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

01st July, 2019

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: Compliance under Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 - Annual Report for the financial year 2018- 2019

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 of our Company along with the Notice of 20th Annual General Meeting for the financial year 2018-2019.

Kindly acknowledge and take the above on record.

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

Suhas Kulkarni
Chief Legal Officer & Company Secretary
FCS-2427

MAHINDRA LIFESPACE DEVELOPERS LIMITED

Mahindra LIFESPACES

OUR FOUNDATIONS HELP US RISE.

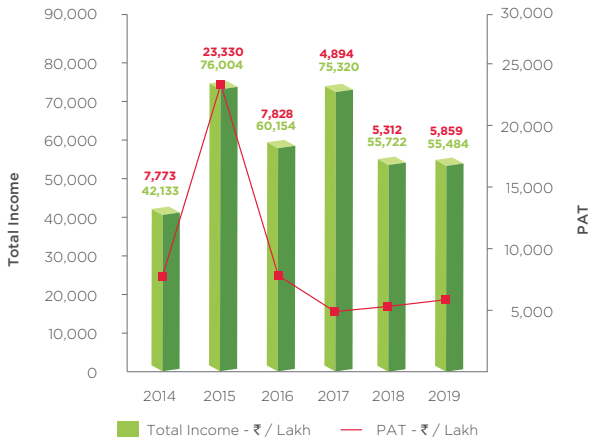


ANNUAL REPORT 2019

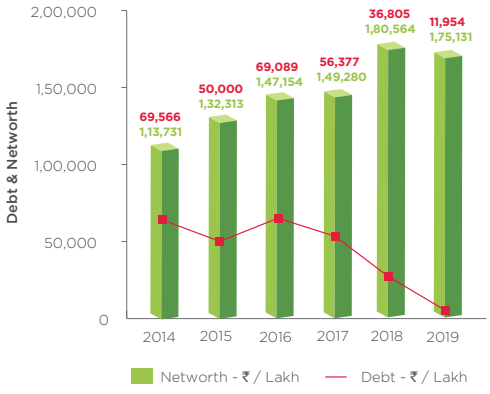
FINANCIAL HIGHLIGHTS

STANDALONE

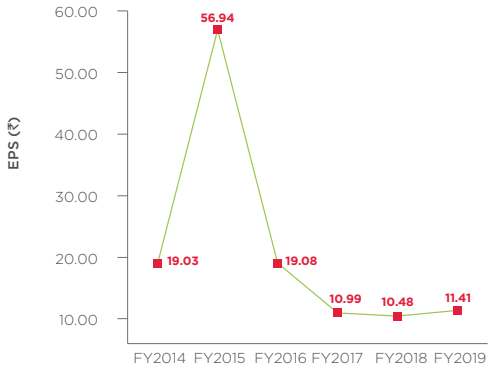
TOTAL INCOME & PAT



DEBT & NETWORTH

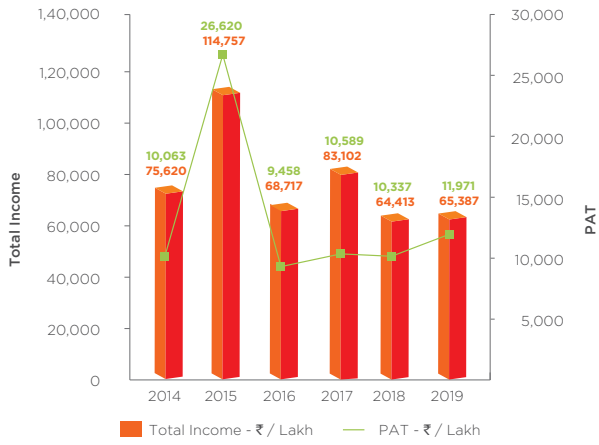


EPS

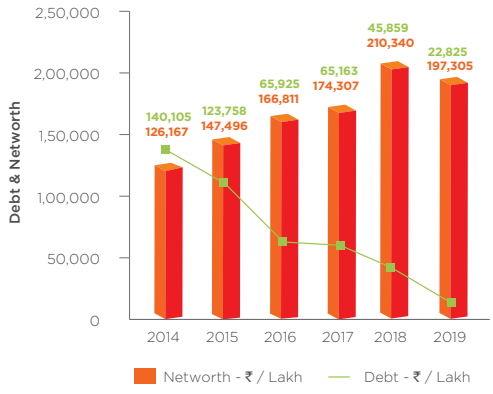


CONSOLIDATED

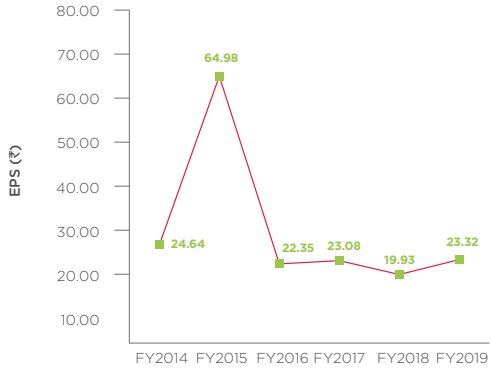
TOTAL INCOME & PAT



DEBT & NETWORTH



EPS



FINANCIAL HIGHLIGHTS (STANDALONE)

₹ in lakh

	F-2019#	F-2018	F-2017	F-2016	F-2015	F-2014	F-2013	F-2012	F-2011	F-2010
Net Worth	175,131	180,564	149,280	147,154	132,313	113,731	118,968	112,016	102,828	95,879
Borrowings	11,954	36,805	56,377	69,089	50,000	69,566	40,723	17,000	10,000	-
Net Fixed Assets	3,755	3,746	4,079	3,385	2,980	2,857	2,557	2,907	3,192	3,237
Investments	65,068	85,092	80,393	77,621	57,340	75,027	43,114	44,860	36,214	40,955
Book Value Per Equity Share (₹)	341	352	364	359	323	278	291	274	252	232
Operating Income	48,603	47,500	68,055	50,211	62,401	30,707	35,152	46,895	47,656	32,065
Other Income	6,881	8,222	7,265	9,943	13,602	11,426	7,073	5,217	3,029	2,899
Operating Expenses	35,626	34,468	54,667	34,736	29,894	21,879	22,577	30,199	31,367	21,267
Other expenses	11,400	13,361	13,598	13,761	12,339	10,114	6,060	5,159	4,381	2,947
Profit Before Tax	8,458	7,893	7,055	11,657	33,771	10,140	13,588	16,755	14,937	10,750
Profit After Tax	5,859	5,312	4,894	7,828	23,330	7,773	9,749	12,016	10,305	7,938
Basic Earning per Share (₹)	11.41	10.48	10.99	19.08	56.94	19.03	23.87	29.43	24.94	19.15
Diluted Earning per Share (₹)	11.39	10.46	10.99	19.08	56.94	19.03	23.87	29.43	24.94	19.15
Equity Dividend per share (₹)	6.00	6.00	6.00	6.00	12.00*	6.00	6.00	6.00	5.00	3.50

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

Figures for financial year 2019 is as per IND AS 115 “Revenue from Contract with Customers” applicable from 1st April 2018. As per IND AS 115 recognition of revenue is based on satisfaction of performance obligation at a point in time (Completed Contract Method). Previous years figures are as per percentage of completion method and hence not comparable.

For Consolidated Financial Highlights please refer Page No. 132.

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As on 31st March, 2019

Board of Directors

Mr. Arun Nanda	Chairman
Mr. Shailesh Haribhakti	
Mr. Bharat Shah	
Mr. Ameet Hariani	
Dr. Anish Shah	
Ms. Sangeeta Prasad	Managing Director & Chief Executive Officer

Leadership Team

Ms. Sangeeta Prasad	Managing Director & Chief Executive Officer
Mr. Arvind Subramanian	Chief Executive Officer – Happinest
Mr. Sanjay Srivastava	Business Head - Mahindra World City, Jaipur
Mr. Rahul Gupta	Business Head – Residential (South)
Mr. Vijayan Janardhanan	Business Head – Mahindra World City, Chennai
Mr. Sandeep Singh	Chief Business Development Officer
Mr. Sunil Sharma	Chief Customer Officer
Mr. Deepak Suvarna	Chief Project Officer
Mr. Subhorov Roy	Chief Sales Officer
Mr. John Lancelot Cutinha	Chief People Officer
Mr. Jayant Manmadkar	Chief Financial Officer
Mr. Suhas Kulkarni	Chief Legal Officer & 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., Wadia Ghandy & Co.

Registrar and Share Transfer Agent

Karvy Fintech 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.karvyfintech.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

Mahindra Luminare
At Village Behrampur, Sector 59
Gurugram, Haryana 122 001

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

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

Mumbai Office
702, C & B Square, Sangam Complex
127, Andheri Kurla Road, Chakala,
Andheri, Mumbai 400 059

CoWrks, 3rd floor, Prudential Building,
Central Avenue, Hiranandani Gardens,
Powai, Mumbai – 400 076

Jaipur Office
Mahindra World City Project Office SEZ,
Village Kalwara, Jhai, Bhamboriya, Bagru Khurd and
Newta, Tehsil Sanganer, Jaipur, Rajasthan 302037

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

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

Nagpur Office
Mihan SEZ De-notified Area,
Beside D. Y. Patil International School
Khapri, Nagpur 441 108

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

Ahmedabad Office
1105, Earth Arise, Nr YMCA Club,
S. G. Highway, Ahmedabad - 380015

CHAIRMAN'S STATEMENT



Dear Shareholders,

It gives me immense pleasure and pride to write to you as your Company celebrates its silver jubilee!

Your Company is built on a robust foundation anchored on the core values of the Mahindra Group - Professionalism, Good corporate governance, Customer centricity, Quality and Transparency. From the very beginning, it has been committed to sustainable business practices, ethical values, and driving positive change in the lives of its stakeholders and communities.

The Real Estate industry has experienced significant shifts in the past few years- regulatory and market dynamics. These structural shifts will enable the industry to consolidate and evolve to ultimately benefit the home owners. Based on what I understand of the policies of the new Government, it will augur well for your Company. The Government believes that the construction industry will create jobs and provide a kickstart to the economy. In addition, the Prime Minister's mission of "Housing for All" will give a major boost to the industry. Your Company has been able to successfully navigate the strong head winds in the last four years which hit the Real Estate industry and given its reputation and low debt, it should significantly benefit from the new policies and market changes.

In my humble opinion, your Company is probably one of the best poised because of the Mahindra Group's strength, both in manufacturing and innovation, to be a leading player in the Affordable Housing segment. In addition, the Make in India campaign and the thrust to growth towards the MSME sector will benefit our Integrated Cities and Industrial Clusters segment of the business.

In the premium residential sector, your Management has found the right niche and with the initiatives that they have taken, both in raising financial resources and land acquisition, you should see positive results in the future.

The Company has built strong partnerships with various investors such as Actis, HDFC Capital, IFC, and Sumitomo to catalyze growth.

We believe the time is right for strong brands like ours that possess execution capabilities, ability to raise funds, and a customer-centric mindset to carve out a distinct position and win. As we turn twenty five, we are setting out on a journey of growth with a strong sense of purpose and mindful aggression. Our Credo of 'Sell genuinely, Build responsibly, Deliver on time' is rooted in the way we do things and reflected in our actions. I am confident that we are poised to deliver scale and profitable growth in the coming years, anchored on a strong foundation of 'Transforming urban landscapes by creating sustainable communities.'

Your Company achieved some 'best-evers' during the year on parameters including sales, collections, completion and handover of units. The residential business crossed ₹ 1,000 crore in sales, ₹ 950 crore in collections and 1.8 msft completion during the year.

The consolidated total revenue grew to ₹ 653.9 crore in FY 2018-19. In FY 2018-19, the Profit Before Tax (PBT) grew by 6.5% to ₹ 143.3 crore and the Profit After Tax (PAT) grew by 18.5% to ₹ 119.7 crore.

Let us jointly encourage the management at this juncture to grow and win in a sustainable and customer-centric manner and wish them all the best.

I would like to extend my sincere thanks to all employees, customers, business and financial partners of your Company and you, as a shareholder, for your support.

With best regards,

Yours sincerely,

Arun Nanda
Chairman

NOTICE

The Twentieth Annual General Meeting of **MAHINDRA LIFESPACE DEVELOPERS LIMITED** (CIN: L45200MH1999PLC118949) will be held on Friday, 26th July, 2019 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:

   a. the audited standalone financial statement of the Company for the financial year ended on 31st March, 2019 and the Reports of the Board of Directors and the Auditor's thereon; and

   b. the audited consolidated financial statement of the Company for the financial year ended on 31st March, 2019 and report of the Auditor's thereon;

2. To declare Dividend on equity shares for the financial year ended on 31st March, 2019;

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

SPECIAL BUSINESS:

4. Appointment of Ms. Sangeeta Prasad as a 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) and Articles of Association of the Company, Ms. Sangeeta Prasad (DIN: 02791944) who was appointed by the Board of Directors pursuant to the provision of Section 161 of the Act and the Articles of Association of the Company as an Additional Director of the Company in the category of Executive Director with effect from 1st October, 2018 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 her candidature for the office of a Director of the Company, be and is hereby appointed as a Director of the Company not liable to retire by rotation."

5. Appointment and Remuneration of Ms. Sangeeta Prasad as the Managing Director & Chief Executive Officer

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

"RESOLVED THAT pursuant to the provisions of Sections 2(54), 2(78), 196, 197, 198, 203 and all other applicable provisions of the Companies Act, 2013 ("the Act") read with Schedule V to the Act and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, (including any statutory modification or re-enactment thereof for the time being in force) and Articles of Association of the Company and subject to such approvals and sanctions, as may be required, and subject to such conditions and modifications, as may be prescribed or imposed by any of the Authorities in granting such approvals and sanctions, approval of the Company be and is hereby accorded to the appointment and remuneration of Ms. Sangeeta Prasad (DIN: 02791944), as the Managing Director of the Company under the Companies Act, 2013 to be designated as "Managing Director & Chief Executive Officer" (MD & CEO) who shall also be a key managerial personnel under the Companies Act, 2013, for a period of five years with effect from 1st October, 2018 to 30th September, 2023 (both days inclusive), and who shall not be liable to retire by rotation, on terms and conditions including remuneration as set out in the explanatory statement annexed to the Notice convening this Meeting with liberty to the Board of Directors (hereinafter referred to as the "Board" which term shall be deemed to include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said appointment and /or remuneration or any part thereof, including the basic salary within the approved scale, from time to time, as it may deem fit and as may be acceptable to Ms. Sangeeta Prasad, subject to the same not exceeding the limits specified under Schedule V to the Act or any statutory modification(s) or re-enactments thereof;.

RESOLVED FURTHER THAT notwithstanding anything contained herein, where in any financial year(s) during the tenure of the MD & CEO, the Company has no profits or its profits are inadequate or in the event the remuneration to MD & CEO exceeds the limits set out in Section 197 and / or Schedule V to the Act, the Company may subject to receipt of the requisite approvals, pay to the MD & CEO, the remuneration as set out in the Explanatory Statement annexed to the Notice convening this Meeting, as the minimum remuneration for a period not exceeding 3 (three) years or such other period as may be statutorily permitted, by way of salary, perquisites, performance pay, other allowances and benefits and that the perquisites pertaining to contribution to provident fund, superannuation fund or annuity fund, gratuity, ex-gratia and leave encashment shall not be included in the computation of the ceiling on remuneration specified in Section II and Section III of part II of Schedule V to the Act.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution without being required to seek any further 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."

6. Ratification of Remuneration to Cost Auditor

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) and recommendation of the Audit Committee, CMA Vaibhav Prabhakar Joshi, Practising Cost Accountant, Mumbai (Firm 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, 2019, 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 and is hereby authorised to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this Resolution."

NOTES:

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

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

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

i) it is signed by the member or by his / her attorney duly authorised in writing or, in the case of joint holders, the signature of any one holder on proxy form will be sufficient, but names of all the joint holders should be stated or, in the case of body corporate, it is executed under its common seal, if any, or signed by its attorney duly authorised in writing; provided that an instrument of proxy shall be sufficiently signed by any member, who for any reason is unable to write his/her name, if his / her thumb impression is affixed thereto, and attested by a judge, magistrate, registrar or sub-registrar of assurances or other government gazetted officers or any officer of a Nationalised Bank;

ii) it is duly stamped and deposited at the Registered Office of the Company not less than 48 hours before the time fixed for the meeting i.e. by 3:00 p.m. on Wednesday, 24th July, 2019, together with the power of attorney or other authority (if any), under which it is signed or a copy of that power of attorney certified by a notary public or a magistrate unless such a power of attorney or the other authority is previously deposited and registered with the Company / Registrar & Share Transfer Agent;

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

D. Members / proxies are requested to bring duly filled attendance slips, sent herewith, to attend the Meeting and proxy holder shall prove his identity at the time of attending 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 of 31st March, 2019:

Mr. Arun Nanda, Chairman holds 1,66,212 shares of the Company (Out of 1,66,212 Equity Shares, 142 Equity Shares are held jointly with Ms. Neerja Nanda, being the second holder, 750 Equity Shares are held jointly with Ms. Neerja Nanda, being the first holder and 437 equity Shares are held jointly with Mr. Uday Nanda and Ms. Neerja Nanda, Mr. Arun Nanda being the third holder).

Ms. Sangeeta Prasad holds 7,500 equity shares in the Company.

Brief resume and other requisite details of Mr. Arun Nanda and Ms. Sangeeta Prasad, in terms of Regulation 36(3) of Securities and Exchange Board of India, (Listing Obligation & Disclosure Requirement), Regulations 2015 (SEBI LODR) and Secretarial Standard -2 (SS-2) on General Meetings 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;

G. Explanatory Statement as required under Section 102 of Companies Act, 2013 ("the Act") is annexed hereto;

H. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, 20th July, 2019 to Friday, 26th July, 2019 (both days inclusive);

I. Dividend, if declared, will be credited / dispatched on or before Friday, 2nd August, 2019 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, 19th July, 2019;

J. A member desirous of getting any information on the accounts or operations of the Company is requested to write to the Company at least seven working days prior to the meeting, so that the required information can be made available at the meeting;

K. In terms of Section 124 of the Companies Act, 2013 (Section 205A of the Companies Act, 1956), dividends that are unclaimed/unpaid for a period of seven years are required to be transferred to the Investor Education and Protection Fund (IEPF) administered by the Central Government. Accordingly, unpaid / unclaimed dividends for the financial year ended on 31st March, 2011 has been transferred to the IEPF. 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 2011-12 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
2011-12	24th July, 2012	28th August, 2019	29th August, 2019 to 27th September, 2019
2012-13	24th July, 2013	29th August, 2020	30th August, 2020 to 28th September, 2020
2013-14	7th August, 2014	6th September, 2021	7th September, 2021 to 6th October, 2021
2014-15 (Interim Dividend)	29th September, 2014	3rd November, 2021	4th November, 2021 to 3rd December, 2021
2014-15	31st July, 2015	31st August, 2022	1st September, 2022 to 30th September, 2022
2015-16	28th July, 2016	1st September, 2023	2nd September, 2023 to 1st October, 2023
2016-17	25th July, 2017	29th August, 2024	30th August 2024 to 28th September, 2024
2017-18	30th July, 2018	30th August, 2025	31st August 2025 to 29th September, 2025

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, Karvy Fintech Private Limited (formerly known as Karvy Computershare Private Limited) ("Karvy") 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 2011-12 to 2017-18, as on the 19th Annual General Meeting held on 30th July, 2018, on the website of the Company www.mahindralifespaces.com and website of the IEPF www.iepf.gov.in;

L. Pursuant to the provisions of Section 124 and 125 of the Act and the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, ("the Rules") as amended, all shares on which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to IEPF Authority as notified by the Ministry of Corporate Affairs.

In accordance with the aforesaid Rules, the Company has sent notice to all the Shareholders whose shares are due for transfer to the IEPF Authority and has also published notice in newspapers. Till date, the Company has transferred 1,55,836 equity shares to IEPF. The voting rights on shares transferred to IEPF remains frozen until the rightful owner claims the shares. The shareholders whose dividend/shares have been / will be transferred to the IEPF Authority, can claim the same from the IEPF Authority by following the procedure as detailed on the website of IEPF Authority http://iepf.gov.in/IEPFA/refund.html

M. Members can avail the facility of nomination in respect of shares held by them in physical form in accordance with the provisions of Section 72 of the Act. Members desiring to avail this facility may send their nomination in the prescribed Form No. SH - 13 duly filled in to Karvy. Members holding shares in electronic form may contact their respective Depository Participants for availing this facility.

N. Members are requested to:

a) intimate immediately to the Company's Registrar & Share Transfer Agent, Karvy or to the Depository Participant, as the case may be, changes, if any, in their registered address;

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.

O. The Securities and Exchange Board of India (SEBI) has amended Regulation 40 of SEBI LODR. Pursuant to amended Regulation 40 of SEBI LODR, effective 1st April, 2019, except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialized form with a depository.

The Company in this regard has sent letters to the shareholders holding shares in physical form informing them about the above requirement. All shareholders holding shares in physical form are requested to demat their shares at the earliest.

P. SEBI has mandated submission of Permanent Account Number (PAN) and Bank Account details by every participant in securities market. The members who are yet to update their PAN and/or Bank Account details are requested to update the same at the earliest by submitting requisite details and documents to the Company / Registrar & Share Transfer Agent (Karvy). Members holding shares in physical form can submit the same to the Company / Registrar & Share Transfer Agent, Karvy and members holding shares in electronic form to their Depository Participants.

Q. Non-Resident Indian members are requested to inform Registrar & Share Transfer Agent, Karvy, 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.

R. Payment of Dividend 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. NECS (National ECS), direct credit, RTGS, NEFT, etc.

You are, therefore, requested 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, Karvy 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.

S. Pursuant to Section 101 and 136 of the Act read with relevant Rules made thereunder and Regulation 36(1)(a) of SEBI LODR, soft copy of the Annual Report and other communications shall be served to members through electronic mode to those members who have registered their e-mail address either with the Company or with any Depositories. As per provisions of Section 20 of the Act read with Rules made 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 or with any Depository, 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 / other 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, Karvy, 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).

T. The Annual Report including the notice of the 20th 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 / Depository Participant(s). For Members who have not registered their e-mail addresses or have requested for a physical copy, physical copy of the Annual Report including the notice of the 20th Annual General Meeting, 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 20th Annual General Meeting and the Annual Report for the financial year 2018 - 19 will also be available on the Company's website www.mahindralifespaces.com for download and also on the website of Karvy http://www.karvyfintech.com/. Even after registering for e-communication, members are entitled to receive such communication in printed form, upon making a request for the same to the Company's investor email id: INVESTOR.MLDL@mahindra.com.

U. 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.

V. 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 Secretarial Standards – 2 (SS - 2), the Company is providing e-voting facility to those members whose names appear in the register of members as on Friday, 19th July, 2019 (end of Day) being the "cut-off Date" fixed for the purpose, to exercise their right to vote at the 20th AGM by electronic means through the e-voting platform provided by 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 purpose only;

ii) The e-voting period commences on Monday, 22nd July, 2019 (9:00 a.m.) and ends on Thursday, 25th July, 2019 (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 Thursday, 25th July, 2019 (5:00 p.m.). Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently or cast vote again;

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

iv) The members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again;

v) In case of any queries and / or grievance, in respect of voting by electronic means members may refer to the Help & Frequently Asked Questions (FAQs) and E-voting user manual available at the download section of https://evoting.karvy.com (Karvy Website) or contact Mr. I. L. Murthy, Karvy Fintech 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.

vi) If you are already registered with Karvy for e-voting then you can use your existing user ID and password / PIN for casting your vote;

vii) You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

The instructions for e-voting are as under:

A. In case a member receives an email from Karvy [for members whose email IDs are registered with the Company / Depository Participant(s)]:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

C. Voting at AGM

The Members, who have not cast their vote through remote e-voting can exercise their voting rights at the AGM. The 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. Friday, 19th July, 2019 shall be entitled to vote through e-voting or at the venue of the Annual General Meeting.

(ii) The notice of Annual General Meeting is being sent (by email where email ID is available and by permitted mode in physical copy in other cases) to the shareholders holding shares of the Company as on Friday, 14th June, 2019. 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 Friday, 19th July, 2019, being the cut-off date for the purpose. Shareholders who become members of the Company after Friday, 14th June, 2019 and hold shares as on Friday, 19th July, 2019 may obtain the User ID and password for e-voting in the manner as mentioned below:

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

Example for NSDL: MYEPWD <SPACE> IN12345612345678

Example for CDSL: MYEPWD <SPACE> 1402345612345678

Example for Physical: MYEPWD <SPACE> XXXX1234567890

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

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

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

(iii) In case of joint holders, attending the meeting, only such joint holder who is higher in the order of name, will be entitled to vote at the meeting.

(iv) The Board of Directors has appointed Mr. Martinho Ferrao, Practising Company Secretary (Membership No.: FCS 6221) as the Scrutinizer to scrutinize the 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 any person authorised by him, who shall countersign the same.

(vi) The Scrutinizer shall submit his report to the Chairman or any person authorised by him in writing on or before, Sunday, 28th July, 2019 and the Chairman or authorized person shall declare the result of the voting forthwith on receiving of the Scrutinizer's Report. 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.karvyfintech.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 Friday, 26th July, 2019;

(vii) The route map of the venue of the Meeting is given in the Notice. The prominent landmark for the venue is that it is 'next to Sachivalaya Gymkhana'.

E. KPRISM- Mobile service application by Karvy:

Members are requested to note that, Registrar and Share Transfer Agents, KARVY has launched a new mobile application - KPRISM and website https://kprism.karvy.com for online service to shareholders.

Members can download the mobile application, register themselves (onetime) for availing host of services viz., consolidated portfolio view serviced by Karvy, Dividends status and send requests for change of Address, change / update Bank Mandate, etc. Through the Mobile app, members can also download Annual reports, standard forms and keep track of upcoming General Meetings and dividend disbursements. The mobile application is available for download from Android Play Store. Alternatively, Investors can also visit the link https://kprism.karvy.com/app/ to download the mobile application

For and on behalf of the Board,
Suhas Kulkarni

Chief Legal Officer & Company Secretary
FCS – 2427
Mumbai, 22nd April, 2019

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

ANNEXURE TO NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF COMPANIES ACT, 2013

Item Nos. 4 & 5:

The Board of Directors at its meeting held on 28th September, 2018 has appointed Ms. Sangeeta Prasad as an Additional Director of the Company in the category of Executive Director w.e.f. 1st October, 2018. Ms. Sangeeta Prasad 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 her candidature for the office of Director of the Company.

Ms. Sangeeta Prasad, is not disqualified from being re-appointed as a Director by virtue of the provisions of Section 164 of the Act. Pursuant to Section 152 of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and Articles of Association of the Company, it is proposed that Ms. Sangeeta Prasad, be appointed as a Director of the Company, not liable to retire by rotation.

The Nomination and Remuneration Committee and the Board of Directors of the Company at their respective meetings held on 22nd April, 2019, have approved her appointment as a Director in the interest of the Company and has recommended passing of Resolution at Item No. 4 as an Ordinary Resolution.

Ms. Sangeeta Prasad, aged 51 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 the year 2008. In the year 2013, she was promoted as CEO – Integrated Cities and Industrial Clusters (IC & IC) business of the Company. As a CEO of IC & IC business, she made substantial contribution to B2B business of World Cities. While heading residential segment of South, she gained in depth exposure in Company's operations. In April, 2018, Ms. Prasad was elevated to the position of Chief Executive Officer of the Company. A Chevening scholar, Ms. Prasad was recognised as one of the Top 30 emerging Women Leaders in India by Business

Today Magazine in the year 2010. Ms. Prasad is a member of the Board of Governors of Indian Institute of Management, Lucknow and is also on the Boards of various companies.

Ms. Prasad is a frequent speaker and panelist at prestigious industry and international events. She has addressed audiences at multiple editions of the World Economic Forum Annual Meeting in Davos, where she spoke on trends, challenges and opportunities in urbanisation; business and people strategy in the digital era; and action on climate change. She was also a speaker at the 2015 United Nations Climate Change Conference, on 'COP 21', in Paris, and at the eighth Clean Energy Ministerial (CEM8) held in Beijing in the year 2017. Ms. Prasad was part of the FICCI (Federation of Indian Chambers of Commerce and Industry) delegation to Hannover Messe in the year 2015 and a panelist at the FICCI Seminar on 'Smart Cities – the Urban Challenge', at the same forum.

Further, the Board of Directors at its meeting held on 28th September, 2018, on recommendation of Nomination and Remuneration Committee, had subject to requisite approvals, appointed Ms. Sangeeta Prasad as the Managing Director of the Company and designated her as the "Managing Director & Chief Executive Officer" (MD & CEO), for a period of five years with effect from 1st October, 2018 to 30th September, 2023 (both days inclusive) on a basic salary of ₹ 8,75,000/- per month, in the scale of ₹ 8,00,000 per month to ₹ 18,00,000 per month. The Managing Director shall also be a Key Managerial Personnel under Section 203 of the Companies Act, 2013.

Pursuant to Sections 196, 197, 198 and all other applicable provisions of the Act and the Company (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications or re-enactment thereof for the time being in force) read with Schedule V to the Act, the appointment of and remuneration payable to Ms. Sangeeta Prasad is being placed before the members at this Annual General Meeting for their approval by way of a Special Resolution.

In compliance with Section 190 of the Act, a memorandum of terms of Service of Managing Director & CEO containing the terms as given in the explanatory statement is available for inspection by the Members at the Registered Office of the Company, upto the date of this Annual General Meeting and as well as during the AGM at the venue thereof.

The other terms of remuneration payable to Ms. Sangeeta Prasad, Managing Director & CEO are set out below:

1.	Housing	:	Furnished/unfurnished accommodation or House Rent Allowance in lieu thereof not exceeding 60% of the basic salary
2.	Special / Other Allowances	:	Not exceeding 50% of the basic salary
3.	Performance Pay	:	Such amount as may be determined by the Nomination and Remuneration Committee for each year, not exceeding 1.3 times of the basic salary per annum
4.	Personal Accident Insurance	:	Premium as per the Company's rules
5.	The MD & CEO shall also be eligible and entitled for the following perquisites: (a) Contribution to provident fund, superannuation fund or annuity fund as per the rules of the Company and shall not be included in the computation of ceiling on remuneration to the extent these either singly or put together are not taxable under the Income Tax Act, 1961; (b) Gratuity / Ex-gratia as per the rules of the Company and shall not be included in the computation of ceiling on the remuneration to the extent it is not taxable under the Income Tax Act, 1961; and (c) Encashment of leave at the end of the tenure as per the rules of the Company and shall not be included in the computation of ceiling on remuneration.		
6.	Such other allowances, benefits, amenities, and facilities as per the Company's rules and policies.		
7.	Provision of car for use on Company's business, mobile phone and telephone at residence as per the Company's rules and policies, would not be considered as perquisites.		
8.	The value of the perquisites and Company furnished accommodation would be evaluated as per the Income Tax Rules, 1962 wherever applicable and at cost in absence of such Rule.		
9.	Ms. Sangeeta Prasad, prior to her appointment as MD & CEO in the Company, in her capacity as an employee of the Company, was in receipt of 6,000 Stock Options granted to her on 4th August, 2012 all of which have been exercised. She shall be eligible for additional Stock Options / Restricted Stock Units (RSUs) as and when the event happens.		

It is proposed to authorize the Board of Directors (the "Board" which term shall be deemed to include the Nomination and Remuneration Committee of the Board), to alter and vary the terms and conditions of her appointment and /or remuneration or any part thereof, including the basic salary within the approved scale, from time to time.

Although the remuneration proposed to the MD & CEO by way of salary, allowances, perquisites and benefits is within the limit prescribed under Section I of Part II of Schedule V to the Act, read with Section 197 of the Act, the following additional information as required by Section II of Part II of Schedule V to the Act, is given by way of abundant caution:

I. General Information:

(i) Nature of Industry:

The Company is directly engaged in the business of development of real estate, residential facilities, commercial complexes and through its subsidiary companies is involved in various infrastructure projects including development of Special Economic Zones.

(ii) Date or expected date of Commencement of Commercial production:

The Company was incorporated on 16th March, 1999 as a Private Limited Company. Hence, Commencement Certificate was not required.

(iii) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:

Not Applicable

(iv) Financial performance based on given indicators - as per audited standalone financial statement for the financial year ended on 31st March 2019:

Particulars	₹ in lakh
Turnover & Other Income	55,484.23
Net profit as per Profit & Loss Account (after tax)	5,859.45
Profit as computed under Section 197 read with Section 198 of the Act	8,704.56
Net worth	1,75,131.25

(v) Foreign Investment or collaborators, if any: NIL

II. Information about the appointee:

(i) Background details:

The background details of Ms. Sangeeta Prasad are covered in the earlier part of the Explanatory Statement

(ii) Past remuneration:

Details of remuneration drawn by Ms. Sangeeta Prasad for the financial year 2018-19 is as under:

Designation	Period	Remuneration (in ₹)
CEO – Mahindra Lifespace Developers Limited	1st April, 2018 to 30th September, 2018	1,30,69,153.6
MD & CEO – Mahindra Lifespace Developers Limited	1st October, 2018 to 31st March, 2019	1,13,27,320.2

(iii) Recognition or awards: A Chevening scholar, Ms. Prasad was recognised as one of the Top 30 emerging Women Leaders in India by Business Today Magazine in the year 2010.

(iv) Job profile and her suitability:

The job profile includes management of the affairs of the Company under the overall superintendence, direction and guidance of the Board of Directors of the Company. Taking into consideration her qualification and expertise, Ms. Sangeeta Prasad is best suited for the responsibilities currently assigned to her as the MD & CEO.

(v) Remuneration proposed:

Basic salary of ₹ 8,75,000/- per month, in the scale of ₹ 8,00,000 per month to ₹ 18,00,000 per month and other perquisites and allowances as provided above.

(vi) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin):

Taking into consideration the size of the Company, the profile of Ms. Sangeeta Prasad, the responsibilities shouldered by her and the industry benchmarks, the remuneration proposed to be paid is commensurate with the remuneration packages paid to similar senior level counterpart(s) in other companies.

(vii) Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel, if any:

Besides the remuneration proposed to be paid to her, Ms. Sangeeta Prasad does not have any other pecuniary relationship with the Company or relationship with any managerial personnel.

III. Other Information

As the remuneration proposed is within the prescribed limit under the Act, when calculated w.r.t. the last audited balance sheet i.e. as of 31st March 2019, the information w.r.t. to the following is not applicable as the Company has adequate profits:

i) Reasons of loss or inadequate profits;

ii) Steps taken or proposed to be taken for improvement;

iii) Expected increase in productivity and profits in measurable terms, etc.

Ms. Prasad satisfies all conditions set out in Part – I of Schedule V to the Act as also conditions set out under sub-section 3 of Section 196 of the Act for being eligible for appointment.

The Board is of the opinion that the appointment of Ms. Sangeeta Prasad as "Managing Director & Chief Executive Officer" under the Act, is in the interest of the Company and the remuneration proposed is in accordance with market trends and industry standards.

Brief resume of Ms. Prasad, nature of her expertise, name of companies in which she holds directorships and memberships/ chairpersonships of Board Committees, shareholding and relationships among directors inter-se as stipulated under SEBI LODR and Secretarial Standards – 2 (SS-2) on General Meetings besides above, are provided in the Corporate Governance Report forming part of the Annual Report.

The Board, therefore, recommends resolution at Item No.4 of the Notice as an Ordinary resolution and resolution at Item No. 5 of the notice as a Special Resolution for approval of the Members.

Except Ms. Sangeeta Prasad and her relatives, 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 these item of business.

Item No. 6

The Board of Directors, at its Meeting held on 30th July, 2018, 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, Practising Cost Accountant, Mumbai, as the Cost Auditor of the Company for conducting the audit of the cost records of the Company, for the financial year ended on 31st March, 2019 at a remuneration of ₹ 1,35,000/- (Rupees One Lakh Thirty-five Thousand Only) plus reimbursement of out of pocket expenses incurred during the course of audit and applicable taxes.

Pursuant to Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, Members of the Company are required to ratify the remuneration to be paid to the cost auditor of the Company for conducting the audit of the cost records of the Company, for the financial year ended on 31st March, 2019.

The Board recommends passing of the Resolution at Item No. 6, 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.

For and on behalf of Board,

Suhas Kulkarni

Chief Legal Officer & Company Secretary

FCS – 2427

Mumbai, 22nd April, 2019

Registered Office

5th Floor, Mahindra Towers,

Worli, Mumbai 400 018

Route Map of Venue for 20th AGM:



(Source : Google Maps)

BOARD'S REPORT

Board's Report to the Members

Your Directors present their twentieth report together with the audited financial statement of your Company for the year ended on 31st March, 2019.

FINANCIAL HIGHLIGHTS (STANDALONE)

(₹ in lakh)

	2019	2018
Income from Operations	**48,603**	47,500
Other Income	**6,881**	8,222
Total Income	**55,484**	55,722
Profit Before Depreciation, Finance cost and Taxation	**9,312**	11,830
Less : Depreciation	**(306)**	(396)
Profit Before Finance cost and Taxation	**9,006**	11,434
Less : Finance Cost	**(548)**	(3,541)
Profit Before Taxation	**8,458**	7,893
Less : Provision for Taxation		
• Current Tax	**NIL**	(2,566)
• Deferred Tax (including MAT Credit)	**(2,599)**	(15)
Profit After Tax	**5,859**	5,312
Add: Balance of Retained earnings of earlier years	**55,018**	53,216
Add: Transfers from Debenture Redemption Reserve	**8,375**	-
Less: Adjustment relating to cumulative effect of applying Ind-AS 115*	**(7,958)**	-
Retained earnings available for appropriation	**61,294**	58,528
Add: Other Comprehensive Income / (Loss)**	**(77)**	(15)
Less: Dividend paid on Equity Shares***	**(3,080)**	(3,079)
Less: Income-tax on Dividend paid***	**(163)**	(416)
Retained earnings carried forward	**57,974**	55,018

* The Ministry of Corporate Affairs vide notification dated 28th March 2018 has mandated Ind AS 115 "Revenue from Contracts with Customers" (Ind AS 115) from 1st April, 2018. The Company has applied the modified retrospective approach as per para C3(b) of Ind AS 115 to contracts that were not completed as on 1st April 2018 and the cumulative effect of applying this standard is recognised at the date of initial application i.e.1st April, 2018 in accordance with para C7 of Ind AS 115 as an adjustment to the opening balance of Retained Earnings, only to contracts that were not completed as at 1st April, 2018. The transitional adjustment of ₹ 7,958.14 lakhs (net of deferred tax) has been adjusted against opening Retained Earnings based on the requirements of the Ind AS 115 pertaining to recognition of revenue based on satisfaction of performance obligation (at a point in time). For further details, please refer Note no. 30 to the standalone financial statement.

** 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 2019 and 2018 represents the dividend amount paid and tax paid thereon for the financial years 2018 and 2017, respectively.

DIVIDEND

For the Financial Year 2018-19, your Directors have recommended a dividend of ₹ 6 per equity share of the face value of ₹ 10 each of the Company, i.e. 60 (sixty) percent, payable to those shareholders whose names appear in the Register of Members as on the Book Closure Date.

The equity dividend outgo for the proposed dividend on equity shares for the financial year 2018-19, inclusive of tax on distributed profits and net of tax on distributed profits on dividend proposed by the subsidiaries during the current financial year, amounts to ₹ 3,335.75 lakh. The dividend shall be paid out of the profits for the financial year 2018-19.

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 a 'Dividend Distribution Policy'. The Policy is attached herewith and marked

as **Annexure 1** and is also available on the Company's website at https://www.mahindralifespaces.com/media/investor/codes-and-policies/Dividend%20Distribution%20Policy.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 experienced an economic slowdown during FY'19, which saw the Gross Domestic Product (GDP) grow at 7.0 per cent, compared to 7.2 per cent in the previous year. This downturn was primarily driven by degrowth in the agriculture and services sectors, even as growth rate of the manufacturing sector accelerated from 5.9 per cent in FY 2017-18 to 7.7 per cent in FY 2018-19.

The real estate industry saw signs of revival during the year, where the construction sector grew at 8.9 per cent in FY 2018-19 after an average growth of 4.4% in the previous five years. The uptick in the sectoral growth was evident in the Company's performance during the year, which saw higher completion of construction works, sales, collections, new launches and land acquisition. The Company sold 1,678 residential units aggregating to 1.69 million square feet of saleable area in FY 2018-19 compared to 1,357 units aggregating 1.16 million square feet in the previous year. In value terms, this represents a growth of 67% in sales from ₹ 61,100 lakh in FY 2017-18 to ₹ 102,300 lakh in FY 2018-19. The Company's collections saw a significant growth from ₹ 60,308 lakh in FY 2017-18 to ₹ 96,321 lakh in FY 2018-19. The Company's focus on execution was strongly reflected in the completion of 1.84 million square feet in FY 2018-19 compared to 0.68 million square feet in FY 2017-18. The Company handed over 1,225 units to its customer in FY 2018-19.

