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

14th August, 2018

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

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 2018, duly approved and adopted in the 19th Annual General Meeting of the Company held on 30th July, 2018.

Kindly acknowledge and take the above on record.

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

MAHINDRA LIFESPACE DEVELOPERS LIMITED

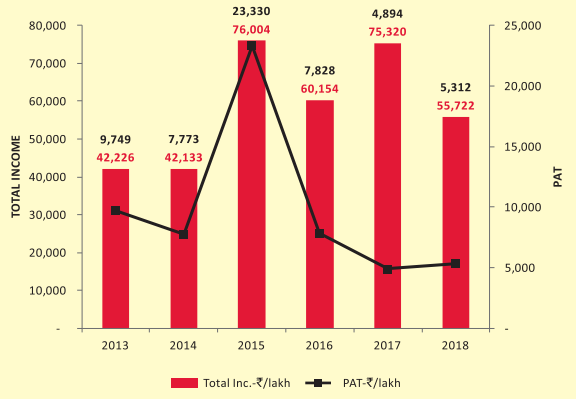
Suhas Kulkarni
Sr. Vice President – Legal & Company Secretary
FCS-2427

Mahindra LIFESPACES
JOYFUL HOMECOMINGS

ANNUAL REPORT 2017-18

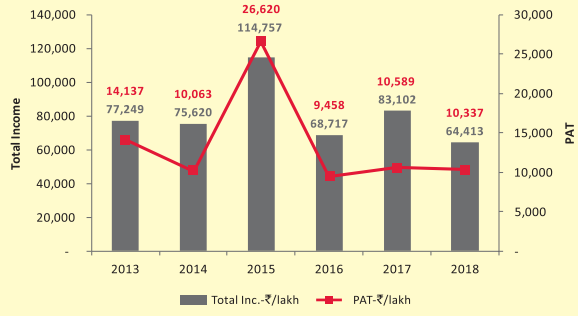
STANDALONE

TOTAL INCOME & PAT

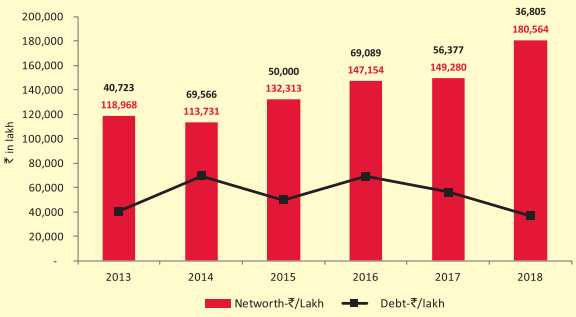


CONSOLIDATED

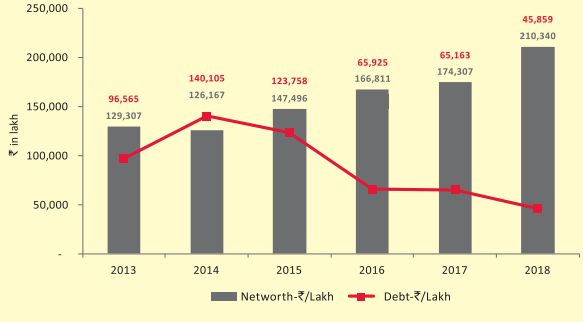
TOTAL INCOME & PAT



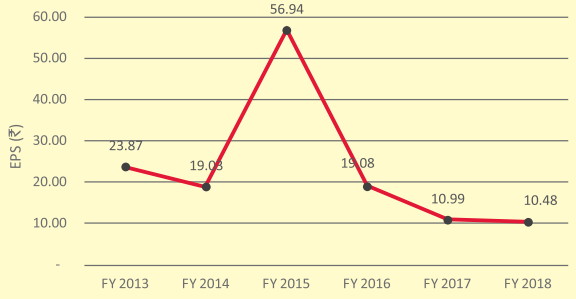
DEBT & NETWORTH



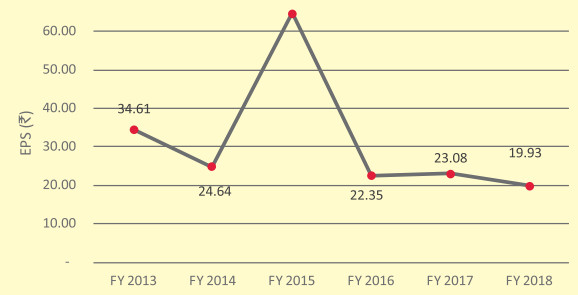
DEBT & NETWORTH



EPS



EPS



FINANCIALS HIGHLIGHTS (STANDALONE)

₹ in lakh

	F - 2018	F - 2017	F - 2016	F - 2015	F - 2014	F - 2013	F - 2012	F - 2011	F - 2010	F - 2009
Net Worth	180,564	149,280	147,154	132,313	113,731	118,968	112,016	102,828	95,879	89,802
Borrowings	36,805	56,377	69,089	50,000	69,566	40,723	17,000	10,000	-	-
Net Fixed Assets	3,746	4,079	3,385	2,980	2,857	2,557	2,907	3,192	3,237	3,482
Investments	85,092	80,393	77,621	57,340	75,027	43,114	44,860	36,214	40,955	36,153
Book Value Per Equity Share (₹)	352	364	359	323	278	291	274	252	232	218
Operating Income	47,500	68,055	50,211	62,401	30,707	35,152	46,895	47,656	32,065	16,540
Other Income	8,222	7,265	9,943	13,602	11,426	7,073	5,217	3,029	2,899	3,254
Operating Expenses	34,468	54,667	34,736	29,894	21,879	22,577	30,199	31,367	21,267	12,433
Other expenses	13,361	13,598	13,761	12,339	10,114	6,060	5,159	4,381	2,947	1,585
Profit Before Tax	7,893	7,055	11,657	33,771	10,140	13,588	16,755	14,937	10,750	5,777
Profit After Tax	5,312	4,894	7,828	23,330	7,773	9,749	12,016	10,305	7,938	4,636
Basic Earning per Share (₹)	10.48	10.99	19.08	56.94	19.03	23.87	29.43	24.94	19.15	11.06
Diluted Earning per Share (₹)	10.46	10.96	19.01	56.70	19.03	23.87	29.43	24.94	19.15	11.06
Equity Dividend per share (₹)	6.00	6.00	6.00	12.00*	6.00	6.00	6.00	5.00	3.50	2.50

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

For Consolidated Financial Highlights please refer Page No. 139.

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As on 31st March, 2018

Board of Directors

Mr. Arun Nanda	Chairman
Mr. Shailesh Haribhakti	
Mr. Bharat Shah	
Mr. Ameet Hariani	
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. Sanjay Srivastava	COO, Mahindra World City, Jaipur
Mr. K. Shyam	Business Head – Mahindra Industrial Park, Chennai
Mr. Siddharth Bafna	Business Head – Industrial Clusters (West)
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. Tirthankar Chatterjee	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. Deloitte Haskins & Sells LLP — Chartered Accountants

Bankers

Kotak Mahindra Bank Limited
HDFC Bank Limited

Legal Advisors

Khaitan & Co. and Wadia Ghandy & 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

Mumbai Offices
Vivante, Suren Road,
Andheri East,
Mumbai 400 069

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

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

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

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

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,

You are all aware that India has seen major regulatory reforms in the last financial year, which have significantly impacted the real estate industry. The long due implementation of GST replaces multi-level and varied indirect taxes with a uniform and standardised tax regime across the business value chain, enabling appropriate tax credit and thereby creating fiscal efficiency and transparency. The implementation of the state level RERA framework has veritably brought the customer to the forefront by demanding transparency and accountability from developers.

As a responsible corporate citizen, we welcomed both these reforms and I am proud to share that your Company was one of the first real estate developers in India to be fully prepared for the GST regime, as well as share the impact of input tax credit with its customers. It adopted the RERA framework with alacrity for all its applicable projects. This seamless transition to the new normal gives me confidence in your Company's ability and willingness to conduct business in the rightful manner. It reinforces that it is not only agile in envisioning the future business environment, but is also quick to implement the necessary changes in readiness for accelerated growth.

Your company focused on enhancing sustenance sales and operational efficiency across its projects, in the face of no new launches in the Mumbai market because of regulatory hurdles. Therefore, despite a slowdown in revenue on account of a decline in overall project activity, your Company has improved YOY profitability (PBDIT excluding profitability from joint ventures and associate companies) by 13.6 per cent to ₹135 crore; and profit after taxes net of non-controlling interest stood at ₹101 crore. Your Company sold 1,357 units aggregating 1.16 million square feet of saleable area in 2017-18 against 863 units / 0.91 million square feet in 2016-17. It handed over 1,592 residential units to customers during the year. You will be happy to know that your Company has pre-sold over 75 per cent of the work-in-progress inventory and does not have high levels of finished goods inventory. I am particularly proud of the two affordable housing projects in Avadi (near Chennai) and Boisar (near Mumbai) that are under implementation. Over 75 percent of the launched phases of Happinest - Avadi and Boisar have been completed, and your Company has already handed over ~1,155 units to its customers since its entry into affordable housing in 2014-15. Based on the learnings from these two projects, it has recently launched a third affordable housing project at Palghar, near Mumbai, with an estimated saleable area of 1.05 million square feet. The two operational Mahindra World Cities in Chennai and Jaipur leased 62 acres and meaningfully contributed to the profitability of your Company.

Your Company has launched a new brand of industrial clusters called 'ORIGINS by Mahindra World City'. These are relatively smaller clusters - one near Chennai and the other near Ahmedabad. The former has received all its approvals and we expect it to get its first set of customers in 2018-19, and the latter is in the process of getting its approvals.

I am happy to inform you that we are looking forward to launching five new residential projects on receipt of requisite approvals in 2018-19. The total estimated saleable area of these projects amounts to 1.97 million square feet.

Your Company believes that the regulatory thrust on transparency and accountability represents an opportunity for it to grow meaningfully. Going forward, your Company is focusing on scaling up its presence in its priority markets and segments even as it continues to differentiate itself with respect to its products and services.

Let me now focus on other key achievements in 2017-18. Your Company received the 'Vishwakarma Award' for 'Health, Safety and Environment' from the Construction Industry Development Council for two of its projects: Vivante in Mumbai and Happinest, Boisar. The second is the recognition of your Company's efforts towards gender diversity. During the year, Mahindra Lifespaces was selected by Working Mother and AVTAR as one of the '100 Best Companies for Women in India'.

As stated earlier, your Company has been focused on being future-ready to address a dynamic and changing business environment and serve its customers better and responsibly. I believe it is well-positioned to deliver greater scale and growth through a 'driven' core. Let me take this opportunity to thank all the customers, business and financial partners, associates of your Company and you, the shareholder, for your support.

With best regards,

Yours sincerely,

Arun Nanda
Chairman

Notice

The Nineteenth Annual General Meeting of **MAHINDRA LIFESPACE DEVELOPERS LIMITED** (CIN: L45200MH1999PLC118949) will be held on Monday, 30th July, 2018 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, 2018 (including audited consolidated financial statement) and the Reports of the Board of Directors and the Auditor's thereon;

2. To declare Dividend on equity shares for the financial year ended on 31st March, 2018;

3. To appoint a Director in place of Dr. Anish Shah (DIN: 02719429), who retires by rotation and, being eligible, offers himself for re-appointment.

4. **Annual ratification of appointment of the Auditors of the Company and fixing their remuneration**

   To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

   "**RESOLVED THAT** in terms of the provision of Section 139, 141 and 142 and all other applicable provisions of the Companies Act, 2013 and read with the underlying Rules viz. Companies (Audit and Auditors) Rules, 2014 and approval and recommendation of Audit Committee pursuant to Part C of the Schedule II read with Reg. 18(3) of the SEBI LODR as may be applicable (including any modification or amendments or re-enactments thereof for the time being in force) and pursuant to the approval of the Board of Directors of the Company and the resolution of the Members at the 18th Annual General Meeting held on 25th July, 2017, the appointment of M/s. Deloitte Haskins & Sells LLP, Chartered Accountants, Mumbai (ICAI Registration Number-117366W/W-100018), as Statutory Auditors of the Company, to hold office from the conclusion of this Meeting until the conclusion of the 23rd Annual General Meeting of the Company to be held in the year 2022, be ratified by the Members, at a remuneration to be determined by the Board 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. Ameet Hariani as an Independent Director**

   To consider and if thought fit, to pass 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. Ameet Hariani (DIN: 00087866) who was appointed by the Board of Directors pursuant to the provision of Section 161 of the Act and Article 128 of 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 4th September, 2017 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 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. Ameet Hariani (DIN: 00087866), 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 a 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 4th September, 2017.

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

   To consider and, if thought fit, to pass the following resolution as a Special Resolution:

   "**RESOLVED THAT** in supersession of the Special Resolution passed at the 18th Annual General Meeting of the Company held on 25th July, 2017 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 ₹ 750 crore (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. **Ratification of the Remuneration to Cost Auditors**

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 148 of the Companies Act, 2013 ("the Act") and all other applicable provisions of the Act, the Companies (Audit and Auditors) Rules, 2014 (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, 2018, 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**

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of the Memorandum and Articles of Association of the Company and applicable provisions of the Companies Act, 2013, as amended from time to time and Rules thereunder and Regulation 23 of Securities and 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 and Company's policy on 'Materiality of and dealing with Related Party Transactions', approval of members of the Company be and is hereby accorded to the Board of Directors ("the Board", which term shall be deemed to include the Audit Committee or any Committee which the Board may have constituted or herein after constitute to exercise its powers including the powers conferred by this Resolution) to enter into material contracts / arrangements / transactions with the 'Related Parties', listed in the explanatory statement annexed to the notice convening this meeting, relating to providing or availing loans, providing or availing guarantee or security for loans borrowed by the Company or Related Parties, investments, sale, purchase or supply of goods or materials, selling or otherwise disposing of, or buying property of any kind; developing property of any kind, providing or availing services including but not limited to shared IT services, manpower services, development management fees and marketing fees, leasing of property of any kind ("Transactions") which will be in the ordinary course of business and at arm's length, with effect from 1st April, 2018 and every year thereafter, for the maximum value of transactions not exceeding in aggregate ₹ 300 crore (Rupees Three Hundred Crore only) per annum per

related party notwithstanding that such transactions to be entered into individually or taken together with previous transactions with a Related Party during any financial year exceed 10% of the annual consolidated turnover of the Company as set out in the explanatory statement and on such terms and conditions as may be mutually agreed upon between the Company and the Related Party(ies).

RESOLVED FURTHER THAT the Board of Directors of the Company, which includes any Committee thereof and/or any individual(s) authorized by the Board be and are hereby severally authorized to do all such acts, matters, deeds and things, settle any queries, difficulties, doubts that may arise, with regard to any contract, transaction or arrangement with the aforesaid related party(ies), finalise the terms and conditions as may be considered necessary, expedient or desirable and execute such agreements, documents and writings, to make such filings as may be necessary or desirable, and take all such steps as may be necessary, proper and expedient to give effect to the above resolution and for matters connected therewith or incidental thereto.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of its powers conferred by the above resolution(s) to any director or directors or to any committee of directors or any other officer or officers of the Company to give effect to the aforesaid 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 Saturday, 28th July, 2018, 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 with 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 ("the Act") shall be thirty (30) members personally present;

G. As of 31st March, 2018 :

Dr. Anish Shah and Mr. Ameet Hariani do not hold any shares in the Company.

Brief resume of Dr. Anish Shah and Mr. Ameet Hariani, 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 revised 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, 21st July, 2018 to Monday, 30th July, 2018 (both days inclusive);

J. Dividend, if declared, will be credited / dispatched during the period from 31st July, 2018 to 3rd August, 2018 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, 20th July, 2018;

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 of Section 205A of the Companies Act, 1956 or Section 124 of the Companies Act, 2013, unpaid / unclaimed dividends for the financial years ended on 31st March, 2000, 2001, 2002, 2006, 2007, 2008, 2009 and 2010 have been transferred to the Investor Education & Protection Fund (IEPF) on 19th September, 2007, 24th October, 2008, 20th November, 2009, 23rd September, 2013, 14th November, 2014, 24th September, 2015, 20th September, 2016 and 20th September, 2017, 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 2010-11 and thereafter to IEPF:

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 IEPF
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	3rd November, 2021	4th November, 2021 to 3rd December, 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
2016-2017	25th July, 2017	29th August, 2024	30th August 2024 to 28th September, 2024

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 2010-11 to 2016-17, as on the date of the 18th Annual General Meeting held on 25th July, 2017, on the website of the Company www.mahindralifespaces.com and website of the IEPF www.iepf.gov.in;

M. Pursuant to the provisions of Section 124 and 125 of the Companies Act, 2013 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.

Accordingly, the details of Shares Transferred to IEPF for the financial year 2008-09 and 2009-10 are as under:

Financial Year	No. of Shareholders	No. of Shares transferred to IEPF
2008-09	7,573	1,16,291
2009-10	560	15,868

Upon transfer of shares to IEPF, the voting rights on shares transferred to IEPF remains frozen until the rightful owner claims the shares.

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 Companies Act, 2013. 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 or to the Depository Participant, as the case may be, changes, if any, in their registered addresses at an early date.

b) quote their folio numbers / client ID / DP ID in all correspondence and;

c) consolidate their holdings into one folio in case they hold shares under multiple folios in the identical order of names

P. Members are requested to note that the Company's shares are under compulsory Demat trading for all investors. Members are, therefore, requested to dematerialise their shareholding to avoid inconvenience and eliminate risks associated with physical shares and for ease of portfolio management;

Q. The Securities and Exchange Board of India (SEBI) has mandated 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;

R. 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;

S. 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.

T. 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).

U. The Notice of the 19th 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 would be sent to all members whose email IDs are registered with the Company / Karvy Computershare Private Limited / Depository Participant(s) for communication purposes. For Members who have not registered their e-mail addresses or have requested for a physical copy of Notice, physical copies of the Notice, inter-alia, indicating the process and manner of e-voting along with Attendance Slip and Proxy Form would be sent by permitted mode.

Members may also note that the Notice of the 19th Annual General Meeting and the Annual Report for the financial year 2017 - 2018 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 http://www.karvycomputershare.com/ . Even after registering for e-communication, members are entitled to receive such communication in printed form, upon making a request for the same. For any communication, the members may also send requests to the Company's investor email id: INVESTOR.MLDL@mahindra.com

V. Relevant documents referred to in the accompanying Notice and the Explanatory Statement 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.

W. 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) Rules, 2014 ("the Rules"), as amended, Regulation 44 of SEBI LODR and Clause 8 of the revised Secretarial Standards – 2 (SS - 2) of the Institute of Company Secretaries of India, the Company is providing e-voting facility to those members whose names appear in the register of members as on Monday, 23rd July, 2018 (end of Day) being the "cut-off Date" fixed for the purpose, to exercise their right to vote at the 19th 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 Thursday, 26th July, 2018 (9:00 a.m.) and ends on Sunday, 29th July, 2018 (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 Sunday, 29th July, 2018 (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 https://evoting.karvy.com (Karvy Website) or contact Mr. I. L. Murthy, 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: siroyam@gmail.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. Monday, 23rd July, 2018 shall be entitled to vote through e-voting or at the venue of the Annual General Meeting. Members may participate in the Annual General Meeting even after exercising right to vote through e-voting 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

in other cases) to the shareholders holding shares of the Company as on Friday, 22nd June, 2018. User ID and password for e-voting is sent in the email where notice is sent by email and is printed on the attendance slip 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 Monday, 23rd July, 2018, being the cut-off date for the purpose. Shareholders who become members of the Company after Friday, 22nd June, 2018 and hold shares as on 23rd July, 2018 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. Mukesh Siroya, Practising Company Secretary (Membership No.: FCS 5682) 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 or to the Managing Director, who shall countersign the same.

(vi) The Scrutinizer shall submit his report to the Chairman or to the Managing Director on or before, Wednesday, 1st August, 2018, who shall declare the result of the voting. The Result shall be declared on or before Wednesday, 1st August, 2018. 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 http://www.karvycomputershare.com/ 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 Monday, 30th July, 2018;

(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, 27th April, 2018

Registered Office
5th Floor, Mahindra Towers,
Worli, Mumbai 400 018.
e-mail: investor.mldl@mahindra.com
Website: www.mahindralifespaces.com
Tel. : 022- 67478600 / 67478601
Fax : 022- 2497 5084

ADDITIONAL INFORMATION WITH RESPECT TO ITEM NO. 4

Item No. 4

M/s. Deloitte Haskins & Sells LLP, Chartered Accountants, Mumbai (ICAI Registration Number-117366W/W-100018) were appointed as Statutory Auditors of the Company at the 18th Annual General Meeting (AGM) of the Company to hold office for a term of 5 consecutive years from the conclusion of the 18th AGM until the conclusion of the 23rd AGM of the Company to be held in the calendar year 2022 subject to ratification of their appointment at every AGM.

The Companies (Amendment) Act, 2017 (Amendment Act) which received the assent of the President on 3rd January, 2018, inter alia, provides vide clause 40 of the Amendment Act for omission of the first proviso to Section 139(1) of the Companies Act, 2013 which stipulates ratification of appointment of Statutory Auditor at every AGM. The clause 40 of the Amendment Act is yet to be notified.

Although, the ordinary resolution passed by the Shareholders at the 18th AGM held on 25th July, 2017 provides for ratification of the appointment of Statutory Auditor at every AGM, after notification of clause 40 of the Amendment Act, such ratification will not be necessary.

ANNEXURE TO NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF COMPANIES ACT, 2013

Item No. 5

The Board of Directors at its meeting held on 4th September, 2017 has appointed Mr. Ameet Hariani as an Additional Director of the Company in the category of Non-Executive Independent Director w.e.f. 4th September, 2017. Mr. Hariani 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 under Section 160 of the Act proposing his candidature for the office of Director of the Company.

Pursuant to Section 149 and Section 152 of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014, it is proposed that Mr. Ameet Hariani 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 4th September, 2017.

Mr. Ameet Hariani, 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. Ameet Hariani 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 will 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 an Independent Director in the interest of the Company and recommends passing of Resolutions at Item No. 5 as an Ordinary Resolution.

Brief resume of Mr. Ameet Hariani, 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 revised SS-2 on General Meetings, are provided in the Corporate Governance Report forming part of the Annual Report. Mr. Ameet Hariani does not hold any Equity Share in the Company.

None of the Directors are inter-se related to each other.

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

Item No. 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 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 31st March, 2018 was ₹ 368.88 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.

The members at the 18th Annual General Meeting of the Company held on 25th July, 2017 had approved a similar resolution, the validity of which shall be expiring on 24th July, 2018. 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 thereunder, 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 Board recommends 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 are, 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 25th July, 2017, 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, 2018 at a remuneration of ₹ 1,50,000/- (Rupees One Lakh Fifty Thousand Only) plus reimbursement of out of pocket expenses incurred during the course of audit and 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, 2018.

The Board recommends 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

As per the provisions of related party transactions as envisaged in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR") and the Companies Act, 2013, all subsidiaries of the Company, fellow subsidiaries, associate companies, joint venture companies, the holding company and other companies forming part of Mahindra Group are related parties to the Company (collectively referred to as 'the Related Parties'). Further, as per SEBI LODR, transaction in the nature of transfer of resources, services or obligations with a related party is considered as a related party transaction ("the Related Party Transaction").

Further, as per SEBI LODR and as per Company's 'Policy on materiality of and dealing with Related Party Transactions' (the "Materiality Policy"), a transaction with a Related Party shall be considered material if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceed(s) 10% of the annual consolidated turnover (excluding other income) of the Company as per the last audited financial statement of the Company (the "Material Related Party Transaction"). As at 31st March, 2018, the material related party threshold amounts to ₹ 56.62 crores. In terms of SEBI LODR, a Material Related Party Transaction requires approval of the Shareholders of the Company.

The Company works closely with its Related Parties to achieve its business objectives and enters into a range of Related Party Transactions with the Related Parties, from time to time in the ordinary course of business and at arm's length and such transactions with the Related Parties are likely to exceed the threshold of Material Related Party Transaction. The Audit Committee and the Board have, at their respective meetings held on 27th April, 2018 granted approval for seeking the approval of the Shareholders of the Company to enter into transactions with related parties and which are in the nature of providing or availing loans, providing or availing guarantee or security for loans borrowed by the Company or Related Parties, investments, sale, purchase or supply of goods or materials, selling or otherwise disposing of, or buying property of any kind; developing property of any kind, providing or availing services including but not limited to shared IT services, manpower services, development management fees and marketing fees, leasing of property of any kind and lease rentals and other transactions ("Transactions") which individually or taken together could be Material Related Party Transactions within the meaning of the Materiality Policy of the Company and within the meaning of Regulation 23 of SEBI LODR.

In view of the above, approval of the Shareholders is sought for following proposed Material Related Party Transactions:

<table>
<tr><th>Particulars</th><th>Information</th></tr>
<tr><td>Name of Related Parties / Nature of relationship with Related Party</td><td>The details of Related Parties are as under:
Holding Company:
1. Mahindra and Mahindra Ltd
Subsidiary Companies:
1. Mahindra World City Developers Ltd
2. Mahindra World City (Jaipur) Ltd
3. Mahindra Integrated Township Ltd
4. Mahindra Residential Developers Ltd
5. Mahindra Industrial Park Chennai Ltd
6. Mahindra Homes Private Ltd
7. Mahindra Happinest Developers Ltd
8. Mahindra Bebanco Developers Ltd
9. Industrial Cluster Private Ltd
10. Knowledge Township Ltd
Mahindra Group Companies / Fellow Subsidiaries:
1. Tech Mahindra Ltd
2. Mahindra & Mahindra Financial Services Ltd
3. Mahindra Holidays & Resorts India Ltd</td></tr>
<tr><td>Name of the Director or Key Managerial Personnel who is interested in the transactions</td><td>None of the Directors and/or Key Managerial Personnel of the Company and/or their respective relatives are in any way concerned or interested in the Ordinary Resolution proposed for Material Related Party Transactions, save and except to the extent of their directorship / shareholding, if any, in any of the entities mentioned above.</td></tr>
<tr><td>Nature of transaction and monetary value</td><td>Maximum aggregate value of Related Party Transactions per annum per related party of ₹ 300 Crore, subject to sub-limits specified below:
<table>
<tr><th>Nature of Transaction</th><th>Amount Per Financial Year (₹ in Crore)</th></tr>
<tr><td>Providing or availing loans</td><td>250</td></tr>
<tr><td>Providing or availing guarantee or security for loans borrowed by the Company or Related Parties</td><td>250</td></tr>
<tr><td>Investments</td><td>250</td></tr>
<tr><td>Sale, purchase or supply of goods or materials, selling or otherwise disposing of, or buying, property of any kind; developing property of any kind</td><td>100</td></tr>
<tr><td>Providing or availing services including but not limited to:
• Shared IT service,
• manpower services,
• development management fees and marketing fees,
• leasing of property of any kind</td><td>100</td></tr>
</table></td></tr>
<tr><td>Whether the transactions have been approved by the Audit Committee</td><td>The Audit Committee has approved and recommended the aforesaid proposal at its meeting held on 27th April, 2018.</td></tr>
<tr><td>Any other information relevant or important for the Members to make a decision on the proposed transaction</td><td>The Company in the ordinary course of business and on arms' length basis proposes to enter into aforesaid transaction with the Related Parties mentioned above.</td></tr>
</table>

As per the provisions of Section 188 (1) of the Companies Act, 2013, "Related Party Transactions" requires obtaining prior consent of the Board where transactions proposed to be entered into, falls in the list of items referred therein and are not in ordinary course of business or not on arm's length. All aforesaid transactions proposed to be entered into by the Company with the Related Parties will be in the ordinary course of business and at arm's length basis and thereby would be exempt from the applicability of Section 188(1) of the Companies Act, 2013.

As per Regulation 23 of SEBI LODR, as amended from time to time, all entities falling under the definition of related parties shall abstain from voting on the resolution 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 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, save and except to the extent of their directorship / shareholding, if any, in any of the entities mentioned above.

For and on behalf of the Board,

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

Mumbai, 27th April, 2018

Registered Office
5th Floor, Mahindra Towers,
Worli, Mumbai 400 018.
e-mail: investor.mldl@mahindra.com
Website: www.mahindralifespaces.com
Tel. : 022- 67478600 / 67478601
Fax : 022- 2497 5084

Route Map of Venue for 19th AGM:

(Source : Google Maps)

BOARD'S REPORT

Board's Report to the Members

Your Directors present their nineteenth report together with the audited financial statement of your Company for the year ended on 31st March, 2018.

FINANCIAL HIGHLIGHTS (STANDALONE)

(₹ in lakh)

	Financial Year 2018	Financial Year 2017
Income from Operations	**47,500**	68,055
Other Income	**8,222**	7,265
Total Income	**55,722**	75,320
Profit Before Depreciation, Finance cost and Taxation	**11,830**	10,686
Less : Depreciation	**396**	434
Profit Before Finance cost and Taxation	**11,434**	10,252
Less : Finance Cost	**3,541**	3,197
Profit Before Taxation	**7,893**	7,055
Less : Provision for Taxation		
• Current Tax	**2,566**	2,349
• Deferred Tax (including MAT Credit)	**15**	(188)
Profit After Tax	**5,312**	4,894
Add: Balance of Retained earnings of earlier years	**53,216**	50,187
Add: Transfers from other reserves	**-**	1,030
Retained earnings available for appropriation	**58,528**	56,111
Add: Other Comprehensive Income / (Loss)*	**(15)**	68
Less: Dividend paid on Equity Shares**	**3,079**	2,462
Less: Income-tax on Dividend paid**	**416**	501
Retained earnings carried forward	**55,018**	53,216

* Re-measurement of (loss)/gain (net) on defined benefit plans, recognised as part of retained earnings.

**Pursuant to applicable provisions of Indian Accounting Standards, the amount of dividend paid and income tax thereon mentioned in the columns for 2018 and 2017 represents the dividend amount paid and tax paid thereon for the financial years 2017 and 2016, respectively.

DIVIDEND

For the Financial Year 2017-18, 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 2017-18, inclusive of tax on distributed profits and net of tax on distributed profits on dividend proposed from the subsidiaries during the current financial year, amounts to ₹ 3,283.06 lakh. The dividend shall be paid out of the profits for the financial year 2017-18.

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

India witnessed a marginal decline in macro-economic performance in 2017-18. According to estimates released by the Central Statistics Office (CSO), India's GDP growth is estimated at 6.6 percent in 2017-18, down from 7.1 percent in 2016-17. The deceleration was broad-based with a decline in both industrial and agricultural growth. More recently, quarterly growth has shown an upward trajectory and there has been a rebound in private consumption. As a result, the growth outlook for the Indian economy for 2018-19 has also turned positive with the RBI projecting the GDP growth to strengthen to 7.4 percent in 2018-19.

The Company sold 1,357 residential units aggregating to 1.16 million square feet of saleable area in 2017-18 compared to 863 units aggregating to 0.91 million square feet in the previous year. The sales growth of 57 percent and 27 percent by area sold was achieved inspite of the Company having to defer the launch of three of its projects in Mumbai due to High Court related restrictions and two of its projects, one each in Pune and Chennai, due to pending approvals. The launch of its third affordable housing projects, Happinest, Palghar met with a tremendous response with over 389 units sold in 45 days of launch.

The focus on execution continued during the year with the completion of construction aggregating to 0.68 million square feet and the handover of 1,592 units to customers.

In the affordable housing segment, where efficiencies are a critical component of the business plan, the two Happinest projects in Avadi and Boisar saw around 75 percent of the total launched phases being completed and around 1,155 units have already been handed over to the customers since construction commenced in 2015-16.

The Company is currently developing 3.97 million square feet with another 4.44 million square feet available in the form of forthcoming projects, new phases of ongoing projects and new projects that are in various stages of planning, for launch in the future.

In the Integrated cities and industrial clusters segment, around 62 acres of land leases were concluded during the year across the two operational World Cities in Jaipur and Chennai. In 2018-19, the Company expects to benefit from the ability to market to a wider customer base at Jaipur with the conversion of the sector-specific SEZs into a multi-product SEZ in April, 2018. During the year, the Company also launched its new brand for mid-sized acres industrial clusters called **'ORIGINS by Mahindra World City'**. The first two of these clusters, near Chennai and Ahmedabad, are in various stages of planning and development.

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 financial year 2017-18 have been prepared in accordance with applicable Indian Accounting Standards (INDAS).

The consolidated total income of your Company stood at ₹ 64,413 lakh in 2017-18 as compared to ₹ 83,102 lakh in 2016-17. The consolidated Profit before tax (PBT) stood at ₹ 13,454 lakh in 2017-18 as compared to ₹ 13,890 lakh in 2016-17, whereas the consolidated profit after tax (PAT) and minority interest was ₹ 10,100 lakh in 2017-18 as compared to ₹ 10,224 lakh in 2016-17.

Total income of your Company as a standalone entity was ₹ 55,722 lakh as compared to ₹ 75,320 lakh in 2016-17. PBT was ₹ 7,893 lakh as compared to ₹ 7,055 lakh in 2016-17, whereas PAT was ₹ 5,297 lakh as compared to ₹ 4,962 lakh in 2016-17. Total income in 2017-18 includes dividend income of ₹ 666 lakh from Mahindra World City (Jaipur) Limited and ₹ 370 lakh from Mahindra Integrated Township Limited, subsidiaries of the Company. In 2016-17, the Company had received dividend income of ₹ 824 lakh from Mahindra World City (Jaipur) Limited, a subsidiary 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 the financial year 2017-18. Some of the prestigious awards are:

- Mahindra Lifespace Developers Ltd was ranked 29th in the list of Great Places to Work in India, in the 'Mid-sized Companies' category.
- Mahindra Lifespace Developers Ltd was the only real estate company to receive 'Golden Peacock Environment Management Award 2017'.
- Mahindra World City, Jaipur received the award for 'Best Public Private Partnership Model' by Business World Smart Cities Conclave & Awards 2017.
- Mahindra World City, Chennai received awards for:
  - 'Best Environment Friendly Project' by Golden Globe Tigers Awards 2017.
  - 'CSR Excellence in Waste Management' by Bureaucracy Today.
  - 'Highest Exports in SEZ Developer Category (2015-

16)' and was adjudged runner up for 'Highest Employment in SEZ Developer Category (2014-15)' by Madras Export Processing Zone.

- Mahindra Lifespace Developers Ltd received "Social Media Campaign of the year" at CMO Asia 2018 for 'IAMGREENARMY' campaign.
- L'Artista by Mahindra Lifespace Developers Ltd received the 'Best Residential Project under Ultra Luxury Segment' award at the CNBC-AWAAZ Real Estate Awards 2017-18.
- Bloomdale by Mahindra Lifespace Developers Ltd received the 'Best Residential Project under Affordable Segment' award at the CNBC-AWAAZ Real Estate Awards 2017-18.
- Nova in Mahindra World City, Chennai received 'Low Cost Housing Apartment Project' at the 5th NDTV Property Awards.
- Two projects by Mahindra Lifespace Developers Ltd — Vivante in Andheri, Mumbai and Happinest in Boisar, Maharashtra were conferred with the 2nd and 3rd prize respectively for Vishwakarma award for Health, Safety and Environment by the Construction Industry Development Council.

SHARE CAPITAL

During the year, the Company has allotted 11,200 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).

The Company also allotted 10,263,388 equity shares with a face value of ₹ 10 each for cash at a price of ₹ 292 per equity share including a premium of ₹ 282 per equity share in the ratio of 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 proceeds from the Rights Issue have been fully utilized for the objects of the Rights Issue as mentioned in the Letter of Offer filed with the Securities and Exchange Board of India.

Consequently, during the year, the issued equity share capital has increased from ₹ 4,109.44 lakh to ₹ 5,137.92 lakh and the subscribed and paid-up equity share capital of the Company has increased from ₹ 4,105.36 lakh to ₹ 5,132.81 lakh.

In April 2018, the Company has allotted 5,600 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 ₹ 5,137.92 lakh to ₹ 5,138.48 lakh and the subscribed and paid-up equity share capital of the Company has increased from ₹ 5,132.81 lakh to ₹ 5,133.37 lakh.

The allotment of 51,063 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 owners 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.

NON-CONVERTIBLE DEBENTURES

On 4th April, 2013, the Company had issued and allotted 5,000 – Secured Listed Rated Redeemable 10.78 percent 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 were fully utilized for the purposes of the issue.

Series I, II and III of Secured Listed Rated Redeemable 10.78 percent YTM, comprising of 1,250, 1,750 and 2,000 Non-Convertible Debentures (NCDs) with a face value of ₹ 10 lakh each aggregating ₹ 50,000 lakh (Rupees Fifty Thousand Lakh Only) were redeemed in accordance with the terms of NCDs on 4th April, 2016, 3rd April, 2017 and 4th April, 2018, respectively along with redemption premium and interest thereon.

EMPLOYEE STOCK OPTIONS SCHEME

During the year, in accordance with the ESOS–2012, the Nomination and Remuneration Committee had on 25th July, 2017 and 30th January, 2018, approved grant of total 21,000 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. During the year, 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 2017-18, the Promoter and the Holding Company i.e. Mahindra and Mahindra Limited (M&M) was holding 2,08,46,126 equity shares representing 50.78 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, holds 2,64,39,850 equity shares of the total paid-up equity capital of the Company. Consequent to the allotment of equity shares in the Rights Issue and the exercise of stock options during this year the percentage holding of M&M, at the end of the year has changed to 51.51 percent of the 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 provided in the Consolidated Financial Statement at Note no. 44.

The policy for determining material subsidiaries is available on the Company's website at 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 zone. At the end of 2017-18, the project had a total area of 1,524 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 Residential and Social zone. The Ministry of Commerce and Industry (Department of Commerce) Government of India vide its notification dated 17th April, 2018 has approved consolidation of the sector specific Special Economic Zones (SEZs) into a multi-product SEZ and has re-notified the areas of these SEZs as a Multi-Product SEZ. The recognition as a Multi-Product SEZ will enable diverse sectors including those earlier notified, to establish their export units in the Multi-Product SEZ which may see increased exports and job opportunities from the export units set up in the Multi-Product SEZ. The focus is currently on lease of industrial land in the project as well as on developing the blueprint for the launch of the Residential and Social zone.

Mahindra Integrated Township Limited (MITL) is engaged as a co-developer in developing the residential township area at Mahindra World City, Chennai. Its current developments include 'Iris Court' and 'Nova'. Additionally, MITL is in the process of obtaining approvals for its next project at MWC, Chennai. After excluding the area under the above projects, MITL still has approximately 122 acres to be developed in phases for offering products in different formats and segments. MITL is 96.30 percent 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 is developing a gated residential community in approximately 55 acres within Mahindra World City, 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 (BEBL), respectively. MBDL is developing a gated residential community 'Bloomdale' across approximately 25.2 acres at Multi-modal International Hub Airport at Nagpur (MIHAN). During 2016-17, certain disputes arose between the main contractor of Bloomdale BEBL and MBDL under the Construction Contract, which remained sub-judice on the date of this report. During the year, certain disputes arose under Shareholders Agreement (SHA) between the Company and BEBL. The Company has exercised its Call Option under the SHA and has called upon BEBL to tender its entire shareholding of 30%, in MBDL, for transfer to the Company. The disputes amongst BEBL, the Company and MBDL remained sub-judice on the date of this report and the Company and MBDL, in consultation with lawyers, have taken necessary steps to protect the interests of customers of Bloomdale and of the Company and MBDL.

Mahindra Homes Private Limited (MHPL), is a 74.98 : 25.02 joint venture between the Company and SCM Real Estate (Singapore) Private Limited (SCM), respectively 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 the mid-premium residential segment in India.

Mahindra Happinest Developers Limited (MHDL) incorporated on 6th September, 2017, is a 51:49 joint venture between MLDL and HDFC Capital Affordable Real Estate Fund – I, respectively. Thus, MHDL is a Subsidiary of the Company and cosequently, a subsidiary of the ultimate holding Company M&M.

MHDL launched its first affordable housing project in Palghar, Maharashtra, on approximately 8.35 acres, under the brand 'Happinest'.

Mahindra Industrial Park Chennai Limited (MIPCL), is a 60:40 joint venture between MWCDL and Sumitomo Corporation, Japan, respectively. 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 under the brand 'Origins by Mahindra World City'.

Industrial Cluster Private Limited (ICPL) 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. During the year, the Company partnered with International Finance Corporation (IFC), a member of the World Bank Group and received funding from IFC for the upcoming project at Jansali. The project will be marketed under the brand 'Origins by Mahindra World City'.

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. During the year, consequent to the order of the Hon'ble National Company Law Tribunal pursuant to the scheme of arrangements, Raigad Industrial and Business Park Limited, a wholly owned subsidiary of the Company and Kismat Developers Private Limited, Topical Builders Private Limited, associate companies of the Company merged with Mahindra World City Maharashtra Limited (MWCML). As a result, Deep Mangal Developers Private Limited, which was a subsidiary of Topical Builders Private Limited became a subsidiary of MWCML and consequently a subsidiary of the Company and of the ultimate holding company. Deep Mangal Developers Private Limited is exploring the possibility of undertaking a large format development on the southern coast of Maharashtra where it already owns land. Also as a result of the merger, Mahindra Construction Company Limited and Moonshine Construction Private Limited became subsidiary companies of the Company. The merger process was initiated with the purpose of reducing non-operative entities and compliance costs thereby eliminating overheads. In the current year, the Company will continue the process of identifying other non-operating entities for merger to streamline the numbers of entities and eliminate overheads of such entities.

Knowledge Township Limited (KTL), a wholly owned subsidiary of the Company will be developing an industrial park in Maharashtra under the brand 'Origins by Mahindra World City' 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.

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

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, Mahindra Bebanco Developers Limited and Mahindra Happinest Developers Limited which are all joint venture subsidiary companies and have been covered in the section on Subsidiary Companies.

ASSOCIATE COMPANIES

Mahindra Knowledge Park (Mohali) Limited is an associate company of the Company.

CONSOLIDATED FINANCIAL STATEMENT

The audited consolidated financial statement of the Company prepared in accordance with the applicable Accounting Standards along with all relevant documents and the Auditors' Report forms part of this Annual Report.

The financial statements of Subsidiary companies under the Companies Act, 2013 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 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 conditions 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 mission of 'Transforming urban landscapes by creating sustainable communities'. Sustainability is thus a core agenda for the Company. The details of the Company's approach to sustainability are covered in the Business Responsibility Report.

Presently, the requirement of publishing Business Responsibility Report (BRR) under Regulation 34(2)(f) of SEBI LODR is not applicable to the Company. However, the Company has voluntarily provided the BRR for the financial year 2017-18 which 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 percent, of the average net profits made during the three immediately preceding financial years towards CSR initiatives.

The Company has constituted a 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. 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 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 committed CSR expenditure of ₹ 389.09 lakh for financial year 2017-18 (including ₹ 39.11 lakh being unspent amount of the previous year), the Company has spent ₹ 291.89 lakh as per the approved CSR plan for financial year 2017-18. During the year, the Company had committed CSR expenditure of ₹ 157.20 lakh for the establishment of the "Centre of Excellence for sustainable habitats" and for research work therein by TERI, of which an amount of ₹ 60 lakh has been spent during the year and a balance amount of ₹ 97.20 lakh shall be paid, based on milestones to be achieved by TERI, during Financial Year 2019.

In view of the above, the Board has approved that an amount of ₹ 97.20 lakh 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 percent 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, Dr. Anish Shah (DIN: 02719429) Non-Executive Non-Independent Director retires by rotation at the 19th 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. Ameet Hariani (DIN: 00087866), a Non-Executive Independent Director who was appointed as an Additional Director with effect from 4th September, 2017, 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. Accordingly, appointment of Mr. Ameet Hariani is proposed at the ensuing Annual General Meeting as Non-Executive Independent Director for a term of 5 year with effect from 4th September, 2017.

Brief resume of Dr. Anish Shah and Mr. Ameet Hariani, nature of their expertise in specific functional areas, names of

companies in which they hold directorships and memberships / chairmanships of Board, Committees and shareholding in the Comany 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. Dr. Anish Shah and Mr. Ameet Hariani are not disqualified from being re-appointed / appointed as Directors by virtue of the provisions of Section 164 of the Companies Act, 2013.

During the year, two Independent Directors of the Company, Mr. Sanjiv Kapoor and Dr. Prakash Hebalkar ceased to be Independent Directors effective 30th July, 2017 on expiry of their second term of office. The Board of Directors appreciated their dedicated efforts and thanked them for their immense contribution to the Company during their tenure.

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 Independent Directors. Evaluation of Independent Directors was carried out by the entire Board of Directors, excluding the Director being evaluated. The performance evaluation of the Chairman of the Company was also carried out by Independent Directors, taking into account the views of the Executive Director and Non-Executive Directors. Structured questionnaires were prepared in accordance with the SEBI Guidelines on Board Evaluation 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. All Directors unanimously expressed that the evaluation outcome reflect the overall engagement of the Board and its Committees with the Company and its management and they are fully satisfied with the same.

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/media/4810/familiarisation-programme-for-independent-directors.pdf

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 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 (Managing Director & Chief Executive Officer upto 31st March, 2018)
2	Ms. Sangeeta Prasad	Chief Executive Officer (with effect from 1st April, 2018)
3	Mr. Suhas Kulkarni	Company Secretary
4	Mr. Jayant Manmadkar	Chief Financial Officer

The Board at its meeting held on 30th January, 2018 re-designated, Ms. Sangeeta Prasad, CEO - Integrated Cities and Industrial Clusters, as the Chief Executive Officer (CEO) of the Company effective 1st April, 2018.

Ms. Sangeeta Prasad, aged 50 years is an Engineer from Jadavpur University, Kolkata and a post graduate from Indian Institute of Management, Lucknow and has over 25 years of experience which includes a long stint in the steel industry prior to her joining as the COO of Mahindra World City Developers Limited in 2008. In 2013, she was promoted as CEO – Integrated cities and Industrial clusters at Mahindra Lifespace Developers Limited. A Chevening scholar, Ms. Sangeeta Prasad was recognised as one of the Top 30 emerging Women Leaders in India by Business Today Magazine in the year 2010. Ms. Sangeeta Prasad is a member of the Board of Governors of Indian Institute of Management, Lucknow and on the Board of various companies.

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, the revised 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, 2018 and of the profit and loss 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, 2018 comprised of two Independent Directors, namely Mr. Shailesh Haribhakti, Mr. Bharat Shah, and one Non-Executive Non-Independent Director, Dr. Anish Shah. Mr. Shailesh Haribhakti is the Chairman of the Committee. At the close of the meeting of the Audit Committee held on 27th April, 2018, Mr. Shailesh Haribhakti resigned as the Chairman of the Audit Committee. Mr. Shailesh Haribhakti continues to be a member of the Audit Committee. The Board at its meeting held on 27th April, 2018, has appointed Mr. Ameet Hariani, Independent Director as a member of the Audit 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 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, Ms. Anita Arjundas, Managing Director of the Company, and the Chief Financial Officer of the Company, 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 18th Annual General Meeting of the Company held on 25th July, 2017, had appointed M/s. Deloitte Haskins & Sells LLP, Chartered Accountants, Mumbai (ICAI Registration Number -117366W/W-100018), as Statutory Auditors of the Company to hold office from the conclusion of the 18th Annual General Meeting until the conclusion of the 23rd Annual General Meeting to be held in the calendar year 2022 (Subject to ratification of their appointment at every Annual General Meeting) 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.

As required under the provisions of Section 139(1) and 141 of the Companies Act, 2013 read with the Companies (Accounts and Auditors) Rules, 2014, the Company has received a

written consent and certificate from the above auditors whose appointment is proposed to be ratified, to the effect that they are eligible to continue as Statutory Auditor of the Company.

Accordingly, the members are requested to ratify the appointment of M/s. Deloitte Haskins & Sells LLP as Statutory Auditors of Company.

The Companies (Amendment) Act, 2017 (Amendment Act) which received the assent of the President on the 3rd January, 2018, inter alia, provides vide clause 40 of the Amendment Act for omission of the first proviso to Section 139(1) of the Companies Act, 2013 which stipulates ratification of appointment of Statutory Auditor at every Annual General Meeting. The clause 40 of the Amendment Act is yet to be notified.

Although, the ordinary resolution passed by the Shareholders at the 18th Annual General Meeting held on 25th July, 2017 provides for ratification of the appointment of Statutory Auditor at every Annual General Meeting, after notification of clause 40 of the Amendment Act, such ratification will not be necessary.

The notes of the financial statements referred to in the Auditors' Report issued by M/s. Deloitte Haskins & Sells LLP, Chartered Accountants, Mumbai for the financial year ended on 31st March, 2018 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 2017-18. 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, 2018, 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. 8.

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 contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. During the year, the Company had not entered into any contract / arrangement / transaction with related parties which could be considered material. In view of the above, the requirement of giving particulars of contracts / arrangements / transactions made with related parties, in Form AOC-2 are not applicable for the year under review.

The Policy on materiality of related party transactions and 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 are provided in the standalone financial statement at Note no. 41.

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 7** to this report.

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

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 8** to this Report.

Details of employee remuneration as required under provisions of Section 197(12) of the Companies Act, 2013 read with Rules 5(2) & 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are available at the Registered Office of the Company during working hours up to the date of the Annual General Meeting 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 9** and forms part of this Report.

GENERAL

- The Directors have devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards and that such systems are adequate and operating effectively.
- 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, 2018, 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 shall be registering its forthcoming projects at an appropriate time in the applicable jurisdictions / States under the Real Estate (Regulation and Development) Act, 2016 (RERA) and Rules thereunder. Till such time, the forthcoming projects are registered under RERA, none of the images, material, projections, details, descriptions and other information that are mentioned in the Annual Report for the year 2017-18, should be deemed to be or constitute advertisements, solicitations, marketing, offer for sale, invitation to offer, or invitation to acquire within the purview of the RERA. The Company uses carpet areas as per RERA in its customer communication. However, the data in saleable area terms has been presented in the Annual Report for the year 2017-18 to enable continuity of information to investors and shall not be construed to be of any relevance to home buyers / customers.

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 employees of the Company.

