designing and constructing ecologically-friendly, economically-conducive and socially-inclusive living spaces in India. Incepted with the mission of Transforming urban landscapes by creating sustainable communities, the Company believes that holistically planned urbanisation is the only solution to simultaneously ensure gainful employment and healthy existence of present and future generations.

Urboonisation, the Company's framework for sustainable urbanisation, is helping it achieve its mission by taking the vision of developing sustainable habitats beyond the boardroom, into the real world.

urboonisation

comprises three pillars

responcity | ecosystemic | happitat

It has helped the Company understand and cater to the needs of not just the affluent or large corporates, but also those of the burgeoning but ambitious middle class. The Company continues to spearhead Urboonisation as an act of business responsibility as well as environmental stewardship.

As another step in business responsibility, the Company is presenting its first Business Responsibility Report, which is testament to its accountability towards all stakeholders. In line with SEBI's proposed index and the nine principles of the Government of India's 'National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business', the report summarises the Company's efforts to conduct business with responsibility.

Business Responsibility Report

Section A: General Information about the Company

1.	Corporate Identity Number (CIN) of the Company	:	L45200MH1999PLC118949
2.	Name of the Company	:	Mahindra Lifespace Developers Ltd.
3.	Registered address	:	Mahindra Towers, 5^{th} floor, Worli, Mumbai
4.	Website	:	www.mahindralifespaces.com
5.	E-mail id	:	investor.mldl@mahindra.com
6.	Financial Year reported	:	1^{st} April, 2016 - 31^{st} March, 2017

7. Sector(s) that the Company is engaged in (industrial activity code-wise):

Description	Industrial Activity Code		
	Group	Class	Sub-class
Construction of Buildings	410	4100	41001

8. List three key products/services that the Company manufactures/ provides (as in balance sheet):
   1. Residential Projects (Including affordable housing)
   2. Integrated Cities
9. Total number of locations where business activity is undertaken by the Company:
   - i. Number of International Locations: NIL. However, the Company has a representative office in Dubai.
   - ii. Number of National Locations: Manufacturing Locations – Corporate Offices: **1**

     Area Offices (including branch and project offices of Mahindra Lifespace Developers Limited and its subsidiaries): **17** - Mumbai (3), Pune, Nagpur, Delhi, Gurgaon (2), Bengaluru, Hyderabad, Chennai (5), Jaipur (2)
10. Markets served by the Company – Local/State/National
    - i. Residential Projects: Bengaluru, Chennai, Gurgaon, Hyderabad, Mumbai, Nagpur, Pune
    - ii. Integrated Cities: Chennai and Jaipur

Section B: Financial Details of the Company

1. Paid-up Capital (₹) : 4,105 lakh*
2. Total Turnover (₹) : 75,320 lakh*
3. Total profit after taxes (₹) : 4,849 lakh*

   *standalone financial statement as per Indian Accounting Standards (INDAS) as of 31^{st} March, 2017
4. Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (percent): 481 lakh (9.83%) of the current year net profit. The CSR spend by the Company together with those of its subsidiaries works out to Rs 668 lakh. The details of the CSR expenditure dealt with subsequently in this report include the activities done and the expenditure incurred by the Company and its subsidiaries.
5. List of activities in which expenditure in 4 above has been incurred: Expenditure has been incurred in the following categories: (cite examples of activities under each categories)
   - a. Environment- 'Hariyali' Tree plantation, 'Green Army' school activation program on adoption of sustainable lifestyles
   - b. Health- Health check-up camps, cleanliness drives
   - c. Education- 'Gyandeep' school for construction workers and neighboring village children, school infrastructure upgradation in village communities
   - d. Community development- Local infrastructure projects such as provision of street lights, toilets, construction of community centre, development of roads in the neighbourhood areas
   - e. Others- Urbanscaping projects in railway stations

   (The details are covered in Principle 8)

Section C: Other Details

1. **Does the Company have any Subsidiary Company/ Companies?**

   Yes. The Company has 15 subsidiary companies as on 31^{st} March 2017 (as per Companies Act)
2. **Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent Company? If yes, then indicate the number of such subsidiary Company(s)**