The consolidated total income of your Company stood at ₹ 65,387 lakh in FY 2018-19 as compared to ₹ 64,413 lakh in FY 2017-18. The consolidated Profit before tax (PBT) stood at ₹ 14,326 lakh in FY 2018-19 as compared to ₹ 13,454 lakh in FY 2017-18, whereas the consolidated profit after tax (PAT) and minority interest was ₹ 11,971 lakh in FY 2018-19 as compared to ₹ 10,100 lakh in FY 2017-18.

The total income of your Company as a standalone entity in FY 2018-19 was ₹ 55,484 lakh as compared to ₹ 55,722 lakh in FY 2017-18. PBT in FY 2018-19 was ₹ 8,458 lakh as compared to ₹ 7,893 lakh in FY 2017-18, whereas PAT was ₹ 5,859 lakh as compared to ₹ 5,312 lakh in FY 2017-18. Total income in FY 2018-19 includes dividend income of ₹ 1,665 lakh from Mahindra World City (Jaipur) Limited and ₹ 425 lakh from Mahindra Integrated Township Limited, subsidiaries of the Company. In FY 2017-18, the Company had received dividend income of ₹ 666 lakh from Mahindra World City (Jaipur) Limited, and ₹ 370 lakhs from Mahindra Integrated Township Limited subsidiaries of the Company.

During FY 2018-19, the Company launched three new projects — 'Roots' in Kandivali, Mumbai Metropolitan Region (MMR), 'Lakewoods' in Mahindra World City (MWC), Chennai, and 'Centralis' in Pimpri, Pune. Additionally, it launched fresh inventory in two of its existing projects 'Antheia' (Pune), 'Bloomdale' (Nagpur).

In the affordable housing segment, the Company launched fresh inventory in two of its existing projects - 'Happinest Avadi' (Chennai) and 'Happinest Palghar' (MMR).

The Company is currently developing 3.68 million square feet with another 5.16 million square feet available in the form of forthcoming projects, which includes new phases of ongoing projects and new projects that are to be launched.

In the Integrated Cities and Industrial Clusters (IC & IC) business, the company continued to focus on deals through new clients & existing customer base. It executed land leases of around 93 acres in FY 2018-19 at MWCs Chennai, Jaipur & Origins, Chennai, compared to 62 acres in the previous year. The IC & IC business has leased entire industrial land inventory at Mahindra World City, Chennai. 'Origins, Chennai', the first industrial cluster project launched in FY 2018-19 in partnership with Sumitomo Corporation, signed its anchor customer. 'Origins, Ahmedabad', the second industrial cluster project has obtained all key approvals for the first phase of the project and the initial development work has already started. It is being developed by the Company's subsidiary, Mahindra Industrial Park Private Limited (MIPPL), in a strategic partnership with International Finance Corporation.

The IC & IC business will continue to offer a wide choice of industrial land leasing to its clients through the national footprint across Northern, Western & Southern India. The multi-product SEZ notification in FY 2018-19 at MWC Jaipur has enabled the business to engage in new industrial segments.

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 2018-19. Some of the prestigious awards are:

- The Company was recognized as one of India's Top Builders 2018 at the Construction World Architect and Builder Awards.
- The Company was ranked 22nd in the list of Great Places to Work in India, in the 'Mid-size Companies' Category.
- The Company was ranked among the 'Top 100 Best Companies for Women in India' by Working Mother and AVTAR.
- The Company received Digital Marketing Effectiveness (Gold) at Asian Customer Engagement Forum for Social media campaign #18Daychallenge.
- The Company received Best use of medium length video (Silver) at Lighthouse Insights Digital Marketing Awards 2018 for Social media campaign #Building Together.
- The Company received Best Twitter Case Study at Lighthouse Insights Digital Marketing Awards 2018 for Social media campaign #18Daychallenge.

SHARE CAPITAL

During the year, the Company has allotted 20,950 equity shares of ₹ 10 each at an exercise price of ₹ 10 per share to the eligible employees pursuant to exercise of stock options granted under Employee Stock Option Scheme - 2012 (ESOS - 2012). No Stock Options were exercised under Employee Stock Option Scheme – 2006 (ESOS – 2006).

Consequently, during the year, the issued equity share capital has increased from ₹ 5,137.92 lakh to ₹ 5,140.02 lakh and the subscribed and paid up equity share capital of the Company has increased from ₹ 5,132.81 lakh to ₹ 5,134.91 lakh.

Post closure of Financial Year 2018-19, the Company has allotted 3,300 equity shares of ₹ 10 each at an exercise price of ₹ 10 per share to the eligible employees pursuant to exercise of stock options granted under ESOS - 2012. Consequently, the issued equity share capital has increased from ₹ 5,140.02 lakh to ₹ 5,140.35 lakh and the subscribed and paid up equity share capital of the Company has increased from ₹ 5,134.91 lakh to ₹ 5,135.24 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 bona-fide owners of the shares is certified by the concerned Stock Exchange or the Special Court (Trial of offences relating to transactions in Securities).

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

EMPLOYEE STOCK OPTIONS SCHEME

During the year, in accordance with ESOS–2012, the Nomination and Remuneration Committee had on 30th July, 2018 and 14th February, 2019, approved grant of total 25,500 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. Except 5,000 Stock Options granted on 4th August, 2012, all options granted under ESOS-2006 and not exercised have lapsed.

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

During the year, no change was 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 disclosure 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/media/investor/stock-exchange-filings/other-filings-information/2018/2%20Disclosure%20under%20SEBI%20Share%20Based%20Employee%20Benefits%20Regulations%202014%202017-18.pdf

HOLDING COMPANY

As on 31st March, 2019, the Promoter and Holding company i.e. Mahindra and Mahindra Limited (M&M) holds 2,64,39,850 equity shares representing 51.49 percent of the total paid-up equity capital of the Company. There was no change in the shareholding of M&M during the year.

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 Act, and their contribution to the overall performance of the Company is provided in the consolidated financial statement at note no 44.

SUBSIDIARY AND JOINT VENTURE COMPANIES

Mahindra World City (MWC), Chennai, is being implemented by **Mahindra World City Developers Limited (MWCDL)**, a 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 FY 2018-19, the project had a total area of 1,524 acres. The company is focusing on clients for social infrastructure, having leased entire industrial land inventory.

Mahindra World City (MWC), 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. The project is spread across 2,913 acres of land and offers multi product SEZ, along with Domestic Tariff Area (DTA) and Social & Residential Infrastructure. The erstwhile four sector specific zones (IT/ITeS, Engineering and Related Industries, Handicrafts and Gems & Jewellery), have now been merged into a multi-product SEZ vide notification dated 17th April, 2018 issued by the Ministry of Commerce and Industries (Department of Commerce) Government of India.

During the year, the Company has partnered with International Finance Corporation (IFC), a member of the World Bank Group for the development of MWC, Jaipur. IFC has invested ₹ 194 Crore in MWCJL and is entitled to economic rights to the extent of 50% on 500 acres of gross land comprising first 250 acres of SEZ and first 250 acres of DTA.

Mahindra Integrated Township Limited (MITL) is a co-developer in developing the residential township area at Mahindra World City, Chennai. Its current developments include 'Iris Court', 'Nova' and 'Lakewoods'. Project 'Lakewoods' was

launched during the year with a total saleable area of 0.90 million square feet. 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 135 acres to be developed in phases for offering products in different formats and segments. The Company owns 96.40 percent of MITL.

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 54 acres within Mahindra World City, Chennai, under the name 'Aqualily'.

Mahindra Bloomdale Developers Limited (MBDL) [formerly known as Mahindra Bebanco Developers Limited] is wholly owned subsidiary of the Company. MBDL was a 70:30 joint venture company between the Company and B. E. Billimoria & Co Limited (BEBL) respectively. The Company, BEBL and MBDL had entered into a Shareholders Agreement governing the terms of the joint venture. MLDL and BEBL agreed on the transfer of BEBL's shareholding in MBDL to MLDL. Accordingly, MLDL acquired 15,000 equity shares held by BEBL, and MBDL ceased to be a joint venture cum partially owned subsidiary and became a wholly owned subsidiary of the Company effective 28th May, 2018. MBDL is developing a gated residential community 'Bloomdale' across approximately 25.2 acres at Multi-modal International Hub Airport at Nagpur (MIHAN).

Mahindra Homes Private Limited (MHPL), is a 74.98 : 25.02 joint venture between the Company and Actis Mahi Holding (Singapore) Private Limited ('Actis'), [Actis acquired the stake held by SCM Real Estate (Singapore) Private Limited (SCM) held in MHPL], 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.

Mahindra Happinest Developers Limited (MHDL) is a 51:49 joint venture between the Company and HDFC Capital Affordable Real Estate Fund – I, respectively. MHDL launched first phase of 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. 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'.

Mahindra Industrial Park Private Limited (MIPPL) [formerly known as Industrial Cluster Private Limited (ICPL)] a wholly owned subsidiary of the Company has acquired 339.92 acres of contiguous land at Jansali near Ahmedabad for setting up an industrial cluster. The Company has partnered with International Finance Corporation (IFC), a member of the World Bank Group for the development of 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 Water Utilities Limited (MWUL) is engaged in the business of operation and maintenance services 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.

Mahindra World City (Maharashtra) Limited (MWCML), is a wholly owned subsidiary of the Company, which was set up to undertake large format development. MWCML is looking for an appropriate business opportunity to take up projects in large format development.

Deep Mangal Developers Private Limited (DMDPL) is a subsidiary of MWCML and consequently a subsidiary of the Company. DMDPL intends to develop its land at Murud on southern coast of Maharashtra as a one-of-its-kind tourist destination catering to globally growing need of holistic healthcare and wellness tourism, besides promoting adventure and heritage tourism. The State Government will support the project by facilitating necessary infrastructure in the region.

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) and **Anthurium Developers Limited (ADL)**, wholly owned subsidiaries of the Company are exploring the possibility of taking up real estate development projects.

During the year, consequent to coming in to force of the Companies Amendment Act, 2017, effective 7th May, 2018, Mahindra Knowledge Park (Mohali) Limited which was an associate company of the Company became a subsidiary of MWCML and consequently, the subsidiary of the Company. Similarly, Mahindra Construction Company Limited, which was an indirect subsidiary of the Company ceased to be a subsidiary of the Company.

ASSOCIATE COMPANIES

As of 31st March, 2019, no company is an associate of the Company.

Except as aforesaid, during the year, no other company became or ceased to be a Subsidiary / Associate / Joint Venture company of the Company.

CONSOLIDATED FINANCIAL STATEMENT

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

The financial statements of Subsidiary companies as per 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/annual-reports/fy-18-19

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 operations of the Company and its subsidiaries 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 2018-19 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 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 (CSR) Committee comprising Non-Executive Non-Independent Director - Mr. Arun Nanda, Independent Director - Mr. Shailesh Haribhakti and the Managing Director & CEO, Ms. Sangeeta Prasad. Mr. Arun Nanda is the Chairman of the Committee. During the year, Ms. Anita Arjundas ceased to be a member of the Committee consequent to her resignation as Managing Director and as a Director of the Company effective 30th September, 2018. The Board at its meeting held on 28th September, 2018 has appointed Ms. Sangeeta Prasad, the Managing Director & CEO as a member of the Committee effective 1st October, 2018. 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 mechanism. The Company's CSR policy is available on the Company's web link at https://www.mahindralifespaces.com/wp-content/uploads/2019/04/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.

The Company had committed CSR expenditure of ₹ 289.77 Lakh for the financial year 2018-19, which included an unspent amount of ₹ 97.20 Lakh pertaining to financial year 2017-18. As against the committed CSR expenditure of ₹ 289.77 Lakh, the Company has spent ₹ 291.21 Lakh during the financial year 2018-19.

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

DIRECTORS

Pursuant to Section 152 of the Companies Act, 2013 and Article 116 of the Articles of Association of the Company, Mr. Arun Nanda (DIN: 00010029) Non-Executive Non-Independent Director retires by rotation at the 20th Annual General Meeting of the Company and being eligible has offered himself for re-appointment.

Ms. Anita Arjundas, resigned as the Managing Director and as a Director of the Company effective 30th September, 2018. She resigned to pursue her interests in the development / social sector. The Board expressed its sincere appreciation for the valuable contribution made by Ms. Anita Arjundas during her tenure as the Managing Director & CEO. The Board appreciated

Ms. Anita Arjundas for her remarkable contribution in putting in place systems, processes and best practices which are comparable to the best-in-class in the Real Estate industry. Under her stewardship, the Company continued to be a leader in the integrated cities business, expanded its presence in the mid-premium residential segment across geographies and embarked on a journey to become a dominant player in the affordable housing sector.

Consequent thereto and on recommendation of Nomination and Remuneration Committee, the Board of Directors at its meeting held on 28th September, 2018, appointed Ms. Sangeeta Prasad, then CEO of the Company, as an Additional Director and as the Managing Director designated as "Managing Director & Chief Executive Officer" (MD & CEO) with effect from 1st October, 2018. Pursuant to Section 161 of the Act and Article 128 of the Articles of Association of the Company, Ms. Prasad holds office upto the date of forthcoming Annual General Meeting. Further, in terms of Section 152 of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014, the Board has proposed to the Shareholders appointment of Ms. Sangeeta Prasad as a Director of the Company, not liable to retire by rotation. Also, her appointment as Managing Director designated as MD & CEO effective 1st October, 2018 and her remuneration is being put up for the approval of the shareholders at the forthcoming Annual General Meeting of the Company.

Brief resume and other details of Mr. Arun Nanda and Ms. Sangeeta Prasad, in terms of Regulation 36(3) of SEBI LODR and Secretarial Standards on General Meeting, are provided in the Corporate Governance Report forming part of the Annual Report. None of the Directors of the Company are inter-se related to each other. Both Directors i.e. Mr. Arun Nanda and Ms. Sangeeta Prasad are not disqualified from being re-appointed / appointed as Directors by virtue of the provisions of Section 164 of the Companies Act, 2013.

The performance evaluation of Non-Independent Directors and the Board as a whole, Committees thereof and Chairman of the Company was carried out by Independent Directors. Pursuant to the provisions of the Act, the Nomination & Remuneration Committee (NRC) specified the manner of effective evaluation of the performance of the Board, its Committees and individual Directors. In terms of manner of performance evaluation specified by the NRC, the performance evaluation of the Board, its Committees and individual Directors was carried out by NRC and the Board of Directors. Further, pursuant to Schedule IV of the Act and Regulation 17(10) of the SEBI LODR, the evaluation of Independent Directors was done by the Board of Directors. For performance evaluation, structured questionnaires, covering various aspects of the evaluation such as adequacy of the size and composition of the Board and Committee thereof with regard to skill, experience, independence, diversity, attendance and adequacy of time given by the Directors to discharge their duties, Corporate Governance practices, etc. were circulated to the Directors for the evaluation process. All Directors unanimously expressed that the evaluation outcome reflected high level of engagement of the Board of Directors and its Committees amongst its members with the Company and its management and that 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 the Companies Act, 2013 and 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/wp-content/uploads/2019/04/details_of_familiarisation_programmes_for_independent_directors_2018-19.pdf

The salient features of the following policies of the Company and changes therein made during the year are attached herewith and marked as **Annexure 3:**

1. Policy on appointment of Directors and Senior Management
2. Policy on Remuneration of Directors and
3. Policy on Remuneration of Key Managerial Personnel and Employees

The aforesaid policies (as amended) are also available at the link https://www.mahindralifespaces.com/investors/codes-and-policies

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

KEY MANAGERIAL PERSONNEL (KMP)

As on 31st March, 2019, details of Key Managerial Personnel under the Companies Act, 2013 are given below :

Sr. No.	Name of the Person	Designation
1	Ms. Sangeeta Prasad	Managing Director & CEO
2	Mr. Suhas Kulkarni	Company Secretary
3	Mr. Jayant Manmadkar	Chief Financial Officer

Effective 30th September, 2018, Ms. Anita Arjundas resigned as the Managing Director and as Director. Ms. Sangeeta Prasad who was holding position of the CEO, effective 1st April, 2018, was later appointed as the Managing Director designated as the 'Managing Director & CEO' effective 1st October, 2018.

Mr. Jayant Manmadkar, Chief Financial Officer (CFO) of the Company resigned w.e.f. 30th April, 2019 to pursue professional opportunities outside the real estate sector. The Board puts on record its sincere appreciation for the services rendered by Mr. Manmadkar during his tenure as the CFO.

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 two consecutive meetings was within the period prescribed under the Companies Act, 2013, Secretarial Standards-I on Board Meetings 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, 2019 and of the profit of the Company for that period;

(c) they had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

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

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

(f) they had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

INTERNAL FINANCIAL CONTROLS

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

AUDIT COMMITTEE

As on 31st March, 2019, the Audit Committee comprised of three Independent Directors, namely Mr. Ameet Hariani, Mr. Shailesh Haribhakti, Mr. Bharat Shah, and one Non-Executive Non-Independent Director, Dr. Anish Shah. Mr. Shailesh Haribhakti resigned as the Chairman of the Audit Committee from the close of business hours of meeting of the Audit Committee held on 27th April, 2018 but continued as a member of the Audit Committee. Mr. Ameet Hariani, Independent Director was appointed as a member of the Audit Committee in the Board Meeting held on 27th April, 2018 and was appointed as the Chairman of the Audit Committee at the meeting of Audit Committee held on 30th July, 2018.

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 Chief Legal Officer & Company Secretary, Chief Financial Officer and Chief Ethics Officer (Chief People Officer). 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/investor/codes-and-policies/Whistle%20Blower%20Policy.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 Board has constituted Risk Management Committee for monitoring and reviewing of the risk assessment, mitigation and risk management plan from time to time. As on 31st March, 2019, the Committee comprised of Independent Director, Mr. Shailesh Haribhakti, Managing Director & CEO, Ms. Sangeeta Prasad and Chief Financial Officer, Mr. Jayantt Manmadkar (resigned w.e.f. 30th April, 2019). During the year, Ms. Anita Arjundas ceased to be a member of the Committee consequent to her resignation as the Managing Director and Director of the Company effective 30th September, 2018. The Board at its meeting held on 28th September, 2018 appointed Ms. Sangeeta Prasad as a member of the Committee effective 1st October, 2018.

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 until the conclusion of the 23rd Annual General Meeting to be held in the calendar year 2022 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.

Pursuant to amendment to Section 139 (1) of the Companies Act, 2013, ratification of appointment of Statutory Auditor at every Annual General Meeting is not required.

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 auditors to the effect that they are eligible to continue as Statutory Auditor of the Company.

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, 2019 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 2018-19. 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 and proviso to Section 148(3) of the Act.

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 remuneration payable to CMA Vaibhav Prabhakar Joshi, Practising Cost Accountant is included in the Notice convening the Annual General Meeting.

The Company is required to maintain cost records as specified under Section 148 (1) of the Companies Act, 2013 and such accounts and records are made and maintained by the Company for the financial year 2018-19.

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.

The Secretarial Audit Report for the financial year ended 31st March, 2019, is annexed herewith and marked as **Annexure 4** 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

The Company being formed for and engaged in real estate development (Infrastructural facilities) is exempt from the provisions of Section 186 of the Companies Act, 2013 related to any loans made or any guarantees given or any securities provided or any investments made by the Company. However, the details of the investments made and loans given are provided in the standalone financial statement at Note nos. 7 and 8.

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 and on dealing with related party transactions" (as amended) as approved by the Board may be accessed on the Company's website at the link https://www.mahindralifespaces.com/wp-content/uploads/2019/04/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, ADVANCES AND OTHER TRANSACTIONS

During the year, the Company has not accepted any deposits from the public or its employees. 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. 40.

Further, in terms of Regulation 34(3) and 53 (f) read with Schedule V of the SEBI LODR, details of the transactions of the Company, with the promoter and holding company Mahindra & Mahindra Limited holding 51.49 percent in the paid up equity capital of the Company as on 31st March, 2019, in the format prescribed in the relevant accounting standards for annual results, are given in Note No. 36 to the Standalone Financial Statement.

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 **Annexure 5** to this Report.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

Disclosures with respect to the remuneration of Directors, KMPs and employees as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given in **Annexure 6** to this Report.

Details of employee remuneration as required under provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5(2) & 5(3) of the 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/stock-exchange-filings/other-filing-information

EXTRACT OF ANNUAL RETURN

The Annual Return in Form MGT-7 and its extract in Form MGT-9 for the financial year ended 31st March, 2019, are available on the website of the Company at https://www.mahindralifespaces.com/investors/stock-exchange-filings/other-filing-information

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, no revision was made in the previous financial statement of the Company.
- For the financial year ended on 31st March, 2019, the Company has complied with provisions relating to the constitution of Internal Complaints Committee under 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 2018-19, 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 2018-19 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: 12th June, 2019
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/investor/codes-and-policies/Dividend%20Distribution%20Policy.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: 12th June, 2019

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/wp-content/uploads/2019/04/corporate_social_responsibility_csr_policy.pdf

2. The composition of the CSR Committee of the Board of Directors as on 31st March, 2019:

Mr. Arun Nanda	Chairman
Ms. Sangeeta Prasad	Member
Mr. Shailesh Haribhakti	Member

3. Average net profit of the company for last three financial years: ₹ 9,628.57 lakh

4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above): ₹ 192.57 lakh

5. Details of CSR spent during the financial year:

   (a) Total amount to be spent for the financial year: ₹ 289.77 lakh (including carried forward from previous year ₹ 97.20 lakh)

   (b) Amount unspent, if any: NIL

   (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	Contribution to K. C. Mahindra Education Trust (Nanhi Kali) and School infrastructure upliftment	Education	Pan India	96.24	(1) Direct expenditure: 96.24	96.24	Through : K. C. Mahindra Education Trust
2	Seva Mandir - Education program	Education	Udaipur, Rajasthan	21.04	(1) Direct expenditure: 21.04	21.04	Seva Mandir
3	Municipal School - Infrastructure Support	Education	Pune, Maharashtra	19.43	(1) Direct expenditure: 19.43	19.43	__
4	Mahindra TERI - Centre of Excellence (CoE) on sustainable habitats	Environment	NCR	100.62	(1) Direct expenditure: 102.06	102.06	The Energy and Research Institute (TERI)

(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**
5	Green Army – school activation on adoption of sustainable lifestyle	Environment	PAN India around Company's Projects	26.14	(1) Direct expenditure: 26.14	26.14	Parisar Asha
6	Solar street lights at slum	Environment	Mumbai, Maharashtra	2.00	(1) Direct expenditure: 2.00	2.00	__
7	Grant to the paediatric department of at medical college and hospital	Health	Chennai, Tamilnadu	1.40	(1) Direct expenditure: 1.40	1.40	__
8	Project Red and support to dialysis Centre	Health	Palghar, Maharashtra	2.40	(1) Direct expenditure: 2.40	2.40	__
9	Providing safe drinking water for drought area	Health	Maharashtra	10.00	(1) Direct expenditure: 10.00	10.00	__
10	Construction of toilet blocks	Health	Palghar, Maharashtra	7.50	(1) Direct expenditure: 7.50	7.50	__
11	Promoting and undertaking health initiatives	Health	Mumbai, Maharashtra	3.00	(1) Direct expenditure: 3.00	3.00	__
	Total			289.77*	291.21	291.21	

* Includes an unspent amount of ₹ 97.20 lakh brought forward from the CSR budget of FY 2017-18.

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

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

Sangeeta Prasad
(Managing Director & CEO)
DIN : 02791944
Mumbai, 22nd April, 2019

Arun Nanda
(Chairman – CSR Committee)
DIN : 00010029
Mumbai, 22nd April, 2019

ANNEXURE 3

A. SALIENT FEATURES OF POLICY ON APPOINTMENT OF DIRECTORS AND SENIOR MANGEMENT

Appointment of Director:

- The Nomination & Remuneration Committee (NRC) reviews and assesses the Board composition and recommends the appointment of new Directors.
- NRC evaluates suitability of individual for Board appointments based on merits, skills, experience, independence and knowledge.
- NRC also takes into account ability of candidates to devote sufficient time in discharging his/her duties and balanced decision making.
- Based on NRC recommendation, the Board evaluates the individual and decide on his/her appointment as Director of the Company.

Appointment of Senior Management:

- NRC has also laid down criteria for identification of persons who may be appointed in the Senior Management.
- The selection criteria for Senior Management includes merit, experience and knowledge of the candidate.
- Senior Management personnel are appointed or promoted and removed/relieved with the authority of Chairman and/or Managing Director based on the business need and the suitability of the candidate.

Amendment to the Policy:

During the year, in view of amendment to definition of Senior Management under SEBI LODR, the Board of Directors has amended the Policy by including the amended definition of Senior Management in the Policy. Further, in view of the amendment to the Companies Act, 2013, reporting requirement of appointment / removal one level below KMP to the Board was deleted from the said Policy.

B. SALIENT FEATURES OF POLICY FOR REMUNERATION OF THE DIRECTORS

1. Remuneration to Non- Executive including Independent Directors:

- NRC shall decide the basis for determining the compensation to Non- Executive Directors, whether as commission or otherwise and submit its recommendations to the Board. The Board shall determine the compensation to Non-Executive Directors within the overall limits specified in the Shareholders resolution;
- In addition to the above, the Directors are entitled for sitting fees for attending Board / Committee meetings, reimbursement of expenses incurred in discharge of their duties, stock options (other than Independent Directors).
- 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.

2. Remuneration to Managing Director & Chief Executive Officer (MD & CEO) and Executive Directors:

- The remuneration to MD & CEO is recommended by NRC to the Board. While considering remuneration to MD & CEO, NRC considers industry benchmarks, merit and seniority of the person and 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 remuneration consists of both fixed compensation and variable compensation and is paid as salary, commission, performance bonus, stock options (where applicable), perquisites and fringe benefits as per the policy of Company, as approved by the Board and within the overall limit specified by Shareholders.
- While the fixed compensation is determined at the time of appointment, the variable compensation is determined annually by the NRC based on the performance.

During the year, no changes were made to the Policy.

C. SALIENT FEATURES OF POLICY FOR REMUNERATION OF KEY MANGERIAL PERSONNEL AND EMPLOYEES

- All employees, irrespective of contract, are to be remunerated fairly and the remuneration is to be externally competitive and internally equitable. The remuneration is paid in accordance with the laid down Statutes.

- Remuneration for on-roll employees will include a fixed component payable monthly and a variable component, based on performance, on annual basis.
- Variable component 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 the increment for different performance ratings as well as grades, the increment for promotions, the total maximum increment and the maximum increase in compensation cost in % and absolute.

During the year, no changes were made to the Policy.

For and on behalf of the Board

Arun Nanda
Chairman
DIN: 00010029

Place: Mumbai
Date: 12th June, 2019

ANNEXURE 4
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2019

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,

The Members,

Mahindra Lifespace Developers Limited

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

2. Based on our verification of the Mahindra Lifespace Developers Limited's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2019, 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 the Company for the financial year ended on 31st March, 2019 according to the provisions of:

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

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

   c) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

   d) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

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

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

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

      iii. Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and w.e.f. 10th November, 2018, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

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

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

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

      vii. 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

      viii. Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **- 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 representations made 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. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Listing Agreements entered into by the Company with BSE and National Stock Exchange.

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 all Acts, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

7. We further report that:

   i. 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 were carried out in compliance with provisions of the Act.

   ii. 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.

   iii. All decisions are carried through with requisite majority. There were no dissenting views from the members during the period under review.

   iv. 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.

8. We further report that;

   A) during the period under review:

      a. Mahindra Bloomdale Developers Limited (formerly known as Mahindra Bebanco Developers Limited), which was the subsidiary of the Company, became a wholly owned subsidiary of the Company w.e.f. 28th May, 2018.

      b. Mahindra Knowledge Park (Mohali) Limited became a subsidiary of the Company pursuant to amendment to section 2(87) of the Companies Act, 2013 w.e.f. 7th May, 2018.

c. Mahindra Construction Company Limited has ceased to be a subsidiary of the Company pursuant to amendment to section 2(87) of the Companies Act, 2013 w.e.f. 7th May, 2018.

d. the Company has allotted 20,950 Equity shares under the ESOS-2012.

e. the Company has taken approval of shareholders 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) within the overall borrowing limits of the Company, however, the Company has not issued any Non-Convertible Debentures and / or other Debt Securities during the period under review.

f. the Company has taken approval of shareholders for Material Related Party 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.

For Martinho Ferrao & Associates
Company Secretaries

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

Place: Mumbai
Dated: 22nd April, 2019

ANNEXURE 5

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 increase 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	:	The Company has started use of 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	:	The Company 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. Solar street lights or LED lights for common areas, 5. Energy efficient equipment such as pumps and motors, etc. 6. Solar Water heating system, 7. Solar photovoltaic system.

B. TECHNOLOGY ABSORPTION:

(i)	The efforts made towards technology absorption	:	Innovative technologies in new material adoption, construction process and automation has helped Company to improve quality of product and reduce construction timelines. Few of the initiatives taken up during last year are as under: 1. Real Time monitoring of Sewage Treatment Plant (STP) through automation aids in smooth functioning of STP by avoiding intermittent shut down of STP. As a result, it saves energy and chemicals cost thereby reducing overall operational cost. Quality of STP is ensured by automated sensors. 2. The use of environment friendly self-curing plasters replaces obsolete and conventional cement mortar mix, which helps in overcoming crack formation and debonding. 3. Water curtains in Basements - This system prevents the spread of fire by forming curtain around the sprinkler which opens during fire. 4. Bolts for pre-hung doors are fixed to door frames. These bolts provide additional rigidity to door jambs and prevents debonding of door frames during excess banging by wind pressure. Additionally, Company has initiated site survey through GPS enabled drone. This enables precise site surveying, completion of survey within short duration, more data availability compared to conventional survey. Skim coat plaster- Skim coat is texturing technique that uses putty like material which can be applied on RCC surfaces and block work surfaces to fill in the finest of the dents in the base coat plaster to give a very smooth finish. This can be developed up to thickness of 8mm layer wise. Skim Coat plastering technique offers a smoother finish and can be applied in shorter duration than the three coat traditional plaster.
(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 has been improvised to avoid cost of rework and result in overall product quality.
(iii)	In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)	:	Not Applicable
(iv)	The expenditure incurred on Research and Development	:	Nil

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

During the year, there was no Foreign Exchange earning, however, the Foreign Exchange outgo in terms of actual outflows was ₹ 278.76 lakh.

For and on behalf of the Board

Arun Nanda
Chairman
DIN: 00010029

Place: Mumbai
Date: 12th June, 2019

ANNEXURE 6

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 2018-19:

Name	Designation	Ratio
Mr. Arun Nanda	Non-executive Non-Independent Chairman	3.37
Mr. Shailesh Haribhakti	Non-executive Independent Director	1.26
Mr. Bharat Shah	Non-executive Independent Director	1.26
Mr. Ameet Hariani	Non-executive Independent Director	1.26
Dr. Anish Shah	Non-executive Non-Independent Director	1.26
Ms. Sangeeta Prasad[1]	Managing Director & Chief Executive Officer	20.56

[1] Ms. Sangeeta Prasad, the Chief Executive Officer (CEO) of the Company, was appointed as an Additional Director and as the Managing Director designated as the "Managing Director and Chief Executive Officer" with effect from 1st October, 2018.

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 2018-19:

The percentage increase in remuneration is as follows:

Name of the Person	Designation	% Increase / (decrease) in FY 2018-19 over the FY 2017-18 (annualised basis)
Mr. Arun Nanda	Non-executive Non-Independent Chairman	(16)
Mr. Shailesh Haribhakti	Non-executive Independent Director	50
Mr. Bharat Shah	Non-executive Independent Director	50
Mr. Ameet Hariani[1]	Non-executive Independent Director	50
Dr. Anish Shah	Non-executive Non-Independent Director	NA
Ms. Sangeeta Prasad[2]	Managing Director & Chief Executive Office	NA
Mr. Jayant Manmadkar	Chief Financial Officer	11
Mr. Suhas Kulkarni	Company Secretary	0

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

[2] Ms. Sangeeta Prasad, the Chief Executive Officer (CEO) of the Company, was appointed as an Additional Director and as the Managing Director designated as the "Managing Director and Chief Executive Officer" with effect from 1st October, 2018.

3. The Percentage increase in the median remuneration of employees in the financial year 2018-19:

The percentage increase in the median remuneration of the employees in the financial year 2018-19 was 8.52 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 348 as on 31st March, 2019.

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 2018-19 is 14 percent, while the average increase in the remuneration of the Key Managerial Personnel is 24 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.

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: 12th June, 2019

25

In 1994, a dream of transforming India's urban landscapes sparked a journey.
A journey of 25 years. Of selling genuinely, Of building responsibly, Of delivering on time. And of making the 'Mahindra' name count.

Mahindra Lifespace Developers Limited ('Mahindra Lifespaces', 'MLDL' or 'the Company') is one of the reputed real estate development companies in India.

2019 marks the 25th year of the Company's operations. The Company has anchored its approach over the years towards development through its mission of 'Transforming urban landscapes by creating sustainable communities' and created a reputation for itself by delivering a large range 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 premium and affordable housing segments, as well as integrated cities and industrial clusters. This chapter presents an overview of the performance of the Company during FY 2018-19 and its strategy for growth.

PERFORMANCE HIGHLIGHTS

Residential

Mahindra Lifespaces registered robust performance in all key aspects of the residential development business — be it launch, sales, collection, completion or land acquisition.

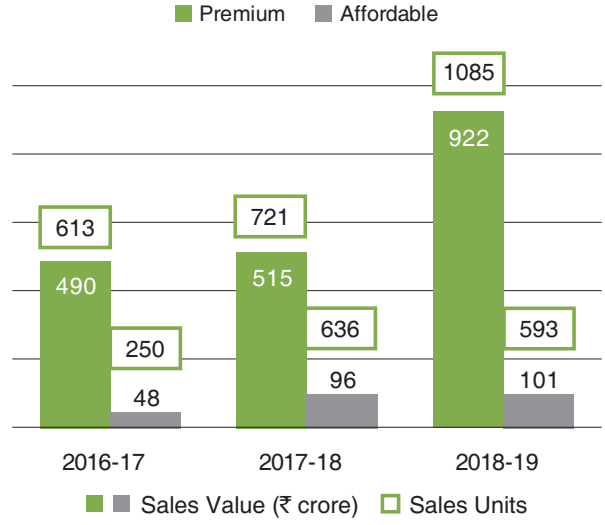
During FY 2018-19, it launched three new projects — 'Roots' in Kandivali, Mumbai Metropolitan Region (MMR), 'Lakewoods' in the Mahindra World City (MWC) at Chennai, and 'Centralis' in Pimpri, Pune. In addition, it launched fresh inventory in two of its existing projects - 'Antheia' (Pune), 'Bloomdale' (Nagpur).

The Company also launched fresh inventory in two of its existing affordable housing projects - 'Happinest Avadi' (Chennai) and 'Happinest Palghar' (MMR).

It sold 1,678 residential units aggregating 1.69 million square feet of saleable area for an aggregate sales value of ₹ 1,023 crore in FY 2018-19 compared to 1,357 units comprising 1.16 million square feet for an aggregate sales value of ₹ 611 crore in the previous year[1].

As shown in Chart A, this improvement in sales was driven by both the premium segment and contribution from the affordable housing segment.

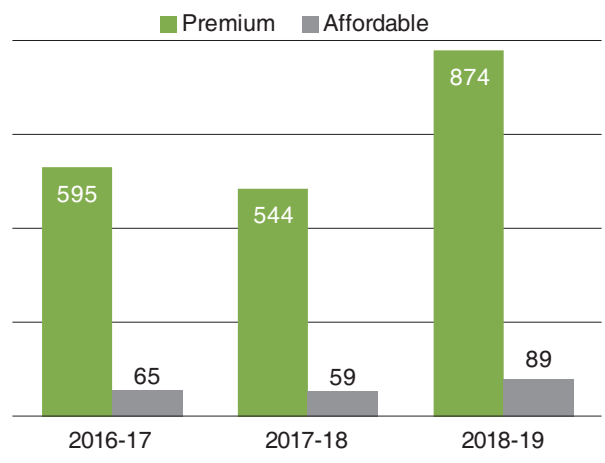
Chart A: Sales Units and Value (₹ crore)



Due to the higher ticket-size of the premium projects, in value terms this represents a growth of 67 percent in overall residential sales — from ₹ 611 crore in FY 2017-18 to ₹ 1,023 crore in FY 2018-19.

Overall collections also saw a significant jump to ₹ 963 crore during FY 2018-19 — registering its best performance ever in the Company's history.

Chart B: Collections (₹ crore)

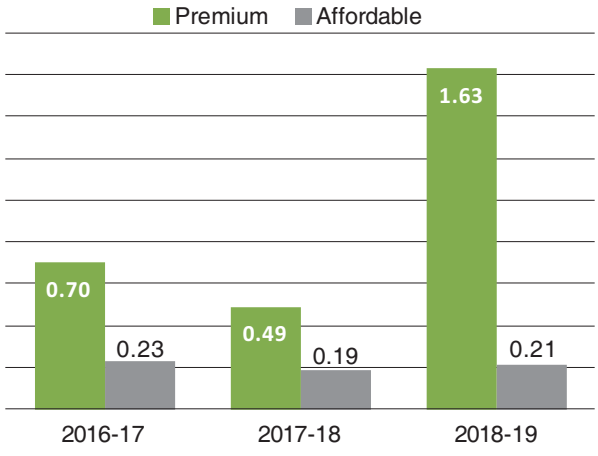


[1]Sales includes the Company's share and sales by its subsidiaries and JVs. Sales also includes commercial / retail units that are a part of its residential projects.

The Company's focus on execution was reflected in the completion of 1.84 million square feet in FY 2018-19 versus 0.68 million square feet in FY 2017-18.

This marked a significant step-up from the achievement in previous years, as seen in Chart C. Handovers of units, too, continued at an impressive pace during the year.

Chart C: Completion (million square feet)



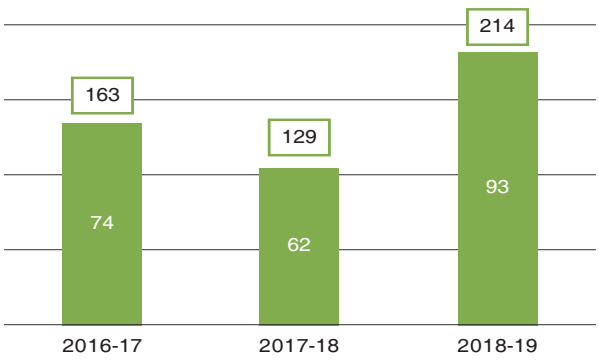
Mahindra Lifespaces successfully executed three land deals in FY 2018-19 — one each in Pune, Bengaluru and Kalyan in the MMR — with a combined development potential of around 2.29 million square feet.

The projects in Pune and Bengaluru will be in the premium segment, while that in Kalyan will be in the affordable segment.

Integrated Cities and Industrial Clusters

In FY 2018-19, the integrated cities and industrial clusters business leased 93 acres of land, compared to 62 acres in the previous year[2]. Origins, Chennai signed its anchor client, a leading Japanese diesel engines manufacturer in FY 2018-19.

Chart D: Land Leased (Acres) / Lease Premium (₹ crore)



MWC Chennai has leased its entire industrial land inventory. Going forward, MWC Jaipur with the launch of multi-product Special Economic Zones (SEZ) and the second phase of the Domestic Tariff Area (DTA), and Origins (Chennai) will drive leasing activity in this segment. Further details are discussed in the section on 'Operations'.

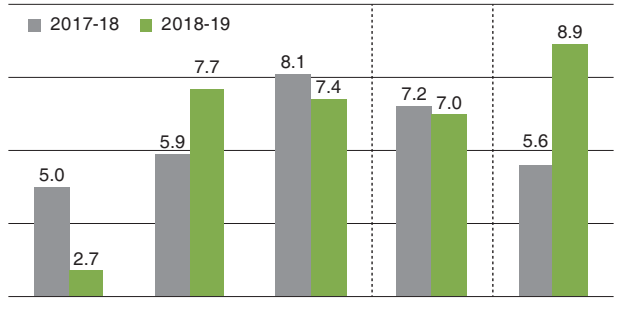
In the following paragraphs, We present the operational and financial performance of the Company, a discussion on risks and concerns and conclude with the outlook for the future. We begin with an overview of the opportunities in the current environment.

OPPORTUNITIES

Global economic growth lost momentum and slowed down considerably in the latter half of 2018 after a strong performance in 2017 and early-2018. **According to the IMF, global growth which was revised downward to 3.6 percent in 2018 is projected to decline further to 3.3 percent in 2019.** This decline in growth in 2018 was broad-based as all major advanced and emerging economies were affected.

India also witnessed a marginal decline in macroeconomic performance in FY 2018-19. **According to the second advance estimates released by the Central Statistics Office (CSO) on 28th February 2019, growth in India's Gross Domestic Product (GDP) for FY 2018-19 is estimated at 7 percent, compared to 7.2 percent in the previous year.** This downturn was primarily driven by a degrowth in the agriculture and services sector, even as growth rate of the manufacturing sector accelerated from 5.9 percent in FY 2017-18 to 7.7 percent in FY 2018-19. In a positive development from the real estate industry's perspective, the construction sector — which accounts for around 8 percent of GDP — grew at 8.9 percent in FY 2018-19 after a lacklustre performance in the last few years. Chart E plots the data over the last two years.