For and on behalf of the Board

Arun Nanda
Chairman
DIN: 00010029

Date: 27th April, 2018
Place: Mumbai

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% to 35% 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:
    1. Profitable growth of the Company and specifically, profits earned during the financial year as compared with:
        a. Previous years and
        b. Internal budgets.
    2. Cash flow position of the Company,
    3. Accumulated reserves,
    4. Earnings stability,
    5. Future cash requirements for organic growth/ expansion and/or for inorganic growth,
    6. Brand acquisitions,
    7. Current and future leverage and, under exceptional circumstances, the amount of contingent liabilities,
    8. Deployment of funds in short term marketable investments,
    9. Long term investments,
    10. Capital expenditure(s), and
    11. The ratio of debt to equity (at net debt and gross debt level).
- External Factors:
    1. Business cycles,
    2. Economic environment,
    3. Cost of external financing,
    4. Applicable taxes including tax on dividend,
    5. Industry outlook for the future years,
    6. Inflation rate, and
    7. 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:

1. Capital expenditure for working capital,
2. Organic and/or inorganic growth,
3. Investment in new business(es) and/or additional investment in existing business(es),
4. Declaration of dividend,
5. Capitalisation of shares,
6. Buy back of shares,
7. General corporate purposes, including contingencies,
8. Correcting the capital structure,
9. 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: 27th April, 2018

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 a 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, 2018:

   Mr. Arun Nanda — Chairman

   Ms. Anita Arjundas — Member

   Mr. Shailesh Haribhakti — Member

3. Average net profit of the company for last three financial years: ₹ 17,499.16 lakh

4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above): ₹ 349.98 lakh

5. Details of CSR spent during the financial year.

   (a) Total amount to be spent for the financial year: ₹ 389.09 lakh (including carried forward from previous year ₹ 39.11 lakh)

   (b) Amount unspent, if any: ₹ 97.20 lakh

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

(₹ In lakh)

(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)**	**Amount spent on the projects or programs Sub heads: (1) Direct expenditure on projects or programs (2) Overhead**	**Cumulative expenditure upto the reporting period**	**Amount spent: Direct or through implementing agency**
1	Nanhi Kali - Provides educational support (material & academic) to underprivileged girls in India.	Education	Pan India where MLDL has existing projects	175.50	(1) Direct expenditure: 175.50	175.50	Through: KC Mahindra Education Trust
2	Gyandeep –Providing educational support (material & academic) to underprivileged children of nearby community around construction site.	Education	Boisar	2.48	(1) Direct expenditure: 2.48	2.48	Through Rotary Club Bombay, Kandivali
3	Project Haryali – Plantation of Trees	Environment	NCR, Pune, Bengaluru, Chennai, Nagpur and Jaipur	3.00	(1) Direct expenditure: 3.00	3.00	Through Rotary Club Bombay, Kandivali

(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)**	**Amount spent on the projects or programs Sub heads: (1) Direct expenditure on projects or programs (2) Overhead**	**Cumulative expenditure upto the reporting period**	**Amount spent: Direct or through implementing agency**
4	Green Army – Creating sustainability awareness covered 8000 school children from 40 schools to inculcate sustainable living habits	Environment	Mumbai, Boisar and Pune	16.24	(1) Direct expenditure: 16.24	16.24	Through : Parishar Asha
5	Centre of Excellence for Sustainable Habitats	Environment	Delhi	157.20*	(1) Direct expenditure: 60.00	60.00	The Energy and Research Institute (TERI)
6	Swachh Bharat – Cleanliness Drive	Sanitation	Mumbai, Pune, Delhi, Bengaluru	2.20	(1) Direct expenditure: 2.20	2.20	Through Rotary Club Bombay, Kandivali
7	Medical camps and Health Check up camps	Health	Mumbai, Pune, Delhi, Bengaluru	23.75	(1) Direct expenditure: 23.75	23.75	Through Rotary Club Bombay, Kandivali
8	Gram Vikas – Local infrastructure in nearby villages	Rural Development	Palghar, Pune	6.72	(1) Direct expenditure: 6.72	6.72	Through Rotary Club Bombay, Kandivali
9	Skill Development – Enhancing vocation skills	Women empowerment	Mumbai	2.00	(1) Direct expenditure: 2.00	2.00	Through Rotary Club Bombay, Kandivali
	Total			**389.09***	**291.89**	**291.89**	

* Includes an unspent amount of ₹ 39.11 lakh brought forward from the CSR budget of FY 2016-17 allocated to Center of Excellence for Sustainable Habitats through TERI.

6. In case the company has failed to spend the two percent 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, 2018, out of the amounts committed for the establishment of the COE and research work therein, an amount of ₹ 60 lakh has been paid during the year and a balance amount of ₹ 97.20 lakh shall be paid, based on milestones to be achieved by TERI, during FY2019.

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

Anita Arjundas
(Managing Director)
DIN : 00243215
Mumbai, 27th April, 2018

Arun Nanda
(Chairman – CSR Committee)
DIN : 00010029
Mumbai, 27th April, 2018

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: 27th April, 2018

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: 27th April, 2018

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% to 25% 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 % and absolute.
- Compensation corrections are made in a few cases where it is outside the band or to keep it tune with the market.

For and on behalf of the Board

Arun Nanda
Chairman
DIN: 00010029

Place: Mumbai
Date: 27th April, 2018

ANNEXURE 6
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2018

[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 my opinion thereon.

2. Based on our verification of the Mahindra Lifespace Developers Limited 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, 2018, 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, 2018 according to the provisions of:

    1. The Companies Act, 2013 (the Act) as amended and the rules made thereunder;

    2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

    3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

    4. 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;

    5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

        a. Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

        b. Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

        c. Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

        d. Securities and Exchange Board of India (Share Based Employee Benefit) Regulation, 2014;

        e. Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

        f. Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; - **Not applicable as the Company is not registered as Registrar to an issue and Share Transfer Agent during the financial year under review.**

        g. Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; - **Not applicable as the Company has not delisted its equity shares from any Stock Exchange during the financial year under review and**

        h. 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 Real Estate (Regulations & Development) Act, 2016

   h. 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:

   1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review:

      a. Mr. Sanjiv Kapoor and Dr. Prakash Hebalkar ceased to be Independent Directors effective 30th July, 2017 on expiry of their second term of office.

      b. Mr. Ameet Hariani (DIN: 00087866) was appointed as an Additional Director (Non-Executive, Independent Director) by the Board of Directors pursuant to the provisions of Section 161 w.e.f 04th September, 2017.

   2. The Board of Directors in their Meeting held on 22nd April, 2017 has approved for making offer or invitation to subscribe to Non-Convertible Debentures including but not limited to Bonds, and/or other Debt Securities on Private Placement basis in one or more tranches to such person(s)/ Financial Institution/ Bank(s)/ Mutual Fund(s)/ Body Corporate(s)/Company (ies)/ any other entities on such terms and conditions during a period of one year upto an aggregate of ₹ 750,00,00,000 (Rupees Seven Hundred Fifty Crores only)

   3. The Board of Directors on 5th May, 2017 has passed a resolution by circulation for allotment of 10,263,388 equity shares with a face value of ₹ 10 each for cash at a price of ₹ 292 per equity share including a premium of ₹ 282 per equity share, amounting to ₹ 299,69,09,296/- (Two Hundred Ninety Nine Crores Sixty Nine Lakhs Nine Thousand Two Hundred Ninety Six only).

   4. The Board of Directors has issued and allotted 11,200 new Equity Shares to eligible employees under ESOS-2012.

   5. The Company has invested ₹ 10.035 crore in Mahindra Happinest Developers Limited by subscribing to equity, optionally convertible preference shares and optionally convertible debenture.

6. The Company has invested ₹ 3.70 crore in Industrial Cluster Private Limited by subscribing to optionally convertible redeemable debentures.

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. Majority decision is carried through while the dissenting members' views, if any are captured and recorded as part of the minutes.

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 18th AGM of the Company held on 25th July, 2017:

    a. for Appointment of Mr. Bharat Shah as Independent 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 ratification of remuneration of Cost Auditor for the financial year ended on 31st March, 2017

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

For Martinho Ferrao & Associates
Company Secretaries

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

Place: Mumbai
Dated: 27th April, 2018

ANNEXURE 7

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

B. TECHNOLOGY ABSORPTION:

(i)	The efforts made towards technology absorption	:	The Company had evaluated various technologies during design phases of the product in order to improve quality and project completion timeline. A Cross Functional Team (CFT) studies alternate material, methods and technologies along with the architect and consultants during the design phases to maximize the value engineering potential. During the year, three special projects have been completed by CFT. These include pre-hung doors, use of tile adhesives and single stack systems for drainage works. Pre-hung Doors are manufactured through state-of-the-art global technology using composite / engineered woods. These doors are brought to the site pre-fabricated & pre-polished. During the year, the Company also evaluated and implemented innovative technologies like Grillage foundation for building construction, tile adhesive to ensure no wet-work at floors, hot- dipped galvanised window frames and RCC door frames. Ready to fit elements and modular components were specially designed and fabricated for building construction.
(ii)	The benefits derived like product improvement, cost reduction, product development or import substitution.	:	These initiatives improve the quality of the product and reduce construction timelines for projects. Construction technologies like Grillage Foundation help in Building construction in different soil conditions. The use of Single stack systems for drainage works ensure better management of soil and waste with zero leakages.
(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	:	Not Applicable

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

During the year, details of Foreign Exchange earnings is ₹ 33.06 lakh and the Foreign Exchange outgo in terms of actual outflows is ₹ 312.07 lakh.

For and on behalf of the Board

Arun Nanda
Chairman
DIN: 00010029

Place: Mumbai
Date: 27th April, 2018

ANNEXURE 8

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 2017-18:

Name	Designation	Ratio
Mr. Arun Nanda	Non-executive Non-Independent Chairman	4.34
Mr. Shailesh Haribhakti	Non-executive Independent Director	0.91
Mr. Bharat Shah	Non-executive Independent Director	0.91
Mr. Ameet Hariani[1]	Non-executive Independent Director	0.53
Dr. Anish Shah	Non-executive Non-Independent Director	-
Mr. Sanjiv Kapoor[2]	Non-executive Independent Director	0.30
Dr. Prakash Hebalkar[2]	Non-executive Independent Director	0.30
Ms. Anita Arjundas	Managing Director & Chief Executive Officer	25.87

[1] Mr. Ameet Hariani was appointed as an Additional Director in the category of Non-Executive Independent Director effective 04th September, 2017.

[2] Mr. Sanjiv Kapoor and Dr. Prakash Hebalkar ceased to be Non-Executive Independent Directors effective 30th July, 2017 on expiry of their second term of office.

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 2017-18:

The percentage increase in remuneration is as follows:

Name of the Person	Designation	% Increase / (decrease) in FY 2017-18 over the FY 2016-17 (annualised basis)
Mr. Arun Nanda	Non-executive Non-Independent Chairman	13
Mr. Shailesh Haribhakti	Non-executive Independent Director	11
Mr. Bharat Shah[1]	Non-executive Independent Director	11
Mr. Ameet Hariani[2]	Non-executive Independent Director	NA
Dr. Anish Shah	Non-executive Non-Independent Director	NA
Mr. Sanjiv Kapoor[3]	Non-executive Independent Director	11
Dr. Prakash Hebalkar[3]	Non-executive Independent Director	11
Ms. Anita Arjundas	Managing Director & Chief Executive Officer	5
Mr. Jayant Manmadkar	Chief Financial Officer	13
Mr. Suhas Kulkarni	Company Secretary	5

[1] Mr. Bharat Shah was appointed as an Additional Director in the category of Non-Executive Independent Director effective 01st August, 2016.

[2] Mr. Ameet Hariani was appointed as an Additional Director in the category of Non-Executive Independent Director effective 04th September, 2017.

[3] Mr. Sanjiv Kapoor and Dr. Prakash Hebalkar ceased to be Non-Executive Independent Directors effective 30th July, 2017 on expiry of their second term of office.

3. The Percentage increase in the median remuneration of employees in the financial year 2017-18:

   The percentage increase in the median remuneration of the employees in the financial year 2017-18 was 12.15 percent. The percentage increase in Median Remuneration of employees is calculated after excluding those employees who were not eligible for increment.

4. The Number of permanent Employees on the rolls of the Company is 303, as on 31st March, 2018.

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 2018 is 9 percent, while the average increase in the remuneration of the Key Managerial Personnel is 6 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: 27th April, 2018

ANNEXURE 9

FORM NO. MGT - 9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31st March, 2018

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) 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*	% to total turnover of the Company#
1.	Construction of Buildings	410	75.62

*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	% of shares held	Applicable Section
1.	Mahindra and Mahindra Limited Add: Gateway Building, Apollo Bunder, Mumbai 400 001	L65990MH1945PLC004558	Holding	51.51	2(46)
2.	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)
3.	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)
4.	Mahindra Integrated Township Limited Add: Mahindra World City, Administrative Block, Chengelpet Taluk, Kancheepuram 603002, Tamil Nadu	U74140TN1996PLC068288	Subsidiary	96.30*	2(87)(ii)
5.	Mahindra Residential Developers Limited Add: Mahindra World City, Administrative Block, Chengelpet Taluk, Kancheepuram 603002, Tamil Nadu	U45200TN2008PLC066292	Subsidiary	96.30^	2(87)(ii)
6.	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)
7.	Mahindra Bebanco Developers Limited@	U45203MH2008PLC183107	Subsidiary	70.00	2(87)(ii)
8.	Mahindra Homes Private Limited@	U70102MH2010PTC203618	Subsidiary	74.98	2(87)(ii)
9.	Mahindra Happinest Developers Limited@	U70100MH2017PTC299424	Subsidiary	51.00	2(87)(ii)
10.	Mahindra Infrastructure Developers Limited@	U45201MH2001PLC131942	Subsidiary	100.00	2(87)(ii)
11.	Mahindra World City (Maharashtra) Limited@	U45309MH2005PLC156225	Subsidiary	100.00	2(87)(ii)
12.	Knowledge Township Limited@	U72900MH2007PLC173137	Subsidiary	100.00	2(87)(ii)
13.	Industrial Township (Maharashtra) Limited@	U45203MH2008PLC184190	Subsidiary	100.00	2(87)(ii)
14.	Anthurium Developers Limited@	U70109MH2010PLC203619	Subsidiary	100.00	2(87)(ii)

Sr. No.	Name and Address of the Company	CIN/GIN	Holding / Subsidiary / Associate / Joint Venture	% of shares held	Applicable Section
15.	Industrial Cluster Private Limited@	U70102MH2013PTC241512	Subsidiary	100.00	2(87)(ii)
16.	Mahindra Water Utilities Limited	U45205MH1999PLC121235	Subsidiary	98.99^	2(87)(ii)
17.	Moonshine Construction Private Limited@#	U45200MH1996PTC099607	Subsidiary	100.00*	2(87)(ii)
18.	Deep Mangal Developers Private Limited@#	U70102MH1989PTC051878	Subsidiary	100.00*	2(87)(ii)
19.	Mahindra Construction Company Limited@#	U45200MH1992PLC068846	Subsidiary	54.17^	2(87)(ii)
20.	Mahindra Knowledge Park (Mohali) Limited Add: Fortis Heart Institute Sector 62 Mohali Chandigarh, Punjab - 160062	U00000PB2000PLC024091	Associate	46.15	2(6)

* Includes direct and indirect holding through subsidiary company.

^ Indirect shareholding through subsidiary company.

Subsidiary with effect from 28th December, 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 2017-18				No. of Shares held at the end of the year 2017-18				% Change during the year
	Demat	Physical	Total	% of total subscribed and paid up share capital	Demat	Physical	Total	% of total subscribed and paid up share capital	
A. Promoters									
(1) Indian									
a) Individual/HUF	-	-	-	-	-	-	-	-	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp	20,846,126	-	20,846,126	50.78	26,439,850	-	26,439,850	51.51	0.73
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other….	-	-	-	-	-	-	-	-	-
Sub-total (A) (1):-	20,846,126	-	20,846,126	50.78	26,439,850	-	26,439,850	51.51	0.73
(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**	**50.78**	**26,439,850**	**-**	**26,439,850**	**51.51**	**0.73**

Category of Shareholder	No. of Shares held at the beginning of the year 2017-18				No. of Shares held at the end of the year 2017-18				% Change during the year
	Demat	Physical	Total	% of total subscribed and paid up share capital	Demat	Physical	Total	% of total subscribed and paid up share capital	
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	9,10,267	1,638	9,11,905	2.23	15,93,174	40	15,93,214	3.10	0.88
b) Banks / FI	13,317	330	13,647	0.03	17,102	250	17,352	0.03	0.00
c) Central Govt	-	-	-	-					
d) State Govt(s)	-	-	-	-					
e) Venture Capital Funds	-	-	-	-					
f) Insurance Companies	194	56	250	0.00	194	53	247	0.00	0.00
g) FIIs	99,42,249	2,257	99,44,506	24.22	1,16,11,737	736	1,16,12,473	22.62	-1.60
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	**1,08,66,027**	**4,281**	**1,08,70,308**	**26.48**	**1,32,22,207**	**1,079**	**1,32,23,286**	**25.75**	**-0.72**
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	27,85,494	14,966	28,00,460	6.82	32,11,315	5,524	32,16,839	6.27	-0.55
ii) Overseas	11	276	287	0.00	11	-	11	0.00	0.00
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	34,73,967	5,58,416	40,32,383	9.82	39,46,527	4,68,200	44,14,727	8.61	-1.22
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	16,18,352	-	16,18,352	3.94	27,38,057	-	27,38,057	5.33	1.39
c) Others (Non-Resident Individuals)	3,27,342	2,206	3,29,548	0.80	3,87,510	1,738	3,89,248	0.76	0.04
d) Others Trust, HUF, IEPF, Clearing Members, etc	5,11,316	-	5,11,316	1.25	8,61,350	0	8,61,350	1.68	0.43
Sub-total (B)(2):-	**87,16,482**	**5,75,864**	**92,92,346**	**22.63**	**1,11,44,770**	**4,75,462**	**1,16,20,232**	**22.65**	**0.02**
Total Public Shareholding (B)=(B)(1)+(B)(2)	**1,95,82,509**	**5,80,145**	**2,01,62,654**	**49.11**	**2,43,66,977**	**4,76,541**	**2,48,43,518**	**48.40**	**-0.70**
C. Shares held by Custodian for GDRs & ADRs	44,540	230	44,770	0.11	44,540	230	44,770	0.09	-0.02
Grand Total (A+B+C)	**4,04,73,175**	**5,80,375**	**4,10,53,550**	**100.00**	**5,08,51,367**	**4,76,771**	**5,13,28,138**	**100.00**	**0.00**

(ii) Shareholding of Promoters

Name of Shareholder	No. of Shares held at the beginning of the year 2017-18			No. of Shares held at the end of the year 2017-18			% Change during the year
	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
Body Corporate - Mahindra & Mahindra Limited	20,846,126	50.78	0.00	26,439,850	51.51	0.00	0.73

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

Sl. No.	Particulars	Shareholding at the beginning of the Year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	At the beginning of the year 2017-18	2,08,46,126	50.78		
	Date wise increase/decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc)	55,93,724 (Allotted under Rights Issue on 5th May, 2017)		2,64,39,850	51.51
	At the end of the year 2017-18	2,64,39,850	51.51		

(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 (01.04.2017 to 31.03.2018)	
		No. of shares at the beginning 01.04.2017 and end of the year 31.03.2018	% of total shares of the Company				No. of shares	% of total shares of the Company
1	Smallcap World Fund, Inc	21,57,380	5.26	01.04.2017				
				05.05.2017	5,39,345	Allotment^	26,96,725	5.25
		26,96,725	5.25	31.03.2018				
2	ICICI Prudential Life Insurance Company Ltd	18,58,258	4.53	01.04.2017				
				05.05.2017	4,98,634	Allotment^	23,56,892	4.59
				12.05.2017	(1,822)	Sale	23,55,070	4.59
				19.05.2017	(4,189)	Sale	23,50,881	4.58
				09.06.2017	134	Purchase	23,51,015	4.58
				16.06.2017	(24,535)	Sale	23,26,480	4.53
				23.06.2017	536	Purchase	23,27,016	4.53
				30.06.2017	6,314	Purchase	23,33,330	4.55
				07.07.2017	(59,300)	Sale	22,74,030	4.43
				14.07.2017	(26,512)	Sale	22,47,518	4.38
				21.07.2017	4,121	Purchase	22,51,639	4.39
				28.07.2017	3,469	Purchase	22,55,108	4.39

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 (01.04.2017 to 31.03.2018)	
		No. of shares at the beginning 01.04.2017 and end of the year 31.03.2018	% of total shares of the Company				No. of shares	% of total shares of the Company
				04.08.2017	8,926	Purchase	22,64,034	4.41
				11.08.2017	13,548	Purchase	22,77,582	4.44
				18.08.2017	3,430	Purchase	22,81,012	4.44
				25.08.2017	3,634	Purchase	22,84,646	4.45
				01.09.2017	(1,09,701)	Sale	21,74,945	4.24
				08.09.2017	(9,517)	Sale	21,65,428	4.22
				15.09.2017	(8,55,65)	Sale	20,79,863	4.05
				22.09.2017	(17,994)	Sale	20,61,869	4.02
				29.09.2017	3,879	Purchase	20,65,748	4.03
				06.10.2017	11,886	Purchase	20,77,634	4.05
				13.10.2017	4,223	Purchase	20,81,857	4.06
				27.10.2017	2,436	Purchase	20,84,293	4.06
				31.10.2017	1,734	Purchase	20,86,027	4.06
				03.11.2017	1,966	Purchase	20,87,993	4.07
				10.11.2017	3,624	Purchase	20,91,617	4.08
				17.11.2017	3,418	Purchase	20,95,035	4.08
				24.11.2017	2,075	Purchase	20,97,110	4.09
				01.12.2017	826	Purchase	20,97,936	4.09
				08.12.2017	(107)	Sale	20,97,829	4.09
				15.12.2017	3,700	Purchase	21,01,529	4.09
				22.12.2017	9,842	Purchase	21,11,371	4.11
				29.12.2017	1,638	Purchase	21,13,009	4.12
				05.01.2018	7,253	Purchase	21,20,262	4.13
				12.01.2018	(42,603)	Sale	20,77,659	4.05
				19.01.2018	85,816	Purchase	21,63,475	4.22
				26.01.2018	1,904	Purchase	21,65,379	4.22
				02.02.2018	4,566	Purchase	21,69,945	4.23
				09.02.2018	5,766	Purchase	21,75,711	4.24
				16.02.2018	1,470	Purchase	21,77,181	4.24
				23.02.2018	3,053	Purchase	21,80,234	4.25
				09.03.2018	8,899	Purchase	21,89,133	4.26
				16.03.2018	898	Purchase	21,90,031	4.27
				23.03.2018	7,313	Purchase	21,97,344	4.28
				30.03.2018	38,007	Purchase	22,35,351	4.36
		22,35,351	4.36	31.03.2018				

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 (01.04.2017 to 31.03.2018)	
		No. of shares at the beginning 01.04.2017 and end of the year 31.03.2018	% of total shares of the Company				No. of shares	% of total shares of the Company
3	First State Investments ICVC-Stewart Investors Asia Pacific Fund	9,90,125	2.41	01.04.2017				
				05.05.2017	2,47,531	Allotment^	12,37,656	2.41
				06.10.2017	(27,954)	Sale	12,09,702	2.36
				13.10.2017	(48,356)	Sale	11,61,346	2.26
				20.10.2017	(50,339)	Sale	11,11,007	2.16
				27.10.2017	(1,24,401)	Sale	9,86,606	1.92
				31.10.2017	(46,968)	Sale	9,39,638	1.83
				03.11.2017	(12,417)	Sale	9,27,221	1.81
				10.11.2017	(52,930)	Sale	8,74,291	1.70
				24.11.2017	(61,330)	Sale	8,12,961	1.58
				01.12.2017	(2,57,370)	Sale	5,55,591	1.08
				08.12.2017	(1,44,265)	Sale	4,11,326	0.80
				15.12.2017	(1,57,651)	Sale	2,53,675	0.49
				22.12.2017	(89,943)	Sale	1,63,732	0.32
				29.12.2017	(26,687)	Sale	1,37,045	0.27
				05.01.2018	(52,421)	Sale	84,624	0.16
				12.01.2018	(84,624)	Sale	0	0.00
		0	0	31.03.2018				
4	First State Indian Subcontinent Fund	8,97,620	2.19	01.04.2017				
				07.04.2017	17,213	Purchase	9,14,833	2.23
				05.05.2017	(66,121)	Sale	8,48,712	2.07
				05.05.2017	1,73,377	Allotment^	10,22,089	2.07
				12.05.2017	47,608	Purchase	10,69,697	2.08
				21.07.2017	12,394	Purchase	10,82,091	2.11
				18.08.2017	49,344	Purchase	11,31,435	2.20
				01.09.2017	6,918	Purchase	11,38,353	2.22
		11,38,353	2.22	31.03.2018				
5	American Funds Insurance Series Global Small Capitalization Fund	8,55,356	2.08	01.04.2017				
				05.05.2017	2,13,839	Allotment^	10,69,195	2.08
		10,69,195	2.08	31.03.2018				
6	The Scottish Oriental Smaller Companies Trust PLC	8,18,520	1.99	01.04.2017				
				05.05.2017	(28,287)	Sale	7,90,233	1.92
				05.05.2017	2,19,637	Allotment^	10,09,870	1.98
				12.05.2017	(8,779)	Sale	10,01,091	1.95
				21.07.2017	12,493	Purchase	10,13,584	1.98
				18.08.2017	49,739	Purchase	10,63,323	2.07
				01.09.2017	6,974	Purchase	10,70,297	2.09
		10,70,297	2.09	31.03.2018				

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 (01.04.2017 to 31.03.2018)	
		No. of shares at the beginning 01.04.2017 and end of the year 31.03.2018	% of total shares of the Company				No. of shares	% of total shares of the Company
7	First State Investments ICVC-Stewart Investors Global Emerging Markets Fund	8,14,343	1.98	01.04.2017				
				05.05.2017	2,03,585	Allotment^	10,17,928	1.98
				09.06.2017	(63,179)	Sale	9,54,749	1.86
				16.06.2017	(11,767)	Sale	9,42,982	1.84
		9,42,982	1.84	31.03.2018				
8	First State Investments ICVC-Stewart Investors Indian Subcontinent Fund	6,93,511	1.69	01.04.2017				
				05.05.2017	1,73,377	Allotment^	8,66,888	1.69
		8,66,888	1.69	31.03.2018				
9	Caisse DE Depot ET Placement DU Quebec-First State Investments International Limited*	3,97,750	0.97	01.04.2017				
				07.04.2017	7,787	Purchase	4,05,537	0.99
				05.05.2017	(34,743)	Sale	3,70,794	0.90
				05.05.2017	1,06,730	Allotment^	4,77,524	0.91
				12.05.2017	(10,388)	Sale	4,67,136	0.91
				21.07.2017	5,113	Purchase	4,72,249	0.92
				18.08.2017	20,357	Purchase	4,92,606	0.96
				01.09.2017	2,854	Purchase	4,95,460	0.97
		4,95,460	0.97	31.03.2018				
10	UTI- Balance Fund	4,81,589	1.17	01.04.2017				
				14.04.2017	15,000	Purchase	4,96,589	1.21
				05.05.2017	1,29,228	Allotment^	6,25,817	1.22
				21.07.2017	70,274	Purchase	6,96,091	1.36
				04.08.2017	15,000	Purchase	7,11,091	1.39
				11.08.2017	69,881	Purchase	7,80,972	1.52
				18.08.2017	31,285	Purchase	8,12,257	1.58
				15.09.2017	45,478	Purchase	8,57,735	1.67
				22.09.2017	26,074	Purchase	8,83,809	1.72
				03.11.2017	20,000	Purchase	9,03,809	1.76
				10.11.2017	1,01,031	Purchase	10,04,840	1.96
				01.12.2017	35,000	Purchase	10,39,840	2.03
				09.02.2018	38,077	Purchase	10,77,917	2.10
				23.02.2018	4,193	Purchase	10,82,110	2.11
				16.03.2018	6,962	Purchase	10,89,072	2.12
				23.03.2018	30,000	Purchase	11,19,072	2.18
				30.03.2018	25,000	Purchase	11,44,072	2.23
		11,44,072	2.23	31.03.2018				

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 (01.04.2017 to 31.03.2018)	
		No. of shares at the beginning 01.04.2017 and end of the year 31.03.2018	% of total shares of the Company				No. of shares	% of total shares of the Company
11	First State Investments ICVC-Stewart Investors Asia Pacific Sustainability Fund#	4,15,498	1.01	01.04.2017				
				05.05.2017	1,03,874	Allotment^	5,19,372	1.01
				30.03.2018	(26,203)	Sale	4,93,169	0.96
		4,93,169	0.96	31.03.2018				

* The Shareholder was not in Top 10 category as on 01.04.2017 but in the Top 10 category as on 31.03.2018.

The Shareholder was in Top 10 category as on 01.04.2017 but not in the Top 10 category as on 31.03.2018.

^ Equity shares allotted under Rights Issue.

(v) Shareholding of Directors and Key Managerial Personnel

Sr. No.	Name of the Directors and Key Managerial Personnel	Shareholding at the beginning 01.04.2017 & end of the year 31.03.2018		Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease			Cumulative Shareholding during the year (01.04.2017 to 31.03.2018)	
		No. of shares	% of total shares of the Company	Date of transaction	Increase / (Decrease) in shareholding	Reason	No. of shares	% of total shares of the Company
1.	Arun Nanda	1,31,064	0.32	01.04.2017	35,148	Allotment of Shares under Rights Issue	1,66,212	0.32
				05.05.2017				
		1,66,212	0.32	31.03.2018				
	Note: Out of the total 1,66,212 shares, 142 shares are held jointly by Mr. Arun Nanda as first holder and Ms. Neerja Nanda (Wife) as second holder. 750 shares are jointly held by Ms. Neerja Nanda (Wife) as first holder and Mr. Arun Nanda as second holder and 437 shares are jointly held by Mr. Uday Nanda (Son) as first holder, Ms. Neerja Nanda (Wife) as second holder and Mr. Arun Nanda as third holder. Shareholding of Mr Nanda jointly with Ms. Neerja Nanda (Wife) as first holder has increased from 600 to 750 due to allotment of shares pursuant to Rights Issue. Similarly, shareholding of Mr. Nanda jointly with Mr. Uday Nanda (Son) as first holder and Ms. Neerja Nanda (Wife) as second holder has increased from 350 to 437 due to allotment of shares pursuant to Rights Issue.							
2	Anish Shah	0	0.00	01.04.2017	NO CHANGE		0	0.00
		0	0.00	31.03.2018				
3	Anita Arjundas	8,000	0.02	01.04.2017	2,000	Allotment of Shares under Rights Issue	10,000	0.02
				05.05.2017				
		10,000	0.02	31.03.2018				
4	Bharat Shah	0	0.00	01.08.2017	NO CHANGE		0	0.00
		0	0.00	31.03.2018				
5	Shailesh Haribhakti	5,000	0.01	01.04.2017	1,342	Allotment of Shares under Rights Issue	6,342	0.01
				05.05.2017				
		6,342	0.01	31.03.2018				
6	Ameet Hariani*	0	0.00	01.04.2017	NO CHANGE		0	0.00
		0	0.00	31.03.2018				
	*Appointed as an Additional Director w.e.f. 4th September, 2017							

Sr. No.	Name of the Directors and Key Managerial Personnel	Shareholding at the beginning 01.04.2017 & end of the year 31.03.2018		Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease			Cumulative Shareholding during the year (01.04.2017 to 31.03.2018)	
		No. of shares	% of total shares of the Company	Date of transaction	Increase / (Decrease) in shareholding	Reason	No. of shares	% of total shares of the Company
7	Prakash Hebalkar*	5,000	0.01	01.04.2017	1,250	Allotment of Shares under Rights Issue	6,250	0.01
				05.05.2017				
		6,250	0.01	30.07.2017				
*Ceased to be Director w.e.f. 30th July, 2017								
8	Sanjiv Kapoor*	0	0.00	01.04.2017	NO CHANGE		0.00	0
		0	0.00	30.07.2017				
*Ceased to be Director w.e.f. 30th July, 2017								
9	Suhas Kulkarni	4,000	0.01	01.04.2017	1,073	Allotment of Shares under Rights Issue	5,073	0.01
				05.05.2017				
		5,073	0.01	31.03.2018				
10	Jayant Manmadkar	1,600	0.00	01.04.2017	429	Allotment of Shares under Rights Issue	2029	0.00
				05.05.2017				
		2,029	0.00	31.03.2018				

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	46,503.14	9,874.03	-----	56,377.17
ii) Interest due but not paid	-----	-----	-----	-----
iii) Interest accrued but not due	3,012.08	22.60	-----	3,034.68
Total (i+ii+iii)	**49,515.22**	**9,896.63**	**-----**	**59,411.85**
Change in Indebtedness during the financial year				
• Addition	-----	5,824.12	-----	5,824.12
• Reduction	(26,797.88)	-----	-----	(26,797.88)
Net Change	**(26,797.88)**	**5,824.12**	**-----**	**(20,973.76)**
Indebtedness at the end of the financial year				
i) Principal Amount	21,126.11	15,678.88	-----	36,804.99
ii) Interest due but not paid	-----	-----	-----	-----
iii) Interest accrued but not due	1,591.23	41.87	-----	1,633.1
Total (i+ii+iii)	**22,717.34**	**15,720.75**	**-----**	**38,438.09**

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	250.14	250.14
	(b) Value of perquisites u/s 17(2)Income-tax Act, 1961	18.67	18.67
	(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		
	• Provident Fund and Employee Pension Scheme	12.59	12.59
	• Superannuation Fund	1.50	1.50
	Total (A)	**282.90**	**282.90**
	Ceiling as per the Act	**398.83**	**398.83**

B. Remuneration of other Directors

(₹ in lakh)

Sr. No.	Particulars of Remuneration	Name of Directors					Total Amount
1.	**Independent Directors**	**Mr. Shailesh Haribhakti**	**Mr. Bharat Shah**	**Mr. Ameet Hariani ****	**Dr. Prakash Hebalkar ***	**Mr. Sanjiv Kapoor ***	
	• Fee for attending board / committee meetings / meetings of the Independent Directors	12.50	10.40	5.00	2.60	4.50	35.00
	• Commission	10.00	10.00	5.83	3.33	3.33	32.49
	• Others, please specify	-	-	-	-	-	-
	Total (1)	**22.50**	**20.40**	**10.83**	**5.93**	**7.83**	**67.49**
2.	Other Non-Executive Directors	**Mr. Arun Nanda**		**Dr. Anish Shah**			
	• Fee for attending board / committee meetings	9.15		-			9.15
	• Commission	47.50		-			47.50
	• Others, please specify	-		-			-
	Total (2)	**56.65**		**-**			**56.65**
	Total (B)=(1+2)						**124.14**
	Total (A)						**282.90**
	Total Managerial Remuneration#						407.04
	Overall Ceiling for commission to Directors as per the Act^ (being 1% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013)						80.57

* Mr. Sanjiv Kapoor and Dr. Prakash Hebalkar ceased to be Independent Directors of the Company with effect from 30th July, 2017 on expiry of their 2nd term of office.

** Mr. Ameet Hariani was appointed as an Additional Director in the category of Non-Executive Independent Director with effect from 4th September, 2017.

Total remuneration to Managing Director, Whole-Time Director and other Directors (being the total of A and B).

^ Overall ceiling for commission to directors for financial year 2017-18 is ₹ 80.57 lakh, and the overall commission paid to directors is ₹ 79.99 lakh.

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

(₹ in lakh)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		
		Company Secretary	CFO	Total
1.	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	115.30	93.66	208.96
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	5.66	0.29	5.95
	(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	**120.96**	**93.95**	**214.91**

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: 27th April, 2018

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 sustainable development.

Mahindra Lifespaces, along with its subsidiary companies, joint ventures (JVs) and associates, is engaged in the development of residential projects in the mid-premium and affordable housing segments, and integrated cities and industrial clusters. This chapter presents an overview of the performance of the Company during 2017-18 and its strategy for future growth.

Performance Highlights

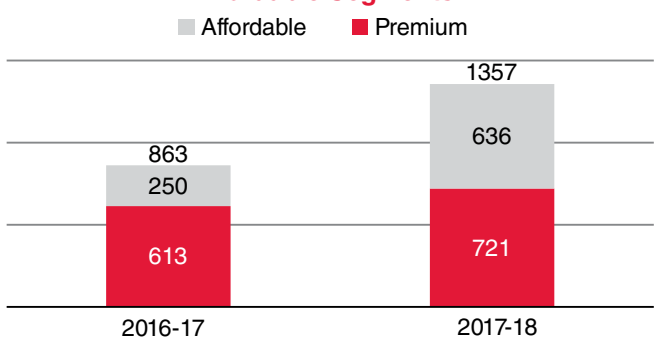
2017-18 was a significant year for the real estate industry from a regulatory standpoint with the establishment of state authorities and rules under the Real Estate (Regulation and Development) Act (RERA) and the implementation of Goods and Services Tax Act (GST).

These policy initiatives are aimed at making the sector more efficient and organised, as well as in increasing customer confidence through greater transparency and protection for home buyers. Despite the uncertainty and ambiguity in the short-term, Mahindra Lifespaces, with its transparent policies and preparedness, has smoothly transitioned to the new policy regime — which reflects through its credible performance across business segments during the year.

Strong Sales Performance in Residential

The Company sold[1] 1,357 residential units aggregating to 1.16 million square feet of saleable area in 2017-18 compared to 863 units aggregating to 0.91 million square feet in the previous year. As shown in Chart A, this improvement in sales performance was driven by a successful launch of its third affordable housing project – Happinest, Palghar in the Mumbai Metropolitan Region (MMR) and improved sales performance in its ongoing projects across the mid-premium and affordable housing segments. The Company recorded a 57 percent growth in sales volume and a 27 percent growth in area sold vis-a-vis the previous year.

Chart A: Sales (Units): Premium and Affordable Segments

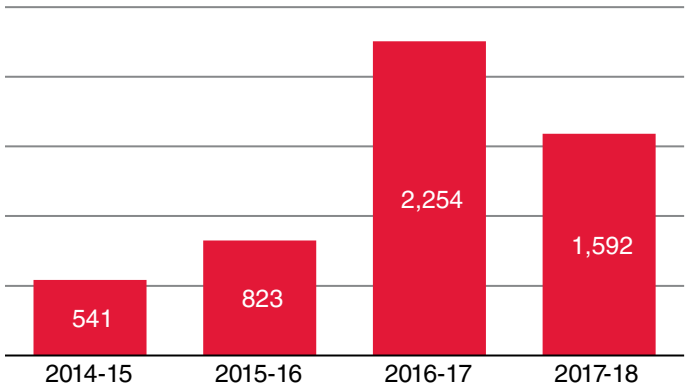


The planned launch of three new projects in the premium segment[2] had to be deferred due to high court orders banning new construction in Mumbai[3]. In addition, the launch of two projects, one each at Pune and Chennai were delayed pending approvals. The Company launched new phases in five of its existing projects – Windchimes (Bangalore), Antheia (Pune), Bloomdale (Nagpur), Happinest Avadi (Chennai) and Happinest Boisar (MMR). Sales in ongoing projects remained strong during the year with consistent efforts in the area of customer acquisition. These are discussed in greater detail in the section on 'Strategic Priorities'.

Continued Focus on Execution

The Company's focus on execution was strongly reflected through the handover of 1,592 units to customers during 2017-18 — taking the total number of units handed over in the last two years to over 3,800. This marked a significant uptick from the achievement in previous years, which can be seen in Chart B.

Chart B: Number of Units Handed Over



The Company continues to focus on reduction in cycle time of its projects. This is especially critical in the affordable housing segment, where construction efficiencies are critical to a positive project profitability and returns. **The Company's affordable housing projects in Avadi and Boisar have seen a handover of around 1,155 units to customers since the commencement of construction in 2014-15.**

Improvements in the pace of project execution and handovers have been a result of the Company's capabilities in scalable processes, customer relations and its focus on quality and safety. These have been discussed in greater detail in the respective sections of this report.

[1] Sales includes the Company's share, partners' share in joint developments and sales by its subsidiaries and JVs. Sales includes commercial / retail units that are a part of its residential projects.

[2] The premium segment includes all residential projects of the Company, barring the three affordable housing projects in Avadi, Boisar and Palghar marketed as Happinest.

[3] The 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, including Mahindra Lifespaces.

Significant Contribution from World Cities

The integrated cities and industrial clusters recorded **62 acres of land leases during the year, compared to 74 acres in the previous year. The two operational World Cities at Jaipur and Chennai contributed significantly to the Company's profits in 2017-18.** Mahindra World City (MWC) Jaipur, which improved its inventory mix during the previous year with the launch of its second DTA, has further enhanced its ability to reach a wider customer base with the amalgamation approval for its sector specific SEZs into a Multi-Product SEZ towards the end of 2017-18, that was followed by the final notification in April 2018.

During the year, the Company launched its industrial clusters brand – 'ORIGINS by Mahindra World City'. The first two clusters, located near Chennai and Ahmedabad, are in various stages of planning and development. These smaller industrial clusters will have a relatively shorter project lifecycle than the existing large-format integrated cities in Chennai and Jaipur. Further details on the product offering are presented in the section on 'Opportunities and Strategy'; and details of the development activity in the first two clusters are discussed in 'Operations'.

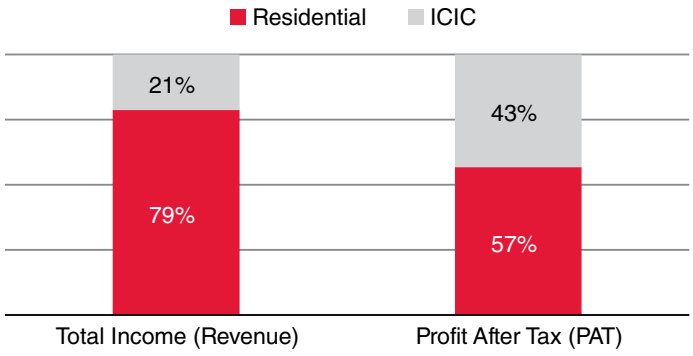
Creditable Financial Performance

2017-18 was a difficult year for the real estate industry due to a challenging macroeconomic and regulatory environment. In addition, the Company had to defer its planned launches due to regulatory issues. Despite these headwinds, Mahindra Lifespaces registered a creditable performance.

- Consolidated[4] revenue reduced from ₹ 831 crore in 2016-17 to ₹ 644 crore in 2017-18; however, operating profits (PBDIT) increased by 13.6 percent from ₹ 119 crore in 2016-17 to ₹ 135 crore in 2017-18. Operating margins improved from 14.3 percent in 2016-17 to 21 percent in 2017-18.
- Profit after taxes (PAT) of the standalone entity increased by 8.5 percent from ₹ 48.9 crore in 2016-17 to ₹ 53.1 crore in 2017-18. Consolidated profit after taxes (PAT) after non-controlling interest (NCI), stood at ₹ 101 crore in 2017-18 compared to ₹ 102 crore in 2016-17.
- Diluted EPS was ₹ 19.88 for the consolidated entity.

The indicative share of operating entities[5] engaged in the Residential and Integrated Cities & Industrial Clusters (ICIC) businesses in the revenues and profits of 2017-18 is provided in Chart C. Further, details of financial performance of all operating entities are provided in the 'Financials' section.

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, followed by a discussion on risks and concerns and conclude with future outlook. We begin with an overview of the opportunities in the current environment, and the Company's growth strategy.

Opportunities and Growth Strategy

Turnaround in global economic performance that started in mid-2016 gathered momentum, became stronger and more broad-based in 2017. **According to the IMF, global growth is projected to increase from 3.2 percent in 2016 to 3.8 percent in 2017 — the steepest since 2011.** Growth in emerging markets and developing economies is likely to firm up, along with a modest turnaround for commodity exporters. With advanced economies continuing to perform well and being host to an environment of supportive financial conditions, the IMF expects global growth to further improve to 3.9 percent in 2018 and 2019.

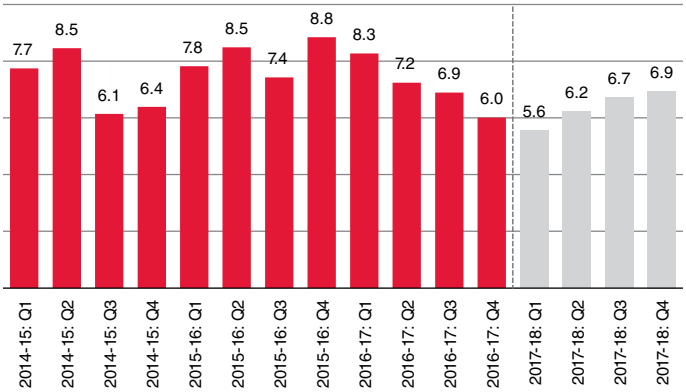
India witnessed a marginal decline in macroeconomic performance in 2017-18. **According to the second advance estimates released by the Central Statistics Office (CSO) on 28th February, 2018, growth in India's Gross Value Added (GVA) for 2017-18 is estimated at 6.4 percent, compared to 7.1 percent in the previous year.** This deceleration was attributed to a decline in industrial and agricultural growth, even as the services industry grew from 7.5 percent in 2016-17 to 8.3 percent in 2017-18.

[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, are now treated as JVs. As per IND AS, for all JVs, equity method of accounting is 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'.

In a positive development, from the real estate industry perspective, the construction sector that accounts for around 8 percent of the GDP grew at a marginally higher 4.3 percent in 2017-18 after a lacklustre 3.7 percent and 1.3 percent in 2015-16 and 2016-17 respectively.

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



The quarterly growth data of GVA as shown in Chart D, also depicts an upward trend in 2017-18. The Reserve Bank of India, in its first monetary policy statement released on 5th April, 2018, also assessed that demand strengthened in Q4, 2017-18 — with a strong rebound in private consumption and growth in sales of tractors and two-wheelers. This suggests that the transient negative impact of demonetisation and implementation of the Goods and Services Tax Act (GST) is over.

The manufacturing Purchasing Managers' Index (PMI) continues to be in an expansionary mode and the business sentiment measured by the RBI's Industrial Outlook Survey also improved in Q4, 2017-18. The investment outlook has also turned positive with sustained expansion in capital goods production and buoyancy in imports. Besides, global demand and investments have gathered steam and are likely to grow in the next couple of years.

The growth outlook for the Indian economy for 2018-19 is positive — with the RBI projecting a GDP growth of 7.4 percent in 2018-19. This has to be tempered by rising crude oil prices and their effect on the current account of India's balance of payments; plus a growth in 'core' inflation (excluding food and fuel) over the last few months, which may lead to the RBI opting for one or two rate hikes of 25 basis points each in the course of 2018-19. Despite these pitfalls, the upswing in GDP/GVA growth is expected to continue, which will augur well for the real estate industry.

Residential Developments

The residential segment continued to have high inventory levels in key markets despite a sharp drop in new launches due to implementation of RERA. Demand remained subdued, especially in the earlier part of 2017-18, with a gradual pick-up towards the fourth quarter, as the uncertainty around GST and its impact on prices dissipated.

Delhi-NCR, one of the geographies that Mahindra Lifespaces operates in, continued to be the most affected market. In comparison, the situation was better in Mumbai, Pune, Hyderabad and Bangalore, where prices remained stable despite muted end-user demand. The Company has identified the western and southern regions as growth corridors for its residential business. It currently has projects in the Mumbai Metropolitan Region (MMR), Pune and Chennai which are in advanced stages of planning or approvals. **The Company seeks to grow its presence significantly in Mumbai, Pune and Bangalore and add to its presence in Hyderabad and NCR before exploring any other geographies.**

The luxury segment, among the various product segments, was the most affected with dismal absorption levels. The situation was relatively better for projects in the premium to mid segment range. **The Company will continue to focus its growth strategy on the mid- premium segment where it has a strong connect and equity with the target customer.**

The affordable housing segment saw maximum traction during the year, with forward strides in government policies such as 'Housing for All' and the 'Pradhan Mantri Awas Yojana', which have further improved the viability and outlook for the segment. The Company, which launched its brand 'Happinest' in this segment, in 2014-15, has three operational projects with around 1,850 homes sold. **Based on the learnings and success of its ongoing projects at Avadi and Boisar, and the recently launched project in Palghar, the Company is confident of scaling up its presence in this space as a part of its future growth strategy.**

Integrated Cities & Industrial Clusters (ICIC)

The Company is a pioneer in integrated cities space, and currently has two operational integrated cities: Mahindra World City, Chennai and Jaipur, which have been developed in a public-private partnership model with the respective State Governments. During 2017-18, there was a moderate revival in the demand for industrial land and built-to-suit solutions from companies targeting the Indian market. Demand from export-oriented manufacturing units was subdued in comparison. Besides, longer decision cycles of companies looking to lease land have resulted in fewer deals, despite growth in interest and enquiries. **The Company will focus on increasing its deal pipeline and closures in the balance inventory of industrial land in Chennai and in leveraging the enhanced product-mix at Jaipur to add more customers in its DTA and multi-product SEZ.**

As a part of its growth strategy for this business, the Company has also decided to build a network of smaller

industrial clusters, branded as 'ORIGINS by Mahindra World City'. Further details on the characteristics of these projects and the brand proposition are provided in Box 1.

Box 1: 'ORIGINS by Mahindra World City'

Vision: Accelerated economic growth by creating world-class industrial ecosystems that attract investment in manufacturing and promote 'Make in India'. Address the growing need for sustainable industrial infrastructure and provide impetus to India's rising prowess as a global manufacturing and investment hub.

Product: Industrial clusters spanning 250-600 acres meeting global standards located in high growth corridors across India. Allow faster go-to-market with clear land titles, plug-and-play infrastructure, in-house expertise in operations and security along with a range of business support services such as warehousing, logistics and banking. In addition, provide value-added services such as fulfilment centres, industrial kitchens and industrial waste management.

Business Case: Shorter turnaround time increases the capital efficiency and pre-aggregated approach to land acquisition reduces the risk profile. This also improves the attractiveness of such projects to strategic and financial investors, allowing the Company to raise capital through collaborations and equity participation. Smaller projects also enable focused offerings for specific industrial segments in the clusters that they operate.

Sustainable Urbanisation: Support development beyond current urban centres by making available a holistic environment conducive to accelerated business growth. Focus on sustainability principles and incorporate environment-friendly solutions in areas such as energy efficiency, water and waste management.

The Company has identified upcoming industrial destinations and corridors in the western and southern regions to start with. **It has initiated planning / development on two projects: one, near Chennai (Tamil Nadu) in a joint venture with Sumitomo Corporation, Japan, and the other near Ahmedabad (Gujarat) with International Finance Corporation as a strategic partner.**

Operations – Projects Update

Residential Developments

2017-18 witnessed continued focus on execution, with a sustained momentum in construction completion and a major step-up in the number of handovers by the Company. Table 1 provides a snapshot of the Company's project portfolio across different markets. **As of 31st March, 2018, the Company along with its subsidiaries has completed projects covering 14.55 million square feet[6] in the residential segment, including 0.68 million square feet completed during the year.**

Table 1: Projects Snapshot as on 31st March, 2018 (million square feet#)

Location	Completed Development	Current Development	Future Development
MMR*	3.23	0.58	1.59
Pune	2.58	0.41	0.63
Hyderabad	1.08		
Chennai	3.81^	0.41	1.63
Nagpur	0.41	0.92	0.22
NCR**	3.04	0.77	0.36
Bengaluru		0.87	
Jaipur	0.40^		
Total	**14.55**	**3.97**	**4.43**

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.

During 2017-18, the Company launched Happinest Palghar, its third affordable housing project, which received a tremendous response. Additionally, it launched fresh inventory in five of its existing projects. **It is currently developing 3.97 million square feet with another 4.44 million square feet available in the form of forthcoming projects - new phases of ongoing projects and new projects that are in various stages of planning, for launch in the future.**

Table 2 provides project-wise status of sales and construction completion 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 10.44 million square feet[7], 91 percent of which is within Mahindra World City, Chennai.

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

[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.