   Yes. The operations and initiatives of Mahindra Lifespaces, including relevant subsidiaries, have been included in the annual Mahindra Group Sustainability Report since 2007-2008. In addition, every year the Company releases a stand-alone Sustainability Report in accordance with the GRI framework which is externally assured. The scope of this report is defined each year. The report explores how the Company fulfils stakeholder and environment responsibilities through a combination of long term strategy, robust processes and motivated people. For the fiscal year 2016-17, 6 subsidiaries have been included in the scope of the Sustainability Report viz. Mahindra Bebanco Developers Ltd., Mahindra Homes Private Ltd., Mahindra Residential Developers Ltd., Mahindra Integrated Township Ltd., Mahindra World City Developers Ltd., and Mahindra World City Jaipur Ltd.
3. **Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30percent, 30-60percent, More than 60percent]**

   The Company has a long-standing relationship with its contractors and suppliers. It engages a major supplier base (around 30percent) through annual suppliers meet by conducting awareness sessions on sustainability, which in turn helps in creating a sustainable supply chain. Extending the green procurement strategies to its 1^{st} and 2^{nd} tier suppliers and vendors, the Company has developed a Green Supply Chain Management Policy (GSCM), broadly covering the following aspects:
   1. Service providers who ensure total compliance to applicable legal and other requirements which have significant impact on health, safety and environment.
   2. Locally based suppliers.
   3. Preference given to purchases from sources which are low-polluting and/or use clean technology.
   4. Preference for vendors who take the waste or scrap materials from project sites and recycle them to manufacture new life products.

Section D: BR Information

1. Details of Director/Directors responsible for BR

   a. Details of the Director/Director responsible for implementation of the BR policy/policies

   - DIN Number : 00243215
   - Name : Ms. Anita Arjundas
   - Designation : Managing Director & CEO

   b. Details of the BR Head

S. No.	Particulars	Details
1	DIN Number (If applicable)	Not Applicable
2	Name	Mr. Suhas Kulkarni
3	Designation	Senior Vice President – Legal & Company Secretary
4	Telephone Number	+91 22 6747 8600
5	e-mail ID	Kulkarni.suhas2@mahindra.com

2. Principle-wise (as per NVGs) BR Policy/policies (Reply in Y/N)

The Business Responsibility Policy (BR Policy) addressing the following 9 principles as per the National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs), duly approved by the Board, is in place. This policy is operationalised and supported by various other policies, guidelines and manuals.

P1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.

P2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.

P3: Businesses should promote the well being of all employees.

P4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised.

P5: Businesses should respect and promote human rights.

P6: Businesses should respect, protect, and make efforts to restore the environment.

P7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.

P8: Businesses should support inclusive growth and equitable development.

P9: Businesses should engage with and provide value to their customers and consumers in a responsible manner.

S. No.	Questions	P1: Ethics and Transparency	P2: Product Responsibility	P3: Wellbeing of employees	P4: Responsiveness to Stakeholders	P5: Respect Human Rights	P6: Environmental Responsibility	P7: Public policy advocacy	P8: Support inclusive growth	P9: Engagement with Customers
1	Do you have a policy/policies for...	Y	Y	Y	Y	Y	Y	N	Y	N Note1
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	N Note 2	Y
3	Does the policy conform to any national/international standards? If yes, specify? (50 words)	Y	Y	Y	Y	Y	Y	NA Note 3	Y	Y
4	Has the policy being approved by the Board? If yes, has it been signed by MD/owner/CEO/appropriate Board Director?	Y Note 4	Y Note 4	Y Note 4	Y Note 4	Y Note 4	Y Note 4	Y Note 4	Y Note 4	Y Note 4
5	Does the Company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Indicate the link for the policy to be viewed online?	Y	Y	Y	Y	Y	Y	Y	Y	Y
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8	Does the Company have in-house structure to implement the policy/ policies?	Y Note 5	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Y	Y	Y	Y	N Note 6	Y	NA Note 3	Y	Y
10	Has the Company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	N Note 7	Y	Y	N Note 7	Y	Y	N Note 7	N Note 7	Y

- *Note 1- The Company does not have a separate policy for engagements with customers, however, it has standard operating procedures (SOPs) in place for customer engagements.*