Chart E: Growth Rate (%) – GDP and Key Sectors



The growth outlook for the Indian economy for FY 2019-20 is positive — with the RBI projecting a GDP growth of 7.2 percent in FY 2019-20. There are, however, some signs of weakening of domestic investment activity and risks in form of uncertainty around crude oil prices and impact of poor external demand on exports. On the positive side, private consumption has remained resilient and inflation has been under control.

[2] Figures for land leased in FY 2018-19 excludes lease of 22 acres to Mahindra Industrial Park Chennai Limited (MIPCL) being an inter-company sale transaction.

Besides, growth in gross fixed capital formation remained in double digits since the second half of FY 2017-18, supported primarily by the government's thrust on infrastructure sector and affordable housing, which augurs well for the real estate industry.

Residential Developments

The overall market for residential developments continued to be subdued. However, lack of new launches in key markets over the last few years has gradually brought down the levels of unsold inventory. FY 2018-19 saw some positive movement in launches after a significant gap, especially in Mumbai, Pune and Bengaluru. Even so, prices continued to be sticky and there was a visible trend towards smaller apartments and ticket sizes.

The Company seeks to significantly grow its presence in Mumbai, Pune and Bengaluru. It will consider attractive opportunities in NCR and Hyderabad before exploring other geographies. It will continue to focus its growth strategy on the premium and affordable housing segments, where it has a strong connect and equity with the customer base.

Integrated Cities and Industrial Clusters (IC & IC)

There was a moderate revival in the demand for industrial land and built-to-suit solutions from companies targeting the Indian market in FY 2018-19. In comparison, demand from export-oriented manufacturing units continued to remain subdued.

The Company is a pioneer in the segment with two operational cities: Mahindra World City, Chennai and Jaipur. **With the development of two Industrial Clusters — Origins, Chennai and Origins, Ahmedabad, currently underway — the Company has moved ahead with its strategy to have projects in important growth corridors. The IC & IC business will continue to offer a wide choice of industrial land leasing to its clients through the national footprint across Northern, Western and Southern India. The multi-product SEZ notification in FY 2018-19 at MWC Jaipur has enabled the business to attract customers across diverse segments.**

OPERATIONS – PROJECTS UPDATE

Residential Developments

Table 1 provides a snapshot of the Company's project portfolio across different markets.

As of 31st March, 2019, Mahindra Lifespaces and its subsidiaries have completed projects covering 16.40 million square feet (msft)[3] in the residential segment, including 1.84 msft completed during the year.

Table 1: Projects Snapshot as on 31st March, 2019 (million square feet#)

Location	Completed Development	Current Development	Future Development
MMR*	3.30	0.78	2.17
Pune	2.99	0.63	0.68
Nagpur	0.71	0.84	0.00
NCR**	3.41	0.41	0.37
Bengaluru	0.44	0.43	0.74
Chennai^	4.07	0.59	1.19
Hyderabad	1.08	0.00	0.00
Jaipur^	0.40	0.00	0.00
Total	**16.40**	**3.68**	**5.15**

 # Saleable area; Estimated figures for Future Developments

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

*** NCR includes Delhi, Gurugram and Faridabad.*

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

The Company launched three new projects in FY 2018-19 — 'Roots' in Kandivali, MMR, 'Lakewoods' in Mahindra World City (MWC), Chennai, and 'Centralis' in Pimpri, Pune. Additionally, it launched fresh inventory in two of its existing projects 'Antheia' (Pune), 'Bloomdale' (Nagpur).

In the affordable housing segment, the Company launched fresh inventory in two of its existing projects - 'Happinest Avadi' (Chennai) and 'Happinest Palghar' (MMR).

Mahindra Lifespaces is currently developing 3.68 million square feet with another 5.15 million square feet available in the form of future projects of which 1.25 million square feet are new phases of ongoing projects and 3.90 million square feet are fresh projects that are in various stages of planning.

Table 2 provides project-wise status of sales and construction in ongoing projects.

As on 31st March 2019, Mahindra Lifespaces had development potential of 1.25 msft in yet to be launched phases of its ongoing projects and another 3.90 msft in new projects for which design development or approvals are underway. In addition, the Company has a landbank with a development potential aggregating around 10.44 msft — 91 percent of which is within MWC Chennai.

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

Table 2: Project-wise Status as on 31st March, 2019

Market	Project	Area (million square feet)			Status (% of Launched)	
		Total	Launched	Forthcoming	Sales#	Construction@
Completed / Ongoing Projects						
MMR	The Serenes	0.16	0.06	0.09	25%	81%
MMR	Vivante	0.16	0.16	-	100%	94%
MMR	Roots	0.14	0.14	-	65%	40%
Pune	Antheia	1.63	1.63	-	90%	96%
Pune	Centralis	0.34	0.34	-	88%	10%
Nagpur	Bloomdale^	1.55	1.55	-	75%	77%
NCR	Luminare^	1.14	0.77	0.37	71%	79%
Bengaluru	Windchimes^	0.87	0.87	-	74%	91%
Chennai	Aqualily^	1.58	1.51	0.07	81%	94%
Chennai	Lakewoods^	0.90	0.28	0.62	36%	09%
MMR	Happinest Boisar	0.53	0.53	-	81%	99%
MMR	Happinest Palghar Phase 1^	0.41	0.41	-	88%	42%
Chennai	Happinest Avadi	0.73	0.64	0.10	80%	92%
Total		**10.14**	**8.89**	**1.25**	**79%**	**81%**
New Projects$						
Mumbai (1)		-	-	0.34		
Mumbai (2)				0.26		
Pune		-	-	0.68		
Bengaluru		-	-	0.74		
MWC, Chennai^		-	-	0.40		
MMR (Happinest) (1)		-	-	0.64		
MMR (Happinest) (2)				0.84		
Total		**-**	**-**	**3.90**		

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

@ Construction Status calculated as: (1) 100% for completed phases and (2) Based on management estimates for phases where construction is in progress

^ Projects implemented by subsidiaries and JV companies.

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

Integrated Cities and Industrial Clusters

The Company has established two operational Mahindra World Cities at Chennai and Jaipur and is setting up two new Industrial Clusters viz Origins Chennai and Origins Ahmedabad.

IC & IC projects have a combined gross area of over 5,000 acres and a leasable potential of over 3,500 acres[4]. In FY 2018-19, it leased around 93 acres of land, taking the cumulative area leased under these projects to 1,952 acres. Combined exports by two operational MWCs in Chennai and Jaipur were ₹ 14,235 crore; and their direct employment stood at around 51,000 persons.

MWC Chennai is the Company's first integrated city project with a gross area of 1,524 acres and a leasable potential of 1,145 acres across its Special Economic Zone (SEZ), Domestic Tariff Area (DTA) and Residential & Social Zone (R&S)[5].

In FY 2018-19, it leased around 24 acres, adding three customers in the industrial area and one customer in the social area — taking the total leased area to 1,116 acres. It has now leased 100 percent of industrial land inventory in FY 2018-19. Now the land available for lease in MWC Chennai is in the Residential & Social Zone.

[4]Leasable area is based on management estimates.

[5]Leasable area is based on management estimates.

The total number of industrial customers increased to 68 — 26 in the SEZ and 42 in the DTA in FY 2018-19. Of these, 58 companies were operational as of 31st March, 2019. The four operational residential projects at MWC Chennai saw an increase in occupancy to over 1,900 families. In August 2018, a new project called Lakewoods with a total saleable area of 0.90 million square feet was launched. Details of residential projects have been provided in the section on residential developments.

MWC Chennai has all key infrastructure and amenities for its residents such as retail and commercial centre, health and education. As a mature project, the focus is on community building and other initiatives that enhance the liveability quotient of the City and promote it as a destination of choice.

MWC Chennai organised the metropolis' first hot air balloon festival, during FY 2018-19, in which around 70,000 people participated. The MWC Marathon 2018 was another highly successful event with over 7,000 runners, including professional and international athletes. In another initiative, MWC Chennai carried out a 'Urban Forest' drive which involved planting of over 1.85 lakh saplings in the city. These events created a footfall of approx 1,20,000+ further reinforcing our efforts for MWC Chennai to be established as a preferred destination and community building platform for all stakeholders.

MWC, Jaipur is the Company's largest integrated city project with gross area of 2,913 acres having a leasable potential of 2,011 acres across its SEZ, DTA and the Residential & Social Zone[6].

In FY 2018-19, it leased around 46 acres to six new and four existing customers — taking the cumulative leased area to 813 acres. This step-up in leasing activity was also aided by the establishment of multi-product SEZ after amalgamation of sector-specific SEZs, which has widened the target customer base of the SEZ.

MWC Jaipur ended the year with 88 industrial customers — 53 in the SEZ and 35 in the DTA. Of these, 53 companies are operational and another 12 are expected to start operations in FY 2019-20.

In addition to SEZ and DTA areas, it also finalised the master plan for its R&S Zone and is awaiting regulatory approvals.

MWC, Jaipur also partnered with International Finance Corporation (IFC), a member of the World Bank Group for the development of this project.

MWC Jaipur has institutionalised a customer engagement platform called 'Coalesce' to discuss operational matters and collaborate on new initiatives. Three such events were held during FY 2018-19.

MWC Jaipur is committed to sustainable development. Several activities such as introduction of public bicycle sharing in the City, LED light installation in rural homes, workshops in schools to promote conservation of natural resources were carried out during the year.

Origins, Chennai, is the Company's first industrial cluster, which is being developed through its subsidiary Mahindra Industrial Park Chennai Limited (MIPCL), a 60:40 JV between MWCDL and Sumitomo Corporation. This project in North Chennai currently has a gross area of 286 acre with a leasable potential of 206 acres[7]. Development activity is currently in progress. In FY 2018-19, the project signed up its first customer with the leasing of 23 acres to Yanmar Group, a leading Japanese diesel engines manufacturer.

Origins, Ahmedabad, is the Company's second industrial cluster with gross area of around 340 acres and a leasable potential of 221 acres[8]. It will be developed through its subsidiary, Mahindra Industrial Park Private Limited (MIPPL), which is a strategic partnership with International Finance Corporation. Approvals for the first phase of the project have been received and the initial development work has already started.

OPERATIONS – STRATEGIC PRIORITIES

The Company identified its strategic priorities through analysis of the mission, SWOT, and the long-term and intermediate goals. The strategic priorities are mentioned below:

- **Land Acquisition for future growth**
- **Reduction in time of New Product Development cycles**
- **Increased operational throughput and effectiveness**
- **Customer centricity**
- **Customer Acquisition and Engagement**
- **Increased employee engagement**

Land Acquisition for future growth

Mahindra Lifespaces is focused on growing its current project portfolio. With conducive market conditions and the implementation of Real Estate (Regulation and Development) Act (RERA), it sees opportunities for acquisition of stressed assets, redevelopment projects and asset light models through joint-development, JVs and development management routes with land owners.

During the year, the Company significantly strengthened its business development team, structuring them around product segments — premium and affordable — and focus markets of Mumbai, Pune and Bengaluru.

We successfully closed three land deals in FY 2018-19 — one each in Pune, Bengaluru and Kalyan in the MMR — with a combined development potential of around 2.29 million square feet. The projects in Pune and Bengaluru will be in the premium segment, while Kalyan will be in the affordable segment.

Besides, these deals are structured in a manner that payments are made in tranches upon achieving approval and related milestones, which not only improves cashflows but also allows the Company to achieve launch readiness by the time 100 percent of the payment is made to the land owners.

[6]Leasable area is based on management estimates.
[7]Leasable area is based on management estimates.
[8]Leasable area is based on management estimates.

Mahindra Lifespaces has also been successful in raising resources to scale up its presence through partnerships. It has four such partnerships spanning all its business segments:

1. With Actis GP LLP ("Actis")[9], a private equity firm, for residential projects in the premium segment. The JV company, Mahindra Homes Private Limited, is currently developing two projects — Luminare in the National Capital Region (NCR) and Windchimes in Bengaluru — and has completed investments accounting for close to 65 percent of the total joint investment commitment of ₹ 1,000 crores.
2. With a fund managed by HDFC Capital Affordable Real Estate Fund - I for projects in the affordable housing segment, with a joint commitment of ₹ 500 crore in the JV company — Mahindra Happinest Developers Limited. After Happinest Palghar (Phase 1 and 2), the forthcoming project in Kalyan will be the next one under this partnership, taking the total footprint under this JV to 1.89 million square feet.
3. With Sumitomo Corporation, Japan for development of its industrial cluster Origins, Chennai — which is being developed under a 60:40 JV between Mahindra World City Developers Limited and Sumitomo.
4. With International Finance Corporation (IFC), a member of the World Bank Group, for the development of industrial parks with an investment commitment of USD 50 million. So far, IFC has invested in Origins, Ahmedabad, and MWC Jaipur.

The Company repaid its high cost debt, due to which its **average cost of consolidated debt reduced from 9.49 percent in FY 2017-18 to 9.08 percent in FY 2018-19.**

Reduction in time of New Product Development cycles

The New Product Development (NPD) process impacts the entire value chain of the residential business – starting from Land acquisition to Launch. A large part of value creation for the customer starts during the NPD process while the subsequent processes build on that value. With the Company's focus on growth, quicker and efficient launches are key to improve scale and profitability.

The Company carried out industry benchmarking to review and optimise the cycle times and project efficiencies. The Company took various initiatives to incorporate customer preferences in product design and to revamp the design guidelines.

The Company has undertaken a large-scale business process re-engineering exercise to reduce the product development cycle time – Project Udaan. The Company revamped its decision-making framework to improve decision cycles, segment-wise design standardisation and digitisation of processes across all new and upcoming projects.

Increased operational throughput and effectiveness

Robust project execution skills and operational rigour are critical towards achieving scale for the organization.

Mahindra Lifespaces' sustained focus on execution excellence was visible in FY 2018-19 with the handover of 1,255 units. It was also the Company's best year in terms of quantum of construction activity – which was reflected in the completion of 1.84 million square.

Continuous process improvements are critical to build a sustainable and scalable operating model. In FY 2018-19, standard operating procedures (SOPs) for contract management were revamped to ensure greater objectivity. Project management processes were also standardised in key areas including competitive sourcing, tracking costs, project monitoring and reporting, which resulted in significant cost savings. Besides, initiatives such as long-term rate contracts have brought about greater integration with vendors.

Mahindra Lifespaces has been developing and using innovative construction technologies and processes. **It was granted its first patent for the invention titled "Fly ash Brick with Low Thermal Conductivity" in FY 2018-19.**

The Company's strong quality management system has been instrumental in improving the quality of its products. **With rigorous supervision and a proactive approach towards delivering a 'defect-free product', the percentage of units handed over with zero defect increased.**

Mahindra Lifespaces has constantly worked to instil a 'safety culture' in its operations. Its projects have reached a maturity level in the use of personal protective equipment, housekeeping and adherence to systems. Our unique safety concept called 'Safe Methods and Risk Reduction Techniques' implements international best practices and aims to eliminate unsafe acts by proactive reporting of incidents.

The Company carried out customised training programmes on risk mitigation, technical skill improvement as well as statutory requirements on Environment, Health and Safety. A survey was also conducted to understand and evaluate the safety culture of the organisation. **The overall outcome of the efforts are zero reportable accidents, drop in first aid cases and suitable awareness among operatives at all levels paving the way for good safety culture in the organisation.**

[9] SCM Real Estate (Singapore) Private Ltd, real estate fund managed by Standard Chartered, which had originally invested in the JV entity Mahindra Homes Private Limited (MHPL), sold its principle finance real estate business to Actis GP LLP.

Mahindra-TERI Centre of Excellence (CoE), launched in June 2018, is a one-of-its-kind research facility established jointly by Mahindra Lifespaces and The Energy and Resources Institute (TERI) to create innovative energy efficient solutions adapted to Indian climatic conditions.

The CoE will leverage state-of-the art research techniques and solutions to develop a robust database for market-ready, scalable and energy-efficient materials and technologies. Utilising its expertise, it will also carry out policy advocacy and work with governments to promote energy-efficient green buildings in India. Its research output — databases as well as guidelines and standards for the real estate and building materials industry — will be available in the public domain to ensure a wider adoption by developers, architects and home owners.

During the year, considerable progress was made on material testing to create a database of energy-efficient materials for green buildings. Activities were also carried out in the areas such as performance evaluation, visual comfort for daylight versus artificial light and water management. Processes are also in place to effectively disseminate results to key stakeholders.

Customer Centricity

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's robust systems supported by deployment of latest technology enhances its ability to handle scale.

During FY 2018-19, we handed over a total of over 1,255 residential units and completed registration of 1,894 units. In addition, five societies were registered and four societies were handed over during the year.

In the previous year, the Company had rolled-out 'Customer Assist' — a single contact number for the customer from sales to post-handover that logs and tracks all queries until these are resolved. This has been successful, with over 90 percent of all customer connects in FY 2018-19 happening through the channel. It has significantly improved the Company's ability to service customer queries and concerns within prescribed turnaround times.

One critical initiative implemented in FY 2018-19 was setting-up of a dedicated centralised team to carry out important administrative tasks such as the onboarding process, demand generation, invoicing and payments, documents despatch and reconciling collections. This has brought about significant efficiencies including standardisation of documentation and allowing front-end CRM associates more time to focus on assisting customers and building relationships.

With the significant increase in handovers, post-handover services and facility management (FM) have been other key areas of focus. We offer post-possession value added services such as complete interior solutions, electrical fittings, lighting solutions and modular kitchens. These services have now been extended to all projects and have been well received by customers.

Customer Acquisition and Engagement

Mahindra Lifespaces' key action areas around acquiring and engaging customers encompass marketing and brand building efforts to generate enquiries and convert them into actionable leads to drive sales. Significant efforts were made during the year to improve lead quality, with increased focus on digital and referral sources.

The Company upgraded its website in the previous financial year to make it more user friendly and effective for generating leads. Significant steps were taken to improve customer experience in their interaction as well as responsiveness in enabling site visits. This coupled with the capacity enhancement at the contact centre contributed to a significant improvement in the lead pipeline.

Mahindra Lifespaces continues to innovatively leverage social media for generating high-quality leads. It carried out a first-of-its-kind digital 'Home Fest' campaign, which generated over 74 million impressions. It also executed two social media campaigns on 'Joyful Homecomings' — its brand proposition — which generated around 43 million impressions on Facebook and Twitter.

The Company's #IamGreenArmy campaign received Silver award for "Best Twitter Case Study" by LightHouse Insights. Its #BuildingTogether campaign on Women's Day won the Silver award for "Best Use of Medium Length Video" by LightHouse Insights.

Increased Employee Engagement

We believe that people determine success of an organisation and play a pivotal role in accelerating its growth. We continued to strengthen our HR policies and processes to attract and retain the best talent in the industry during the year. We have forged 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.

Learning and development of its associates is a key focus area. We organise structured training programmes in sales, marketing, customer service and project management. In FY 2018-19, we digitised our sales onboarding process for greater efficiency and consistency across locations. We carried out programmes to drive excellence in customer-facing roles. A project management workshop was organised for project teams at its sites. **Overall, each associate of Mahindra Lifespaces received an average of 20 manhours of training in FY 2018-19.**

We endeavour to keep our workplaces safe, transparent and friendly for people to work in. We have a policy which is aligned to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. There is a 'Diversity Council' with the objective of creating an inclusive environment in the workplace. As on 31st March 2019, the percentage of women as full-time associates stood at 16 percent.

Employee engagement continues to be an important area. Several programmes are in place to seek employee participation and reward good performance. In FY 2018-19, we launched an online portal named 'Pinnacle' to manage our reward and

recognition programme and make it more effective. **Mahindra Lifespaces was selected by Working Mother and AVTAR as one of the '100 Best Companies for Women in India'. The Company also ranked 22nd in the 'Great Places to Work' in India in the mid-size category.**

As on 31st March, 2019, the Company together with its subsidiaries had 491 associates on its rolls. Associate relations remained cordial during the year.

FINANCIALS

Adoption of IND AS 115 and its Impact

With effect from 1st April, 2018, Mahindra Lifespaces adopted new accounting standards IND AS 115, which follows contract completion methodology (CCM) as opposed to the percentage of completion methodology (POCM) followed earlier. Consequently, revenues and direct project costs are recognised only once a phase or a project is completed.

While this may impact financial performance on a quarter-to-quarter basis, this has no bearing on the fundamental nature of the business, which remains the same.

The Company will continue to focus on operating metrics such as sales and sales pipeline, collections and cash flows, project execution and work done — which are now lead indicators that will reflect in revenues and profits when the projects are completed.

Table 3 gives the abridged profit and loss statement of Mahindra Lifespaces. Given that the results for FY 2018-19 are based on the new accounting standards following CCM (IND AS 115) and those for FY 2017-18 are based on old accounting standards following POCM, these are not directly comparable.

Table 3: Abridged Profit and Loss Statement

(₹ Crore)

	Standalone		Consolidated	
	2018-19	2017-18	2018-19	2017-18
Operating Income	486.0	475.0	592.9	566.2
Other Income	68.8	82.2	61.0	77.9
Total Revenue	**554.8**	**557.2**	**653.9**	**644.1**
Project and Operating Expenses	356.2	344.7	427.7	393.6
Employee and Other Expenses	105.4	94.2	139.3	115.1
Financial Expenses	5.5	35.4	12.5	41.3
Depreciation	3.1	4.0	3.8	4.3
Total Expenditure	**470.2**	**478.3**	**583.3**	**554.3**
PBDIT	93.2	118.3	86.9	135.4
PBDT	87.7	82.9	74.4	94.1
PBIT	90.1	114.3	83.1	131.1
Share in Net Profit/Loss of Associates			72.6	44.7
PBT	84.6	78.9	143.2	134.5
Tax	26.0	25.8	24.6	31.1
Profit After Taxes (PAT)	**58.6**	**53.1**	**118.6**	**103.4**
Non-Controlling Interest (NCI)			-1.1	2.4
PAT (After NCI)	**58.6**	**53.1**	**119.7**	**101.0**
Other Comprehensive Income^	-0.8	-0.1	-0.8	-0.1
Total Comprehensive Income (After NCI)	**57.8**	**53.0**	**118.9**	**100.9**
Diluted EPS (₹)	**11.39**	**10.46**	**23.27**	**19.88**

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

Despite a challenging environment for the real estate industry, Mahindra Lifespaces registered a creditable financial performance during FY 2018-19.

Consolidated Financial Highlights

- **Consolidated total revenue increased from ₹ 644.1 crore in FY 2017-18 to ₹ 653.9 crore in FY 2018-19.[10]**
- **Operating profits (PBDIT) were ₹ 86.9 crore in FY 2018-19, compared to ₹ 135.4 crore in FY 2017-18. This was for two reasons. First, last year there was a one-time gain from sale of land in Nasik which contributed to higher PBDIT in FY 2017-18. Second, the Company incurred higher marketing spends on its new launches, the revenue for which will be recognised only after completion of those projects in line with IND AS 115.**
- **Share of profit from JVs and associates increased by 62 percent from ₹ 44.7 crore in FY 2017-18 to ₹ 72.6 crore in FY 2018-19, primarily due to higher contribution from industrial cities and cluster business.**
- **There was a significant decline in consolidated financial expenses — from ₹ 41.3 crore in FY 2017-18 to ₹ 12.5 crore in FY 2018-19.**
- **Consolidated profit before taxes (PBT), after including share in profit from JVs and associates, increased by 6.5 percent to ₹ 143.3 crore in FY 2018-19.**
- **After accounting for non-controlling interest (NCI), consolidated PAT increased by 18.5 percent to ₹ 119.7 crore in FY 2018-19, versus ₹ 101 crore in the previous year.**

[10] 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 5.

Standalone Financial Highlights

- **PBT of the standalone entity grew by 7.2 percent from ₹ 78.9 crore in FY 2017-18 to ₹ 84.6 crore in FY 2018-19.**
- **PAT grew at 10.3 percent from ₹ 53.1 crore in FY 2017-18 to ₹ 58.6 crore in FY 2018-19.**

Table 4: Key Financial Ratios (Standalone)

	2018-19	2017-18
Debtors Turnover	4.80	6.27
Inventory Turnover	0.38	0.40
Current Ratio	2.52	2.57
Interest Coverage Ratio ^	7.58	2.99
Debt Equity Ratio ^	0.07	0.09
Operating Profit Margin (%)	16.8%	21.2%
Net Profit Margin (%)	10.6%	9.5%
Return on Net Worth(%)	3.3%	2.9%
^ Ratios where change is significant (over 25% compared to previous year)		

Table 4 presents key financial ratios for MLDL as a standalone entity.

- The liquidity situation during the year remained comfortable. Surplus funds available from time to time have been invested in credit worthy instruments, including deposits with banks.
- Standalone debt equity ratio came down from 0.09 in FY 2017-18 to 0.07 in FY 2018-19, primarily due to repayment of non-convertible debentures of ₹ 200 crore in April 2018. As a result, interest coverage also improved from 2.99 in FY 2017-18 to 7.58 in FY 2018-19.
- Operating profit margins declined from 21.2 percent in FY 2017-18 to 16.8 percent in FY 2018-19. As pointed out earlier, this is mostly due to higher sales and marketing costs during the year and one-time gain from Nashik land sale in the previous year.
- Even so, net profit margin improved in FY 2018-19 due to lower interest costs. This also reflected in a higher return on net worth — 3.3 percent in FY 2018-19, compared to 2.9 percent in FY 2017-18.

Under IND AS, line-by-line consolidation is not followed for some of the operating entities. Table 5 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. Moreover, 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 provided with the purpose to provide a more complete picture of their contribution to the Company's performance.

Table 5: Summary of Financial Performance of Operating Entities in 2018-19 (₹ Crore)

Legal/Operating Entity	MLDL's Economic Interest	Total Income (Revenues)	Profit After Tax (PAT)
Residential			
Mahindra Lifespace Developers Limited	NA	554.8	58.6
Mahindra Homes Private Limited^	50.00%	393.6	27.2
Mahindra Bloomdale Developers Limited	100.0%	93.5	7.2
Mahindra Integrated Township Limited	96.30%	13.2	-5.0
Mahindra Residential Developers Limited	96.30%	37.5	5.8
Mahindra Happinest Developers Limited^	25.00%	0.1	-11.5
Total Residential (A)		**1,092.7**	**82.3**
Industrial Cities & Clusters			
Mahindra World City Developers Limited^	89.00%	135.8	16.3
Mahindra World City Jaipur Limited^	74.00%	135.2	44.7
Mahindra Industrial Park Chennai Limited^	53.40%	47.8	-1.1
Mahindra Industrial Park Private Limited^	50.00%	0.5	-0.9
Total Industrial Cities & Clusters (B)		**319.3**	**59.0**
Grand Total (A + B)		**1,412.0**	**141.3**
Share (%)			
Residential	-	77.4%	58.2%
Industrial Cities & Clusters	-	22.6%	41.8%
Total		**100.0%**	**100.0%**

^ Entities not considered for line-by-line consolidation

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 to review the risk management plan and oversee the complete process. The Board also regularly reviews risks.

ECONOMIC RISKS

India's GDP growth decelerated marginally during the year. Though the construction sector showed some improvement, there are still downside risks. Lending rates for business and home loans continue to be high. These can have a direct impact on the performance of the real estate sector and, hence, of the Company. Besides, the outlook for global economic growth is also weak, which is unlikely to spur investments in Indian businesses, especially those in export-oriented industries.

Mahindra Lifespaces is conscious of these risks and is taking measures to mitigate them. For instance, the Company's focus on both the residential and industrial sectors has been a significant source of comfort during periods of slow economic performance. Similarly, scaling up of its presence in affordable housing segment 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.

OPERATIONAL RISKS

Key operational risks include: (i) longer gestation period for land procurement, (ii) more time taken for approvals, (iii) inability to sell the project as per plan, (iv) inability to complete and deliver projects according to the schedule leading to additional cost of construction and maintenance, (v) erosion of brand value, (vi) difficulties in the appointment and retention of quality contractors, (vii) inability to attract and retain talent, (viii) poor customer satisfaction, (ix) fraud and unethical practices, (x) failure to comply with laws and regulations leading to fines, (xi) penalties, and (xii) 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 mitigate 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 often 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. Restriction by the High Court on new construction in MMR 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

In the last few years, the Indian real estate industry has witnessed a positive change in favour of organised players with strong brand equity. Implementation of Real Estate (Regulation and Development) Act (RERA) and the Goods and Services Tax Act (GST) have not only ensured greater transparency and protection for home buyers, but have also rewarded more efficient and organised players in the industry by reducing the cost arbitrage benefits of the unorganised sector.

Moreover, tough market conditions in the last few years have opened-up opportunities for companies with strong balance sheets to secure projects at attractive rates. In addition, as the customer profile has shifted from investors towards end-users, the value propositions of the product and the brand of the developer have both become more important than ever before.

Mahindra Lifespaces has a proven track-record in both residential and industrial developments. In the last few years, it has successfully expanded its capabilities in both these segments with affordable housing and smaller industrial clusters. It has a strong balance sheet and benefits from the Mahindra brand — a name associated with honesty, transparency, fairness and trust — which makes it attractive for consumers as well as investors.

The Company has in place strong partnerships that allow it to access capital. Additionally, it is favourably placed to raise funds on competitive terms to finance growth. It has strong systems and processes to scale-up execution and delivery. Therefore, 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 FY 2018-19, 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 FY 2018-19 to enable continuity of information to investors and shall not be construed to be of any relevance to home buyers / customers.

RESIDENTIAL PROJECTS



LUMINARE

Location : NCR
Development : Mahindra Homes Private Limited.

Saleable Area: 1.14 million sq. ft.

Launched Area: 0.77 million sq. ft.

*Percentage Sold: 71% of launched area

*Percentage Completed: 79% of launched area



ROOTS

Location : Mumbai
Development : Mahindra Lifespace Developers Limited.

Saleable Area: 0.14 million sq. ft.

Launched Area: 0.14 million sq. ft.

*Percentage Sold: 65% of launched area

*Percentage Completed: 40% of launched area



VIVANTE

Location : Mumbai
Development : Mahindra Lifespace Developers Limited.

Saleable Area: 0.16 million sq. ft.

Launched Area: 0.16 million sq. ft.

*Percentage Sold: 100% of launched area

*Percentage Completed: 94% of launched area



HAPPINEST BOISAR

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

Saleable Area: 0.53 million sq. ft.

Launched Area: 0.53 million sq. ft.

*Percentage Sold: 81% of launched area

*Percentage Completed: 99% of launched area

* Percentage sold / completed upto March 2019. Sales(%) based on Company's share in launched area.

RESIDENTIAL PROJECTS



HAPPINEST PALGHAR 1

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

Saleable Area: 0.41 million sq. ft.

Launched Area: 0.41 million sq. ft.

*Percentage Sold: 88% of launched area

*Percentage Completed: 42% of launched area



BLOOMDALE

Location : Nagpur
Development : Mahindra Bloomdale Developers Limited.

Saleable Area: 1.55 million sq. ft.

Launched Area: 1.55 million sq. ft.

*Percentage Sold: 75% of launched area

*Percentage Completed: 77% of launched area



CENTRALIS

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

Saleable Area: 0.34 million sq. ft.

Launched Area: 0.34 million sq. ft.

*Percentage Sold: 88% of launched area

*Percentage Completed: 10% of launched area



ANTHEIA

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

Saleable Area: 1.63 million sq. ft.

Launched Area: 1.63 million sq. ft.

*Percentage Sold: 90% of launched area

*Percentage Completed: 96% of launched area

* Percentage sold / completed upto March 2019. Sales(%) based on Company's share in launched area.

RESIDENTIAL PROJECTS



WINDCHIMES

Location : Bengaluru
Development : Mahindra Homes Private Limited.

Saleable Area: 0.87 million sq. ft.

Launched Area: 0.87 million sq. ft.

*Percentage Sold: 74% of launched area

*Percentage Completed: 91% of launched area



LAKEWOODS

Location : Chennai
Development : Mahindra Integrated Township Limited.

Saleable Area: 0.90 million sq. ft.

Launched Area: 0.28 million sq. ft.

*Percentage Sold: 36% of launched area

*Percentage Completed: 9% of launched area



AQUALILY

Location : Chennai
Development : Mahindra Residential Developers Limited.

Saleable Area: 1.58 million sq. ft.

Launched Area: 1.51 million sq. ft.

*Percentage Sold: 81% of launched area

*Percentage Completed: 94% of launched area



HAPPINEST AVADI

Location : Chennai
Development : Mahindra Lifespace Developers Limited.

Saleable Area: 0.73 million sq. ft.

Launched Area: 0.64 million sq. ft.

*Percentage Sold: 80% of launched area

*Percentage Completed: 92% of launched area

* Percentage sold / completed upto March 2019. Sales(%) based on Company's share in launched area.

INTEGRATED CITIES & INDUSTRIAL CLUSTERS



MAHINDRA WORLD CITY

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

Total Area Procured: 2913 acres
Total Leasable Area: 2011 acres
**Area leased:
SEZ – 408 acres / DTA - 356 acres / Residential & Social – 48 acres
Balance Inventory:
SEZ – 618 acres / DTA – 339 acres / Residential & Social – 241 acres



MAHINDRA WORLD CITY

Location : Chennai
Development : Mahindra World City Developers Limited.

Total Area Procured: 1524 acres
Total Leasable Area: 1145 acres
**Area leased:
SEZ – 425 acres / DTA – 419 acres / Residential & Social – 272 acres
Balance Inventory:
SEZ – Nil / DTA – 3 acres / Residential & Social – 26 acres



ORIGINS by MAHINDRA WORLD CITY

Location : Chennai
Development : Mahindra Industrial Park Chennai Limited.

Total Area Procured: 286 acres
Total Leaseable Area: 206 acres
**Area Leased: 23 acres
Balance Inventory: 183 acres



ORIGINS by MAHINDRA WORLD CITY

Location : Ahmedabad
Development : Mahindra Industrial Park Private Limited.

Total Area Procured: 340 acres
Total Saleable Area: 221 acres
**Area Sold: Nil

** Area Leased upto March 2019.

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, provide disclosures, and enhance stakeholder value without compromising in any way on compliance with the laws and regulations. The Company believes that good governance brings 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 amended from time to time. 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, 2019.

1. BOARD OF DIRECTORS

Mr. Arun Nanda is the Non-Executive Chairman and Ms. Sangeeta Prasad is the Managing Director and Chief Executive Officer of the Company. The remaining Non-Executive Directors, comprising of three Independent Directors and one Non-Independent Director as on 31st March, 2019 have the desired diversity and optimal mix of knowledge and expertise from diverse fields, possess the requisite qualifications and experience which enables them to discharge their responsibilities, provide effective leadership to the business and enhance the quality of the Board's decision making process.

The Management of the Company is entrusted in the hands of the Senior Management Personnel who are members of the Leadership Team headed by the Managing Director and Chief Executive Officer, who operates under the overall guidance, supervision and control of the Board. The Board guides the Management on its strategic direction and oversees the actions and results to ensure that the long-term objective of enhancing value of the stakeholders is achieved. 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), a subsidiary of the Company, receives sitting fees for attending the meetings of its Board and would be entitled to the 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 (MWCJL) a subsidiary of the Company receives sitting fees for attending meetings of its Board and would be entitled to commission under the Act, as may be approved by MWCJL. Dr. Anish Shah, Non-Executive Non-Independent Director is the Group President - Strategy at Mahindra and Mahindra Limited (M&M) 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. All the Independent Directors have confirmed that they meet the criteria as mentioned in Regulation 16(1) (b) of the Listing Regulations and section 149(6) of the Act. The Board, basis declarations received from Independent Directors, is of the opinion that each of them fulfils the prescribed independence criteria stipulated under the Companies Act, 2013 and SEBI LODR and that they are independent from the management of the Company. 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 Board Meetings and at the last Annual General Meeting

As on 31st March, 2019, 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 other remaining three members are Independent Directors. The names and categories of Directors, their attendance at 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 held during the respective tenure of Directors in FY 2018-19		Attendance at the last AGM
			Held	Attended	
Mr. Arun Nanda, Chairman	00010029	Non-Executive Non-Independent	7	7	Yes
Mr. Shailesh Haribhakti	00007347	Non-Executive Independent	7	7	Yes
Mr. Bharat Shah	00136969	Non-Executive Independent	7	7	Yes
Mr. Ameet Hariani	00087866	Non-Executive Independent	7	6	Yes
Dr. Anish Shah	02719429	Non-Executive Non-Independent	7	7	Yes
Ms. Anita Arjundas, Managing Director	00243215	Executive	4	4*	Yes
Ms. Sangeeta Prasad, Managing Director and Chief Executive Officer	02791944	Executive	3	3**	NA

* Ms. Anita Arjundas resigned as the Managing Director and Director of the Company with effect from 30th September, 2018.

** Ms. Sangeeta Prasad, the Chief Executive Officer (CEO) of the Company, was appointed as an Additional Director and as the Managing Director designated as the "Managing Director and Chief Executive Officer" with effect from 1st October, 2018. She attended the last AGM held on 30th July, 2018 in her capacity as the CEO of the Company.

b) Details of Directorships / Committee Memberships as of 31st March, 2019

As mandated by the Act, none of the Directors is a director in more than ten Public Limited Companies. 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. All Directors are also in compliance with the limits on directorship of listed entities as prescribed under Regulation 17A of SEBI LODR. 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 Chairperson of more than five committees across all Indian Public Limited companies, in which they are Directors. The number of directorships and committee positions held by them in Indian Public Limited Companies are given below:

Name of the Director	Category	Directorship held in Indian Public Limited Companies*	Membership in Committees of Public limited companies, whether listed or not**	Chairmanship in Committees of Public limited companies, whether listed or not**
Mr. Arun Nanda	Chairman - Non-Executive Non-Independent	6	Nil	2
Mr. Shailesh Haribhakti	Non-Executive Independent	10	5	5
Mr. Bharat Shah	Non-Executive Independent	9	7	1
Mr. Ameet Hariani	Non-Executive Independent	8	4	2
Dr. Anish Shah	Non-Executive Non-Independent	4	2	NIL
Ms. Sangeeta Prasad, Managing Director and Chief Executive Officer***	Executive	10	2	NIL

* Includes Directorship in Mahindra Lifespace Developers Limited and private company which is subsidiary / holding company of a public company but excludes private limited companies, foreign companies and companies under Section 8 of the Companies Act, 2013

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

*** Ms. Sangeeta Prasad, the Chief Executive Officer (CEO) of the Company, was appointed as an Additional Director and as the Managing Director designated as the "Managing Director and Chief Executive Officer" with effect from 1st October, 2018.

In terms of Schedule V – Part C (2) (c) of SEBI LODR, the details of listed entities where directors of the Company are Directors along with category of Directorship as on 31st March, 2019 are given below:

Name of the Director	Names of Listed Entities	Category of Directorship
Mr. Arun Nanda	Mahindra Lifespace Developers Limited	Chairman, Non-Executive Non-Independent Director
	Mahindra Holidays & Resorts (India) Limited	Chairman, Non-Executive Non-Independent Director
Mr. Shailesh Haribhakti	Torrent Pharmaceuticals Limited	Independent Director
	ACC Limited	Independent Director
	Ambuja Cements Limited	Independent Director
	Blue Star Limited	Independent Director
	Future Lifestyle Fashions Limited	Independent Director
	L&T Finance Holding Limited	Chairman, Non-Executive Director
	Mahindra Lifespace Developers Limited	Independent Director
Mr. Bharat Shah	Mahindra Lifespace Developers Limited	Independent Director
	Hexaware Technologies Ltd.	Independent Director
	3M India Limited	Chairman, Independent Director
	Strides Pharma Limited	Independent Director
	Exide Industries Limited	Chairman, Independent Director
Mr. Ameet Hariani	Ras Resorts and Apart Hotels Limited	Independent Director
	Batliboi Limited	Independent Director
	Mahindra Lifespace Developers Limited	Independent Director
Dr. Anish Shah	Mahindra Lifespace Developers Limited	Non-Executive Non-Independent Director
	Mahindra and Mahindra Financial Services Limited	Non-Executive Non-Independent Director
Ms. Sangeeta Prasad, Managing Director and Chief Executive Officer	Mahindra Lifespace Developers Limited	Managing Director & CEO
	Mahindra EPC Irrigation Limited	Non-Executive Non-Independent Director

c) Number of Board Meetings

Seven Board meetings were held during the year i.e. from 1st April, 2018 to 31st March, 2019, on the following dates: 27th April, 2018; 9th May, 2018; 30th July, 2018; 28th September, 2018; 26th October, 2018; 28th January, 2019 and 14th February, 2019. 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 23rd March, 2019, and this meeting was attended by Mr. Shailesh Haribhakti and Mr. Bharat Shah, 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 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 Committees of the Board, sustainability plans and its performance, and 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"), Mr. Arun Nanda 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. Mr. Arun Nanda is not related to any of the Directors or Key Managerial Personnel of the Company.