Table 2: Project-wise Status as on 31st March, 2018

Market	Project	Estimated Area (million square feet)		(Percent of Launched)	
		Total	Launched	Sales#	Completed@
Chennai	Aqualily^	1.58	1.51	76%	91%
NCR	Luminare^	1.14	0.77	57%	64%
Nagpur	Bloomdale^	1.55	1.33	77%	70%
Pune	Antheia	1.63	1.34	89%	96%
Pune	L'Artista	0.09	0.09	33%	100%
Hyderabad	Ashvita	1.08	1.08	92%	100%
MMR	Vivante	0.16	0.16	100%	84%
MMR	The Serenes	0.16	0.06	33%	72%
Bangalore	Windchimes^	0.87	0.87	52%	80%
MMR	Happinest Boisar	0.53	0.53	77%	91%
MMR	Happinest Palghar 1^	0.41	0.30	50%	28%
Chennai	Happinest Avadi	0.73	0.48	88%	92%
	Total	**9.93**	**8.52**	**76%**	**84%**

Forthcoming Projects (New Projects) $	Estimated Area (million square feet)	
	Total	Launched
Kandivili, Mumbai	0.14	-
Sakinaka, Mumbai)	0.34	-
Happinest Palghar	0.64	-
Andheri, Mumbai	0.26	-
Pimpri, Pune	0.33	-
MWC, Chennai P17	0.90	-
MWC, Chennai P21	0.41	-
Total	**3.02**	**-**

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

@ Completed area is with respect to Total Estimated Project Cost which includes land costs and construction related costs

^ Projects implemented by subsidiaries and JV companies

$ The areas of the forthcoming projects are estimated areas and are subject to change basis final approvals.

Integrated Cities & Industrial Clusters

2017-18 was host to new customer acquisition as well as expansion by existing customers in the two operational Mahindra World Cities at Chennai and Jaipur. **Combined exports by companies at the two World Cities was ₹ 12,739 crore and their direct employment stood at around 50,000 persons. Mahindra World City, Jaipur was conferred the "Best PPP (Public-Private Partnership) Model" at the 'Business World Smart Cities Conclave & Awards, 2017'.**

Mahindra World City, Chennai, leased 17.6 acres during the year, adding three new customers, while two existing customers took up additional land for expansion. As a result, the total number of industrial customers increased to 66 (26 in the SEZ and 40 in the DTA). Of these, 54 companies were operational as of 31st March, 2018.

The four operational residential projects at Mahindra World City, Chennai, saw an increase in occupancy from around 1,100 families in the previous year to 1,850 families in 2017-18. Details of the residential projects in Mahindra World City, Chennai have already been provided in the section on residential developments.

On the social infrastructure front, considerable progress was made during the year with the on boarding of a new school and the expansion of the Mahindra World School and JSP Hospitals. Additionally, Mahindra World City, Chennai divested its stake in 'Canopy' — the city's retail and commercial centre — in line with the strategy to focus on its core business.

Mahindra World City, Jaipur leased 44 acres during the year, adding eight new customers, while five existing customers took up additional space. At the end of the year, the Company had 81 industrial customers — 47 in the Special Economic Zones (SEZs) and 34 in the Domestic Tariff Area (DTA). Of these, 49 companies are operational and another 10 are expected to start operations in 2018-19. The Company is currently in the process of finalising the master plan for its residential and social infrastructure area.

In an important development since the close of 2017-18, MWC Jaipur received the notification, constituting the final approval from the government, to establish a multi-product SEZ. As a result, the existing sector-specific SEZs — IT/ITeS, Engineering and Related Industries, Handicrafts, Gems & Jewellery — will be amalgamated into a composite multi-product SEZ, which will further widen the target customer base and improve the project outlook.

Origins, Chennai, is the Company's first venture in the industrial clusters space. It is a 264 acre project in North Chennai, which is being developed through its subsidiary in a JV with Sumitomo Corporation. All approvals for the project are in place and development work started in 2017-18.

Origins, Jansali, is the Company's second industrial cluster near Ahmedabad, Gujarat, with an area of 268 acres. It will be developed through its subsidiary, with International Finance Corporation as a strategic partner. The Company is in the process of securing necessary approvals for the project.

Operations – Strategic Priorities

The strategic priorities of the Company have been focused on building brand equity and shareholder value through differentiation and scale.

Customer Acquisition and Engagement

2017-18 was a tough year for the real estate sector, with sluggish demand and ambiguity due to implementation of GST and RERA. Additionally, the Company had to defer most of its new launches due to regulatory holdups. In this environment, the Company's focus was on driving sales in existing projects. Some of the key initiatives are discussed below.

Significant efforts were made during the year to improve lead quality, with increased focus on digital and referral sources. A rigorous process of enquiry tracking, aided by technology, helped increase actionable leads. This was supported by a customer-focused, upgraded contact centre, that significantly enabled direct integration with the sales function. Typical response time to enquiries came down from around 24 hours to less than 10 minutes. The Company also leveraged community events, during project milestones such as handovers, launch of club house and during festivals, to engage with the customers and generate referrals. Additionally, it also engaged pro-actively with its 700-odd channel partners during the year.

In January 2017, the Company launched 'Joyful Homecomings' as its brand proposition — the cornerstone of its communication strategy. 2017-18 saw significant activity, with all the campaigns and messaging consistent with the strategy. Social media was extensively leveraged to build the brand identity around four themes: spreading joy, transparency, environment and quality of life.

Several of the Company's campaigns saw success and social media engagement levels increased significantly during the year. These campaigns generated over 180 million Facebook and Twitter impressions and over 8 million video views during the year. **The Company's #IamGreenArmy digital campaign received the "Best Social Media Campaign of the Year" at the CMO Asia, Global Youth Marketing Forum Awards.** The campaign also received the Gold award for "Digital Marketing, Effectiveness" at Asian Customer Engagement Forum and Awards (ACEF).

Execution Excellence

Robust project execution skills are an important enabler of scale. The Company during the previous year, initiated a large scale business process re-engineering exercise – Project Udaan. During the year Udaan focused on defining the road-map for reducing cycle time of projects in the product development and construction stages. Additionally, the intervention helped define the blue print for standardisation, the decision framework for building internal capabilities vs. outsourcing and the use of technology to enable better data management and faster decision cycles. The Company implemented the standardisation framework for segment-wise product specifications by segment, for materials like pre hung doors, windows, tiles, tile fixing and water-proofing during 2017-18.

The Company's strong quality management system has been instrumental in improving the quality of its products and processes. In the previous year's annual report, we had mentioned how the Company's focus on delivering a 'Zero-Snag Product' received a major boost with the implementation of a mobile application 'Q SCAN', which automates the entire home inspection process prior to handover. This was extended to all projects in 2017-18. Post-handover feedback mechanisms were also institutionalised to enable accurate analysis and corrective action.

Mahindra Lifespaces has an established 'Safety Policy' which underscores its commitment to prevent accidental injuries and improve the occupational health of its associates. Its 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.

The Company had no fatal accidents in the last three years and zero reportable accidents in two of the three years. It furthered its journey in safety from monitoring accidents to monitoring near misses and reducing first-aid cases. It also carried out extensive safety training workshops to improve processes, sensitise workers and promote safe practices. **In recognition of its efforts, Mahindra Lifespaces received the 'CIDC Vishwakarma Award' for 'Health Safety & Environment' for two of its projects: Vivante in Mumbai and Happinest, Boisar. These awards are given by Construction Industry Development Council (CIDC), established by the Planning Commission (now Niti Aayog) and the Construction Industry.** There was one reportable accident during 2017-18.

Customer Relations

The Customer Relations (CR) function at Mahindra Lifespaces endeavours to service its customers during the entire lifecycle, from booking to post-handover facilitation. **The Company has significantly invested in systems and process to achieve**

differentiation and enhance its ability to handle scale. These efforts have enabled the Company to efficiently handover a total of over 3,800 residential units in 2016-17 and 2017-18.

In the previous year, the Company had initiated implementation of a tech-based CRM solution aimed at enabling a single view of the customer, right from the prospecting stage to post-handover. Considerable progress was made on this front during 2017-18, which enabled the roll-out of two significant initiatives to strengthen customer experience:

- "Customer Assist" — a single contact number for the customer from sales to post-handover that logs and tracks all queries until they are successfully resolved.
- "M-Life" — a mobile application for customers. Apart from enabling the complete set of transactions and enquiries during the customer's journey with the Company, it also allows them to avail value added services and connect with other homeowners in a project.

During the year, the Company also upgraded its website and to improve navigation and information content. New features such as grievance redressal, testimonials and blog were introduced and the website was enabled for e-commerce transactions, with online bookings taking place for projects in Boisar and Palghar.

With the significant increase in handovers, post-handover services and facility management (FM) have been other key areas of focus. During the year, the Company expanded its post-possession value added services that had been piloted in 2016-17 — both, in terms of number of projects and types of services. These now encompass complete interior solutions, electrical fittings, lighting solutions and modular kitchens. Going forward, the Company shall further increase the bouquet of value added services available to customers.

Land and Financial Capital

The Company is focused on adding significantly to its current portfolio of projects to meet its growth objectives. The Company sees an opportunity arising out of RERA and market conditions, to pursue asset light acquisitions through the joint-development, joint-venture and development management routes with land owners. To this end, it is enhancing its reach, access and team strength in business development to increase deal pipeline and closures. It is prioritising acquisitions in its focus markets of Mumbai, Pune and Bengaluru followed by Hyderabad and NCR.

Mahindra Lifespaces has seen increasing success in its ability to raise risk capital and scale up its presence through asset light models with credible partnerships. **During the year, the Company entered into two such partnerships. The first partnership is with International Finance Corporation (IFC), a member of the World Bank Group, for the development of multiple industrial parks across Gujarat, Rajasthan and Maharashtra.** This entails an investment commitment of USD 50 million, with the first investment in Origins, Jansali — the 268-acre industrial cluster near Ahmedabad. **The second partnership is with a fund managed by HDFC Capital Advisors Limited for projects in the affordable housing space, with** joint **commitment of ₹ 500 crore that can deliver development footprint of 5-10 million square feet.** Happinest, Palghar (I & II), in the Mumbai Metropolitan Region, which has an estimated saleable area of 1.05 million square feet, is the first project to be implemented under this partnership.

The Company already has a partnership with Standard Chartered Real Estate (Singapore) Private Ltd for residential projects in the mid-premium segment. The JV company has completed investments accounting for close to 65 percent of the total joint investment commitment of ₹ 1000 crore.

During the year, the Company also focused on reducing its cost of capital by re-negotiating interest rates on existing loans and prudently using alternatives like commercial paper. **The average cost of consolidated debt reduced from 9.86 percent in 2016-17 to 9.49 percent in 2017-18.**

Human Capital

Mahindra Lifespaces recognises that its people are key to the success of the organisation and in accelerating its growth trajectory. 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. It enjoys 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.

The Company is focused on catering to the learning and development needs of its associates, for which it regularly carries out structured training initiatives in functional areas such as sales, marketing, customer service, and project management. During the year, it extended its e-learning platform with a programme covering product design for its sales associates. It also carried out extensive programmes on RERA and GST across the country to familiarise its people with these developments. Overall, each associate of Mahindra Lifespaces received an average of 24 manhours of training in 2017-18.

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. The Company has a 'Diversity Council' with the objective of creating an inclusive environment in the workplace. As of 31st March, 2018, the percentage of women as full-time associates stood at 18 percent. During the year, it introduced a mentorship programme for women associates. Moreover, three of its associates graduated from an 18-month Women Leadership Programme instituted by the Mahindra Group's a

Centre for Leadership Development. **During the year, Mahindra Lifespaces was selected by Working Mother and AVTAR as one of the "100 Best Companies for Women in India".**

As of 31st March, 2018, the Company together with its subsidiaries had 362 associates on its rolls. In addition, the Company had more than 4,000 workmen, across all its sites, employed by its contractors. Associate relations remained cordial during the year.

Financials

Table 3 presents the abridged profit and loss statement of Mahindra Lifespace Developers Limited.

Table 3: Abridged Profit and Loss Statement

(₹ crore)

	Standalone		Consolidated	
	2017-18	**2016-17**	**2017-18**	**2016-17**
Operating Income	475.0	680.6	566.2	762.1
Other Income	82.2	72.7	77.9	68.9
Total Revenue	**557.2**	**753.3**	**644.1**	**831.0**
Project and Operating Expenses	344.7	546.7	393.5	588.5
Employee and Other Expenses	94.2	99.7	115.2	123.3
Financial Expenses	35.4	32.0	41.3	20.2
Depreciation	4.0	4.3	4.3	4.6
Total Expenditure	**478.3**	**682.7**	**554.3**	**736.6**
Share in Net Profit/Loss of Associates	-	-	44.7	44.5
PBT	78.9	70.6	134.5	138.9
Tax	25.8	21.7	31.1	33.0
Profit After Taxes (PAT)	**53.1**	**48.9**	**103.4**	**105.9**
Non Controlling Interest (NCI)			-2.4	-3.7
PAT (After NCI)	**53.1**	**48.9**	**101.0**	**102.2**
Other Comprehensive Income^	-0.1	0.7	-0.1	0.6
Total Comprehensive Income (After NCI)	**53.0**	**49.6**	**100.9**	**102.8**
Diluted EPS (₹)	**10.46**	**10.96**	**19.88**	**23.03**

^ Other Comprehensive Income figures are after Non-Controlling Interest and net of Tax.

Despite a challenging macroeconomic and regulatory environment for the real estate industry, Mahindra Lifespaces registered a creditable financial performance during 2017-18.

Consolidated[8] total revenue reduced from ₹ 831 crore in 2016-17 to ₹ 644 crore in 2017-18, primarily due to decline in project activity during the year and a one time revenue of ₹ 176.71 crore through sale of land in the previous year. Even so, operating profits (PBDIT) increased by 13.6 percent from ₹ 119 crore in 2016-17 to ₹ 135 crore in 2017-18. Increase in efficiencies and ability to contain costs also resulted in an improvement in operating margins — from 14.3 percent in 2016-17 to 21 percent in 2017-18.

Share of profit from JVs and associates remained stable during the year. However, with a significant increase in financial expenses (consolidated) from ₹ 20.2 crore in 2016-17 to ₹ 41.3 crore in 2017-18, net profits of the consolidated entity were marginally lower than the previous year. Profit before taxes (PBT) of the consolidated entity, after including share in profit from JV entities and associates, stood at ₹ 134.5 crore in 2017-18 as compared to ₹ 138.9 crore in 2016-17. After accounting for non-controlling

[8] 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, are now treated as JVs. As per IND AS, for all JVs, equity method of accounting is 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. Further details are provided in Table 4.

interest (NCI), the consolidated PAT of the Company was ₹ 101 crore in 2017-18, compared to ₹ 102.2 crore in the previous year.

In contrast, net profits of the standalone entity grew at a fair pace. Standalone PBT increased by 11.9 percent from ₹ 70.6 crore in 2016-17 to ₹ 78.9 crore in 2017-18, and PAT grew by 8.5 percent from ₹ 48.9 crore in 2016-17 to ₹ 53.1 crore in 2017-18.

Under IND AS, line-by-line consolidation is not followed for some of the operating entities. Table 4 provides a summary of the financial performance of legal entities operating in the two key businesses. These are drawn from standalone financial statements of these entities. Also, intercompany transactions have not been eliminated and a simple aggregation of numbers is shown as "Total" for entities engaged in the Residential and Industrial businesses. Accordingly, the "Total" of Revenues and PAT for the two businesses are indicative in nature.

Table 4: Summary of Financial Performance of Operating Entities in 2017-18 (₹ Crore)

Legal/Operating Entity	MLDL's Economic Interest (in Percent)	Total Income (Revenues)	Profit / Loss After Tax (PAT)
Residential			
MLDL	100.0%	557.2	53.1
MHPL^	50.0%	248.3	17.4
MBDL^	70.0%	3.3	-14.2
MITL	96.3%	50.0	4.9
MRDL	96.3%	36.5	3.5
MHDL^	25.0%	-	-2.5
Total Residential		**895.3**	**62.2**
Industrial Cities & Clusters			
MWCDL^	89.0%	113.1	13.0
MWCJL^	74.0%	129.3	37.1
MIPCL^	53.4%	-	-2.7
ICPL	50.0%	0.5	-
Total Industrial Cities & Clusters		**242.9**	**47.4**
Share (percent)			
Residential	-	78.7%	56.8%
Industrial Cities & Clusters	-	21.3%	43.2%
Total		**100.0%**	**100.0%**

^ JVs and Associates not considered for consolidation.

As of 31st March, 2018, Mahindra Lifespaces' standalone debt equity ratio was at 0.20:1 and consolidated debt equity ratio was at 0.22:1. The liquidity situation during the year remained comfortable. Surplus funds available from time to time 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. It has a Risk Management Committee consisting of two Directors and the Chief Financial Officer, for timely monitoring and review of the risk assessment, mitigation and risk management plan. The Board reviews implementation and monitoring of the Company's risk management plan.

Economic Risks

GDP growth decelerated marginally during the year. Although there are signs of a turnaround, there are still downside risks. Lending rates for business and home loans continue to be high and there are risks associated with increase in policy rates if inflation rises. These can have a direct impact on the performance of the real estate sector and the Company. Besides, even as global economic growth witnessed a significant revival, investment outlays in Indian businesses, especially those in export-oriented industries, is yet to benefit from these emerging trends.

Mahindra Lifespaces is conscious of these risks and is taking measures to mitigate them. For instance, the Company's focus on both the residential and industrial sectors has been a significant source of comfort during periods of slow economic performance. Similarly scaling up of presence in affordable housing space has mitigated risks associated with a seemingly poor outlook in the luxury housing segment. Prudent financial management has also kept the Company relatively insulated from the economic downturn. It has successfully raised risk capital through equity participation and strategic partnerships across segments, and is well placed to raise capital at competitive rates.

Operational Risks

Key operational risks include longer gestation period for land procurement, more time taken for approvals, inability to sell the project as per plan, inability to complete and deliver projects according to the schedule leading to additional cost of construction and maintenance, erosion of brand value, appointment and retention of quality contractors, inability to attract and retain talent, poor customer satisfaction, fraud and unethical practices, failure to comply with laws and regulations leading to fines, penalties and lengthy litigations.

The Company addresses these risks through a well-structured framework which identifies desired controls and assigns ownership to monitor and mitigate the risks. It has invested significant resources in transparent customer friendly processes and an enabling IT infrastructure, which are expected to effectively 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.

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. Unfavourable changes in the government policies and the regulatory environment may adversely impact the performance of the Company. Inability to launch projects in MMR due to a ban in new construction by the High Court during 2016-17 and 2017-18 is one such instance.

The Company attempts to mitigate these risks through its approach towards acquisition of land based on thorough due diligence and its transparent processes in developing the projects. Besides, its focus on environment friendly and sustainable practices also help in mitigating risks associated with environmental regulations.

Internal Controls

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

An independent internal audit and assurance firm appointed by the Company conducts periodical audits to ensure adequacy of internal control systems, adherence to management policies and compliance with laws and regulations. Their scope of work 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 also reviews the adequacy and effectiveness of the internal control systems and suggests improvements, when so required.

Outlook

Global economic performance strengthened and became more broad-based in 2017. The outlook for the world economy, including trade and investments, for the next couple of years remains positive. The performance of the Indian economy also picked-up as the year progressed, and this trend is expected to continue in 2018-19, and perhaps improve further with the stabilising of major reform initiatives of the government such as the GST and tailwinds from a buoyant global economy.

As far as the real estate industry is concerned, policy breakthroughs such as Real Estate (Regulation and Development) Act (RERA) have created of level playing field and will make the sector more efficient and organised in the long run. The housing cycle has also started showing positive signs in the form of improvement in cement demand, progress in the government's affordable housing scheme, step-up in execution under the Pradhan Mantri Awas Yojana scheme and large infrastructure development projects.

Mahindra Lifespace has a proven track-record in both residential and industrial developments. In the last few years, it has expanded its presence in the residential segment with a superior delivery model and a successful foray into affordable housing. Its recent creation of smaller industrial clusters is a part of a similar strategy of widening the playing field in the industrial space. The Company has been successful in securing risk capital in its residential and industrial projects, enabling it to grow in a capital-intensive sector while maintaining a strong balance sheet.

Today, therefore, the Company is favourably placed to raise capital at competitive terms to finance its growth. At the same time, it has built strong systems and processes that enable it to scale-up execution and delivery. Mahindra Lifespaces believes that it is well-positioned to benefit from the emerging opportunities in the real estate sector in India.

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 shall be registering its forthcoming projects at an appropriate time in the applicable jurisdictions / States under the Real Estate (Regulation and Development) Act, 2016 (RERA) and Rules thereunder. Till such time, the forthcoming projects are registered under RERA, none of the images, material, projections, details, descriptions and other information that are mentioned in the Annual Report for the year 2017-18, should be deemed to be or constitute advertisements, solicitations, marketing, offer for sale, invitation to offer, or invitation to acquire within the purview of the RERA. The Company uses carpet areas as per RERA in its customer communication. However, the data in saleable area terms has been presented in the Annual Report for the year 2017-18 to enable continuity of information to investors and shall not be construed to be of any relevance to home buyers / customers.

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 on 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 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 also by the Ministry of Corporate affairs through 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, 2018.

1. BOARD OF DIRECTORS

The Company has a Non-Executive Chairman and half of the total number of Directors comprises of 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, who operates under the overall guidance, supervision and control of the Board. The Board reviews and approves strategy of the Company and oversees the actions and results of the Management to ensure that the long-term objective of enhancing value of the stakeholders is met. The Managing Director 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 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 meetings of the Board and the Committees (except Corporate Social Responsibility Committee) of MWCDL and would be entitled to commission under the Act, as may be approved by MWCDL. Mr. Ameet Hariani, Independent Director who is also on the Board of Mahindra World City (Jaipur) Limited, receives sitting fees for attending meetings of the Board and the Committees of the Company and would be entitled to commission under the Act, as may be approved by the Company. 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 Non-Executive Directors have any pecuniary relationship or transaction with the Company, its Holding company, Subsidiaries and Associate companies, their Promoters or Directors or its 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, 2018, the Company's Board comprised of six 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 three members are 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 Directors	DIN	Category	Number 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	3	Yes
Mr. Shailesh Haribhakti	00007347	Non-Executive Independent	7	7	Yes
Dr. Prakash Hebalkar*	00370499	Non-Executive Independent	7	2	No
Mr. Bharat Shah	00136969	Non-Executive Independent	7	7	Yes
Mr. Ameet Hariani**	00087866	Non-Executive Independent	7	4	Not Applicable
Dr. Anish Shah	02719429	Non-Executive Non-Independent	7	7	Yes
Ms. Anita Arjundas, Managing Director and Chief Executive Officer (Managing Director w.e.f. 1st April, 2018)	00243215	Executive	7	7	Yes

* Mr. Sanjiv Kapoor and Dr. Prakash Hebalkar ceased to be Independent Directors of the Company with effect from 30th July, 2017 on expiry of their 2nd term of office.

** Mr. Ameet Hariani was appointed as an Additional Director in the category of Non-Executive Independent Director with effect from 4th September, 2017.

Further, the Board at its meeting held on 30th January, 2018, has appointed Ms. Sangeeta Prasad as Chief Executive Officer and Key Managerial Personnel (KMP) of the Company effective from 1st April, 2018.

b) Details of Directorships / Committee Memberships as of 31st March, 2018

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	7	1	2
Mr. Shailesh Haribhakti	Non-Executive Independent	10	5	5
Mr. Bharat Shah	Non-Executive Independent	9	8	1
Mr. Ameet Hariani***	Non-Executive Independent	6	3	1
Dr. Anish Shah	Non-Executive Non-Independent	3	2	Nil
Ms. Anita Arjundas, Managing Director and Chief Executive Officer	Executive	8	1	1

* Includes Directorship in Mahindra Lifespace Developers Limited as of 31st March, 2018 and includes Public companies whether listed or not and Private companies which are either holding or subsidiaries of Public companies. Listed entity means an entity which has any of its securities listed on a recognized stock exchange(s).

** In terms of SEBI LODR, 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. Ameet Hariani was appointed as an Additional Director in the category of Non-Executive Independent Director with effect from 4th September, 2017.

c) Number of Board Meetings

Seven Board meetings were held during the year i.e. from 1st April, 2017 to 31st March, 2018, on the following dates: 22nd April, 2017; 16th May, 2017; 25th July, 2017; 4th September, 2017; 30th October, 2017; 30th January, 2018 and 23rd March, 2018. The maximum gap between any two meetings did not exceed one hundred and twenty days.

d) Meeting of Independent Directors

The Independent Directors of the Company meet without the presence of the Chairman, Managing Director / Chief Executive Officer, 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 9th March, 2018, and this meeting was attended by all Independent Directors.

e) Board Procedure

A detailed agenda 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 the quarterly Meetings 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 plans and its performance, and Corporate Social Responsibility (CSR) spends, 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"), Dr. Anish Shah retires by rotation at the forthcoming Annual General Meeting of the Company and has offered himself for re-appointment for the office of the Director. Dr. Anish Shah is not related to any of the Directors or Key Managerial Personnel of the Company.

The Board of Directors at its meeting held on 4th September, 2017, had appointed Mr. Ameet Hariani as an Additional Director in the category of Non-Executive Independent Director with effect from 4th September, 2017. 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 Section 149 and Section 152 of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014, it is proposed that Mr. Ameet Hariani 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 4th September, 2017.

The Board is of the view that Mr. Ameet Hariani's knowledge and experience will be of benefit and value to the Company. Mr. Ameet Hariani 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 proposing candidature of Mr. Ameet Hariani as a Director of the Company. Accordingly, the resolution relating to appointment of Mr. Ameet Hariani at Item No. 5 of the Notice as an Ordinary Resolution is recommended for approval of the Members.

Both the 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:

Dr. Anish Shah

Dr. Anish Shah aged 48 years is the Group President (Strategy) for the Mahindra Group. His key focus areas are strategy development and implementation, building capabilities such as digitization and analytics, and driving international growth especially in the US and Africa. He also leads the Risk Management and Performance Review and enables synergy across Group Companies. The Group Strategy Office also plays a key role in developing talent for leadership roles across the Group.

He joined Mahindra Group from General Electric where he was the President and Chief Executive Officer for GE Capital India from 2009-14. In this role, he led the transformation of the business, including a turnaround of the SBI Card joint venture.

Dr. Shah's career at GE spanned 14 years, during which he held several leadership positions at GE Capital's US and global units. As Director, Global Mortgage, he worked across 30+ countries to drive growth and manage risk. As SVP (Marketing & Product Development) at GE Mortgage Insurance, he led various growth initiatives and played a key role in preparing the business for an IPO, as a spinoff from GE. He has also received GE's Lewis Latimer Award for outstanding utilization of Six Sigma in developing a "Digital Cockpit." Before GE, he worked at Bank of America, Bain & Company and Citibank.

Dr. Shah holds a PhD from Carnegie Mellon's Tepper School of Business, where his doctoral thesis was on corporate governance. He has also received a Masters degree from Carnegie Mellon and has a post-graduate diploma in Management from the Indian Institute of Management, Ahmedabad. He completed his Bachelor of Commerce degree from the University of Mumbai.

Dr. Anish Shah does not hold any Equity Share in the Company and is not related to any Director of the Company. As on 31st March, 2018, Dr. Anish Shah holds Directorships and Committee positions in the following companies and other entities:

Name of Company	Designation	Name of Committee	Position held
Mahindra & Mahindra Financial Services Limited	Non-executive Non-Independent Director	Audit Committee	Member
		Corporate Social Responsibility Committee	Member
		Strategic Investment Committee	Member
Mahindra Trucks & Buses Limited	Non-executive Non-Independent Director	-	-
Mahindra Lifespace Developers Limited	Non-executive Non-Independent Director	Audit Committee	Member
		Loans and Investment Committee	Member
		Nomination & Remuneration Committee	Member
Mahindra Ecole Centrale	Director	-	-
Indian National Committee – United World College	Member of Board of Governors	-	-
Orizonte Business Solutions	Non-executive Non-Independent Director	-	-
Confederation of Indian Industry (Western Region)	Chairman International Trade & Investment (sub-committee)	-	-
PF Holdings B. V.	Director	-	-

Mr. Ameet Hariani

Mr. Ameet Hariani, aged 57 years, is an Advocate and Solicitor. He has handled prominent arbitrations and litigations, including the first hostile takeover in India, prior to formation of SEBI. In the real estate sector, his list of clients include some of the major players of the real estate sector in India. He has over 30 years of experience advising clients on matters of corporate strategy and governance.

He has been practicing as a Solicitor since 1986. He was a partner at M/s. Ambubhai and Diwanji, Mumbai and Andersen Legal India, Mumbai. He is the Founder and Managing Partner of M/s. Hariani & Co. since 1991.

He obtained his law degree from Government Law College, Mumbai and has obtained his Masters in law degree from the University of Mumbai. He enrolled as an advocate with the Bar Council of Maharashtra and Goa in 1984 and he is also a member of the Bombay Incorporated Law Society, the Law Society of England & Wales, the Law Society of Singapore, the Bar Council of Maharashtra and the Bombay Bar Association.

He has also authored a Book on Real Estate Laws (1st & 2nd editions) published by Bombay Chartered Accountants Society and Godrej Properties Ltd. and has written several articles in various publications on real estate.

The tenure of appointment of Mr. Ameet Hariani will be for a period of 5 (five) consecutive years with effect from 4th September, 2017. He will be entitled to 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. Details of sitting fees and commission paid / payable to Mr. Ameet Hariani for the period from 4th September, 2017 to 31st March, 2018 are provided in clause 6.iii of this report.

Mr. Ameet Hariani does not hold any Equity Share in the Company and is not related to any Director or Key Managerial Personnel of the Company. As on 31st March, 2018, he holds Directorships and Committee positions in the following companies and other entities:

Name of Company	Designation	Name of Committee	Position Held
Mahindra Lifespace Developers Limited	Non-Executive Independent Director	Stakeholders' Relationship Committee	Member
		Loans & Investment Committee	Member
Batliboi Limited	Non-Executive Independent Director	Audit Committee	Member
		Stakeholders Relationship Committee	Chairman
Ras Resorts & Apart Hotels Limited	Non-Executive Independent Director	Audit Committee	Member
		Nomination and Remuneration Committee	Member
Capricon Realty Limited	Non-Executive Independent Director	Remuneration Committee	Member
Mahindra Homes Private Limited	Non-Executive Independent Director	-	-
Mahindra World City (Jaipur) Limited	Non-Executive Independent Director	-	-
Envision Computer Consultancy LLP	Designated Partner	-	-
Radicle Informatics LLP	Designated Partner	-	-
Hariani & Co.	Managing Partner	-	-

3. FAMILIARISATION OF INDEPENDENT DIRECTORS

The details of familiarisation program for Independent Directors have been uploaded on website of the Company and is available at the link : https://www.mahindralifespaces.com/media/4810/familiarisation-programme-for-independent-directors.pdf

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.

These codes are posted on the Company's website: https://www.mahindralifespaces.com/investors/disclosures-under-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, 2018.

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 and Senior Management 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 performance of the Company, current trends in the industry, 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, Committee meetings and meeting of Independent Directors. The Directors have voluntarily waived sitting fees for attending meetings of Corporate Social Responsibility Committee. 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%) 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 this 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 27th April, 2018 has approved payment of commission for the financial year ended on 31st March, 2018.

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 and the outcome of evaluation which reflects high level of engagement of the Board of Directors amongst its members and with the management.

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 one percent (1%) 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. The Board may approve a higher commission for the Chairman of the Board of Directors taking into consideration his overall responsibility. The Commission shall be payable on pro-rata basis to Directors who occupy office for part of the year and;

iii. 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 2017-18 is set forth below:

(₹ In lakhs)

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 and Pension Fund	Total
Mr. Arun Nanda, Chairman	Non-Executive Non- Independent	9.15	47.50	Nil	Nil	56.65
Mr. Sanjiv Kapoor*	Non- Executive Independent	4.50	3.33	Nil	Nil	7.83
Mr. Shailesh Haribhakti	Non- Executive Independent	12.50	10.00	Nil	Nil	22.50
Dr. Prakash Hebalkar*	Non- Executive Independent	2.60	3.33	Nil	Nil	5.93
Mr. Bharat Shah	Non- Executive Independent	10.40	10.00	Nil	Nil	20.40
Mr. Ameet Hariani **	Non- Executive Independent	5.00	5.83	Nil	Nil	10.83
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	268.81	14.09	282.90

* Mr. Sanjiv Kapoor and Dr. Prakash Hebalkar ceased to be Independent Directors of the Company with effect from 30th July, 2017 on expiry of their 2nd term of office.

** Mr. Ameet Hariani was appointed as an Additional Director in the category of Non-Executive Independent Director w.e.f. 4th September, 2017.

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 (in ₹)
Board	100,000
Independent Directors Meeting	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 to sitting fees for attending meetings of the said 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 and balance 49,000 Stock Options lapsed on 24th April, 2017. 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) 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. **ESOS-2006:** Except as stated below, all the Options granted under ESOS-2006 but not exercised have lapsed on 24th April, 2017. During the year, none of the Stock Options granted under ESOS-2006 were exercised. The details of Stock Options granted under ESOS-2006, which have not lapsed, are as follows:

Name of the Director	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, 2018
Dr. Prakash Hebalkar*	10,000	5,000	5,000
Total	**10,000**	**5,000**	**5,000**

* Dr. Prakash Hebalkar ceased to be a director in the category of Non – Executive Independent Director w.e.f. 30th July, 2017.

e. **ESOS-2012:** As of 31st March, 2018, a total of 75,850 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 68,850 Stock Options have been exercised by other grantees under ESOS-2012.

Details of Vesting period is as below:

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

The Options are to be exercised within a period of five years from the respective 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, 2018, the details of equity shares held by the Directors are as follows:

- Mr. Arun Nanda holds 1,66,212* equity shares in the Company.

  *Out of 1,66,212 Equity Shares, 142 Equity Shares are held jointly with Ms. Neerja Nanda (wife) with Mr. Nanda being the first holder, 750 Equity Shares are held jointly with Ms. Neerja Nanda, Mr. Nanda being the second holder and 437 Equity Shares are held jointly with Mr. Uday Nanda (son) and Ms. Neerja Nanda, Mr. Nanda being the third holder;

- Mr. Shailesh Haribhakti holds 6,342 equity shares in the Company;

- Mr. Bharat Shah, Dr. Anish Shah and Mr. Ameet Hariani do not hold any equity shares in the Company, either on their own or for any other person on a beneficial basis.

7. COMMITTEES OF THE BOARD

Audit Committee

As on 31st March, 2018, the Audit Committee of the Company comprises of two Independent Directors, namely Mr. Shailesh Haribhakti and Mr. Bharat Shah and one Non-Executive Non-Independent Director, Dr. Anish Shah. Consequent to the cessation of Mr. Sanjiv Kapoor and Dr. Prakash Hebalkar, as Independent Directors and as members of the Committee w.e.f. 30th July, 2017, the Committee was re-constituted by the Board vide circular resolution dated 22nd August, 2017 which is effective from 24th August, 2017 by appointing Mr. Bharat Shah in the Audit Committee effective from 24th August, 2017.

At the close of the meeting of the Audit Committee held on 27th April, 2018, Mr. Shailesh Haribhakti resigned as the Chairman of the Audit Committee. Mr. Shailesh Haribhakti continues to be a member of the Audit Committee. The Board at its meeting held on 27th April, 2018, has appointed Mr. Ameet Hariani, Independent Director as a member of the Audit 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, inter-alia, 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, 2017 to 31st March, 2018, eight meetings of the committee were held on the following dates: 22nd April, 2017; 16th May, 2017, 25th July, 2017; 4th September, 2017; 30th October, 2017; 30th January, 2018; 9th March, 2018 and 23rd March, 2018. 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	3
Mr. Shailesh Haribhakti	Non-Executive Independent	8	8
Dr. Prakash Hebalkar*	Non-Executive Independent	8	2
Mr. Bharat Shah	Non-Executive Independent	8	5
Dr. Anish Shah	Non-Executive Non-Independent	8	8

*ceased to be Independent Director of the Company with from 30th July, 2017 on expiry of their 2nd term of office.

Mr. Sanjiv Kapoor, then Chairman of the Audit Committee, was present at the Annual General Meeting of the Company held on 25th July, 2017.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 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, 2018, the Stakeholders Relationship Committee of the Company comprises of Non-Executive Non-Independent Director, Mr. Arun Nanda and Non-Executive Independent Director, Mr. Ameet Hariani. Consequent to the cessation of Dr. Prakash Hebalkar, as Independent Director and as member of the Committee w.e.f. 30th July, 2017, the Committee was re-constituted by the Board at its meeting held on 30th October, 2017 by appointing Mr. Ameet Hariani effective from 30th October, 2017. 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. Mr. Arun Nanda attended the Annual General Meeting of the Company held on 25th July, 2017.

Status of Investors Complaints received during the period 1st April, 2017 to 31st March, 2018:

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.	60
2	Number of complaints resolved	59
3	Complaints pending as at 31st March, 2018	1*

* The pending complaint was resolved on 19th April, 2018.

Nomination and Remuneration Committee

As on 31st March, 2018, the Nomination and Remuneration Committee of the Company comprises two Independent Directors, Mr. Bharat Shah and Mr. Shailesh Haribhakti and two Non-Executive Non-Independent Directors, Mr. Arun Nanda and Dr. Anish Shah. Mr. Bharat Shah is the Chairman of the Committee. Consequent to the cessation of Mr. Sanjiv Kapoor, as Independent Director w.e.f. 30th July, 2017, the Committee was re-constituted by the Board vide circular resolution dated 22nd August, 2017 effective from 24th August, 2017 by appointing Mr. Bharat Shah effective from 24th August, 2017.During the year under review, the Committee met five times on the following dates: 22nd April, 2017; 25th July, 2017; 4th September, 2017, 30th January, 2018 and 9th March, 2018. All members of the Committee attended all meetings. Mr. Sanjiv Kapoor, then Chairman of the Nomination and Remuneration Committee, was present at the Annual General Meeting of the Company held on 25th July, 2017.

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;
- To attend to such other matters and functions as may be prescribed from time to time;
- Devising a policy on Board Diversity.

Corporate Social Responsibility Committee

As on 31st March, 2018, the Committee comprises of 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 twice on the following dates: 22nd April, 2017 and 25th July, 2017. All members attended both meetings.

Loans & Investment Committee

As on 31st March, 2018, the Loans & Investment Committee of the Board of the Company comprises of two Non-Executive Non-Independent Directors, Mr. Arun Nanda and Dr. Anish Shah and Non-Executive Independent Director, Mr. Ameet Hariani. Consequent to the cessation of Dr. Prakash Hebalkar, as an Independent Director and as member of the Committee w.e.f. 30th July, 2017, the Committee was re-constituted effective 30th October,

2017 by the Board by appointing Mr. Ameet Hariani, Non-Executive Independent Director on the Committee.

The Committee's objective is to finalise within the parameters set by the Board, the terms on which the borrowings/ investments would be made by the Company from time to time.

Mr. Arun Nanda is the Chairman of the Committee.

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

The Board at its meeting held on 31st July, 2014, changed the nomenclature of the existing "Share Allotment Committee" to "Share Transfer and Allotment Committee". The role of the Committee covers 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, 2018, the Committee comprises of 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 has approved issue of duplicate share certificates cum transfer / transmission of shares through circular resolutions and the Committee has also met once on 24th November, 2017.

Committee for Residential Joint Ventures / Large Format Developments

The Board at its meeting held on 30th October, 2017: a) changed the nomenclature of the Committee for Residential Projects in Joint Venture to **"Committee for investment in residential Joint Ventures / Large Format Developments"**, b) revised the terms of reference of the Committee to include evaluation of investment / divestment proposals in Large Format Developments, and c) disbanded the Committee for Large Format Developments.

As on 31st March, 2018, the Committee for Residential Joint Ventures / Large Format Developments comprises of 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 and in large format development.

During the year, the Committee met twice on 16th May, 2017 and 23rd March, 2018.

Qualified Institutional Placement (QIP) Committee and Rights Issue Committee - The Board at its meeting held on 30th October, 2017 disbanded both the committees.

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 the Company. However, the Board has constituted Risk Management Committee comprising Directors and Chief Financial Officer of the Company.

As on 31st March, 2018, the Committee comprises of 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.

8. GENERAL SHAREHOLDER INFORMATION

Nineteenth Annual General Meeting – financial year 2017-18

Day / Date: Monday, 30th July, 2018

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 during past three years

Year	Date	Time	Venue	Special Resolutions passed
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;
2017	18th AGM, 25th July, 2017	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

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, 21st July, 2018 to Monday, 30th July, 2018 (both days inclusive)

Final Dividend Payment Date

Final Dividend, if declared, will be credited / dispatched between 31st July, 2018 to 3rd August, 2018.

Financial Year

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

Financial reporting for 2018-19 (Tentative)

For Quarter ending – 30th June, 2018	By end of July, 2018
For Half Year ending – 30th September, 2018	By end of October, 2018
For Quarter ending – 31st December, 2018	By end of January, 2019
For year ending – 31st March, 2019	By end of April, 2019

9. LISTING ON STOCK EXCHANGES

The equity shares of the Company are listed on BSE Limited and National Stock Exchange of India Limited. Series I, II and III of Secured Listed Rated Redeemable 10.78 percent YTM, comprising of 1,250, 1,750 and 2,000 Non-Convertible Debentures (NCDs) with a face value of ₹ 10 lakh each aggregating ₹ 500 crore (Rupees Five hundred crore Only) listed on BSE Limited were redeemed in accordance with the terms of NCDs on 4th April, 2016, 3rd April, 2017 and 4th April, 2018, respectively, along with redemption premium and interest thereon. Listing fees have been paid to the Stock Exchanges for the period up to 31st March, 2019.

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

* Fully redeemed on 4th April, 2018

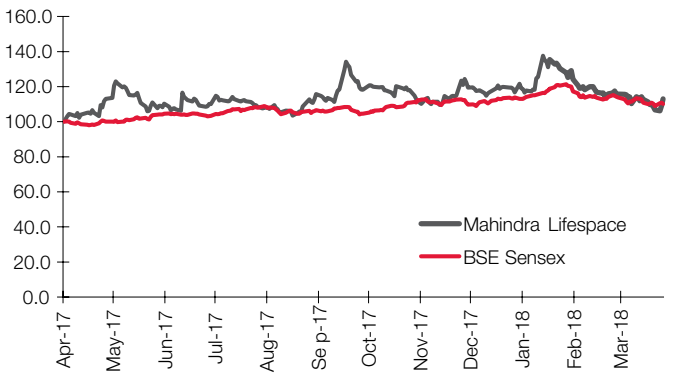
BSE and NSE – Monthly High / Low and Volumes

Year	Month	BSE			NSE		
		High (₹)	Low (₹)	Monthly Volume	High (₹)	Low (₹)	Monthly Volume
2017	April	454.00	388.75	2,77,206	454.20	383.15	17,57,092
2017	May	493.00	410.00	2,84,719	492.80	408.05	14,47,605
2017	June	465.50	412.55	98,850	464.00	411.10	7,82,142
2017	July	452.00	419.50	1,08,851	452.00	419.00	8,37,203
2017	August	446.00	382.30	60,294	445.05	396.55	7,55,047
2017	September	528.10	432.60	1,73,302	530.00	432.00	16,59,086
2017	October	480.00	427.00	77,191	482.00	433.05	7,84,295
2017	November	495.00	415.50	1,35,368	494.25	426.60	13,32,366
2017	December	482.25	445.10	39,504	487.70	445.05	7,74,624
2018	January	563.00	451.10	3,12,023	563.15	451.50	27,03,892
2018	February	512.00	440.50	60,059	512.50	439.55	5,50,177
2018	March	472.00	392.30	65,110	472.65	398.00	5,94,744

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

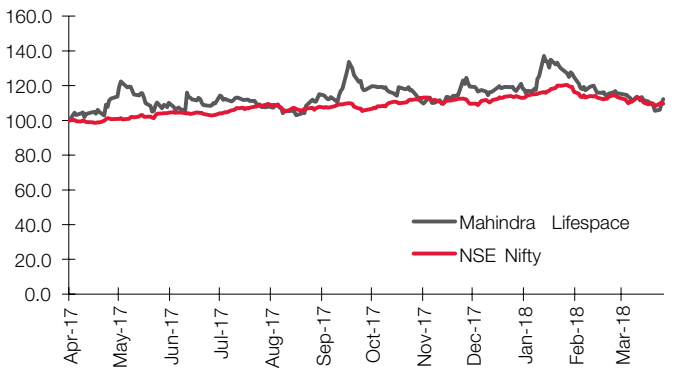
Year	Month	Closing Price on Last Trading Day of the Month				
		MLDL at BSE (₹)	BSE Sensex	NSE Nifty	BSE 500	BSE Realty
2017	April	441.95	29,918.40	9,304.05	12,979.24	1,923.92
2017	May	426.50	31,145.80	9,621.25	13,199.15	1,931.11
2017	June	430.55	30,921.61	9,520.90	13,178.45	2,043.23
2017	July	420.80	32,514.94	10,077.10	13,897.23	2,186.28
2017	August	441.05	31,730.49	9,917.90	13,762.13	2,137.67
2017	September	462.45	31,283.72	9,788.60	13,610.70	2,065.41
2017	October	441.80	33,213.13	10,335.30	14,485.57	2,301.28
2017	November	478.60	33,149.35	10,226.55	14,493.58	2,445.67
2017	December	456.40	34,056.83	10,477.90	15,002.73	2,608.25
2018	January	502.15	35,965.02	11,027.70	15,347.19	2,609.09
2018	February	452.75	34,184.04	10,492.85	14,670.49	2,468.34
2018	March	442.35	32,968.68	10,113.70	14,125.53	2,229.92

Chart A: Mahindra Lifespaces' Share Performance versus BSE Sensex



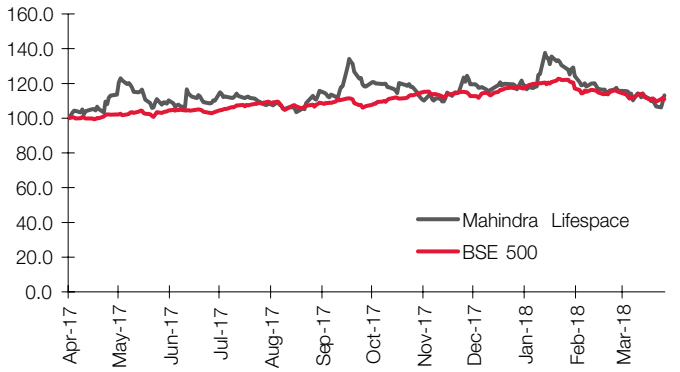
Note: Share price of Mahindra Lifespaces and BSE Sensex have been indexed to 100 on 3rd April, 2017

Chart B: Mahindra Lifespaces' Share Performance versus NSE NIFTY



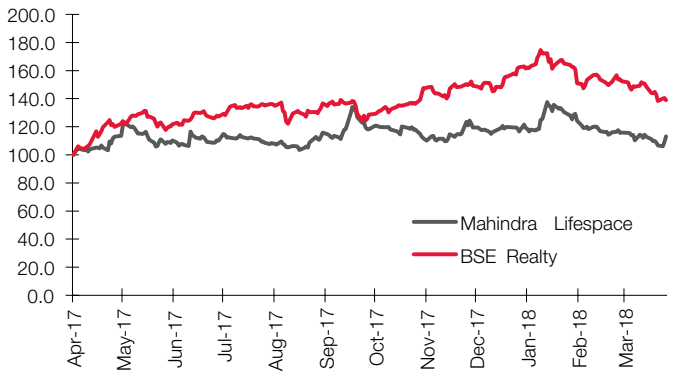
Note: Share price of Mahindra Lifespaces and NSE NIFTY have been indexed to 100 on 3rd April 2017

Chart C: Mahindra Lifespaces' Share Performance versus BSE 500



Note: Share price of Mahindra Lifespaces and BSE 500 have been indexed to 100 on 3rd April, 2017

Chart D: Mahindra Lifespaces' Share Performance versus BSE Realty



Note: Share price of Mahindra Lifespaces and BSE Realty have been indexed to 100 on 3rd April, 2017

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
Ground Floor Axis House, Wadia International Centre
Pandurang Budhkar Marg, Worli Mumbai - 400 025
Phone no. 022 6226 0050/54; Fax:022-43253000
Email: debenturetrustee@axistrustee.com

* All Debentures are fully redeemed by the Company as on 4th April, 2018

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, certain officials of the Company 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 of this Report, there are no pending share transfers pertaining to the year under review.

Distribution of Shareholding as on 31st March, 2018

No. of Equity Shares	No. of Shareholders	% of Shareholders	No. of Shares Held	% of Shareholding
1-100	51,882	86.72	12,02,020	2.34
101-200	3,747	6.26	5,47,266	1.07
201-300	1,246	2.08	3,15,995	0.62
301-400	627	1.05	2,23,176	0.43
401-500	499	0.83	2,35,327	0.46
501-1000	926	1.55	6,75,436	1.32
1001-2000	426	0.71	6,00,283	1.17
2001-3000	141	0.24	3,53,050	0.69
3001-4000	73	0.12	2,57,373	0.50
4001-5000	42	0.07	1,95,835	0.38
5001-10000	92	0.15	6,54,346	1.27
10001 & above	124	0.21	4,60,68,031	89.75
Total	**59,825**	**100.00**	**5,13,28,138**	**100.00**

Shareholding Pattern

Category	As on 31st March, 2018		As on 31st March, 2017	
	No. of Equity Shares Held	% of Shareholding	No. of Equity Shares Held	% of Shareholding
Promoter's and Promoter Group	2,64,39,850	51.51	2,08,46,126	50.78
Insurance Companies, Banks and Financial Institutions	17,349	0.03	13,567	0.03
UTI and Mutual Funds	15,93,464	3.10	912,235	2.22
FIIs	1,16,12,473	22.62	9,944,506	24.22
NRIs / OCB	3,89,259	0.76	329,835	0.80
Bank of New York Mellon (for GDR Holders)	44,770	0.09	44,770	0.11
Domestic Companies	32,16,839	6.27	2,800,460	6.82
Trust	10,713	0.02	9,663	0.02
Resident Individuals	71,52,784	13.94	5,650,735	13.76
Others – Clearing members	75,698	0.15	59,139	0.14
Others HUF	6,42,780	1.25	442,514	1.08
Others - IEPF	1,32,159	0.26	-	-
Total	**513,28,138**	**100**	**41,053,550**	**100.00**

Dematerialisation of Shares

As of 31st March, 2018, 5,08,51,367 shares (99.07% 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, 2018, 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 of 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 to the shares and the shares held in such Suspense Account shall not be transferred in any manner whatsoever except for the purpose of allotting / delivering the shares as and when the shareholders approach the Company. The voting rights on such shares shall remain frozen till the rightful owner claims the shares. As and when the allottee approaches the Company, the Company 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, 2018:

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: 3,135 Outstanding shares: 49,091
2	Pursuant to the Rights issue of the Company, shares allotted under the issue which could not be credited due to mismatch in shareholder details and lying in Rights pool A/c were transferred to the suspense account. Number of shareholders and the corresponding shares transferred during the year in the suspense account	Number of transfers to the account :123 No. of shares: 11,879
3	Number of shareholders who approached the issuer for transfer of shares from suspense account during the year	No. of requests : 88[1] No. of shares : 11,651
4	Number of shareholders to whom shares were transferred from suspense account during the year	No. of transfers from the account : 81[2] No. of shares : 11,511
5	Number of shares and the corresponding no. of shareholders whose shares were transferred from the suspense account to Investor Education and Protection Fund in terms of Investor Education & Protection fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016	No. of transfers from the account: 2,494 No. of shares : 34,579
6	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year	Number of shareholders: 683 Outstanding shares: 14,880

[1]Out of total 88 requests representing 11,651 shares, 84 requests representing 11,593 shares pertains to Rights Pool A/C.