- *Note 2 - While there is no formal consultation with all stakeholders, the relevant policies have evolved over a period by taking inputs and feedbacks from relevant stakeholders from time to time.*
- *Note 3 - This question in not applicable for influencing public and regulatory policy.*
- *Note 4 – These policies have been signed by President of the Real Estate Sector, Ms. Anita Arjundas who is also the Managing Director & CEO of the Company. The Code of Conduct for Directors, Senior Management and Employees is approved by the Board.*
- *Note 5 - It has been the Company's practice to upload all policies on its intranet for the information of and the implementation by all internal stakeholders. The Code of Conduct for Directors and the Code of Conduct for senior management and employees (referred to as Associates at MLDL) is also available online on the Company's website http://www.mahindralifespaces.com.*
- *Note 6 - There is no specific grievance redressal mechanism for Human Rights, however the Code of Conduct and Human Resources Policies currently address the Human Rights aspects.*
- *Note 7 - While the Company has not carried out independent audit of the policies; there is a limited assurance by an external agency for the Sustainability report (GRI G4 guidelines). The execution of the policies is through processes and systems, which are internally audited. Additionally, the Company has Integrated Management System ISO 9001, ISO 14001 and OHSAS 18001 certifications.*

3. Governance Related to BR

- **Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 Year**

  The CSR and the sustainability performance of the Company gets presented to the board every 3 months. The Executive Council (EC) meetings that takes place every month, also assesses the performance of the Company. The Managing Director & CEO who is also on the Board, is part of both the reviews.

- **Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?**

  Mahindra Lifespace Developers Limited's stand-alone sustainability report is published annually in accordance with the Global Reporting Initiative (GRI) framework. Sustainability reports of financial years 2012-13, 2013-14, 2014-15 and 2015-16 are accessible through the Company website

  https://www.mahindralifespaces.com/about/sustainable-urbanisation

  Mahindra Group Sustainability Report as per the GRI framework is published annually. All Sustainability Reports from 2007-08 till 2015-16 are accessible on the Mahindra & Mahindra website http://www.mahindra.com/about-us/sustainability

Section E: Principle-wise performance

Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

Good governance is the foundation of sustainable growth. The Company has put in place robust mechanisms, accountable platforms and transparent policies so that every associate observes the highest standards of ethical conduct and integrity, and works to the best of his/ her ability and judgement.

Code of Conduct

The Company has defined the Code of Conduct for Directors as well as the Code of Conduct for senior management and associates of the Company that covers issues related to ethics, bribery etc. The Code of Conduct for senior management and associates also covers all dealings with suppliers, customers and other business partners including joint ventures and other stakeholders.

Stakeholder Complaints

6,642 customer complaints were received during the reporting year; of which 97percent of the complaints were resolved and closed during the year.

During the reporting year, 107 investor complaints were received from the shareholders, all of which were resolved as on 31st March 2017.

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

The Company's product and services portfolio is developed and implemented to enable customer delight and ensure environmental stewardship. Business operations focus is on two areas:

- Residential Projects (Mahindra Lifespaces)
- Integrated Cities (Mahindra World Cities)

With a mission that is focused on Sustainable Urbanisation and an emphasis on healthy living, the Company follow green design principle in all its developments. The social and environmental benefits of green buildings and cities are manifold, some of which are:

Residential Projects

1) **Energy efficiency and Green House Gas (GHG) emissions reduction:** Green building techniques, incorporated in all buildings developed by the Company, include daylighting and other energy efficient lighting strategies, optimal insulation and Heating, Ventilation and Air Conditioning (HVAC) improvement measures, use of energy efficient pumps and motors, among others. These technologies increase the overall energy efficiency of structures, in turn reducing harmful emissions.

2) **Water conservation:** Recycling of grey water for non-potable purposes like flushing and irrigation can preserve potable water and yield significant water savings. Additionally, implementation of low-flow fixtures and fittings like faucets, shower heads and cisterns, that use less water per minute than conventional models, conserve water.

3) **Waste reduction during construction:** Reducing construction waste emissions through Green Supply Chain Management Policy, use of recycled materials (e.g. fly ash) and reuse of construction waste within the site, helps reduce overall waste generated during the construction process.

   The Company has also been conducting Living Building Assessment (LBA) and Life Cycle Assessment (LCA) for its projects, demonstrating the commitments over the lifecycle of a product on various aspects impacting healthy living such as sustainable location, water efficiency, energy efficiency, daylighting and indoor air quality.