Pursuant to recommendation of Nomination and Remuneration Committee, the Board of Directors at its meeting held on 28th September, 2018, appointed Ms. Sangeeta Prasad, then CEO of the Company, as an Additional Director and as Managing Director, designated as "Managing Director & Chief Executive Officer" (MD & CEO) with effect from 1st October, 2018. Pursuant to Section 161 of the Act and Article 128 of the Articles of Association of the Company, Ms. Prasad holds office upto the date of forthcoming Annual General Meeting. Further, in terms of Section 152 of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014, the Board has recommended to the Shareholders appointment of Ms. Sangeeta Prasad as a Director of the Company, not liable to retire by rotation and her appointment and remuneration as the Managing Director designated as MD & CEO effective 1st October, 2018.

The Board is of the view that Ms. Sangeeta Prasad's knowledge and experience will be of benefit and value to the Company. Ms. Sangeeta Prasad is not related to any of the Directors or Key Managerial Personnel of the Company.

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

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

Mr. Arun Nanda

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

He joined the Mahindra Group in 1973 and over the years, he has held several important positions within the Group. He was inducted to the Board of Mahindra & Mahindra Ltd. (M&M) in August 1992 and resigned as Executive Director in March 2010 to focus on the social sector and create a favourable ecosystem for senior citizens. He was a non-executive director from April 2010 till August 2014.

He is currently the Chairman of Mahindra Lifespace Developers Ltd. and Mahindra Holidays & Resorts (India) Ltd.

He is also the Chairman of Holiday Club Resorts Oy, Finland, Director of National Skill Development Corporation, Chairman of CII National Committee on Skill Development, Chairman on the Governing Board of Centre for Social and Behaviour Change Communication, Member of the Governing Body of Helpage India and on the Advisory Board of TechnoServe India.

He is also Chairman Emeritus of the Indo-French Chamber of Commerce & Industry. He was Chairman of CII Western Region Council for the year 2010-2011 and Chairman of Tourism & Hospitality Skill Council. He was a Member of the Task Force set up by the B20 on Anti-Corruption which presented the policy paper to President Sarkozy at the G20 Summit held in Cannes in November 2011 and to President Putin in St. Petersburg in June 2013.

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

Mr. Arun Nanda is the recipient of the following awards:

1. **"Real Estate Person of the Year Award"** from GIREM Leadership Awards in India in 2008.
2. **"ICSI National Award"** for Excellence in Corporate Governance for Mahindra & Mahindra Limited as the best governed company in 2008.
3. **"CA Business Achiever Award - Corporate"** at the Institute of Chartered Accountants of India Award 2009
4. **"Lifetime Achievement Award"** at the Golden Star Awards 2010 for his outstanding contribution to the Hospitality Industry and the Service Sector.
5. **"Aatithya Ratna Award"** by the Business Hotels Network and Horwath HTL in 2014 for his contribution to the success of the Hospitality Industry.
6. **"Lifetime Achievement Award"** at the CNBC Awaaz Real Estate Awards in December 2014 for his relentless pursuit of excellence and dynamic leadership that steered the growth of Mahindra Lifespace Developers Limited.
7. **"Recognition of CAs in Social Service"** by the Institute of Chartered Accountants of India in August 2015 for best work for Senior Citizens
8. **"IFCA Award of Excellence"** by Indian Federation of Culinary Association in September, 2015 for outstanding contribution to the development of culinary profession and promotion of culinary art in India.
9. **"Lifetime Achievement Award"** by National Real Estate Development Council (NAREDCO) in September 2016 for exceptional contribution to India's real estate sector.

10. **"Lifetime Achievement Award"** by Hotelier India in December 2018 for pioneering work and invaluable contribution to the hospitality industry.

Mr. Arun Nanda, Chairman holds 1,66,212 equity shares of the Company (Out of 1,66,212 equity shares, 142 Equity Shares are held jointly with Ms. Neerja Nanda, being the second holder, 750 Equity Shares are held jointly with Ms. Neerja Nanda, being the first holder and 437 equity Shares are held jointly with Mr. Uday Nanda and Ms. Neerja Nanda, Mr. Arun Nanda being the third holder) in the Company. As on 31st March, 2019, Mr. Arun Nanda holds Directorships and Committee positions in the following listed companies:

Name of Company	Designation	Name of Committee	Position held
Mahindra Lifespace Developers Limited	Chairman Non-Executive Non-Independent Director	• Stakeholders Relationship Committee	Chairman
		• Nomination & Remuneration Committee	Member
		• Corporate Social Responsibility Committee	Chairman
		• Loans & Investment Committee	Chairman
		• Committee for Investment in Residential Joint Ventures / Large Format Developments	Member
		• Share Transfer and Allotment Committee	Member
Mahindra Holidays & Resorts India Limited	Chairman, Non-Executive Non-Independent Director	• Inventory Approval Committee	Chairman
		• Strategy and Review Committee	Chairman
		• Corporate Social Responsibility Committee	Chairman
		• Nomination and Remuneration Committee	Member
		• Stakeholders Relationship Committee	Chairman
		• Risk Management Committee	Member
		• Securities Allotment Committee	Member

Ms. Sangeeta Prasad

Ms. Sangeeta Prasad, aged 51 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. During her tenure at Integrated Cities and Industrial Clusters (IC & IC) business, CEO of residential business in south and later on as CEO of the Company, she acquired in-depth knowledge and expertise in the B2B business of IC & IC and the residential business. In 2013, she was promoted as CEO –IC & IC business of the Company. As a CEO of IC & IC business, she made substantial contribution to B2B business of World Cities. While heading the residential segment of South, she gained in-depth exposure in the Company's operations. In April, 2018, Ms. Sangeeta Prasad was elevated to the position of Chief Executive Officer of the Company and was later appointed as the Managing Director designated as "Managing Director & CEO" effective from 1st October, 2018.

A Chevening scholar, Ms. Prasad was recognised as one of the Top 30 emerging Women Leaders in India by Business Today Magazine in the year 2010. Ms. Prasad has been a member of the Board of Governors of Indian Institute of Management, Lucknow and on the boards of various companies.

Ms. Prasad is a frequent speaker and panelist at prestigious industry and international events. She has addressed audiences at multiple editions of the World Economic Forum Annual Meeting in Davos, where she spoke on trends, challenges and opportunities in urbanisation; business and people strategy in the digital era; and action on climate change. She was also a speaker at the 2015 United Nations Climate Change Conference, on 'COP 21', in Paris, and at the eighth Clean Energy Ministerial (CEM8) held in Beijing in 2017. Ms. Prasad was part of the FICCI (Federation of Indian Chambers of Commerce and Industry) delegation to Hannover Messe in 2015 and a panelist at the FICCI Seminar on 'Smart Cities – the Urban Challenge', at the same forum. She is a member of the RICS (Royal Institution of Chartered Surveyors) South Asia board and Co-Chair of the CII Urban Development and Smart Cities Council.

Ms. Prasad holds 7,500 equity shares in the Company. As on 31st March, 2019, she holds Directorships and Committee positions in the following companies:

Name of Company	Designation	Name of Committee	Position held
Mahindra Lifespace Developers Limited	Managing Director & Chief Executive Officers	• Stakeholders Relationship Committee	Member
		• Share Transfer and Allotment Committee	Member
		• Committee for investment in Residential Joint Ventures / Large Format Developments	Member
		• Corporate Social Responsibility Committee	Member
		• Risk Management Committee	Member
Mahindra Bloomdale Developers Limited (Formerly Known as Mahindra Bebanco Developers Limited)	Non-Executive Non-Independent Director	Corporate Social Responsibility Committee	Member

Name of Company	Designation	Name of Committee	Position held
Mahindra World City (Jaipur) Limited	Non-Executive Non-Independent Director	• Corporate Social Responsibility Committee • Nomination and Remuneration Committee • Loans & Investment Committee • Land Lease Committee • Capital Issue Committee • Contract Committee	Member Member Member Member Member Member
Mahindra Integrated Township Limited	Non-Executive Non-Independent Director	• Corporate Social Responsibility Committee • Nomination and Remuneration Committee • Audit Committee	Chairperson Member Member
Mahindra World City Developers Limited	Non-Executive Non-Independent Director	Corporate Social Responsibility Committee	Member
Mahindra Homes Private Limited	Non-Executive Non-Independent Director	Corporate Social Responsibility Committee	Member
Mahindra Happinest Developers Limited	Non-Executive Non-Independent Director	-	-
Mahindra EPC Irrigation Limited	Non-Executive Non-Independent Director	-	-
Mahindra Industrial Park Private Limited	Non-Executive Non-Independent Director	-	-
Mahindra Industrial Park Chennai Limited	Non-Executive Non-Independent Director	-	-

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/wp-content/uploads/2019/04/details_of_familiarisation_programmes_for_independent_directors_2018-19.pdf

4. SKILLS/EXPERTISE/COMPETENCE OF THE BOARD OF DIRECTORS

The following is the list of core skills / expertise / competencies identified by the Board of Directors required in the context of the Company's business for it to function effectively and those available with the Board as a whole:

Industry knowledge / experience	• Experience of the real estate business and the Market dynamics; • Awareness of the applicable laws; • International experience in managing businesses; • Experience in managing risks associated with the business
Governance Skills:	• Practical experience in best practices pertaining to transparency, accountability and corporate governance
Technical skills/ expertise:	• Specialized knowledge in an area or subject such as accounts, finance, auditing, marketing, construction, legal, etc. • Knowledge of the relevant Technology and Innovations;
Behavioural Competencies:	• Values, mentoring abilities, ability to positively influence people and situations, leadership skills, communication and interpersonal skills, decision making abilities, conflict resolution, adaptability, etc.

5. 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 to the Act.

These codes are posted on the Company's website at https://www.mahindralifespaces.com/investors/codes-and-policies

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 and policy on materiality of and dealing with related party transactions. These policies have been amended 'from time to time' in alignment with the amendments to SEBI LODR. These policies are posted on the Company's website at: https://www.mahindralifespaces.com/investors/codes-and-policies

6. CEO AND 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, 2019.

7. REMUNERATION 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 Nomination and Remuneration Committee (NRC) and the Board considers the performance of the Company, the current trends in the industry, the qualifications of the appointee(s), their experience, past performance, responsibilities shouldered by them, the Statutory provisions and other relevant factors.

The Non-Executive Chairman and Independent Directors are paid sitting fees and reimbursement of expenses incurred in attending the Board, 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, to 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 22nd April, 2019 has, subject to the requisite approvals as may be required, approved payment of commission to the Non-Executive Non-Independent Chairman and to Independent Directors for the financial year ended on 31st March, 2019.

Performance Evaluation

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.

Pursuant to the provisions of the Act, the NRC specified the manner of effective evaluation of the performance of the Board, its Committees and individual Directors. In terms of manner of performance evaluation specified by the NRC, the performance evaluation of the Board, its Committees and individual Directors was carried by NRC and the Board of Directors. Further, pursuant to Schedule IV to the Act and regulation 17(10) of the SEBI (LODR), the evaluation of independent directors was done by the Board of Directors. For the purpose of performance evaluation, structured questionnaires, covering various aspects of the evaluation such as adequacy of the size and composition of the Board and Committee thereof with regard to skill, experience, independence, diversity, attendance and adequacy of time given by the Directors to discharge their duties, Corporate Governance practices, etc. were circulated to the Directors for the evaluation process. The Directors expressed their satisfaction with the evaluation process 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 all Non-Executive Directors shall not exceed 1 (one) percent of the net profit of the Company calculated in the prescribed manner. The Board in determining the quantum of commission payable to the Directors, takes into consideration the remuneration policy of the Company and performance evaluation of the Directors. Subject to requisite approval in this regard, 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 2018-19 is set forth below:

(₹ In lakhs)

Name of the Director	Status	Sitting Fees (Note a)	Commission (Note g)	Salary, Performance Pay, Gratuity, Exgratia, Leave encashment and Perquisites	Aggregate of Company's contributions to Superannuation, Provident, Gratuity and Pension Fund	Total
Mr. Arun Nanda, Chairman	Non-Executive Non-Independent	8.20	40.00	NA	NA	48.20
Mr. Shailesh Haribhakti	Non-Executive Independent	11.00	15.00	NA	NA	26.00

Name of the Director	Status	Sitting Fees (Note a)	Commission (Note g)	Salary, Performance Pay, Gratuity, Exgratia, Leave encashment and Perquisites	Aggregate of Company's contributions to Superannuation, Provident, Gratuity and Pension Fund	Total
Mr. Bharat Shah	Non-Executive Independent	11.00	15.00	NA	NA	26.00
Mr. Ameet Hariani	Non-Executive Independent	6.90	15.00	NA	NA	21.90
Dr. Anish Shah	Non-Executive Non-Independent	Nil	Nil	NA	NA	Nil
Ms. Anita Arjundas*, (Note b)	Managing Director	NA	NA	284.20	14.17	298.37
Ms. Sangeeta Prasad** (Note b)	Managing Director and Chief Executive Officer	NA	NA	106.97	6.30	113.27

* Ms. Anita Arjundas ceased to be Managing Director and Director of the Company with effect from 30th September, 2018.

** Ms. Sangeeta Prasad, CEO was appointed as an Additional Director and the Managing Director designated as "Managing Director & CEO" with effect from 1st October, 2018.

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 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 the Company.

b. (i) Ms. Anita Arjundas, prior to her appointment as Managing Director of 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 was in receipt of 10,000 Stock Options under Employee Stock Options Scheme-2012 (ESOS-2012) granted on 4th August, 2012, of which 8,800 stock options have been exercised by her.

(ii) Ms. Sangeeta Prasad, prior to her appointment as Managing Director & CEO of the Company, in her capacity as an employee of the Company, is in receipt of 6,000 Stock Options under Employee Stock Options Scheme-2012 (ESOS-2012) granted on 4th August, 2012, all of which have been exercised by her.

(iii) The nature of employment of Ms. Sangeeta Prasad – "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 5,000 Stock Options granted on 4th August, 2012, which are vested and to be exercised before 3rd August, 2021 at an exercise price of ₹ 325 per stock option, all other Options granted under ESOS-2006 but not exercise have lapsed on 24th April, 2017. During the year, none of the Stock Options granted under ESOS-2006 were exercised.

e. **ESOS-2012:** As of 31st March, 2019, a total of 96,800 Stock Options have been exercised by the grantees at an exercise price of ₹ 10 per Stock Option, out of which 6,000 Stock Options have been exercised by Ms. Sangeeta Prasad, Managing Director & CEO and 90,800 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.

Shares and Convertible Instruments held by Non-Executive Directors:

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

As on 31st March, 2019, the details of equity shares held by the Directors are as follows:

- Mr. Arun Nanda, Chairman holds 1,66,212 shares of the Company (Out of 1,66,212 Equity Shares, 142 Equity Shares are held jointly with Ms. Neerja Nanda, being the second holder, 750 Equity Shares are held jointly with Ms. Neerja Nanda, being the first holder and 437 equity Shares are held jointly with Mr. Uday Nanda and Ms. Neerja Nanda, Mr. Arun Nanda being the third holder)
- Mr. Shailesh Haribhakti, Mr. Bharat Shah, Dr. Anish Shah and Mr. Ameet Hariani do not hold any equity share in the Company either on their own or for any other person on a beneficial basis.

8. COMMITTEES OF THE BOARD

Audit Committee

As on 31st March, 2019, the Audit Committee of the Company comprises three Independent Directors, namely Mr. Ameet Hariani, Mr. Shailesh Haribhakti and Mr. Bharat Shah, and one Non-Executive Non- Independent Director, Dr. Anish Shah. Mr. Shailesh Haribhakti resigned as the Chairman of the Audit Committee from the close of business hours of meeting of the Audit Committee held on 27th April, 2018 but continued as a member of the Audit Committee. Mr. Ameet Hariani, Independent Director was appointed as a member of the Audit Committee in the board meeting held on 27th April, 2018 and was appointed as the Chairman of the Audit Committee at the meeting of Audit Committee held on 30th July, 2018.

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.
- reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.

During the year from 1st April, 2018 to 31st March, 2019, six meetings of the committee were held on the following dates: 27th April, 2018; 30th July, 2018; 28th September, 2018; 26th October, 2018; 28th January, 2019 and 23rd March, 2019. 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 Members	Category	No. of Audit Committee Meetings held during the respective tenure of members in FY 2018-19	
		Held	Attended
Mr. Ameet Hariani	Chairman, Non- Executive Independent	5	3*
Mr. Shailesh Haribhakti	Non- Executive Independent	6	6
Mr. Bharat Shah	Non- Executive Independent	6	6
Dr. Anish Shah	Non- Executive Non-Independent	6	6

*Mr. Ameet Hariani was appointed as a member of the Audit Committee in the Board meeting held on 27th April, 2018. The Audit Committee meeting on 27th April, 2018 was held prior to the Board meeting. Post his appointment as member of the Audit Committee, five meetings of the Audit Committee were held during the year.

Mr. Ameet Hariani, the Chairman of the Audit Committee, was present at the Annual General Meeting of the Company held on 30th July, 2018.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/investor/codes-and-policies/Whistle%20Blower%20Policy.pdf.

Stakeholders Relationship Committee

As on 31st March, 2019, 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 and Managing Director & CEO, Ms. Sangeeta Prasad. Ms. Sangeeta Prasad was appointed on the Committee effective 28th January, 2019. Mr. Arun Nanda is the Chairman of the Committee. Mr. Suhas Kulkarni, Chief Legal Officer & Company Secretary, is the Compliance Officer for the Committee. The role of the Committee's is to attend the investors' complaints pertaining to transfers / transmission of shares, non-receipt of annual report, non-receipt of dividends/ interest, issue of new/duplicate certificates, general meetings, review of measures for effective exercise of voting rights, review of adherence to the service standards in respect of various services being rendered by the Registrar & Share Transfer Agent, review of the various measures and initiatives for reducing the quantum of unclaimed dividends and timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company and any other related matter. Mr. Arun Nanda attended the Annual General Meeting of the Company held on 30th July, 2018.

Status of Investors Complaints received during the period 1st April, 2018 to 31st March, 2019:

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.	24
2	Number of complaints resolved	24
3	Complaints pending as at 31st March, 2019	Nil

Nomination and Remuneration Committee

As on 31st March, 2019, 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. During the year under review, 1st April, 2018 to 31st March, 2019 the Committee met four times on the following dates: 27th April, 2018; 30th July, 2018; 28th September, 2018 and 14th February, 2019. All members of the Committee attended all meetings. Mr. Bharat Shah, the Chairman of the Committee, was present at the Annual General Meeting of the Company held on 30th July, 2018.

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.
- To specify the manner for effective evaluation of performance of Board, its committees and individual directors and review its implementation and compliance.

Corporate Social Responsibility Committee

As on 31st March, 2019, the Committee comprises Non-Executive Non-Independent Director Mr. Arun Nanda, Independent Director, Mr. Shailesh Haribhakti and the Managing Director & CEO, Ms. Sangeeta Prasad. Mr. Arun Nanda is the Chairman of the Committee. During the year, Ms. Anita Arjundas ceased to be a member of the Committee consequent to her resignation as Managing Director and Director of the Company effective 30th September, 2018. The Board at its meeting held on 28th September, 2018 appointed Ms. Sangeeta Prasad, the Managing Director & CEO as a member of the Committee effective 1st October, 2018.

During the year under review, the Committee met twice on 25th April, 2018 and 26th October, 2018. All members attended both the meetings.

Loans & Investment Committee

As on 31st March, 2019, the Loans & Investment Committee of the Board of the Company comprises two Non-Executive Non-Independent Directors, Mr. Arun Nanda and Dr. Anish Shah and Non-Executive Independent Director, Mr. Ameet Hariani. Mr. Arun Nanda is the Chairman of 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.

Share Transfer and Allotment Committee

As on 31st March, 2019, the Committee comprises two Non-Executive Non-Independent Directors, Mr. Arun Nanda and Dr. Anish Shah and the Managing Director & CEO, Ms. Sangeeta Prasad. During the year, Ms. Anita Arjundas ceased to be a member of the Committee consequent to her resignation as Managing Director and Director of the Company effective 30th September, 2018. The Board at its meeting held on 28th September, 2018 appointed Ms. Sangeeta Prasad, the Managing Director & CEO as a member of the Committee effective 1st October, 2018.

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.

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

Committee for Investment in Residential Joint Venture / Large Format Developments

As on 31st March, 2019, the Committee for Residential Projects in Joint Ventures / Large Format Developments comprises Non-Executive Non-Independent Director, Mr. Arun Nanda, Independent Director, Mr. Shailesh Haribhakti and the Managing Director & CEO, Ms. Sangeeta Prasad. During the year, Ms. Anita Arjundas ceased to be a member of the Committee consequent to her resignation as Managing Director and Director of the Company effective 30th September, 2018. The Board at its meeting held on 28th September, 2018 appointed Ms. Sangeeta Prasad, the Managing Director & CEO as a member of the Committee effective 1st October, 2018. 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.

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, 2019, the Committee comprised of Independent Director, Mr. Shailesh Haribhakti, Managing Director & CEO, Ms. Sangeeta Prasad and Chief Financial Officer, Mr. Jayantt Manmadkar (resigned w.e.f. 30th April, 2019). Mr. Shailesh Haribhakti is the Chairman of the Committee. During the year, Ms. Anita Arjundas ceased to be a member of the Committee consequent to her resignation as Managing Director and Director of the Company effective 30th September, 2018. The Board at its meeting held on 28th September, 2018 appointed Ms. Sangeeta Prasad, the Managing Director & CEO as a member of the Committee effective 1st October, 2018.

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.

9. GENERAL SHAREHOLDER INFORMATION

Twentieth Annual General Meeting – Financial year 2018-19

Day / Date: Friday, 26th July, 2019

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
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 an aggregate amount 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 an aggregate amount of ₹ 750 crore
2018	19th AGM, 30th July, 2018	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 an aggregate amount 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, 20th July, 2019 to Friday, 26th July, 2019 (both days inclusive)

Final Dividend Payment Date

Final Dividend, if declared, will be credited / dispatched on or before 2nd August, 2019.

Financial Year

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

Financial reporting for 2019-20 (Tentative)

For Quarter ending– 30th June, 2019	By end of July, 2019
For Half Year ending – 30th September, 2019	By end of October, 2019
For Quarter ending – 31st December, 2019	By end of January, 2020
For year ending – 31st March, 2020	By end of April, 2020

10. LISTING ON STOCK EXCHANGES

The equity shares of the Company are listed on BSE Limited and National Stock Exchange of India Limited. Listing fees have been paid to the Stock Exchanges for the period up to 31st March, 2020.

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

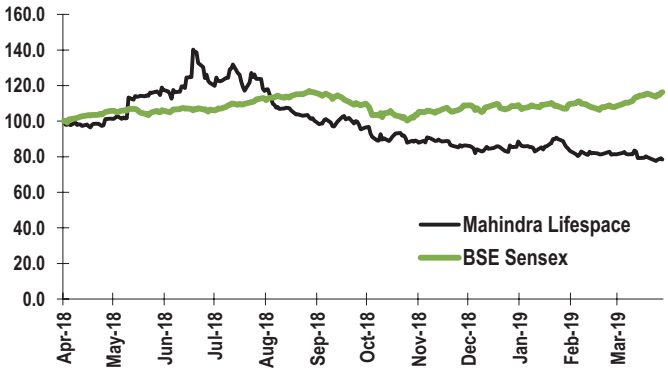
BSE and NSE – Monthly High / Low and Volumes

Year	Month	BSE			NSE		
		High (₹)	Low (₹)	Monthly Volume	High (₹)	Low (₹)	Monthly Volume
2018	April	480.75	431.2	81,927	476.1	434.35	10,07,888
2018	May	572.00	457.05	1,79,213	547.9	457.85	17,41,327
2018	June	669.00	510.55	3,57,248	668.4	512.35	34,30,923
2018	July	615.00	530.00	89,399	616.5	523.8	9,46,066
2018	August	550.00	456.00	4,80,621	548	456.5	61,21,569
2018	September	479.95	430.00	88,141	479	426.3	17,09,562
2018	October	445.00	395.00	2,16,065	445	392	9,63,687
2018	November	425.00	386.40	21,768	423.65	386.05	3,19,707
2018	December	396.75	371.60	29,409	396.95	369.40	4,24,238
2019	January	425.25	375.70	79,276	426.5	377.65	11,11,627
2019	February	393.85	365.65	35,337	394.95	357	7,70,750
2019	March	393.50	351.90	3,30,932	393	354.1	15,63,888

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

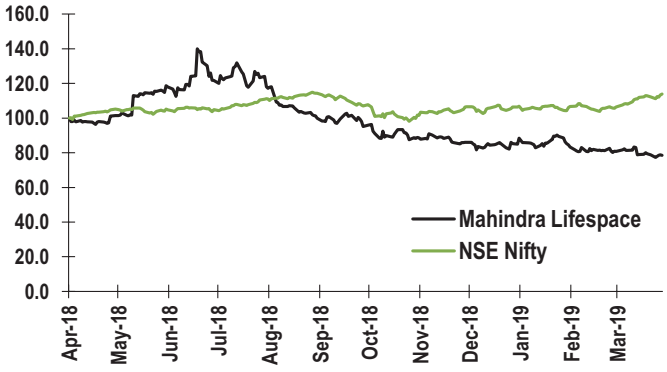
Year	Month	Closing Price on Last Trading Day of the Month				
		MLDL at BSE	BSE Sensex	NSE Nifty	BSE 500	BSE Realty
2018	April	464.40	35160.36	9496.5	15047.73	2430.23
2018	May	544.60	35322.38	9315.35	14765.69	2234.69
2018	June	557.45	35423.48	9162.45	14528.54	2073.37
2018	July	542.10	37606.58	9650.6	15314.81	2094.86
2018	August	459.85	38645.07	9992	15846.2	2141.43
2018	September	437.40	36227.14	9116	14445.89	1702.94
2018	October	408.30	34442.05	8753.45	13881.71	1679.8
2018	November	395.80	36194.3	9109.15	14429	1791.68
2018	December	391.95	36068.33	9170	14540.39	1797.83
2019	January	387.45	36256.69	9003.85	14285.11	1774.09
2019	February	373.10	35867.44	8955.95	14196.8	1795.97
2019	March	359.35	38672.91	9663.7	15304.57	2077.09

Chart A: Mahindra Lifespaces' Share Performance versus BSE Sensex



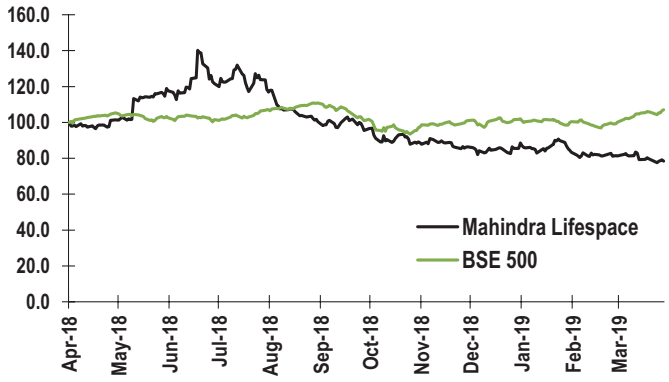
Note: Share price of Mahindra Lifespaces and BSE Sensex have been indexed to 100 on 2nd April, 2018

Chart B: Mahindra Lifespaces' Share Performance versus NSE NIFTY



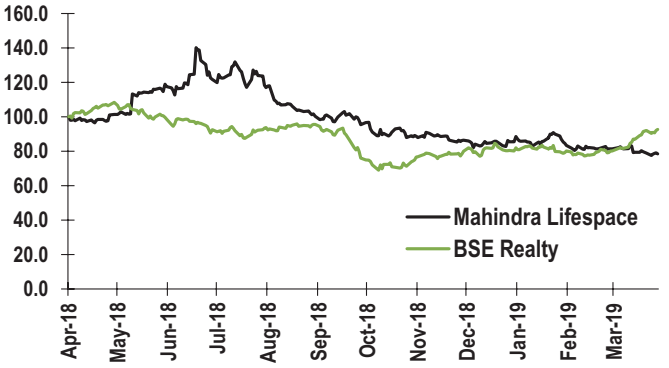
Note: Share price of Mahindra Lifespaces and NSE NIFTY have been indexed to 100 on 2nd April 2018

Chart C: Mahindra Lifespaces' Share Performance versus BSE 500



Note: Share price of Mahindra Lifespaces and BSE 500 have been indexed to 100 on 2nd April 2018

Chart D: Mahindra Lifespaces' Share Performance versus BSE Realty



Note: Share price of Mahindra Lifespaces and BSE Realty have been indexed to 100 on 2nd April 2018

Registrar and Share Transfer Agents

Karvy Fintech Private Limited
(formerly known as 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.karvyfintech.com

Investor Relation Centre:

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

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. Pursuant to Regulation 40 of SEBI LODR, effective 1st April, 2019, except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialized form with a depository.

Distribution of Shareholding as on 31st March, 2019

No. of Equity Shares	No. of Shareholders	% of Shareholders	No. of Shares Held	% of Shareholding
1-100	51,083	86.11	12,08,080	2.35
101-200	3,764	6.34	5,55,853	1.08
201-300	1,331	2.24	3,37,887	0.66
301-400	647	1.09	2,30,868	0.45
401-500	527	0.89	2,48,503	0.48
501-1000	974	1.64	7,14,533	1.39
1001-2000	477	0.80	6,73,506	1.31
2001-3000	163	0.27	4,10,426	0.80
3001-4000	72	0.12	2,53,216	0.49
4001-5000	49	0.08	2,30,713	0.45
5001-10000	95	0.16	6,68,631	1.30
10001 & above	141	0.26	4,58,16,872	89.24
Total	**59,323**	**100.00**	**5,13,49,088**	**100.00**

Shareholding Pattern

Category	As on 31st March, 2019		As on 31st March, 2018	
	No. of Equity Shares Held	% of Shareholding	No. of Equity Shares Held	% of Shareholding
Promoter's and Promoter Group	2,64,39,850	51.49	2,64,39,850	51.51
Insurance Companies, Banks and Indian Financial Institutions	35,950	0.07	17,349	0.03
UTI and Mutual Funds	33,56,234	6.54	15,93,464	3.10
FIIs / FPIs	81,52,530	15.88	1,16,12,473	22.62
NRIs / OCB	3,96,676	0.77	3,89,259	0.76
Bank of New York Mellon (for GDR Holders)	43,040	0.08	44,770	0.09
Domestic Companies	41,75,190	8.13	32,16,839	6.27
Trust	9,663	0.02	10,713	0.02
Resident Individuals	77,70,974	15.13	71,52,784	13.94
Alternate Investment Fund	20,000	0.04	0.00	0.00
Others – Clearing members	18,263	0.04	75,698	0.15
Others HUF	7,74,882	1.51	6,42,780	1.25
Others – IEPF	1,55,836	0.30	1,32,159	0.26
Total	**5,13,49,088**	**100.00**	**513,28,138**	**100.00**

Dematerialisation of Shares

As of 31st March, 2019, 5,09,27,297 shares (99.18% 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 trading in the equity shares of the Company is permitted only in dematerialized form.

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

As of 31st March, 2019, outstanding GDR's represent 43,040 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.

Credit Ratings

India Ratings and Research (Ind-Ra) has affirmed the following ratings:

Particulars	Ratings
Bank Loan - fund based limits – 2000 million	IND AA/stable/IND A1+
Bank Loan – non fund based limits – 500 million	IND AA/stable/IND A1+

Apart from above, the Company does not have any other debt instruments or any fixed deposit programme or any scheme or proposal involving mobilization of funds, whether in India or abroad.

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 for the shares and the shares held in such Suspense Account shall not be transferred in any manner whatsoever except for the purpose of allotting / delivering the shares as and when the shareholders approach the Company. The voting rights on such shares shall remain frozen till the rightful owner claims the shares. As and when the allottee approaches the Company, the Company 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 of unclaimed suspense account as of 31st March, 2019:

1	Number of shareholders and the outstanding shares in the suspense account (excluding shares credited owing to Rights Issue of the Company in 2017) lying at the beginning of the year (Shares being credited to the Suspense Account)	Number of shareholders: 639 Outstanding shares: 14,452
2	Pursuant to the Rights issue of the Company in the year 2017, 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 in that year. Accordingly, number of shareholders and the outstanding shares pertaining to Rights Issue, in the suspense account lying at the beginning of the year	Number of shareholders : 44 Outstanding shares: 428
3	**Total as of 1st April, 2019**	**Number of shareholders: 683** **Outstanding shares: 14,880**
4	Number of shareholders who approached the issuer for transfer of shares from suspense account during the year	No. of requests : 12[1] No. of shares : 173
5	Number of shareholders to whom shares were transferred from suspense account during the year	No. of. transfers from the account: 12[2] No. of shares : 173
6	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: 59 No. of shares: 990
7	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year	Number of shareholders: 612 Outstanding shares: 13,717

[1] 6 requests with 46 shares pertaining to Rights Pool A/C were received during the FY 18-19 and 6 requests with 127 shares pertaining to unclaimed suspense account were received during the same period.

[2] 6 requests with 46 shares pertaining to Rights Pool A/C were processed during the FY 18-19 and 6 requests with 127shares pertaining to unclaimed suspense account were processed during the same period.

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 Fintech Private Limited (formerly known as 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

11. DISCLOSURE OF ACCOUNTING TREATMENT

The standalone and consolidated financial statements for financial year 2018-19 have been prepared in accordance with the applicable Indian Accounting Standards (INDAS) and the provisions of the Companies Act, 2013 and the Rules framed thereunder.

12. RELATED PARTY TRANSACTIONS

The Company has formulated a 'Policy on materiality of and on dealing with Related Party Transactions', which has been amended, from time to time, in alignment with amendments in SEBI LODR. The policy has been uploaded on the website of the Company and is available at the link: https://www.mahindralifespaces.com/wp-content/uploads/2019/04/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 2018-19, 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 the standalone financial statement.

13. COMPLIANCE WITH MANDATORY REQUIREMENTS

As of 31st March, 2019, the Company was fully compliant with all applicable mandatory requirements of the provisions of SEBI LODR.

14. 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 are posted on the Company's website, the same are not sent to the shareholders.
- Audit Qualifications: The Company's financial statement for 2018-19 does not contain any audit qualification.
- Reporting of Internal Auditor: The Internal Auditor reports to the Audit Committee.

15. 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.

16. OTHER DISCLOSURES

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

The Company has complied with all requirements of the 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.

Compliance with the requirements of Corporate Governance Report:

The Company has 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 (Regulations), 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, from time to time, to align with the amendments to the Regulations. These Codes lays down guidelines and procedures to be followed and disclosures to be made while dealing with securities 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.

The Company has adequate risk assessment and minimization system in place including for commodities. The Company does not have material exposure of any commodity and accordingly, no hedging activities for the same are carried out. Therefore, there is no disclosure to offer for commodity price risks and commodity hedging activities in terms of SEBI Circular dated November 15, 2018 read with Schedule V of SEBI LODR.

Certificate from a Company Secretary in Practice

Certificate from M/s. Martinho Ferrao & Associates, Practicing Company Secretaries (Membership No.: FCS 6221) confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or from continuing as Directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority is attached herewith and marked as Annexure 1 to this Report.

Recommendation of the Committees

During the year, the Board has accepted all recommendations made by various Committees of Board of Directors of the Company.

Consolidated Fees paid to Statutory Auditors

During the year, total fees of ₹ 122.04 Lakh was paid by the Company and its subsidiaries to M/s. Deloitte Haskins & Sells LLP, Statutory Auditors and all entities in the network firm/network entity of which the statutory auditor is a part.

Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The number of complaints received during the year 2018-19 and their status is given below:

Number of complaints filed during the financial year	1
Number of complaints disposed of during the financial year	1
Number of complaints pending as on end of the financial year	NIL

Material Non-Listed Subsidiary Company

The Company has formulated a "Policy for determining Material Subsidiaries". The Policy has been amended effective 1st April, 2019, to align with the amended SEBI LODR and such policy is uploaded on the Company's website and a web link for the same is: https://www.mahindralifespaces.com/wp-content/uploads/2019/04/policy-for-determining-material-subsidiaries.pdf

During the FY 2018-19 Mahindra World City (Jaipur) Limited and Mahindra Homes Private Limited were the only material non-listed subsidiary companies under Regulation 16(1)(c) of SEBI LODR read with the Company's 'Policy for determining material subsidiaries' (the Policy). Effective 1st April, 2019, Mahindra World City (Jaipur) Limited, Mahindra Homes Private Limited, Mahindra Bloomdale Developers Limited and Mahindra World City Developers Limited are the only 'material non-listed subsidiary companies' in terms of Regulation 16 (1)(c) of SEBI LODR read with the Company's amended '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 2018-19, 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. and National Stock Exchange of India Ltd. 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.

Annexure 1

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To

The Members of

Mahindra Lifespace Developers Limited

Mahindra Towers, 5th Floor

Worli, Mumbai 400018

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Mahindra Lifespace Developers Limited having CIN L45200MH1999PLC118949 and having registered office at Mahindra Towers, 5th Floor, Worli, Mumbai – 400 018 (hereinafter referred to as 'the Company'), and basis our examination and verification, we hereby certify that, as on 31st March, 2019, none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of the Company by the Board/Ministry of Corporate Affairs or any such Statutory Authority.

FOR **MARTINHO FERRAO & ASSOCIATES**

COMPANY SECRETARIES

Place: Mumbai
Date: 22nd April, 2019

MARTINHO FERRAO
PROPRIETOR
F.C.S. No. 6221
C.P. No. 5676

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, Sangeeta Prasad, Managing Director & Chief Executive Officer of the Company declare that all Board Members and Senior Management Personnel of the Company have affirmed compliance with the Codes of Conduct for Board of Directors and Senior Management for the year ended 31st March, 2019.

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

Sangeeta Prasad
Managing Director
(DIN: 02791944)

Mumbai, 22nd April, 2019

Auditor's Certificate on Corporate Governance

REF: KGV/2019-20/003/UDIN-19100459AAAAAQ4273

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/2018-19/79 dated 3rd August, 2018.

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 2019, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C, D and E 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, D and E of Schedule V of the Listing Regulations during the year ended 31st March, 2019.

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: 22nd April, 2019

INDEPENDENT AUDITOR'S REPORT

To The Members of Mahindra Lifespace Developers Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Mahindra Lifespace Developers Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2019, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2019, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	**Revenue Recognition of Construction Contracts**	**Principal audit procedures**

	The Company has applied the modified retrospective approach in accordance with Ind AS 115 only to contracts that are not completed contracts as on April 1, 2018. This transitional adjustment of Rs. 7,958 lakhs has been adjusted against opening Retained Earnings as per the requirements of Ind AS 115.
	There is a risk that all the incomplete contracts as on April 01, 2018 were not considered in applying the transitional provisions of Ind AS 115 due to which the adjustment to the opening Retained Earnings is misstated.
	The application of the new revenue accounting standard involves certain key judgements relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue recognised at a point in time or over a period of time.
	Refer Notes 2.4.1 and 22 to the Standalone Financial Statements
		We assessed the Company's process to identify the impact of adoption of the new Revenue Accounting Standard.
		Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows:
		• Evaluated the design of the internal controls relating to implementation of the new revenue accounting standard.
		• Obtained listing of all the contracts as on March 31, 2018. Identified the contracts that are not completed contracts for which handover of units not done and/or occupancy certificate not received as on March 31, 2018. For such identified contracts, verified on a test check basis the consideration received, cost incurred and revenue recognized to verify the adjustment to the opening Retained Earnings as on April 01, 2018.
		• Selected a sample of continuing and new contracts, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price.
		• Selected a sample of continuing and new contracts and performed the following procedures:
		  • Read, analysed and identified the distinct performance obligations in these contracts.
		  • Compared these performance obligations with that identified and recorded by the Company.
		  • Verified the progress towards satisfaction of performance obligations used to compute recorded revenue with contractual obligations, necessary approvals pertaining to the completion of the project, third-party certifications and the collectability of an amount of consideration.
		  • Performed project wise analytical procedures for reasonableness of revenues.

2	**Carrying values of Inventories (Construction work in Progress and Stock in Trade)**	**Principal audit procedures**
	There is a risk that the valuation of inventory may be misstated as it involves the determination of net realizable value (NRV) and estimated total construction cost of completion of each of the projects which is an area of judgement. Refer Notes 2.18 and 10 to the Standalone Financial Statements	We assessed the Company's process for the valuation of inventories. Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows: • Evaluated the design of the internal controls relating to the valuation of inventories. • Tested the operating effectiveness of controls for the review of estimates involved for the expected cost of completion of projects including construction cost incurred, construction budgets and net realizable value. We carried out a combination of procedures involving enquiry and observation, and inspection of evidence in respect of operation of these controls. Selected a sample of project specific inventories and performed the procedures around: • Construction costs incurred for the project specific inventories by tracing to the supporting documents, estimated total construction cost to be incurred for completing the construction of the project and corroborated the same with the reports from external supervising engineers, where applicable. Obtained the company's assessment of NRV for the project specific inventories. • The expected net amounts to be realized from the sale of inventory in the ordinary course of business.