[2]Out of total 81 transfers representing 11,511 shares, 79 transfers representing 11,451 shares pertains to Rights Pool A/C.

Address for Correspondence

Registered Office & Corporate Office

Mahindra Lifespace Developers Limited

CIN: L45200MH1999PLC118949

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

Tel: 022- 67478600 / 67478601

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 2017-18 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.

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 with prior approval of the Audit Committee. During 2017-18, 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.

12. COMPLIANCE WITH MANDATORY REQUIREMENTS

As of 31st March, 2018, 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 and 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 being sent to the shareholders.
- Audit Qualifications: The Company's financial statement for 2017-18 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 the 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.

Commodity Price Risk / Foreign Exchange Risk and Hedging Activities

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, 2018, Mahindra World City Developers Limited and Mahindra Homes Private Limited were material non-listed subsidiary companies under Regulation 16(c) of SEBI LODR read with the Company's 'Policy for determining material subsidiaries'. Effective 1st April, 2018, Mahindra World City (Jaipur) Limited and Mahindra Homes Private Limited are the only 'material non-listed subsidiary companies' 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 2017-18, the quarterly, half-yearly and yearly results were published in the Economics Times (English newspaper) and Maharashtra Times (Marathi newspaper) within prescribed timelines. The Company also informs stock exchanges in a prompt manner, about all price sensitive information or such other matters which in its opinion, are material and relevant to the shareholders and subsequently issues a press release on the said matters.

Further, the Company has also been complying with the listing requirement for filing of its financial results with BSE Ltd. (BSE) and National Stock Exchange of India Ltd. (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 & Chief Executive Officer (Managing Director w.e.f. 1st April, 2018) of the Company declare that all Board Members and Senior Management Personnel of the Company have affirmed compliance with the Codes of Conduct of Board of Directors and Senior Management for the year ended 31st March, 2018.

For and on behalf of the Board,

For **Mahindra Lifespace Developers Limited**

Anita Arjundas

Managing Director

(DIN: 00243215)

Mumbai, 27th April, 2018

Auditor's Certificate on Corporate Governance

REF: KGV/2018-19/012

To the members of

Mahindra Lifespace Developers Limited

Independent Auditor's Certificate on Corporate Governance

1. This certificate is issued in accordance with the terms of our engagement letter reference no. KGV/2017-18/36 dated 11 September, 2017.

2. We, Deloitte Haskins & Sells LLP, Chartered Accountants, the Statutory Auditors of Mahindra Lifespace Developers Limited ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31st March 2018, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

Managements' Responsibility

3. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

Auditor's Responsibility

4. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

5. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

6. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

8. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended 31st March, 2018.

9. We 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 **Deloitte Haskins and Sells LLP**
Chartered Accountants
(Firm's Registration No.117366W/W-100018)

Ketan Vora
Partner
(Membership No. 100459)

Place: Mumbai
Date: 27th April, 2018

PORTFOLIO OF ONGOING PROJECTS 2017 - 2018

RESIDENTIAL PROJECTS

LUMINARE

Location: NCR
Development Entity: Mahindra Homes Private Limited

Saleable Area: 1.14 million square feet
Launched Area : 0.77 million square feet
*Percentage Sold: 57% of launched area
*Percentage Completed : 64% 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: 100% of launched area
*Percentage Completed : 84% 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: 33% of launched area
*Percentage Completed : 72% of launched area

HAPPINEST BOISAR

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

Saleable Area: 0.53 million square feet
Launched Area : 0.53 million square feet
*Percentage Sold: 77% of launched area
*Percentage Completed: 91% of launched area

*Percentage Sold / Completed upto 2018. Based on Company's Share of Saleable Area.

RESIDENTIAL PROJECTS

HAPPINEST PALGHAR 1

Location: Palghar, Mumbai
Development Entity: Mahindra Happinest Developers Limited

Saleable Area: 0.41 million square feet
Launched Area : 0.30 million square feet
*Percentage Sold: 50% of launched area
*Percentage Completed: 28% of launched area

BLOOMDALE

Location: Nagpur
Development Entity: Mahindra Bebenco Developers Limited

Saleable Area: 1.55 million square feet
Launched Area : 1.33 million square feet
*Percentage Sold: 77% of launched
*Percentage Completed: 70% of launched area

ANTHEIA

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

Saleable Area: 1.63 million square feet
Launched Area : 1.34 million square feet
*Percentage Sold: 89% of launched area
*Percentage Completed: 96% 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 Sold: 33% of launched area
*Percentage Completed: 100% of launched area

*Percentage Sold / Completed upto 2018. Based on Company's Share of Saleable Area.

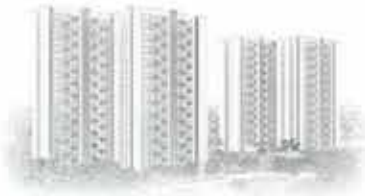
PORTFOLIO OF ONGOING PROJECTS 2017 - 2018

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: 92% 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 : 0.87 million square feet
*Percentage Sold: 52% of launched area
*Percentage Completed: 80% of launched area

HAPPINEST AVADI

Location: Chennai
Development Entity: Mahindra Lifespace Developers Limited

Saleable Area: 0.73 million square feet
Launched Area : 0.48 million square feet
*Percentage Sold: 88% of launched area
*Percentage Completed: 92% 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: 76% of launched area
*Percentage Completed: 91% of launched area

*Percentage Sold / Completed upto 2018. Based on Company's Share of Saleable Area.

INTEGRATED CITIES & INDUSTRIAL CLUSTERS

MAHINDRA WORLD CITY

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

Total Area Procured: 2913 acres
Total Leasable Area: 2033 acres
*Area Leased:
SEZ - 383 acres / DTA - 337 acres / Residential & Social - 48 acres
Balance Inventory:
SEZ - 643 acres / DTA - 358 acres / Residential & Social - 264 acres

MAHINDRA WORLD CITY

Location: Chennai
Development Entity: Mahindra World City Developers Limited

Total Area Procured: 1524 acres
Total Leasable Area: 1141 acres
*Area Leased:
SEZ - 425 acres / DTA - 396 acres / Residential & Social - 271 acres
Balance Inventory:
SEZ - Nil / DTA - 26 acres / Residential & Social - 23 acres

ORIGINS by MAHINDRA WORLD CITY

Location: Chennai
Development Entity: Mahindra Industrial Park Chennai Limited

Total Area Procured: 264 acres
Total Leasable Area: 187 acres
*Area Leased: Nil

*Area Leased is upto March 2018.

INDEPENDENT AUDITOR'S REPORT

To The Members of Mahindra Lifespace Developers Limited

Report on the Standalone Ind AS Financial Statements

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, 2018, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone 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

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

In conducting our 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 and the Order issued under section 143(11) of the Act.

We conducted our audit of the standalone Ind AS financial statements 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 standalone Ind AS financial statements are free from material misstatement.

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 Ind AS and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2018, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. 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 it appears from our examination of those books.

   c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.

   d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.

   e) On the basis of the written representations received from the directors of the Company as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 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". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **Deloitte Haskins and Sells LLP**
Chartered Accountants
(Firm's Registration No.117366W/W-100018)

Ketan Vora
Partner
(Membership No. 100459)

Place: Mumbai
Date: 27th April, 2018

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting 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 31st March, 2018 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 respective 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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.

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, to the best of our information and according to the explanations given to us, 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 31st March, 2018, based on the criteria for internal financial control over financial reporting 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 **Deloitte Haskins and Sells LLP**
Chartered Accountants
(Firm's Registration No.117366W/W-100018)

Ketan Vora
Partner
(Membership No. 100459)

Place: Mumbai
Date: 27th April, 2018

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets (Property, Plant and Equipment).

(b) The fixed assets (Property, Plant and Equipment) were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets (Property, Plant and Equipment) at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.

(c) With respect to immovable properties of land that are freehold, according to the information and explanations given to us and the records examined by us and based on the examination of the conveyance deed provided to us, we report that, the title deeds of such immovable properties are held in the name of the Company as at the balance sheet date. According to the information and explanation given to us, the Company does not have any leasehold Land and leased/freehold Building other than administrative block and project facilities, temporarily constructed at the project sites and capitalised as Building.

(ii) In our opinion and according to the information and explanations given to us, having regard to the nature of inventory, the physical verification by way of verification of title deeds, site visits by the Management and certification of extent of work completion by competent persons, are at reasonable intervals and no material discrepancies were noticed on physical verification.

(iii) 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, in respect of which:

(a) The terms and conditions of the grant of such loans are, in our opinion, prima facie, not prejudicial to the Company's interest.

(b) The schedule of repayment of principal and payment of interest has been stipulated and repayments or receipts of principal amounts and interest have been regular as per stipulations.

(c) There is no overdue amount remaining outstanding as at the year-end.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

(v) According to the information and explanations given to us, the Company has not accepted any deposits during the year and the provisions of sections 73 to 76 of the Act are not applicable and hence reporting under clause 3 (v) of the Order is also not applicable.

(vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the

prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) According to the information and explanations given to us, in respect of statutory dues:

(a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Income-tax, Goods and Service Tax, Sales Tax, Service Tax, Customs Duty, Value Added Tax, cess and other material statutory dues applicable to it to the appropriate authorities. The provisions of Employees' State Insurance and Excise Duty are not applicable to the operations of the Company.

(b) There were no undisputed amounts payable in respect of Provident Fund, Income-tax, Goods and Service Tax, Sales Tax, Service Tax, Customs Duty, Value Added Tax, cess and other material statutory dues in arrears as at 31st March, 2018 for a period of more than six months from the date they became payable.

(c) There are no dues of Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax and Goods & Service Tax which have not been deposited as on 31st March, 2018 on account of disputes except as given below:

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount (₹ in lakh)
Income Tax Act, 1961	Income Tax	Commissioner of Income tax (Appeals)	FY 2006-2007	392.56
			FY 2003-2004	20.88
Finance Act, 1994	Service Tax	Appellate Authority-upto Commissioners/ Revisional authorities level	FY 2005 to 2010	77.54
Sales Tax and Value Added Tax Laws	Sales Tax	Appellate Authority-upto Commissioners/ Revisional authorities level	FY 2009 to 2012	63.33
		High Court	FY 2006 to 2010	276.59

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to banks and debenture holders. The Company has not taken any loans or borrowings from financial institutions and government.

(ix) In our opinion and according to the information and explanations given to us, the Company has not raised any money by way of initial public offer. The money raised by way of further public offer (through rights issue of equity shares) and the term loans have been applied by the Company during the year for the purposes for which they were raised.

(x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.

(xi) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the CARO 2016 Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

(xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of CARO 2016 is not applicable to the Company.

(xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its holding, subsidiary or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **Deloitte Haskins and Sells LLP**
Chartered Accountants
(Firm's Registration No.117366W/W-100018)

Ketan Vora
Partner
(Membership No. 100459)

Place: Mumbai
Date: 27th April, 2018

Balance Sheet as at year ended 31st March, 2018

(₹ in lakh)

	Note No.	As at 31st March, 2018	As at 31st March, 2017
I ASSETS			
1 NON-CURRENT ASSETS			
(a) Property, Plant and Equipment	4	**598.30**	827.39
(b) Capital Work-in-Progress		**914.72**	846.99
(c) Investment Property	5	**2,186.87**	2,345.23
(d) Intangible Assets	6	**46.54**	60.09
(e) Financial Assets			
(i) Investments	7	**64,000.17**	65,829.17
(ii) Loans	8	**-**	1,764.62
(iii) Other Financial Assets	9	**-**	20.52
(f) Other Non Current Assets	13	**4,757.95**	5,799.47
SUB-TOTAL		**72,504.55**	77,493.48
2 CURRENT ASSETS			
(a) Inventories	10	**73,876.40**	87,925.27
(b) Financial Assets			
(i) Investments	7	**21,091.65**	14,563.37
(ii) Trade Receivables	11	**11,848.09**	5,929.69
(iii) Cash and Cash Equivalents	12	**3,597.36**	4,616.91
(iv) Bank balances other than (iii) above	12	**4,931.11**	652.98
(v) Loans	8	**18,672.85**	11,892.15
(vi) Other Financial Assets	9	**16,702.91**	12,315.73
(c) Other Current Assets	13	**27,202.87**	27,498.90
SUB-TOTAL		**177,923.24**	165,395.00
TOTAL ASSETS (1+2)		**250,427.79**	242,888.48
II EQUITY AND LIABILITIES			
1 EQUITY			
(a) Equity Share Capital	14	**5,132.81**	4,105.36
(b) Other Equity	15	**175,430.70**	145,174.53
SUB-TOTAL		**180,563.51**	149,279.89
LIABILITIES			
2 NON-CURRENT LIABILITIES			
(a) Financial Liabilities			
(i) Borrowings	16	**-**	19,981.01
(ii) Other Financial Liabilities	17	**-**	5,097.56
(b) Provisions	18	**367.12**	324.41
(c) Deferred Tax Liabilities (Net)	19	**176.81**	169.49
SUB-TOTAL		**543.93**	25,572.47
3 CURRENT LIABILITIES			
(a) Financial Liabilities			
(i) Borrowings	20	**16,804.99**	18,896.16
(ii) Trade Payables	21	**16,737.49**	16,978.50
(iii) Other Financial Liabilities	17	**27,386.72**	22,903.02
(b) Other Current Liabilities	22	**2,676.49**	3,679.02
(c) Provisions	18	**819.93**	787.00
(d) Current Tax Liabilities (Net)		**4,894.73**	4,792.42
SUB-TOTAL		**69,320.35**	68,036.12
TOTAL EQUITY AND LIABILITIES (1+2+3)		**250,427.79**	242,888.48
Summary of Significant Accounting Policies	2		

The accompanying notes 1 to 46 are an integral part of these financial statements

In terms of our Report of even date

For **Deloitte Haskins & Sells LLP**
Chartered Accountants

Ketan Vora
Partner

Mumbai : 27th April, 2018

Suhas Kulkarni
Company Secretary

Mumbai : 27th April, 2018

Jayantt Manmadkar
Chief Financial Officer

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

Arun Nanda	Chairman	- DIN 00010029
Anish Shah	Director	- DIN 02719429
Anita Arjundas	Managing Director	- DIN 00243215

Statement of Profit and Loss for the year ended 31st March, 2018

(₹ in lakh)

		Note No.	For the year ended 31st March, 2018	For the year ended 31st March, 2017
I	**INCOME**			
(a)	Revenue from Operations	23	**47,500.14**	68,055.38
(b)	Other Income	24	**8,221.85**	7,264.83
	TOTAL INCOME (a + b)		**55,721.99**	75,320.21
II	**EXPENSES**			
(a)	Cost of Sales			
	- Cost of Projects	25	**32,441.65**	52,343.58
	- Operating Expenses	25	**2,026.49**	2,323.35
(b)	Employee Benefits Expense	26	**5,957.68**	6,223.90
(c)	Finance Costs	27	**3,540.51**	3,196.93
(d)	Depreciation and Amortisation Expense	4,5,6	**395.71**	434.32
(e)	Other Expenses	28	**3,466.46**	3,742.92
	TOTAL EXPENSES (a+b+c+d+e)		**47,828.50**	68,265.00
III	**PROFIT BEFORE TAX (I - II)**		**7,893.49**	7,055.21
IV	**TAX EXPENSE**			
(a)	Current tax	29 (a)	**2,565.67**	2,349.39
(b)	Deferred tax	29 (a)	**15.43**	(187.83)
	TOTAL TAX EXPENSE (a+b)		**2,581.10**	2,161.56
V	**PROFIT AFTER TAX (III - IV)**		**5,312.39**	4,893.65
VI	**OTHER COMPREHENSIVE INCOME**			
	Items that will not be reclassified to profit or loss			
	(a) Remeasurements of the defined benefit plans		**(23.42)**	103.75
	(b) Income tax relating to Items that will not be reclassified to profit or loss	29 (b)	**8.11**	(35.90)
	TOTAL OTHER COMPREHENSIVE INCOME FOR THE YEAR (a+b)		**(15.31)**	67.85
VII	**TOTAL COMPREHENSIVE INCOME FOR THE YEAR (V + VI)**		**5,297.08**	4,961.50
VIII	**EARNINGS PER EQUITY SHARE (face value of ₹ 10/- each) (₹)**			
(a)	Basic	30	**10.48**	10.99
(b)	Diluted	30	**10.46**	10.96
	Summary of Significant Accounting Policies	2		

The accompanying notes 1 to 46 are an integral part of these financial statements

In terms of our Report of even date

For **Deloitte Haskins & Sells LLP**
Chartered Accountants

Ketan Vora
Partner

Mumbai : 27th April, 2018

Suhas Kulkarni
Company Secretary

Mumbai : 27th April, 2018

Jayantt Manmadkar
Chief Financial Officer

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

Arun Nanda Chairman - DIN 00010029
Anish Shah Director - DIN 02719429
Anita Arjundas Managing Director - DIN 00243215

Statement of Cash Flows for the year ended 31st March, 2018

(₹ in lakh)

	For the year ended 31st March, 2018	For the year ended 31st March, 2017
A. Cash flows from operating activities:		
Profit before tax	**7,893.49**	7,055.21
Adjustments for:		
Finance costs	**3,540.51**	3,196.93
Interest Income	**(5,981.30)**	(5,988.52)
Dividend Income	**(1,369.55)**	(761.57)
Gain on disposal of property, plant and equipment and Investment Property	**(239.46)**	(7.30)
Gain on sale of current investment	**(112.34)**	(105.68)
Depreciation and Amortisation Expense	**395.71**	434.32
Reversal of Provision for expected credit loss	**(235.00)**	-
Net gain arising on financial assets measured at fair value through profit or loss	**(25.85)**	-
Expense recognised in respect of equity-settled share-based payments	**138.30**	124.37
Operating Profit before working capital changes	**4,004.51**	3,947.76
Changes in:		
(Increase) in trade and other receivables	**(8,441.28)**	(18,736.67)
Decrease in inventories	**14,048.87**	21,680.24
Increase in trade and other payables	**2,102.47**	8,491.26
Cash generated from operations	**11,714.57**	15,382.59
Income taxes paid	**(1,137.63)**	(1,155.63)
Net cash generated by operating activities	**10,576.94**	14,226.96
B. Cash flows from investing activities		
Payment to acquire financial assets	**(123,762.59)**	(100,803.98)
Proceeds from sale of financial assets	**117,372.44**	106,355.37
Interest received	**1,594.12**	1,375.12
Dividends received from Joint Ventures/Subsidiaries	**1,036.00**	333.00
Other dividends received	**333.55**	428.57
Inter-corporate Deposit Given	**(13,285.90)**	-
Inter-corporate Deposit Realised	**7,065.95**	2,124.62
Payment to acquire Property, Plant and Equipment and Intangible Assets	**(481.04)**	(1,199.91)
Proceeds from disposal of Property, Plant and Equipment and Investment Property	**418.00**	20.20
Purchase of Investments in Subsidiaries and Joint Ventures	**(1,008.98)**	(12,023.03)
Proceeds from sale of Investments in Subsidiaries and Joint Ventures	**2,838.00**	3,700.00
Net cash (used in)/generated by investing activities	**(7,880.45)**	309.96

(₹ in lakh)

	For the year ended 31st March, 2018	For the year ended 31st March, 2017
C. Cash flows from financing activities		
Proceeds from issue of Equity Shares of the Company	**29,390.43**	66.27
Proceeds from borrowings	**5,697.90**	(211.67)
Repayment of borrowings	**(25,270.08)**	(12,500.00)
Dividends paid (including tax thereon)	**(3,495.07)**	(2,835.15)
Interest paid	**(10,039.22)**	(8,234.95)
Net cash (used in) financing activities	**(3,716.04)**	(23,715.50)
Net (decrease) in cash and cash equivalents	**(1,019.55)**	(9,178.58)
Cash and cash equivalents at the beginning of the year	**4,616.91**	13,795.49
Cash and cash equivalents at the end of the year	**3,597.36**	4,616.91

Summary of significant accounting policies (Refer Note 2)

The accompanying notes 1 to 46 are an integral part of these financial statements

Change in Liability arising from financing activities

(₹ in lakh)

Particulars	As at 01st April, 2017	Cash Flow	**As at 31st March, 2018**
Non Current Borrowings (Refer Note 16)	19,981.01	(19,981.01)	**-**
Current Borrowings (Refer Note 20)	18,896.16	(2,091.17)	**16,804.99**
Current maturities of Long term debt (Refer Note 17)	17,500.00	2,500.00	**20,000.00**
Total	56,377.17	(19,572.18)	**36,804.99**

Notes:

(a) The above Cash Flow Statement has been prepared under the "indirect method" as set out in 'Indian Accounting Standard (Ind AS) 7 - Statement of Cash Flows'.

(b) Also refer note no. 12 - Cash and Bank Balances

In terms of our Report of even date

For **Deloitte Haskins & Sells LLP**
Chartered Accountants

Ketan Vora
Partner

Mumbai : 27th April, 2018

Suhas Kulkarni
Company Secretary

Mumbai : 27th April, 2018

Jayantt Manmadkar
Chief Financial Officer

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

Arun Nanda Chairman - DIN 00010029
Anish Shah Director - DIN 02719429
Anita Arjundas Managing Director - DIN 00243215

Statement of changes in Equity for the year ended 31st March, 2018

A. Equity share capital

(₹ in lakh)

Particulars	Note No.	As at 31st March, 2018	As at 31st March, 2017
Balance at the Beginning of the year		**4,105.36**	4,103.32
Add: Rights Issue during the year	14	**1,026.33**	-
Add: Stock options exercised during the year	14	**1.12**	2.04
Balance at the end of the year		**5,132.81**	4,105.36

B. Other Equity

(₹ in lakh)

	Share Application money pending allotment	Securities Premium Reserve	General Reserve	Other Reserve#	Retained Earnings	Total
As at 31st March, 2016	-	68,431.09	7,299.49	17,133.93	50,186.84	143,051.35
Profit / (Loss) for the year	-	-	-	-	4,893.65	4,893.65
Other Comprehensive Income / (Loss) net of taxes*	-	-	-	-	67.85	67.85
Total Comprehensive Income for the year	-	-	-	-	4,961.50	4,961.50
Dividend paid on Equity Shares	-	-	-	-	(2,461.99)	(2,461.99)
Dividend Distribution Tax	-	-	-	-	(501.21)	(501.21)
Transfers to retained earnings	-	-	-	(1,031.25)	-	(1,031.25)
Transfers from other reserves	-	-	-	-	1,031.25	1,031.25
Premium on shares issued during the year	-	64.16	-	-	-	64.16
Exercise of employee stock options	0.08	-	-	-	-	0.08
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	53,216.39	145,174.53
Profit / (Loss) for the year	-	-	-	-	5,312.39	5,312.39
Other Comprehensive Income / (Loss) net of taxes*	-	-	-	-	(15.32)	(15.32)
Total Comprehensive Income for the year	-	-	-	-	5,297.07	5,297.07
Dividend paid on Equity Shares	-	-	-	-	(3,079.14)	(3,079.14)
Dividend Distribution Tax	-	-	-	-	(415.93)	(415.93)
Allotment of Shares to Employees	(0.08)	-	-	-	-	(0.08)
Transfers from retained earnings	-	-	-	-	-	-
Premium on shares issued during the year	-	28,942.83	-	-	-	28,942.83
Exercise of employee stock options	0.53	47.11	-	(47.11)	-	0.53
Arising on share based payment	-	-	-	138.30	-	138.30
Share issue expenses on rights issue	-	(627.41)	-	-	-	(627.41)
As at 31st March, 2018	0.53	96,857.78	7,299.49	16,254.51	55,018.39	175,430.70

* Remeasurement gains/ (losses) net of taxes on defined benefit plans during the year is recognised as part of retained earnings.

B. Other Equity (Cont…)

#Other Reserves

Particulars	31st March, 2018	31st March, 2017
(I) Debenture Redemption Reserve :		
Balance as at the beginning of the year	**8,375.00**	9,406.25
Add :		
Transfer from Surplus in Statement of Profit and Loss	**-**	-
Less :		
Transfer to Surplus in Statement of Profit and Loss	**-**	(1,031.25)
Balance as at the end of the year	**8,375.00**	8,375.00
(II) Capital Redemption Reserve :		
Balance as at the beginning of the year	**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
(III) Share Options Outstanding Account		
Balance as at the beginning of the year	**434.74**	374.10
Add:		
Arising on share based payment	**91.19**	60.64
Balance as at the end of the year	**525.93**	434.74
Total	**16,254.51**	16,163.32

In terms of our Report of even date

For **Deloitte Haskins & Sells LLP**
Chartered Accountants

Ketan Vora
Partner

Mumbai : 27th April, 2018

Suhas Kulkarni
Company Secretary

Mumbai : 27th April, 2018

Jayantt Manmadkar
Chief Financial Officer

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

Arun Nanda Chairman - DIN 00010029
Anish Shah Director - DIN 02719429
Anita Arjundas Managing Director - DIN 00243215

Notes to the Standalone Financial Statement as at and for the year ended 31st March, 2018

1. General Information

Mahindra Lifespaces Developers Limited ('the Company') is a limited company incorporated in India. The equity shares of the Company is listed on the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) and its debentures are listed on BSE. Its parent and ultimate holding company is Mahindra & Mahindra Limited.

The addresses 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 and basis of preparation and presentation

The Standalone Financial Statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under section 133 of the Companies Act, 2013 (the Act) and other relevant provision of the act. The aforesaid financial statements have been approved by the Company's Board of Directors and authorised for issue in the meeting held on 27th April, 2018.

2.2 Basis of measurement

These 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.

2.3 Measurement of Fair Values

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 standalone financial statements is determined on such 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 : Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date;
- Level 2 : 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 for the asset or liability that are not based on observable market data (unobservable inputs).

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 are 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.

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 Current versus non-current classification

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

Based on the nature of activity carried out by the company and the period between the procurement and realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 5 years for the purpose of Current – Non Current classification of assets & liabilities.

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

— Expected to be realised or intended to be sold or consumed in normal operating cycle
— Held primarily for the purpose of trading
— Expected to be realised within twelve months after the reporting period, or
— Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

— It is expected to be settled in normal operating cycle
— It is held primarily for the purpose of trading
— It is due to be settled within twelve months after the reporting period, or
— There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Borrowings are classified as current if they are due to be settled within 12 months after the reporting period.

2.6 Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

2.6.1 The Company as a Lessor

Rental income from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the Company's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

2.6.2 The Company as a Lessee

Rental expense from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue.

2.7 Foreign exchange transactions and translation

Transactions in foreign currencies i.e. other than the Company'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.

2.8 Employee Benefits

2.8.1 Superannuation Fund

The Company's contribution paid/payable during the year to Superannuation Fund is recognised in profit or loss.

2.8.2 Long term Compensated Absences & Gratuity

Company's liability towards long term compensated absences are determined by independent actuaries, using the projected unit credit method.

Company's liability towards gratuity are determined by independent actuaries, using the projected unit credit method. Past services are recognised at the earlier of the plan amendment/curtailment and the recognition of related restructuring costs/termination benefits.

The obligation on long term compensated absences and defined benefit plans are measured at the present value of estimated future cash flows using a discount rate that is determined by reference to the market yields at the balance sheet date on government bonds where the currency and terms of the government bonds are consistent with the currency and estimated terms of the obligation.

2.8.3 Remeasurement gains/losses

Remeasurement of defined benefit plans, comprising of actuarial gains or losses, return on plan assets excluding interest income are recognised immediately in balance sheet with corresponding debit or credit to other comprehensive income. Remeasurements are not reclassified to profit or loss in subsequent period.

Remeasurement gains or losses on long term compensated absences that are classified as other long term benefits are recognised in profit or loss.

2.8.4 Employee Stock Option Scheme

Equity-settled share-based payments to employees are measured at the fair value of the equity instruments at the grant date. 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 Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity.

2.9 Cash and Cash Equivalents

Cash and cash equivalent in the Balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to insignificant risk of changes in value.

2.10 Earnings per share

Basic earnings per share is computed by dividing the profit/ (Loss) after tax by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for treasury shares, bonus issue and bonus element in a right issue to existing shareholders, share split and reverse share split.

Diluted earnings per share is computed by dividing the profit/ (loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for arriving the basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares including the treasury shares held by the Company to satisfy the exercise of the share options by the employees.

2.11 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

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

2.12 Share based payment transaction of the Company

1. Equity-settled share-based payment to employees are measured at the fair value of the equity instruments at the grant date. 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 Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity.

2. At the end of each reporting period the Company revises its estimate of the No. of equity instruments expected to vest. The impact of revision of the original estimate, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate with the corresponding adjustments to the equity settled.

2.13 Income Taxes

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

2.13.1 Current tax

Current tax is determined as the amount of tax payable in respect of taxable income for the year. The Company's current tax is calculated using tax rate that has been enacted or substantially enacted by the end of the reporting period.

2.13.2 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.

2.13.3 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.

2.14 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.

Furniture & Fixtures and Office equipment's 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.

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.

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.

The Company has elected to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS i.e. 1 April, 2015, measured as per the previous GAAP and use that as its deemed cost as at the date of transition.

2.15 Intangible Assets

2.15.1 Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

The Company has elected to continue with the carrying value of its Intangible assets as recognised in the financial statements as at the date of transition to Ind AS i.e. 1 April, 2015, measured as per the previous GAAP and use that as its deemed cost as at the date of transition.

2.15.2 Derecognition of Intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in profit or loss when the asset is derecognised.

2.15.3 Useful lives of Intangible assets

Estimated useful lives of the intangible assets are as follows:

Computer Software	5 years

2.16 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.

Investment property includes freehold/leasehold land and building. Depreciation on investment property has been provided on pro-rata basis, on the straight-line method as per the useful life of such property. Buildings are depreciated over the period of 60 years considering this period as the useful life for the Company.

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.

The Company has elected to continue with the carrying value of its Investment property as recognised in the financial statements as at the date of transition to Ind AS i.e. 1 April, 2015, measured as per the previous GAAP and use that as its deemed cost as at the date of transition.

2.17 Impairment of tangible and intangible asset 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, which is the higher of the value in use or fair value less cost to sell, of the asset or cash generating unit, as the case may be, is estimated and the impairment loss (if any) is recognised and the carrying amount is reduced to its recoverable amount. 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.

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.

2.18 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.

2.19 Provisions, contingent liabilities and contingent assets

2.19.1 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.

Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

2.19.2 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.

2.19.3 Contingent liabilities

Contingent liability is disclosed in case of:

a) a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation; and

b) a present obligation arising from past events, when no reliable estimate is possible.

2.19.4 Contingent assets

Contingent assets are disclosed where an inflow of economic benefits is probable.

2.20 Financial instruments

Financial assets and financial liabilities are recognised when the 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.

2.20.1 Classification and subsequent measurement

2.20.1.1 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 at either amortised cost or fair value depending on their respective classification.

On initial recognition, a financial asset is classified as - measured at:

— Amortised cost; or

— Fair Value through Other Comprehensive Income (FVTOCI) - debt investment; or

— Fair Value through Other Comprehensive Income (FVTOCI) - equity investment; or

— Fair Value Through Profit or Loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

All financial assets not classified as measured at amortised cost or FVTOCI are measured at FVTPL.

Financial assets at amortised cost are subsequently measured at amortised cost using effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain and loss on derecognition is recognised in profit or loss.

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.

Debt investment at FVTOCI are subsequently measured at fair value. Interest income under effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in Other Comprehensive Income (OCI). On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

For equity investments, the Company makes an election on an instrument-by-instrument basis to designate equity investments as measured at FVTOCI. These elected investments are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the reserves. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments. These investments in equity are not held for trading. Instead, they are held for medium or long term strategic purpose.

Equity investments that are not designated as measured at FVTOCI are designated as measured at FVTPL and subsequent changes in fair value are recognised in profit or loss.

Financial assets at FVTPL are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

2.20.1.2 Financial liabilities and equity instruments

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.

Equity instruments

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

Financial liabilities

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading or it is a derivative (that does not meet hedge accounting requirements) or it is designated as such on initial recognition. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

2.20.2 Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not

retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

2.20.3 Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

2.20.4 Impairment of financial assets

The Company applies the expected credit loss (ECL) model for recognising impairment loss on financial assets. With respect to trade receivables, the Company measures the loss allowance at an amount equal to lifetime expected credit losses.

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets. For debt securities at FVTOCI, the loss allowance is recognised in OCI and is not reduced from the carrying amount of the financial asset in the balance sheet.

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write- off. However, financial assets that are written off could still be subject to enforcement activities under the Company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

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 based on estimates and assumptions, which have the significant effect on the amounts recognised in the financial statements:

Taxes

Deferred tax assets are recognised for temporary differences 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

(₹ in lakh)

Description of Assets	Building	Leasehold Improvements	Office Equipments	Furniture and Fixtures	Vehicles	Computers	Total
I. Gross Carrying Amount/Deemed Cost							
Balance as at 1st April, 2017	332.44	452.09	204.44	340.44	502.47	623.81	2,455.69
Additions duing the year	-	73.00	4.90	9.94	11.08	29.28	128.20
Deductions/Adjustments during the year*	143.00	17.18	10.92	(245.15)	(44.82)	(13.17)	(132.04)
Balance as at 31st March, 2018	**475.44**	**542.27**	**220.26**	**105.23**	**468.73**	**639.92**	**2,451.85**
II. Accumulated depreciation and impairment							
Balance as at 1st April, 2017	240.00	229.14	179.97	173.60	293.99	511.60	1,628.30
Depreciation expense for the year	10.15	30.61	14.83	97.39	82.96	63.77	299.71
Deductions/Adjustments during the year*	129.99	51.43	(1.70)	(207.46)	(37.49)	(9.23)	(74.46)
Balance as at 31st March, 2018	**380.14**	**311.18**	**193.10**	**63.53**	**339.46**	**566.14**	**1,853.55**
III. Net carrying amount (I-II)	**95.30**	**231.09**	**27.16**	**41.70**	**129.27**	**73.78**	**598.30**

Description of Assets	Building	Leasehold Improvements	Office Equipments	Furniture and Fixtures	Vehicles	Computers	Total
I. Gross Carrying Amount/Deemed Cost							
Balance as at 1st April, 2016	305.84	452.09	196.15	264.80	452.00	557.59	2,228.47
Additions duing the year	26.60	-	8.29	75.64	95.43	76.51	282.47
Deductions/Adjustments during the year*	-	-	-	-	(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
Deductions/Adjustments during the year*	-	-	-	-	(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**

*Deduction/Adjustments during the year includes transfer within block of assets.

5 - Investment Property

(₹ in lakh)

Description of Assets		Land	Buildings	Total
I.	**Gross Carrying Amount/Deemed Cost**			
	Balance as at 1st April, 2017	1,810.44	1,236.77	3,047.21
	Deductions during the year	(44.27)	(47.76)	(92.03)
	Balance as at 31st March, 2018	**1,766.17**	**1,189.01**	**2,955.18**
II.	**Accumulated depreciation and impairment**			
	Balance as at 1st April, 2017	-	701.98	701.98
	Depreciation expense for the year	-	81.73	81.73
	Eliminated on disposal of assets	-	(15.40)	(15.40)
	Balance as at 31st March, 2018	**-**	**768.31**	**768.31**
III.	**Net carrying amount (I-II)**	**1,766.17**	**420.70**	**2,186.87**

Description of Assets		Land	Buildings	Total
I.	**Gross Carrying Amount/Deemed Cost**			
	Balance as at 1st April, 2016	1,810.44	1,236.77	3,047.21
	Additions duing the year	-	-	-
	Deductions during the year	-	-	-
	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 expense for the year	-	28.28	28.28
	Eliminated on disposal of assets	-	-	-
	Balance as at 31st March, 2017	**-**	**701.98**	**701.98**
III.	**Net carrying amount (I-II)**	**1,810.44**	**534.79**	**2,345.23**

Fair value disclosure on Company's investment properties

The Company's investment property consist of a commercial property constructed on land taken on perpetual lease in India, Mahindra Towers at Delhi. 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.

Details of the investment properties and information about the fair value hierarchy:

Particulars	Mahindra Towers, Delhi #			GE Plaza, Pune *		
	Land	Buildings	Total	Land	Buildings	Total
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
Opening balance as at 1st April, 2017	**13,035.60**	**1,253.28**	**14,288.88**	**106.02**	**190.12**	**296.14**
Fair value difference	1,103.57	(119.46)	984.11	-	-	-
Closing balance as at 31st March, 2018	**14,139.17**	**1,133.82**	**15,272.99**	**-**	**-**	**-**

The fair values of the Mahindra Tower at Delhi have been arrived at on the basis of a valuation carried out as on 31st March, 2018 by Jones Lang Lasalle Property Consultant (India) Pvt. Ltd. and as on 31st March 2017 by Gandhi & Associates, independent valuer not related to the Company. Jones Lang Lasalle Property Consultant (India) Pvt. Ltd. and 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.

* During the year current year ended 31st March, 2018, the Company has sold its investment property GE Plaza at Pune. As at 31st March, 2017, the fair values of the GE Plaza at Pune have been arrived at on the basis of a valuation carried out by Dixit Valuers & Engineers, independent valuer not related to the Company. 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.

Information regarding income and expenditure of Investment property:

(₹ in lakh)

	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Rental income derived from investment properties (included in 'Revenue from Operations')	**1,820.63**	2,018.71
Direct operating expenses (including repairs and maintenance) that generate rental income	**255.85**	16.94

6 - Intangible Assets

(₹ in lakh)

Description of Assets		**Computer Software**
I.	**Gross Carrying Amount/Deemed Cost**	
	Balance as at 1st April, 2017	360.28
	Additions during the year	0.72
	Balance as at 31st March, 2018	**361.00**
II.	**Accumulated depreciation and impairment**	
	Balance as at 1st April, 2017	300.19
	Amortisation expense for the year	14.27
	Balance as at 31st March, 2018	**314.46**
III.	**Net carrying amount (I-II)**	**46.54**

Description of Assets		**Computer Software**
Intangible Assets		
I.	**Gross Carrying Amount/Deemed Cost**	
	Balance as at 1st April, 2016	289.52
	Additions during the year	70.76
	Balance as at 31st March, 2017	**360.28**
II.	**Accumulated depreciation and impairment**	
	Balance as at 1st April, 2016	289.52
	Amortisation expense for the year	10.67
	Balance as at 31st March, 2017	**300.19**
III.	**Net carrying amount (I-II)**	**60.09**

7 - Investments

(₹ in lakh)

Particular	As at 31st March, 2018				As at 31st March, 2017			
	Face Value	QTY (Nos)	Amounts* Current	Amounts* Non Current	Face Value	QTY (Nos)	Amounts* Current	Amounts* Non Current
A. COST								
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
Mahindra World City (Maharashtra) Limited	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
Knowledge Township Limited	10	21,000,000	-	2,372.94	10	21,000,000	-	2,372.94
Industrial Township (Maharashtra) Limited	10	5,000,000	-	500.00	10	5,000,000	-	500.00
Industrial Cluster Private Limited	-	-	-	-	10	50,000	-	5.00
Raigad Business and Industrial Park limited	-	-	-	-	10	110,000	-	11.00
Anthurium Developers Limited	10	50,000	-	5.00	10	50,000	-	5.00
Topical Builders Private Limited	-	-	-	-	10	175	-	0.02
Kismat Developers Private Limited	-	-	-	-	10	15	-	0.00
Deepmangal Developers Private Limited	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	-	11,115.43
Mahindra Happinest Developers Limited	10	51,000	-	5.10	-	-	-	-
Industrial Cluster Private Limited	10	50,000	-	5.00	-	-	-	-
Mahindra World City Developers Limited	10	17,799,999	-	3,889.43	10	17,799,999	-	3,889.43
Mahindra Bebanco Developers Limited	10	35,000	-	3.50	10	35,000	-	3.50
Mahindra Homes Private Limited								
Class A Equity Shares	10	616,879	-	61.69	10	616,879	-	61.69
Class C Equity Shares	10	389	-	0.04	10	389	-	0.04
TOTAL INVESTMENTS CARRIED AT COST [A]			-	23,859.78			-	23,865.70
B. AMORTISED COST								
Unquoted Investments Carried at Amortised Cost								
Investments in Preference Shares								
- of Subsidiaries								
Topical Builders Private Limited (8.50% Non-cumulative Redeemable Preference Shares)	-	-	-	-	10	4,825	-	0.48
Kismat Developers Private Limited (8.50% Non-cumulative Redeemable Preference Shares)	-	-	-	-	10	4,985	-	0.50
Moonshine Construction Pvt Limited (7.00% Non-Cumulative Redeemable Participating Preference Shares)	10	5,000	-	0.50	10	5,000	-	0.50

7 - Investments

(₹ in lakh)

Particular	As at 31st March, 2018				As at 31st March, 2017			
	Face Value	QTY (Nos)	Amounts* Current	Amounts* Non Current	Face Value	QTY (Nos)	Amounts* Current	Amounts* Non Current
Mahindra World City Maharashtra (8.50% Non convertible Preference Shares)	10	175,000	-	17.50	-	-	-	-
- of joint ventures								
Mahindra Homes Private Limited (Series A 0.01% Optionally Convertible Redeemable Preference Shares)	10	1	-	0.00	10	1	-	0.00
Investments in Debentures								
- of subsidiaries								
Knowledge Township Limited (11.00% Optionally Convertible Debentures)	100,000	2,637	-	2,637.00	100,000	2,637	-	2,637.00
Industrial Cluster Private Limited (11.00% Optionally Convertible Debentures)	-	-	-	-	100,000	9,220	-	9,220.00
- of joint ventures								
Mahindra Homes Private Limited (14.00% Optionally Convertible Debentures)	100	32,017,000	-	32,017.00	100	32,017,000	-	32,017.00
TOTAL INVESTMENTS CARRIED AT AMORTISED COST [B]			-	34,672.00			-	43,875.48
C. Designated at Fair Value Through Profit and Loss								
Unquoted Investments (all fully paid)								
Investments in Mutual Funds			21,091.65	-			14,563.37	-
Investments in Preference Shares								
- of joint ventures								
Mahindra Happinest Developers Limited (0.01% Non Convertible Redeemable Preference Shares)	100	308,400	-	308.40		-	-	-
Investments in Debentures								
- of joint ventures								
Industrial Cluster Private Limited (11.00% Optionally Convertible Debentures)	100,000	6,382	-	6,382.00	-	-	-	-
Mahindra Happinest Developers Limited (15.00% Optionally Convertible Redeemable Debentures)	10	6,900,000	-	690.00		-	-	-
Investments in Equity Instruments								
- of other entities								
New Tirupur Area Development Corporation Limited	10	500,000	-	0.00	10	500,000	-	0.00
Mahindra Knowledge Park (Mohali) Limited	10	6	-	0.00	10	6	-	0.00
Total Aggregate Unquoted Investments			-	7,380.40			-	0.00
TOTAL INVESTMENTS CARRIED AT FVTPL [C]			21,091.65	7,380.40			14,563.37	0.00
TOTAL INVESTMENTS (A) + (B)+ (C)			21,091.65	65,912.18			14,563.37	67,741.18
Total Impairment value for investment carried at cost (D)			-	(1,912.01)			-	(1,912.01)
TOTAL INVESTMENTS CARRYING VALUE (A) + (B) + (C) + (D)			21,091.65	64,000.17			14,563.37	65,829.17
Other disclosures								
Aggregate carrying value of unquoted investments			21,091.65	65,912.18			14,563.37	67,741.18
Aggregate amount of impairement in value of unquoted investments			-	(1,912.01)			-	(1,912.01)

₹ 0.00 lakh denotes amount less than ₹ 500/-

8 - Loans

(₹ in lakh)

Particulars	As at 31st March, 2018		As at 31st March, 2017	
	Current	**Non- Current**	Current	Non- Current
a) Security Deposits				
- Unsecured, considered good	**4,054.81**	**-**	3,447.19	-
Total	**4,054.81**	**-**	3,447.19	-
b) Loans to related parties (refer note 36)				
- Unsecured, considered good	**8,230.94**	**-**	246.37	1,764.62
Total	**8,230.94**	**-**	246.37	1,764.62
c) Other Loans and Advances #				
- Unsecured, considered good	**6,387.10**	**-**	8,198.59	-
Total	**6,387.10**	**-**	8,198.59	-
Total (a+b+c)	**18,672.85**	**-**	11,892.15	1,764.62

Other Loans and Advances mainly includes Loans to Employees and Project Advances given to vendors.

9 - Other financial assets

(₹ in lakh)

Particulars	As at 31st March, 2018		As at 31st March, 2017	
	Current	**Non- Current**	Current	Non- Current
Financial assets at amortised cost				
a) Bank Deposit with maturity more than 12 months	**-**	**-**	-	20.52
b) Interest Accrued	**16,702.91**	**-**	12,315.73	-
Total	**16,702.91**	**-**	12,315.73	20.52

10 - Inventories (at lower of cost and net realisable value)

(₹ in lakh)

Particulars	As at 31st March, 2018	As at 31st March, 2017
(a) Raw materials	**2,197.52**	2,162.81
(b) Construction Work-in-progress*	**60,307.94**	79,289.42
(c) Stock in Trade	**11,370.94**	6,473.04
Total	**73,876.40**	87,925.27

*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.

a) The amount of inventories recognised as an expense ₹ 32,441.65 lakh (31st March, 2017: ₹ 52,343.58 lakh) include ₹ 1,190.14 lakh (31st March, 2017: ₹ Nil) in respect of write down of inventory to net realisable value.

b) The Company has availed cash credit facilities, short term loans and borrowed through Non-Convertible Debentures, which are secured by hypothecation of inventories.

11 - Trade receivables

(₹ in lakh)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Trade receivables		
(a) Unsecured, considered good	**11,848.09**	5,929.69
(b) Doubtful	**360.15**	595.15
Less: Allowance for expected credit loss	**(360.15)**	(595.15)
Total	**11,848.09**	5,929.69

11 a - Movement in the allowance for expected credit loss

Particulars	As at 31st March, 2018	As at 31st March, 2017
Balance at beginning of the year	**595.15**	595.15
Reversal during the year	**(235.00)**	-
Balance at end of the year	**360.15**	595.15

Refer Note 31 for disclosures related to credit risk, impairment of trade receivables under expected credit loss model and related financial instrument disclosures.

12 - Cash and Bank Balances

(₹ in lakh)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Cash and cash equivalents		
(a) Cash on hand	**0.34**	1.06
(b) Cheques on hand	**119.07**	-
(c) Balance with Banks:		
- On current accounts	**2,428.52**	1,512.08
- Fixed Deposit with orignal maturity Less than 3 months	**1,049.43**	3,103.77
Total Cash and cash equivalent (considered in Statement of Cash Flows)	**3,597.36**	4,616.91
Bank Balances other than Cash and cash equivalents		
(a) Balances with Banks:		
(i) Earmarked balances	**1,313.29**	125.45
(ii) On Margin Accounts	**485.74**	469.66
(iii) Fixed Deposits with original maturity greater than 3 months	**3,132.08**	57.87
Total Other Bank balances	**4,931.11**	652.98

13 - Other Assets

(₹ in lakh)

Particulars	As at 31st March, 2018		As at 31st March, 2017	
	Non Current	Current	Non Current	Current
(a) Capital Advances	**284.22**	**-**	-	-
(b) Advances other than capital advances				
(i) Advances to related parties *	**-**	**2,000.00**	-	2,000.00
(ii) Balances with government authorities (other than income taxes)	**-**	**1,922.32**	-	2,212.47
(iii) Prepaid Expense	**-**	**349.82**	-	379.53
(iv) Unbilled Revenues	**-**	**22,930.73**	-	22,906.90
(v) Income Tax Assets (Net)	**4,473.73**	**-**	5,799.47	-
Total	**4,757.95**	**27,202.87**	5,799.47	27,498.90

*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 assets is ₹ 2,879 lakh. 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.

14 - Equity Share Capital

Particulars	As at 31st March, 2018		As at 31st March, 2017	
	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
Unclassified shares of ₹ 10 each	**6,000,000**	**600.00**	6,000,000	600.00
Issued:				
Equity shares of ₹ 10 each with voting rights	**51,379,201**	**5,137.92**	41,094,401	4,109.44
Subscribed and Fully Paid up:				
Equity shares of ₹ 10 each with voting rights	**51,328,138**	**5,132.81**	41,053,550	4,105.36
Total	**51,328,138**	**5,132.81**	41,053,550	4,105.36

(i) Reconciliation of the number of shares and outstanding amount

Particulars	As at 31st March, 2018		As at 31st March, 2017	
	No. of Shares	Amount ₹ in lakh	No. of Shares	Amount ₹ in lakh
Balance at the Beginning of the year	**41,053,550**	**4,105.36**	41,033,150	4,103.32
Add: Rights Issue during the year	**10,263,388**	**1,026.33**	-	-
Add: Stock options exercised during the year	**11,200**	**1.12**	20,400	2.04
Balance at the end of the year	**51,328,138**	**5,132.81**	41,053,550	4,105.36

Terms/ rights attached to equity shares with voting rights

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 and carry a right to dividends. 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 and its subsidiaries:

(₹ in lakh)

Particulars	Equity Shares with Voting rights
As at 31st March, 2018	
Mahindra & Mahindra Ltd. the Holding Company	26,439,850
As at 31st March, 2017	
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, 2018		As at 31st March, 2017	
	Number of shares held	% holding	Number of shares held	% holding
Equity shares with voting rights				
Mahindra & Mahindra Limited	**26,439,850**	**51.51%**	20,846,126	50.78%
Small Cap World Fund, INC	**2,696,725**	**5.25%**	2,157,380	5.26%

iv) Shares reserved for issue under options

The Company has 1,17,000 (Previous Year 5,53,430) equity shares of ₹ 10/- each reserved for issue under options [Refer Note 26].

v) The allotment of 51,063* (Previous Year 40,851) equity shares of the Company has been kept in abeyance in accordance with Section 206A of the Companies Act, 1956 (Section 126 of the Companies Act 2013), till such time 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). *51,063 equity shares, includes 10,212 Rights Equity Shares which were issued during the year, pursuant to the Rights entitlement on 40,851 Equity Shares the allotment of which has been kept in abeyance as explained above.

vi) The Board of Directors had at its meeting held on 27th October, 2016, approved Rights Issue upto an amount of ₹ 30,000 lakh. During the year ended 31st March, 2018, the Company completed the Rights Issue by allotting on 5th May, 2017, 10,263,388 equity shares at a price of ₹ 292 (including face value of ₹ 10 each) per equity share aggregating ₹ 29,969 lakh in the ratio of 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 subscribed 129.18 percent of the Issue size in terms of number of equity shares applied. Consequently, the paid up equity share capital of the Company has increased to ₹ 5,132 lakh divided into 5,13,18,988 equity shares of ₹ 10 each. The Securities Premium account has increased to ₹ 97,438 lakh. The Rights Issue proceeds have been fully utilised for the purpose of the Issue.

15 - Other equity

(₹ in lakh)

Particulars	As at 31st March, 2018	As at 31st March, 2017
General reserve	**7,299.49**	7,299.49
Securities premium account	**96,857.78**	68,495.25
Share options outstanding account	**525.93**	434.74
Retained earnings	**55,018.39**	53,216.39
Capital redemption reserve	**7,353.58**	7,353.58
Debenture redemption reserve	**8,375.00**	8,375.00
Share Application money pending allotment	**0.53**	0.08
	175,430.70	145,174.53

Description of the nature and purpose of Other Equity:

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.