Integrated Cities

1) **Efficient use of energy for utilities:** Strategies, to ensure efficient use of energy for provision of services including electricity and water, are in place. The utilities for a Mahindra World City include water supply, sewage treatment plant and street lighting. The following energy efficiency strategies for utilities have been implemented at the two Mahindra World City locations:
   - Energy efficient pumps and motors
   - High Speed Diesel (low sulphur variety) Diesel Generator sets
   - Water supply pumping system provided with variable speed
   - Use of LED in street lighting
2) **Water recycling:** Mahindra World City has an in-house Sewage Treatment Plant (STP) which ensures that the wastewater generated within the project is treated and recycled. This treated water is used to meet the requirements of flushing and irrigation (on-site landscaping) and other non-potable uses within the site, resulting in reducing the fresh water demand of the entire city.
3) **Rainwater harvesting:** Ground water recharge mechanism through rain water harvesting is an effective tool to counter the rapid decline in ground water levels, and improve water supply and quality, for neighbouring communities in Mahindra World City locations.
4) **Waste:** A Bio-CNG plant has been set up at Mahindra World City, Chennai. Spread over an area of 1,000 sq.mt., the plant aims to generate 1,000 m^3 of raw biogas from 10 ton of daily food and kitchen waste. This in turn will yield 400 kg of purified CNG grade gas/day and 4 ton of organic fertiliser/ day as by-products. The Biogas will be used to fuel tractors, shuttle buses and power street lights at Mahindra World City, Chennai.
5) **Indirect and direct employment generation** (as of 31^{st} March, 2017)
   - Total Employment: 123,907
   - Direct Employment: 46,259
   - Indirect Employment: 77,648

Performance

The performance during production is appended below, which is as reported in the Mahindra Lifespaces Sustainability Report for Financial Years 2015-16 and 2016-17:

Resource Use	Division	Unit of Measurement	2016-17	2015-16
Specific Energy Consumption	Mahindra Lifespaces	GJ/square feet area constructed	0.025	0.016
	Mahindra World Cities	GJ/acre of land developed and maintained	15.998	16.367
Greenhouse Gas Emissions (Scope I)	Mahindra Lifespaces	tCO_2e/square feet of area constructed	0.001	0.007
	Mahindra World Cities	tCO_2e/acre of land developed and maintained	0.117	0.104
Greenhouse Gas Emissions (Scope II)	Mahindra Lifespaces	tCO_2e/square feet of area constructed	0.001	0.010
	Mahindra World Cities	tCO_2e/acre of land developed and maintained	3.284	3.406
Specific Water Consumption	Mahindra Lifespaces	m^3 /square feet of area constructed	0.248	0.146
	Mahindra World Cities	m^3/acre of land developed and maintained	857.388	715.750

Sustainable Sourcing (including transportation)

The Company engages its suppliers and vendors on a regular basis through supplier meets, to actualise the commitment of sustainable sourcing. It also have a Green Supply Chain Management policy in place.

Green Supply Chain Management (GSCM) Policy: The policy has been shared with suppliers to improve their awareness about legal compliances, enhancing environmental efficiencies, inbound logistics, and ensuring the associates' health & safety initiatives by the suppliers.

Local sourcing: The Company procures goods and services from local producers through the GSCM policy, which broadly covers aspects such as:

- Service provider who ensures compliance to applicable legal and other requirements which have a significant impact on health, safety and environment
- Locally-based suppliers
- Preference given to purchase from sources which are low on pollution and/or use clean technology
- Preference given to vendors who take the waste or scrap materials from project sites and recycle them to manufacture new life products

50 percent of the total building materials (by cost) procured by the Company is within a 400 km radius. This data is captured for every project and the percentage varies as per the green rating (for e.g., in a few cases, the total building materials procured within a 400 km radius goes up to 75 percent for platinum rated buildings).