Sr. No.	Key Audit Matter	Auditor's Response
3	**Fair Valuation of Non-current Investments**	**Principal audit procedures**
	The investments which are carried at Fair Value Through Profit/Loss (FVTPL) as per level 2 and level 3 fair valuation hierarchy involves assumptions and estimates in evaluation of inputs used for the purpose of fair valuation. There is a risk that these investments are misstated as assumptions and estimates involved in the evaluation of the inputs may not be appropriate. Refer Notes 2.21 and 7 to the Standalone Financial Statements	We assessed the Company's process for the valuation of non-current investments carried at FVTPL. Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows: • Evaluated the design of the internal controls relating to the valuation of non-current investments at FVTPL. • Tested the operating effectiveness of controls for the review of assumptions and estimates used in evaluation of inputs for the purpose of fair valuation. We carried out a combination of procedures involving enquiry and observation, and inspection of evidence in respect of operation of these controls. For a sample of non-current investments at FVTPL we performed the following procedures: • Reviewed the valuation reports obtained by the Company from third party valuation experts for investments recorded at fair value for level 2 and level 3 fair valuation hierarchy.

Information Other than the Financial Statements and Auditor's Report Thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report, Management Discussion and Analysis Report, Corporate Governance Report and Business Responsibility Report, but does not include the standalone financial statements and our auditor's report thereon.
- Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS 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 financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a

material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit 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 and the reports.

   c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows 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 financial statements comply with the Ind AS specified under Section 133 of the Act.

   e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 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 the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

h) 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 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: 22nd April, 2019

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of Mahindra Lifespace Developers Limited 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, 2019 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

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.

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, 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, 2019, 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: 22nd April, 2019

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 to the members of Mahindra Lifespace Developers Limited 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, 2019 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, 2019 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 Lakhs)
Income Tax Act, 1961	Income Tax	Commissioner of Income tax (Appeals)	FY 2006-2007	356.66
			FY 2003-2004	20.88
Finance Act, 1994	Service Tax	Appellate Authority- upto Commissioners/ Revisional authorities level	FY 2005 to 2010	77.54
			Prior to FY 2009-2010	339.72
			FY 2009 to 2014	67.70
			FY 2014 to 2016	41.54
Sales Tax and Value Added Tax Laws	Sales Tax	Appellate Authority- upto Commissioners/ Revisional authorities level	FY 2009 to 2012	63.33
			FY 2014 to 2015	100.54
		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 or further public offer (including debt instruments). The money raised by way of 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 Standalone Ind AS 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: 22nd April, 2019

Balance Sheet as at year ended 31st March, 2019

(₹ in lakh)

		Note No.	As at 31st March, 2019	As at 31st March, 2018
I	**ASSETS**			
1	**NON-CURRENT ASSETS**			
(a)	Property, Plant and Equipment	4	**600.70**	598.30
(b)	Capital Work-in-Progress		**981.32**	914.72
(c)	Investment Property	5	**2,140.83**	2,186.87
(d)	Other Intangible Assets	6	**32.18**	46.54
(e)	Financial Assets			
(i)	Investments	7	**65,067.92**	64,000.17
(f)	Deferred Tax Asset (Net)	18	**1,532.90**	-
(g)	Other Non Current Assets	13	**3,347.49**	4,757.95
	TOTAL NON-CURRENT ASSETS		**73,703.34**	72,504.55
2	**CURRENT ASSETS**			
(a)	Inventories	10	**99,778.51**	73,876.40
(b)	Financial Assets			
(i)	Investments	7	**-**	21,091.65
(ii)	Trade Receivables	11	**11,287.36**	11,848.09
(iii)	Cash and Cash Equivalents	12	**10,900.65**	3,597.36
(iv)	Bank balances other than (iii) above	12	**10,788.35**	4,931.11
(v)	Loans	8	**5,194.96**	10,960.75
(vi)	Other Financial Assets	9	**19,644.12**	16,702.91
(c)	Other Current Assets	13	**11,303.85**	34,914.97
	TOTAL CURRENT ASSETS		**168,897.80**	177,923.24
	TOTAL ASSETS (1+2)		**242,601.14**	250,427.79
II	**EQUITY AND LIABILITIES**			
1	**EQUITY**			
(a)	Equity Share Capital	14	**5,134.91**	5,132.81
(b)	Other Equity	15	**169,996.34**	175,430.70
	TOTAL EQUITY		**175,131.25**	180,563.51
	LIABILITIES			
2	**NON-CURRENT LIABILITIES**			
	Financial Liabilities			
(a)	Provisions	17	**384.73**	367.12
(b)	Deferred Tax Liabilities (Net)	18	**-**	176.81
	TOTAL NON-CURRENT LIABILITIES		**384.73**	543.93
3	**CURRENT LIABILITIES**			
(a)	Financial Liabilities			
(i)	Borrowings	19	**11,954.49**	16,804.99
(ii)	Trade Payables			
	Total Outstanding Dues of Micro Enterprises and Small Enterprises		**-**	-
	Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises	20	**12,314.19**	16,737.49
(iii)	Other Financial Liabilities	16	**3,527.87**	27,386.72
(b)	Other Current Liabilities	21	**37,120.90**	2,676.49
(c)	Provisions	17	**788.59**	819.93
(d)	Current Tax Liabilities (Net)		**1,379.12**	4,894.73
	TOTAL CURRENT LIABILITIES		**67,085.16**	69,320.35
	TOTAL EQUITY AND LIABILITIES (1+2+3)		**242,601.14**	250,427.79
	Summary of Significant Accounting Policies	2		

The accompanying notes 1 to 44 are an integral part of these financial statements

As per our Report of even date attached

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm's Registration Number:- 117366W/W-100018

Ketan Vora
Partner

Mumbai : 22nd April, 2019

Suhas Kulkarni
Company Secretary

Mumbai : 22nd April, 2019

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
Sangeeta Prasad	Managing Director & CEO	- DIN:02791944

Statement of Profit and Loss for the year ended 31st March, 2019

(₹ in lakh)

		Note No.	For the year ended 31st March, 2019	For the year ended 31st March, 2018
I	**INCOME**			
(a)	Revenue from Operations	22	**48,603.21**	47,500.14
(b)	Other Income	23	**6,881.02**	8,221.85
	TOTAL INCOME (a + b)		**55,484.23**	55,721.99
II	**EXPENSES**			
(a)	Cost of Sales			
	- Cost of Projects	24	**33,283.67**	32,441.65
	- Operating Expenses	24	**2,341.98**	2,026.49
(b)	Employee Benefits Expense	25	**6,633.54**	5,957.68
(c)	Finance Costs	26	**548.49**	3,540.51
(d)	Depreciation and Amortisation Expense	4,5,6	**306.12**	395.71
(e)	Other Expenses	27	**3,912.31**	3,466.46
	TOTAL EXPENSES (a+b+c+d+e)		**47,026.11**	47,828.50
III	**PROFIT BEFORE TAX (I - II)**		**8,458.12**	7,893.49
IV	**TAX EXPENSE**			
(a)	Current tax	28 (a)	**-**	2,565.67
(b)	Deferred tax	28 (a)	**2,598.67**	15.43
	TOTAL TAX EXPENSE (a+b)		**2,598.67**	2,581.10
V	**PROFIT AFTER TAX (III - IV)**		**5,859.45**	5,312.39
VI	**OTHER COMPREHENSIVE INCOME**			
	Items that will not be reclassified to profit or loss			
	(a) Remeasurements of the defined benefit plans		**(118.38)**	(23.42)
	(b) Income tax relating to Items that will not be reclassified to profit or loss	28 (b)	**41.37**	8.11
	TOTAL OTHER COMPREHENSIVE INCOME FOR THE YEAR (a+b)		**(77.01)**	(15.31)
VII	**TOTAL COMPREHENSIVE INCOME FOR THE YEAR (V + VI)**		**5,782.44**	5,297.08
VIII	**EARNINGS PER EQUITY SHARE (face value of ₹ 10/- each) (₹)**			
(a)	Basic	29	**11.41**	10.48
(b)	Diluted	29	**11.39**	10.46
	Summary of Significant Accounting Policies	2		

The accompanying notes 1 to 44 are an integral part of these financial statements

As per our Report of even date attached

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm's Registration Number:- 117366W/W-100018

Ketan Vora
Partner

Mumbai : 22nd April, 2019

Suhas Kulkarni
Company Secretary

Mumbai : 22nd April, 2019

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
Sangeeta Prasad Managing Director & CEO - DIN:02791944

Statement of Cash Flows for the year ended 31st March, 2019

(₹ in lakh)

	For the year ended 31st March, 2019	For the year ended 31st March, 2018
A. Cash flows from operating activities:		
Profit before tax	**8,458.12**	7,893.49
Adjustments for:		
Finance Costs	**548.49**	3,540.51
Interest Income	**(3,674.43)**	(5,981.30)
Dividend Income	**(2,229.25)**	(1,369.55)
Gain on disposal of Property Plant & Equipment and Investment property	**(19.85)**	(239.46)
Profit on sale of current investments	**(67.57)**	(112.34)
Depreciation and Amortisation Expense	**306.12**	395.71
Net gain arising on financial assets measured at fair value through profit or loss	**(167.75)**	(25.85)
Expense Recognised in respect of equity-settled-share-based-payments	**62.84**	138.30
Operating Profit before working capital changes	**3,216.72**	4,239.51
Changes in:		
Decrease/(Increase) in trade and other receivables	**2,555.12**	(8,676.28)
Decrease in inventories	**16,990.79**	14,048.87
(Decrease)/Increase in trade and other payables	**(4,559.76)**	2,102.47
Cash generated from operations	**18,202.87**	11,714.57
Income taxes paid	**(2,192.86)**	(1,137.63)
Net cash generated by operating activities	**16,010.01**	10,576.94
B. Cash flows from investing activities		
Payments to acquire financial assets	**(43,139.51)**	(119,484.46)
Proceeds from sale of financial assets	**64,298.73**	117,372.44
Bank deposits (net)	**(5,932.38)**	(3,090.29)
Changes in earmarked balances and margin accounts with banks	**75.14**	(1,187.84)
Interest received	**733.22**	1,594.12
Dividend received from Joint Ventures/Subsidiaries	**2,090.50**	1,036.00
Other dividend received	**138.75**	333.55
Inter-corporate Deposit Given	**(1,332.30)**	(13,285.90)
Inter-corporate Deposit Realised	**6,408.15**	7,065.95
Payment to acquire Property, Plant and Equipment and Other Intangible Assets	**(315.77)**	(481.04)
Proceeds from disposal of property, plant and equipment and Investment Property	**53.22**	418.00
Purchase of investment in subsidiaries and Joint Ventures	**(400.00)**	(1,008.98)
Proceeds from sale of Investments in Subsidiaries and Joint Ventures	**-**	2,838.00
Payment to acquire other non-current Investments	**(500.00)**	-
Net cash generated/(used in) by investing activities	**22,177.75**	(7,880.45)

(₹ in lakh)

	For the year ended 31st March, 2019	For the year ended 31st March, 2018
C. Cash flows from financing activities		
Proceeds from issue of Equity shares of the Company	**1.75**	29,390.43
Proceeds from borrowings	**22,469.50**	5,697.90
Repayment of borrowings	**(47,320.00)**	(25,270.08)
Dividend Paid (including tax thereon)	**(3,232.19)**	(3,495.07)
Interest paid	**(2,803.53)**	(10,039.22)
Net cash (used in) financing activities	**(30,884.47)**	(3,716.04)
Net increase/(decrease) in cash and cash equivalents	**7,303.29**	(1,019.55)
Cash and cash equivalents at the beginning of the year	**3,597.36**	4,616.91
Cash and cash equivalents at the end of the year	**10,900.65**	3,597.36

Summary of significant accounting policies (Refer Note 2)

The accompanying notes 1 to 44 are an integral part of these financial statements

Change in Liability arising from financing activities

(₹ in lakh)

Particulars	As at 01st April, 2018	Cash Flow	**As at 31st March, 2019**
Borrowings (Refer Note 19)	16,804.99	(4,850.50)	**11,954.49**
Current maturities of long term debt (Refer Note 16)	20,000.00	(20,000.00)	**-**
Total	36,804.99	(24,850.50)	**11,954.49**

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

As per our Report of even date attached

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm's Registration Number:- 117366W/W-100018

Ketan Vora
Partner
Mumbai : 22nd April, 2019

Suhas Kulkarni
Company Secretary
Mumbai : 22nd April, 2019

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
Sangeeta Prasad Managing Director & CEO - DIN:02791944

Statement of changes in Equity for the year ended 31st March, 2019

A. Equity share capital

(₹ in lakh)

Particulars	Note No.	As at 31st March, 2019	As at 31st March, 2018
Balance at the Beginning of the year		**5,132.81**	4,105.36
Add: Rights Issue during the year	14	**-**	1,026.33
Add: Stock options allotted during the year	14	**2.10**	1.12
Balance at the end of the year		**5,134.91**	5,132.81

B. Other Equity

(₹ in lakh)

	Share Application money pending allotment	Securities Premium	General Reserve	Other Reserve#	Retained Earnings	Total
As at 31st March, 2017	0.08	68,495.25	7,299.49	16,163.32	53,216.39	145,174.53
Profit 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)	47.11	-	(47.11)	-	(0.08)
Premium on shares issued during the year	-	28,942.83	-	-	-	28,942.83
Exercise of employee stock options	0.53	-	-	-	-	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
Profit for the year	-	-	-	-	5,859.45	5,859.45
Other Comprehensive Income / (Loss) net of taxes*	-	-	-	-	(77.01)	(77.01)
Total Comprehensive Income for the year	-	-	-	-	5,782.44	5,782.44
Dividend paid on Equity Shares	-	-	-	-	(3,080.02)	(3,080.02)
Dividend Distribution Tax	-	-	-	-	(162.81)	(162.81)
Allotment of Shares to Employees	(0.53)	76.99	-	(76.99)	-	(0.53)
Transfers to retained earnings	-	-	-	-	8,375.00	8,375.00
Transfers from Reserves	-	-	-	(8,375.00)	-	(8,375.00)
Adjustment relating to cumulative effect of applying IND AS 115 - Revenue from Contracts with Customers	-	-	-	-	(7,958.14)	(7,958.14)
Exercise of employee stock options	0.18	-	-	-	-	0.18
Arising on share based payment	-	-	-	(15.48)	-	(15.48)
As at 31st March, 2019	0.18	96,934.77	7,299.49	7,787.04	57,974.86	169,996.34

* 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

(₹ in lakh)

Particulars	31st March, 2019	31st March, 2018
(I) Debenture Redemption Reserve :		
Balance as at the beginning of the year	**8,375.00**	8,375.00
Less :		
Transfer to Retained Earnings in Statement of Profit and Loss	**(8,375.00)**	-
Balance as at the end of the year	**-**	8,375.00
(II) Capital Redemption Reserve :		
Balance as at the beginning and 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	**525.93**	434.74
Add/(Less):		
Arising on share based payment	**(92.47)**	91.19
Balance as at the end of the year	**433.46**	525.93
Total	**7,787.04**	16,254.51

Summary of Significant Accounting Policies (Refer note 2)

The accompanying notes 1 to 44 are an integral part of these financial statements

As per our Report of even date attached

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm's Registration Number:- 117366W/W-100018

Ketan Vora
Partner

Mumbai : 22nd April, 2019

Suhas Kulkarni
Company Secretary

Mumbai : 22nd April, 2019

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
Sangeeta Prasad	Managing Director & CEO	- DIN:02791944

Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2019

1. General Information

Mahindra Lifespace Developers Limited ('the Company') is a limited company incorporated in India. The equity shares of the Company are 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 22nd April, 2019.

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 – Share based Payments, leasing transactions that are within the scope of Ind AS 17 - Leases, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 - Inventories or value in use in Ind AS 36 – Impairment of Assets.

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 from Contracts with Customers

2.4.1 Revenue from Projects

i. The Company develops and sells residential and commercial properties. Revenue from contracts is recognised when control over the property has been transferred to the customer. An enforceable right to payment does not arise until the development of the property is completed. Therefore, revenue is recognised at a point in time when the legal title has passed to the customer and the development of the property is completed. The revenue is measured at the transaction price agreed under the contract.

ii. The Company invoices the customers for construction contracts based on achieving performance-related milestones.

iii. For certain contracts involving the sale of property under development, the Company offers deferred payment schemes to its customers. The Company adjusts the transaction price for the effects of the significant financing component.

iv. Costs to obtain contracts ("Contract costs") relate to fees paid for obtaining property sales contracts. Such costs are recognised as assets when incurred and amortised upon recognition of revenue from the related property sale contract.

2.4.2 Revenue from Sale of land and other rights

Revenue from Sale of land and other rights is generally a single performance obligation and the Company has determined that this is satisfied at the point in time when control transfers as per the terms of the contract entered into with the buyers, which generally are with the firmity of the sale contracts / agreements. The determination of transfer of control did not change upon the adoption of Ind AS 115 – Revenue from Contracts with Customers.

2.4.3 Revenue from Project Management fees

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. The determination of transfer of control did not change upon the adoption of Ind AS 115.

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 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.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognized as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

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.

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.

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.

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 Dividend Distribution

Dividends paid (including income tax thereon) is recognized in the period in which the interim dividends are approved by the Board of Directors, or in respect of the final dividend when approved by shareholders.

2.20 Provisions and contingent liabilities

2.20.1 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 and contingent liabilities are reviewed at each Balance Sheet date.

2.20.2 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.

2.20.3 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.

2.21 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.

2.21.1 Classification and subsequent measurement

2.21.1.1 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.

2.21.1.2 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.

2.21.2 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.

2.21.3 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.

2.21.4 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.

2.21.5 Derecognition of financial liabilities

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and/or payable is recognised in profit or loss.

3. Use of estimates and judgements

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.

Key sources of estimation uncertainty

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:

A. Useful lives of property, plant and equipment

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This re-assessment may result in change in depreciation expense in future periods.

B. Fair value measurements and valuation processes

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or a liability, the Company uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Company engages third party valuers, where required, to perform the valuation. Information about the valuation techniques and inputs used in determining the fair value of various assets, liabilities and share based payments are disclosed in the notes to the financial statements.

C. Actuarial Valuation

The determination of Company's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognised in the Statement of Profit and Loss and in other comprehensive income. Such valuation depends upon assumptions determined after taking into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market. Information about such valuation is provided in notes to the financial statements.

D. 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.

E. Determination of the timing of revenue recognition on the sale of completed and under development property

The Company has evaluated and generally concluded that the recognition of revenue over the period of time criteria are not met owing to non-enforceable right to payment for performance completed to date and, therefore, recognises revenue at a point in time. The Company has further evaluated and concluded that based on the analysis of the rights and obligations under the terms of the contracts relating to the sale of property, the revenue is to be recognised at a point in time when control transfers which coincides with receipt of Occupation Certificate.

F. Determination of performance obligations

With respect to the sale of property, the Company has evaluated and concluded that the goods and services transferred in each contract constitute a single performance obligation. In particular, the promised goods and services in contracts for the sale of property is to undertake development of property and obtaining the Occupation Certificate. Generally, the Company is responsible for all these goods and services and the overall management of the project. Although these goods and services are capable of being distinct, the Company accounts for them as a single performance obligation because they are not distinct in the context of the contract.

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, 2018	475.44	542.27	220.26	105.23	468.73	639.92	2,451.85
Additions during the year	39.19	46.36	12.25	2.24	128.57	52.88	281.49
Deductions/Adjustments during the year	(37.61)	-	(3.69)	(0.70)	(175.76)	(144.09)	(361.85)
Balance as at 31st March, 2019	**477.02**	**588.63**	**228.82**	**106.77**	**421.54**	**548.71**	**2,371.49**
II. Accumulated depreciation and impairment							
Balance as at 1st April, 2018	380.14	311.18	193.10	63.53	339.46	566.14	1,853.55
Depreciation expense for the year	51.87	54.83	13.53	9.04	62.25	54.20	245.72
Deductions/Adjustments during the year	(37.61)	-	(3.63)	(0.70)	(142.54)	(144.00)	(328.48)
Balance as at 31st March, 2019	**394.40**	**366.01**	**203.00**	**71.87**	**259.17**	**476.34**	**1,770.79**
III. Net carrying amount (I-II)	**82.62**	**222.62**	**25.82**	**34.90**	**162.37**	**72.37**	**600.70**

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 during 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**

*Deduction/Adjustments during the previous 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, 2018	1,766.17	1,189.01	2,955.18
	Balance as at 31st March, 2019	**1,766.17**	**1,189.01**	**2,955.18**
II.	**Accumulated depreciation and impairment**			
	Balance as at 1st April, 2018	-	768.31	768.31
	Depreciation expense for the year	-	46.04	46.04
	Balance as at 31st March, 2019	**-**	**814.35**	**814.35**
III.	**Net carrying amount (I-II)**	**1,766.17**	**374.66**	**2,140.83**

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**

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, 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	-	-	-
Opening balance as at 1st April, 2018	**14,139.17**	**1,133.82**	**15,272.99**	**-**	**-**	**-**
Fair value difference	141.72	(29.84)	111.88	-	-	-
Closing balance as at 31st March, 2019	**14,280.89**	**1,103.98**	**15,384.87**	**-**	**-**	**-**

The fair values of the Mahindra Towers at Delhi have been arrived at on the basis of a valuation carried out as on 31st March, 2019 by Anarock Property Consultant Pvt. Ltd. and as on 31st March 2018 by Jones Lang Lasalle Property Consultant (India) Pvt. Ltd., independent valuers not related to the Company. Anarock Property Consultant Pvt. Ltd. and Jones Lang Lasalle Property Consultant (India) Pvt. Ltd. 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 previous year ended 31st March, 2018, the Company had sold its investment property GE Plaza at Pune.

Information regarding income and expenditure of Investment property:

(₹ in lakh)

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Rental income derived from investment properties (included in 'Revenue from Operations')	**1,437.09**	1,820.63
Direct operating expenses (including repairs and maintenance) that generate rental income	**277.87**	255.85

6 - Intangible Assets

(₹ in lakh)

Description of Assets		Computer Software
I.	**Gross Carrying Amount/Deemed Cost**	
	Balance as at 1st April, 2018	361.00
	Additions during the year	-
	Balance as at 31st March, 2019	**361.00**
II.	**Accumulated depreciation and impairment**	
	Balance as at 1st April, 2018	314.46
	Amortisation expense for the year	14.36
	Balance as at 31st March, 2019	**328.82**
III.	**Net carrying amount (I-II)**	**32.18**

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**

7 - Investments

(₹ in lakh)

Particulars	As at 31st March, 2019				As at 31st March, 2018			
	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
Mahindra Bloomdale Developers Limited (Earlier known as Mahindra Bebanco Developers Limited) (w.e.f. 29th May, 2018)	**10**	**50,000**	**-**	**403.50**	-	-	-	-
Anthurium Developers Limited	**10**	**50,000**	**-**	**5.00**	10	50,000	-	5.00
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**	10	51,000	-	5.10
Mahindra Industrial Park Private Limited (Earlier known as Industrial Cluster Private Limited)	**10**	**50,000**	**-**	**5.00**	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 Bloomdale Developers Limited (Earlier known as Mahindra Bebanco Developers Limited) (till 28th May, 2018)	**-**	**-**	**-**	**-**	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
- of associate								
Mahindra Knowledge Park (Mohali) Limited	**10**	**6**	**-**	**0.00**	10	6	-	0.00
TOTAL INVESTMENTS CARRIED AT COST [A]			**-**	**24,259.78**			**-**	**23,859.78**
B. AMORTISED COST								
Unquoted Investments Carried at Amortised Cost								
Investments in Preference Shares								
- of Subsidiaries								
Moonshine Construction Pvt Limited (7.00% Non-Cumulative Redeemable Participating Preference Shares)	**10**	**5,000**	**-**	**0.50**	10	5,000	-	0.50
Mahindra World City Maharashtra Limited (8.50% Non convertible Preference Shares)	**10**	**175,000**	**-**	**17.50**	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

7 - Investments

(₹ in lakh)

Particulars	As at 31st March, 2019				As at 31st March, 2018			
	Face Value	QTY (NOS)	Amounts* Current	Amounts* Non Current	Face Value	QTY (NOS)	Amounts* Current	Amounts* Non Current
Investments in Debentures								
- of subsidiaries								
Mahindra Homes Private Limited # (14.00% Optionally Convertible Debentures)	-	-	-	-	100	32,017,000	-	32,017.00
TOTAL INVESTMENTS CARRIED AT AMORTISED COST [B]			-	**18.00**			-	34,672.00
C. Designated at Fair Value Through Profit and Loss								
Unquoted Investments (all fully paid)								
Investments in Mutual Funds			-	-			21,091.65	-
Investments in Preference Shares								
- of joint ventures								
Mahindra Happinest Developers Limited (0.01% Non Convertible Redeemable Preference Shares)	**100**	**308,400**	-	**276.00**	100	308,400	-	308.40
- of other entities								
Urban Stay Technologies Private Limited (0.0001% Cumulative Compulsorily Convertible Preference Shares)	**10**	**45,000**	-	**481.05**	-	-	-	-
Investments in Debentures								
- of joint ventures								
Mahindra Industrial Park Private Limited (Earlier known as Industrial Cluster Private Limited) (11.00% Optionally Convertible Debentures)	**100,000**	**6,382**	-	**6,389.00**	100,000	6,382	-	6,382.00
Mahindra Happinest Developers Limited (15.00% Optionally Convertible Redeemable Debentures)	**10**	**6,900,000**	-	**787.00**	10	6,900,000	-	690.00
Mahindra Homes Private Limited # (14.00% Optionally Convertible Debentures)	**100**	**32,017,000**	-	**32,111.00**	-	-	-	-
- of subsidiaries								
Knowledge Township Limited # (11.00% Optionally Convertible Debentures)	**100,000**	**2,637**	-	**2,641.53**	-	-	-	-
Investments in Equity Instruments								
- of other entities								
New Tirupur Area Development Corporation Limited	**10**	**500,000**	-	**0.00**	10	500,000	-	0.00
Urban Stay Technologies Private Limited	**10**	**1,550**	-	**16.57**	-	-	-	-
Total Aggregate Unquoted Investments			-	**42,702.15**			-	7,380.40
TOTAL INVESTMENTS CARRIED AT FVTPL [C]			-	**42,702.15**			21,091.65	7,380.40
TOTAL INVESTMENTS (A) + (B)+ (C)			-	**66,979.93**			21,091.65	65,912.18
Total Impairment value for investment carried at cost (D)			-	**(1,912.01)**			-	(1,912.01)
TOTAL INVESTMENTS CARRYING VALUE (A) + (B) + (C) + (D)			-	**65,067.92**			21,091.65	64,000.18
Other disclosures								
Aggregate carrying value of unquoted investments			-	**66,979.93**			21,091.65	65,912.18
Aggregate amount of impairment in value of unquoted investments			-	**(1,912.01)**			-	(1,912.01)

* ₹ 0.00 lakhs denotes amount less than ₹ 500/-

Reclassified w.e.f. January 1, 2019 due to change in business model for managing these investments based on the projected cash flows and effective tenor of these investments. The gain on reclassification of ₹ 11.71 lakhs (Previous year – ₹ Nil) is recognised in the Statement of Profit and loss for the year.

8 - Loans

(₹ in lakh)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Loans receivables considered good - unsecured		
a) Security Deposits	**2,039.87**	2,729.81
b) Loans to related parties (refer note 36)	**3,155.09**	8,230.94
Total (a+b)	**5,194.96**	10,960.75

9 - Other financial assets

(₹ in lakh)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Financial assets at amortised cost		
a) Interest Accrued	**19,644.12**	16,702.91
Total	**19,644.12**	16,702.91

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

(₹ in lakh)

Particulars	As at 31st March, 2019	As at 31st March, 2018
(a) Raw materials	**2,449.90**	2,197.52
(b) Construction Work-in-progress*	**83,501.02**	60,307.94
(c) Stock in Trade	**13,827.59**	11,370.94
Total	**99,778.51**	73,876.40

*Construction Work-in-Progress represents materials at site and construction cost incurred for the projects.

Notes:

1. Based on projections and estimates by the Company of the expected revenues and costs to completion, provision for losses to completion and/ or write off of costs carried to inventory are made on projects where the expected revenues are lower than the estimated costs to completion. In the opinion of the management, the net realisable value of the construction work in progress will not be lower than the costs so included therein. The amount of inventories recognised as an expense of ₹ 33,283.67 lakhs (31st March, 2018: ₹ 32,441.65 lakhs) include 31st March, 2019: ₹ 5.34 Lakhs (31st March, 2018: ₹ 1,190.14 lakhs) in respect of write down of inventory to net realisable value.
2. The Company has availed cash credit facilities, short term loans and borrowed through Non-Convertible Debentures, which are secured by hypothecation of inventories.
3. The Company had purchased land parcel at Alibaug and two GAT Numbers (1755 and 1756) out of this land parcel have been attached by Income Tax department by serving order of attachment dated 31st July 2017 on one of the erstwhile land owners in lieu of recovery proceedings of income tax dues of ₹ 5,988.00 lakhs payable towards Income Tax department. The Company has lodged objections to the attachment of these two GAT Numbers with Income Tax Department and pursuing the matter.

11 - Trade receivables

(₹ in lakh)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Trade receivables		
(a) Considered good - unsecured	**11,287.36**	11,848.09
(b) Credit impaired	**286.16**	360.15
	11,573.52	12,208.24
Less: Allowance for credit losses	**(286.16)**	(360.15)
Total	**11,287.36**	11,848.09

11 a - Movement in the allowance for credit loss

Particulars	As at 31st March, 2019	As at 31st March, 2018
Balance at beginning of the year	**360.15**	595.15
Reversal during the year	**(73.99)**	(235.00)
Balance at end of the year	**286.16**	360.15

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, 2019	As at 31st March, 2018
Cash and cash equivalents		
(a) Cash on hand	**0.47**	0.34
(b) Cheques on hand	**1,101.70**	119.07
(c) Balance with Banks:		
- On current accounts	**4,069.71**	2,428.52
- Fixed Deposit with original maturity Less than 3 months	**5,728.77**	1,049.43
Total Cash and cash equivalent (considered in Statement of Cash Flows)	**10,900.65**	3,597.36
Bank Balances other than Cash and cash equivalents		
(a) Balances with Banks:		
(i) Earmarked balances	**1,242.05**	1,313.29
(ii) On Margin Accounts	**481.84**	485.74
(iii) Fixed Deposits with original maturity greater than 3 months	**9,064.46**	3,132.08
Total Other Bank balances	**10,788.35**	4,931.11

13 - Other Assets

(₹ in lakh)

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	Non Current	Current	Non Current	Current
(a) Capital Advances	**251.90**	**-**	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)	**-**	**1,503.37**	-	1,922.32
(iii) Prepaid Expenses	**-**	**727.91**	-	349.82
(iv) Unbilled Revenues	**-**	**-**	-	22,930.73
(v) Income Tax Assets (Net)	**3,095.59**	**-**	4,473.73	-
(vi) Security Deposits	**-**	**1,425.00**	-	1,325.00
(vii) Other Advances #	**-**	**5,647.57**	-	6,387.10
Total	**3,347.49**	**11,303.85**	4,757.95	34,914.97

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

*The Company had entered into an agreement to acquire a parcel of land near Thane, Maharashtra, at a consideration of ₹ 2,000.00 lakhs. While full consideration was paid, the land was not conveyed pending completion of certain formalities. The amount currently standing in the books as a current asset is ₹ 2,879 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. Accordingly, the Company has filed an appeal before Sub-Divisional Officer Thane (SDO). SDO after hearing and completing the process has issued an order dated 07th February, 2019 and set aside the order passed by Tahsildar (Thane) and has also directed Tahsildar (Thane) to delete the name of Government of Maharashtra from the land records of the aforesaid land.

14 - Equity Share Capital

(₹ in lakh)

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	No. of shares	Amount	No. of shares	Amount
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	**51,400,151**	**5,140.02**	51,379,201	5,137.92
Subscribed and Fully Paid up:				
Equity shares of ₹ 10 each with voting rights	**51,349,088**	**5,134.91**	51,328,138	5,132.81
Total	**51,349,088**	**5,134.91**	51,328,138	5,132.81

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

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	No. of Shares	Amount ₹ in lakh	No. of Shares	Amount ₹ in lakh
Balance at the Beginning of the year	**51,328,138**	**5,132.81**	41,053,550	4,105.36
Add: Rights Issue during the year	**-**	**-**	10,263,388	1,026.33
Add: Stock options allotted during the year	**20,950**	**2.10**	11,200	1.12
Balance at the end of the year	**51,349,088**	**5,134.91**	51,328,138	5,132.81

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:

Particulars	Equity Shares with Voting rights
As at 31st March, 2019	
Mahindra & Mahindra Ltd. the Holding Company	26,439,850
As at 31st March, 2018	
Mahindra & Mahindra Ltd. the Holding Company	26,439,850

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, 2019		As at 31st March, 2018	
	Number of shares held	% holding	Number of shares held	% holding
Equity shares with voting rights				
Mahindra & Mahindra Limited	**26,439,850**	**51.49%**	26,439,850	51.51%
ICICI Prudential Life Insurance Company Limited	**2,633,709**	**5.13%**	-	-
Small Cap World Fund, INC	**-**	**-**	2,696,725	5.25%

iv) Shares reserved for issue under options

The Company has 96,850 (Previous Year 1,17,000) equity shares of ₹ 10/- each reserved for issue under options [Refer Note 25].

v) The allotment of 51,063 (Previous Year 51,063) 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).

vi) The Board of Directors had at its meeting held on 27th October, 2016, approved Rights Issue upto an amount of ₹ 30,000 lakhs. During the previous 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 lakhs 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 had increased to ₹ 5,132 lakhs divided into 5,13,18,988 equity shares of ₹ 10 each. The Securities Premium account had increased to ₹ 97,438 lakhs. The Rights Issue proceeds had been fully utilised for the purpose of the Issue.

15 - Other equity

(₹ in lakh)

Particulars	As at 31st March, 2019	As at 31st March, 2018
General reserve	**7,299.49**	7,299.49
Securities premium	**96,934.77**	96,857.78
Share options outstanding account	**433.46**	525.93
Retained earnings	**57,974.86**	55,018.39
Capital redemption reserve	**7,353.58**	7,353.58
Debenture redemption reserve	**-**	8,375.00
Share Application money pending allotment	**0.18**	0.53
	169,996.34	175,430.70

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 P&L.

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

Share Options Outstanding Account: The Share Options Outstanding Account represents reserve in respect of equity settled share options granted to the Company's employees in pursuance of the Employee Stock Option Plan.

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: Debenture Redemption Reserve is a Statutory Reserve (as per Companies Act, 2013) created out of profits of the Company available for payment of dividend for the purpose of redemption of Debentures issued by the Company. On completion of redemption, the reserve is transferred to retained earnings.

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 ₹ 0.53 lakhs 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, 2019	For the year 31st March, 2018
Dividend per Equity Share (₹)	**6.00**	6.00
Dividend on Equity Shares	**3,080.95**	3,079.69
Dividend Distribution Tax	**633.41**	633.04
Total Dividend including Dividend Distribution Tax	**3,714.36**	3,712.73

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 2019 and 31st March 2018.

16 - Other Financial Liabilities

(₹ in lakh)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Carried at Amortised Cost		
(a) Current maturities of long-term debt	**-**	20,000.00
(b) Interest accrued	**38.57**	1,633.10
(c) Unclaimed dividends	**150.87**	140.23
(d) Other liabilities#	**3,338.43**	5,613.39
Total	**3,527.87**	27,386.72

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

17 - Provisions

(₹ in lakh)

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	Current	**Non Current**	Current	Non Current
(a) Provision for employee benefits				
-Gratuity	**-**	**212.14**	97.96	80.43
-Leave Encashment	**375.36**	**172.59**	168.74	286.69
(b) Other Provisions				
-Defect Liabilities	**413.23**	**-**	553.23	-
Total Provisions	**788.59**	**384.73**	819.93	367.12

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

(₹ in lakh)

Particulars	**Amount**
Balance at 31st March, 2018	553.23
Additional provisions recognised	-
Unused amounts reversed during the year	(140.00)
Balance at 31st March, 2019	413.23

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 of residential units when control over the property has been transferred to the customer, 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 a the defect liability period limited to 5 year from the date when control over the property has been transferred to the customer.

18 - Deferred Tax liabilities/(Assets) (Net)

(₹ in lakh)

Particulars	**As at 31st March, 2019**	As at 31st March, 2018
Deferred Tax Liabilities	**891.94**	788.63
Deferred Tax Assets	**(2,424.84)**	(611.82)
Total	**(1,532.90)**	176.81

Deferred Tax (assets)/liabilities in relation to:

Particulars	Opening Balance as at 1st April, 2018	Adjusted in Opening Retained Earning	Recognised in P&L	Recognised in Other Comprehensive Income	**Closing Balance as at 31st March, 2019**
Fiscal allowance on Property, Plant and Equipment, Investment Property and Other Intangible Assets	573.71	-	58.16	-	**631.87**
Disallowance u/s 43(B) of the Income tax Act, 1961	(419.95)	-	228.70	-	**(191.25)**
Provision for Employee Benefits	(191.87)	-	(46.30)	(41.37)	**(279.54)**
Adjustment relating to cumulative effect of applying IND AS 115 - Revenue from Contracts with Customers	-	(4,267.01)	2,460.42	-	**(1,806.59)**
Carry forward of Business Loss	-	-	(160.91)	-	**(160.91)**
Other Temporary differences	**214.92**	**-**	**58.60**	**-**	**273.52**
Total	**176.81**	**(4,267.01)**	**2,598.67**	**(41.37)**	**(1,532.90)**

19 - Borrowings

(₹ in lakh)

Particulars	As at 31st March, 2019	As at 31st March, 2018
A. Secured Borrowings at amortised cost		
(a) Loans on cash credit account from Banks	**3,994.37**	1,126.11
Total	**3,994.37**	1,126.11
B. Unsecured Borrowings at amortised cost		
(a) Loans on cash credit account from Banks	**460.12**	764.80
(b) Loans from related parties	**-**	2,500.00
(c) Other Loans from banks	**7,500.00**	7,500.00
(d) Loans from other parties	**-**	4,914.08
Total	**7,960.12**	15,678.88
Total (A+B)	**11,954.49**	16,804.99

Secured Borrowing

(a) The cash credit facility carrying interest rate in the range of 8.80% p.a. to 9.20% p.a. (Previous Year 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.

Unsecured Borrowings

(a) The cash credit facility is carrying interest rate in the range of 8.20% p.a. to 8.30% p.a. (Previous Year 8.20% p.a.)

(b) In the previous year, loans from related parties included 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 8.05% p.a. to 8.80% p.a. (Previous Year 7.90% p.a. to 8.50% p.a.)

(d) In the previous year, loans from other parties included commercial papers issued for working capital purposes carrying interest rate of 7.35% p.a.

20 - Trade Payables

(₹ in lakh)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Trade payable - Micro and small enterprises*	**-**	-
Trade payable - Other than micro and small enterprises	**12,314.19**	16,737.49
Total	**12,314.19**	16,737.49

Trade Payables are payables in respect of the amount due on account of goods purchased or services received in the normal course of business.

*This information has been determined to the extent such parties have been identified on the basis of intimation received from the suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006. 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.

21 - Other Current Liabilities

(₹ in lakh)

Particulars	As at 31st March, 2019	As at 31st March, 2018
a. Advances received from customers	**36,784.55**	2,396.84
b. Statutory dues payable*	**336.35**	279.65
Total	**37,120.90**	2,676.49

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

22 - Revenue from Operations

(₹ in lakh)

Particulars		For the year ended 31st March, 2019	For the year ended 31st March, 2018
(a)	Revenue from Contracts with Customers		
	(i) Revenue from Projects	**44,289.86**	42,137.98
	(ii) Project Management Fees	**2,876.26**	3,541.53
(b)	Income from Operation of Commercial Complexes	**1,437.09**	1,820.63
Total		**48,603.21**	47,500.14

Notes:

(1) Contract Balances

(a) Amounts received before the related performance obligation is satisfied are included in the balance sheet (Contract liability) as "Advances received from Customers" in note no. 21- Other Current Liabilities. Amounts billed for development milestone achieved but not yet paid by the customer are included in the balance sheet under trade receivables in note no. 11.

(b) During the year, the Company recognised Revenue of ₹ 14,925.36 lakhs from opening contract liability (after Ind AS 115 adoption) of ₹ 32,095.47 lakhs.

(c) There were no significant changes in the composition of the contract liabilities and Trade receivable during the reporting period other than on account of periodic invoicing and revenue recognition.

(d) Amounts previously recorded as contract liabilities increased due to further milestone based invoices raised during the year and decreased due to revenue recognised during the year on completion of the construction.

(e) Amounts previously recorded as Trade receivables increased due to further milestone based invoices raised during the year and decreased due to collections during the year.

(f) There are no contract assets outstanding at the end of the year.

(g) The aggregate amount of the transaction price allocated to the performance obligations that are completely or partially unsatisfied as at March 31, 2019, is ₹ 78,615.64 lakhs. Out of this, the Company expects, based on current projections, to recognize revenue of around 50% within the next one year and the remaining thereafter. This includes contracts that can be terminated for convenience with a penalty as per the agreement since, based on current assessment, the occurrence of the same is expected to be remote.