Securities Premium Account: The Securities Premium is created on issue of shares at a premium.

Share Option Outstanding Account: It is a part of the Shareholders equity and is transferred to Share Capital, Share Premium or General Reserves over the vesting period.

Retained Earnings: This reserve represents cumulative profits of the Company and effects of remeasurement of defined benefit obligations. This reserve can be utilised in accordance with the provisions of Companies Act, 2013.

Capital Redemption Reserve: The Capital Redemption Reserve was created against redemption of Preference Shares.

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.

Share Application Money Pending allotment- This represents share application money received from the elegible employees upon excercise of employee stock option. The same will be transferred to equity share capital account after the allotment of shares to the applicants. The share application money pending allotment of ₹ 0.08 lakh pertaining to previous year has been transferred to equity share capital during the year upon allotment of shares.

Details of Dividends Proposed:

(₹ in lakh)

Particulars	**For the year 31st March, 2018**	For the year 31st March, 2017
Dividend per Equity Share (₹)	**6.00**	6.00
Dividend on Equity Shares	**3,079.69**	2,463.26
Dividend Distribution Tax	**633.04**	365.97
Total Dividend including Dividend Distribution Tax	**3,712.73**	2,829.23

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 2018 and 31st March 2017.

16 - Non-Current Borrowings

Details of Long term Borrowings of the Company

(₹ in lakh)

Description of the instrument	Currency of Loan	Effective Interest Rate used for Discounting Cashflows (%)	Repayment Bullet (or) Installment	Number of Installments	**As at 31st March 2018**	As at 31st March 2017
Secured (Carried at Amortised Cost)						
Fully Redeemable						
-Non Convertible Debentures (Series III)	₹	12.04%	Installment	1	**-**	19,981.01
-Non Convertible Debentures (Series II)	₹	11.86%	Installment	1	**-**	-
Total					**-**	19,981.01

Note: Current maturities in respect of long term borrowings - fully redeemable Non-Convertible debentures have been included in Note 17.

Non Convertible Debentures

The terms and conditions of the Secured Non-Convertible Debentures issued by the Company are summarized below:-

Series	Series III	Series II
Face Value of Debentures (₹ in lakh)	20,000.00	17,500.00
Total Redemption Premium Amount (₹ in lakh)	3,455.65	2,290.30
Rate of Interest Payable Annually	8.00%	8.00%
Maturity Date	4th April, 2018	4th April, 2017

The above debentures are secured by an exclusive charge over Land owned by the Company which is accounted as a part of Construction Work in Progress and Investment Property and land owned by its Subsidiary Mahindra Integrated Township Limited.

17 - Other Financial Liabilities

(₹ in lakh)

Particulars	As at 31st March, 2018		As at 31st March, 2017	
	Current	Non Current	Current	Non Current
Carried at Amortised Cost				
(a) Other long term liabilities*	-	-	-	5,097.56
(b) Current maturities of long-term debt	20,000.00	-	17,500.00	-
(d) Interest accrued	1,633.10	-	3,034.68	-
(c) Unclaimed dividends	140.23	-	125.45	-
(e) Other liabilities #	5,613.39	-	2,242.89	-
Total	27,386.72	-	22,903.02	5,097.56

* Other long term liabilities include provision for redemption premium payable on Non-Convertible Debentures (Series III).

Other liabilities include Trade Deposits, Society Maintenance deposits and provision for redemption premium payable on Non-Convertible Debentures (Series II and Series III).

18 - Provisions

(₹ in lakh)

Particulars	As at 31st March, 2018		As at 31st March, 2017	
	Current	Non Current	Current	Non Current
(a) Provision for employee benefits				
-Gratuity	97.96	80.43	4.23	257.27
-Leave Encashment	168.74	286.69	138.47	67.14
(b) Other Provisions				
-Defect Liabilities	553.23	-	644.30	-
Total Provisions	819.93	367.12	787.00	324.41

Details of movement in provisions for Defect Liabilities are as follows:

Particulars	Defect Liability Provisions
Balance at 31st March, 2017	644.30
Additional provisions recognised	153.93
Unused amounts reversed during the year	(250.00)
Balance at 31st March, 2018	553.23

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 in respect residential units given under perpetual lease, the estimated cost of which is accrued during the period of construction, upon sale of units and recognition of related revenue. 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 5 year from the date of handover of residential units.

19 - Deferred Tax liabilities (Net)

(₹ in lakh)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Deferred Tax Liabilities	**788.63**	724.83
Deferred Tax Assets	**(611.82)**	(555.34)
Total	**176.81**	169.49

Deferred Tax (assets)/liabilities in relation to:

Particulars	Opening Balance as at 1st April, 2017	Recognised in P&L	Recognised in Other Comprehensive Income	**Closing Balance as at 31st March, 2018**
Fiscal allowance on Property, Plant and Equipment, Investment Property and Other Intangible Assets	501.91	71.80	-	**573.71**
Disallowance u/s 43(B) of the Income tax Act, 1961	(429.22)	9.27	-	**(419.95)**
Provision for Employee Benefits	(126.12)	(57.64)	(8.11)	**(191.87)**
Other Temporary differences	**222.92**	**(8.00)**	**-**	**214.92**
Total	**169.49**	**15.43**	**(8.11)**	**176.81**

20 - Current Borrowings

(₹ in lakh)

Particulars	As at 31st March, 2018	As at 31st March, 2017
A. Secured Borrowings at amortised cost		
(a) Loans on cash credit account from Banks	**1,126.11**	1,522.13
(b) Other loans from Banks	**-**	7,500.00
Total	**1,126.11**	9,022.13
B. Unsecured Borrowings at amortised cost		
(a) Loans on cash credit account from Banks	**764.80**	-
(b) Loans from related parties	**2,500.00**	2,500.00
(c) Other Loans from banks	**7,500.00**	-
(d) Loans from other parties	**4,914.08**	7,374.03
Total	**15,678.88**	9,874.03
Total (A+B)	**16,804.99**	18,896.16

Secured Borrowing

(a) The cash credit facility carrying interest rate in the range of 8.70% p.a. to 8.85% p.a. is secured by first charge on all existing and future current assets excluding land and immovable properties.

(b) Other loan from banks include short term loans carrying interest rate in the range of 8.90% p.a. to 9.50% p.a. is secured by first charge on all existing and future current assets excluding land and immovable properties.

Unsecured Borrowings

(a) The cash credit facility is carrying interest rate of 8.20% p.a.

(b) Loans from related parties include inter company borrowings obtained at 7.50% p.a.

(c) Other loans from banks include short term loan carrying interest rate in the range of 7.90% p.a. to 8.50% p.a.

(d) Loans from other parties include commercial papers issued for working capital purposes carrying interest rate of 7.35% p.a.

21 - Trade Payables

(₹ in lakh)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Trade payable - Micro and small enterprises	-	-
Trade payable - Other than micro and small enterprises	16,737.49	16,978.50
Total	16,737.49	16,978.50

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 to Micro, Small and Medium Enterprises as of Balance Sheet Date.

22 - Other Current Liabilities

(₹ in lakh)

Particulars	As at 31st March, 2018	As at 31st March, 2017
a. Advances received from customers	2,396.84	3,163.17
b. Statutory dues payable	279.65	515.85
Total	2,676.49	3,679.02

There are no amounts due and outstanding to be credited to the Investor Education and Protection Fund.

23 - Revenue from Operations

(₹ in lakh)

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
(a) Income from Projects	42,137.98	63,985.59
(b) Project Management Fees	3,541.53	2,051.08
(c) Income from Operation of Commercial Complexes	1,820.63	2,018.71
Total	47,500.14	68,055.38

24 - Other Income

(₹ in lakh)

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
(a) Interest Income		
(1) Inter Corporate Deposits	**889.13**	396.86
(2) Bank Deposits	**300.64**	294.04
(3) Optionally Convertible Debentures	**4,755.11**	4,482.38
(4) Others	**36.42**	815.24
(b) Dividend Income		
(1) Joint Ventures and Subsidiaries	**1,036.00**	333.00
(2) Current investment - Non Trade	**333.55**	428.57
(c) Gain on sale of current investments	**112.34**	105.68
(d) Gain on disposal of Property, Plant and Equipment and Investment Property	**239.46**	7.30
(e) Net Gain arising on Financial Assets mandatorily measured at Fair Value through Profit and Loss	**25.85**	-
(f) Miscellaneous Income	**493.35**	401.76
Total	**8,221.85**	7,264.83

25 - Cost of Sales

(₹ in lakh)

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
A. Cost of Project		
Opening Stock:		
Work-in-progress	**79,289.42**	98,568.34
Raw Material	**2,162.81**	2,156.66
Stock in trade	**6,473.04**	8,880.50
Sub-Total (a)	**87,925.27**	109,605.50
Add: Expenses incurred during the year		
Land Cost	**0.40**	5,836.61
Architect Fees	**172.06**	298.09
Civil Electricals, Contracting, etc.	**13,597.35**	15,828.38
Interest	**554.42**	2,723.05
Overheads Allocated	**1,356.94**	1,258.17
Payment to Local Agencies	**1,757.16**	4,002.60
Insurance	**8.54**	37.78
Legal & Professional Fees	**945.91**	678.67
Sub-Total (b)	**18,392.78**	30,663.35
Less: Closing Stock:		
Work in progress	**60,307.94**	79,289.42
Raw Material	**2,197.52**	2,162.81
Stock in trade	**11,370.94**	6,473.04
Sub-Total (c)	**73,876.40**	87,925.27
Total A (a+b-c)	**32,441.65**	52,343.58

(₹ in lakh)

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
B. Operating Expenses		
Rent, Rates & Taxes	**83.97**	82.22
Insurance	**2.20**	2.92
Repairs & Maintenance - Commercial Properties	**145.11**	128.57
Professional Fees	**81.18**	62.73
Brokerage	**199.16**	232.70
Advertisement, Marketing & Business Development	**1,200.28**	1,117.64
Electricity	**53.91**	88.05
Other Operating Expenses	**260.68**	608.52
Total B	**2,026.49**	2,323.35
Total (A+B)	**34,468.14**	54,666.93

26 - Employee Benefits Expense

(₹ in lakh)

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
(a) Salaries and wages, including bonus	**6,421.53**	6,602.21
(b) Contribution to provident and other funds	**422.56**	398.11
(c) Share based payment expenses	**138.30**	124.37
(d) Staff welfare expenses	**332.23**	357.38
Less : Allocated to projects	**(1,356.94)**	(1,258.17)
Total	**5,957.68**	6,223.90

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:

Details about Vesting Conditions:

Particulars		Number of Options	Grant Date	Expiry Date	Exercise Price	Fair value per Option at Grant Date (₹)
	ESOS 2006					
1	Series 1 Granted on 25th April 2008	678,359	25-Apr-08	25-Apr-17	₹ 428 per share	443.79
2	Series 2 Granted on 4th August 2012	10,000	4-Aug-12	4-Aug-21	₹ 325 per share	294.06
	ESOS 2012					
1	Series 3 Granted on 4th August 2012	101,000	4-Aug-12	4-Aug-21	₹ 10 per share	294.06
2	Series 4 Granted on 24th July 2013	26,500	24-Jul-13	24-Jul-22	₹ 10 per share	409.27
3	Series 5 Granted on 17th October 2014	27,000	17-Oct-14	17-Oct-23	₹ 10 per share	461.87
4	Series 6 Granted on 30th April 2015	3,000	30-Apr-15	30-Apr-24	₹ 10 per share	402.60
5	Series 7 Granted on 28th January 2016	31,000	28-Jan-16	28-Jan-25	₹ 10 per share	417.10
6	Series 8 Granted on 28th July 2016	30,000	28-Jul-16	28-Jul-25	₹ 10 per share	420.53
7	Series 9 Granted on 25th July 2017	18,500	25-Jul-17	25-Jul-26	₹ 10 per share	393.45
8	Series 10 Granted on 30th Jan 2018	2,500	30-Jan-18	30-Jan-27	₹ 10 per share	453.81

Movement in Share Options

	Particulars	For the year ended 31st March, 2018		For the year ended 31st March, 2017	
		Number of Options	**Weighted average exercise price (₹)**	Number of Options	Weighted average exercise price (₹)
1	The number and weighted average exercise prices of share options outstanding at the beginning of the year;	**553,430**	**339.68**	558,380	336.76
2	Granted during the year	**21,000**	**10.00**	30,000	10.00
3	Forfeited during the year	**411,922**	**428.00**	-	-
4	Exercised during the year	**11,200**	**10.00**	20,400	10.00
5	Expired during the year	**34,308**	**10.00**	14,550	10.00
6	Outstanding at the end of the year	**117,000**	**23.46**	553,430	339.68
7	Exercisable at the end of the year	**62,500**	**35.20**	486,780	338.48

Share Options Exercised during the Year

	Particulars	**Number of Options Exercised**	**Exercise Date**	**Price per Share at Exercise Date (₹)**
	Equity Settled			
1	Series 3 Granted on 4th August 2012	750	14-Jul-17	444.35
2	Series 4 Granted on 24th July 2013	450	14-Apr-17	407.05
3	Series 4 Granted on 24th July 2013	450	23-Jul-17	436.60
4	Series 4 Granted on 24th July 2013	750	27-Jul-17	428.15
5	Series 4 Granted on 24th July 2013	1,200	14-Dec-17	458.55
6	Series 4 Granted on 24th July 2013	600	4-Jan-18	459.83
7	Series 5 Granted on 17th October 2014	500	19-May-17	439.85
8	Series 5 Granted on 17th October 2014	600	18-Jul-17	439.93
9	Series 5 Granted on 17th October 2014	450	17-Oct-17	453.08
10	Series 5 Granted on 17th October 2014	1,200	31-Oct-17	445.13
11	Series 5 Granted on 17th October 2014	750	26-Dec-17	469.75
12	Series 7 Granted on 28th January 2016	500	18-Jun-17	440.35
13	Series 7 Granted on 28th January 2016	300	30-Jun-17	429.25
14	Series 7 Granted on 28th January 2016	300	10-Nov-17	431.08
15	Series 8 Granted on 28th July 2016	300	28-Jul-17	426.60
16	Series 8 Granted on 28th July 2016	500	21-Dec-17	467.85
17	Series 7 Granted on 28th January 2016	800	7-Feb-17	354.75
18	Series 7 Granted on 28th January 2016	500	22-Feb-17	348.00
19	Series 7 Granted on 28th January 2016	300	1-Mar-17	345.48
		11,200		

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 - ₹ 325 (as at March 31, 2017: ₹ 10 - ₹ 428), and weighted average remaining contractual life of 2115 days (as at March 31, 2017: 433 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

Particulars	25th April 2008	4th August 2012	4th August 2012	24th July 2013	17th October 2014	30th April 2015	28th January 2016	28th July 2016	25th July 2017	30th January 2018
Share price per Option at grant date (₹)	443.79	324.14	324.14	454.09	516.08	467.60	482.25	450.60	393.45	453.81
Exercise price per Option (₹)	428.00	325.00	10.00	10.00	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%	27.24% - 28.90%	27.77%-28.98%
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	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%	1.39%	1.22%
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%	6.37%-6.66%	7.11% - 7.56%

27 - Finance Costs

(₹ in lakh)

Particulars		For the year ended 31st March, 2018	For the year ended 31st March, 2017
(a)	Interest costs :		
	Interest expense for financial liablities at amortised cost	**3,822.46**	5,473.83
	Less: Allocated to projects	**(554.42)**	(2,723.05)
(b)	Other borrowing costs*	**272.47**	446.15
Total		**3,540.51**	3,196.93

* Other borrowing costs include guarantee charges and ancilliary costs incurred in connection with borrowings.

28 - Other Expenses

(₹ in lakh)

Particulars		For the year ended 31st March, 2018	For the year ended 31st March, 2017
(a)	Power & Fuel	**48.11**	48.58
(b)	Rent, Rates & Taxes	**645.50**	636.45
(c)	Insurance	**10.92**	23.82
(d)	Repairs and maintenance - Buildings	**0.29**	0.41
(e)	Repairs and maintenance - Others	**147.77**	120.11
(f)	Advertisement, Marketing & Business Development	**380.38**	381.88
(g)	Travelling and Conveyance Expenses	**377.60**	508.38
(h)	Expenditure on Corporate Social Responsibility (CSR) under section 135 of the Companies Act, 2013	**291.89**	481.48
(i)	Donations and Contributions *	**-**	10.00
(j)	Payment to Auditors #	**39.30**	34.22
(k)	Legal and other professional costs	**978.12**	767.13
(l)	Printing & Stationery	**36.06**	71.32
(m)	Communication	**239.66**	138.21
(n)	Others	**270.86**	520.93
Total		**3,466.46**	3,742.92

* Donations and 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

Payments to Auditors

(₹ in lakh)

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
(i) To Statutory auditors		
For Audit	**30.50**	21.21
For Taxation Matters	**2.50**	2.25
For Other Services	**3.50**	6.24
Reimbursement of Expenses	**0.96**	2.68
(ii) To Cost auditors for cost audit	**1.84**	1.84
Total	**39.30**	34.22

29 - Income Taxes

(₹ in lakh)

(a) Income Tax recognised in profit or loss

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Current Tax:		
In respect of current year	**2,565.67**	2,349.39
Deferred Tax:		
In respect of current year origination and reversal of temporary differences	**15.43**	(187.83)
Total	**2,581.10**	2,161.56

(b) Income tax recognised in Other Comprehensive income

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
Deferred tax related to items recognised in other comprehensive income during the year:		
Remeasurement of defined benefit plans	**8.11**	(35.90)
Total	**8.11**	(35.90)

(c) Reconciliation of estimated income tax expense at tax rate to income tax expense reported in Profit or Loss is as follows:

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Profit before tax	**7,893.49**	7,055.21
Income tax expense calculated at 34.608% (2017: 34.608%)	**2,731.78**	2,441.67
Effect of income that is exempt from taxation	**(473.97)**	(433.64)
Effect of expenses that is non deductible in determining taxable profit	**309.29**	422.24
Effect of tax incentives and concessions (research and development and other allowances)	**(36.34)**	(86.52)
Deduction under Chapter VI A	**(39.42)**	(42.79)
Changes in recognised deductible temporary differences	**74.33**	48.43
Current tax expense recognised In profit or loss	**2,565.67**	2,349.39

30 - Earnings per Share

Particulars	For the year ended 31 March, 2018	For the year ended 31 March, 2017
	₹	₹
Basic Earnings per share	**10.48**	10.99
Diluted earnings per share	**10.46**	10.96

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:

(₹ in lakh)

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Profit/(loss) for the year	**5,312.39**	4,893.65
Less: Preference dividend and tax thereon		-
Profits used in the calculation of basic earnings per share	**5,312.39**	4,893.65
Weighted average number of equity shares	**50,692,093**	44,536,633
Basic earnings per share (₹)	**10.48**	10.99

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.

(₹ in lakh)

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Profit / (loss) for the year used in the calculation of basic earnings per share	**5,312.39**	4,893.65
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	**5,312.39**	4,893.65

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 31 March 2018	For the year ended 31 March 2017
Weighted average number of equity shares used in the calculation of Basic EPS	**50,692,093**	44,536,633
Add: Options outstanding under Employee Stock Option Plan	**109,768**	103,625
Weighted average number of equity shares used in the calculation of Diluted EPS	**50,801,861**	44,640,258

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 equity ratio which is determined as the proportion of total debt to total equity.

Particulars	As at 31st March, 2018 (₹ in lakh)	As at 31st March, 2017 (₹ in lakh)
Debt	**36,804.99**	56,377.17
Cash and bank balances	**(8,528.47)**	(5,269.89)
Net Debt (A)	**28,276.52**	51,107.29
Equity (B)	**180,563.51**	149,279.89
Net Debt to Equity Ratio (A / B)	**0.16**	0.34

Categories of financial assets and financial liabilities

The following tables shows the carrying amount of financial assets and financial liabilities by category:

As at 31st March, 2018

(₹ in lakh)

Particulars	Amortised Costs	FVTPL	Total
Non-current Assets			
Investments	**56,619.77**	**7,380.40**	**64,000.17**
Loans	**-**	**-**	**-**
Other Financial Assets			
- Non Derivative Financial Assets	**-**	**-**	**-**
Current Assets			
Investments	**-**	**21,091.65**	**21,091.65**
Trade Receivables	**11,848.09**	**-**	**11,848.09**
Cash and Bank Balances	**8,528.47**	**-**	**8,528.47**
Loans	**18,672.85**	**-**	**18,672.85**
Other Financial Assets			
- Non Derivative Financial Assets	**16,702.91**	**-**	**16,702.91**
Current Liabilities			
Borrowings	**16,804.99**	**-**	**16,804.99**
Trade Payables	**16,737.49**	**-**	**16,737.49**
Other Financial Liabilities			
- Non Derivative Financial Liabilities	**27,386.72**	**-**	**27,386.72**

As at 31st March, 2017

(₹ in lakh)

	Amortised Costs	FVTPL	Total
Non-current Assets			
Investments	65,829.17	-	65,829.17
Loans	1,764.62	-	1,764.62
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
Cash and Bank Balances	5,269.89	-	5,269.89
Loans	11,892.15	-	11,892.15
Other Financial Assets			
- Non Derivative Financial Assets	12,315.73	-	12,315.73
Non-current Liabilities			
Borrowings	19,981.01	-	19,981.01
Other Financial Liabilities			
- Non Derivative Financial Liabilities	5,097.56	-	5,097.56
Current Liabilities			
Borrowings	18,896.16	-	18,896.16
Trade Payables	16,978.50	-	16,978.50
Other Financial Liabilities			
- Non Derivative Financial Liabilities	22,903.02	-	22,903.02

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 trade receivables, cash and cash equivalents, mutual Funds & other financial assets.

Trade Receivables:

The Company's 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.

Cash and Cash Equivalents, Mutual Funds & 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.

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

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the Company's short-term, medium-term 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.

Particulars	Less than 1 Year	1 Year to 3 Years	3 Years to 5 Years
Non-derivative financial liabilities			
As at 31st March 2018			
Non Current			
Borrowings	-	-	-
Other Financial Liabilities	-	-	-
Total Non Current (A)	-	-	-
Current			
Borrowings	16,804.99	-	-
Trade Payables	16,737.49	-	-
Other Financial Liabilities	27,386.72	-	-
Total Current (B)	**60,929.20**	-	-
Total (A+B)	**60,929.20**	-	-
As at 31st March 2017			
Non Current			
Borrowings	-	19,981.01	-
Other Financial Liabilities	-	5,097.56	-
Total Non Current (A)	-	**25,078.57**	-
Current			
Borrowings	18,896.16	-	-
Trade Payables	16,978.50	-	-
Other Financial Liabilities	22,903.02	-	-
Total Current (B)	**58,777.68**	-	-
Total (A+B)	**58,777.68**	**25,078.57**	-

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. 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. 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 (₹ in lakh)
As at March 31, 2018	₹	**+100**	**93.91**
	₹	**-100**	**(93.91)**
As at March 31, 2017	₹	+100	(1.16)
	₹	-100	1.16

32 - Fair Value Measurement

Fair Valuation Techiques and Inputs used - Recurring Items

(₹ in lakh)

Financial assets/ financial liabilities measured at Fair value	Fair value as at 31st March, 2018	Fair value as at 31st March, 2017	Fair value hierarchy	Valuation Technique(s)	Applicable for Level 2 and Level 3 hierarchy Key input(s)
Financial assets					
Investments					
1) Mutual fund investments	**21,091.65**	14,563.37	Level 1	Unquoted Market Price	Not applicable as Level 1 hierarchy
2) Investment in Preference Share - unquoted	**308.40**	-	Level 2	Price of Recent Transaction	Value of underlying assets of the Investee
3) Investment in Optionally Convertible Debentures.....	**7,072.00**	-	Level 2	Price of Recent Transaction	Value of underlying assets of the Investee
Total financial assets	**28,472.05**	14,563.37			

Financial Instrument not measured using Fair Value i.e. measured using amortized cost

(₹ in lakh)

Particulars	As at 31st March, 2018	
	Carrying amount	Fair value
Financial assets		
Financial assets carried at Amortised Cost		
– Investment in Debentures	**32,017.00**	**31,898.00**
Total	**32,017.00**	**31,898.00**
Financial liabilities		
Financial liabilities held at amortised cost		
– Current maturities of long-tem debt along with the redemption premium	**23,455.65**	**23,448.42**
Total	**23,455.65**	**23,448.42**

Except for the above, carrying value of Other financial assets / liabilities represent reasonable estimate of fair value.
There were no transfers between Level 1 and Level 2 during the year.

33 - Leases

(₹ in lakh)

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
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 10 years and may be renewed based on mutual agreement between the parties.		
Non-cancellable operating lease receivables		
not later than one year	**0.66**	5.64
later than one year and not later than five years	**-**	-
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 based on mutual agreement between the parties.		
Future Non-Cancellable minimum lease commitments		
not later than one year	**41.86**	166.25
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	**581.07**	531.84

34 - Segment information

"The reportable segments of the Company are 'Projects, Project Management and Development' and 'Operating of Commercial Complexes'. The segments are largely organised and managed separately according to the organisation structure that is designed based on the nature of business. Operating segments are reported in a manner consistent with the internal reporting provided to the Managing Director regarded as the Chief Operating Decision Maker ("CODM").

Description of each of the reportable segments for all periods presented, is as under:

i) Projects, Project Management & Development: This Segment of the business includes income from sale of residential units across projects, project management and development in India.

ii) Operating of Commercial Complexes: This Segment of the business includes rental income from commercial properties at Gurgaon and Pune.

The CODM evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by operating segments. The CODM reviews revenue and gross profit as the performance indicator for all of the operating segments. The measurement of each segment's revenues, expenses and assets is consistent with the accounting policies that are used in preparation of the financial statements. Segment profit represents the profit before interest and tax. Information regarding the Company's reportable segments is presented below:

(₹ in lakh)

Particulars	31st March, 2018			31st March, 2017		
	Projects, Project Management & Development	**Operating of Commercial Complexes**	**Total**	Projects, Project Management & Development	Operating of Commercial Complexes	Total
Revenue						
External customers	**45,679.51**	**1,820.63**	**47,500.14**	66,036.67	2,018.71	68,055.38
Inter-segment	**-**	**-**	**-**	-	-	-
Total revenue	**45,679.51**	**1,820.63**	**47,500.14**	66,036.67	2,018.71	68,055.38
Results						
Segment Results	**11,737.01**	**1,516.96**	**13,253.97**	11,350.83	1,951.46	13,302.29
Less						
Unallocated Interest (Finance Cost)	**-**	**-**	**3,540.51**	-	-	3,196.93
Unallocated corporate expense net of unallocated income	**-**	**-**	**1,819.97**	-	-	3,050.15
Profit before tax	**-**	**-**	**7,893.49**	-	-	7,055.21
Income Tax	**-**	**-**	**2,581.10**	-	-	2,161.56
Profit after tax	**-**	**-**	**5,312.39**	-	-	4,893.65
Segment Assets & Liabilities						
Segment Assets	**182,387.87**	**2,201.31**	**184,589.18**	188,902.95	2,282.49	191,185.44
Unallocated corporate assets			**65,838.61**			51,703.04
Total Assets			**250,427.79**			242,888.48
Segment Liabilities	**53,280.25**	**555.03**	**53,835.28**	75,897.16	556.34	76,453.50
Unallocated corporate liabilities			**16,029.00**			17,155.09
Total Liabilities			**69,864.28**			93,608.59
Other Information						
Depreciation and Amortisation Expense	**109.12**	**81.73**	**190.85**	106.95	50.31	157.26
Capital Expenditure	**140.72**	**-**	**140.72**	827.07	-	827.07

Revenue from type of products and services

The operating segments are primarily based on nature of products and services and hence the Revenue from external customers of each segment is representative of revenue based on products and services.

Geographical Information

The Company operates in one reportable geographical segment i.e. "Within India". Hence, no separate geographical segment wise disclosure is applicable as per the requirements of Ind AS 108 Operating Segments.

Information about major customers

During the year ended 31st March, 2018 and 2017 respectively, revenues from transactions with a single external customer did not amount to 10 percent or more of the Company's revenues from external customers.

Segment revenue reported above represents revenue generated from external customers. There were no inter-segment sales in the current year as well as previous year.

35 - Employee benefits

(a) Defined Contribution Plan

The Company's contribution to Provident Fund and Superannuation Fund aggregating ₹ 304.63 lakh (31st March, 2017 : ₹ 347.56 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.

Through its defined benefit plans the Company is exposed to a number of risks, the most significant of which are detailed below:

Investment risk

The present value of the defined benefit plan liability (denominated in Indian Rupee) is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

Interest risk

A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.

Longevity risk

The present value of defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

The significant actuarial assumptions used for the purposes of the actuarial valuations were as follows:

	As at	
	31-Mar-18	31-Mar-17
Discount rate(s)	**7.42%**	6.68%
Expected rate(s) of salary increase	**6.00%**	6.00%
Attrition Rate	**0 to 5: 5%**	0 to 5: 5%
	5 to 42: 19.3%	5 to 42: 0%
Mortality	**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, 2018

(₹ in lakh)

Particulars	Funded Plan Gratuity	
	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Amounts recognised in comprehensive income in respect of these defined benefit plans are as follows:		
Service Cost		
Current Service Cost	**56.89**	72.05
Past service cost and (gains)/losses from settlements	**53.37**	-
Net interest expense	**6.12**	8.51
Components of defined benefit costs recognised in profit or loss	**116.38**	80.56
Remeasurement on the net defined benefit liability		
Return on plan assets (excluding amount included in net interest expense)	**(1.39)**	(1.02)
Actuarial (gains)/loss arising from demographic assumptions	**58.66**	-
Actuarial (gains)/loss arising from changes in financial assumptions	**(11.05)**	28.74
Actuarial (gains)/loss arising from experience adjustments	**(22.80)**	(131.47)
Components of defined benefit costs recognised in other comprehensive income	**23.42**	(103.75)
Total	**139.80**	(23.20)
I. Net Asset/(Liability) recognised in the Balance Sheet as at 31st March, 2018		
1. Present value of defined benefit obligation as at 31st March, 2018	**361.01**	261.50
2. Fair value of plan assets as at 31st March, 2018	**182.61**	170.67
3. Surplus/(Deficit)	**(178.40)**	(90.83)
4. Current portion of the above	**(97.96)**	(4.23)
5. Non current portion of the above	**(80.44)**	(86.60)
II. Movements in the present value of the defined benefit obligation are as follows.		
1. Present value of defined benefit obligation at the beginning of the year	**261.50**	271.91
2. Add/(Less) on account of Scheme of Arrangement/Business Transfer		
3. Expenses Recognised in Profit and Loss Account		
- Current Service Cost	**56.89**	72.05
- Past Service Cost	**53.37**	-
- Interest Cost	**17.47**	20.28
4. Recognised in Other Comprehensive Income		
Remeasurement gains / (losses)		
- Actuarial Gain (Loss) arising from:		
i. Demographic Assumptions	**58.66**	-
ii. Financial Assumptions	**(11.05)**	28.73
iii. Experience Adjustments	**(22.80)**	(131.47)
5. Benefit payments	**(53.03)**	-
6. Present value of defined benefit obligation at the end of the year	**361.01**	261.50

Particulars	Funded Plan Gratuity	
	For the year ended 31st March, 2018	For the year ended 31st March, 2017
III. Movements in the fair value of the plan assets are as follows.		
1. Fair value of plan assets at the beginning of the year	**170.67**	157.88
2. Interest Income - Actual Return on Plan Assets	**11.94**	12.79
3. Fair value of plan assets at the end of the year	**182.61**	170.67
IV. The fair value of the plan assets at the end of the reporting period for each category, are as follows:		
- Issuer Managed funds (Non quoted value)	**182.61**	170.67

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	**2018**	**1.00%**	**347.13**	**376.11**
	2017	1.00%	225.44	305.72
Salary growth rate	**2018**	**1.00%**	**372.62**	**349.80**
	2017	1.00%	291.80	234.25

The above sensitivity analyses 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 analysis did not change compared to previous period.

The Company expects to contribute ₹ 97.96 lakh (31st March, 2017 ₹ 4.23 Lakh) to the gratuity trusts during the next financial year.

Maturity profile of defined benefit obligation:

	31st March, 2018	31st March, 2017
Within 1 year	**97.96**	4.23
1 - 2 year	**86.96**	19.23
2 - 3 year	**72.51**	19.93
3 - 4 year	**72.69**	11.68
4 - 5 year	**72.81**	13.57
5 - 10 years	**405.23**	113.06

Major Category of plan assets for Gratuity Fund is as follows:

	31st March, 2018	31st March, 2017
Asset category:		
Deposits with Insurance companies	**100%**	100%
	100%	100%

The weighted average duration of the defined benefit obligation as at 31st March 2018 is 35.96 years (31st March, 2017: 35.39 years)

36 - Related Party Disclosures

(a) Related Parties where control exists

(i) Holding Company

Mahindra & Mahindra Limited

(ii) Subsidiaries

Mahindra Infrastructure Developers Limited
Mahindra Residential Developers Limited
Mahindra World City (Maharashtra) Limited
Mahindra Integrated Township Limited
Raigad Industrial & Business Park Limited *
Knowledge Township Limited
Rathna Bhoomi Enterprises Private Limited
Industrial Township (Maharashtra) Limited
Anthurium Developers Limited
Deepmangal Developers Private Limited
Kismat Developers Private Limited *
Topical Builders Private Limited *
Mahindra Water Utilities Limited
Moonshine Construction Private Limited

* These companies have been merged with Mahindra World City (Maharashtra) Limited during the year and ceased to be subsidiaries effective from 28th December, 2017

(b) Other Parties with whom Transactions have taken place during the year

(i) Joint Ventures

Mahindra World City Developers Limited
Mahindra Bebanco Developers Limited
Mahindra Inframan Water Utilities Limited
Mahindra Homes Private Limited
Mahindra Happinest Developers Limited (incorporated on 06 September, 2017)
Mahindra Industrial Park Chennai Limited
Mahindra World City (Jaipur) Limited
Industrial Cluster Private Limited

(ii) 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 Intertrade Limited

(iii) Associate of Holding Company

Tech Mahindra Limited

(iv) Key Management Personnel

Ms Anita Arjundas - Managing Director & CEO

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:

(₹ in lakh)

Particulars	Holding Company		Subsidiary Companies		Joint Ventures		Key Management Personnel		Other Related Parties	
	Year ended March 31, 2018	Year ended March 31, 2017	**Year ended March 31, 2018**	Year ended March 31, 2017	**Year ended March 31, 2018**	Year ended March 31, 2017	**Year ended March 31, 2018**	Year ended March 31, 2017	**Year ended March 31, 2018**	Year ended March 31, 2017
Rendering of Services/ Sale of Goods										
Mahindra Happinest Developers Limited	-	-	-	-	**4,718.00**	-	-	-	-	-
Rendering of services										
Mahindra & Mahindra Limited	**1,790.88**	1,967.51	-	-	-	-	-	-	-	-
Mahindra Infrastructure Developers Limited	-	-	**0.97**	0.69	-	-	-	-	-	-
Mahindra Residential Developers Limited	-	-	**211.07**	273.59	-	-	-	-	-	-
Knowledge Township Limited	-	-	**0.90**	0.80	-	-	-	-	-	-
Mahindra Integrated Township Limited	-	-	**503.21**	561.77	-	-	-	-	-	-
Industrial Township (Maharashtra) Limited	-	-	**0.30**	1.22	-	-	-	-	-	-
Mahindra World City (Maharashtra) Limited	-	-	-	0.04	-	-	-	-	-	-
Anthurium Developers Limited	-	-	-	2.17	-	-	-	-	-	-
Raigad Industrial & Business Park Limited*	-	-	-	1.00	-	-	-	-	-	-
Mahindra Homes Private Limited	-	-	-	-	**1,286.65**	1,274.08	-	-	-	-
Mahindra Happinest Developers Limited	-	-	-	-	**1,407.77**	-	-	-	-	-
Industrial Cluster Private Limited	-	-	-	-	**206.00**	-	-	-	-	-
Mahindra World City (Jaipur) Limited	-	-	-	-	**9.93**	1.67	-	-	-	-
Mahindra Bebanco Developers Limited	-	-	-	-	-	1.00	-	-	-	-
Mahindra World City Developers Limited	-	-	-	-	**4.80**	-	-	-	-	-
Receiving of Services										
Mahindra & Mahindra Limited	**805.61**	717.22	-	-	-	-	-	-	-	-
Mahindra Integrated Township Limited	-	-	**261.91**	436.66	-	-	-	-	-	-
Deepmangal Developers Private Limited	-	-	-	0.39	-	-	-	-	-	-
Topical Builders Private Limited *	-	-	-	1.14	-	-	-	-	-	-
Bristlecone India Limited	-	-	-	-	-	-	-	-	**11.24**	18.87
EPC Industries Limited	-	-	-	-	-	-	-	-	**33.84**	49.73
Mahindra Intertrade Limited	-	-	-	-	-	-	-	-	**2.47**	-
Mahindra Integrated Business Solutions Private Limited	-	-	-	-	-	-	-	-	**51.36**	39.03
Mahindra Holidays & Resorts India Limited	-	-	-	-	-	-	-	-	**12.24**	7.42
Mahindra & Mahindra Contech Limited	-	-	-	-	-	-	-	-	-	4.84
Mahindra First Choice Wheels Limited	-	-	-	-	-	-	-	-	**2.49**	0.40

(₹ in lakh)

Particulars	Holding Company		Subsidiary Companies		Joint Ventures		Key Management Personnel		Other Related Parties	
	Year ended March 31, 2018	Year ended March 31, 2017	**Year ended March 31, 2018**	Year ended March 31, 2017	**Year ended March 31, 2018**	Year ended March 31, 2017	**Year ended March 31, 2018**	Year ended March 31, 2017	**Year ended March 31, 2018**	Year ended March 31, 2017
Reimbursement made to parties										
Mahindra & Mahindra Limited	**145.90**	154.78	**-**	-	**-**	-	**-**	-	**-**	-
Mahindra Integrated Township Limited	**-**	-	**2.02**	2.02	**-**	-	**-**	-	**-**	-
Mahindra Residential Developers Limited	**-**	-	**-**	1.52	**-**	-	**-**	-	**-**	-
Industrial Cluster Private Limited	**-**	-	**-**	4.07	**-**	-	**-**	-	**-**	-
Mahindra Water Utilities Limited	**-**	-	**2.10**	-	**-**	-	**-**	-	**-**	-
Mahindra World City Developers Limited	**-**	-	**-**	-	**7.36**	0.54	**-**	-	**-**	-
Mahindra World City (Jaipur) Limited	**-**	-	**-**	-	**7.88**	0.32	**-**	-	**-**	-
Industrial Cluster Private Limited	**-**	-	**-**	-	**5.93**	-	**-**	-	**-**	-
Mahindra Holidays & Resorts India Limited	**-**	-	**-**	-	**-**	-	**-**	-	**-**	3.44
Mahindra & Mahindra Contech Limited	**-**	-	**-**	-	**-**	-	**-**	-	**5.41**	-
Reimbursement received from parties										
Industrial Cluster Private Limited	**-**	-	**-**	-	**1.26**	-	**-**	-	**-**	-
Mahindra World City Developers Limited	**-**	-	**-**	-	**-**	0.68	**-**	-	**-**	-
Mahindra World City (Jaipur) Limited	**-**	-	**-**	-	**-**	8.88	**-**	-	**-**	-
Mahindra Homes Private Limited	**-**	-	**-**	-	**-**	3.52	**-**	-	**-**	-
Mahindra Happinest Developers Limited	**-**	-	**-**	-	**236.20**	-	**-**	-	**-**	-
Inter-corporate Deposit Given										
Mahindra World City (Maharashtra) Limited	**-**	-	**418.00**	-	**-**	-	**-**	-	**-**	-
Moonshine Construction Private Limited	**-**	-	**1.00**	-	**-**	-	**-**	-	**-**	-
Deepmangal Developers Private Limited	**-**	-	**1.00**	0.50	**-**	-	**-**	-	**-**	-
Kismat Developers Private Limited	**-**	-	**-**	0.50	**-**	-	**-**	-	**-**	-
Industrial Cluster Private Limited	**-**	-	**-**	9,200.00	**-**	-	**-**	-	**-**	-
Knowledge Township Limited	**-**	-	**-**	700.00	**-**	-	**-**	-	**-**	-
Mahindra Happinest Developers Limited	**-**	-	**-**	-	**15.00**	-	**-**	-	**-**	-
Mahindra World City Developers Limited	**-**	-	**-**	-	**700.90**	-	**-**	-	**-**	-
Mahindra World City (Jaipur) Limited	**-**	-	**-**	-	**12,150.00**	-	**-**	-	**-**	-
Inter-corporate Deposit Realised	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-
Mahindra Happinest Developers Limited	**-**	-	**-**	-	**15.00**	-	**-**	-	**-**	-
Mahindra World City Developers Limited	**-**	-	**-**	-	**700.90**	-	**-**	-	**-**	-
Mahindra World City (Jaipur) Limited	**-**	-	**-**	-	**6,350.05**	-	**-**	-	**-**	-
Loan Taken										
Mahindra & Mahindra Limited	**15,000.00**	-	**-**	-	**-**	-	**-**	-	**-**	-
Tech Mahindra Limited	**-**	-	**-**	-	**-**	-	**-**	-	**8,000.00**	2,500.00

(₹ in lakh)

Particulars	Holding Company		Subsidiary Companies		Joint Ventures		Key Management Personnel		Other Related Parties	
	Year ended March 31, 2018	Year ended March 31, 2017	**Year ended March 31, 2018**	Year ended March 31, 2017	**Year ended March 31, 2018**	Year ended March 31, 2017	**Year ended March 31, 2018**	Year ended March 31, 2017	**Year ended March 31, 2018**	Year ended March 31, 2017
Loan Repaid										
Mahindra & Mahindra Limited	**15,000.00**	-	**-**	-	**-**	-	**-**	-	**-**	-
Tech Mahindra Limited	**-**	-	**-**	-	**-**	-	**-**	-	**8,000.00**	-
Investment Made										
Knowledge Township Limited	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-
Mahindra Homes Private Limited	**-**	-	**-**	-	**-**	41.13	**-**	-	**-**	-
Mahindra World City (Maharashtra) Limited	**-**	-	**17.50**	-	**-**	-	**-**	-	**-**	-
Mahindra Happinest Developers Limited	**-**	-	**-**	-	**1,003.50**	-	**-**	-	**-**	-
Industrial Cluster Private Limited	**-**	-	**-**	-	**370.00**	-	**-**	-	**-**	-
Investment sold / redeemed										
Raigad Industrial & Business Park Limited *	**-**	-	**11.00**	-	**-**	-	**-**	-	**-**	-
Kismat Developers Private Limited *	**-**	-	**0.50**	-	**-**	-	**-**	-	**-**	-
Topical Builders Private Limited *	**-**	-	**0.50**	-	**-**	-	**-**	-	**-**	-
Industrial Cluster Private Limited	**-**	-	**-**	-	**3,208.02**	-	**-**	-	**-**	-
Interest Income										
Mahindra World City (Maharashtra) Limited	**-**	-	**43.82**	-	**-**	-	**-**	-	**-**	-
Deepmangal Developers Private Limited	**-**	-	**3.52**	3.49	**-**	-	**-**	-	**-**	-
Raigad Industrial & Business Park Limited *	**-**	-	**0.12**	-	**-**	-	**-**	-	**-**	-
Moonshine Construction Private Limited	**-**	-	**0.14**	-	**-**	-	**-**	-	**-**	-
Industrial Cluster Private Limited	**-**	-	**-**	22.24	**-**	-	**-**	-	**-**	-
Kismat Developers Private Limited *	**-**	-	**-**	0.05	**-**	-	**-**	-	**-**	-
Topical Builders Private Limited *	**-**	-	**-**	21.13	**-**	-	**-**	-	**-**	-
Mahindra Homes Private Limited	**-**	-	**-**	-	**4,022.31**	4,482.38	**-**	-	**-**	-
Mahindra Happinest Developers Limited	**-**	-	**-**	-	**0.21**	-	**-**	-	**-**	-
Industrial Cluster Private Limited	**-**	-	**-**	-	**732.81**	-	**-**	-	**-**	-
Mahindra World City Developers Limited	**-**	-	**-**	-	**11.17**	-	**-**	-	**-**	-
Mahindra World City (Jaipur) Limited	**-**	-	**-**	-	**605.16**	-	**-**	-	**-**	-
Mahindra Bebanco Developers Limited	**-**	-	**-**	-	**224.98**	224.98	**-**	-	**-**	-
Interest Paid										
Mahindra & Mahindra Limited	**114.66**	-	**-**	-	**-**	-	**-**	-	**-**	-
Tech Mahindra Limited	**-**	-	**-**	-	**-**	-	**-**	-	**248.14**	115.58

(₹ in lakh)

Particulars	Holding Company		Subsidiary Companies		Joint Ventures		Key Management Personnel		Other Related Parties	
	Year ended March 31, 2018	Year ended March 31, 2017	**Year ended March 31, 2018**	Year ended March 31, 2017	**Year ended March 31, 2018**	Year ended March 31, 2017	**Year ended March 31, 2018**	Year ended March 31, 2017	**Year ended March 31, 2018**	Year ended March 31, 2017
Dividend Paid										
Mahindra & Mahindra Limited	**1,586.39**	1,250.77	**-**	-	**-**	-	**-**	-	**-**	-
Dividend Received										
Mahindra Integrated Township Limited	**-**	-	**370.00**	-	**-**	-	**-**	-	**-**	-
Mahindra World City (Jaipur) Limited	**-**	-	**-**	-	**666.00**	824.44	**-**	-	**-**	-
Rights Issue of Shares (Including Securites Premium Received)										
Mahindra & Mahindra Limited	**16,333.67**	-	**-**	-	**-**	-	**-**	-	**-**	-
Purchase of FA										
NBS International Limited	**-**	-	**-**	-	**-**	-	**-**	-	**-**	21.65
Managerial Remuneration										
Ms Anita Arjun Das	**-**	-	**-**	-	**-**	-	**282.90**	270.05	**-**	-

Outstanding Balances as at year end date

The following table provides the outstanding balances with related parties as on the relevant date

(₹ in lakh)

Particulars	Balance as at	Parent Company	Subsidiaries	Joint ventures	Key Management Personnel	Other related parties
Inter-corporate Deposit Given	**31-Mar-18**	**-**	**666.38**	**7,564.56**	**-**	**-**
	31-Mar-17	*-*	*246.37*	*1,764.62*	*-*	*-*
Inter-corporate Loans Taken	**31-Mar-18**	**-**	**-**	**-**	**-**	**2,500.00**
	31-Mar-17	*-*	*-*	*-*	*-*	*2,500.00*
Security Deposit Received	**31-Mar-18**	**540.08**	**-**	**-**	**-**	**-**
	31-Mar-17	*540.08*	*-*	*-*	*-*	*-*
Interest Income Receivable	**31-Mar-18**	**-**	**585.45**	**15,306.29**	**-**	**-**
	31-Mar-17	*-*	*576.84*	*11,030.86*	*-*	*-*
Interest Expense Payable	**31-Mar-18**	**-**	**-**	**-**	**-**	**104.95**
	31-Mar-17	*-*	*-*	*-*	*-*	*22.60*
Receivables	**31-Mar-18**	**2,822.30**	**3,100.74**	**858.37**	**-**	**5.04**
	31-Mar-17	*2,833.12*	*637.49*	*761.40*	*-*	*4.32*
Payables	**31-Mar-18**	**1,018.73**	**-**	**-**	**-**	**54.44**
	31-Mar-17	*174.59*	*-*	*-*	*-*	*15.87*
Provision for Doubtful debts	**31-Mar-18**	**-**	**73.99**	**-**	**-**	**-**
	31-Mar-17	*-*	*73.99*	*-*	*-*	*-*

Note: As the liability for gratuity and leave encashment is provided on an actuarial basis for the Company as a whole, the amount pertaining to the Key Management Personnel is not ascertained separately, and therefore, not included above.

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 settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables.

Compensation of key management personnel

The remuneration of key management personnel includes remuneration paid to Ms. Anita Arjundas as below:

(₹ in lakh)

	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Salary including perquisites	**254.56**	243.06
Other contribution to funds	**28.34**	26.99
Total	**282.90**	270.05

37 - Contingent liabilities

(₹ in lakh)

Particulars			As at 31st March, 2018	As at 31st March, 2017
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
	(ii)	Demand from local authorities for transfer fees on transfer of property, disputed by the Company	**123.99**	123.99
	(iii)	Demand from a local authority for energy dues disputed by the Company.	**2,164.04**	2,164.04
	(iv)	Claim from welfare association in connection with project work, disputed by the Company	**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 appropriate appellate authorities	**413.44**	421.57
(c)	**Indirect Tax Matters under appeal**			
		VAT, Service Tax and Entry Tax claims disputed by the Company relating to issues of applicability and interest on demand. Company is pursuing the matter with the appropriate Appellate Authorities.	**448.49**	-

38 - Additional disclosure as per Guidance note on accounting for Real Estate Transactions

(₹ in lakh)

Particulars	As at 31st March 2018	As at 31st March 2017
Contracts in Progress at the end of reporting Period		
Construction costs incurred plus profits recognised less losses recognised to date	**37,878.07**	35,755.00
Advances received from customers	**456.02**	639.18
Work in progress and inventories	**62,505.46**	53,290.51
Excess of revenue recognised over actual bills raised (unbilled revenue)	**20,271.26**	18,316.68

39: Capital Commitments

(₹ in lakh)

Particulars	As at 31st March 2018	As at 31st March 2017
Capital Commitment : Estimated value of contracts remaining to be executed on capital account and not provided for (net of advances)	**30.57**	5.77

40 - 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.

41 - Additional Information to the Financial Statements

Dividend

In respect of the current year, the directors proposed dividend of ₹ 6 per share be paid on equity shares on 27th April, 2018. This equity dividend is subject to approval by shareholders at the Annual General Meeting and has not been included as a liability in these financial statements. The proposed equity dividend is payable to those shareholders whose names appear on Register of Members as on the book closure date. The total estimated equity dividend to be paid is ₹ 3,079.69 lakh. The payment of this dividend is estimated to result in payment of dividend distribution tax of ₹ 633.04 lakh @ 20.56% on the amount of dividends grossed up for the related dividend distribution tax.

Disclosure as per Regulation 34(3) read with Para A of Schedule V of the SEBI (Listing Obligations and Disclosures Requirements) Regulation, 2015.