Recycling

The Company has taken the following initiatives to recycle products and waste:

1. **Ground Granulated Blast Furnace Slag (GGBFS):** Used for replacing cementitious content up to 62.5 percent in RCC mix design, GGBFS is a by-product formed during the manufacturing of steel. It has cementitious/pozzolanic properties which when mixed with cement in the concrete, helps improve properties of fresh as well as hardened concrete in the following ways:

- Improves workability of concrete
- Increases compressive strength of concrete
- Improves chloride resistance and decreases water permeability, thereby making concrete less vulnerable and more durable

For project Vivante in Mumbai, 58 MT of CO_2 emission reduction was achieved by partially replacing cement with GGBFS in the building foundation. For the entire project having a construction area of 4.34 lakh sq. ft., a reduction in CO_2 emission of 3,231 MT can be achieved.

GGBFS has also been used in Antheia, Pune. Currently trials are in progress for Happinest, Palghar and Aqualily 2E, Chennai.

2. **Triple Blend Concrete:** Use of triple blend concrete containing cement, fly ash and GGBFS as cementitious material in 38:26:36 proportion respectively has been implemented for project Vivante in Mumbai.

3. **Fly Ash:** Used for replacing the cementitious content by 20percent (min) in RCC mix design in all projects.

4. **Curing Compounds:** Curing compounds are designed to minimise the loss of water during concrete cure; producing concrete which is free of cracks, has a dense stain-resistant surface, and has minimal porosity to prevent the ingress of water, chlorides and other corrosive elements which will attack reinforcing steel. It is being used in projects like Serenes, Windchimes, Vivante and Antheia.

5. **Block Fixing Adhesives:** Factory-mixed block fixing adhesive, requires no curing and is laid in thin bed as compared to traditional site mix mortars. It is being used in Happinest Boisar and Vivante, Mumbai.

6. **Ready Mix Plaster:** Being used in Happinest Boisar, Vivante and Aqualily 2E, Ready Mix Plaster is a factory mix plaster offering the following benefits:

    - Reduces wastage during plastering
    - Improved productivity (no mixing required)
    - Smooth plaster

Principle 3: Businesses should promote the wellbeing of all employees

Associates are the most important intangible assets of any organisation. The Company provides a safe and stimulating environment for the associates to express themselves. Its approach to associates is captured in its Associate Value Proposition: "You can bring out your best here, because we care, are fair and this is the place to dare".

Although there are no employee associations recognised by the management, a 360-degree HR policy covers all aspects, from recruitment to retention. Based on the feedback received from Associate, the HR policy is updated at regular intervals.

Equal opportunity employer: The Company does not differentiate associates based on caste, gender, race or religion. Merit has always been and continues to remain the only criteria to work and grow at the Company.

S. No.	Category	No. of complaints filed during the financial year	No. of complaints pending as on end of the financial year
1.	Child labour/forced labour/involuntary labour	NIL	NIL
2.	Sexual harassment	NIL	NIL
3.	Discriminatory employment	NIL	NIL

Safety: Safety is a key performance parameter and a priority for the Company. Safety training is thus, a continuous and concerted initiative.

- Permanent Associates: 100 percent (Safety induction training given to all associates*)
- Casual/Temporary/Contractual Associates: 100 percent (Safety induction training given to all associates*)

*includes male, female and differently abled

Skill upgradation:

The Company pursues new and innovative approaches in learning enablement and capability development. Some of the key elements of its learning and development approach include self-development platforms, high value learning programmes and digital learning platforms.

- Total Associates: Average 40 hrs of job specific and skill upgradation trainings have been imparted including male, female and differently abled.
- Contract/Casual/Temporary Associates: 124 workmen certified by National skill development Council (NSDC) based on Pradhan Mantri Kaushal Vikas Yojana (PMKVY) 2.0 framework, under the Company's skill upgradation initiative 'Parivartan'.

Employee data:

Total number of associates: as of 31st March, 2017, the Company together with its subsidiaries had 413 associates on its rolls.

Total number of contract/casual/ temporary associates: 4,245 workmen across all its sites employed by its contractors (Contractual labourers on site hired by contractor).

Number of permanent women associates: 71 (on roll)

Number of permanent employees with disabilities: 1

Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised

The Company understands the priorities of various stakeholders by engaging with them on a consistent basis. It has mapped its internal as well as external stakeholders though materiality mapping.

The Company has also identified the disadvantaged, vulnerable & marginalised stakeholders, so that initiatives can be planned to mainstream them. Social Impact Assessment around Mahindra World City is one such initiative.