(2) Reconciliation of revenue recognised with the contracted price is as follows:

(₹ in lakh)

Particulars	For the year ended 31st March, 2019
Contracted price	44,289.86
Adjustments on account of cash discounts or early payment rebates, etc.	-
Revenue recognised as per Statement of Profit & Loss	44,289.86

(3) Contract costs

(₹ in lakh)

Particulars	As at 31st March, 2019
Contract costs included in Prepaid expenses in Note no. 13 - Other Assets	117.78

(a) The Company incurs commissions that are incremental costs of obtaining a contract with a customer. Previously, all such costs were expensed as and when incurred. Under Ind AS 115, the Company recognises the incremental costs of obtaining a contract as assets under Prepaid Expenses under note no. 13 - Other Assets and amortises it upon completion of the related property sale contract.

(b) For the year ended 31 March 2019, amortisation amounting to ₹ 375.97 lakhs was recognised as Brokerage cost in note no. 24 - Cost of Sales. There were no impairment loss in relation to the costs capitalised.

23 - Other Income

(₹ in lakh)

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
(a) Interest Income		
(1) Inter Corporate Deposits	**440.11**	889.13
(2) Bank Deposits	**420.22**	300.64
(3) Optionally Convertible Debentures	**2,700.27**	4,755.11
(4) Others*	**113.83**	36.42
(b) Dividend Income		
(1) Joint Ventures and Subsidiaries	**2,090.50**	1,036.00
(2) Current investment - Non Trade	**138.75**	333.55
(c) Gain on sale of current investments	**67.57**	112.34
(d) Net gain on disposal of Property, Plant and Equipment and Investment Property	**19.85**	239.46
(e) Net Gain arising on Financial Assets measured at Fair Value through Profit and Loss	**167.75**	25.85
(f) Miscellaneous Income	**722.17**	493.35
Total	**6,881.02**	8,221.85

* Other Interest Income includes interest income on account of financing component involved in contracts with customers and interest charged on late payment received from customers.

24 - Cost of Sales

(₹ in lakh)

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
A. Cost of Project		
Opening Stock:		
Construction 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 (a)	**73,876.40**	87,925.27
Adjustment relating to cumulative effect of applying IND AS 115 - Revenue from Contracts with Customers (b)	**42,176.69**	-
Add: Expenses incurred during the year		
Land Cost	**731.32**	0.40
Architect Fees	**198.74**	172.06
Civil Electricals, Contracting, etc.	**10,246.14**	13,597.35
Interest costs allocated	**715.90**	554.42
Employee benefits expense allocated	**1,743.38**	1,356.94
Liasioning costs	**2,085.90**	1,757.16
Insurance	**12.48**	8.54
Legal & Professional Fees	**1,275.23**	945.91
Sub-Total (c)	**17,009.09**	18,392.78
Less: Closing Stock:		
Construction work-in-progress	**83,501.02**	60,307.94
Raw Material	**2,449.90**	2,197.52
Stock in trade	**13,827.59**	11,370.94
Sub-Total (d)	**99,778.51**	73,876.40
Total A (a+b+c-d)	**33,283.67**	32,441.65

(₹ in lakh)

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
B. Operating Expenses		
Rent, Rates & Taxes	**21.27**	83.97
Insurance	**2.00**	2.20
Repairs & Maintenance - Commercial Properties	**184.32**	145.11
Professional Fees	**149.17**	81.18
Brokerage	**375.97**	199.16
Advertisement, Marketing & Business Development	**1,259.20**	1,200.28
Electricity	**76.78**	53.91
Other Operating Expenses	**273.27**	260.68
Total B	**2,341.98**	2,026.49
Total (A+B)	**35,625.65**	34,468.14

25 - Employee Benefits Expense

(₹ in lakh)

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
(a) Salaries and wages, including bonus	**7,592.18**	6,421.53
(b) Contribution to provident and other funds	**384.96**	422.56
(c) Share based payment expenses	**62.84**	138.30
(d) Staff welfare expenses	**336.94**	332.23
Less : Allocated to projects	**(1,743.38)**	(1,356.94)
Total	**6,633.54**	5,957.68

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. Options granted vest in 4 instalments bifurcated as 20% each on the expiry of 12 months & 24 months, 30% each on the expiry of 36 months & 48 months respectively from the date of grant. The options may be exercised on any day over a period of five years from the date of vesting.

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
9	Series 11 Granted on 30th July 2018	19,500	30-Jul-18	30-Jul-27	₹ 10 per share	532.67
10	Series 12 Granted on 14th Feb 2019	6,000	14-Feb-19	14-Feb-28	₹ 10 per share	341.88

Movement in Share Options

Particulars		For the year ended 31st March, 2019		For the year ended 31st March, 2018	
		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;	**117,000**	**23.46**	553,430	339.68
2	Granted during the year	**25,500**	**10.00**	21,000	10.00
3	Forfeited during the year	**21,900**	**10.00**	411,922	428.00
4	Exercised during the year	**20,950**	**10.00**	11,200	10.00
5	Expired during the year	**2,800**	**10.00**	34,308	10.00
6	Outstanding at the end of the year	**96,850**	**23.46**	117,000	23.46
7	Exercisable at the end of the year	**49,350**	**35.20**	62,500	35.20

Share Options Allotted during the Year

	Particulars	**Number of Options Exercised**	**Exercise Date**	**Price per Share at Exercise Date (₹)**
	Equity Settled			
1	Series 4 Granted on 24th July 2013	900	9-Feb-18	464.95
2	Series 7 Granted on 28th January 2016	500	12-Feb-18	467.05
3	Series 5 Granted on 17th October 2014	800	6-Mar-18	452.55
4	Series 5 Granted on 17th October 2014	2,000	6-Mar-18	452.55
5	Series 7 Granted on 28th January 2016	800	7-Mar-18	447.40
6	Series 7 Granted on 28th January 2016	300	12-Mar-18	441.73
7	Series 6 Granted on 30th April 2015	300	13-Apr-18	450.43
8	Series 9 Granted on 25th July 2017	300	31-Jul-18	555.98
9	Series 3 Granted on 4th August 2012	1,000	1-Aug-18	540.95
10	Series 8 Granted on 28th July 2016	300	1-Aug-18	540.95
11	Series 3 Granted on 4th August 2012	1,800	2-Aug-18	540.38
12	Series 7 Granted on 28th January 2016	600	3-Aug-18	540.43
13	Series 3 Granted on 4th August 2012	2,600	7-Aug-18	501.03
14	Series 8 Granted on 28th July 2016	2,000	13-Aug-18	490.53
15	Series 3 Granted on 4th August 2012	2,200	10-Sep-18	459.05
16	Series 9 Granted on 25th July 2017	500	25-Sep-18	453.48
17	Series 3 Granted on 4th August 2012	750	27-Sep-18	449.98
18	Series 3 Granted on 4th August 2012	300	18-Oct-18	417.20
19	Series 3 Granted on 4th August 2012	600	30-Oct-18	406.35
20	Series 4 Granted on 24th July 2013	750	18-Jan-19	392.93
21	Series 7 Granted on 28th January 2016	450	28-Jan-19	409.63
22	Series 7 Granted on 28th January 2016	1,200	30-Jan-19	392.40
		20,950		

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, 2018: ₹ 10 - ₹ 325), and weighted average remaining contractual life of 2135 days (as at March 31, 2018: 2115 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	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	30th July 2018	14th February 2019
Share price per Option at grant date (₹)	324.14	324.14	454.09	516.08	467.60	482.25	450.60	393.45	453.81	532.67	341.88
Exercise price per Option (₹)	325.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
Expected volatility	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%	27.95%- 30.52%	28.39%- 30.88%
Expected life / Option Life	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	3.5 - 6.5 Years	3.5 - 6.5 Years
Expected dividends yield	1.38%	1.38%	1.31%	2.28%	2.57%	2.49%	1.31%	1.39%	1.22%	1.05%	1.58%
Risk-free interest rate	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%	7.76% - 8.01%	6.97% - 7.29%

In respect of Options granted under the Employee Stock Option Plan the accounting is done as per requirements of Ind AS 102 - 'Share Based Payments' after adjusting for reversals on account of options forfeited.

26 - Finance Costs

(₹ in lakh)

Particulars		For the year ended 31st March, 2019	For the year ended 31st March, 2018
(a)	Interest costs :		
	Interest expense for financial liabilities at amortised cost	**1,188.90**	3,822.46
	Less: Allocated to projects	**(715.90)**	(554.42)
(b)	Interest on delayed payment of income tax	**55.39**	-
(c)	Other borrowing costs*	**20.10**	272.47
Total		**548.49**	3,540.51

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

27 - Other Expenses

(₹ in lakh)

Particulars		For the year ended 31st March, 2019	For the year ended 31st March, 2018
(a)	Power & Fuel	**16.65**	48.11
(b)	Rent, Rates & Taxes	**457.47**	645.50
(c)	Insurance	**24.17**	10.92
(d)	Repairs and maintenance	**317.74**	148.06
(e)	Advertisement, Marketing & Business Development	**909.96**	380.38
(f)	Travelling and Conveyance Expenses	**434.04**	377.60
(g)	Expenditure on Corporate Social Responsibility (CSR) under section 135 of the Companies Act, 2013	**291.21**	291.89
(h)	Payment to Auditors #	**61.59**	36.80
(i)	Legal and other professional costs	**904.92**	980.62
(j)	Printing & Stationery	**54.51**	36.06
(k)	Miscellaneous expenses	**440.05**	510.52
Total		**3,912.31**	3,466.46

Payments to Auditors

(₹ in lakh)

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
(i) To Statutory auditors		
For Audit	**43.25**	33.25
For Other Services	**15.34**	0.75
Reimbursement of Expenses	**1.16**	0.96
(ii) To Cost auditors for cost audit	**1.84**	1.84
Total	**61.59**	36.80

28 - Income Taxes

(₹ in lakh)

(a) Income Tax recognised in profit or loss

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Current Tax:		
In respect of current year	**-**	2,565.67
Deferred Tax:		
In respect of current year origination and reversal of temporary differences	**2,598.67**	15.43
Total	**2,598.67**	2,581.10

(b) Income tax recognised in Other Comprehensive income

Particulars	Year ended 31st March, 2019	Year ended 31st March, 2018
Deferred tax related to items recognised in other comprehensive income during the year:		
Remeasurements of the defined benefit plans	**41.37**	8.11
Total	**41.37**	8.11

(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, 2019	For the year ended 31st March, 2018
Profit before tax	**8,458.12**	7,893.49
Income tax expense calculated at 34.944% (2018: 34.608%)	**2,955.61**	2,731.78
Effect of income that is exempt from taxation	**(778.99)**	(473.97)
Effect of expenses that is non deductible in determining taxable profit	**207.33**	309.29
Effect of tax incentives and concessions (research and development and other allowances)	**(61.15)**	(36.34)
Deduction under Chapter VI A	**(24.20)**	(39.42)
Changes in recognised deductible temporary differences	**300.07**	89.74
Income tax expense recognised In profit or loss	**2,598.67**	2,581.10

29 - Earnings per Share

Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
	₹	₹
Basic Earnings per share	**11.41**	10.48
Diluted earnings per share	**11.39**	10.46

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, 2019	For the year ended 31 March, 2018
Profit for the year	**5,859.45**	5,312.39
Less: Preference dividend and tax thereon	**-**	-
Profits used in the calculation of basic earnings per share	**5,859.45**	5,312.39
Weighted average number of equity shares	**51,339,730**	50,692,093

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 stock options for the respective periods.

(₹ in lakh)

Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
Profit for the year used in the calculation of diluted earnings per share	**5,859.45**	5,312.39

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, 2019	For the year ended 31 March, 2018
Weighted average number of equity shares used in the calculation of Basic EPS	**51,339,730**	50,692,093
Add: Options outstanding under Employee Stock Option Plan	**89,828**	109,768
Weighted average number of equity shares used in the calculation of Diluted EPS	**51,429,558**	50,801,861

30 - Impact of application of Ind AS 115 Revenue from Contracts with Customers

a) The Ministry of Corporate Affairs vide notification dated 28th March 2018 has made Ind AS 115 "Revenue from Contracts with Customers" (Ind AS 115) w.e.f. 1st April, 2018. The Company has applied the modified retrospective approach as per para C3(b) of Ind AS 115 to contracts that were not completed as on 1st April 2018 and the cumulative effect of applying this standard is recognised at the date of initial application i.e.1st April, 2018 in accordance with para C7 of Ind AS 115 as an adjustment to the opening balance of Retained Earnings, only to contracts that were not completed as at 1st April, 2018. The transitional adjustment of ₹ 7,958.14 lakhs (net of deferred tax) has been adjusted against opening Retained Earnings based on the requirements of the Ind AS 115 pertaining to recognition of revenue based on satisfaction of performance obligation (at a point in time).

(b) For sales of property under development that were recognised on the percentage-of-completion basis under the previous year accounting policy, the Company has determined that they generally do not meet the criteria for recognising revenue over time under Ind AS 115 owing to non-enforceable right to payment from Customer for performance completed to date and, therefore recognises revenue at a point in time.

(c) Refer note 2.4 - "Revenue recognition" under Significant accounting policies in the Annual report of the Company, for the revenue recognition policy prior to April 1, 2018.

(d) Due to the application of IND AS 115 for the full year ended March 31, 2019 Income from Projects as per note no. 22 is higher by ₹ 11,770.32 lakhs, Cost of Project as per note no. 24 is higher by ₹ 7,432.24 lakhs, Profit before Tax is higher by ₹ 4,338.08 lakhs, Tax expense as per note no. 28(a) is higher by ₹ 1,699.62 lakhs and Profit after tax is higher by

₹ 2,638.46 lakhs. The Basic and Diluted EPS as per note no. 29 is ₹ 11.41 and ₹ 11.39 per share instead of ₹ 6.27 and ₹ 6.26 per share. These changes are due to recognition of revenue based on satisfaction of performance obligation (at a point in time), as opposed to the previously permitted percentage of completion method. Accordingly, the comparatives have not been restated for the full year ended March 31, 2018 and hence not comparable.

(e) Due to the application of Ind AS 115, Construction Work-in-progress as per note no. 10 is higher by ₹ 34,644.03 lakhs, Deferred Tax Asset as per note no. 18 is higher by ₹ 1,806.71 lakhs, Prepaid Expenses as per note no. 13 is lower by ₹ 11,237.11 lakhs, Retained Earnings as per note no. 15 is lower by ₹ 6,408.33 lakhs and Advances received from customers as per note no. 21 is higher by ₹ 31,621.96 lakhs as at March 31, 2019.

(f) There has been no material impact on the Cash flows Statement as the Company continues to collects from its Customers based on payment plans. Additionally there is no material impact on Other Comprehensive Income on account of Ind AS 115 transition.

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, 2019 (₹ in lakh)	As at 31st March, 2018 (₹ in lakh)
Debt	**11,954.49**	36,804.99
Cash and bank balances	**(21,689.00)**	(8,528.47)
Net Debt (A)	**(9,734.51)**	28,276.52
Equity (B)	**175,131.25**	180,563.51
Net Debt to Equity Ratio (A / B)	**(0.06)**	0.16

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, 2019

(₹ in lakh)

Particulars	Amortised Costs	FVTPL	Total
Non-current Assets			
Investments	**22,365.77**	**42,702.15**	**65,067.92**
Current Assets			
Trade Receivables	**11,287.36**	**-**	**11,287.36**
Cash and Bank Balances	**21,689.00**	**-**	**21,689.00**
Loans	**5,194.96**	**-**	**5,194.96**
Other Financial Assets			
- Non Derivative Financial Assets	**19,644.12**	**-**	**19,644.12**
Current Liabilities			
Borrowings	**11,954.49**	**-**	**11,954.49**
Trade Payables	**12,314.19**	**-**	**12,314.19**
Other Financial Liabilities			
- Non Derivative Financial Liabilities	**3,527.87**	**-**	**3,527.87**

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**
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	**10,960.75**	**-**	**10,960.75**
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**

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 2019			
Current			
Borrowings	11,954.49	-	-
Trade Payables	12,314.19	-	-
Other Financial Liabilities	**3,527.87**	**-**	**-**
Total Current	**27,796.55**	**-**	**-**
As at 31st March 2018			
Current			
Borrowings	16,804.99	-	-
Trade Payables	16,737.49	-	-
Other Financial Liabilities	27,386.72	**-**	**-**
Total Current	**60,929.20**	**-**	**-**

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:

Particulars	Currency	Increase / decrease in basis points	Effect on profit before tax (₹ in lakh)
As at March 31, 2019	₹	**+100**	**(119.54)**
	₹	**-100**	**119.54**
As at March 31, 2018	₹	+100	(93.91)
	₹	-100	93.91

32 - Fair Value Measurement

Fair Valuation Techiques and Inputs used - Recurring Items

(₹ in lakh)

Financial assets measured at Fair value	Fair value as at		Fair value hierarchy	Valuation Technique(s)	Applicable for Level 2 and Level 3 hierarchy Key input(s)
	31st March, 2019	31st March, 2018			
Financial assets					
Investments					
1) Mutual fund investments	**-**	21,091.65	Level 1	Unquoted Market Price	Not applicable as Level 1 hierarchy
2) Investment in Preference Shares - unquoted	**-**	308.40	Level 2	Price of Recent Transaction	Value of underlying assets of the Investee
3) Investment in Preference Shares - unquoted	**276.00**	-	Level 3	Income Approach - Discounted Cash Flow	For Discounted Cash Flow -Companies Financial projections. These include forecasts of balance sheet, statement of profit and loss along with underlying assumptions.
4) Investment in Preference Shares - unquoted	**481.05**	-	Level 3	Market Multiple Approach and Price of Recent Transaction	In this approach the fair value is derived based on market multiples like PE multiple, Enterprise value (EV) multiple, Revenue multiple etc.
5) Investment in Equity Shares - unquoted	**16.57**	-	Level 3	Market Multiple Approach and Price of Recent Transaction	In this approach the fair value is derived based on market multiples like PE multiple, Enterprise value (EV) multiple, Revenue multiple etc.
6) Investment in Optionally Convertible Debentures.....	**-**	7,072.00	Level 2	Price of Recent Transaction	Value of underlying assets of the Investee
7) Investment in Optionally Convertible Debentures.....	**41,928.53**	-	Level 3	Income Approach - Discounted Cash Flow	For Discounted Cash Flow - Companies Financial projections. These include forecasts of balance sheet, statement of profit and loss along with underlying assumptions.
Total financial assets	**42,702.15**	28,472.05			

Significant unobservable inputs used in level 3 fair value measurements

(₹ in lakh)

Financial assets measured at Fair value	Fair value as at 31st March, 2019	Fair value as at 31st March, 2018	Fair value hierarchy	Significant unobservable inputs	Relationship of unobservable inputs to fair value and sensitivity
1) Investment in Preference Share - unquoted	**276.00**	-	Level 3	Interest Rates to discount future cash flow, Financial Projections	Any change (increase/ decrease) in the discount factor, financial projections etc. would entail corresponding change in the valuation
2) Investment in Preference Share - unquoted	**481.05**	-	Level 3	Market multiples used by benchmarking for valuation	Increase in multiple will result in increase in valuation
3) Investment in Equity Share - unquoted	**16.57**	-	Level 3	Market multiples used by benchmarking for valuation	Increase in multiple will result in increase in valuation
4) Investment in Optionally Convertible Debentures.....	**41,928.53**	-	Level 3	Interest Rates to discount future cash flow, Financial Projections	Any change (increase/ decrease) in the discount factor, financial projections etc. would entail corresponding change in the valuation

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

(₹ in lakh)

Particulars	As at 31st March, 2019 Carrying amount	As at 31st March, 2019 Fair value
Financial assets		
Financial assets carried at Amortised Cost		
– Investment in Debentures.....	**18.00**	**18.00**
Total	**18.00**	**18.00**

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, 2019	For the year ended 31st March, 2018
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. 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
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	**102.87**	41.86
later than one year and not later than five years	**62.33**	-
later than five years	-	-
Expenses recognised in the Statement of Profit and Loss		
Minimum Lease Payments	**438.76**	581.07

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

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, 2019			31st March, 2018		
	Projects, Project Management & Development	**Operating of Commercial Complexes**	**Total**	Projects, Project Management & Development	Operating of Commercial Complexes	Total
Revenue						
External customers	**47,166.12**	**1,437.09**	**48,603.21**	45,679.51	1,820.63	47,500.14
Inter-segment	**-**	**-**	**-**	-	-	-
Total revenue	**47,166.12**	**1,437.09**	**48,603.21**	45,679.51	1,820.63	47,500.14
Results						
Segment Results	**12,297.85**	**1,159.27**	**13,457.12**	11,737.01	1,516.96	13,253.97
Less:-						
-Unallocated Interest (Finance Cost)	**-**	**-**	**548.49**	-	-	3,540.51
-Unallocated corporate expense net of unallocated income	**-**	**-**	**4,450.51**	-	-	1,819.97
Profit before tax	**-**	**-**	**8,458.12**	-	-	7,893.49
Income Tax	**-**	**-**	**2,598.67**	-	-	2,581.10
Profit after tax	**-**	**-**	**5,859.45**	-	-	5,312.39
Segment Assets & Liabilities						
Segment Assets	**180,559.98**	**2,727.35**	**183,287.33**	182,387.87	2,201.31	184,589.18
Unallocated corporate assets			**59,313.81**			65,838.61
Total Assets			**242,601.14**			250,427.79
Segment Liabilities	**62,027.13**	**557.17**	**62,584.30**	53,280.25	555.03	53,835.28
Unallocated corporate liabilities			**4,885.59**			16,029.00
Total Liabilities			**67,469.89**			69,864.28
Other Information						
Depreciation and Amortisation Expense	**56.96**	**46.04**	**103.00**	109.12	81.73	190.85
Capital Expenditure	**264.15**	**-**	**264.15**	140.72	-	140.72

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, 2019 and 2018 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 ₹ 316.41 lakhs (31st March, 2018 : ₹ 304.63 lakhs) 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-19	31-Mar-18
Discount rate(s)	**6.94%**	7.42%
Expected rate(s) of salary increase	**12.00%**	6.00%
Attrition Rate	**0 to 5: 5%**	0 to 5: 5%
	5 to 42: 22%	5 to 42: 19.3%
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, 2019

(₹ in lakh)

Particulars	Funded Plan Gratuity	
	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Amounts recognised in comprehensive income in respect of these defined benefit plans are as follows:		
Service Cost		
Current Service Cost	**71.64**	56.89
Past service cost and (gains)/losses from settlements	**-**	53.37
Net interest expense	**10.38**	6.12
Components of defined benefit costs recognised in profit or loss	**82.02**	116.38

Particulars	Funded Plan Gratuity	
	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Remeasurement on the net defined benefit liability		
Return on plan assets (excluding amount included in net interest expense)	**15.95**	(1.39)
Actuarial (gains)/loss arising from demographic assumptions	**(7.15)**	58.66
Actuarial (gains)/loss arising from changes in financial assumptions	**87.59**	(11.05)
Actuarial (gains)/loss arising from experience adjustments	**21.98**	(22.80)
Components of defined benefit costs recognised in other comprehensive income	**118.37**	23.42
Total	**200.39**	139.80
I. Net Asset/(Liability) recognised in the Balance Sheet as at 31st March, 2019		
1. Present value of defined benefit obligation as at 31st March, 2019	**458.59**	361.01
2. Fair value of plan assets as at 31st March, 2019	**246.45**	182.61
3. Surplus/(Deficit)	**(212.14)**	(178.40)
4. Current portion of the above	**-**	(97.96)
5. Non current portion of the above	**(212.14)**	(80.44)
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	**361.01**	261.50
2. Add/(Less) on account of Scheme of Arrangement/Business Transfer		
3. Expenses Recognised in Profit and Loss Account		
- Current Service Cost	**71.64**	56.89
- Past Service Cost	**-**	53.37
- Interest Cost	**26.79**	17.47
4. Recognised in Other Comprehensive Income		
Remeasurement gains / (losses)		
- Actuarial Gain (Loss) arising from:		
i. Demographic Assumptions	**(7.15)**	58.66
ii. Financial Assumptions	**87.59**	(11.05)
iii. Experience Adjustments	**21.98**	(22.80)
5. Benefit payments	**(103.28)**	(53.03)
6. Present value of defined benefit obligation at the end of the year	**458.58**	361.01
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	**182.61**	170.67
2. Interest Income - Actual Return on Plan Assets	**13.95**	11.94
3. Contributions by employer (including benefit payments recoverable)	**49.89**	
4. Fair value of plan assets at the end of the year	**246.45**	182.61
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)	**246.45**	182.61

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

(₹ in lakh)

Principal assumption		Changes in assumption (%)	Impact on defined benefit obligation	
			Increase in assumption	Decrease in assumption
Discount rate	**2019**	**1.00%**	**438.64**	**480.44**
	2018	1.00%	347.13	376.11
Salary growth rate	**2019**	**1.00%**	**474.42**	**443.50**
	2018	1.00%	372.62	349.80

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 ₹ 91.04 lakhs (31st March, 2018 ₹ 97.96 Lakhs) to the gratuity trusts during the next financial year.

Maturity profile of defined benefit obligation:

	31st March, 2019	31st March, 2018
Within 1 year	**91.04**	97.96
1 - 2 year	**56.11**	86.96
2 - 3 year	**56.65**	72.51
3 - 4 year	**56.21**	72.69
4 - 5 year	**55.72**	72.81
5 - 10 years	**208.39**	405.23

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

	31st March, 2019	31st March, 2018
Asset category:		
Deposits with Insurance companies	**100%**	100%
	100%	100%

The weighted average age considered for defined benefit obligation as at 31st March 2019 is 35.93 years (31st March, 2018: 35.96 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
Mahindra Bloomdale Developers 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

During the year Mahindra Bloomdale Developers Limited (formerly known as Mahindra Bebanco Developers Limited) has become subsidiary of the Company w.e.f. 29th May, 2018 and before that it was Joint Venture of the Company

* These companies have been merged with Mahindra World City (Maharashtra) Limited during the previous 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 Bloomdale Developers Limited #
Mahindra Inframan Water Utilities Limited
Mahindra Homes Private Limited
Mahindra Happinest Developers Limited
Mahindra Industrial Park Chennai Limited
Mahindra World City (Jaipur) Limited
Mahindra Industrial Park Private Limited ##

Formerly known as 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

Mahindra Logistics Ltd

(iii) Associate of Holding Company

Tech Mahindra Limited

(iv) Key Management Personnel

Mrs Sangeeta Prasad - Managing Director & CEO (from 1st October, 2018)

Ms Anita Arjundas - Managing Director & CEO (upto 30th September, 2018)

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, 2019	Year ended March 31, 2018	**Year ended March 31, 2019**	Year ended March 31, 2018	**Year ended March 31, 2019**	Year ended March 31, 2018	**Year ended March 31, 2019**	Year ended March 31, 2018	**Year ended March 31, 2019**	Year ended March 31, 2018
Sale of Goods										
Mahindra Happinest Developers Limited	-	-	-	-	-	4,718.00	-	-	-	-
Rendering of services										
Mahindra & Mahindra Limited	**1,399.55**	1,790.88	-	-	-	-	-	-	-	-
Mahindra Infrastructure Developers Limited	-	-	**0.97**	0.97	-	-	-	-	-	-
Mahindra Residential Developers Limited	-	-	**145.37**	211.07	-	-	-	-	-	-
Knowledge Township Limited	-	-	**0.70**	0.90	-	-	-	-	-	-
Mahindra Integrated Township Limited	-	-	**536.78**	503.21	-	-	-	-	-	-
Industrial Township (Maharashtra) Limited	-	-	**0.15**	0.30	-	-	-	-	-	-
Mahindra Homes Private Limited	-	-	-	-	**1,213.88**	1,286.65	-	-	-	-
Mahindra Happinest Developers Limited	-	-	-	-	**813.71**	1,407.77	-	-	-	-
Mahindra Industrial Park Private Limited	-	-	-	-	**92.80**	206.00	-	-	-	-
Mahindra World City (Jaipur) Limited	-	-	-	-	**113.74**	9.93	-	-	-	-
Mahindra World City Developers Limited	-	-	-	-	-	4.80	-	-	-	-
Receiving of Services										
Mahindra & Mahindra Limited	**649.68**	805.61	-	-	-	-	-	-	-	-
Mahindra Integrated Township Limited	-	-	-	261.91	-	-	-	-	-	-
Bristlecone India Limited	-	-	-	-	-	-	-	-	-	11.24
EPC Industries Limited	-	-	-	-	-	-	-	-	**2.85**	33.84
Mahindra Intertrade Limited	-	-	-	-	-	-	-	-	**1.95**	2.47
Mahindra Integrated Business Solutions Private Limited	-	-	-	-	-	-	-	-	**111.10**	51.36
Mahindra Holidays & Resorts India Limited	-	-	-	-	-	-	-	-	**13.48**	12.24
NBS International Ltd	-	-	-	-	-	-	-	-	**1.44**	-
Reimbursement made to parties										
Mahindra & Mahindra Limited	**103.32**	145.90	-	-	-	-	-	-	-	-
Mahindra Integrated Township Limited	-	-	**1.67**	2.02	-	-	-	-	-	-

(₹ in lakh)

Particulars	Holding Company		Subsidiary Companies		Joint Ventures		Key Management Personnel		Other Related Parties	
	Year ended March 31, 2019	Year ended March 31, 2018	**Year ended March 31, 2019**	Year ended March 31, 2018	**Year ended March 31, 2019**	Year ended March 31, 2018	**Year ended March 31, 2019**	Year ended March 31, 2018	**Year ended March 31, 2019**	Year ended March 31, 2018
Mahindra Water Utilities Limited	-	-	-	2.10	-	-	-	-	-	-
Mahindra World City Developers Limited	-	-	-	-	-	7.36	-	-	-	-
Mahindra World City (Jaipur) Limited	-	-	-	-	**3.54**	7.88	-	-	-	-
Mahindra Industrial Park Private Limited	-	-	-	-	-	5.93	-	-	-	-
Mahindra First Choice Wheels Limited	-	-	-	-	-	-	-	-	**2.16**	2.49
Mahindra & Mahindra Contech Limited	-	-	-	-	-	-	-	-	**6.63**	5.41
Mahindra Logistics Ltd	-	-	-	-	-	-	-	-	**3.49**	-
Reimbursement received from parties										
Mahindra & Mahindra Limited	**0.43**	-	-	-	-	-	-	-	-	-
Mahindra Industrial Park Private Limited	-	-	-	-	**1.58**	1.26	-	-	-	-
Mahindra World City Developers Limited	-	-	-	-	**20.55**	-	-	-	-	-
Mahindra World City (Jaipur) Limited	-	-	-	-	**27.13**	-	-	-	-	-
Mahindra Homes Private Limited	-	-	-	-	**36.80**	-	-	-	-	-
Mahindra Happinest Developers Limited	-	-	-	-	**103.97**	236.20	-	-	-	-
Mahindra Bloomdale Developers Limited	-	-	**19.06**	-	-	-	-	-	-	-
Mahindra Integrated Township Limited	-	-	**21.95**	-	-	-	-	-	-	-
Mahindra Residential Developers Limited	-	-	**21.65**	-	-	-	-	-	-	-
Inter-corporate Deposit Given										
Mahindra Bloomdale Developers Limited	-	-	**710.00**	-						
Mahindra World City (Maharashtra) Limited	-	-	**5.00**	418.00	-	-	-	-	-	-
Rathna Bhoomi Enterprises Private Limited			**0.30**	-						
Moonshine Construction Private Limited	-	-	-	1.00	-	-	-	-	-	-
Deepmangal Developers Private Limited	-	-	**10.00**	1.00	-	-	-	-	-	-
Mahindra Industrial Park Private Limited	-	-	-	-	**157.00**	-	-	-	-	-
Mahindra Industrial Park Chennai Limited	-	-	-	-	**450.00**	-	-	-	-	-
Mahindra Happinest Developers Limited	-	-	-	-	-	15.00	-	-	-	-
Mahindra World City Developers Limited	-	-	-	-	-	700.90	-	-	-	-
Mahindra World City (Jaipur) Limited	-	-	-	-	-	12,150.00	-	-	-	-

(₹ in lakh)

Particulars	Holding Company		Subsidiary Companies		Joint Ventures		Key Management Personnel		Other Related Parties	
	Year ended March 31, 2019	Year ended March 31, 2018	**Year ended March 31, 2019**	Year ended March 31, 2018	**Year ended March 31, 2019**	Year ended March 31, 2018	**Year ended March 31, 2019**	Year ended March 31, 2018	**Year ended March 31, 2019**	Year ended March 31, 2018
Inter-corporate Deposit Realised	-	-	-	-	-	-	-	-	-	-
Mahindra Happinest Developers Limited	-	-	-	-	-	15.00	-	-	-	-
Mahindra World City Developers Limited	-	-	-	-	-	700.90	-	-	-	-
Mahindra World City (Jaipur) Limited	-	-	-	-	**5,800.00**	6,350.05	-	-	-	-
Mahindra Industrial Park Private Limited	-	-	-	-	**157.00**	-	-	-	-	-
Mahindra Industrial Park Chennai Limited	-	-	-	-	**450.00**	-	-	-	-	-
Loan Taken										
Mahindra & Mahindra Limited	-	15,000.00	-	-	-	-	-	-	-	-
Tech Mahindra Limited	-	-	-	-	-	-	-	-	-	8,000.00
Loan Repaid										
Mahindra & Mahindra Limited	-	15,000.00	-	-	-	-	-	-	-	-
Tech Mahindra Limited	-	-	-	-	-	-	-	-	**2,500.00**	8,000.00
Investment Made										
Mahindra Bloomdale Developers Limited	-	-	**400.00**	-	-	-	-	-	-	-
Mahindra World City (Maharashtra) Limited	-	-	-	17.50	-	-	-	-	-	-
Mahindra Happinest Developers Limited	-	-	-	-	-	1,003.50	-	-	-	-
Mahindra Industrial Park 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	-	-	-	-	-	-
Mahindra Industrial Park Private Limited	-	-	-	-	-	3,208.02	-	-	-	-
Interest Income										
Mahindra World City (Maharashtra) Limited	-	-	**57.91**	43.82	-	-	-	-	-	-
Deepmangal Developers Private Limited	-	-	**3.91**	3.52	-	-	-	-	-	-
Rathna Bhoomi Enterprises Private Limited	-	-	**0.13**	0.12	-	-	-	-	-	-
Moonshine Construction Private Limited	-	-	**0.14**	0.14	-	-	-	-	-	-
Mahindra Bloomdale Developers Limited	-	-	**171.83**	-	-	-	-	-	-	-

(₹ in lakh)

Particulars	Holding Company		Subsidiary Companies		Joint Ventures		Key Management Personnel		Other Related Parties	
	Year ended March 31, 2019	Year ended March 31, 2018	**Year ended March 31, 2019**	Year ended March 31, 2018	**Year ended March 31, 2019**	Year ended March 31, 2018	**Year ended March 31, 2019**	Year ended March 31, 2018	**Year ended March 31, 2019**	Year ended March 31, 2018
Mahindra Industrial Park Private Limited	-	-	-	-	**1.39**	732.81	-	-	-	-
Mahindra Homes Private Limited	-	-	-	-	**2,700.27**	4,022.31	-	-	-	-
Mahindra Happinest Developers Limited	-	-	-	-	-	0.21	-	-	-	-
Mahindra Industrial Park Private Limited	-	-	-	-	**10.04**	-	-	-	-	-
Mahindra World City Developers Limited	-	-	-	-	-	11.17	-	-	-	-
Mahindra World City (Jaipur) Limited	-	-	-	-	**138.82**	605.16	-	-	-	-
Mahindra Bloomdale Developers Limited	-	-	-	-	**55.95**	224.98	-	-	-	-
Interest Paid										
Mahindra & Mahindra Limited	-	114.66	-	-	-	-	-	-	-	-
Tech Mahindra Limited	-	-	-	-	-	-	-	-	**70.38**	248.14
Dividend Paid										
Mahindra & Mahindra Limited	**1,586.39**	1,586.39	-	-	-	-	-	-	-	-
Dividend Received										
Mahindra Integrated Township Limited	-	-	**425.50**	370.00	-	-	-	-	-	-
Mahindra World City (Jaipur) Limited	-	-	-	-	**1,665.00**	666.00	-	-	-	-
Rights Issue of Shares (Including Securities Premium Received)										
Mahindra & Mahindra Limited	-	16,333.67	-	-	-	-	-	-	-	-
Managerial Remuneration										
Mrs Sangeeta Prasad							**109.16**	-		
Ms Anita Arjundas	-	-	-	-	-	-	**231.88**	282.90	-	-
Shares allotted under ESOP										
Ms Anita Arjundas	-	-	-	-	-	-	**0.18**	-	-	-

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-19**	**-**	**3,155.09**	**-**	**-**	**-**
	31-Mar-18	**-**	**666.38**	**7,564.56**	**-**	**-**
Inter-corporate Loans Taken	**31-Mar-19**	**-**	**-**	**-**	**-**	**-**
	31-Mar-18	**-**	**-**	**-**	**-**	**2,500.00**
Security Deposit Received	**31-Mar-19**	**540.08**	**-**	**-**	**-**	**-**
	31-Mar-18	**540.08**	**-**	**-**	**-**	**-**
Interest Income Receivable	**31-Mar-19**	**-**	**2,263.12**	**16,855.96**	**-**	**-**
	31-Mar-18	**-**	**585.45**	**15,306.29**	**-**	**-**
Interest Expense Payable	**31-Mar-19**	**-**	**-**	**-**	**-**	**-**
	31-Mar-18	**-**	**-**	**-**	**-**	**104.95**
Receivables	**31-Mar-19**	**2,301.41**	**8,949.04**	**1,025.37**	**-**	**1.17**
	31-Mar-18	**2,822.30**	**3,100.74**	**858.37**	**-**	**5.04**
Payables	**31-Mar-19**	**775.10**	**-**	**-**	**-**	**63.41**
	31-Mar-18	**1,018.73**	**-**	**-**	**-**	**54.44**
Provision for Doubtful debts	**31-Mar-19**	**-**	**-**	**-**	**-**	**-**
	31-Mar-18	**-**	**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 upto 30th September 2018 and to Mrs. Sangeeta Prasad from 01st October 2018 as below:

(₹ in lakh)

Particulars	**For the year ended 31st March, 2019**	For the year ended 31st March, 2018
Salary including perquisites	**329.24**	254.56
Other contribution to funds	**11.80**	28.34
Total	**341.04**	282.90

37 - Contingent liabilities

(₹ in lakh)

Particulars	As at 31st March, 2019	As at 31st March, 2018
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	**377.54**	413.44
(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.	**590.57**	448.49

38 - Capital Commitments

(₹ in lakh)

Particulars	As at 31st March 2019	As at 31st March 2018
Capital Commitment : Estimated value of contracts remaining to be executed on capital account and not provided for (net of advances)	**22.19**	30.57

39 - 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 22nd April, 2019. 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 ₹ 3,080.95 lakhs. The payment of this dividend is estimated to result in payment of dividend distribution tax of ₹ 633.41 lakhs @ 20.56% on the amount of dividends grossed up for the related dividend distribution tax.

40 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, 2019	Maximum balance outstanding during the period	Amount outstanding as at 31st March, 2018	Maximum balance outstanding during the previous year
Deepmangal Developers Private Limited	Subsidiary	46.31	46.31	36.31	36.31
Moonshine Construction Private Limited	Subsidiary	1.50	1.50	1.50	1.50
Rathna Bhoomi Enterprises Private Limited	Subsidiary	1.55	1.55	1.25	1.25
Mahindra World City (Maharashtra) Limited	Subsidiary	632.31	632.31	627.31	627.31
Mahindra Bloomdale Developers Limited #	Subsidiary	2,474.56	2,474.56	1,764.56	1,764.56

(₹ in lakh)

Name of the party	Relationship	Amount outstanding as at 31st March, 2019	Maximum balance outstanding during the period	Amount outstanding as at 31st March, 2018	Maximum balance outstanding during the previous year
Mahindra World City (Jaipur) Limited	Joint Venture	-	5,800.00	5,800.00	12,150.00
Mahindra Industrial Park Private Limited	Joint Venture	-	157.00	-	-
Mahindra Happinest Developers Limited	Joint Venture	-	-	-	15.00
Mahindra World City Developers Limited	Joint Venture	-	450.00	-	700.00

During the year Mahindra Bloomdale Developers Limited (formerly known as Mahindra Bebanco Developers Limited) has become subsidiary of the Company w.e.f. 29th May, 2018 and before that it was Joint Venture of the Company.

41 - Recent Indian Accounting Standards (Ind AS)

IND AS 116 - Leases

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases Standard, Ind AS 17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of Profit & Loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17. The Company is currently assessing the impact of application of Ind AS 116 on Company's financial statements.

Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments :

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates. The standard permits two possible methods of transition - i) Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and ii) Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives. The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019. The Company will adopt the standard on April 1, 2019 and has decided to adjust the cumulative effect in equity on the date of initial application i.e. April 1, 2019 without adjusting comparatives. The effect on adoption of Ind AS 12 Appendix C would be insignificant in the standalone financial statements.

Amendment to Ind AS 12 – Income taxes :

On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes.

The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company is currently evaluating the effect of this amendment on the standalone financial statements."