Loans and advances in the nature of loans given to subsidiaries, joint ventures, firms / companies in which directors are interested:

(₹ in lakh)

Name of the party	Relationship	Amount outstanding as at 31st March, 2018	Maximum balance outstanding during the period	Amount outstanding as at 31st March, 2017	Maximum balance outstanding during the year
Kismat Developers Private Limited*	Subsidiary	-	-	0.78	0.78
Deepmangal Developers Private Limited	Subsidiary	36.31	36.31	35.31	35.31
Topical Builders Private Limited*	Subsidiary	-	-	208.53	208.53
Moonshine Construction Private Limited	Subsidiary	1.50	1.50	0.50	0.50
Rathna Bhoomi Enterprises Private Limited	Subsidiary	1.25	1.25	1.25	1.25
Mahindra World City (Maharashtra) Limited	Subsidiary	627.31	627.31	-	-
Mahindra World City (Jaipur) Limited	Joint Venture	5,800.00	12,150.00	-	-
Mahindra Happinest Developers Limited	Joint Venture	-	15.00	-	-
Mahindra World City Developers Limited	Joint Venture	-	700.00	-	-
Mahindra Bebanco Developers Limited	Joint Venture	1,764.56	1,764.56	1,764.56	1,764.56

* These companies have been merged with Mahindra World City (Maharashtra) Limited during the year and ceased to be subsidiaries effective from 28th December, 2017

42 - Recent accounting pronouncement

In March 2018, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2018, notifying Ind AS 115 - 'Revenue from Contracts with Customers'. This standard is effective from 1st April, 2018, and establishes a single comprehensive model for accounting of revenue arising from contracts with customers. Ind AS 115 will supersede the current revenue recognition guidance under Ind AS 11 Construction Contracts and Ind AS 18 Revenue. The Company is currently assessing the impact of application of Ind AS 115 on Company's financial statements.

43 - Input Tax Credit (ITC) benefits to the customers

Revenue from operations for the year ended 31st March, 2018 is net of ₹ 1,119 Lakh (31st March, 2017 -NIL) towards input tax credit benefits passed on to the customers as per the provisions of section 171 on Anti-Profiteering of CGST Act, 2017. The treatment is as per the prevailing Indian Accounting Standards.

44 - The comparative financial statements of the company for the previous year ended 31st March, 2017 were audited by the predecessor auditor B.K. Khare & Co.

45. Events after the reporting period

No material events have occurred after the Balance Sheet date and upto the approval of the financial statements.

46. Previous Year Figures

The figures for previous year have been regrouped/reclassified wherever necessary to confirm to current year's grouping/ classification.

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

		Arun Nanda	Chairman	- DIN 00010029
		Anish Shah	Director	- DIN 02719429
Suhas Kulkarni	**Jayantt Manmadkar**	**Anita Arjundas**	Managing Director	- DIN 00243215
Company Secretary	Chief Financial Officer			

Mumbai : 27th April, 2018

FINANCIALS HIGHLIGHTS CONSOLIDATED

₹ in lakh

	F - 2018	F - 2017	F - 2016	F - 2015	F - 2014	F - 2013	F - 2012	F - 2011	F - 2010	F - 2009
Net Worth	210,340	174,307	166,811	147,496	126,167	129,307	115,499	106,515	98,876	93,491
Borrowings	45,859	65,163	65,925	123,758	140,105	96,565	66,663	54,413	42,071	33,210
Net Fixed Assets	10,449	10,802	10,095	36,116	33,794	31,117	23,203	22,517	20,481	22,484
Investments	92,629	74,246	79,316	22,160	30,138	13,322	17,479	8,743	14,812	10,831
Book Value Per Equity Share (₹)	410	425	407	360	309	317	283	261	240	227
Operating Income	56,619	76,215	59,317	108,610	70,526	73,834	70,127	61,193	41,787	34,178
Other Income	7,794	6,887	9,401	6,147	5,094	3,415	2,714	1,508	2,209	2,940
Operating Expenses	39,361	58,850	40,138	50,128	42,566	39,777	42,717	36,577	25,315	22,897
Other expenses	16,070	14,814	14,604	22,527	16,960	13,865	11,318	8,919	6,793	4,012
Profit Before Share of Profit of Joint Ventures	8,982	9,437	13,975	42,102	16,094	23,607	18,806	17,205	11,888	10,209
Profit after Tax (after minority interest)	10,337	10,589	9,458	26,620	10,063	14,137	11,908	10,817	7,849	6,564
Basic Earning per Share (₹)	19.93	23.08	22.35	64.98	24.64	34.61	29.16	26.20	18.93	15.79
Diluted Earning per Share (₹)	19.88	23.03	22.28	64.70	24.64	34.61	29.16	26.20	18.93	15.79
Equity Dividend per share (₹)	6.00	6.00	6.00	12.00*	6.00	6.00	6.00	5.00	3.50	2.50

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

Note : Under IND AS, Following entities are consolidated under Equity method (Not line by line consolidation) - Mahindra World City Developers Limited; Mahindra Industrial Park Chennai Limited, Mahindra Bebanco Developers Limited, Mahindra World City (Jaipur) Limited, Mahindra Inframan Water Utilities Limited, Industrial Cluster Private Limited, Mahindra Homes Private Limited, Mahindra Happinest Developers Limited.

INDEPENDENT AUDITOR'S REPORT

To The Members Of Mahindra Lifespace Developers Limited

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of Mahindra Lifespace Developers Limited (hereinafter referred to as "the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), which includes Group's share of profit in its joint ventures, comprising the Consolidated Balance Sheet as at 31st March, 2018, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Cash Flow Statement, the Consolidated Statement of Changes in Equity, for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Parent'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 including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group including its Joint ventures in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group and of joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group, its joint ventures and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS 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 Ind AS financial statements by the Directors of the Parent, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. In conducting our 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.

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 Ind AS financial statements are free from material misstatement.

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 Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Parent'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. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Parent's Board of Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of the other auditors on separate financial statements/ financial information of the subsidiaries and joint ventures referred to below in the Other Matters paragraph, 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 Ind AS and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March, 2018, and their consolidated profit, consolidated total comprehensive income, their consolidated cash flows and consolidated statement of changes in equity for the year ended on that date.

Other Matters

We did not audit the financial statements / financial information of ten subsidiaries, whose financial statements/ financial information reflect total assets of ₹ 32,323.00 lakh as at 31st March, 2018, total revenues of ₹ 8,380.22 lakh and net cash outflows amounting to ₹ 402.81 lakh for the year ended on that date, as considered in the consolidated Ind AS financial statements. The consolidated Ind AS financial statements also include the Group's share of net profit of ₹ 2,512.47 lakh for the year ended 31st March, 2018, as considered in the consolidated Ind AS financial statements, in respect of five joint ventures, whose financial statements / financial information have not been audited by us. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint ventures, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the

aforesaid subsidiaries and joint ventures is based solely on the reports of the other auditors.

Our opinion on the consolidated Ind AS financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of the report of the other auditors on separate financial statements and the other financial information of subsidiaries and joint venture companies incorporated in India, referred in the Other Matters paragraph above we report, to the extent applicable, that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements.

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.

(d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.

(e) On the basis of the written representations received from the directors of the Parent as on 31st March, 2018 taken on record by the Board of Directors of the Parent and the reports of the statutory auditors of its subsidiary companies and joint venture companies incorporated in India, none of the directors of the Group companies and its joint venture companies incorporated in India is disqualified as on 31st March 2018 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 and the operating effectiveness of such controls, refer to our separate Report in "Annexure A", which is based on the auditors' reports of the Parent, subsidiary companies and joint ventures incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies, for the reasons stated therein.

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. The consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and joint ventures.

ii. The Group and its joint ventures did not have any material foreseeable losses on long-term contracts including derivative contracts.

iii. There has been no delay in transferring amounts required to be transferred, to the Investor Education and Protection Fund by the Parent and its subsidiary companies and joint venture companies incorporated in India.

For Deloitte Haskins and Sells LLP
Chartered Accountants
(Firm's Registration No.117366W/W-100018)

Ketan Vora
Partner
(Membership No. 100459)

Place: Mumbai
Date: April 27, 2018

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph "f" under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting 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 Company as of and for the year ended 31st March, 2018, we have audited the internal financial controls over financial reporting of **Mahindra Lifespace Developers Limited** (hereinafter referred to as "Parent") and its subsidiary companies, which includes internal financial controls over financial reporting of the Company's subsidiaries and joint ventures, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Parent, its subsidiary companies and joint ventures, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies 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 (ICAI). 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 the respective 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Parent, its subsidiary companies and its joint ventures, which are companies incorporated in India, 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 and the audit evidence obtained by the other auditors of the subsidiary companies and joint ventures, which are companies incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Parent, its subsidiary companies, and its joint ventures, which are companies incorporated 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 to the best of our information and according to the explanations given to us and based on the consideration of the reports of other auditors referred to in the Other Matters paragraph below, the Parent, its subsidiary companies and joint ventures, which are companies incorporated 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 31st March, 2018, based on the criteria for internal financial control over financial reporting established by the respective companies 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".

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to ten subsidiary companies and five joint ventures, which are companies incorporated in India, is based solely on the corresponding reports of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of the above matters.

For Deloitte Haskins and Sells LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Ketan Vora
Partner
(Membership No. 100459)

Place: Mumbai
Date: April 27, 2018

Consolidated Balance Sheet as at 31st March, 2018

(₹ in lakh)

		Note No.	As at 31st March, 2018	As at 31st March, 2017
I	**ASSETS**			
	1 NON-CURRENT ASSETS			
	(a) Property, Plant and Equipment	4	**696.46**	945.60
	(b) Capital Work-in-Progress		**914.72**	846.68
	(c) Investment Property	5	**2,186.87**	2,345.23
	(d) Goodwill	6	**6,604.47**	6,604.47
	(e) Other Intangible Assets	7	**46.54**	60.09
	(f) Financial Assets			
	(i) Investments	8	**70,920.92**	59,680.04
	(ii) Loans	9	**107.93**	1,629.11
	(iii) Trade receivables	10	**1,101.49**	2,200.47
	(iv) Other Financial Assets	11	**-**	20.52
	(g) Other Non-current Assets	12	**5,886.59**	6,770.04
	SUB-TOTAL		**88,465.99**	81,102.25
	2 CURRENT ASSETS			
	(a) Inventories	13	**91,241.50**	117,122.97
	(b) Financial Assets			
	(i) Investments	8	**21,707.86**	14,566.34
	(ii) Trade Receivables	10	**14,521.40**	7,608.72
	(iii) Cash and Cash Equivalents	14 (a)	**4,978.50**	7,508.03
	(iv) Bank Balances other than Cash and cash equivalents above	14 (b)	**8,038.13**	893.21
	(v) Loans	9	**22,443.32**	14,772.52
	(vi) Other Financial Assets	11	**18,715.89**	12,566.37
	(c) Current Tax Assets (Net)	12	**29,685.41**	32,486.08
	SUB-TOTAL		**211,332.01**	207,524.24
	TOTAL ASSETS (1+2)		**299,798.00**	288,626.49
II	**EQUITY AND LIABILITIES**			
	1 EQUITY			
	(a) Equity Share Capital	15	**5,132.81**	4,105.36
	(b) Other Equity	16	**200,751.96**	165,851.70
	Equity attributable to owners of the company		**205,884.77**	169,957.06
	Non-controlling interests		**4,454.74**	4,349.46
	SUB-TOTAL		**210,339.51**	174,306.52
	LIABILITIES			
	2 NON-CURRENT LIABILITIES			
	(a) Financial Liabilities			
	(i) Borrowings	17	**5,757.97**	27,478.26
	(ii) Other Financial Liabilities	18	**697.37**	5,545.19
	(b) Provisions	19	**217.19**	212.03
	(c) Deferred Tax Liabilities (Net)	20	**3,872.85**	3,749.51
	SUB-TOTAL		**10,545.38**	36,984.99
	3 CURRENT LIABILITIES			
	(a) Financial Liabilities			
	(i) Borrowings	21	**17,601.87**	20,184.77
	(ii) Trade Payables	22	**19,428.52**	20,339.02
	(iii) Other Financial Liabilities	18	**32,235.47**	26,405.80
	(b) Other Current Liabilities	23	**3,475.75**	4,489.51
	(c) Provisions	19	**1,156.49**	1,017.49
	(d) Current Tax Liabilities (Net)		**5,015.01**	4,898.39
	SUB-TOTAL		**78,913.11**	77,334.98
	TOTAL EQUITY AND LIABILITIES (1+2+3)		**299,798.00**	288,626.49

The accompanying notes 1 to 51 are an integral part of these financial statements

In terms of our Report of even date

For **Deloitte Haskins & Sells LLP**
Chartered Accountants

Ketan Vora
Partner

Mumbai : 27th April, 2018

Suhas Kulkarni
Company Secretary

Mumbai : 27th April, 2018

Jayantt Manmadkar
Chief Financial Officer

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

Arun Nanda Chairman - DIN 00010029
Anish Shah Director - DIN 02719429
Anita Arjundas Managing Director - DIN 00243215

Consolidated Statement of Profit and Loss for the year ended 31st March, 2018

(₹ in lakh)

		Note No.	For the year ended 31st March, 2018	For the year ended 31st March, 2017
I	**INCOME**			
	(a) Revenue from operations	24	**56,619.06**	76,214.77
	(b) Other Income	25	**7,793.70**	6,886.93
	TOTAL INCOME (a + b)		**64,412.76**	83,101.70
II	**EXPENSES**			
	(a) Cost of Sales			
	- Cost of Projects	26	**37,344.28**	56,589.49
	- Operating Expenses	26	**2,016.57**	2,260.90
	(b) Employee Benefit Expense	27	**6,603.10**	6,813.57
	(c) Finance Costs	28	**4,128.73**	2,020.84
	(d) Depreciation and Amortisation Expense	4,5,7	**425.78**	462.18
	(e) Other expenses	29	**4,912.36**	5,517.61
	TOTAL EXPENSES (a+b+c+d+e)		**55,430.82**	73,664.59
III	**PROFIT BEFORE SHARE OF PROFIT OF JOINT VENTURES (I - II)**		**8,981.94**	9,437.11
IV	**SHARE OF PROFIT OF JOINT VENTURES**		**4,472.12**	4,453.18
V	**PROFIT BEFORE TAX (III + IV)**		**13,454.06**	13,890.29
VI	**TAX EXPENSE**			
	(a) Current tax	30(a)	**3,021.90**	2,876.04
	(b) Deferred tax	30(a)	**95.67**	425.18
	TOTAL TAX EXPENSE (a+b)		**3,117.57**	3,301.22
VII	**PROFIT AFTER TAX (V - VI)**		**10,336.49**	10,589.07
VIII	**OTHER COMPREHENSIVE INCOME**			
	Items that will not be reclassified to profit or loss			
	(a) Remeasurements of the defined benefit plans		**(42.83)**	89.06
	(b) Income tax relating to Items that will not be reclassified to profit or loss	30(b)	**27.67**	(32.06)
	TOTAL OTHER COMPREHENSIVE INCOME FOR THE YEAR (a+b)		**(15.16)**	57.00
IX	**TOTAL COMPREHENSIVE INCOME FOR THE YEAR (VII + VIII)**		**10,321.33**	10,646.07
X	**PROFIT FOR THE YEAR ATTRIBUTABLE TO:**			
	Owners of the Company		**10,100.49**	10,223.71
	Non controlling interests		**236.00**	365.36
			10,336.49	10,589.07
XI	**OTHER COMPREHENSIVE INCOME FOR THE YEAR ATTRIBUTABLE TO:**			
	Owners of the Company		**(15.16)**	57.00
	Non controlling interests		**-**	-
			(15.16)	57.00
XII	**TOTAL COMPREHENSIVE INCOME FOR THE YEAR ATTRIBTABLE TO:**			
	Owners of the Company		**10,085.33**	10,280.71
	Non controlling interests		**236.00**	365.36
			10,321.33	10,646.07
XIII	**EARNINGS PER EQUITY SHARE (face value of ₹ 10/- each) (₹)**			
	(a) Basic	31	**19.93**	23.08
	(b) Diluted	31	**19.88**	23.03

The accompanying notes 1 to 51 are an integral part of these financial statements

In terms of our Report of even date

For **Deloitte Haskins & Sells LLP**
Chartered Accountants

Ketan Vora
Partner

Mumbai : 27th April, 2018

Suhas Kulkarni
Company Secretary

Mumbai : 27th April, 2018

Jayantt Manmadkar
Chief Financial Officer

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

Arun Nanda	Chairman	- DIN 00010029
Anish Shah	Director	- DIN 02719429
Anita Arjundas	Managing Director	- DIN 00243215

Consolidated Cash Flow Statement for the year ended 31st March, 2018

(₹ in lakh)

		Year ended 31st March, 2018	Year ended 31st March, 2017
A.	**Cash flows from operating activities**		
	Profit before tax	**13,454.06**	13,890.29
	Adjustments for:		
	Share of profit of joint venture	**(4,472.12)**	(4,453.18)
	Finance costs	**4,128.73**	2,020.84
	Interest Income	**(6,523.53)**	(5,943.16)
	Dividend Income	**(333.68)**	(428.73)
	Gain on sale of current investment	**(112.34)**	(105.68)
	Gain on Disposal of Property, Plant and Equipment and Investment Property	**(241.05)**	(9.35)
	Reversal of Provision for expected credit loss	**(523.26)**	-
	Expense recognised in respect of equity-settled share-based payments	**138.30**	124.37
	Net gain arising on financial assets mandatorily measured at fair value through profit and loss	**(25.85)**	-
	Depreciation and Amortisation of Expense	**425.78**	462.18
	Operating Profit before working capital changes	**5,915.04**	5,557.58
	Changes in:		
	(Increase) in trade and other receivables	**(10,970.73)**	(9,525.62)
	Decrease in inventories	**25,881.47**	13,472.72
	Increase/(Decrease) in trade and other payables	**355.31**	(835.81)
	Cash generated from operations	**21,181.09**	8,668.87
	Income taxes paid	**(1,737.29)**	(1,709.59)
	Net cash generated by operating activities	**19,443.80**	6,959.28
B.	**Cash flows from investing activities**		
	Payments to acquire financial assets	**(123,762.59)**	(93,873.70)
	Proceeds on sale of financial assets	**116,759.26**	104,860.45
	Interest received	**2,122.63**	1,375.76
	Other dividends received	**333.68**	428.73
	Inter-corporate Deposit Given	**(14,607.63)**	-
	Inter-corporate Deposit Realised	**8,065.95**	3,466.62
	Payment to acquire Property, Plant and Equipment and Intangible Assets	**(491.56)**	(1,208.81)
	Proceeds from disposal of property, plant and equipment and Investment Property	**375.75**	20.20
	Purchase of Investments in Joint Ventures	**(9,606.76)**	(2,477.10)
	Proceeds from sale of Investments in Joint Ventures	**2,838.00**	1,494.76
	Net cash (used in)/generated by investing activities	**(17,973.27)**	14,086.91

(₹ in lakh)

	Year ended 31st March, 2018	Year ended 31st March, 2017
C. Cash flows from financing activities		
Proceeds from borrowings	**5,697.71**	127.23
Repayment of borrowings	**(25,001.68)**	(13,389.23)
Proceeds from issue of Equity Shares of the Company (including share application money pending allotment)	**29,390.43**	(66.27)
Dividends paid (including tax thereon)	**(3,732.09)**	(2,835.15)
Interest paid	**(10,354.43)**	(9,318.34)
Net cash (used in) financing activities	**(4,000.06)**	(25,481.76)
Net (decrease) in cash and cash equivalents	**(2,529.53)**	(4,435.57)
Cash and cash equivalents at the beginning of the year	**7,508.03**	11,943.60
Cash and cash equivalents at the end of the year	**4,978.50**	7,508.03

The accompanying notes 1 to 51 are an integral part of these financial statements

Change in Liability arising from financing activities

(₹ in lakh)

Particulars	As at 01st April, 2017	Cash Flow	**As at 31st March, 2018**
Non Current Borrowings (Refer Note 17)	27,478.26	(21,720.29)	**5,757.97**
Current Borrowings (Refer Note 21)	20,184.77	(2,582.90)	**17,601.87**
Current maturities of Long term debt (Refer Note 18)	17,500.00	4,999.22	**22,499.22**
Total	65,163.03	(19,303.97)	**45,859.06**

Notes:

(a) The above Cash Flow Statement has been prepared under the ""indirect method"" as set out in 'Indian Accounting Standard (Ind AS) 7 - Statement of Cash Flows'.

(b) Also refer note no. 14 - Cash and Bank Balances

In terms of our Report of even date

For **Deloitte Haskins & Sells LLP**
Chartered Accountants

Ketan Vora
Partner

Mumbai : 27th April, 2018

Suhas Kulkarni
Company Secretary

Mumbai : 27th April, 2018

Jayantt Manmadkar
Chief Financial Officer

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

Arun Nanda Chairman - DIN 00010029
Anish Shah Director - DIN 02719429
Anita Arjundas Managing Director - DIN 00243215

Consolidated Statement of changes in Equity for the year ended 31st March, 2018

A. Equity share capital

(₹ in lakh)

Particulars	Note No.	As at 31st March, 2018	As at 31st March, 2017
Balance at the Beginning of the year		**4,105.36**	4,103.32
Add: Rights Issue during the year	15	**1,026.33**	-
Add: Stock options exercised during the year	15	**1.12**	2.04
Balance at the end of the year		**5,132.81**	4,105.36

B. Other Equity

	Share application money pending allotment	Securities Premium Reserve	General Reserve	Other Reserve#	Retained Earnings	Attributable to owners of the parent	Non-controlling interests	Total
As at 1st April, 2016	-	73,963.90	7,535.69	31,145.59	46,150.61	158,795.79	3,853.38	162,649.17
Profit / (Loss) for the year	-	-	-	-	10,223.71	10,223.71	365.36	10,589.07
Other Comprehensive Income / (Loss) net of taxes*	-	-	-	-	57.00	57.00	-	57.00
Total Comprehensive Income for the year	**-**	**-**	**-**	**-**	**10,280.71**	**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 retained earnings	-	-	-	(672.09)	-	(672.09)	130.72	(541.37)
Transfers from other reserves	-	-	-	-	672.09	672.09	-	672.09
Exercise of employee stock options	0.08	-	-	-	-	0.08	-	0.08
Premium on shares issued during the year	-	64.16	-	-	-	64.16	-	64.16
Other Adjustments	-	-	-	-	(386.48)	(386.48)	-	(386.48)
Arising on share based payment	-	-	-	60.64	-	60.64	-	60.64
As at 31st March, 2017	0.08	74,028.06	7,535.69	30,534.14	53,753.73	165,851.70	4,349.46	170,201.16
Profit / (Loss) for the year	-	-	-	-	10,100.49	10,100.49	236.00	10,336.49
Other Comprehensive Income / (Loss) net of taxes*	-	-	-	-	(15.16)	(15.16)	-	(15.16)
Total Comprehensive Income for the year	**-**	**-**	**-**	**-**	**10,085.33**	**10,085.33**	**236.00**	**10,321.33**
Dividend paid on Equity Shares	-	-	-	-	(3,213.49)	(3,213.49)	-	(3,213.49)
Dividend Distribution Tax	-	-	-	-	(518.60)	(518.60)	-	(518.60)
Transfers to Reserves	-	-	-	-	(489.58)	(489.58)	(130.72)	(620.30)
Allotment of Shares to Employees	(0.08)	-	-	-	-	(0.08)	-	(0.08)
Transfers from retained earnings	-	-	-	489.58	-	489.58	-	489.58
Premium on shares issued during the year	-	28,942.83	-	-	-	28,942.83	-	28,942.83
Exercise of employee stock options	0.53	47.11	-	(47.11)	-	0.53	-	0.53
Share Issue expenses on rights issue	-	(627.41)	-	-	-	(627.41)	-	(627.41)
Other Adjustments	-	-	-	-	92.85	92.85	-	92.85
Arising on share based payment	-	-	-	138.30	-	138.30	-	138.30
As at 31st March, 2018	**0.53**	**102,390.59**	**7,535.69**	**31,114.91**	**59,710.24**	**200,751.96**	**4,454.74**	**205,206.71**

* Remeasurement gains/ (losses) net of taxes on defined benefit plans during the year is recognised as part of retained earnings.

#Other Reserves (contd.)

(₹ in lakh)

Particulars	31st March, 2018	31st March, 2017
(I) Capital Reserve on Consolidation :		
Balance as at the beginning and at the end of the year	**2,309.15**	2,309.15
(II) Debenture Redemption Reserve :		
Balance as at the beginning of the year	**14,651.67**	15,323.76
Add :		
Transfer from Surplus in Statement of Profit and Loss	**489.58**	-
Less :		
Transfer to Surplus in Statement of Profit and Loss	**-**	(672.09)
Balance as at the end of the year	**15,141.25**	14,651.67
(III) Capital Redemption Reserve :		
Balance as at the beginning and at the end of the year	**13,138.58**	13,138.58
(IV) Share Options Outstanding Account		
Balance as at the beginning of the year	**434.74**	374.10
Add:		
Arising on share based payment	**91.19**	60.64
Balance as at the end of the year	**525.93**	434.74
	31,114.91	30,534.14

The accompanying notes 1 to 51 are an integral part of these financial statements

In terms of our Report of even date

For **Deloitte Haskins & Sells LLP**
Chartered Accountants

Ketan Vora
Partner

Mumbai : 27th April, 2018

Suhas Kulkarni
Company Secretary

Mumbai : 27th April, 2018

Jayantt Manmadkar
Chief Financial Officer

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

Arun Nanda	Chairman	- DIN 00010029
Anish Shah	Director	- DIN 02719429
Anita Arjundas	Managing Director	- DIN 00243215

Notes to the Consolidated Financial Statements for the year ended March 31, 2018

1. General Information

Mahindra Lifespace Developers Limited ('the Company') is a limited Company incorporated in India. The equity shares of the Company is listed on the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) and its debentures are listed on BSE. Its parent and ultimate holding Company is Mahindra & Mahindra Limited.

The addresses 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 (together referred to as "the Group") 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 & basis of preparation and presentation

These Consolidated Financial Statements of the Group have been prepared in accordance with the Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under section 133 of the Companies Act, 2013 (the 'Act') and other relevant provisions of the Act. The aforesaid consolidated financial statements have been approved by the Company's Board of Directors and authorised for issue in the meeting held on 27th April, 2018.

These Consolidated 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.

2.2 Basis of Consolidation

The consolidated financial statements incorporate the financial statements of the Group and entities (including structured entities) controlled by the Group and its subsidiaries.

Subsidiaries

Subsidiaries are entities (including structured entities) over which the Group has control. Subsidiaries are consolidated on a line-by-line basis from the date the control is transferred to the Group. They are deconsolidated from the date that control ceases. The acquisition method of accounting is used to account for business combinations by the Group. Changes in the Group's 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.

Inter-Company 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 policies in use at the group.

Associates

Associates are the entities over which the Group 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 Group's activities are conducted through joint operations (i.e. the parties have rights to the assets and obligation for liabilities relating to the arrangement), the Group 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.

2.3 Measurement of Fair Values

A number of Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Group has established policies and procedures with respect to the measurement of fair values. The Chief Financial Officer and persons entrusted have overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values and assessments that these valuations meet the requirements of Ind AS.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets and liabilities that the Group can access on the measurement date.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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 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.

2.4.5 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.

2.5 Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

2.5.1 The Group as a Lessor

Rental income from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the Group's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

2.5.2 The Group as a Lessee

Rental expense from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue.

2.6 Foreign exchange transactions and translation

Transactions in foreign currencies i.e. other than the Company'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.

2.7 Employee Benefits

2.7.1 Superannuation Fund

The Group's contribution paid/payable during the year to Superannuation Fund is recognised in profit or loss.

2.7.2 Long term Compensated Absences & Gratuity

Group's liability towards long term compensated absences are determined by independent actuaries, using the projected unit credit method.

Group's liability towards gratuity are determined by independent actuaries, using the projected unit credit method. Past services are recognised at the earlier of the plan amendment/curtailment and the recognition of related restructuring costs/termination benefits.

The obligation on long term compensated absences and defined benefit plans are measured at the present value of estimated future cash flows using a discount rate that is determined by reference to the market yields at the balance sheet date on government bonds where the currency and terms of the government bonds are consistent with the currency and estimated terms of the obligation.

2.7.3 Remeasurement gains/losses

Remeasurement of defined benefit plans, comprising of actuarial gains or losses, return on plan assets excluding interest income are recognised immediately in balance sheet with corresponding debit or credit to other comprehensive income. Remeasurements are not reclassified to profit or loss in subsequent period.

Remeasurement gains or losses on long term compensated absences that are classified as other long term benefits are recognised in profit or loss.

2.7.4 Employee Stock Option Scheme

Equity-settled share-based payments to employees are measured at the fair value of the equity instruments at the grant date. 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.

2.8 Cash and Cash Equivalents

Cash and cash equivalent in the Balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to insignificant risk of changes in value.

2.9 Earnings per share

Basic earnings per share is computed by dividing the profit/ (Loss) after tax by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for treasury shares, bonus issue and bonus element in a right issue to existing shareholders, share split and reverse share split.

Diluted earnings per share is computed by dividing the profit/ (loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for arriving the basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares including the treasury shares held by the Company to satisfy the exercise of the share options by the employees.

2.10 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

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

2.11 Share based payment transaction of the Company

1. Equity-settled share-based payment to employees are measured at the fair value of the equity instruments at the grant date. 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 Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity.

2. At the end of each reporting period the Company revises its estimate of the No. of equity instruments expected to vest. The impact of revision of the original estimate, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate with the corresponding adjustments to the equity settled.

2.12 Income Taxes

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

2.12.1 Current tax

Current tax is determined as the amount of tax payable in respect of taxable income for the year. The Company's current tax is calculated using tax rate that has been enacted or substantially enacted by the end of the reporting period.

2.12.2 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.

2.12.3 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.

2.13 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.

Vehicles used by employees are depreciated over the period of 4 years to 8 years based on Group's expected usage pattern, 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.

The Group has elected to continue with the carrying value for all of its property, plant and equipment as recognised in the

financial statements as at the date of transition to Ind AS i.e. 1 April, 2015, measured as per the previous GAAP and use that as its deemed cost as at the date of transition.

2.14 Intangible Assets other than goodwill

2.14.1 Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

The Group has elected to continue with the carrying value of its Intangible assets as recognised in the financial statements as at the date of transition to Ind AS i.e. 1 April, 2015, measured as per the previous GAAP and use that as its deemed cost as at the date of transition.

2.14.2 Derecognition of Intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in profit or loss when the asset is derecognised.

2.14.3 Useful lives of Intangible assets

Estimated useful lives of the intangible assets are as follows:

Computer Software	5 years

2.15 Goodwill

Goodwill is initially recognised as the excess of the acquirer's interest in the net fair value of the identifiable net assets of the acquired business. Subsequent to initial measurement, goodwill is measured at cost less accumulated impairment, if any. Goodwill is allocated to cash generating unit which is expected to benefit from the business combination.

2.16 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.

Investment property includes freehold/leasehold land and building. Depreciation on investment property has been provided on pro-rata basis, on the straight-line method as per the useful life of such property. Buildings are depreciated over the period of 60 years considering this period as the useful life for the Company.

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.

The Group has elected to continue with the carrying value of its Investment property as recognised in the financial statements as at the date of transition to Ind AS i.e. 1 April, 2015, measured as per the previous GAAP and use that as its deemed cost as at the date of transition.

2.17 Impairment of assets

At the end of each reporting period, the Group 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, which is the higher of the value in use or fair value less cost to sell, of the asset or cash generating unit, as the case may be, is estimated and the impairment loss (if any) is recognised and the carrying amount is reduced to its recoverable amount. When it is not possible to estimate the recoverable amount of an individual asset, the Group 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.

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.

2.18 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 Group.

2.19 Provisions, contingent liabilities and contingent assets

2.19.1 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group 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.

Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

2.19.2 Onerous contracts

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Group 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.

2.19.3 Contingent liabilities

Contingent liability is disclosed in case of:

a) a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation; and

b) a present obligation arising from past events, when no reliable estimate is possible.

2.19.4 Contingent assets

Contingent assets are disclosed where an inflow of economic benefits is probable.

2.20 Financial instruments

Financial assets and financial liabilities are recognised when the Group 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.

2.20.1 Classification and subsequent measurement

2.20.1.1 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 at either amortised cost or fair value depending on their respective classification.

On initial recognition, a financial asset is classified as - measured at:

— Amortised cost; or

— Fair Value through Other Comprehensive Income (FVTOCI) - debt investment; or

— Fair Value through Other Comprehensive Income (FVTOCI) - equity investment; or

— Fair Value Through Profit or Loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets.

All financial assets not classified as measured at amortised cost or FVTOCI are measured at FVTPL

Financial assets at amortised cost are subsequently measured at amortised cost using effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain and loss on derecognition is recognised in profit or loss.

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.

Debt investment at FVTOCI are subsequently measured at fair value. Interest income under effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in Other Comprehensive Income (OCI). On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

For equity investments, the Group makes an election on an instrument-by-instrument basis to designate equity investments as measured at FVTOCI. These elected investments are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the reserves. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments. These investments in equity are not held for trading. Instead, they are held for medium or long-term strategic purpose.

Equity investments that are not designated as measured at FVTOCI are designated as measured at FVTPL and subsequent changes in fair value are recognised in profit or loss.

Financial assets at FVTPL are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

2.20.1.2 Financial liabilities and equity instruments

Debt and equity instruments issued by the Group 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.

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 the Group is recognised at the proceeds received, net of directly attributable transaction costs.

Financial liabilities

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading or it is a derivative (that does not meet hedge accounting requirements) or it is designated as such on initial recognition. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

2.20.2 Derecognition of financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Group enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

2.20.3 Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

2.20.4 Impairment of financial assets

The Group applies the expected credit loss (ECL) model for recognising impairment loss on financial assets. With respect to trade receivables, the Group measures the loss allowance at an amount equal to lifetime expected credit losses.

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets. For debt securities at FVTOCI, the loss allowance is recognised in OCI and is not reduced from the carrying amount of the financial asset in the balance sheet.

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write- off. However, financial assets that are written off could still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

2.21 Business combinations

The Group accounts for its business combinations under acquisition method of accounting. The acquirer's identifiable assets, liabilities and contingent liabilities that meet the condition for recognition are recognised at their fair values at the acquisition date. The difference between the fair value of the purchase consideration paid together with non-controlling interest on acquisition date and the fair value of net assets acquired is recognised as goodwill or capital reserve on acquisition. The excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed is recognized as goodwill. Any shortfall is recognised as capital reserve on consolidation.

In case of a bargain purchase, before recognising gain in respect thereof, the Group determines whether there exists clear evidence of underlying reasons for classifying the business combination as a bargain purchase. Thereafter, the Group reassesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and recognises any additional asset or liabilities that are identified in that reassessment. The Group then reviews the procedures used to measure the amounts that Ind AS requires for the purposes of calculating the bargain purchase. If the gain remains after this reassessment and review, the Group recognises it in other comprehensive income and accumulates the same in equity as capital reserve. This gain is attributed to the acquirer. If there does not exist clear evidence of the underlying reasons for classifying the business combination as a bargain purchase, the Group recognises the gain, after reassessing and reviewing (as described above), directly in equity as capital reserve.

The interest in non-controlling interest is initially measured at fair value or at the proportionate share of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition by acquisition basis. Subsequent to initial acquisition, the carrying amount of non-controlling interest is the amount of those interest in initial recognition plus the non-controlling interest's share of subsequent changes in equity of subsidiaries.

When the consideration transferred by the Group in business combination includes assets or liabilities resulting in a contingent consideration arrangement, the contingent consideration is measured at its acquisition date fair value and included as a part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments, are adjusted retrospectively, with corresponding adjustments against goodwill or capital reserve as the case may be.

Measurement period adjustments are adjustments that arise from additional information during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as the measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured at fair value at subsequent reporting dates with the corresponding gain or loss being recognised in profit or loss.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to its acquisition-date fair value and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed of.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amount for the items for which the accounting is incomplete. Those provisional amount are adjusted during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amount recognised at that date.

2.21.1 Business Combination under common control

Business Combination under common control are accounted as per Appendix C in Ind AS 103 - Business combinations, at carrying amount of assets and liabilities acquired and any excess of consideration issued over the net assets acquired is recognized as capital reserve on common control business combination.

2.21.2 Acquisition of interest in associate and joint venture

Acquisition of interest in an associate or a joint venture, is initially recognised at cost. Any excess of the cost of the investment over the Group's share of the fair value of the identifiable assets and liabilities of the investee is regarded as goodwill, which is included in the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised in equity as capital reserve in the period in which the investment is acquired.

3. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Group'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 Group'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 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

(₹ in lakh)

Description of Assets	Building	Leasehold Improvements	Office Equipments	Furniture and Fixtures	Vehicles	Computers	Total
I. Gross Carrying Amount/Deemed Cost							
Balance as at 1st April, 2017	364.04	452.09	463.65	440.52	598.85	679.40	2,998.55
Additions during the year	-	73.00	5.52	10.77	19.68	29.74	138.71
Deductions/Adjustments during the year*	142.99	17.18	10.93	(245.15)	(50.86)	(13.43)	(138.34)
Balance as at 31st March, 2018	**507.03**	**542.27**	**480.10**	**206.14**	**567.67**	**695.71**	**2,998.92**
II. Accumulated depreciation and impairment							
Balance as at 1st April, 2017	271.18	229.13	405.40	226.21	364.74	556.29	2,052.95
Depreciation expense for the year	10.15	30.61	21.69	111.92	86.94	68.47	329.78
Deductions/Adjustments during the year*	130.45	51.43	(1.92)	(207.46)	(43.52)	(9.25)	(80.27)
Balance as at 31st March, 2018	**411.78**	**311.17**	**425.17**	**130.67**	**408.16**	**615.51**	**2,302.46**
III. Net carrying amount (I-II)	**95.25**	**231.10**	**54.93**	**75.47**	**159.51**	**80.20**	**696.46**

Description of Assets	Building	Leasehold Improvements	Office Equipments	Furniture and Fixtures	Vehicles	Computers	Total
I. Gross Carrying Amount/Deemed Cost							
Balance as at 1st April, 2016	337.44	452.09	445.88	365.91	542.43	600.18	2,743.93
Additions during the year	26.60	-	21.48	75.18	109.17	89.10	321.53
Deductions/Adjustments during the year*	-	-	(3.71)	(0.57)	(52.75)	(9.88)	(66.91)
Balance as at 31st March, 2017	**364.04**	**452.09**	**463.65**	**440.52**	**598.85**	**679.40**	**2,998.55**
II. Accumulated depreciation and impairment							
Balance as at 1st April, 2016	163.57	217.16	390.26	120.88	310.15	493.74	1,695.76
Depreciation expense for the year	107.61	11.97	18.59	105.90	107.35	71.81	423.23
Deductions/Adjustments during the year*	-	-	(3.45)	(0.57)	(52.76)	(9.26)	(66.04)
Balance as at 31st March, 2017	**271.18**	**229.13**	**405.40**	**226.21**	**364.74**	**556.29**	**2,052.95**
III. Net carrying amount (I-II)	**92.86**	**222.96**	**58.25**	**214.31**	**234.11**	**123.11**	**945.60**

*Deduction/Adjustments during the year includes transfer within block of assets.

5 - Investment Property

(₹ in lakh)

Description of Assets		Land	Buildings	Total
I.	**Gross Carrying Amount/Deemed Cost**			
	Balance as at 1st April, 2017	1,810.44	1,236.77	3,047.21
	Deductions during the year	(44.27)	(47.76)	(92.03)
	Balance as at 31st March, 2018	**1,766.17**	**1,189.01**	**2,955.18**
II.	**Accumulated depreciation and impairment**			
	Balance as at 1st April, 2017	-	701.98	701.98
	Depreciation expense for the year	-	81.73	81.73
	Eliminated on disposal of assets	-	(15.40)	(15.40)
	Balance as at 31st March, 2018	**-**	**768.31**	**768.31**
III.	**Net carrying amount (I-II)**	**1,766.17**	**420.70**	**2,186.87**

Description of Assets		Land	Buildings	Total
I.	**Gross Carrying Amount/Deemed Cost**			
	Balance as at 1st April, 2016	1,810.44	1,236.77	3,047.21
	Additions during the year	-	-	-
	Deductions during the year	-	-	-
	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 expense for the year	-	28.28	28.28
	Eliminated on disposal of assets	-	-	-
	Balance as at 31st March, 2017	**-**	**701.98**	**701.98**
III.	**Net carrying amount (I-II)**	**1,810.44**	**534.79**	**2,345.23**

Fair value disclosure on Company's investment properties

The Group's investment property consist of a commercial property constructed on land taken on perpetual lease in India, Mahindra Towers at Delhi. 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.

Details of the investment properties and information about the fair value hierarchy :

Particulars	Mahindra Towers, Delhi#			GE Plaza, Pune *		
	Land	Buildings	Total	Land	Buildings	Total
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
Opening balance as at 1st April, 2017	**13,035.60**	**1,253.28**	**14,288.88**	**106.02**	**190.12**	**296.14**
Fair value difference	1,103.57	(119.46)	984.11	-	-	-
Closing balance as at 31st March, 2018..	**14,139.17**	**1,133.82**	**15,272.99**	**-**	**-**	**-**

The fair values of the Mahindra Tower at Delhi have been arrived at on the basis of a valuation carried out as on 31st March, 2018 by Jones Lang Lasalle Property Consultant (India) Pvt. Ltd. and as on 31st March 2017 by Gandhi & Associates, independent valuer not related to the Group. Jones Lang Lasalle Property Consultant (India) Pvt. Ltd. and 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.

* During the year current year ended 31st March, 2018, the Group has sold its investment property GE Plaza at Pune. As at 31st March, 2017, the fair values of the GE Plaza at Pune have been arrived at on the basis of a valuation carried out 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.

Information regarding income and expenditure of Investment property:

(₹ in lakh)

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Rental income derived from investment properties (included in 'Revenue from Operations')	**1,820.63**	2,018.71
Direct operating expenses (including repairs and maintenance) that generate rental income	**255.85**	16.94

6 - Goodwill

(₹ in lakh)

	As at 31st March, 2018	As at 31st March, 2017
Balance as at the beginning and at the end of year	**6,604.47**	6,604.47

At the end of the reporting period, the Group has assessed the Goodwill for impairment and determined that no write-down of the carrying amount was necessary. Hence, there is no impairment of Goodwill during the year ended 31st March, 2018 and 31st March, 2017 respectively.

7 - Other Intangible Assets

(₹ in lakh)

Description of Assets		Computer Software
I.	**Gross Carrying Amount/Deemed Cost**	
	Balance as at 1st April, 2017	360.28
	Additions during the year	0.72
	Balance as at 31st March, 2018	**361.00**
II.	**Accumulated depreciation and impairment**	
	Balance as at 1st April, 2017	300.19
	Amortisation expense for the year	14.27
	Balance as at 31st March, 2018	**314.46**
III.	**Net carrying amount (I-II)**	**46.54**

(₹ in lakh)

Description of Assets		Computer Software
I.	**Gross Carrying Amount/Deemed Cost**	
	Balance as at 1st April, 2016	289.52
	Additions during the year	70.76
	Balance as at 31st March, 2017	**360.28**
II.	**Accumulated depreciation and impairment**	
	Balance as at 1st April, 2016	289.52
	Amortisation expense for the year	10.67
	Balance as at 31st March, 2017	**300.19**
III.	**Net carrying amount (I-II)**	**60.09**

8 - Investments

(₹ in lakh)

Particular	As at 31 March, 2018				As at 31 March, 2017			
	Face Value ₹	**QTY (Nos)**	**Amounts Current ₹ Lakh**	**Amounts Non Current ₹ Lakh**	Face Value ₹	QTY (Nos)	Amounts Current ₹ Lakh	Amounts Non Current ₹ Lakh
A. MEASURED AS PER EQUITY ACCOUNTING METHOD								
Unquoted Investments (all fully paid)								
Investments in Equity Instruments								
- of joint ventures *								
Mahindra World City (Jaipur) Limited	**10**	**111,000,000**	**-**	**20,971.97**	10	111,000,000	-	19,074.05
Mahindra World City Developers Limited	**10**	**17,799,999**	**-**	**13,157.57**	10	17,799,999	-	11,512.67
Mahindra Bebanco Developers Limited	**10**	**35,000**	**-**	**(223.22)**	10	35,000	-	811.63
Mahindra Homes Private Limited	**10**	**617,268**	**-**	**(1,884.38)**	10	617,268	-	(3,737.92)
Industrial Cluster Private Limited	**10**	**50,000**	**-**	**(221.24)**	-	-	-	-
Mahindra Happinest Developers Limited	**10**	**51,000**	**-**	**(278.81)**	-	-	-	-
Mahindra Inframan Water Utilities Limited	**10**	**24,999**	**-**	**1.33**	10	24,999	-	2.31
TOTAL INVESTMENTS MEASURED AS PER EQUITY ACCOUNTING METHOD [A]			**-**	**31,523.22**			-	27,662.74
B. MEASURED AT AMORTISED COST								
Unquoted Investments								
Investments in Preference Shares								
- of joint ventures								
Mahindra Homes Private Limited (Series A 0.01% Optionally convertible Redeemable Preference Shares)	**10**	**1**	**-**	**0.00**	10	1	-	0.00
- of others								
Prudential Management & Services Private Limited	**1**	**2**	**-**	**0.00**	1	2	-	0.00
Investments in Debentures								
- of joint ventures								
Mahindra Homes Private Limited (14.00% Optionally Convertible Debentures)	**100**	**32,017,000**	**-**	**32,017.00**	100	32,017,000	-	32,017.00
TOTAL INVESTMENTS MEASURED AT AMORTISED COST [B]			**-**	**32,017.00**			-	32,017.00

Particular	As at 31 March, 2018				As at 31 March, 2017			
	Face Value ₹	**QTY (Nos)**	**Amounts Current ₹ Lakh**	**Amounts Non Current ₹ Lakh**	Face Value ₹	QTY (Nos)	Amounts Current ₹ Lakh	Amounts Non Current ₹ Lakh
C. MEASURED AS AT FAIR VALUE THROUGH PROFIT OR LOSS (FVTPL)								
Unquoted Investments (all fully paid)								
Investments in Mutual Funds			**21,707.86**	**-**			14,566.34	-
Investments in Preference Shares								
- of joint ventures								
Mahindra Happinest Developers Limited (0.01% Non convertible Redeemable Preference Shares)	**100**	**308,400**	**-**	**308.40**	-	-	-	-
Investments in debentures								
- of joint ventures								
Mahindra Happinest Developers Limited (15.00% Optionally Convertible Redeemable Debentures)	**10**	**6,900,000**	**-**	**690.00**	-	-	-	-
Industrial Cluster Private Limited (11.00% Optionally Convertible Debentures).....	**100,000**	**6,382**	**-**	**6,382.00**	-	-	-	-
Investments in Equity Instruments								
- of other entities								
New Tirupur Area Development Corporation Limited	**10**	**15,500,000**	**-**	**0.00**	10	15,500,000	-	0.00
Mahindra Knowledge Park (Mohali) Limited	**10**	**6**	**-**	**0.00**	10	6	-	0.00
Mahindra Construction Company Limited.....	**10**	**3,000**	**-**	**0.30**	10	3,000	-	0.30
TOTAL INVESTMENTS MEASURED AT FVTPL [C].....			**21,707.86**	**7,380.70**			14,566.34	0.30
TOTAL CARRYING AMOUNT OF INVESTMENTS (A) + (B)+ (C)			**21,707.86**	**70,920.92**			14,566.34	59,680.04
Other disclosures:								
Aggregate amount of unquoted investments (gross)			**21,707.86**	**70,920.92**			14,566.34	59,680.04

₹ 0.00 lakh denotes amount less than ₹ 500/-

* Refer note 33

9 - Loans

(₹ in lakh)

Particulars	As at 31st March, 2018		As at 31st March, 2017	
	Current	Non- Current	Current	Non- Current
a) Security Deposits				
- Unsecured, considered good	**3,754.93**	**100.83**	3,447.19	100.83
TOTAL	**3,754.93**	**100.83**	3,447.19	100.83
b) Loans to related parties				
- Unsecured, considered good	**9,064.56**	**-**	1,001.44	1,521.44
TOTAL	**9,064.56**	**-**	1,001.44	1,521.44
c) Other Loans and Advances				
- Unsecured, considered good#	**9,623.83**	**7.10**	10,323.89	6.84
TOTAL	**9,623.83**	**7.10**	10,323.89	6.84
TOTAL (a+b+c)	**22,443.32**	**107.93**	14,772.52	1,629.11

Other Loans and Advances mainly includes Loans to Employees and Project Advances given to vendors

10 - Trade receivables

(₹ in lakh)

Particulars	As at 31st March, 2018		As at 31st March, 2017	
	Current	Non- Current	Current	Non- Current
(a) Unsecured, considered good	**14,521.40**	**1,101.49**	7,608.72	2,200.47
(b) Doubtful	**286.16**	**314.18**	521.16	602.44
Less: Allowance for expected credit loss	**(286.16)**	**(314.18)**	(521.16)	(602.44)
TOTAL	**14,521.40**	**1,101.49**	7,608.72	2,200.47

10 a - Movement in the allowance for expected credit loss

(₹ in lakh)

Particulars	As at 31st March, 2018		As at 31st March, 2017	
	Current	Non Current	Current	Non Current
Balance at beginning of the year	**521.16**	**602.44**	521.16	578.72
Additions during the year	**-**	**-**	-	23.72
Reversal during the year	**(235.00)**	**(288.26)**	-	-
Balance at end of the year	**286.16**	**314.18**	521.16	602.44

Refer Note 35 for disclosures related to credit risk, impairment of trade receivables under expected credit loss model and related financial instrument disclosures.

11 - Other financial assets

(₹ in lakh)

Particulars	As at 31st March, 2018		As at 31st March, 2017	
	Current	Non- Current	Current	Non- Current
Financial assets at amortised cost				
a) Bank Deposit	**2,529.59**	**-**	780.97	20.52
b) Interest Accrued	**16,186.30**	**-**	11,785.40	-
TOTAL	**18,715.89**	**-**	12,566.37	20.52

12 - Other assets

(₹ in lakh)

Particulars	As at 31st March, 2018		As at 31st March, 2017	
	Current	Non- Current	Current	Non- Current
(a) Capital Advance	**-**	**284.09**	-	-
(b) Advances other than capital advances				
(i) Advance to related parties*	**2,000.00**	**-**	2,000.00	-
(ii) Balances with government authorities (other than income taxes)	**3,191.50**	**-**	3,131.75	-
(iii) Prepaid Expenses	**361.27**	**-**	378.54	-
(iv) Unbilled Revenues	**24,132.64**	**-**	26,975.79	-
(v) Income Tax Assets (Net)	**-**	**5,602.50**	-	6,770.04
Total	**29,685.41**	**5,886.59**	32,486.08	6,770.04

*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 assets is ₹ 2,879.00 lakh. 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.

13 - Inventories (at lower of cost and net realisable value)

(₹ in lakh)

Particulars	As at 31st March, 2018	As at 31st March, 2017
(a) Raw materials	**2,647.09**	2,530.34
(b) Construction Work-in-progress*	**74,267.53**	100,629.17
(c) Finished Goods	**14,326.88**	13,963.46
Total	**91,241.50**	117,122.97

*Construction Work in Progress represents materials at site and unbilled costs on the projects. Based on projections and estimates by the Group 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.

a) The amount of inventories recognised as an expense ₹ 37,344.28 lakh (31st March, 2017: ₹ 56,589.49 lakh) include ₹ 1,190.14 lakh (31st March, 2017: ₹ Nil) in respect of write down of inventory to net realisable value.

b) Certain Companies in the group has availed cash credit facilities, short term loans and borrowed through Non-Convertible Debentures, which are secured by hypothecation of inventories.