Social Impact Assessment:

To determine the impact of development on all stakeholders, including the disadvantaged, the vulnerable and the marginalised, the Company conducted a Social Impact Assessment at Mahindra World City, Chennai, on a pilot basis. The assessment report includes the impact of development on stakeholders, including villagers and the neighbouring community, which enables the Company to develop a streamlined roadmap for CSR initiatives to meet the needs of all stakeholders. A similar assessment is planned for all the large format projects in the future.

In addition, the Company has also undertaken community development initiatives, the details of which are given in answers under Principle 8.

Principle 5: Businesses should respect and promote human rights

All human beings are born free and equal in dignity and rights. The Company adheres to this principle regardless of the nation, location, language, religion, ethnic origin or any other status of any person.

The Company also has policies and processes in place to implement and uphold Human Rights - Code of Conduct, CSR Policy, Prevention of Sexual Harassment Policy and Business Responsibility Policy, which covers all aspects of human rights and is only applicable to the Company.

Principle 6: Business should respect, protect, and make efforts to restore the environment

Mahindra Lifespaces is one of the pioneers of green buildings in India. It has various policies related to environmental protection, and mechanisms to identify and assess potential environmental risks across all locations. One of the mechanism to record all potential environmental risk is through the Aspect Impact Register as per ISO 14001. The Company's environment policy ensures improvement in environmental performance across triple bottom line (People, Planet, and Profit).

Several steps to address environmental issues such as climate change, global warming etc. have been taken by the Company, some of which include:

Urboonisation:

The global commitment to tackle climate change is gaining momentum among nations, industries, governments and the populace at large. Today, there is also a growing consensus on how cities, though a contributor to climate change, are also an essential part of the solution to ensure a low carbon future for the planet. With a total of 16 million sq. ft. of registered green building footprint, the Company is seeding sustainable urbanisation - Urboonisation.

Sustainability roadmap 2020:

The Company has also developed a sustainability roadmap 2020, which encompasses various aspects such as business responsibility, environment stewardship and community outreach, and is also aligned to the National Action Plan on Climate Change (NAPCC). *For more details, please refer the link https://www.mahindralifespaces.com/about/sustainable-urbanisation*

Green Design:

As India's first Green Homes developer, the Company upholds green design and healthy living as the foundations of all its projects. It is committed to design and construct buildings which are sustainable across their life cycle from construction to use to end-of-life phase, some of the initiative taken in this front includes:

- Energy-efficient lighting
- Water-efficient plumbing fixtures
- Alternative building materials
- Sustainable location
- Rainwater harvesting
- Water recycling and reuse
- Organic waste treatment
- Energy-efficient building envelope
- Efficient daylighting and ventilation

Mahindra TERI Centre of Excellence (COE): With an objective to to evaluate innovative technologies and materials tailored to the Indian building sector and climates and make it market ready, the Company has made a tie up with The Energy and Research Institute (TERI), Delhi. It would include the use of state-of-the-art methods and tools for performance assessment and scalable implementation of energy efficient building solutions, generation of performance data and metrics to assess the building stocks and benefits of new technology deployment in India.

Sustainable Housing Leadership Consortium (SHLC): The Company is one of the five founding members of this consortium which is a new CEO-led think tank convened by International Finance Corporation (IFC). The Consortium aims to develop a low carbon road-map for the housing industry aligned to India's climate change goals, to mainstream sustainability in India's urban housing sector and support the transition to a low-carbon economy.

Additionally, the Company also participated in global forums like the COP 21 at Paris, the United Nations' summit on Climate Change and the Lima Paris Action Agenda (LPAA) panel discussion on 'Value Chain Transformation'.

The emissions/waste generated by the Company are within the permissible limits given by Central Pollution Control Board (CPCB)/ State Pollution Control Board (SPCB) for the financial year being reported. No show cause or legal notices received from CPCB/SPCB are pending as on 31st March, 2017.

Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

With global environmental issues such as climate change, global warming etc. on the horizon, regulations and policies can affect how the Company live and do business. The Company engages with, learns from and shares its expertise with various organisations to make this world a better place to live. The Company engages with many associations, some of which include:

- Bombay Chamber of Commerce and Industry (BCCI)
- Confederation of Indian Industry (CII)

- Federation of Indian Chambers of Commerce and Industry (FICCI)
- Indian Green Building Council (IGBC)
- Maharashtra Chamber of Housing Industry (MCHI)

The Company undertakes need-based advocacy on issues pertaining to the industry, for the advancement of public good through its membership of the relevant industry bodies.