Amendment to Ind AS 19 – plan amendment, curtailment or settlement:

On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements.

The amendments require an entity:

- to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and
- to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company does not have any impact on account of this amendment."

42. Input Tax Credit (ITC) benefits to the customers

Revenue from operations for the year ended 31st March, 2019 is net of ₹ 205.22 Lakhs (31st March, 2018 - ₹ 1,119 lakhs) 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.

43. Events after the reporting period

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

44. Previous Year Figures

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

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**	**Sangeeta Prasad**	Managing Director & CEO	- DIN:02791944
Company Secretary	Chief Financial Officer			

Mumbai : 22nd April, 2019

FINANCIAL HIGHLIGHTS CONSOLIDATED

₹ in lakh

	F-2019#	F-2018	F-2017	F-2016	F-2015	F-2014	F-2013	F-2012	F-2011	F-2010
Net Worth	197,305	210,340	174,307	166,811	147,496	126,167	129,307	115,499	106,515	98,876
Borrowing	22,825	45,859	65,163	65,925	123,758	140,105	96,565	66,663	54,413	42,071
Net Fixed Assets	10,520	10,449	10,802	10,095	36,116	33,794	31,117	23,203	22,517	20,481
Investments	68,776	92,629	74,246	79,316	22,160	30,138	13,322	17,479	8,743	14,812
Book Value Per Equity Share (₹)	384	410	425	407	360	309	317	283	261	240
Operating Income	59,283	56,619	76,215	59,317	108,610	70,526	73,834	70,127	61,193	41,787
Other Income	6,104	7,794	6,887	9,401	6,147	5,094	3,415	2,714	1,508	2,209
Operating Expenses	42,769	39,361	58,850	40,138	50,128	42,566	39,777	42,717	36,577	25,315
Other Expenses	15,556	16,070	14,814	14,604	22,527	16,960	13,865	11,318	8,919	6,793
Profit Before Tax	14,326	8,982	9,437	13,975	42,102	16,094	23,607	18,806	17,205	11,888
Profit After Tax (after Minority Interest)	11,971	10,337	10,589	9,458	26,620	10,063	14,137	11,908	10,817	7,849
Basic Earning Per Share (₹)	23.32	19.93	23.08	22.35	64.98	24.64	34.61	29.16	26.20	18.93
Diluted Earning Per Share (₹)	23.27	19.88	23.03	22.28	64.70	24.64	34.61	29.16	26.20	18.93
Equity Dividend Per Share (₹)	6.00	6.00	6.00	6.00	12.00*	6.00	6.00	6.00	5.00	3.50

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

Figures for financial year 2019 is as per IND AS 115 "Revenue from Contract with Customers" applicable from 1st April 2018. As per IND AS 115 recognition of revenue is based on satisfaction of performance obligation at a point in time (Completed Contract Method). Previous years figures are as per percentage of completion method and hence not comparable.

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 Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Mahindra Lifespace Developers Limited ("the Parent"/ "the Holding Company") and its subsidiaries, (the Parent/ Holding Company and its subsidiaries together referred to as "the Group") which includes the Group's share of profit in its associates and joint ventures, which comprise the Consolidated Balance Sheet as at 31st March 2019, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

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 information of subsidiaries, associates and joint ventures referred to in the Other Matters section below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS'), and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2019, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing specified under section 143 (10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the sub-paragraphs (a) and (b) of the Other Matters section below is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response

1	**Revenue Recognition of Construction Contracts**
	The Group has applied the modified retrospective approach in accordance with Ind AS 115 only to contracts that are not completed contracts as on April 1, 2018. This transitional adjustment of Rs. 21,947 lakhs has been adjusted against opening Retained Earnings as per the requirements of Ind AS 115.
	There is a risk that all the incomplete contracts as on April 01, 2018 were not considered in applying the transitional provisions of Ind AS 115 due to which the adjustment to the opening Retained Earnings is misstated.
	The application of the new revenue accounting standard involves certain key judgements relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue recognised at a point in time or over a period of time.
	Refer Notes 2.4.1 and 24 to the Consolidated Financial Statements
		Principal audit procedures
		We assessed the Group's process to identify the impact of adoption of the new Revenue Accounting Standard.
		Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows:
		• Evaluated the design of the internal controls relating to implementation of the new revenue accounting standard.
		• Obtained listing of all the contracts as on March 31, 2018. Identified the contracts that are not completed contracts for which handover of units not done and/or occupancy certificate not received as on March 31, 2018. For such identified contracts, verified on a test check basis the consideration received, cost incurred and revenue recognized to verify the adjustment to the opening Retained Earnings as on April 01, 2018.
		• Selected a sample of continuing and new contracts, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price.
		• Selected a sample of continuing and new contracts and performed the following procedures:
		  • Read, analysed and identified the distinct performance obligations in these contracts.
		  • Compared these performance obligations with that identified and recorded by the Group.
		  • Verified the progress towards satisfaction of performance obligations used to compute recorded revenue with contractual obligations, necessary approvals pertaining to the completion of the project, third-party certifications and the collectability of an amount of consideration.
		  • Performed project wise analytical procedures for reasonableness of revenues.

2	**Carrying values of Inventories (Construction work in Progress and Stock in Trade)** There is a risk that the valuation of inventory may be misstated as it involves the determination of net realizable value (NRV) and estimated total construction cost of completion of each of the projects which is an area of judgement. Refer Notes 2.19 and 13 to the Consolidated Financial Statements	**Principal audit procedures** We assessed the Group's process for the valuation of inventories. Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows: • Evaluated the design of the internal controls relating to the valuation of inventories. • Tested the operating effectiveness of controls for the review of estimates involved for the expected cost of completion of projects including construction cost incurred, construction budgets and net realizable value. We carried out a combination of procedures involving enquiry and observation, and inspection of evidence in respect of operation of these controls. Selected a sample of project specific inventories and performed the procedures around: • Construction costs incurred for the project specific inventories by tracing to the supporting documents, estimated total construction cost to be incurred for completing the construction of the project and corroborated the same with the reports from external supervising engineers, where applicable. Obtained the group's assessment of NRV for the project specific inventories. • The expected net amounts to be realized from the sale of inventory in the ordinary course of business.

Information Other than the Financial Statements and Auditor's Report Thereon

- The Parent's Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report, Management Discussion and Analysis Report, Corporate Governance Report and Business Responsibility Report, but does not include the consolidated financial statements and our auditor's report thereon.
- Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, compare with the financial statements of the subsidiaries, joint ventures and associates audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiaries, joint ventures and associates, is traced from their financial statements audited by the other auditors.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Consolidated Financial Statements

The Parent's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group including its Associates and joint ventures in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group and of its associates and 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 and its associates and joint ventures and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for assessing the ability of the Group and of its associates and joint ventures to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate or cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates and joint ventures are also responsible for overseeing the financial reporting process of the Group and of its associates and joint ventures.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Parent has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates and joint ventures to continue as a going concern. If we conclude that a material uncertainty exists,

we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates and joint ventures to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates and joint ventures to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the consolidated financial statements of which we are the independent auditors. For the other entities or business activities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Parent and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

We did not audit the financial statements of eleven subsidiaries, whose financial information reflect total assets of Rs. 63,011 lakhs as at 31st March, 2019, total revenues of Rs. 9,793 lakhs and net cash outflows amounting to Rs. 1,113 lakhs for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit of Rs. 4,854 lakhs for the year ended 31st March, 2019, as considered in the consolidated financial statements, in respect of two associates and five joint ventures, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, joint ventures and associates, and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, joint ventures and associates is based solely on the reports of the other auditors.

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial information of the subsidiaries, associates and joint ventures referred to in the Other Matters section 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 financial statements.

   b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books, returns 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 Statement of Cash Flows and the 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 financial statements.

   d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified 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, 2019 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary companies, associate companies and joint venture companies incorporated in India, none of the directors of the Group companies and its associate companies and joint venture companies incorporated in India is disqualified as on 31st March, 2019 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, associate companies and joint venture companies 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.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Parent to its directors during the year is in accordance with the provisions of section 197 of the Act.

h) 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 consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associates and joint ventures.

ii) The Group, its associates 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, associate 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
(Membership No. 100459)

Place: Mumbai
Date: 22nd April, 2019

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(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 March 31, 2019, 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, its associate companies 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, its associate 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, its associate 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, associate 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, its associate 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, its associate 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 March 31, 2019, 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 eleven subsidiary companies, two associate 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 22, 2019

Consolidated Balance Sheet as at 31st March, 2019

(₹ in lakh)

	Note No.	As at 31st March, 2019	As at 31st March, 2018
I ASSETS			
1 NON-CURRENT ASSETS			
(a) Property, Plant and Equipment	4	**761.64**	696.46
(b) Capital Work-in-Progress		**981.32**	914.72
(c) Investment Property	5	**2,140.83**	2,186.87
(d) Goodwill	6	**6,604.47**	6,604.47
(e) Other Intangible Assets	7	**32.18**	46.54
(f) Financial Assets			
(i) Investments	8	**68,772.42**	70,920.92
(ii) Trade receivables	9	**163.92**	1,101.49
(iii) Loans	10	**349.41**	107.93
(iv) Other Financial Assets	11	**9.66**	-
(g) Other Non-current Assets	12	**4,765.63**	5,886.59
TOTAL NON-CURRENT ASSETS		**84,581.48**	88,465.99
2 CURRENT ASSETS			
(a) Inventories	13	**134,507.96**	91,241.50
(b) Financial Assets			
(i) Investments	8	**3.24**	21,707.86
(ii) Trade Receivables	9	**13,727.12**	14,521.40
(iii) Cash and Cash Equivalents	14	**13,457.14**	4,978.50
(iv) Bank Balances other than (iii) above	14	**15,919.40**	8,038.13
(v) Loans	10	**2,021.01**	12,982.24
(vi) Other Financial Assets	11	**17,903.57**	18,715.89
(c) Current Tax Assets	12	**17,238.50**	39,146.49
TOTAL CURRENT ASSETS		**214,777.94**	211,332.01
TOTAL ASSETS (1+2)		**299,359.42**	299,798.00
II EQUITY AND LIABILITIES			
1 EQUITY			
(a) Equity Share Capital	15	**5,134.91**	5,132.81
(b) Other Equity	16	**187,819.32**	200,751.96
Attributable to owners of the Parent		**192,954.23**	205,884.77
Non-controlling interests		**4,351.10**	4,454.74
TOTAL EQUITY		**197,305.33**	210,339.51
LIABILITIES			
2 NON-CURRENT LIABILITIES			
(a) Financial Liabilities			
(i) Borrowings	17	**3,259.86**	5,757.97
(ii) Other Financial Liabilities	18	**446.33**	697.37
(b) Provisions	19	**399.93**	217.19
(c) Deferred Tax Liabilities (Net)	20	**1,335.22**	3,872.85
TOTAL NON-CURRENT LIABILITIES		**5,441.34**	10,545.38
3 CURRENT LIABILITIES			
(a) Financial Liabilities			
(i) Borrowings	21	**17,065.46**	17,601.87
(ii) Trade Payables			
Total Outstanding Dues of Micro Enterprise and Small Enterprises	22	**136.00**	-
Total Outstanding Dues of creditors other than Micro Enterprise and Small Enterprises		**18,668.71**	19,428.52
(iii) Other Financial Liabilities	18	**7,902.58**	32,235.47
(b) Other Current Liabilities	23	**50,333.79**	3,475.75
(c) Provisions	19	**1,003.32**	1,156.49
(d) Current Tax Liabilities (Net)		**1,502.89**	5,015.01
TOTAL CURRENT LIABILITIES		**96,612.75**	78,913.11
TOTAL EQUITY AND LIABILITIES (1+2+3)		**299,359.42**	299,798.00
Summary of Significant Accounting Policies	2		

The accompanying notes 1 to 49 are an integral part of these financial statements

As per our Report of even date attached

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm's Registration Number:- 117366W/W-100018

Ketan Vora
Partner
Mumbai : 22nd April, 2019

Suhas Kulkarni
Company Secretary
Mumbai : 22nd April, 2019

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
Sangeeta Prasad Managing Director & CEO - DIN:02791944

Consolidated Statement of Profit and Loss for the year ended 31st March, 2019

(₹ in lakh)

		Note No.	For the year ended 31st March, 2019	For the year ended 31st March, 2018
I	**INCOME**			
	(a) Revenue from operations	24	**59,283.00**	56,619.06
	(b) Other Income	25	**6,104.01**	7,793.70
	TOTAL INCOME (a + b)		**65,387.01**	64,412.76
II	**EXPENSES**			
	(a) Cost of Sales			
	- Cost of Projects	26	**40,426.63**	37,344.28
	- Operating Expenses	26	**2,341.98**	2,016.57
	(b) Employee Benefit Expense	27	**7,397.93**	6,603.10
	(c) Finance Costs	28	**1,249.07**	4,128.73
	(d) Depreciation and Amortisation Expense	4,5,7	**377.27**	425.78
	(e) Other expenses	29	**6,532.02**	4,912.36
	TOTAL EXPENSES (a+b+c+d+e)		**58,324.90**	55,430.82
III	**PROFIT BEFORE SHARE OF PROFIT OF JOINT VENTURES & ASSOCIATES (I - II)**		**7,062.11**	8,981.94
IV	**SHARE OF PROFIT OF JOINT VENTURES & ASSOCIATES**		**7,263.69**	4,472.12
V	**PROFIT BEFORE TAX (III + IV)**		**14,325.80**	13,454.06
VI	**TAX EXPENSE**			
	(a) Current tax	30(a)	**281.38**	3,021.90
	(b) Deferred tax	30(a)	**2,177.54**	95.67
	TOTAL TAX EXPENSE (a+b)		**2,458.92**	3,117.57
VII	**PROFIT AFTER TAX (V - VI)**		**11,866.88**	10,336.49
VIII	**OTHER COMPREHENSIVE INCOME**			
	Items that will not be reclassified to profit or loss			
	(a) Remeasurements of the defined benefit plans		**(118.38)**	(42.83)
	(b) Income tax relating to Items that will not be reclassified to profit or loss	30(b)	**41.37**	27.67
	TOTAL OTHER COMPREHENSIVE INCOME FOR THE YEAR (a+b)		**(77.01)**	(15.16)
IX	**TOTAL COMPREHENSIVE INCOME FOR THE YEAR (VII + VIII)**		**11,789.87**	10,321.33
X	**PROFIT FOR THE YEAR ATTRIBUTABLE TO:**			
	Owners of the Parent		**11,970.52**	10,100.49
	Non controlling interests		**(103.64)**	236.00
			11,866.88	10,336.49
XI	**OTHER COMPREHENSIVE INCOME ATTRIBUTABLE TO:**			
	Owners of the Parent		**(77.01)**	(15.16)
	Non controlling interests		**-**	-
			(77.01)	(15.16)
XII	**TOTAL COMPREHENSIVE INCOME FOR THE YEAR ATTRIBUTABLE TO:**			
	Owners of the Parent		**11,893.51**	10,085.33
	Non controlling interests		**(103.64)**	236.00
			11,789.87	10,321.33
XIII	**EARNINGS PER EQUITY SHARE (face value of ₹ 10/- each) (₹)**			
	(a) Basic	31	**23.32**	19.93
	(b) Diluted	31	**23.27**	19.88
	Summary of Significant Accounting Policies	2		

The accompanying notes 1 to 49 are an integral part of these financial statements

As per our Report of even date attached

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm's Registration Number:- 117366W/W-100018

Ketan Vora
Partner
Mumbai : 22nd April, 2019

Suhas Kulkarni
Company Secretary
Mumbai : 22nd April, 2019

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
Sangeeta Prasad Managing Director & CEO - DIN:02791944

Consolidated Cash Flow Statement for the year ended 31st March, 2019

(₹ in lakh)

	Year ended 31st March, 2019	Year ended 31st March, 2018
A. Cash flows from operating activities		
Profit before tax	**14,325.80**	13,454.06
Adjustments for:		
Share of profit of joint ventures and associates	**(7,263.69)**	(4,472.12)
Finance costs	**1,249.07**	4,128.73
Profit on sale of current investments	**(67.57)**	(112.34)
Gain on disposal of Property, Plant & Equipment and Investment Property	**(21.44)**	(241.05)
Interest Income	**(3,916.17)**	(6,523.53)
Dividend Income	**(138.89)**	(333.68)
Profit on change in ownership interest of joint venture	**(798.00)**	-
Net gain arising on financial assets measured at fair value through profit or loss	**(165.60)**	(25.85)
Expense recognised in respect of equity-settled share-based payments	**62.84**	138.30
Depreciation and amortisation Expense	**377.27**	425.78
Operating Profit before working capital changes	**3,643.62**	6,438.30
Changes in:		
Decrease/(Increase) in trade and other receivables	**447.26**	(11,493.99)
Decrease in inventories	**18,205.57**	25,881.47
(Decrease)/Increase in trade and other payables	**(2,845.84)**	355.31
Cash generated from operations	**19,450.61**	21,181.09
Income taxes paid	**(2,697.47)**	(1,737.29)
Net cash generated by operating activities	**16,753.14**	19,443.80
B. Cash flows from investing activities		
Payments to acquire financial assets	**(43,139.51)**	(114,879.57)
Proceeds from sale of financial assets	**64,911.70**	116,759.26
Bank deposits (net)	**(7,882.29)**	(6,636.88)
Changes in earmarked balances and margin accounts with banks	**2,805.95**	(2,246.14)
Interest received	**2,198.90**	2,122.63
Other dividends received	**138.89**	333.68
Dividend received from Joint ventures	**1,665.00**	-
Inter-corporate Deposit Given	**(1,882.30)**	(14,607.63)
Inter-corporate Deposit Realised	**10,594.58**	8,065.95
Payment to acquire Property, Plant and Equipment and Other Intangible Assets	**(584.46)**	(491.56)
Proceeds from disposal of property, plant and equipment and Investment Property	**245.20**	375.75
Purchase of Investments in Subsidiaries and Joint Ventures	**(400.00)**	(9,606.76)
Payment to acquire other non-current Investments	**(500.00)**	2,838.00
Cash & cash equivalents acquired pursuant to acquisition of subsidiary	**596.67**	-
Net cash generated/(used in) by investing activities	**28,768.33**	(17,973.27)

(₹ in lakh)

	Year ended 31st March, 2019	Year ended 31st March, 2018
C. Cash flows from financing activities		
Proceeds from issue of Equity shares of the Company	**1.75**	29,390.43
Proceeds from borrowings	**25,133.10**	5,697.71
Repayment of borrowings	**(53,148.74)**	(25,001.68)
Dividends paid (including tax thereon)	**(3,798.82)**	(3,732.09)
Interest paid	**(5,230.12)**	(10,354.43)
Net cash used in financing activities	**(37,042.83)**	(4,000.06)
Net increase/(decrease) in cash and cash equivalents	**8,478.64**	(2,529.53)
Cash and cash equivalents at the beginning of the year	**4,978.50**	7,508.03
Cash and cash equivalents at the end of the year	**13,457.14**	4,978.50

Summary of significant accounting policies (Refer Note 2)

The accompanying notes 1 to 49 are an integral part of these financial statements

Change in Liability arising from financing activities

(₹ in lakh)

Particulars	As at 01st April, 2018	Acquired pursuant to acquisition of subsidiary	Cash Flow (Net)	**As at 31st March, 2019**
Non current Borrowings (Refer Note 17)	5,757.97	2,474.56	(4,972.67)	**3,259.86**
Current Borrowings (Refer Note 21)	17,601.87	2,506.59	(3,043.00)	**17,065.46**
Current maturities of long term debt (Refer Note 18)	22,499.22	-	(19,999.97)	**2,499.25**
Total	45,859.06	4,981.15	(28,015.64)	**22,824.57**

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

As per our Report of even date attached

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm's Registration Number:- 117366W/W-100018

Ketan Vora
Partner
Mumbai : 22nd April, 2019

Suhas Kulkarni
Company Secretary
Mumbai : 22nd April, 2019

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
Sangeeta Prasad Managing Director & CEO - DIN:02791944

Consolidated Statement of changes in Equity for the year ended 31st March, 2019

A. Equity share capital

(₹ in lakh)

Particulars	Note No.	As at 31st March, 2019	As at 31st March, 2018
Balance at the Beginning of the year		**5,132.81**	4,105.36
Add: Rights Issue during the year	15	**-**	1,026.33
Add: Stock options allotted during the year	15	**2.10**	1.12
Balance at the end of the year		**5,134.91**	5,132.81

B. Other Equity

(₹ in lakh)

Particulars	Share application money pending allotment	Securities Premium	General Reserve	Other Reserves#	Retained Earnings	Attributable to owners of the parent	Non-controlling interests	Total
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 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)	47.11	-	(47.11)	-	(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	-	-	-	-	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	205,206.70
Profit / (Loss) for the year	-	-	-	-	11,970.52	11,970.52	(103.64)	11,866.88
Other Comprehensive Income / (Loss) net of taxes*	-	-	-	-	(77.01)	(77.01)	-	(77.01)
Total Comprehensive Income for the year	**-**	**-**	**-**	**-**	**11,893.51**	**11,893.51**	**(103.64)**	**11,789.87**
Dividend paid on Equity Shares	-	-	-	-	(3,257.48)	(3,257.48)	-	(3,257.48)
Dividend Distribution Tax	-	-	-	-	(487.36)	(487.36)	-	(487.36)
Transfers to Retained earnings	-	-	-	-	8,505.43	8,505.43	-	8,505.43
Transfers from Reserves	-	-	-	(8,505.43)	-	(8,505.43)	-	(8,505.43)
Allotment of Shares to Employees	(0.53)	76.99	-	(76.99)	-	(0.53)	-	(0.53)
Adjustment relating to cumulative effect of applying IND AS 115 - Revenue from Contracts with Customers	-	-	-	-	(21,947.42)	(21,947.42)	-	(21,947.42)
Transfers from retained earnings	-	-	-	-	(0.73)	(0.73)	-	(0.73)
Transfers to Reserves	-	-	-	0.73	-	0.73	-	0.73
Exercise of employee stock options	0.18	-	-	-	-	0.18	-	0.18
Arising on business combination during the year	-	-	-	38.06	843.88	881.94	-	881.94
Arising on share based payment	-	-	-	(15.48)	-	(15.48)	-	(15.48)
As at 31st March, 2019	**0.18**	**102,467.58**	**7,535.69**	**22,555.80**	**55,260.07**	**187,819.32**	**4,351.10**	**192,170.42**

* 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, 2019	31st March, 2018
(I)	**Capital Reserve on Consolidation :**		
	Balance as at the beginning of the year	**2,309.15**	2,309.15
	Add :		
	Arising on business combination	**38.06**	-
	Balance as at the end of the year	**2,347.21**	2,309.15
(II)	**Debenture Redemption Reserve :**		
	Balance as at the beginning of the year	**15,141.25**	14,651.67
	Add :		
	Transfer from Retained earnings	**-**	489.58
	Less :		
	Transfer to Retained earnings	**(8,505.43)**	-
	Balance as at the end of the year	**6,635.82**	15,141.25
(III)	**Capital Redemption Reserve :**		
	Balance as at the beginning of the year	**13,138.58**	13,138.58
	Add :		
	Transfer from Retained Earnings in Statement of Profit and Loss	**0.73**	-
	Balance as at the end of the year	**13,139.31**	13,138.58
(IV)	**Share Options Outstanding Account**		
	Balance as at the beginning of the year	**525.93**	434.74
	Add/(Less):		
	Arising on share based payment	**(92.47)**	91.19
	Balance as at the end of the year	**433.46**	525.93
Total		**22,555.80**	31,114.91

Summary of Significant Accounting Policies (Refer note 2)

The accompanying notes 1 to 49 are an integral part of these financial statements

As per our Report of even date attached

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm's Registration Number:- 117366W/W-100018

Ketan Vora
Partner
Mumbai : 22nd April, 2019

Suhas Kulkarni
Company Secretary
Mumbai : 22nd April, 2019

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
Sangeeta Prasad	Managing Director & CEO	- DIN:02791944

Notes to the Consolidated Financial Statements for the year ended March 31, 2019

1. General Information

Mahindra Lifespace Developers Limited ('the Company') is a limited Group incorporated in India. The equity shares of the Company are 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

The Consolidated Financial Statements 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 financial statements have been approved by the Group's Board of Directors and authorised for issue in the meeting held on 22nd April 2019.

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.

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

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 Group'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 Group.

Inter-Group transactions, balances and unrealised gains on transactions between Group 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 Group 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

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 Group 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 – Share based Payments, leasing transactions that are within the scope of Ind AS 17 - Leases, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 - Inventories or value in use in Ind AS 36 – Impairment of Assets.

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 Group 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 from Contracts with Customers

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 Revenue from Projects

i. The Group develops and sells residential and commercial properties. Revenue from contracts is recognised when control over the property has been transferred to the customer. An enforceable right to payment does not arise until the development of the property is completed. Therefore, revenue is recognised at a point in time when the legal title has passed to the customer and the development of the property is completed. The revenue is measured at the transaction price agreed under the contract.

ii. The Group invoices the customers for construction contracts based on achieving performance-related milestones.

iii. For certain contracts involving the sale of property under development, the Group offers deferred payment schemes to its customers. The Group adjusts the transaction price for the effects of the significant financing component.

iv. Costs to obtain contracts (“Contract costs”) relate to fees paid for obtaining property sales contracts. Such costs are recognised as assets when incurred and amortised upon recognition of revenue from the related property sale contract.

2.4.2 Revenue from Sale of land and other rights

Revenue from Sale of land and other rights is generally a single performance obligation and the Group has determined that this is satisfied at the point in time when control transfers as per the terms of the contract entered into with the buyers, which generally are with the firmity of the sale contracts / agreements. The determination of transfer of control did not change upon the adoption of Ind AS 115 – Revenue from Contracts with Customers.

2.4.3 Revenue from Project Management fees

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. The determination of transfer of control did not change upon the adoption of Ind AS 115.

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.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group 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 Group and the period between the procurement and realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 5 years for Current – Non-Current classification of assets & liabilities.

The Group 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 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 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 Group 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 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.

2.6.2 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.

2.7 Foreign exchange transactions and translation

Transactions in foreign currencies i.e. other than the Group'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 to hedge certain foreign currency risks.

2.8 Employee Benefits

2.8.1 Superannuation Fund

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

2.8.2 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.

2.8.3 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 Group'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 diving 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 Group 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 Group

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 Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity.

2. At the end of each reporting period the Group 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 Group's current tax is calculated using tax rate that has been enacted or substantially enacted by the end of the reporting period. Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Group will pay normal income tax. Accordingly, MAT is recognized as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Group.

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 Group 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 Group'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 48 months considering this period as the useful life of the vehicle for the Group.

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

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

2.15 Intangible Assets other than goodwill

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.

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 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.

2.17 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 Group.

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

2.18 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.

2.19 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.

2.20 Dividend Distribution

Dividends paid (including income tax thereon) is recognized in the period in which the interim dividends are approved by the Board of Directors, or in respect of the final dividend when approved by shareholders.

2.21 Provisions and contingent liabilities

2.21.1 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 and contingent liabilities are reviewed at each Balance Sheet date.

2.21.2 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.

2.21.3 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.

2.22 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.

2.22.1 Classification and subsequent measurement

2.22.1.1 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.

2.22.1.2 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.

2.22.2 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.

2.22.3 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.

2.22.4 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.

2.22.5 Derecognition of financial liabilities

The Group derecognizes financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and/or payable is recognised in profit or loss.

2.23 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.

2.23.1 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 recognised as capital reserve on common control business combination.

2.23.2 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. Use of estimates and judgements

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.

Key sources of estimation uncertainty

In the process of applying the Group'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:

A. Useful lives of property, plant and equipment

The Group reviews the useful life of property, plant and equipment at the end of each reporting period. This re-assessment may result in change in depreciation expense in future periods.

B. Fair value measurements and valuation processes

Some of the Group's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or a liability, the Group uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Group engages third party valuers, where required, to perform the valuation. Information about the valuation techniques and inputs used in determining the fair value of various assets, liabilities and share based payments are disclosed in the notes to the financial statements.

C. Actuarial Valuation

The determination of Group's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognised in the Statement of Profit and Loss and in other comprehensive income. Such valuation depends upon assumptions determined after taking into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market. Information about such valuation is provided in notes to the financial statements.

D. 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.

E. Determination of the timing of revenue recognition on the sale of completed and under development property

The Group has evaluated and generally concluded that the recognition of revenue over the period of time criteria are not met owing to non-enforceable right to payment for performance completed to date and, therefore, recognises revenue at a point in time. The Group has further evaluated and concluded that based on the analysis of the rights and obligations under the terms of the contracts relating to the sale of property, the revenue is to be recognised at a point in time when control transfers which coincides with receipt of Occupation Certificate.

F. Determination of performance obligations

With respect to the sale of property, the Group has evaluated and concluded that the goods and services transferred in each contract constitute a single performance obligation. In particular, the promised goods and services in contracts for the sale of property is to undertake development of property and obtaining the Occupation Certificate. Generally, the Group is responsible for all these goods and services and the overall management of the project. Although these goods and services are capable of being distinct, the Group accounts for them as a single performance obligation because they are not distinct in the context of the contract.

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, 2018	507.03	542.27	480.10	206.14	567.67	695.71	2,998.92
Acquisition through business combination #	-	36.13	3.06	21.71	6.38	-	67.28
Additions during the year	192.35	63.54	116.19	5.71	160.74	-	538.53
Deductions/Adjustments during the year	(190.77)	(17.18)	(102.27)	0.07	(192.65)	(79.02)	(581.82)
Balance as at 31st March, 2019	**508.61**	**624.76**	**497.08**	**233.63**	**542.14**	**616.69**	**3,022.91**
II. Accumulated depreciation and impairment							
Balance as at 1st April, 2018	411.78	311.17	425.17	130.67	408.16	615.51	2,302.46
Depreciation expense for the year	51.87	54.83	84.66	9.04	62.25	54.22	316.87
Deductions/Adjustments during the year	(37.65)	31.32	(68.67)	11.36	(146.18)	(148.24)	(358.06)
Balance as at 31st March, 2019	**426.00**	**397.32**	**441.16**	**151.07**	**324.23**	**521.49**	**2,261.27**
III. Net carrying amount (I-II)	**82.61**	**227.44**	**55.92**	**82.56**	**217.91**	**95.20**	**761.64**

Refer note 35 on business combination

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**

*Deduction/Adjustments during the year and previous 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, 2018	1,766.17	1,189.01	2,955.18
Balance as at 31st March, 2019	**1,766.17**	**1,189.01**	**2,955.18**
II. Accumulated depreciation and impairment			
Balance as at 1st April, 2018	-	768.31	768.31
Depreciation expense for the year	-	46.04	46.04
Balance as at 31st March, 2019	**-**	**814.35**	**814.35**
III. Net carrying amount (I-II)	**1,766.17**	**374.66**	**2,140.83**

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**

Fair value disclosure on Groups'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, 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	-	-	-
Opening balance as at 1st April, 2018	**14,139.17**	**1,133.82**	**15,272.99**	**-**	**-**	**-**
Fair value difference	141.72	(29.84)	111.88	-	-	-
Closing balance as at 31st March, 2019..	**14,280.89**	**1,103.98**	**15,384.87**	**-**	**-**	**-**

The fair values of the Mahindra Towers at Delhi have been arrived at on the basis of a valuation carried out as on 31st March, 2019 by Anarock Property Consultant Pvt. Ltd. and as on 31st March 2018 by Jones Lang Lasalle Property Consultant (India) Pvt. Ltd., independent valuers not related to the Company. Anarock Property Consultant Pvt. Ltd. and Jones Lang Lasalle Property Consultant (India) Pvt. Ltd. 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 previous year ended 31st March, 2018, the Company had sold its investment property GE Plaza at Pune.

Information regarding income and expenditure of Investment property:

(₹ in lakh)

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Rental income derived from investment properties (included in 'Revenue from Operations')	**1,437.09**	1,820.63
Direct operating expenses (including repairs and maintenance) that generate rental income	**277.87**	255.85

6 - Goodwill

(₹ in lakh)

	As at 31st March, 2019	As at 31st March, 2018
Balance at beginning of year	**6,604.47**	6,604.47
Addition during the year	**-**	-
Balance at end of the year	**6,604.47**	6,604.47

7 - Other Intangible Assets

(₹ in lakh)

Description of Assets		Computer Software
I.	**Gross Carrying Amount/Deemed Cost**	
	Balance as at 1st April, 2018	361.00
	Additions during the year	-
	Balance as at 31st March, 2019	**361.00**
II.	**Accumulated depreciation and impairment**	
	Balance as at 1st April, 2018	314.46
	Amortisation expense for the year	14.36
	Balance as at 31st March, 2019	**328.82**
III.	**Net carrying amount (I-II)**	**32.18**

(₹ 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**

8 - Investments

(₹ in lakh)

Particular	As at 31 March, 2019				As at 31 March, 2018			
	Face Value ₹	QTY	Amounts* Current	Amounts* Non-Current	Face Value ₹	QTY	Amounts* Current	Amounts* Non-Current
A. COST								
Unquoted Investments (all fully paid)								
Investments in Equity Instruments								
- of joint ventures								
Mahindra World City (Jaipur) Limited	**10**	**111,000,000**	**-**	**22,597.80**	10	111,000,000	-	20,971.97
Mahindra World City Developers Limited	**10**	**17,799,999**	**-**	**14,274.29**	10	17,799,999	-	13,157.57
Mahindra Bloomdale Developers Limited (Formerly known as Mahindra Bebanco company Limited) (Till 28th May 2018)	**-**	**-**	**-**	**-**	10	35,000	-	(223.22)
Mahindra Homes Private Limited	**10**	**616,879**	**-**	**(7,287.42)**	10	616,879	-	(1,884.38)
Mahindra Industrial Park Private Limited (Formerly known as Industrial Cluster Private Limited)	**10**	**50,000**	**-**	**(272.19)**	10	50,000	-	(221.24)
Mahindra Happinest Developers Limited	**10**	**51,000**	**-**	**(597.92)**	10	51,000	-	(278.81)
Mahindra Inframan Water Utilities Limited	**10**	**24,999**	**-**	**0.15**	10	24,999	-	1.33
- of Associates								
Mahindra Knowledge Park (Mohali) Limited	**10**	**6**	**-**	**0.00**	10	6	-	0.00
Mahindra Construction Company Limited	**10**	**3,000**	**-**	**(2.91)**	10	3,000	-	0.30
Total Unquoted Investments								
INVESTMENTS CARRIED AT COST [A]			**-**	**28,711.80**			-	31,523.52
B. AMORTISED COST								
Unquoted Investments Carried at Amortised Cost								
Investments in Preference Shares								
- of joint ventures								
Mahindra Homes Private Limited (Series A 0.01% Optionally convertible Reedemable Preferce Shares)	**10**	**1**	**-**	**0.00**	10	1	-	0.00
- of others								
Prudential Management & Services Pvt. Ltd	**1**	**2**	**-**	**0.00**	1	2	-	0.00
Investments in Debentures								
- of joint ventures								
Mahindra Homes Private Limited # (14.00% Optionally Convertible Debentures)			**-**	**0.00**	100	32,017,000	-	32,017.00
TOTAL INVESTMENTS CARRIED AT AMORTISED COST [B]				**0.00**				32,017.00

(₹ in lakh)

Particular	As at 31 March, 2019				As at 31 March, 2018			
	Face Value ₹	QTY	Amounts* Current	Amounts* Non-Current	Face Value ₹	QTY	Amounts* Current	Amounts* Non-Current
C. Designated as at Fair Value Through Profit and Loss (FVTPL)								
Unquoted Investments (all fully paid)								
Investments in Mutual Funds			**3.24**	**-**			21,707.86	-
Investments in Preference Shares								
- of joint ventures								
Mahindra Happinest Developers Limited (0.01% Non convertible Reedemable Preference Shares)	**100**	**308,400**	**-**	**276.00**	100	308,400	-	308.40
- of other entities								
Urban Stay Technologies Private Limited (0.0001% Cumulative compulsorily Convertible Preference Shares)	**10**	**45,000**	**-**	**481.05**	-	-	-	-
Investments in debentures								
- of joint ventures								
Mahindra Happinest Developers Limited (15.00% Optionally Convertible Redeemable Debentures)	**10**	**6,900,000**	**-**	**787.00**	10	6,900,000	-	690.00
Mahindra Industrial Park Private Limited (Formerly known as Mahindra Industrial cluster Limited) (11.00% Optionally Convertible Debentures)	**100,000**	**6,382**	**-**	**6,389.00**	100,000	6,382	-	6,382.00
Mahindra Homes Private Limited # (14.00% Optionally Convertible Debentures)	**100**	**32,017,000**	**-**	**32,111.00**	-	-	-	-
Investments in Equity Instruments								
- of other entities								
Urban Stay Technologies Private Limited	**10**	**1,550**	**-**	**16.57**				
New Tirupur Area Development Corporation Limited	**10**	**15,500,000**	**-**	**0.00**	10	15,500,000	-	0.00
INVESTMENTS CARRIED AT FVTPL [C]			**3.24**	**40,060.62**			21,707.86	7,380.40
TOTAL INVESTMENTS (A) + (B)+ (C)			**3.24**	**68,772.42**			21,707.86	70,920.92
Total Impairment value for investment carried at cost (D)			**-**	**-**			-	-
TOTAL INVESTMENTS CARRYING VALUE (A) + (B) + (C) - (D)			**3.24**	**68,772.42**			21,707.86	70,920.92
Other disclosures:								
Aggregate carrying value of unquoted investments			**3.24**	**68,772.42**			21,707.86	70,920.92
Aggregate amount of impairment in value of unquoted investments			**-**	**-**			-	-

* ₹ 0.00 lakh denotes amount less than ₹ 500/-

Reclassified w.e.f. January 1, 2019 due to change in business model for managing these investments based on the projected cash flows and effective tenor of these investments. The gain on reclassification of ₹ 9.00 lakhs (Previous year – ₹ Nil) is recognised in the Statement of Profit and loss for the year.

9 - Trade receivables

(₹ in lakh)

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	Current	Non-Current	Current	Non-Current
Trade receivables				
(a) Considered good - unsecured	**13,727.12**	**163.92**	14,521.40	1,101.49
(b) Credit impaired	**212.17**	**131.98**	286.16	314.18
Total (a+b)	**13,939.29**	**295.90**	14,807.56	1,415.67
Less: Allowance for credit losses	**(212.17)**	**(131.98)**	(286.16)	(314.18)
TOTAL	**13,727.12**	**163.92**	14,521.40	1,101.49

9 a - Movement in the allowance for credit losses

(₹ in lakh)

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	Current	Non Current	Current	Non Current
Balance at beginning of the year	**286.16**	**314.18**	521.16	602.44
Reversal during the year	**(73.99)**	**(182.20)**	(235.00)	(288.26)
Balance at end of the year	**212.17**	**131.98**	286.16	314.18

Refer Note 36 for disclosures related to credit risk, impairment of trade receivables under expected credit loss model and related financial instrument disclosures.

10 - Loans

(₹ in lakh)

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	Current	Non- Current	Current	Non- Current
Loans Receivables considered good -Unsecured				
a) Security Deposits	**1,668.73**	**342.63**	3,754.93	100.83
b) Loans to related parties (Refer Note 41)	**352.28**	**-**	9,064.56	-
c) Other Loans and Advances #	**-**	**6.78**	162.75	7.10
TOTAL (a+b+c)	**2,021.01**	**349.41**	12,982.24	107.93

Other Loans and Advances includes Loans to Employees

11 - Other financial assets

(₹ in lakh)

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	Current	Non- Current	Current	Non- Current
Financial assets at amortised cost				
a) Balance with bank held as margin money	**-**	**9.66**	2,529.59	-
b) Interest Accrued	**17,903.57**	**-**	16,186.30	-
TOTAL	**17,903.57**	**9.66**	18,715.89	-

12 - Other assets

(₹ in lakh)

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	Current	**Non- Current**	Current	Non- Current
(a) Capital Advances	**-**	**263.43**	-	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)	**2,898.86**	**-**	3,191.50	-
(iii) Prepaid Expenses	**1,263.97**	**-**	361.27	-
(iv) Unbilled Revenues	**-**	**-**	24,132.64	-
(v) Income Tax Assets (Net)	**5.11**	**4,502.20**	-	5,602.50
(vi) Security Deposit	**1,425.00**	**-**	1,325.00	-
(vii) Other advances #	**9,645.56**	**-**	8,136.08	-
Total	**17,238.50**	**4,765.63**	39,146.49	5,886.59

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

*The Company had entered into an agreement to acquire a parcel of land near Thane, Maharashtra, at a consideration of ₹ 2,000.00 lakhs. While full consideration was paid, the land was not conveyed pending completion of certain formalities. The amount currently standing in the books as a current asset is ₹ 2,879 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. Accordingly, the Company has filed an appeal before Sub-Divisional Officer Thane (SDO). SDO after hearing and completing the process has issued an order dated 07th February, 2019 and set aside the order passed by Tahsildar (Thane) and has also directed Tahsildar (Thane) to delete the name of Government of Maharashtra from the land records of the aforesaid land.