14 - Cash and Bank Balances

(₹ in lakh)

Particulars	As at 31 March, 2018	As at 31 March, 2017
14(a) Cash and cash equivalents		
(a) Cash on hand	**0.52**	1.38
(b) Cheques on hand	**119.07**	-
(c) Balance with Banks:		
- On current accounts	**2,990.68**	3,514.88
- Deposit account with original maturity Less than 3 months	**1,868.23**	3,991.77
Total Cash and cash equivalent (as per Statement of Cash Flows)	**4,978.50**	7,508.03
14(b) Bank Balances other than Cash and cash equivalents above		
(a) Balances with Banks:		
(i) Earmarked balances	**1,758.29**	125.45
(ii) On Margin Accounts	**1,081.70**	478.40
(iii) Fixed Deposits	**5,198.14**	289.36
Total Other Bank balances	**8,038.13**	893.21

15 - Equity Share Capital

Particulars	As at 31st March, 2018		As at 31st March, 2017	
	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
Unclassified shares of ₹ 10 each	**6,000,000**	**600.00**	6,000,000	600.00
Issued:				
Equity shares of ₹ 10 each with voting rights	**51,379,201**	**5,137.92**	41,094,401	4,109.44
Subscribed and Partly Paid:				
Equity shares of ₹ 10 each with voting rights	**51,328,138**	**5,132.81**	41,053,550	4,105.36
Total	**51,328,138**	**5,132.81**	41,053,550	4,105.36

(i) Reconciliation of the number of shares and outstanding amount

Particulars	As at 31st March, 2018		As at 31st March, 2017	
	No. of Shares	**Amount ₹ in lakh**	No. of Shares	Amount ₹ in lakh
Balance at the Beginning of the year	**41,053,550**	**4,105.36**	41,033,150	4,103.32
Add: Rights Issue during the year	**10,263,388**	**1,026.33**	-	-
Add: Stock options exercised during the year	**11,200**	**1.12**	20,400	2.04
Balance at the end of the year	**51,328,138**	**5,132.81**	41,053,550	4,105.36

Terms/ rights attached to equity shares with voting rights

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 and carry a right to dividends. 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 and its subsidiaries:

(₹ in lakh)

Particulars	Number of Equity Shares with Voting rights
As at 31st March, 2018	
Mahindra & Mahindra Ltd. the Holding Company	26,439,850
As at 31st March, 2017	
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, 2018		As at 31st March, 2017	
	Number of shares held	% holding	Number of shares held	% holding
Equity shares with voting rights				
Mahindra & Mahindra Limited	**26,439,850**	**51.51%**	20,846,126	50.78%
Small Cap World Fund, INC	**2,696,725**	**5.25%**	2,157,380	5.26%

iv) Shares reserved for issue under options

The Company has 1,17,000 (Previous Year 5,53,430) equity shares of ₹ 10/- each reserved for issue under options [Refer Note 28].

v) The allotment of 51,063* (Previous Year 40,851) equity shares of the Company has been kept in abeyance in accordance with Section 206A of the Companies Act, 1956 (Section 126 of the Companies Act 2013), till such time 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).

51,063 equity shares, includes 10,212 Rights Equity Shares which were issued during the year, pursuant to the Rights entitlement on 40,851 Equity Shares the allotment of which has been kept in abeyance as explained above.

vi) The Board of Directors of the Company had at its meeting held on 27th October, 2016, approved Rights Issue upto an amount of ₹ 30,000 lakh. During the year ended 31st March, 2018, the Company completed the Rights Issue by allotting on 5th May, 2017, 10,263,388 equity shares at a price of ₹ 292 (including face value of ₹ 10 each) per equity share aggregating ₹ 29,969 lakh in the ratio of 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 subscribed 129.18 percent of the Issue size in terms of number of equity shares applied. Consequently, the paid up equity share capital of the Company has increased to ₹ 5,132 lakh divided into 5,13,18,988 equity shares of ₹ 10 each. The Securities Premium account has increased to ₹ 97,438 lakh. The Rights Issue proceeds have been fully utilised for the purpose of the Issue.

16. Other equity

(₹ in lakh)

Particulars	As at 31st March, 2018	As at 31st March, 2017
General reserve	**7,535.69**	7,535.69
Securities premium reserve	**102,390.59**	74,028.06
Share options outstanding account	**525.93**	434.74
Retained earnings	**59,710.24**	53,753.73
Capital Reserve on Consolidation	**2,309.15**	2,309.15
Capital redemption reserve	**13,138.58**	13,138.58
Debenture redemption reserve	**15,141.25**	14,651.67
Share Application money pending allotment	**0.53**	0.08
TOTAL	**200,751.96**	165,851.70

Description of the nature and purpose of Other Equity:

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 statement of Profit and loss.

Securities Premium Account: The Securities Premium is created on issue of shares at a premium.

Option Outstanding Account: It is a part of the Shareholders equity and is transferred to Share Capital, Share Premium or General Reserves over the vesting period.

Retained Earnings: This reserve represents cumulative profits of the Company and effects of remeasurement of defined benefit obligations. This reserve can be utilised in accordance with the provisions of Companies Act, 2013.

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.

Capital Redemption Reserve: The Capital Redemption Reserve was created against redemption of Preference Shares.

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.

Share Application Money Pending allotment- This represents share application money received from the eligible employees upon exercise of employee stock option. The same will be transferred to equity share capital account after the allotment of shares to the applicants. The share application money pending allotment of ₹ 0.08 lakh pertaining to previous year has been transferred to equity share capital during the year upon allotment of shares.

Details of Dividends Proposed:

(₹ in lakh)

Particulars	**For the year 31st March, 2018**	For the year 31st March, 2017
Dividend per Equity Share (₹)	**6.00**	6.00
Dividend on Equity Shares	**3,079.69**	2,463.26
Dividend Distribution Tax	**633.04**	365.97
Total Dividend including Dividend Distribution Tax	**3,712.73**	2,829.23

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 2018 and 31st March 2017.

17 - Non-Current Borrowings

(₹ in lakh)

Particulars	Currency of Loan	Effective Interest Rate used for Discounting Cash flows (%)	Coupon Rate (%)	Repayment Bullet (or) Installment	Number of Installments	**As at 31st March, 2018**	As at 31st March, 2017
Secured (Carried at Amortised Cost)							
Fully Redeemable							
-Non Convertible Debentures (Series III) *	Indian Rupee	12.04%	8.00%	Installment	1	**-**	19,981.00
-Non Convertible Debentures (Series II) *	Indian Rupee	11.86%	8.00%	Installment	1	**-**	-
-Non Convertible Debentures (Series I) #	Indian Rupee	9.68%	7.00%	Installment	1	**-**	2,493.98
-Non Convertible Debentures (Series II) #	Indian Rupee	9.68%	7.00%	Installment	1	**2,497.50**	2,495.87
-Non Convertible Debentures (Series III) #	Indian Rupee	9.68%	7.00%	Installment	1	**2,495.60**	2,497.41
Total Secured Borrowing (A)						**4,993.10**	27,468.26
Unsecured (Carried at Amortised Cost)							
-Other loans	Indian Rupee	-	-	-	-	**764.87**	10.00
Total Unsecured Borrowing (B)						**764.87**	10.00
Total (A+B)						**5,757.97**	27,478.26

Notes:

1. Current maturities in respect of long term borrowings - fully redeemable Non-Convertible debentures have been included in Note 18.
2. Other loans carry varying rate of interest ranging from 7.50% to 10.50% and have maturities starting from 2019 and ending with 2020.

Fully Redeemable Non Convertible Debentures

The terms and conditions of the Secured Non-Convertible Debentures issued by the Company are summarized below:

Series	**III ***	**II ***	**I #**	**II #**	**III #**
Face Value of Debentures (₹ Lakhs)	20,000.00	17,500.00	2,500.00	2,500.00	2,500.00
Total Redemption Amount	3,455.65	2,290.30	393.68	299.64	214.32
Rate of Interest Payable Annually	8.00%	8.00%	7.00%	7.00%	7.00%
Maturity Date	4th April 2018	4th April 2017	31st August 2020	31st August 2019	31st August 2018

* The above debentures are secured by an exclusive charge over Land owned by the Company which is accounted as a part of Construction Work in Progress and Investment Property and land owned by its Subsidiary Mahindra Integrated Township Limited.

The above debentures are secured by first ranking pari passu mortgage and charge on specific lands of the company which is accounted as a part of Construction Work in Progress.

18 - Other Financial Liabilities

(₹ in lakh)

Particulars	As at 31st March, 2018		As at 31st March, 2017	
	Current	**Non- Current**	Current	Non- Current
Other Financial Liabilities Measured at Amortised Cost				
(a) Other long term liabilities*	**-**	**297.17**	-	5,169.65
(b) Current maturities of long-term debt	**22,499.22**	**-**	17,500.00	-
(c) Interest accrued but not due on borrowings	**2,289.62**	**400.20**	3,667.50	375.54
(d) Unclaimed dividends	**140.23**	**-**	125.45	-
(e) Other liabilities#	**7,306.40**	**-**	5,112.85	-
TOTAL	**32,235.47**	**697.37**	26,405.80	5,545.19

* Other long term liabilities include provision for redemption premium payable on debentures

Other liabilities mainly include Trade Deposits, Society Maintenance deposits and provision for redemption premium payable on Non-Convertible Debentures.

19 - Provisions

(₹ in lakh)

Particulars	As at 31st March, 2018		As at 31st March, 2017	
	Current	**Non- Current**	Current	Non- Current
(a) Provision for employee benefits				
-Gratuity	**87.87**	**80.92**	3.66	101.83
-Leave Encashment	**235.10**	**136.27**	217.94	110.20
(b) Other Provisions				
-Defect Liabilities	**833.52**	**-**	795.89	-
TOTAL	**1,156.49**	**217.19**	1,017.49	212.03

Details of movement in provisions for Defect Liabilities are as follows:

(₹ in lakh)

Particulars	**Amount**
Balance at 1st April 2017	795.89
Additional provisions recognised	391.51
Amounts used during the year	(53.88)
Unused amounts reversed during the year	(300.00)
Balance at 31st March 2018	**833.52**

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 in of respect residential units given under perpetual lease, the estimated cost of which is accrued during the period of construction, upon sale of units and recognition of related revenue. 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 5 years from the date of handover of residential units.

20 - Deferred Tax liabilities (Net)

(₹ in lakh)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Deferred Tax Liabilities	**5,455.24**	6,000.98
Deferred Tax Assets	**(1,582.39)**	(2,251.47)
TOTAL	**3,872.85**	3,749.51

Deferred Tax (Assets)/Liabilities in relation to:

(₹ in lakh)

Particulars	Opening Balance as at 1st April, 2017	Recognised in P&L	Recognised in OCI	**Closing Balance as at 31st March, 2018**
Fiscal allowance on Property, Plant and Equipment	497.99	72.72	-	**570.71**
Disallowance u/s 43(B) of the Income tax Act, 1961	(429.22)	9.27	-	**(419.95)**
Provision for Employee Benefits	(127.30)	(57.57)	27.67	**(157.20)**
Minimum Alternate Tax Credit	(585.29)	(7.60)	-	**(592.89)**
Unrealised gain/loss on inter company stock and undistributed profit	4,359.07	-	-	**4,359.07**
Other Temporary differences	34.26	78.85	-	**113.11**
Total	3,749.51	95.67	27.67	**3,872.85**

21 - Current Borrowings

(₹ in lakh)

Particulars	As at 31st March, 2018	As at 31st March, 2017
A. Secured Borrowings at amortised cost		
(a) Loans on cash credit account from Banks	**1,126.11**	9,617.82
(b) Other loans from Banks	**-**	7,500.00
Total	**1,126.11**	17,117.82
B. Unsecured Borrowings at amortised cost		
(a) Loans on cash credit account from Banks	**764.80**	-
(b) Loans from related parties	**2,500.00**	2,900.00
(c) Other Loans from banks	**7,501.25**	1.25
(d) Optionally Convertible Redeemable Debentures from Related Parties	**771.00**	-
(e) Loans from other parties	**4,938.71**	165.70
Total Unsecured Borrowings	**16,475.76**	3,066.95
(A+B)	**17,601.87**	20,184.77

Secured Borrowing

(a) The cash credit facility carrying interest rate in the range of 8.70% p.a. to 8.85% p.a. is secured by first charge on all existing and future current assets excluding land and immovable properties. Also the cash credit facility availed by certain companies carrying interest rate of Bank Base Rate + 0.25% p.a. payable on a monthly basis is secured by hypothecation of book debts and Construction Work in progress.

(b) Other loan from banks include short term loans carrying interest rate in the range of 8.90% p.a. to 9.50% p.a. is secured by first charge on all existing and future current assets excluding land and immovable properties.

Unsecured Borrowings

(a) The cash credit facility is carrying interest rate of 8.20% p.a.

(b) Loans from related parties include inter company borrowings obtained at 7.50% p.a. to 8.50% p.a.

(c) Other loans from banks include short term loan carrying interest rate in the range of 7.90% p.a. to 8.50% p.a.

(d) Loans from other parties mainly include commercial papers issued for working capital purposes carrying interest rate in the range of 7.00% p.a. to 7.35% p.a.

22 - Trade Payables

(₹ in lakh)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Trade payable - Micro and small enterprises	-	-
Trade payable - Other than micro and small enterprises	19,428.52	20,339.02
TOTAL	19,428.52	20,339.02

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.

23 - Other Current Liabilities

(₹ in lakh)

Particulars	As at 31st March, 2018	As at 31st March, 2017
a. Advances received from customers	3,076.15	3,925.25
b. Statutory dues payable	396.34	560.68
c. Others	3.26	3.58
TOTAL	3,475.75	4,489.51

There are no amounts due and outstanding to be credited to the Investor Education and Protection Fund.

24 - Revenue from Operations

(₹ in lakh)

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
a. Income From Projects	51,944.48	72,921.98
b. Project Management Fees	2,853.95	1,274.08
c. Income from Operation of Commercial Complexes	1,820.63	2,018.71
TOTAL	56,619.06	76,214.77

25 - Other Income

(₹ in lakh)

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
(a) Interest Income on		
(1) Inter Corporate Deposits	**1,574.33**	243.48
(2) Bank Deposits	**439.15**	392.58
(3) Preference shares	**-**	491.44
(4) Optionally Convertible Debentures	**4,022.31**	4,482.38
(5) Others	**487.74**	333.28
(b) Dividend Income from current investment- non trade	**333.68**	428.73
(c) Gain on sale of current investments	**112.34**	105.68
(d) Gain on disposal of Property, Plant and Equipment and Investment Property	**241.05**	9.42
(e) Net Gain arising on Financial Assets mandatorily measured at Fair Value through Profit and Loss	**25.85**	-
(f) Miscellaneous Income	**557.25**	399.94
TOTAL	**7,793.70**	6,886.93

26 - Cost of Sales

(₹ in lakh)

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
A. Cost of Project		
Opening Stock:		
Work-in-progress	**100,629.17**	111,765.91
Raw Material	**2,530.34**	2,977.60
Stock in trade	**13,963.46**	15,852.19
Sub-Total (a)	**117,122.97**	130,595.70
Add: Expenses incurred during the year		
Land Cost	**524.12**	14,498.54
Architect Fees	**176.43**	465.57
Civil Electricals, Contracting etc.	**15,160.64**	17,748.15
Interest	**554.42**	4,281.88
Overheads Allocated	**1,356.94**	1,258.17
Payment to Local Agencies	**1,757.16**	4,002.60
Insurance	**8.54**	38.08
Legal & Professional Fees	**953.17**	697.29
Other Expenses	**157.03**	126.48
Stock on Disposal	**(9,185.64)**	-
Sub-Total (b)	**11,462.81**	43,116.76
Less: Closing Stock:		
Work in progress	**85,638.47**	100,629.17
Raw Material	**2,647.09**	2,530.34
Stock in trade	**2,955.94**	13,963.46
Sub-Total (c)	**91,241.50**	117,122.97
Total A (a+b-c)	**37,344.28**	56,589.49

(₹ in lakh)

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
B. Operating Expenses		
Rent, Rates & Taxes	**83.97**	82.22
Insurance	**2.20**	2.92
Repairs & Maintenance - Commercial Properties	**145.11**	128.57
Professional Fees	**81.18**	62.73
Brokerage	**199.16**	232.70
Advertisement, Marketing & Business Development	**1,200.28**	1,117.64
Electricity	**53.91**	88.05
Other Operating Expenses	**250.76**	546.07
Total B	**2,016.57**	2,260.90
Total (A+B)	**39,360.85**	58,850.39

27 - Employee Benefits Expense

(₹ in lakh)

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
(a) Salaries and wages, including bonus	**7,016.21**	7,143.13
(b) Contribution to provident and other funds	**451.19**	424.85
(c) Share based payment expenses	**138.30**	124.37
(d) Staff welfare expenses	**354.34**	379.39
Less : Allocated to projects	**(1,356.94)**	(1,258.17)
TOTAL	**6,603.10**	6,813.57

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:

Details about vesting condtions :

	Particulars	Number of Options	Grant Date	Expiry Date	Exercise Price	Fair value per Option at Grant Date (₹)
	ESOS 2006					
1	Series 1 Granted on 25th April 2008	678,359	25-Apr-08	25-Apr-17	₹ 428 per share	443.79
2	Series 2 Granted on 4th August 2012	10,000	4-Aug-12	4-Aug-21	₹ 325 per share	294.06
	ESOS 2012					
1	Series 3 Granted on 4th August 2012	101,000	4-Aug-12	4-Aug-21	₹ 10 per share	294.06
2	Series 4 Granted on 24th July 2013	26,500	24-Jul-13	24-Jul-22	₹ 10 per share	409.27
3	Series 5 Granted on 17th October 2014	27,000	17-Oct-14	17-Oct-23	₹ 10 per share	461.87
4	Series 6 Granted on 30th April 2015	3,000	30-Apr-15	30-Apr-24	₹ 10 per share	402.60
5	Series 7 Granted on 28th January 2016	31,000	28-Jan-16	28-Jan-25	₹ 10 per share	417.10
6	Series 8 Granted on 28th July 2016	30,000	28-Jul-16	28-Jul-25	₹ 10 per share	420.53
7	Series 9 Granted on 25th July 2017	18,500	25-Jul-17	25-Jul-26	₹ 10 per share	393.45
8	Series 10 Granted on 30th Jan 2018	2,500	30-Jan-18	30-Jan-27	₹ 10 per share	453.81

Movement in Share Options

(₹ in lakh)

Particulars		For the year ended 31st March, 2018		For the year ended 31st March, 2017	
		Number of options	**Weighted average exercise price ₹**	Number of options	Weighted average exercise price ₹
1	The number and weighted average exercise prices of share options outstanding at the beginning of the year;	**553,430**	**339.68**	558,380	336.76
2	Granted during the year	**21,000**	**10.00**	30,000	10.00
3	Forfeited during the year	**411,922**	**428.00**	-	-
4	Exercised during the year	**11,200**	**10.00**	20,400	10.00
5	Expired during the year	**34,308**	**10.00**	14,550	10.00
6	Outstanding at the end of the year	**117,000**	**23.46**	553,430	339.68
7	Exercisable at the end of the year	**62,500**	**35.20**	486,780	338.48

Share Options Excercised during the Year

Particulars		**Number of Options Exercised**	**Exercise Date**	**Price per Share at Exercise Date (₹)**
Equity Settled				
1	Series 3 Granted on 4th August 2012	750	14-Jul-17	444.35
2	Series 4 Granted on 24th July 2013	450	14-Apr-17	407.05
3	Series 4 Granted on 24th July 2013	450	23-Jul-17	436.60
4	Series 4 Granted on 24th July 2013	750	27-Jul-17	428.15
5	Series 4 Granted on 24th July 2013	1,200	14-Dec-17	458.55
6	Series 4 Granted on 24th July 2013	600	4-Jan-18	459.83
7	Series 5 Granted on 17th October 2014	500	19-May-17	439.85
8	Series 5 Granted on 17th October 2014	600	18-Jul-17	439.93
9	Series 5 Granted on 17th October 2014	450	17-Oct-17	453.08
10	Series 5 Granted on 17th October 2014	1,200	31-Oct-17	445.13
11	Series 5 Granted on 17th October 2014	750	26-Dec-17	469.75
12	Series 7 Granted on 28th January 2016	500	18-Jun-17	440.35
13	Series 7 Granted on 28th January 2016	300	30-Jun-17	429.25
14	Series 7 Granted on 28th January 2016	300	10-Nov-17	431.08
15	Series 8 Granted on 28th July 2016	300	28-Jul-17	426.60
16	Series 8 Granted on 28th July 2016	500	21-Dec-17	467.85
17	Series 7 Granted on 28th January 2016	800	7-Feb-17	354.75
18	Series 7 Granted on 28th January 2016	500	22-Feb-17	348.00
19	Series 7 Granted on 28th January 2016	300	1-Mar-17	345.48
		11,200		

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 - ₹ 325 (as at March 31, 2017: ₹ 10 - ₹ 428), and weighted average remaining contractual life of 2,115 days (as at March 31, 2017: 433 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	25th July 2017	30th January 2018
Share price per Option at grant date (₹)	443.79	324.14	324.14	454.09	516.08	467.60	482.25	450.60	393.45	453.81
Exercise price per Option (₹)	428.00	325.00	10.00	10.00	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%	27.24% -28.90%	27.77%- 28.98%
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	3.5 - 6.5 Years	3.5 - 6.5 Years
Expected dividend yield	0.33%	1.38%	1.38%	1.31%	2.28%	2.57%	2.49%	1.31%	1.39%	1.22%
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%	6.37%- 6.66%	7.11% - 7.56%

28 - Finance Cost

(₹ in lakh)

Particulars		For the year ended 31st March, 2018	For the year ended 31st March, 2017
(a)	Interest costs :		
	Interest expense for financial liabilities at amortised cost	**4,672.05**	4,849.60
	Less: Allocated to projects	**(554.42)**	(2,838.26)
(b)	Other Borrowing costs*	**11.10**	9.50
Total		**4,128.73**	2,020.84

* Other borrowing costs mainly include guarantee charges and ancilliary costs incurred in connection with borrowings.

29 - Other Expenses

(₹ in lakh)

Particulars		For the year ended 31st March, 2018	For the year ended 31st March, 2017
(a)	Power & Fuel	**48.11**	48.58
(b)	Rent, Rates & Taxes	**658.63**	659.50
(c)	Insurance	**23.43**	35.63
(d)	Repairs and maintenance - Buildings	**0.29**	0.41
(e)	Repairs and maintenance - Others	**613.33**	533.33
(f)	Advertisement, Marketing & Business Development	**896.43**	970.58
(g)	Travelling and Conveyance Expenses	**398.84**	531.11
(h)	Expenditure on Corporate Social Responsibility (CSR) under section 135 of the Companies Act, 2013	**361.89**	565.89
(i)	Donations and Contributions *	**-**	10.00
(j)	Payment to Auditors #	**74.03**	69.44
(k)	Legal and other professional costs	**1,093.31**	856.37
(l)	Printing & Stationery	**42.41**	78.82
(m)	Communication	**248.81**	147.47
(n)	Others	**452.85**	1,010.48
Total		**4,912.36**	5,517.61

*Donations and 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

 # Payments to Auditors

(₹ in lakh)

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
(i) To Statutory auditors		
For Audit	**56.67**	45.69
For Taxation Matters	**2.50**	2.25
For Other Services	**11.80**	16.74
Reimbursement of Expenses	**1.22**	2.92
(ii) To Cost auditors for cost audit	**1.84**	1.84
Total	**74.03**	69.44

30 - Income Taxes

(a) Income Tax recognised in profit and loss

(₹ in lakh)

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Current Tax:		
In respect of current year	**3,021.90**	2,876.04
Deferred Tax:		
In respect of current year origination and reversal of temporary differences	**95.67**	425.18
Total	**3,117.57**	3,301.22

(b) Income tax recognised in other Comprehensive income

(₹ in lakh)

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Deferred tax related to items recognised in other comprehensive income during the year:		
Remeasurement of defined benefit plans	**27.67**	(32.06)
Total	**27.67**	(32.06)

(c) Reconciliation of estimated income tax expense at tax rate to income tax expense reported in Profit or Loss is as follows:

(₹ in lakh)

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Profit before tax	**8,981.94**	9,437.11
Income tax expense calculated at 34.608% (2017: 34.608%)	**3,108.47**	3,266.00
Effect of income that is exempt from taxation	**(486.76)**	(650.42)
Effect of expenses that is non-deductible in determining taxable profit	**401.62**	341.36
Effect of tax incentives and concessions (research and development and other allowances)	**(36.34)**	(86.52)
Deduction under Chapter VI A	**(39.42)**	(42.79)
Changes in recognised deductible temporary differences	**170.00**	473.59
Income tax expense recognised In profit or loss	**3,117.57**	3,301.22

31 - Earnings per Share

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:

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Profit for the year	**10,100.49**	10,280.71
Weighted average number of equity shares	**50,692,093**	44,536,633
Basic earnings per share (₹)	**19.93**	23.08

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.

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Profit for the year used in the calculation of diluted earnings per share	**10,100.49**	10,280.71

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:

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Weighted average number of equity shares used in the calculation of Basic EPS	**50,692,093**	44,536,633
Add: Options outstanding under Employee Stock Option Plan	**109,768**	103,625
Weighted average number of equity shares used in the calculation of Diluted EPS	**50,801,861**	44,640,258
Diluted earnings per share (₹)	**19.88**	23.03

32 - Disclosure of interest in Subsidiaries and interest of 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	
			As at 31st March, 2018	As at 31st March, 2017
Mahindra Residential Developers Limited	Development of Residential Projects	India	**96.30%**	96.30%
Mahindra Integrated Township Limited	Development of Residential Projects	India	**96.30%**	96.30%
Mahindra Water Utilities Limited	Operation & Maintenance of water collection, treatment & distribution	India	**98.99%**	98.99%
Mahindra Infrastructure Developers Limited	Development of Infrastructure Projects	India	**100.00%**	100.00%
Raigad Industrial and Business Park Limited *	Development of Industrial Parks	India	**-**	100.00%
Industrial Township (Maharashtra) Limited	Development of Industrial township	India	**100.00%**	100.00%
Anthurium Developers Limited	Development of Residential Projects	India	**100.00%**	100.00%
Industrial Cluster Private Limited #	Development of Industrial Parks	India	**-**	100.00%
Deepmangal Developers Private Limited	Development of Infrastructure Projects	India	**100.00%**	100.00%
Knowledge Township Limited	Development of Industrial township	India	**100.00%**	100.00%

Name of the Subsidiary	Principal Activity	Place of Incorporation and Place of Operation	Proportion of Ownership Interest and Voting power held by the Group	
			As at 31st March, 2018	As at 31st March, 2017
Kismat Developers Private Limited *	Development of Residential Projects	India	**-**	99.99%
Topical Builders Private Limited *	Development of Residential Projects	India	**-**	99.99%
Mahindra World City (Maharashtra) Limited	Development of Multi Product Special Economic Zones	India	**100.00%**	100.00%
Moonshine Constructions Private Limited	Development of Residential Projects	India	**100.00%**	100.00%
Rathna Bhoomi Enterprises Private Limited	Development of Residential Projects	India	**100.00%**	100.00%

* Represents companies which have been merged as per Scheme of Amalgamation with Mahindra World City (Maharashtra) Limited during the year and ceased to be subsidiaries effective from 28th December, 2017

On 18th September, 2017, the Company sold its 50% economic rights in its subsidiary Industrial Cluster Private Limited (ICPL) to International Finance Corporation (IFC). Subsequent to this, ICPL has become a joint venture Company. Accordingly, ICPL have been accounted on line by line consolidation method upto the 18th September, 2017 and using equity method of accounting thereafter.

(b) As the Group holds majority shares in all the above subsidiaries, there is no material non-controlling interest in any of the subsidiary.

33 - Investment in Joint Arrangements

(a) The Group's interests in jointly controlled entities of the Group are :

Name of associate	Principal activity	Place of incorporation and operation	Proportion of ownership interest/voting rights held by the Group (%)	
			As at 31st March, 2018	As at 31st March, 2017
Mahindra World City Developers Limited	Development of Multi Product Special Economic Zone and Domestic Tariff Area	India	**89.00%**	89.00%
Mahindra Industrial Park Chennai Limited	Development of Industrial parks	India	**53.40%**	53.40%
Mahindra World City (Jaipur) Limited	Development of Multi Product Special Economic Zone and Domestic Tariff Area	India	**74.00%**	74.00%
Mahindra Bebanco Developers Limited	Development of Residential Projects	India	**70.00%**	70.00%
Mahindra Inframan Water Utilities Private Limited	Operations & Maintenance of water & sewerage facilities at Navi Mumbai	India	**50.00%**	50.00%
Industrial Cluster Private Limited	Development of Industrial parks	India	**50.00%**	-
Mahindra Happinest Developers Limited *	Development of Residential Projects	India	**51.00%**	-
Mahindra Homes Private Limited	Development of Residential Projects	India	**75.00%**	75.00%

All of the above entities have been treated as Joint Ventures even though the group holds more than half of the voting power in these entities as it does not have unilateral control over the investee, primarily due to existence of joint venture agreements that give the other investors substantive rights.

* On 6th September 2017, the Group has incorporated a new company as a wholly owned subsidiary viz. Mahindra Happinest Developers Private Ltd (MHDPL). Pursuant to shareholders' approval of MHDPL, it was converted to a public company with effect from 27th September, 2017 with the change in name to Mahindra Happinest Developers Ltd (MHDL). Consequent to the Joint Venture agreement between the Company and HDFC Capital Affordable Real Estate Fund-1, the equity shareholding of the Company has reduced to 51% in MHDL.

(b) 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.

(₹ in lakh)

Particulars	Mahindra Homes Private Limited		Mahindra World City Jaipur Limited	
	31st March, 2018	31st March, 2017	**31st March, 2018**	31st March, 2017
Current assets				
Cash and cash equivalents	**754.15**	740.28	**443.80**	2,415.89
Other assets	**127,663.76**	106,794.60	**49,286.31**	50,497.39
Total Current assets	**128,417.91**	107,534.88	**49,730.11**	52,913.28
Total Non-current assets	**710.96**	965.59	**17,324.96**	17,157.68
Current liabilities				
Financial liabilities (excluding Trade Payables)	**41,655.73**	20,347.47	**19,655.58**	15,161.29
Other liabilities	**7,010.84**	4,738.04	**6,647.60**	6,199.11
Total Current liabilities	**48,666.57**	25,085.51	**26,303.18**	21,360.40
Non-Current liabilities				
Financial liabilities (excluding Trade Payables)	**77,774.93**	82,467.22	**8,611.41**	19,487.83
Other liabilities	**-**	-	**3,504.22**	3,213.13
Total Non-current liabilities	**77,774.93**	82,467.22	**12,115.63**	22,700.96
Revenue from operations	**24,431.09**	20,127.04	**12,784.02**	17,168.61
Interest income	**394.93**	191.71	**44.41**	102.22
Depreciation and amortisation	**207.44**	215.71	**763.97**	767.99
Interest cost	**601.14**	229.13	**2,370.56**	2,695.51
Income tax expense	**1,053.82**	871.85	**553.54**	2,469.37
Profit for the year	**1,739.64**	1,598.18	**3,709.76**	4,505.49
Other comprehensive income for the year	**-**	7.37	**0.12**	(8.18)
Total comprehensive income for the year	**1,739.64**	1,605.54	**3,709.88**	4,497.31
Dividends received during the year	**-**	-	**666.00**	824.44

Reconciliation of the above summarised financial information to the carrying amount of the interest in the joint venture recognised in the consolidated financial statements:

(₹ in lakh)

Particulars	Mahindra World City Jaipur Limited		Mahindra Homes Private Limited	
	31st March, 2018	31st March, 2017	**31st March, 2018**	31st March, 2017
Net assets	**28,636.26**	26,009.60	**2,687.37**	947.74
Proportion of the Group's ownership interest in Joint Venture	**21,190.83**	19,247.11	**2,015.53**	710.81
Stock Reserve	**(334.69)**	(264.65)	**(5,963.89)**	(6,803.16)
Deferred Tax on stock reserve	**115.83**	91.59	**2,063.98**	2,354.44
Carrying amount of the Group's interest in Joint Venture	**20,971.97**	19,074.05	**(1,884.38)**	(3,737.92)

Aggregate information of Joint Ventures that are not individually material

(₹ in lakh)

Particulars	**31st March, 2018**	31st March, 2017
The Group's share in Profit or Loss	**76.68**	76.69
The Group's share in other comprehensive income	**(0.15)**	7.07
The Group's share in total comprehensive income	**76.53**	83.76
Aggregate carrying amount of the Group's interests in these Joint Ventures	**12,435.63**	12,326.61

34 - Business Combinations

(a) Scheme of Amalgamation

In the current year, the National Company Law Tribunal, Mumbai Bench ("NCLT") has approved Scheme of Amalgamation of wholly owned subsidiaries viz. Kismat Developers Private Limited (KDPL) and Topical Builders Private Limited (TBPL) which were engaged in business of builders, engineers, developers, realtors and contractors, and Raigad Industrial and Business Park Limited (RIBPL) which was engaged in the carrying on business of real estate developers, integrated cities and industrial parks into a subsidiary viz. Mahindra World City (Maharashtra) Limited (MWCML) which is engaged in the business of real estate developers, integrated cities and industrial parks. The Scheme of Amalgamation became effective from 28th December, 2017. Consequently KDPL, TBPL and RIBPL ceased to exist.

Other Information:

Name of the Merged Entity	Ratio of Equity/Preference Shares Exchanged	Description of Shared Issued	Number of Shares Issued
KDPL	1:1	8.5% Non cumulative Redeemable Preference Shares of ₹ 10 each, fully paid up	35
KDPL	1:1	8.5% Non cumulative Redeemable Preference Shares of ₹ 10 each, fully paid up	9,965
RIBPL	3:2	8.5% Non cumulative Redeemable Preference Shares of ₹ 10 each, fully paid up	165,000
TBPL	1:1	8.5% Non cumulative Redeemable Preference Shares of ₹ 10 each, fully paid up	350
TBPL	1:1	8.5% Non cumulative Redeemable Preference Shares of ₹ 10 each, fully paid up	9,650

The difference between the consideration and the value of net identifiable assets acquired is ₹ 5.75 lakh and the same is adjusted in retained earnings of MWCML

35 - 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 equity ratio which is determined as the proportion of total debt to total equity.

(₹ in lakh)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Debt	**45,859.06**	65,163.00
Cash and bank balances	**(13,016.63)**	(8,401.24)
Net Debt (A)	**32,842.43**	56,761.76
Equity (B)	**210,339.51**	174,306.52
Net Debt to Equity Ratio (A / B)	**0.16**	0.33

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, 2018 (₹ in lakh)

Particulars	Amortised Costs	FVTPL	Total
Non-current Assets			
Investments	**70,920.92**	**-**	**70,920.92**
Loans	**107.93**	**-**	**107.93**
Trade Receivables	**1,101.49**	**-**	**1,101.49**
Current Assets			
Investments	**-**	**21,707.86**	**21,707.86**
Trade Receivables	**14,521.40**	**-**	**14,521.40**
Cash and Bank Balances	**13,016.63**	**-**	**13,016.63**
Loans	**22,443.32**	**-**	**22,443.32**
Other Financial Assets			
- Non Derivative Financial Assets	**18,715.89**	**-**	**18,715.89**
Non-current Liabilities			
Borrowings	**5,757.97**	**-**	**5,757.97**
Other Financial Liabilities			
- Non Derivative Financial Liabilities	**697.37**	**-**	**697.37**
Current Liabilities			
Borrowings	**17,601.87**	**-**	**17,601.87**
Trade Payables	**19,428.52**	**-**	**19,428.52**
Other Financial Liabilities			
- Non Derivative Financial Liabilities	**32,235.47**	**-**	**32,235.47**

As at 31st March, 2017 (₹ in lakh)

Particulars	Amortised Costs	FVTPL	Total
Non-current Assets			
Investments	59,680.04	-	59,680.04
Loans	1,629.11	-	1,629.11
Trade Receivables	2,200.47	-	2,200.47
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 Bank Balances	8,401.24	-	8,401.24
Loans	14,772.52	-	14,772.52
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	20,339.02	-	20,339.02
Other Financial Liabilities			
- Non Derivative Financial Liabilities	26,405.80	-	26,405.80

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 trade receivables, cash and cash equivalents, mutual Funds & other financial assets.

Trade Receivables:

The Group's 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.

Cash and Cash Equivalents, Mutual Funds & 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

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the Group's short-term, medium-term and long-term funding and liquidity management requirements. The Group 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 Group'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 Group can be required to pay. The tables include both interest and principal cash flows.

(₹ in lakh)

Particulars	Less than 1 Year	1 Year to 3 Years	3 Years to 5 Years
Non-derivative financial liabilities			
As at 31st March 2018			
Non Current			
Borrowings	-	5,757.97	-
Other Financial Liabilities (Non Derivative Financial Liabilities)	-	697.37	-
Total Non Current (A)	-	6,455.34	-
Current			
Borrowings	17,601.87	-	-
Trade Payables	19,428.52	-	-
Other Financial Liabilities (Non Derivative Financial Liabilities)	32,235.47	-	-
Total Current (B)	69,265.86	-	-
Total (A+B)	69,265.86	6,455.34	-

Particulars	Less than 1 Year	1 Year to 3 Years	3 Years to 5 Years
As at 31st March 2017			
Non Current			
Borrowings	-	24,978.26	2,500.00
Other Financial Liabilities (Non Derivative Financial Liabilities)	-	5,545.19	-
Total Non Current (A)	-	30,523.45	2,500.00
Current			
Borrowings	20,184.77	-	-
Trade Payables	20,339.02	-	-
Other Financial Liabilities (Non Derivative Financial Liabilities)	26,405.80	-	-
Total Current (B)	66,929.59	-	-
Total (A+B)	66,929.59	30,523.45	2,500.00

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. 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 of the respective companies.

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 Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates. The Group 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 Group's profit before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	Currency	Increase / decrease in basis points	Effect on profit before tax (₹ in lakh)
As at March 31, 2018	₹	**+100**	**93.92**
	₹	**-100**	**(93.92)**
As at March 31, 2017	₹	+100	85.64
	₹	-100	(85.64)

36 - Fair Value Measurement

Fair Valuation Techniques and Inputs used - recurring Items

(₹ in lakh)

Financial assets/ financial liabilities measured at Fair value	Fair value as at 31st March, 2018	Fair value as at 31st March, 2017	Fair value hierarchy	Valuation Technique(s)	Applicable for Level 2 and Level 3
Financial assets					
Investments					
1) Mutual fund investments	**21,707.86**	14,566.34	Level 1	Unquoted Market Price	Not applicable as Level 1 hierarchy
2) Investment in Preference Share - unquoted	**308.40**	-	Level 2	Price of Recent Transaction	Value of underlying assets of the Investee
3) Investment in Optionally Convertible Debentures	**7,072.00**	-	Level 2	Price of Recent Transaction	Value of underlying assets of the Investee
4) Investment in Equity Shares	**0.30**	0.30	Level 2	Income Approach - Discounted Cash Flow	Value of underlying assets of the Investee
Total financial assets	**29,088.56**	14,566.64			

Financial Instrument not measured using Fair Value i.e. measured using amortized cost

(₹ in lakh)

Particulars	As at 31st March, 2018 Carrying amount	As at 31st March, 2018 Fair value
Financial assets		
Financial assets carried at Amortised Cost		
– Investment in Debentures	**32,017.00**	**31,898.00**
Total	**32,017.00**	**32,017.00**
Financial liabilities		
Financial liabilities held at amortised cost		
– Current maturities of long-term debt along with the redemption premium	**23,455.65**	**23,448.42**
Total	**23,455.65**	**23,448.42**

Except for the above, carrying value of Other financial assets / liabilities represent reasonable estimate of fair value.

There were no transfers between Level 1 and Level 2 during the year.

37 - Leases

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
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 10 years and may be renewed based on mutual agreement between the parties.		
Non-cancellable operating lease receivables		
not later than one year	**0.66**	5.64
later than one year and not later than five years	**-**	-
later than five years	**-**	-

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
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 based on mutual agreement between the parties.		
Future Non-Cancellable minimum lease commitments		
not later than one year	**41.86**	166.25
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	**581.07**	531.84

38 - Segment information

The reportable segments of the Group are 'Projects, Project Management and Development' and 'Operating of Commercial Complexes'. The segments are largely organised and managed separately according to the organisation structure that is designed based on the nature of business. Operating segments are reported in a manner consistent with the internal reporting provided to the Managing Director regarded as the Chief Operating Decision Maker ("CODM").

Description of each of the reportable segments for all periods presented, is as under:

i) Projects, Project Management & Development: This Segment of the business includes income from sale of residential units across projects, project management and development in India.

ii) Operating of Commercial Complexes: This Segment of the business includes rental income from commercial properties at Delhi and Pune.

The CODM evaluates the Group's performance and allocates resources based on an analysis of various performance indicators by operating segments. The CODM reviews revenue and gross profit as the performance indicator for all of the operating segments. The measurement of each segment's revenues, expenses and assets is consistent with the accounting policies that are used in preparation of the financial statements. Segment profit represents the profit before interest and tax. Information regarding the Group's reportable segments is presented below:

(₹ in lakh)

Particulars	31st March, 2018			31st March, 2017		
	Projects, Project Management & Development	**Operating of Commercial Complexes**	**Total**	Projects, Project Management & Development	Operating of Commercial Complexes	Total
Revenue						
External customers	**54,798.43**	**1,820.63**	**56,619.06**	74,196.06	2,018.71	76,214.77
Inter-segment	**-**	**-**	**-**	-	-	-
Total revenue	**54,798.43**	**1,820.63**	**56,619.06**	74,196.06	2,018.71	76,214.77
Results						
Segment Results	**17,865.59**	**1,516.96**	**19,382.55**	17,833.78	1,951.46	19,785.24
Less						
Unallocated Interest (Finance Cost)	**-**	**-**	**4,128.73**	-	-	2,020.84
Unallocated corporate expense net of unallocated income	**-**	**-**	**1,799.76**	-	-	3,874.11
Profit before tax	**-**	**-**	**13,454.06**	-	-	13,890.29
Income Tax	**-**	**-**	**3,117.57**	-	-	3,301.22
Profit after tax	**-**	**-**	**10,336.49**	-	-	10,589.07

(₹ in lakh)

Particulars	31st March, 2018			31st March, 2017		
	Projects, Project Management & Development	**Operating of Commercial Complexes**	**Total**	Projects, Project Management & Development	Operating of Commercial Complexes	Total
Segment Assets & Liabilities						
Segment Assets	**232,370.15**	**2,201.31**	**234,571.46**	268,084.63	2,282.49	270,367.12
Unallocated corporate assets			**65,226.54**			18,259.37
Total Assets			**299,798.00**			288,626.49
Segment Liabilities	**78,863.27**	**555.03**	**79,418.30**	98,314.02	556.34	98,870.36
Unallocated corporate liabilities			**10,040.19**			15,449.61
Total Liabilities			**89,458.49**			114,319.97
Other Information						
Depreciation and Amortisation Expense	**105.27**	**81.73**	**187.00**	134.80	50.31	185.11
Capital Expenditure	**206.75**	**-**	**206.75**	1,098.00	-	1,098.00

Revenue from type of products and services

The operating segments are primarily based on nature of products and services and hence the Revenue from external customers of each segment is representative of revenue based on products and services.

Geographical Information

The Group operates in one reportable geographical segment i.e. "Within India". Hence, no separate geographical segment wise disclosure is applicable as per the requirements of Ind AS 108 Operating Segments.

Information about major customers

During the year ended 31st March, 2018 and 2017 respectively, revenues from transactions with a single external customer did not amount to 10 percent or more of the Group's revenues from external customers.

Segment revenue reported above represents revenue generated from external customers. There were no inter-segment sales in the current year as well as previous year.

39 - Employee benefits

(a) Defined Contribution Plan

The Group's contribution to Provident Fund and Superannuation Fund aggregating ₹ 322.45 lakh (2017 : ₹ 366.31 Lakh) has been recognised in the Statement of Profit or Loss under the head Employee Benefits Expense.

(b) Defined Benefit Plans:

Gratuity

The Group 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 Group 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 Group makes annual contribution to the group gratuity scheme administered by the Life Insurance Corporation of India through its Gratuity Trust Fund.

Through its defined benefit plans the Group is exposed to a number of risks, the most significant of which are detailed below:

Investment risk

The present value of the defined benefit plan liability (denominated in Indian Rupee) is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

Interest risk

A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.

Longevity risk

The present value of defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

The significant actuarial assumptions used for the purposes of the actuarial valuations were as follows:

	Valuation as at	
	31-Mar-18	31-Mar-17
Discount rate(s)	**7.42% - 7.85%**	6.68% - 7.30%
Expected rate(s) of salary increase	**6% - 8%**	6% - 7%
Attrition Rate	**1% to 19.3% across various age groups**	1% to 19.3% across various age groups
Mortality	**IALM (2006-08) ULT.**	IALM (2006-08) ULT.

Retirement age of the employees is 60 years.

Defined benefit plans – as per actuarial valuation on 31st March, 2018

Particulars	**Funded Plan Gratuity**	
	2018	2017
Amounts recognised in comprehensive income in respect of these defined benefit plans are as follows:		
Service Cost		
Current Service Cost	**27.98**	77.61
Past service cost and (gains)/losses from settlements	**3.37**	-
Net interest expense	**6.08**	7.96
Components of defined benefit costs recognised in profit or loss	**37.43**	85.58
Remeasurement on the net defined benefit liability		
Return on plan assets (excluding amount included in net interest expense)	**(2.49)**	(0.58)
Actuarial gains and loss arising from demographic assumptions	**81.29**	(0.23)
Actuarial gains and loss arising from changes in financial assumptions	**(13.18)**	30.93
Actuarial gains and loss arising from experience adjustments	**(22.79)**	(119.18)
Components of defined benefit costs recognised in other comprehensive income	**42.83**	(89.06)
Total	**80.26**	(3.48)
I. Net Asset/(Liability) recognised in the Balance Sheet as at 31st March		
1. Present value of defined benefit obligation as at 31st March	**381.71**	332.47
2. Fair value of plan assets as at 31st March	**212.92**	226.98
3. Surplus/(Deficit)	**(168.79)**	(105.49)
4. Current portion of the above	**(87.87)**	(3.66)
5. Non current portion of the above	**(80.92)**	(101.83)

Particulars			Funded Plan Gratuity	
			2018	2017
II.	**Change in the obligation during the year ended 31st March**			
1.	Present value of defined benefit obligation at the beginning of the year		**332.47**	324.83
2.	Expenses Recognised in Profit and Loss Account			
	-	Current Service Cost	**27.98**	77.61
	-	Past Service Cost	**3.37**	-
	-	Interest Expense (Income)	**6.08**	23.88
3.	Recognised in Other Comprehensive Income			
	Remeasurement gains / (losses)			
	-	Actuarial (Gain)/ Loss arising from:		
		i. Demographic Assumptions	**81.29**	(0.23)
		ii. Financial Assumptions	**(13.18)**	30.93
		iii. Experience Adjustments	**(22.79)**	(119.18)
4.	Benefit payments		**(33.51)**	(5.37)
5.	Others (Specify)		**-**	-
6.	**Present value of defined benefit plans at the end of the year**		**381.71**	332.47
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		**226.98**	218.11
2.	Add/(Less) on account of Scheme of Arrangement/Business Transfer		**-**	-
3.	Expenses Recognised in Profit and Loss Account		**-**	-
	-	Expected return on plan assets	**15.97**	16.94
4.	Recognised in Other Comprehensive Income		**-**	-
	Remeasurement gains / (losses)		**-**	-
	-	Actual Return on plan assets in excess of the expected return	**1.09**	(0.44)
	-	Others (specify)	**-**	-
5.	Contributions by employer (including benefit payments recoverable)		**12.87**	12.87
6.	Benefit payments		**(43.99)**	(20.50)
7.	**Fair value of plan assets at the end of the year**		**212.92**	226.98
IV.	**The Fair Value of the Plan Asset at the end of the reporting period for each category, are as follows**			
-	Insurer managed funds (Non Quoted Value)		**212.92**	226.98

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Principal assumption	Year	Changes in assumption	Impact on defined benefit obligation	
			Increase in assumption	Decrease in assumption
Discount rate	**2018**	**1.00%**	**407.01**	**451.19**
	2017	1.00%	275.01	368.20
Salary growth rate	**2018**	**1.00%**	**447.61**	**409.63**
	2017	1.00%	354.23	283.77

The above sensitivity analyses 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 Group expects to contribute ₹ 97.96 lakh (31st March 2017: ₹ 4.23 Lakhs) to the gratuity trusts during the next financial year.