Principle 8: Businesses should support inclusive growth and equitable development

For economic progress to remain sustainable, inclusive growth is a prerequisite. The Company aims to create living and working ecosystems that are conducive to all-round development. The World Cities are designed to encourage economic growth, while Happinests provide thousands of middle and lower income groups an opportunity to own a home. In addition to the creating the infrastructure, the Company also supports and spearheads a number of community initiatives that help build a stronger, more prosperous India.

A total contribution of ₹ 668 lakh was made in FY 2016-17 towards CSR initiatives. This included:

- Environment: ₹ 244 lakh
- Education: ₹ 315 lakh
- Health: ₹ 24 lakh
- Community Development: ₹ 53 lakh
- Others: ₹ 32 lakh

A snapshot of the Company's CSR initiatives under various focus areas:

- Education

  Vocational skill training, Mahindra World City, Jaipur (MWCJ): Till date 1,060 students have been trained, of which 200 students have been trained in FY16-17 with encouraging results. Around 74 percent trained youth are placed in MWCJ and its campus clients, and 12 percent have started their own business

- Health

  Women's health check-up camp: 200 women benefitted in Nagpur from health check-up camps which included ECG test, blood sugar test and HIV test

- Environment

  Green Army: Through the Green Army program, the Company sensitises school children about the environment and how a more sustainable lifestyle can be led. During the year, the Company has reached out to 40 schools, more than 6,000 students and 20,000 citizens (including students' families)

  Mahindra Hariyali: 23,000 saplings planted during the year under this Mahindra Group-wide initiative

- Community Development

  Swachh Bharat and Public Health Centre, Mahindra World City, Chennai (MWCC):

  - Safe drinking water facility supporting 400 families has been built in Anjur village.
  - Waiting shed has been constructed for the benefit of lactating mothers in Kunnavakkam PHC benefitting families from the nearby villages

In addition to investing resources and expertise, the Company also mobilises employee volunteers (known within the Mahindra Group as Esops (Employee Social Opportunities) Volunteers. The Esops Volunteers passionately take part in as well as lead CSR initiatives. The Company undertakes Impact assessment surveys to gauge the positive change driven through comprehensive initiatives like vocational skill development programmes, public health centres and Nanhi Kali.

The detailed information about the Company's social initiatives, will be a part of Sustainability Report 2016-17. The report will be released shortly on the Company's website.

Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner

The Company aims to provide the best to its customer by building spaces which espouse green design to live in harmony with the environment. The Company engages consistently with its customers through channels like emails, social media, phone, letters etc. and incorporates feedback in its products and services; case in point, is the Customer Satisfaction Study conducted through IMRB International. Swift resolution of customer complaints is given top priority. The status of pending complaints/ litigation cases is as follows :

Customer Complaints (FY 2016-17)	3 percent Total complaints received through the year – 6,642 nos. Resolved complaints- 6,436 nos. Pending complaints- 206 nos.
Average % of pending consumer cases for the period 1st April, 2013 to 31st March, 2017	89.83 percent

Being in the real estate business, product labels are not applicable to the Company. However the detailing in its project brochures are in compliance with all the applicable laws.

There is no case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending, as on 31st March 2017.

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 upgradation 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

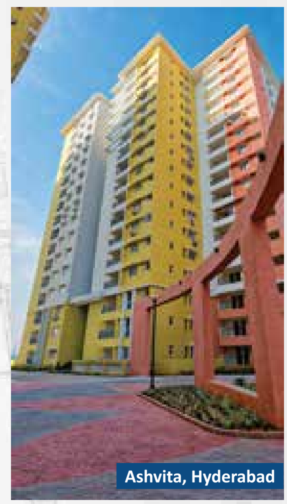
Mahindra LIFESPACES
JOYFUL HOMECOMINGS

ANNUAL REPORT 2017


Aqualily, MWC Chennai


Iris Court, MWC Chennai


Aura, Gurgaon


Ashvita, Hyderabad


Antheia, Pune


Luminare, Gurgaon

Our Presence

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