Maturity profile of defined benefit obligation:

(₹ in lakh)

	31st March, 2018	31st March, 2017
Within 1 year	**100.61**	6.52
1 - 2 year	**93.87**	21.61
2 - 3 year	**75.10**	26.13
3 - 4 year	**75.22**	13.94
4 - 5 year	**77.78**	15.74
5 - 10 years	**587.12**	254.49

Major Category of plan assets for Gratuity Fund is as follows:

	31st March, 2018	31st March, 2017
Asset category:		
Deposits with Insurance companies	**100%**	100%
	100%	100%

The weighted average duration of the defined benefit obligation as at 31st March, 2018 is 35.96 years (31st March, 2017: 35.39 years)

40 - Related Party Disclosures

(a) Related Parties where control exists

(i) Holding Company

Mahindra & Mahindra Limited

(b) Other Parties with whom Transactions have taken place during the year

(i) Joint Ventures

Mahindra World City Developers Limited
Mahindra Bebanco Developers Limited
Mahindra Inframan Water Utilities Limited
Mahindra Homes Private Limited
Mahindra Happinest Developers Limited (incorporated on 06 September, 2017)
Mahindra Industrial Park Chennai Limited
Mahindra World City (Jaipur) Limited
Industrial Cluster Private Limited

(ii) Fellow Subsidiaries

Mahindra Consulting Engineers Limited
Bristlecone India Limited
EPC Industries Limited
Mahindra Integrated Business Solutions Private Limited
Mahindra & Mahindra Contech Limited
Mahindra Defence Systems Limited
Mahindra Holidays & Resorts India Limited
NBS International Limited
Mahindra First Choice Wheels Limited
Mahindra Intertrade Limited
Mahindra Retail Private Limited
Mahindra Susten Private Limited

(iii) Associate of Holding Company

Tech Mahindra Limited

Mahindra Knowledge Park Private Limited

(iv) Key Management Personnel

Ms Anita Arjundas - Managing Director & CEO

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	Holding Company		Joint Ventures		Key Management Personnel		Other Related Parties	
	Year ended March 31, 2018	Year ended March 31, 2017	**Year ended March 31, 2018**	Year ended March 31, 2017	**Year ended March 31, 2018**	Year ended March 31, 2017	**Year ended March 31, 2018**	Year ended March 31, 2017
Sale of Goods								
Mahindra Happinest Developers Limited	**-**	-	**4,718.00**	-	**-**	-	**-**	-
Rendering of services								
Mahindra & Mahindra Limited	**1,790.88**	2,005.60	**-**	-	**-**	-	**-**	-
Mahindra Homes Private Limited	**-**	-	**1,294.17**	1,274.08	**-**	-	**-**	-
Mahindra Happinest Developers Limited	**-**	-	**1,407.77**	-	**-**	-	**-**	-
Industrial Cluster Private Limited	**-**	-	**206.00**	-	**-**	-	**-**	-
Mahindra World City (Jaipur) Limited	**-**	-	**9.93**	1.67	**-**	-	**-**	-
Mahindra Bebanco Developers Limited	**-**	-	**-**	1.00	**-**	-	**-**	-
Mahindra World City Developers Limited	**-**	-	**4.80**	96.08	**-**	-	**-**	-
Mahindra Susten Private Limited	**-**	-	**-**	-	**-**	-	**-**	0.12
Tech Mahindra Limited	**-**	-	**-**	-	**-**	-	**-**	0.05
Mahindra Defence Systems Limited	**-**	-	**-**	-	**-**	-	**-**	0.05
Receiving of Services								
Mahindra & Mahindra Limited	**839.24**	752.75	**-**	-	**-**	-	**-**	-
Bristlecone India Limited	**-**	-	**-**	-	**-**	-	**11.24**	18.87
EPC Industries Limited	**-**	-	**-**	-	**-**	-	**33.84**	49.73
Mahindra Intertrade Limited	**-**	-	**-**	-	**-**	-	**2.99**	1.90
Mahindra Integrated Business Solutions Private Limited	**-**	-	**-**	-	**-**	-	**55.35**	48.94
Mahindra Holidays & Resorts India Limited	**-**	-	**-**	-	**-**	-	**12.24**	7.42
Mahindra & Mahindra Contech Limited	**-**	-	**-**	-	**-**	-	**-**	4.84
Mahindra First Choice Wheels Limited	**-**	-	**-**	-	**-**	-	**2.49**	0.40
Mahindra World City Developers Limited	**-**	-	**-**	3.28	**-**	-	**360.07**	-
Mahindra Retail Private Limited	**-**	-	**-**	-	**-**	-	**0.91**	-
Mahindra Consulting Engineers Limited	**-**	-	**-**	-	**-**	-	**-**	45.00

Particulars	Holding Company		Joint Ventures		Key Management Personnel		Other Related Parties	
	Year ended March 31, 2018	Year ended March 31, 2017	**Year ended March 31, 2018**	Year ended March 31, 2017	**Year ended March 31, 2018**	Year ended March 31, 2017	**Year ended March 31, 2018**	Year ended March 31, 2017
Reimbursement made to parties								
Mahindra & Mahindra Limited	**146.19**	191.62	**-**	-	**-**	-	**-**	-
Mahindra World City Developers Limited	**-**	-	**7.36**	0.54	**-**	-	**-**	-
Mahindra World City (Jaipur) Limited	**-**	-	**7.88**	0.32	**-**	-	**-**	-
Industrial Cluster Private Limited	**-**	-	**5.93**	-	**-**	-	**-**	-
Mahindra Holidays & Resorts India Limited	**-**	-	**-**	-	**-**	-	**-**	3.44
Mahindra & Mahindra Contech Limited	**-**	-	**-**	-	**-**	-	**5.41**	-
Mahindra Knowledge Park Private Limited	**-**	-	**-**	-	**-**	-	**0.41**	-
Mahindra Integrated Business Solutions Pvt. Ltd	**-**	-	**-**	-	**-**	-	**-**	3.42
Reimbursement received from parties								
Industrial Cluster Private Limited	**-**	-	**1.26**	-	**-**	-	**-**	-
Mahindra World City Developers Limited	**-**	-	**-**	0.68	**-**	-	**-**	-
Mahindra Industrial Park Chennai Limited				40.93				
Mahindra World City (Jaipur) Limited	**-**	-	**-**	8.88	**-**	-	**-**	-
Mahindra Homes Private Limited	**-**	-	**-**	3.52	**-**	-	**-**	-
Mahindra Happinest Developers Limited	**-**	-	**236.20**	-	**-**	-	**-**	-
Leasing Income								
Mahindra Homes Private Limited				7.52				
Inter-corporate Deposit Given								
Mahindra Happinest Developers Limited	**-**	-	**15.00**	-	**-**	-	**-**	-
Mahindra World City Developers Limited	**-**	-	**932.63**	-	**-**	-	**-**	-
Mahindra World City (Jaipur) Limited	**-**	-	**12,150.00**	-	**-**	-	**-**	-
Mahindra Retail Private Limited	**-**	-	**-**	-	**-**	-	**1,500.00**	-
Inter-corporate Deposit Realised	**-**	-	**-**	-	**-**	-	**-**	-
Mahindra Happinest Developers Limited	**-**	-	**15.00**	-	**-**	-	**-**	-
Mahindra World City Developers Limited	**-**	-	**1,700.90**	-	**-**	-	**-**	-
Mahindra World City (Jaipur) Limited	**-**	-	**6,350.05**	-	**-**	-	**-**	-

Particulars	Holding Company		Joint Ventures		Key Management Personnel		Other Related Parties	
	Year ended March 31, 2018	Year ended March 31, 2017	**Year ended March 31, 2018**	Year ended March 31, 2017	**Year ended March 31, 2018**	Year ended March 31, 2017	**Year ended March 31, 2018**	Year ended March 31, 2017
Loan Taken								
Mahindra & Mahindra Limited	**15,000.00**	-	**-**	-	**-**	-	**-**	-
Mahindra World City Developers Limited	**-**	-	**-**	-	**-**	-	**-**	-
Tech Mahindra Limited	**-**	-	**-**	-	**-**	-	**8,000.00**	3,070.00
Loan Repaid								
Mahindra & Mahindra Limited	**15,000.00**	-	**-**	-	**-**	-	**-**	-
Tech Mahindra Limited	**-**	-	**-**	-	**-**	-	**8,400.00**	-
Optionally Convertible Reedemable Debentures issued								
Industrial Cluster Private Limited	**-**	-	**771**	-	**-**	-	**-**	-
Investment Made								
Industrial Cluster Private Limited	**-**	-	**370.00**	-	**-**	-	**-**	-
Mahindra Happinest Developer Limited	**-**	-	**1,003.50**	-	**-**	-	**-**	-
Mahindra Homes Private Limited	**-**	-	**-**	41.13	**-**	-	**-**	-
Investment sold / redeemed								
Industrial Cluster Private Limited	**-**	-	**3,208.02**	-	**-**	-	**-**	-
Interest Income								
Mahindra Homes Private Limited	**-**	-	**4,022.31**	4,482.38	**-**	-	**-**	-
Mahindra Happinest Developers Limited	**-**	-	**0.21**	-	**-**	-	**-**	-
Industrial Cluster Private Limited	**-**	-	**732.81**	-	**-**	-	**-**	-
Mahindra World City Developers Limited	**-**	-	**66.92**	-	**-**	-	**-**	-
Mahindra World City (Jaipur) Limited	**-**	-	**605.16**	-	**-**	-	**-**	-
Mahindra Bebanco Developers Limited	**-**	-	**224.98**	224.98	**-**	-	**-**	-
Mahindra Retail Private Limited	**-**	-	**-**	-	**-**	-	**36.49**	-
Interest Paid								
Mahindra & Mahindra Limited	**114.66**	-	**-**	-	**-**	-	**-**	-
Tech Mahindra Limited	**-**	-	**-**	-	**-**	-	**248.14**	115.58
Dividend Paid								
Mahindra & Mahindra Limited	**1,586.39**	1,250.77	**-**	-	**-**	-	**-**	-
Dividend Received								
Mahindra World City (Jaipur) Limited	**-**	-	**666.00**	824.44	**-**	-	**-**	-
Rights Issue of Shares (Including Securites Premium Received)								
Mahindra & Mahindra Limited	**16,333.67**	-	**-**	-	**-**	-	**-**	-
Sale of Fixed Assets								
Mahindra Industrial Park Chennai Limited	**-**	-	**-**	11.29	**-**	-	**-**	-
Purchase of Fixed Assets								
NBS International Limited	**-**	-	**-**	-	**-**	-	**-**	21.65
Managerial Remuneration								
Ms Anita Arjundas	**-**	-	**-**	-	**282.90**	270.05	**-**	-

Outstanding Balances as at year end date

The following table provides the outstanding balances with related parties as on the relevant date

(₹ in lakh)

Particulars	Balance as at	Parent Company	Joint ventures	Key Management Personnel	Other related parties
Inter-corporate Deposit Given	**31-Mar-18**	**-**	**7,564.56**	**-**	**1,500.00**
	31-Mar-17	-	1,011.44	-	1,521.44
Inter-corporate Loans Taken	**31-Mar-18**	**-**	**-**	**-**	**2,500.00**
	31-Mar-17	-	-	-	2,900.00
Optionally Convertible Reedemable Debentures	**31-Mar-18**	**-**	**771.00**	**-**	**-**
	31-Mar-17	-	-	-	-
Security Deposit Received	**31-Mar-18**	**540.08**	**-**	**-**	**-**
	31-Mar-17	540.08	-	-	-
Security Deposit Given	**31-Mar-18**	**-**	**-**	**-**	**99.12**
	31-Mar-17	-	-	-	99.12
Interest Income Receivable	**31-Mar-18**	**-**	**15,362.04**	**-**	**-**
	31-Mar-17	-	11,030.86	-	-
Interest Expense Payable	**31-Mar-18**	**-**	**-**	**-**	**104.95**
	31-Mar-17	-	-	-	22.60
Receivables	**31-Mar-18**	**2,822.30**	**858.37**	**-**	**7.33**
	31-Mar-17	2,836.09	761.40	-	4.49
Payables	**31-Mar-18**	**1,040.55**	**-**	**-**	**73.34**
	31-Mar-17	799.57	0.42	-	21.72
Prepaid Rent	**31-Mar-18**	**-**	**12.15**	**-**	**-**
	31-Mar-17	-	19.68	-	-

Note: As the liability for gratuity and leave encashment is provided on an actuarial basis for the Company as a whole, the amount pertaining to the Key Management Personnel is not ascertained separately, and therefore, not included above.

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 settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables.

Compensation of key managerial personnel

The remuneration of key management personnel includes remuneration paid to Ms. Anita Arjundas as below:

(₹ in lakh)

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Salary including perquisites	**254.56**	243.06
Other contribution to funds	**28.34**	26.99
Total	**282.90**	270.05

41 - Contingent liabilities and commitments

(₹ in lakh)

Particulars		As at 31 March, 2018	As at 31 March, 2017
Contingent liabilities			
(a)	**Claims against the Company not acknowledged as debt # (give details)**		
(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
(ii)	Demand from local authorities for transfer fees on transfer of property, disputed by the Company	**123.99**	123.99
(iii)	Demand from a local authority for energy dues disputed by the Company	**2,164.04**	2,164.04
(iv)	Claim from welfare association in connection with project work, disputed by the Company	**4,500.00**	4,500.00
(b)	**Tax Matter under appeal**		
(i)	**Income Tax**		
	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 appropriate appellate authorities	**413.44**	421.57
	Other demand, for which the Subsidiary Companies are contesting with the Appellate Authorities	**1,319.85**	1,319.50
(ii)	**Indirect Tax**		
	VAT, Service Tax and Entry Tax claims disputed by the Company relating to issues of applicability and interest on demand. Company is pursuing the matter with the appropriate Appellate Authorities	**448.49**	-
	Other demand, for which the Subsidiary Companies are contesting with the Appellate Authorities	**-**	90.18
(c)	**Guarantee/Counter guarantee given by a subsidiary for its joint ventures**	**1,800.00**	900.00

42 - Additional Information to the consolidated Financial Statements

Dividend

In respect of the current year, the directors proposed dividend of ₹ 6 per share be paid on equity shares on 27th April, 2018. This equity dividend is subject to approval by shareholders at the Annual General Meeting and has not been included as a liability in these financial statements. The proposed equity dividend is payable to those shareholders whose names appear on Register of Members as on the book closure date. The total estimated equity dividend to be paid is ₹ 3,079.69 lakh. The payment of this dividend is estimated to result in payment of dividend distribution tax of ₹ 633.04 lakh @ 20.56% on the amount of dividends grossed up for the related dividend distribution tax.

43 - Additional Information as required by Schedule III to the Companies Act, 2013.

Statement of Net Assets and Profit and Loss and Other Comprehensive Income attributable to Owners and Non-controlling Interest.

Name of the Enterprise	Net assets i.e., Total Assets minus Total Liabilities		Share of profit or loss		Share of other comprehensive income		Share of total comprehensive income	
	Amount (₹ in lakh)	As a % of consolidated net assets	Amount (₹ in lakh)	As a % of consolidated profit or loss	Amount (₹ in lakh)	As a % of consolidated profit or loss	Amount (₹ in lakh)	As a % of consolidated profit or loss
Parent								
Mahindra Lifespace Developers Limited	164,250.34	78.09%	3,800.61	37.63%	(15.16)	100.0%	3,785.45	37.53%
Subsidiaries (as per line by line method)								
Mahindra Integrated Township Limited	(60.34)	-0.03%	686.79	6.80%	-	-	686.79	6.81%
Mahindra Residential Developers Limited	8,510.99	4.05%	569.60	5.64%	-	-	569.60	5.65%
Mahindra Water Utilities Limited	3,835.58	1.82%	820.40	8.12%	-	-	820.40	8.13%
Mahindra Infrastructure Developers Limited	704.16	0.33%	4.88	0.05%	-	-	4.88	0.05%
Industrial Township Maharashtra Ltd.	(230.35)	-0.11%	(0.31)	0.00%	-	-	(0.31)	0.00%
Anthurium Developers Limited	14.81	0.01%	3.14	0.03%	-	-	3.14	0.03%
Industrial Cluster Private Limited	-	0.00%	-	0.00%	-	-	-	0.00%
Deepmangal Developers Private Limited	(366.15)	-0.17%	(0.07)	0.00%	-	-	(0.07)	0.00%
Knowledge Township Limited	(728.42)	-0.35%	18.27	0.18%	-	-	18.27	0.18%
Mahindra World City (Maharashtra) Limited	(1,536.19)	-0.73%	(38.58)	-0.38%	-	-	(38.58)	-0.38%
Moonshine Constructions Private Limited	(30.01)	-0.01%	(0.25)	0.00%	-	-	(0.25)	0.00%
Ratna Bhoomi Enterprises Private Limited	(2.88)	0.00%	(0.11)	0.00%	-	-	(0.11)	0.00%
Non Controlling interest	4,454.74	2.12%	(236.00)	-2.34%	-	-	(236.00)	-2.34%
Joint Ventures (as per equity method)								
Mahindra World City Developers Limited	13,157.57	6.26%	1,644.91	16.29%	-	-	1,644.91	16.31%
Mahindra World City (Jaipur) Limited	20,971.97	9.97%	2,563.92	25.38%	-	-	2,563.92	25.42%
Mahindra Bebanco Developers Limited	(223.22)	-0.11%	(1,034.85)	-10.25%	-	-	(1,034.85)	-10.26%
Mahindra Inframan Water Utilities Private Limited	1.33	0.00%	(0.98)	-0.01%	-	-	(0.98)	-0.01%
Mahindra Homes Private Limited	(1,884.38)	-0.90%	1,831.52	18.13%	-	-	1,831.52	18.16%
Mahindra Happinest Developers Limited	(278.81)	-0.13%	(283.91)	-2.81%	-	-	(283.91)	-2.82%
Industrial Cluster Private Limited	(221.24)	-0.11%	(248.48)	-2.46%	-	-	(248.48)	-2.46%
Total	**210,339.51**	**100.00%**	**10,100.49**	**100.00%**	**(15.16)**	**100.00%**	**10,085.33**	**100.00%**

44. Form AOC 1

Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Account) Rules, 2014.

Statement containing salient features of financial statements of Subsidiary / Associates / Joint Ventures.

Part"A" Subsidiaries

₹ in lakh

Sl. No.	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
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	Anthurium Developers Limited	Industrial Cluster Private Limited	Mahindra Industrial Park Chennai Limited	Mahindra Water Utilities Limited	Mahindra Homes Private Limited	Mahindra Construction Company Limited	Deep Mangal Developers Limited	Moonshine Construction Private Limited	Mahindra Happinest Developers Limited
The date since when subsidiary acquired	14-Dec-01	22-Sep-04	26-Aug-05	21-Sep-05	04-May-06	16-Aug-07	01-Feb-08	03-Jun-08	02-Jul-08	02-Jun-10	29-Mar-13	22-Dec-14	27-Jul-15	30-Mar-17	28-Dec-17	28-Dec-17	28-Dec-17	27-Sep-17
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	NA	NA	NA
Reporting Currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	NA	NA	NA	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	5.00	5.00	17,000.00	10.00	82.33	240.05	1.01	0.00	10.00
Reserves & surplus	(1,618.25)	11,524.31	13,636.26	(889.19)	4,143.72	248.65	9,337.36	102.75	(16.71)	14.73	(6.60)	282.57	6,157.69	2,605.03	(2,482.52)	(16.77)	(30.00)	(253.18)
Total assets	314.14	53,814.03	67,055.07	1,210.95	19,096.92	6,283.14	12,224.01	13,226.66	536.53	234.53	13,369.66	26,474.61	6,536.32	129,128.86	59.69	215.65	1.91	7,169.76
Total Liabilities	132.38	40,289.72	38,418.81	1,983.10	9,909.70	3,934.49	2,861.65	13,118.91	53.24	214.80	13,371.27	9,192.04	368.63	126,441.51	2,302.16	231.42	31.90	7,412.94
Investments	10.29	11,500.00	500.54	1,191.06	6,629.48	-	-	-	-	-	1,497.70	-	3.10	-	-	0.05	0.25	-
Turnover	11.13	9,802.26	12,784.02	-	4,309.92	-	3,613.75	319.89	-	-	-	-	1,919.96	24,431.09	-	-	-	-
Profit/(Loss) before taxation	5.27	1,204.84	4,263.30	(82.40)	606.86	24.91	441.58	(2,036.58)	(0.61)	6.97	(4.30)	(460.13)	1,135.52	2,793.46	(15.92)	(3.59)	(0.39)	(253.18)
Provision for taxation	1.36	(93.37)	553.54	-	120.48	7.54	90.04	(612.34)	-	1.80	-	(185.81)	315.12	1,053.82	-	-	-	-
Profit/(Loss) after taxation	3.91	1,298.21	3,709.76	(82.40)	486.38	17.37	351.54	(1,424.23)	(0.61)	5.18	(4.30)	(274.32)	820.40	1,739.64	(15.92)	(3.59)	(0.39)	(253.18)
Proposed Dividend	-		2,250.00	-	580.00	-	-	-	-	-	-	-	-	-	-	-	-	-
% of shareholding	100.00%	89.00%	74.00%	100.00%	96.30%	100.00%	96.30%	70.00%	100.00%	100.00%	100.00%	53.40%	98.99%	75.00%	54.17%	100.00%	100.00%	51.00%

Notes:

1. No subsidiaries which are yet to commence operations.

2. No subsidiaries which have been liquidated or sold during the year.

3. ₹ 0.00 lakh denotes amount less than ₹ 500/-

Part "B"Associates/ Joint Ventures

Name of Associates/Joint Ventures	ASSOCIATES	JOINT VENTURES
	Mahindra Knowledge Park Mohali Limited	Mahindra Inframan Water Utilities Private Limited $
Latest Audited Balance Sheet Date	31-Mar-18	31-Mar-18
The date on which the Associate or Joint Venture was associated or acquired	11-Dec-12	19-Jan-04
Shares of Associate/Joint Venture held by the Company on the year end:		
No. of Equity shares held	6	24,999
Extent of Holding (%)	46.15%	50.00%
Amount of investment in Associates/Joint Venture	0.00	2.50
Description of how there is significant influence	#	#
Reason why the Associate/joint venture is not consolidated	*	-
Networth attributable to Shareholding as per latest audited Balance sheet	(56.10)	1.20
Profit/(Loss) for the year:		
i) Considered in Consolidation	-	(0.98)
ii) Not Considered in Consolidation	(0.24)	(0.98)

Notes:

1. No Associates/Joint Venture which are yet to commence operations.
2. No Associates/Joint Venture which have been liquidated or sold during the year.
3. ₹ 0.00 lakh denotes amount less than ₹ 500/-

Significant influence due of % of share holding.

* No control based on control assessment

$ Shareholding is through a subsidiary, Mahindra Infrastructure Developers Limited

45 - Capital Commitments

(₹ in lakh)

Commitments	As at 31st March, 2018	As at 31st March, 2017
Capital Commitment : Estimated value of contracts remaining to be executed on capital account and not provided for (net of advances)	**30.57**	5.77

46 - Additional disclosure as per Guidance note on accounting for Real Estate Transactions

(₹ in lakh)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Contracts in Progress at the end of reporting Period		
Construction costs incurred plus profits recognised less losses recognised to date	**38,851.69**	35,755.00
Advances received from customers	**459.52**	1,316.25
Work in progress and inventories	**76,914.62**	63,157.46
Excess of revenue recognised over actual bills raised (unbilled revenue)	**20,431.28**	18,316.68

47 - Recent accounting pronouncement

In March 2018, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2018, notifying Ind AS 115 - 'Revenue from Contracts with Customers'. This standard is effective from 1st April, 2018, and establishes a single comprehensive model for accounting of revenue arising from contracts with customers. Ind AS 115 will supersede the current revenue recognition guidance under Ind AS 11 Construction Contracts and Ind AS 18 Revenue. The Company is currently assessing the impact of application of Ind AS 115 on Company's financial statements.

48 - Input Tax Credit (ITC) benefits to the customers

Revenue from operations for the year ended 31st March, 2018 is net of ₹ 1,228 Lakhs (31st March, 2017 -NIL) towards input tax credit benefits passed on to the customers as per the provisions of section 171 on Anti-Profiteering of CGST Act, 2017. The treatment is as per the prevailing Indian Accounting Standards.

49 - The comparative financial statements of the company for the previous year ended 31st March, 2017 were audited by the predecessor auditor B.K. Khare & Co.

50 - Events after the reporting period

No material events have occurred after the balance sheet date and upto the approval of the financial statements.

51 - Previous year figures

The figures for previous year have been regrouped wherever necessary to conform to current year's classification.

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

		Arun Nanda	Chairman	- DIN 00010029
		Anish Shah	Director	- DIN 02719429
Suhas Kulkarni	**Jayantt Manmadkar**	**Anita Arjundas**	Managing Director	- DIN 00243215
Company Secretary	Chief Financial Officer			

Mumbai : 27th April, 2018

Urban migration is a continuous phenomenon driven by a search for opportunities and a better quality of life. As one of India's leading real estate developers, Mahindra Lifespaces has anchored its approach to development through its mission of transforming the urban landscape through sustainable communities.

The Company's focus is on responsible development, be it integrated cities branded as 'Mahindra World City', industrial clusters branded as 'Origins by Mahindra World City', quality residential projects under the brand 'Mahindra Lifespaces' for the mid and premium segments, or the 'Happinest' brand for the affordable housing segment. By the end of FY 2017-18, the Company had over 14.55 million sq. ft. of completed projects and over 8.41 million sq. ft. of ongoing and forthcoming projects besides, over 4,960 acres under development/management at the integrated cities and industrial clusters.

Mahindra Lifespaces, practises and promotes sustainable urbanisation through an integrated approach to design and execution that is strongly rooted in environmental and social considerations.
The Company has institutionalised this ethos in a framework called:

urboonisation

It comprises of three pillars

responcity
responsive and responsible urbanisation

ecosystemic
economic progress without losing focus on ecology

happitat
communities that enhance culture, commerce and connectivity

Continuing its efforts in business responsibility, the Company is presenting its second Business Responsibility Report, as a demonstration of its accountability towards all its 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, 5th floor, Worli, Mumbai - 400018
4. Website : www.mahindralifespaces.com
5. E-mail id : investor.mldl@mahindra.com
6. Financial Year reported : 1st April 2017 - 31st March 2018
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 (including industrial clusters)
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 - Nil
   Corporate Offices: 1
   Area Offices (including branch and project offices of Mahindra Lifespace Developers Limited and its subsidiaries): 18 -MMR (5), Pune, Nagpur, Delhi, Gurgaon, Bengaluru, Hyderabad, Chennai (5) and Jaipur (2)
10. Markets served by the Company - Local/State/National
    i. Residential Projects (including affordable housing): MMR, Pune, Nagpur, Gurgaon, Bengaluru, Hyderabad, Chennai
    ii. Integrated Cities (including Industrial clusters): Chennai, Jaipur and Ahmedabad

Section B: Financial Details of the Company

1. Paid-up Capital (₹) : 5,133 Lakh*
2. Total Turnover (₹) : 55,722 Lakh*
3. Total profit after taxes (₹) : 5,312 Lakh*

*standalone financial statement as per Indian Accounting Standards (INDAS) as of 31st March 2018

4. Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%): ₹ 291.89 lakh i.e. 5.5 percent of the current year net profit. The CSR spend by the Company together with those of its subsidiaries and JV companies works out to ₹ 504 lakh. The details of the CSR expenditure dealt with subsequently in this report includes the activities done and the expenditure incurred by the Company, its subsidiaries and JV companies.
5. List of activities in which expenditure in 4 above has been incurred: Expenditure has been incurred in the following categories:
   a. Environment - Mahindra TERI Centre of Excellence (CoE) for sustainable habitats, 'Hariyali' Tree plantation, 'Green Army' school activation programme on adoption of sustainable lifestyles;
   b. Health - Health check-up camps, cleanliness drives;
   c. Education - 'Nanhi Kali' girl child education by K. C. Mahindra Trust, 'Gyandeep' school for children of construction workers / neighbouring village children, school infrastructure upgradation in village communities and;
   d. Community development - Local infrastructure projects such as provision of street lights, toilets, construction of community centre, development of roads in the neighbourhood areas.
   (The details are covered in Principle 8)

Section C: Other Details

1. **Does the Company have any Subsidiary Company/ Companies?**

   Yes. The Company has 18 subsidiary companies as on 31st March 2018 (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 2017-2018, 7 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 Water Utilities Limited, Mahindra World City Developers Ltd. and Mahindra World City (Jaipur) Ltd. These 7 companies, together with Mahindra Lifespaces represent a major part of the Company's operations and profits.

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 30%, 30-60%, More than 60%]

The Company has a long-standing relationship with its contractors and suppliers. It engages a major supplier base (around 30 percent) 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 1st and 2nd tier suppliers and vendors, the Company has developed a Green Supply Chain Management Policy (GSCM), broadly covering the following aspects:

1. Preference is given to service providers who ensure compliance to applicable legal and other requirements which have a significant impact on health, safety and environment;
2. Preference is given to Locally-based suppliers;
3. Preference is given to purchases from sources which are low-polluting and/or use clean technology and;
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 (as on 31st March, 2018)

b. Details of the BR Head

Sr. 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: Business 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

(a) Details of Compliances:

Sr. 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	Y Note 1
2	Has the policy been formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	NA	N Note 2	Y Note 1
3	Does the policy conform to any national/ international standards? If yes, specify? (50 words)	Y	Y	Y	Y	Y	Y	NA	Y	Y Note 1
4	Has the policy been approved by the Board? If yes, has it been signed by the MD/owner/ CEO/appropriate Board Director?	Y Note 3	Y Note 3	Y Note 3	Y Note 3	Y Note 3	Y Note 3	NA	Y Note 3	Y Note 1
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	NA	Y	Y Note 1
6	Indicate the link for the policy to be viewed online?	Y	Y	Y	Y	Y	Y	NA	Y	Y Note 1
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	NA	Y	Y Note 1
8	Does the Company have an in-house structure to implement the policy/policies?	Y Note 4	Y	Y	Y	Y	Y	NA	Y	Y Note 1
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 5	Y	NA	Y	Y Note 1
10	Has the Company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	N Note 6	Y	Y	N Note 6	Y	Y	N Note 6	N Note 6	Y Note 1

- 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 - 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 4 - 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 5 - 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 6 - While the Company has not carried out an 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 6 months. The Executive Council (EC) meeting that takes place every quarter, also assesses the performance of the Company. The Managing Director & CEO 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 is it published?**

  Mahindra Lifespace Developers Limited's sustainability report is published annually in accordance with the GRI framework. Sustainability reports of financial years 2012-13, 2013-14, 2014-15, 2015-16 and 2016-17 are accessible through the Company website https://www.mahindralifespaces.com/about/sustainable-urbanisation/business-responsibility

  Mahindra Group Sustainability Report (of which Mahindra Lifespaces is also a part of) is published annually as per the GRI framework. All Sustainability Reports from 2007-08 till 2016-17 are accessible on 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

Ethics, transparency and accountability are the three pillars that build a successful and sustainable business. The Company has put in place comprehensive governance structures based on its core values to ensure that all associates observe the highest standards of ethical conduct and integrity.

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 venture partners and other stakeholders.

Stakeholder Complaints

10,481 customer complaints were received during the reporting year; of which around 75 percent were minor in nature. Ninety - nine percent of the complaints were resolved and closed during the year.

During the reporting year, 60 investor complaints were received from the shareholders, of which 59 were resolved as on 31st March, 2018 and 1 was resolved on 19th April, 2018.

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

Customer delight is every company's desire, but good companies also strive for the safety and sustainability of their products and services. Mahindra Lifespaces ensures that its product portfolio not only serves customer aspirations but is also aligned with community goals and environmental objectives. The focus of its operations is on:

- Residential Projects (Mahindra Lifespaces and Happinest)
- Integrated Cities and Industrial Clusters (Mahindra World City and Origins)

Residential projects

At Mahindra Lifespaces, the Company has institutionalised an integrated systemic approach that straddles all three stages of a building's life cycle to yield maximum resource savings.

Design stage	Construction stage	Occupancy stage
• Creating blueprints that encourage green living and manage the complex cause and effect relationships in resource efficiency • Selection of resource efficient materials as part of the structure, fixtures and fittings as well as in site infrastructure	• Use of resource efficient equipment and procedures in the construction stage • Reuse of construction waste to minimize waste management and fresh consumption	• Creating awareness among customers on the use of green buildings • Generating savings for customers through energy and water efficiency

The Company continued building quality residential spaces, by flagging off new phases in the existing projects like Antheia, Happinest-Boisar, Aqualily, Windchimes, etc. and designing / launching new projects with green features like:

Health-friendly indoors | Energy-efficient lighting | Water-efficient plumbing fixtures |Alternative building materials | Sustainable location | Rainwater harvesting | Water recycling and re-use | Organic waste treatment | Energy-efficient building envelope | Efficient daylighting and ventilation

Integrated Cities and Industrial Clusters*

Operational energy efficiency for utilities (horizontal infrastructure includes Water Supply, Sewage Treatment Plant and Street Lighting) is also an important component of the energy impact reduction strategy. The following energy efficient strategies have been implemented in these developments:

- Energy efficient pumps and motors (including Class 1 motors, implementation of vertical in-line pumps and hydro-pneumatic water distribution systems).
- Dedicated use of LED energy efficient lamps for all street lighting. Street lighting fixtures have been fitted with timer based automatic control systems.
- Water supply and treatment pumping system provided with variable speed drive to conserve energy at part load.
- 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
- An in-house Sewage Treatment Plant (STP) and a Tertiary Treatment Plant (TTP), ensuring that the waste water generated within the project is internally recycled and treated. The treated water is used to meet the requirements of flushing, cooling, irrigation (on-site landscaping) and other non-potable uses within the site.
- Ensuring effective waste segregation on site and conversion of biodegradable waste into biofuel and compost.

*these strategies have been planned for the industrial clusters as well and will be executed as per the stages of its development.

Performance

The performance during construction is appended below, which is as reported in the Mahindra Lifespaces Sustainability Report for FY 2016-17 and FY 2017-18 (will be released shortly):

Resource Use	Division	Unit of Measurement	2016-17	2017-18
Specific Energy Consumption	Mahindra Lifespaces	GJ/square feet area developed	0.025	0.016
	Mahindra World Cities	GJ/acre of land developed/maintained	15.998	15.457
Greenhouse Gas Emissions	Mahindra Lifespaces	tCO_2e/square feet of area developed	0.001	0.0009
(Scope I)	Mahindra World Cities	tCO_2e/acre of land developed/maintained	0.117	0.114
Greenhouse Gas Emissions	Mahindra Lifespaces	tCO_2e/square feet of area developed	0.001	0.001
(Scope II)	Mahindra World Cities	tCO_2e/acre of land developed/maintained	3.284	3.17
Specific Water Consumption	Mahindra Lifespaces	m^3/square feet of area developed	0.248	0.15
	Mahindra World Cities	m^3/acre of land developed/maintained	857.388	889.709

Sustainable Sourcing (including transportation)

We involve our suppliers and vendors on a consistent basis through supplier meets, to actualise the commitment to sustainable sourcing. A Green Supply Chain Management Policy is in place.

Green Supply Chain Management (GSCM) Policy: The policy has been shared with suppliers to improve their awareness about legal compliances, enhance environmental efficiencies and ensure health & safety initiatives by the suppliers.

Local sourcing: The Company procures goods and services from producers through the GSCM policy, and encourage those suppliers who:

- ensure compliance to applicable legal and other requirements which have a significant impact on health, safety and environment;
- are locally-based suppliers to minimise environmental impact;
- are low on pollution and/or use clean technology and;
- 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., the total building materials procured within a 400km radius goes up to 75 percent in the case of platinum rated buildings).

During the reporting year, the company conducted Suppliers and Contractors Meet in the western region engaging its key stakeholders. Over 80 companies participated in the meet with the objective of building sustainable supply chains

based on the Environment, Social and Governance (ESG) framework.

Reduction in Pollution…reduction of DG Emissions

Background: Threat of air pollution is a real and grave issue:

- 4th leading cause of death globally
- 88 percent of these deaths occur in developing nations
- Every third child in New Delhi has reduced lung function

  PM (Particulate Matter) 10, PM 2.5 are the key culprits of ambient air pollution and are responsible for major health scares
- Respiratory diseases including Asthma and Chronic Obstructive Pulmonary Disease
- Cardiovascular diseases including Stroke and Ischemic Heart Disease
- Cancer - PM 2.5 is a Class I carcinogen (WHO)
- Pre-term births - 18 percent higher likelihood

The global warming potential of PM is ~ 460 times that of CO_2

Diesel Generators that are used for power backup are a major contributor to PM2.5 in metropolitan cities - ~9 percent of PM2.5 in Chennai is from Diesel Generators.

The team brainstormed and evaluated various alternatives and came across "Chakr shield" which is a retrofit on the existing DGs to capture emissions without adverse impact. Chakr's technology met the Company's sustainability objectives and the same was installed in its DG system as a Pilot.

Methodology

Step 1: Cools the exhaust in an optimal manner to cause rapid agglomeration of soot particles

Step 2: Captures the soot particles by slowly passing the exhaust gases through contours and meshes while interacting with a solution

Step 3: Continuously cleans the meshes and contours in real time, collecting soot at the bottom in a collection bin which can be reused as branding ink

Impact on Business

Before installing Chakr Shield – PM was at 68.7

Sr. No.	Parameters	Method	Units	Results	TNPCB Limits
1	Particulate Matters (PM)	IS 11255 PART 1 1985	mg/Nm^3	68.7	150

After installing Chakr Shield – PM is at 9.3

Sr. No.	Parameters	Method	Units	Results	TNPCB Limits
1	Particulate Matters (PM)	IS 11255 PART 1 1985	mg/Nm^3	9.3	150

Adoption of the technology saw an 86 percent reduction in the PM. It is proposed to deploy the same across all DGs in a phased manner during 2018 - 19.

Principle 3: Businesses should promote the well-being of all employees

Employees who feel truly cared for are the key to a sustainable business. We believe they are our first customers. Our associates (that's what we call our employees) are encouraged to think independently, develop leadership skills and explore innovative ideas. We strive to foster a diverse workplace in which a wide range of individual perspectives makes us better as a whole.

Although, there are no employee associations recognised by the management, a comprehensive HR policy covers all facets of talent management. Based on the feedback received from associates, the HR policy evolves consistently.

Equal opportunity employer

Merit is the only condition to work and grow at Mahindra Lifespaces and the Company does not discriminate on the basis of caste, gender, race, religion or any other classification.

Details of Complaints:

Sr. 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 doesn't happen by accident. The Company continuously provides safety training to all its associates including contractual associates and considers safety as one of its topmost priorities.

- Permanent Associates: 100 percent (Safety induction training given to all associates*)
- Contract/ Casual/ Temporary Associates: 100 percent (Safety induction training given to all associates*)

* Associates includes male, female and differently abled

Skill upgradation

In order to keep abreast with rapid technological changes, associates need to keep learning throughout their careers. The Company invests in staying ahead on the learning curve with knowledge enablement and capability development. Some of the key elements of learning and development includes self-development platforms, high value learning programmes and digital learning platforms.

- Permanent Associates: An average of 24 hours per person of job specific and skill upgradation training has been imparted to associates
- Contract/Casual/Temporary Associates: 124 workmen were 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 Permanent Associates: As of 31st March 2018, the Company together with its subsidiaries and JV companies had 436 associates on rolls. (includes Fixed Term Contract + Third Party Contract associates)
- Total number of Contractual/Casual/Temporary associates: 4,168 workmen were employed across sites by contractors (Contractual labourers on site hired by contractor)
- Number of permanent women associates: 78 associates on rolls (includes Fixed Term Contract+Third Party Contract associates)
- 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

All stakeholders, major or minor, affect or are affected by the decisions of a Company. At Mahindra Lifespaces, the Company informs, consults and involves stakeholders so that the Company is better planned and has responsible policies, projects, programmes and services.

The Company has mapped its internal as well as external stakeholders through materiality mapping, including the disadvantaged, vulnerable and marginalised stakeholders. Engaging with its stakeholders on a consistent basis leads to better understanding of its priorities. Hence, the Company conducts the materiality mapping once every two years to help validate its prioritisation and alignment with the Company's sustainability agenda and roadmap. The Company also conducted a few years back, a social impact assessment on a pilot basis for its integrated cities business to understand and map its footprint impact on various segments of stakeholders including villagers and the neighbouring community so as to develop and use the same as a blueprint for its CSR initiatives in the short and long term.

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

Human rights form the foundation of a fair society. Fundamental in nature and applicable universally, they require the rule of law as well as the empathy to understand the dignity of every human being. The Company adheres to this principle regardless of the status of any person, be it nation, location, language, religion, ethnic origin or any other form of classification.

Testimony to the Company's commitment are the policies and processes which are 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 facets of human rights.

Principle 6: Businesses should respect, protect, and make efforts to restore the environment

With a burgeoning population and scarcity of natural resources, it has become imperative to use natural resources carefully, minimise damage to the environment, and ensure that these resources are available for the future generations. At Mahindra Lifespaces, environmental responsibility encompasses the entire gamut of our operations.

The Company's endeavour is to leverage urbanisation to accelerate progress, to trigger and cascade inclusive growth, and to ensure that both are done with minimal impact on the environment. In this regard, the Company has taken several steps to address environmental issues such as resource depletion, waste management, climate change, etc.

Responsible Urbanisation - Urboonisation

Urboonisation has helped the Company understand and cater to the needs of not just the affluent or large corporates, but also those of the aspiring middle and lower income segments. The Company continues to spearhead Urboonisation as an act of business responsibility as well as environmental stewardship.

Sustainability roadmap 2020

The Company has delineated a sustainability roadmap 2020, which is aligned with the National Action Plan on Climate Change (NAPCC). It includes all facets of environmental stewardship. For more details, please refer the link https://www.mahindralifespaces.com/about/sustainable-urbanisation

Green Design

Green architecture or green design is Mahindra Lifespaces' approach to development that minimises harmful effects on human health and the environment. With this aim in mind, we attempt to safeguard air, water and earth by choosing eco-friendly building materials and construction practices. We are committed to design and construct buildings, which are green across their lifecycle - from construction to use to end-of-life.

Some of the features of green design include:

- 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 a view to improve energy efficiency in India's residential buildings sector, Mahindra Lifespaces and The Energy and Resources Institute (TERI) announced the creation of a Centre of Excellence (CoE). **The 'Mahindra TERI CoE for Sustainable Habitats' will evaluate both traditional and innovative technologies and alternative materials customized for the Indian buildings sector and climate zones to create viable, scalable, market-ready and affordable solutions.**

The Centre will bring much needed, validated knowledge about better performing materials and processes to mainstream green buildings in the country. The key focus areas of the CoE include energy and water efficiency and use of low cost green materials. Another important intended outcome of the research efforts of the CoE is to address the existing gap in available statistical datasets relevant to the Indian residential buildings sector. The research output from the CoE will be disseminated to multiple stakeholder communities via conferences, workshops, academic courses, reports, journal archives and webinars, amongst other mediums. Wider industry participation and contribution will be sought to increase capacity and reach. The CoE is located at TERI's Gual Pahari campus near Gurgaon, with research initiatives split into modules based on priority and scale.

During the year, the CoE's vision and objectives were set out, and research areas were identified. Work on the physical location of the CoE and on two modules of research activity were also initiated during the year.

Sustainable Housing Leadership Consortium (SHLC)

Mahindra Lifespaces became one of the five founding members of SHLC - a new consortium established in 2016-17 as a CEO-led think tank. Convened by International Finance Corporation (IFC), it aims to develop a low carbon roadmap for the housing industry which would also contribute towards the achievement of India's climate change goals. The key motivation is to mainstream sustainability in India's urban housing sector and support the transition to a low-carbon economy.

The objectives set for the consortium are:

- To make 100 percent of own housing portfolio sustainable by 2022 as evidenced by appropriate green building certification(s)
- To achieve 20 percent reduction in incremental variable costs for sustainable housing construction to further improve the business case for green buildings
- To provide leadership and advocacy for broader industry and government policy actions that aim to make 20 percent of India's new multi-family housing construction sustainable by 2022

During the year, SHLC identified and worked on the following four levers to enable the objectives:

Policy lever: to conduct a review of the policy landscape in India as well as globally, draw from best practices, and propose two-three key policy approaches to the government for incentivising the delivery of sustainable housing in India.

Technology lever: a comprehensive list of technologies has been identified (market ready, scalable, viable and sustainable) to help further enhance the business case for sustainable housing. The analysis of the shortlisted technologies that could be scaled up for reducing the incremental cost of building green will be completed in the next reporting year.

Consumer awareness: conducted a first-of-its-kind post occupancy evaluation (POE) of housing projects to understand the performance of green-certified projects and occupant perception. A nationwide multi-media consumer awareness campaign has also been designed to educate the Indian homebuyer about the benefits of buying green, which will be released in the next reporting year.

In addition to its approaches and initiatives, Mahindra Lifespaces also participated in the annual Clean Energy Ministerial (CEM8) in Beijing, China, and the Roundtable on 'Leveraging City-Scale Building Efficiency Action'.

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 were received from CPCB/SPCB, or that were pending as on 31st March 2018.

Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

Regulations and policies affects the way a Company conducts its business. As pioneers of green design and healthy living, the Company engages with other like-minded organisations to espouse the philosophy of sustainable urbanisation. The Company also learns from and share its expertise with various bodies to improve the quality of urban living. The Company engages with many industry bodies, some of which include:

- Confederation of Indian Industry (CII)
- Federation of Indian Chambers of Commerce and Industry (FICCI)
- Maharashtra Chamber of Housing Industry (MCHI)
- Indian Green Building Council (IGBC)

- India Business and Biodiversity Initiative (IBBI)

The Company undertakes need-based advocacy on issues pertaining to the industry, for the advancement of public good through its membership in relevant industry bodies.

Principle 8: Businesses should support inclusive growth and equitable development

Sustainable growth is accomplished by a combination of economic and equitable development, where economic progress lifts communities, which in turn feeds the economy. Mahindra Lifespaces, focusses on developing ecosystems that create a positive impact on the communities around its developments and drive interventions that positively influence society at large.

A total commitment / contribution of ₹ 601.17 lakh* was made in FY 2017-18 by the Company, its subsidiaries and JV companies towards CSR initiatives. This included community programmes and social interventions addressing key focus areas:

- Education: ₹ 299.67 lakh
- Environment: ₹ 213 lakh*
- Health: ₹ 67.90 lakh
- Community Development: ₹ 12.31 lakh
- Skill Development: ₹ 8.29 lakh

*Includes ₹ 97.20 Lakh earmarked for 'Mahindra TERI Centre of Excellence' that was not spent during the year and is to be utilised in 2018-19.

A snapshot of the Company's community based CSR initiatives under various focus areas is provided below:

- Education
  - o Vocational skill training, Mahindra World City, Jaipur (MWCJ): Till date **1,468 Students** have been trained, of which **300 Students** have been trained in 2017- 18. Around 45 percent of the trained youth have been placed in MWCJ and in the campuses of clients at MWCJ.
  - o Self Help Group, Mahindra World City, Jaipur (MWCJ): Till date **1,276 women** have been trained, of which **152 women** have been trained in 2017-18.
- Health
  - o Health check-up camps: 1,750 people from communities around the Company's project sites have undergone health check-up camps including eye, dental and general check-up.
  - o Health and hygiene, Mahindra World City Chennai (MWCC): The project aims to address the health needs as well as encourage a healthy lifestyle and behaviour in the target communities of two gram panchayats near MWCC. It also aims to improve the infrastructure facilities in the Primary Health Centre at one of these villages. A baseline survey was conducted with 300 mothers who had children under the age of 5 yrs. Community-led sessions on sanitation and hygiene were conducted in 10 target communities, and 30 households in the village have been identified for partial support in individual toilet construction.
- Environment
  - o Green Army: Through the Green Army programme, the Company sensitises school children about the environment and how a more sustainable lifestyle can be led. During the year, the Company reached out to 60 schools covering more than 10,000 students and 30,000 citizens (including students' families). Till date, over 160 schools in MMR and Pune district have been covered, touching over 30,000 students and 120,000 citizens.
  - o Mahindra Hariyali: 6,200 saplings were planted during the year across locations (Delhi, Bengaluru, Chennai, Pune, Nagpur and Jaipur).
- Community Development
  - o Blackboards in local schools: With an aim to provide better quality infrastructure within the education space, the Company took the initiative to support a local tribal school in Palghar district, which is currently deprived of basic amenities like benches and blackboards. Multiple schools were visited to do a need assessment and understand the requirements of the tribal schools in the area. This initiative helped open up 12 class rooms that were closed for over 5 years due to lack of infrastructure.

    In addition to investing in 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 impact of its major initiatives.

The detailed information about the Company's social initiatives will be a part of the Sustainability Report 2017-18. 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

All policies and processes finally transform into products for the customer. Mahindra Lifespaces delivers innovative customer-focussed solutions that are rooted in a legacy of trust and transparency. A pioneer of the green homes movement in India, we have been ranked 4th in Asia in our category, in the '2017 GRESB Real Estate ESG (Environmental, Social and Governance) Assessment'. Our customer-centric approach includes being accessible to our customers at all times, through multiple channels of communication and using customer feedback and inputs to improve on our products and services.

Customer satisfaction surveys are also carried out by external agencies, like the 'Customer Satisfaction Study' conducted through IMRB International. Quick resolution of customer complaints is given top priority. The percentage of customer complaints and consumer cases pending as of 31st March 2018 is 1% and 86.96% respectively.

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 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 2018.

NOTES

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

Windchimes, Bengaluru

Happinest Palghar

Aqualily, Mahindra World City, Chennai

Bloomdale, Nagpur

Luminare, Gurugram

Antheia, Pune

OUR PRESENCE

Bengaluru | Chennai | Delhi NCR | Hyderabad | Jaipur | Mumbai & MMR | Nagpur | Pune

CORPORATE OFFICE

Mahindra Lifespace Developers Limited
CIN L45200MH1999PLC118949
5Th Floor, Mahindra Towers, Worli, Mumbai 400 018, India

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Email: homes@mahindra.com | Website: www.mahindralifespaces.com

www.sapprints.com

MAHINDRA LIFESPACE DEVELOPERS LIMITED

CIN : L45200MH1999PLC118949
Registered Office: : 5th Floor, Mahindra Towers, Worli, Mumbai – 400 018.
Website : www.mahindralifespaces.com, **Phone** – 022 67478600 / 8601, **Fax:** 022 2497 5084

Name, Address, Folio No./DP ID - Client ID of the Member

ATTENDANCE SLIP

I / We record my / our presence at the 19th Annual General Meeting of the Company on Monday, 30th July, 2018 at 3:00 p.m. at Y. B. Chavan Centre, General Jagannath Bhosle Marg, Next to Sachivalaya Gymkhana, Mumbai - 400 021

NAME OF THE MEMBER(S) / PROXY (in Block Letters)	
SIGNATURE OF THE MEMBER(S) / PROXY	

NOTE:

You are requested to sign and handover this slip at the entrance of the meeting venue. Joint Members may obtain additional slip on request at the venue of the meeting.

ELECTRONIC VOTING PARTICULARS

EVEN (E-voting Event Number)	User ID	Password / PIN

----------TEAR HERE----------

MAHINDRA LIFESPACE DEVELOPERS LIMITED

CIN: L45200MH1999PLC118949
Registered Office: 5th Floor, Mahindra Towers, Worli, Mumbai – 400 018
Website : www.mahindralifespaces.com **Phone** – 022 67478600 / 8601 Fax : 022 2497 5084

PROXY FORM (FORM NO. MGT-11)

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN:	L45200MH1999PLC118949
Name of the Company:	Mahindra Lifespace Developers Limited
Registered Office:	5th Floor, Mahindra Towers, Worli, Mumbai – 400 018
Name of the member(s):	
Registered address:	
E-mail Id:	
Folio No. / DP ID* and Client Id*	

*Applicable for Members holding shares in dematerialised form.

I / We, being the member(s) of Mahindra Lifespace Developers Limited holding……shares of the Company, hereby appoint:

1	Name			
	Address			
	E-mail id		Signature	
	Or failing him / her			
2	Name			
	Address			
	E-mail id		Signature	
	Or failing him / her			
3	Name			
	Address			
	E-mail id		Signature	

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as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 19th Annual General Meeting of the Company, to be held on Monday, 30th July, 2018 at 3:00 p.m. at Y. B. Chavan Centre, General Jagannath Bhosle Marg, Next to Sachivalaya Gymkhana, Mumbai - 400 021 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolutions	Vote (Optional see Note 2) (Please mention no. of shares)		
		For	Against	Abstain
ORDINARY BUSINESS				
1.	To receive, consider and adopt the audited financial statement of the Company for the year ended on 31st March, 2018 (including audited consolidated financial statement) and the Reports of the Board of Directors' and the Auditor's thereon.			
2.	To declare Dividend on equity shares for the Financial Year ended on 31st March, 2018			
3.	To appoint a Director in place of Dr. Anish Shah (DIN: 02719429), who retires by rotation and, being eligible, offers himself for re-appointment.			
4.	Annual ratification of appointment of the Auditors of the Company and fixing their remuneration.			
SPECIAL BUSINESS				
5.	Appointment of Mr. Ameet Hariani as an Independent Director			
6.	Private Placement of Non-Convertible Debentures and / or other Debt Securities			
7.	Ratification of the Remuneration to Cost Auditors			
8.	Material Related Party Transactions			

Signed this……..day of…….2018.

Affix Revenue Stamp

Signature of Member : .....

Signature of Proxy holder(s) : .....

Notes:

1. **THIS FORM OF PROXY IN ORDER TO BE EFFECTIVE, SHOULD BE DULY STAMPED, COMPLETED, SIGNED AND DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY, NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING;**
2. It is optional to indicate your preference. If you leave the 'for', 'against' or 'abstain' column blank against any or all of the resolutions, your proxy will be entitled to vote in the manner as he/she may deem appropriate.