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

(₹ in lakh)

Particulars	**As at 31st March, 2019**	As at 31st March, 2018
(a) Raw materials	**3,104.88**	2,647.09
(b) Construction Work-in-progress*	**108,213.04**	74,267.53
(c) Stock in trade	**23,190.04**	14,326.88
Total	**134,507.96**	91,241.50

*Construction Work-in-Progress represents materials at site and construction cost for the projects.

Notes:

1. Based on projections and estimates by the Company of the expected revenues and costs to completion, provision for losses to completion and/ or write off of costs carried to inventory are made on projects where the expected revenues are lower than the estimated costs to completion. In the opinion of the management, the net realisable value of the construction work in progress will not be lower than the costs so included therein. The amount of inventories recognised as an expense ₹ 40,426.60 lakhs (31st March, 2018: ₹ 37,344.28 lakhs) include ₹ 5.34 lakhs (31st March, 2018: ₹ 1,190.14 lakhs) in respect of write down of inventory to net realisable value.
2. 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.
3. The Company had purchased land parcel at Alibaug and two GAT Numbers (1755 and 1756) out of this land parcel have been attached by Income Tax department by serving order of attachment dated 31st July 2017 on one of the erstwhile land owners in lieu of recovery proceedings of income tax dues of ₹ 5,988.00 lakhs payable towards Income Tax department. The Company has lodged objections to the attachment of these two GAT Numbers with Income Tax Department and pursuing the matter.

14 - Cash and Bank Balances

(₹ in lakh)

Particulars	As at 31 March, 2019	As at 31 March, 2018
Cash and cash equivalents		
(a) Cash on hand	**0.48**	0.52
(b) Cheques on hand	**1,213.50**	119.07
(c) Balance with Banks:		
- On current accounts	**4,594.14**	2,990.68
- Deposit account with original maturity Less than 3 months	**7,649.02**	1,868.23
Total Cash and cash equivalent (considered in Statement of Cash Flows)	**13,457.14**	4,978.50
Bank Balances other than Cash and cash equivalents		
(a) Balances with Banks:		
(i) Earmarked balances	**2,072.13**	1,758.29
(ii) On Margin Accounts	**481.84**	1,081.70
(iii) Fixed Deposits with original maturity greater than 3 months	**13,365.43**	5,198.14
Total Other Bank balances	**15,919.40**	8,038.13

15 - Equity Share Capital

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	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	**51,400,151**	**5,140.02**	51,379,201	5,137.92
Subscribed and Fully Paid:				
Equity shares of ₹ 10 each with voting rights	**51,349,088**	**5,134.91**	51,328,138	5,132.81
Total	**51,349,088**	**5,134.91**	51,328,138	5,132.81

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

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	No. of Shares	**Amount ₹ in lakh**	No. of Shares	Amount ₹ in lakh
Balance at the Beginning of the year	**51,328,138**	**5,132.81**	41,053,550	4,105.36
Add: Rights Issue during the year	**-**	**-**	10,263,388	1,026.33
Add: Stock options allotted during the year	**20,950**	**2.10**	11,200	1.12
Balance at the end of the year	**51,349,088**	**5,134.91**	51,328,138	5,132.81

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:

Particulars	Equity Shares with Voting rights
As at 31st March, 2019	
Mahindra & Mahindra Ltd. the Holding Company	26,439,850
As at 31st March, 2018	
Mahindra & Mahindra Ltd. the Holding Company	26,439,850

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, 2019		As at 31st March, 2018	
	Number of shares held	**% holding**	Number of shares held	% holding
Equity shares with voting rights				
Mahindra & Mahindra Limited	**26,439,850**	**51.49%**	26,439,850	51.51%
ICICI Prudential Life Insurance Company Limited	**2,633,709**	**5.13%**	-	-
Small Cap World Fund, INC	**-**	**-**	2,696,725	5.25%

iv) Shares reserved for issue under options

The Company has 96,850 (Previous Year 1,17,000) equity shares of ₹ 10/- each reserved for issue under options [Refer Note 27].

v) The allotment of 51,063 (Previous Year 51,063) 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).

vi) The Board of Directors had at its meeting held on 27th October, 2016, approved Rights Issue upto an amount of ₹ 30,000 lakhs. During the previous 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 lakhs 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 had increased to ₹ 5,132 lakhs divided into 5,13,18,988 equity shares of ₹ 10 each. The Securities Premium account had increased to ₹ 97,438 lakhs. The Rights Issue proceeds had been fully utilised for the purpose of the Issue.

16. Other equity

(₹ in lakh)

Particulars	**As at 31st March, 2019**	As at 31st March, 2018
General reserve	**7,535.69**	7,535.69
Securities premium	**102,467.58**	102,390.59
Share options outstanding account	**433.46**	525.93
Retained earnings	**55,260.07**	59,710.24
Capital Reserve on Consolidation	**2,347.21**	2,309.15
Capital redemption reserve	**13,139.31**	13,138.58
Debenture redemption reserve	**6,635.82**	15,141.25
Share Application money pending allotment	**0.18**	0.53
TOTAL	**187,819.32**	200,751.96

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

Share Option Outstanding Account: The Share Options outstanding account represents reserve in respect of equity settled share options granted to the Company's employees in pursuance of the Employee Stock Option Plan.

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: Gain on bargain purchase, i.e., excess of fair value of net assets acquired over the fair value of consideration in a business combination or on acquisition of interest in associate is recognised as Capital Reserve on Consolidation.

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

Debenture Redemption Reserve: Debenture Redemption Reserve is a Statutory Reserve (as per Companies Act, 2013) created out of profits of the Company available for payment of dividend for the purpose of redemption of Debentures issued by the Company. On completion of redemption, the reserve is transferred to retained earnings.

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 ₹ 0.53 lakhs 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, 2019**	For the year 31st March, 2018
Dividend per Equity Share (₹)	**6.00**	6.00
Dividend on Equity Shares	**3,080.95**	3,079.69
Dividend Distribution Tax	**633.41**	633.04
Total Dividend including Dividend Distribution Tax	**3,714.36**	3,712.73

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 2019 and 31st March 2018.

17 - Non-Current Borrowings

(₹ in lakh)

Description of the instrument	Currency of Loan	Effective Interest Rate used for Discounting Cash flows (%)	Coupon Rate (%)	Repayment Bullet (or) Installment	Number of Installments	**As at 31st March, 2019**	As at 31st March, 2018
Secured (Carried at Amortised Cost)							
Fully Redeemable							
-Non Convertible Debentures (Series II) *	₹	9.68%	7.00%	Installment	1	**-**	2,497.50
-Non Convertible Debentures (Series III) #	₹	9.68%	7.00%	Installment	1	**2,497.34**	2,495.60
Total Secured Borrowing (A)						**2,497.34**	4,993.10
Unsecured (Carried at Amortised Cost)							
-Other loans	₹	NA	NA	NA	NA	**762.52**	764.87
Total Unsecured Borrowing (B)						**762.52**	764.87
Total (A+B)						**3,259.86**	5,757.97

Notes:

1. Current maturities in respect of long term borrowings - fully redeemable Non-Convertible debentures (Series II) have been included in Note 18.
2. Other loans carry varying rate of interest ranging from 8.5% to 11.50% (Previous year :Ranging from 7.50% to 10.50%) and have maturities beginning from FY 2020.

Non Convertible Debentures

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

Series	III #	II *
Face Value of Debentures (₹ Lakhs)	2,500.00	2,500.00
Redemption premium amount	393.68	299.64
Rate of Interest Payable Annually	7%	7%
Maturity Date	31st August 2020	31st August 2019

The above Debentures are secured by first ranking pari passu mortgage and charge on specific lands of the group which is accounted as a part of Construction Work in Progress.

18 - Other Financial Liabilities

(₹ in lakh)

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	Current	Non- Current	Current	Non- Current
Other Financial Liabilities Measured at Amortised Cost				
(a) Current maturities of long-term debt	**2,499.25**	**-**	22,499.22	-
(b) Interest accrued but not due on borrowings	**568.26**	**287.16**	2,289.62	400.20
(c) Unclaimed dividends	**150.87**	**-**	140.23	-
(d) Other liabilities#	**4,684.20**	**159.17**	7,306.40	297.17
TOTAL	**7,902.58**	**446.33**	32,235.47	697.37

Other liabilities 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, 2019		As at 31st March, 2018	
	Current	Non- Current	Current	Non- Current
(a) Provision for employee benefits				
-Gratuity	**68.48**	**227.34**	87.87	80.92
-Leave Encashment	**375.36**	**172.59**	235.10	136.27
(b) Other Provisions				
-Defect Liabilities	**559.48**	**-**	833.52	-
TOTAL	**1,003.32**	**399.93**	1,156.49	217.19

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

(₹ in lakh)

Particulars	Amount
Balance at 1st April, 2018	833.52
Transition adjustment as per IND AS 115	(18.07)
Additional provisions recognised	38.40
Amounts used during the year	(247.37)
Addition on account of business combination	93.00
Unused amounts reversed during the year	(140.00)
Balance at 31st March 2019	**559.48**

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 of residential units when control over the property has been transferred to the customer, 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 a the defect liability period limited to 5 year from the date when control over the property has been transferred to the customer.

20 - Deferred Tax liabilities (Net)

(₹ in lakh)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Deferred Tax Liabilities	**5,250.32**	5,455.24
Deferred Tax Assets	**(3,915.10)**	(1,582.39)
TOTAL	**1,335.22**	3,872.85

Deferred Tax assets/liabilities in relation to:

(₹ in lakh)

Particulars	Opening Balance as at 1st April, 2018	Adjusted in Opening Retained Earning	Recognised in P&L	Recognised in OCI	**Closing Balance as at 31st March, 2019**
Fiscal allowance on Property, Plant and Equipment	570.71	-	58.16	-	**628.87**
Disallowance u/s 43(B) of the Income tax Act, 1961	(419.95)	-	228.70	-	**(191.25)**
Provision for Employee Benefits	(157.09)	-	(46.30)	(41.37)	**(244.76)**
Minimum Alternate Tax Credit	(592.89)	-	(209.23)	-	**(802.12)**
Unrealised gain/loss on inter company stock and undistributed profit	4,359.07	-	(96.95)	-	**4,262.12**
Adjustment relating to cumulative effect of applying IND AS 115 - Revenue from Contracts with Customers	-	(4,673.79)	2,202.43	-	**(2,471.37)**
Arising on business combination during the year	-	-	99.00	-	**99.00**
Provision for Doubtful debts	-	-	47.45	-	**47.45**
Other Temporary differences	113.00	-	(105.72)	-	**7.28**
Total	3,872.85	(4,673.79)	2,177.54	(41.37)	**1,335.22**

21 - Current Borrowings

(₹ in lakh)

Particulars	As at 31st March, 2019	As at 31st March, 2018
A. Secured Borrowings at amortised cost		
(a) Loans on cash credit account from Banks	**8,106.71**	1,126.11
(b) Other Loans	**200.00**	-
Total	**8,306.71**	1,126.11
B. Unsecured Borrowings at amortised cost		
(a) Loans on cash credit account from Banks	**460.15**	764.80
(b) Loans from related parties	**-**	2,500.00
(c) Other Loans from banks	**7,500.00**	7,501.25
(d) Optionally Convertible Redeemable Debentures from Related Parties	**771.00**	771.00
(e) Loans from other parties	**27.60**	4,938.71
Total Unsecured Borrowings	**8,758.75**	16,475.76
(A+B)	**17,065.46**	17,601.87

Secured Borrowing

The cash credit facility carrying interest rate in the range of 8.30% p.a. to 9.25% p.a. (Previous Year 8.70% p.a. 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 0.35% p.a. payable on a monthly basis is secured by hypothecation of book debts and Construction Work in progress.

Unsecured Borrowings

(a) The cash credit facility is carrying interest rate of 8.30% p.a. (Previous Year 8.20% p.a.)

(b) Optionally Convertible Redeemable Debentures from related parties obtained at 11.00% p.a.

(c) Other loans from banks include short term loan carrying interest rate in the range of 8.60% p.a. to 8.90% p.a. (Previous Year 7.90% p.a. to 8.50% p.a)

22 - Trade Payables

(₹ in lakh)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Trade payable - Micro and small enterprises*	**136.00**	-
Trade payable - Other than micro and small enterprises	**18,668.71**	19,428.52
TOTAL	**18,804.71**	19,428.52

Trade Payables are payables in respect of the amount due on account of goods purchased or services received in the normal course of business.

Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

*This information has been determined to the extent such parties have been identified on the basis of intimation received from the suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006. There are no overdue amounts payable to Micro, Small and Medium Enterprises, as defined in the Micro, Small and Medium Enterprises Development Act, 2006, as at the reporting date or anytime during the year and hence no interest has been paid or payable.

Particulars	**31st March, 2019**	31st March, 2018
Dues remaining unpaid		
Principal	**136.00**	-
Interest	**-**	-
Interest paid in terms of Section 16 of the MSMED Act along with the amount of payment made to the supplier beyond the appointed day during the year		
Principal paid beyond the appointed date	**-**	-
Interest paid in terms of Section 16 of the MSMED Act	**-**	-
Amount of interest due and payable for the period of delay on payments made beyond the appointed day during the year	**-**	-
Further interest due and payable even in the succeeding years, until such date when the interest due as above are actually paid to the small enterprises	**-**	-
Amount of interest accrued and remaining unpaid	**-**	-

23 - Other Current Liabilities

(₹ in lakh)

Particulars	**As at 31st March, 2019**	As at 31st March, 2018
a. Advances received from customers	**49,882.55**	3,076.15
b. Statutory dues payable *	**442.75**	396.34
c. Others	**8.49**	3.26
TOTAL	**50,333.79**	3,475.75

* 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, 2019	For the year ended 31st March, 2018
a. Revenue from Contracts with Customers		
(i) Revenue From Projects	**55,695.23**	51,944.48
(ii) Project Management Fees	**2,150.68**	2,853.95
b. Income from Operation of Commercial Complexes	**1,437.09**	1,820.63
TOTAL	**59,283.00**	56,619.06

Notes:

(1) Contract Balances

(a) Amounts received before the related performance obligation is satisfied are included in the balance sheet (Contract liability) as "Advances received from Customers". Amounts billed for development milestone achieved but not yet paid by the customer are included in the balance sheet under trade receivable in note no. 9

(b) During the year, the Company recognised Revenue of ₹ 21,136.41 lakhs from opening contract liability (after Ind AS 115 adoption) of ₹ 45,401.06 lakhs.

(c) The contract liability has increased by ₹ 9,752.45 lakhs due to business combination.

(d) There were no significant changes in the composition of the contract liabilities and Trade receivable during the reporting period other than on account of periodic invoicing and revenue recognition.

(e) Amounts previously recorded as contract liabilities increased due to further milestone based invoices raised during the year and decreased due to revenue recognised during the year on completion of the construction.

(f) Amounts previously recorded as Trade receivables increased due to further milestone based invoices raised during the year and decreased due to collections during the year.

(g) There are no contract assets outstanding at the end of the year.

(h) The aggregate amount of the transaction price allocated to the performance obligations that are completely or partially unsatisfied as at March 31, 2019, is ₹ 100,349.15 lakhs. Out of this, the Company expects to recognize revenue of around 60% within the next one year and the remaining thereafter. This includes contracts that can be terminated for convenience with a penalty as per the agreement since, based on current assessment, the occurrence of the same is expected to be remote.

(2) Reconciliation of revenue recognised with the contracted price is as follows:

Particulars	For the year ended 31st March, 2019
Contracted price	**55,766.64**
Adjustments on account of cash discounts or early payment rebates, etc.	**71.41**
Revenue recognised as per Statement of Profit & Loss	**55,695.23**

(3) Contract costs

Particulars	As at 31st March, 2019
Contract costs included in Prepaid expenses in Note no. 12- Other Assets	**1,263.97**

(a) The Company incurs commissions that are incremental costs of obtaining a contract with a customer. Previously, all such costs were expensed as and when incurred. Under Ind AS 115, the Company recognises the incremental costs of obtaining a contract as assets under Prepaid Expenses under note no. 12 - Other Assets and amortises it upon completion of the related property sale contract.

(b) For the year ended 31 March 2019, amortisation amounting to ₹ 532.17 lakhs was recognised as Brokerage cost in note no. 26 - Cost of Sales. There were no impairment loss in relation to the costs capitalised.

25 - Other Income

(₹ in lakh)

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
(a) Interest Income on		
(1) Inter Corporate Deposits	**218.06**	1,574.33
(2) Bank Deposits	**727.69**	439.15
(3) Optionally Convertible Debentures	**2,700.27**	4,022.31
(4) Others*	**270.15**	487.74
(b) Dividend Income from current investment- non trade	**138.89**	333.68
(c) Gain on sale of current investments	**67.57**	112.34
(d) Gain on disposal of Property, Plant and Equipment and Investment Property	**21.44**	241.05
(e) Net Gain arising on Financial Assets mandatorily measured at Fair Value through Profit and Loss	**165.60**	25.85
(f) Profit on change in ownership interest of joint venture	**798.00**	-
(g) Miscellaneous Income	**996.34**	557.25
TOTAL	**6,104.01**	7,793.70

* Other Interest Income includes interest income on account of financing component involved in contracts with customers and interest charged on late payment received from customers.

26 - Cost of Sales

(₹ in lakh)

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
A. Cost of Project		
Opening Stock:		
Construction work-in-progress	**74,267.53**	100,629.17
Raw Material	**2,647.09**	2,530.34
Stock in trade	**14,326.88**	13,963.46
Sub-Total (a)	**91,241.50**	117,122.97
Adjustment relating to cumulative effect of applying IND AS 115 - Revenue from Contracts with Customers (b)	**40,261.09**	-
Acquired on business combination (c)	**19,764.00**	-
Add: Expenses incurred during the year		
Land Cost	**731.32**	524.12
Architect Fees	**333.29**	176.43
Civil Electricals, Contracting etc	**12,386.01**	15,160.64
Interest costs allocated	**1,051.72**	554.42
Employee benefits expense allocated	**1,784.86**	1,356.94
Liasioning costs	**1,785.90**	1,757.16
Insurance	**12.48**	8.54
Legal & Professional Fees	**1,275.21**	953.17
Other Expenses	**4,307.21**	157.03
Stock on Disposal	**-**	(9,185.64)
Sub-Total (d)	**23,668.00**	11,462.81
Less: Closing Stock:		
Construction work-in-progress	**108,213.04**	74,267.53
Raw Material	**3,104.88**	2,647.09
Stock in trade	**23,190.04**	14,326.88
Sub-Total (e)	**134,507.96**	91,241.50
Total A (a+b+c+d-e)	**40,426.63**	37,344.28

(₹ in lakh)

Particulars		For the year ended 31st March, 2019	For the year ended 31st March, 2018
B.	**Operating Expenses**		
	Rent, Rates & Taxes	**21.27**	83.97
	Insurance	**2.00**	2.20
	Repairs & Maintenance - Commercial Properties	**184.32**	145.11
	Professional Fees	**149.17**	81.18
	Brokerage	**532.17**	199.16
	Advertisement, Marketing & Business Development	**1,103.00**	1,200.28
	Electricity	**76.78**	53.91
	Other Operating Expenses	**273.27**	250.76
	Total B	**2,341.98**	2,016.57
	Total (A+B)	**42,768.61**	39,360.85

27 - Employee Benefits Expense

(₹ in lakh)

Particulars		For the year ended 31st March, 2019	For the year ended 31st March, 2018
(a)	Salaries and wages, including bonus	**8,345.92**	7,016.21
(b)	Contribution to provident and other funds	**412.96**	451.19
(c)	Share based payment expenses	**62.84**	138.30
(d)	Staff welfare expenses	**361.07**	354.34
	Less : Allocated to projects	**(1,784.86)**	(1,356.94)
TOTAL		**7,397.93**	6,603.10

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. Options granted vest in 4 instalments bifurcated as 20% each on the expiry of 12 months & 24 months, 30% each on the expiry of 36 months & 48 months respectively from the date of grant. The options may be exercised on any day over a period of five years from the date of vesting.

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
9	Series 11 Granted on 30th July 2018	19,500	30-Jul-18	30-Jul-27	₹ 10 per share	532.67
10	Series 12 Granted on 14th Feb 2019	6,000	14-Feb-19	14-Feb-28	₹ 10 per share	341.88

Movement in Share Options

(₹ in lakh)

	Particulars	For the year ended 31st March, 2019		For the year ended 31st March, 2018	
		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;	**117,000**	**23.46**	553,430	339.68
2	Granted during the year	**25,500**	**10.00**	21,000	10.00
3	Forfeited during the year	**21,900**	**10.00**	411,922	428.00
4	Exercised during the year	**20,950**	**10.00**	11,200	10.00
5	Expired during the year	**2,800**	**10.00**	34,308	10.00
6	Outstanding at the end of the year	**96,850**	**23.46**	117,000	23.46
7	Exercisable at the end of the year	**49,350**	**35.20**	62,500	35.20

Share Options Allotted during the Year

	Particulars	**Number of Options Exercised**	**Exercise Date**	**Price per Share at Exercise Date (₹)**
	Equity Settled			
1	Series 4 Granted on 24th July 2013	900	9-Feb-18	464.95
2	Series 7 Granted on 28th January 2016	500	12-Feb-18	467.05
3	Series 5 Granted on 17th October 2014	800	6-Mar-18	452.55
4	Series 5 Granted on 17th October 2014	2,000	6-Mar-18	452.55
5	Series 7 Granted on 28th January 2016	800	7-Mar-18	447.40
6	Series 7 Granted on 28th January 2016	300	12-Mar-18	441.73
7	Series 6 Granted on 30th April 2015	300	13-Apr-18	450.43
8	Series 9 Granted on 25th July 2017	300	31-Jul-18	555.98
9	Series 3 Granted on 4th August 2012	1,000	1-Aug-18	540.95
10	Series 8 Granted on 28th July 2016	300	1-Aug-18	540.95
11	Series 3 Granted on 4th August 2012	1,800	2-Aug-18	540.38
12	Series 7 Granted on 28th January 2016	600	3-Aug-18	540.43
13	Series 3 Granted on 4th August 2012	2,600	7-Aug-18	501.03
14	Series 8 Granted on 28th July 2016	2,000	13-Aug-18	490.53
15	Series 3 Granted on 4th August 2012	2,200	10-Sep-18	459.05
16	Series 9 Granted on 25th July 2017	500	25-Sep-18	453.48
17	Series 3 Granted on 4th August 2012	750	27-Sep-18	449.98
18	Series 3 Granted on 4th August 2012	300	18-Oct-18	417.20
19	Series 3 Granted on 4th August 2012	600	30-Oct-18	406.35
20	Series 4 Granted on 24th July 2013	750	18-Jan-19	392.93
21	Series 7 Granted on 28th January 2016	450	28-Jan-19	409.63
22	Series 7 Granted on 28th January 2016	1,200	30-Jan-19	392.40
		20,950		

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, 2018: ₹ 10 - ₹ 325), and weighted average remaining contractual life of 2135 days (as at March 31, 2018: 2115 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	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	30th July 2018	14th February 2019
Share price per Option at grant date (₹)	324.14	324.14	454.09	516.08	467.60	482.25	450.60	393.45	453.81	532.67	341.88
Exercise price per Option (₹)	325.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
Expected volatility	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%	27.95%- 30.52%	28.39%- 30.88%
Expected life / Option Life	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	3.5 - 6.5 Years	3.5 - 6.5 Years
Expected dividends yield	1.38%	1.38%	1.31%	2.28%	2.57%	2.49%	1.31%	1.39%	1.22%	1.05%	1.58%
Risk-free interest rate	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%	7.76% - 8.01%	6.97% - 7.29%

In respect of Options granted under the Employee Stock Option Plan the accounting is done as per requirements of Ind AS 102 - 'Share Based Payments' after adjusting for reversals on account of options forfeited.

28 - Finance Cost

(₹ in lakh)

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
(a) Interest costs :		
Interest expense for financial liabilities at amortised cost	**2,171.58**	4,672.05
Less: Allocated to projects	**(1,051.72)**	(554.42)
(b) Other Borrowing costs*	**73.82**	11.10
(c) Interest on delayed payment of Income tax	**55.39**	-
Total	**1,249.07**	4,128.73

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

29 - Other Expenses

(₹ in lakh)

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
(a) Power & Fuel	**16.65**	48.11
(b) Rent, Rates & Taxes	**545.42**	658.63
(c) Insurance	**31.82**	23.43
(d) Repairs and maintenance - Buildings	**94.73**	0.29
(e) Repairs and maintenance - Others	**643.76**	613.33
(f) Advertisement, Marketing & Business Development	**2,085.21**	896.43
(g) Travelling and Conveyance Expenses	**462.05**	398.84
(h) Expenditure on Corporate Social Responsibility (CSR) under section 135 of the Companies Act, 2013	**398.51**	361.89
(i) Payment to Auditors #	**102.07**	71.53
(j) Legal and other professional costs	**1,155.74**	1,095.81
(k) Printing & Stationery	**59.79**	42.41
(l) Communication	**285.58**	248.81
(m) Others	**650.69**	452.85
Total	**6,532.02**	4,912.36

 # Payments to Auditors

(₹ in lakh)

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
(i) To Statutory auditors		
For Audit	**76.43**	56.67
For Other Services	**22.44**	11.80
Reimbursement of Expenses	**1.36**	1.22
(ii) To Cost auditors for cost audit	**1.84**	1.84
Total	**102.07**	71.53

30 - Income Taxes

(a) Income Tax recognised in profit and loss

(₹ in lakh)

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Current Tax:		
In respect of current year	**281.38**	3,021.90
Deferred Tax:		
In respect of current year origination and reversal of temporary differences	**2,177.54**	95.67
Total	**2,458.92**	3,117.57

(b) Income tax recognised in other Comprehensive income

(₹ in lakh)

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Deferred tax related to items recognised in other comprehensive income during the year:		
Remeasurement of defined benefit plans	**41.37**	27.67
Total	**41.37**	27.67

(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, 2019	For the year ended 31st March, 2018
Profit before tax	**7,062.11**	8,981.94
Income tax expense calculated at 34.944% (2017: 34.608%)	**2,467.79**	3,108.47
Effect of income that is exempt from taxation	**(48.48)**	(486.76)
Effect of expenses that is non-deductible in determining taxable profit	**233.53**	401.62
Effect of tax incentives and concessions	**(61.15)**	(36.34)
Effect of different tax rates in local tax jurisdiction	**(102.22)**	-
Deduction under Chapter VI A	**(26.90)**	(39.42)
Effect of MAT credit	**(209.23)**	-
Changes in recognised deductible temporary differences	**205.58**	170.00
Current tax expense recognised In profit or loss	**2,458.92**	3,117.57

31 - Earnings per Share

Particulars	For the year ended 31st March, 2019 ₹	For the year ended 31st March, 2018 ₹
Basic Earnings per share	**23.32**	19.93
Diluted earnings per share	**23.27**	19.88

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, 2019	For the year ended 31st March, 2018
Profit / (loss) for the year	**11,970.52**	10,100.49
Weighted average number of equity shares	**51,339,730**	50,692,093
Basic earnings per share (₹)	**23.32**	19.93

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 stock options for the respective periods.

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Profit / (loss) for the year used in the calculation of diluted earnings per share	**11,970.52**	10,100.49

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, 2019	For the year ended 31st March, 2018
Weighted average number of equity shares used in the calculation of Basic EPS	**51,339,730**	50,692,093
Add: Options outstanding under Employee Stock Option Plan	**89,828**	109,768
Weighted average number of equity shares used in the calculation of Diluted EPS	**51,429,558**	50,801,861

32 Impact of application of Ind AS 115 Revenue from Contracts with Customers

(a) The Ministry of Corporate Affairs vide notification dated 28th March 2018 has made Ind AS 115 "Revenue from Contracts with Customers" (Ind AS 115) w.e.f. 1st April, 2018. The Company has applied the modified retrospective approach as per para C3(b) of Ind AS 115 to contracts that were not completed as on 1st April 2018 and the cumulative effect of applying this standard is recognised at the date of initial application i.e.1st April, 2018 in accordance with para C7 of Ind AS 115 as an adjustment to the opening balance of Other Equity, only to contracts that were not completed as at 1st April, 2018. The transitional adjustment of ₹ 21,947.42 lakhs (net of deferred tax) has been adjusted against opening Other Equity based on the requirements of the Ind AS 115 pertaining to recognition of revenue based on satisfaction of performance obligation (at a point in time).

(b) For sales of property under development that were recognised on the percentage-of-completion basis under the previous year accounting policy, the Company has determined that they generally do not meet the criteria for recognising revenue over time under Ind AS 115 owing to non-enforceable right to payment from Customer for performance completed to date and, therefore recognises revenue at a point in time.

(c) Refer note 2.4 -"Revenue recognition" under Significant accounting policies in the Annual report of the Company, for the revenue recognition policy prior to April 1, 2018.

(d) Due to the application of IND AS 115 for the full year ended March 31, 2019, Income from Projects as per Note no. 24 is higher by ₹ 14,976.24 lakhs, Cost of sales as per Note no. 26 is higher by ₹ 9,600.00 lakhs, Profit before Tax is higher by ₹ 9,465.10 lakhs, Tax expense as per Note no. 30(a) is higher by ₹ 2,930.38 lakhs and Profit after tax is higher by ₹ 6,535.72 lakhs. The Basic and Diluted EPS as per Note no. 31 is ₹ 23.32 and ₹ 23.27 per share instead of

₹ 13.67 and ₹ 13.65 per share. These changes are due to recognition of revenue based on satisfaction of performance obligation (at a point in time), as opposed to the previously permitted percentage of completion method. Accordingly, the comparatives have not been restated for the full year ended March 31, 2018 and hence not comparable.

(e) Due to the application of Ind AS 115, Construction Work-in-progress as per Note no.13 is higher by ₹ 45,338.94 lakhs, Deferred Tax Asset as per Note no. 20 is higher by ₹ 2,345.54 lakhs, Other Non Current Asset as per Note no. 12 is higher by ₹ 105.12 lakhs, Other Current Assets as per Note no. 12 is lower by ₹ 13,877.71 lakhs, Other Equity as per Note no. 16 is lower by ₹ 7,860.16 lakhs, Trade payable is lower by ₹ 559.90 lakhs, Provisions as per Note no. 19 is lower by ₹ 19.33 lakhs and Other Current Liabilities as per Note no. 23 is higher by ₹ 42,352.94 lakhs as at March 31, 2019.

(f) There has been no material impact on the Cash flows Statement as the Company continues to collects from its Customers based on payment plans. Additionally there is no material impact on Other Comprehensive Income on account of Ind AS 115 transition.

33 - 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, 2019	As at 31st March, 2018
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 Bloomdale Developers Limited (Formerly known as Mahindra Bebanco Developers Limited)*	Development of Residential Projects	India	**100% ***	-
Mahindra Infrastructure Developers Limited	Development of Infrastructure Projects	India	**100.00%**	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%
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%
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%

* On 28th May 2018, Mahindra Lifespace Developers Limited ("Parent") acquired 30% equity shares in its Joint Venture Mahindra Bloomdale Developers Limited ("MBDL") from B.E Billimoria & Co. Limited. Subsequent to this, MBDL has become a wholly owned subsidiary of the Parent. Accordingly, MBDL has been accounted using equity method of accounting upto 28th May 2018 and line by line consolidation method 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.

34 - Investment in Joint Arrangements

(a) The Group's interests in jointly controlled entities of the Group are :

Name of the Joint Ventures/ Associates	Principal activity	Place of incorporation and operation	Proportion of Ownership Interest and Voting power held by the Group (%)	
			As at 31st March, 2019	As at 31st March, 2018
Joint Ventures : $				
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 Bloomdale Developers Limited (Formerly known as Mahindra Bebanco Developers Limited) #	Development of Residential Projects	India	**-**	70.00%
Mahindra Inframan Water Utilities Private Limited	Operations & Maintenance of water & sewerage facilities at Navi Mumbai	India	**50.00%**	50.00%
Mahindra Industrial Park Private Limited (Formerly known as Industrial Cluster Private Limited)	Development of Industrial parks	India	**50.00%**	50.00%
Mahindra Happinest Developers Limited *	Development of Residential Projects	India	**51.00%**	51.00%
Mahindra Homes Private Limited *	Development of Residential Projects	India	**75.00%**	75.00%
Associates				
Mahindra Knowledge Park Mohali Limited	Development of Industrial Parks	India	**46.15%**	46.15%
Mahindra Construction Company Limited	Development of Infrastructure Projects	India	**54.17%**	54.17%

* As per agreement with other shareholders, the economic interest of Mahindra Lifespace Developers Limited is 25% & 50% in Mahindra Happinest Developers Limited and Mahindra Homes Private Limited respectively

$ 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 28th May 2018, Mahindra Lifespace Developers Limited ("Parent") acquired 30% equity shares in its Joint Venture Mahindra Bloomdale Developers Limited ("MBDL") from B.E Billimoria & Co. Limited. Subsequent to this, MBDL has become a wholly owned subsidiary of the Parent. Accordingly, MBDL has been accounted using equity method of accounting upto 28th May 2018 and line by line consolidation method thereafter.

(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, 2019	31st March, 2018	**31st March, 2019**	31st March, 2018
Current assets				
Cash and cash equivalents	**1,722.69**	754.15	**4,422.82**	443.80
Other assets	**143,720.41**	127,663.76	**52,054.36**	49,286.31
Total Current assets	**145,443.10**	128,417.91	**56,477.18**	49,730.11
Total Non-current assets	**2,801.84**	710.96	**16,549.98**	17,324.96
Current liabilities				
Financial liabilities (excluding Trade Payables & Provisions)	**48,668.43**	41,655.73	**9,578.55**	19,655.58
Other liabilities	**31,974.11**	7,010.84	**4,463.97**	6,647.60
Total Current liabilities	**80,642.54**	48,666.57	**14,042.52**	26,303.18
Non-Current liabilities				
Financial liabilities (excluding Trade Payables & Provisions)	**70,034.00**	77,774.93	**22,666.40**	8,611.41
Other liabilities	**-**	-	**5,918.72**	6,600.23
Total Non-current liabilities	**70,034.00**	77,774.93	**28,585.12**	15,211.64
Revenue from operations	**39,014.36**	24,431.09	**13,352.45**	12,784.02
Interest income	**260.49**	394.93	**99.81**	44.41
Depreciation and amortisation	**166.03**	207.44	**699.34**	763.97
Interest cost	**2,235.89**	601.14	**2,487.65**	2,370.56
Income tax expense	**1,169.87**	1,053.82	**787.66**	553.54
Profit for the year	**2,719.29**	1,739.64	**4,468.86**	3,709.76
Other comprehensive income for the year	**-**	-	**6.89**	0.12
Total comprehensive income for the year	**2,719.29**	1,739.64	**4,475.75**	3,709.88
Dividends received during the year by Parent company	**-**	-	**1,665.00**	666.00

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, 2019	31st March, 2018	**31st March, 2019**	31st March, 2018
Net assets	**30,399.52**	28,636.26	**(2,431.60)**	2,687.37
Proportion of the Group's ownership interest in Joint Venture	**22,495.64**	21,190.83	**(1,215.80)**	2,015.53
Stock Reserve (net deferred tax)	**102.16**	(218.86)	**(6,071.62)**	(3,899.91)
Carrying amount of the Group's interest in Joint Venture	**22,597.80**	20,971.97	**(7,287.42)**	(1,884.38)

Aggregate information of Joint Ventures/Associates that are not individually material

(₹ in lakh)

Particulars	**31st March, 2019**	31st March, 2018
The Group's share in Profit or Loss	**1,196.83**	76.98
The Group's share in other comprehensive income	**1.55**	(0.15)
The Group's share in total comprehensive income	**1,198.38**	76.83
Aggregate carrying amount of the Group's interests in these Joint Ventures and Associates	**13,401.41**	12,435.93

35 - Business Combinations

Summary of acquisitions

(a) Back ground of transaction

The Company had acquired 30% equity stake (with voting interests) in Mahindra Bloomdale Developers Limited (MBDL) formerly known as Mahindra Bebanco Developers Ltd (acquisition date 28th May, 2018) an unlisted company into real estate development. The acquisition was made to enhance the Group's position in real estate development. The Company had previously held 70% equity stake in MBDL which was accounted as interest in Joint Venture. Post the acquisition of remaining stake, it has became wholly owned subsidiary of the Company and consolidated on a line-by-line basis.

(b) Fair value of assets / liabilites on the acquisition date

(₹ in lakh)

Assets and liabilities acquired	Amount
Assets	
Property, Plant and Equipment	67.29
Inventories	19,764.00
Trade receivables	14.59
Cash and Bank Balances	881.67
Deferred Tax Asset (Net)	54.68
Other non-financial current and non current assets and deferred tax assets (net)	728.24
Total assets (A)	**21,510.47**
Liabilities	
Borrowings	(4,981.15)
Trade Payables	(3,410.52)
Advances from Customers	(10,226.35)
Other financial/non-financial current and non current liabilities	(1,521.06)
Total Liabilities (B)	**(20,139.08)**
Net identifiable assets acquired (A-B)=C	**1,371.39**
Fair value of equity previously held by the Company	933.33
Purchase consideration paid in Cash	400.00
Total (D)	**1,333.33**
Gain on bargain purchase (C - D)	**38.06**

c) Gain on previously held interest

The gain recognised on fair value of existing equity stake in MBDL by the Company as at the acquisition date amounts to ₹ 798 lakhs, which has been disclosed separately in 'other income' under 'Gain on fair valuation of existing stake in equity accounted investee' as part of the statement of profit and loss.

d) Revenue and Profit contribution

MBDL has contributed ₹ 5,162.05 lakhs of revenue (gross) and ₹ 242.10 lakhs to profit before tax (gross) from Acquisition date to 31 March 2019. Had the acquisition taken place at the beginning of year i.e. 1st April, 2018, MBDL would have contributed total revenue (gross) of ₹ 9,314.27 lakhs and the profit before tax (gross) of ₹ 437.93 lakhs.

Acquisition related costs

The Company has incurred acquisition related costs of ₹ 1.18 lakhs and are included in other expenses in statement of profit and loss.

36 - Financial Instruments

Capital management

The Group's capital management objectives are:

- safeguard its ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders
- maintain an optimal capital structure to reduce the cost of capital

The Management of the Group monitors the capital structure using debt equity ratio which is determined as the proportion of total debt to total equity.

(₹ in lakh)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Debt	**22,824.57**	45,859.06
Cash and bank balances	**(29,376.54)**	(13,016.63)
Net Debt (A)	**(6,551.97)**	32,842.43
Equity (B)	**197,305.33**	210,339.51
Net Debt to Equity Ratio (A / B)	**(0.03)**	0.16

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, 2019 (₹ in lakh)

Particulars	Amortised Costs	FVTPL	Total
Non-current Assets			
Investments	**28,711.80**	**40,060.62**	**68,772.42**
Trade Receivables	**163.92**	**-**	**163.92**
Loans	**349.41**	**-**	**349.41**
Other Financial Assets			
- Non Derivative Financial Assets	**9.66**	**-**	**9.66**
Current Assets			
Investments	**-**	**3.24**	**3.24**
Trade Receivables	**13,727.12**	**-**	**13,727.12**
Cash and Bank Balances	**29,376.54**	**-**	**29,376.54**
Loans	**2,021.01**	**-**	**2,021.01**
Other Financial Assets			
- Non Derivative Financial Assets	**17,903.57**	**-**	**17,903.57**
Non-current Liabilities			
Borrowings	**3,259.86**	**-**	**3,259.86**
Other Financial Liabilities			
- Non Derivative Financial Liabilities	**446.33**	**-**	**446.33**
Current Liabilities			
Borrowings	**17,065.46**	**-**	**17,065.46**
Trade Payables	**18,804.71**	**-**	**18,804.71**
Other Financial Liabilities			
- Non Derivative Financial Liabilities	**7,902.58**	**-**	**7,902.58**

As at 31st March, 2018 (₹ in lakh)

Particulars	Amortised Costs	FVTPL	Total
Non-current Assets			
Investments	**70,920.92**	**-**	**70,920.92**
Trade Receivables	**1,101.49**	**-**	**1,101.49**
Loans	**107.93**	**-**	**107.93**
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	**12,982.24**	**-**	**12,982.24**

As at 31st March, 2018 (₹ in lakh)

Particulars	Amortised Costs	FVTPL	Total
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**

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 2019			
Non Current			
Borrowings	**-**	**3,262.52**	**-**
Other Financial Liabilities (Non Derivative Financial Liabilities)	**-**	**446.33**	**-**
Total Non Current (A)	**-**	**3,708.85**	**-**
Current			
Borrowings	**17,065.46**	**-**	**-**
Trade Payables	**18,804.71**	**-**	**-**
Other Financial Liabilities (Non Derivative Financial Liabilities)	**7,902.58**	**-**	**-**
Total Current (B)	**43,772.75**	**-**	**-**
Total (A+B)	**43,772.75**	**3,708.85**	**-**
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	-

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:

(₹ in lakh)

Particulars	Currency	Increase / decrease in basis points	Effect on profit before tax
As at March 31, 2019	₹	**+100**	**(160.67)**
	₹	**-100**	**160.67**
As at March 31, 2018	₹	+100	(93.92)
	₹	-100	93.92

37 - Fair Value Measurement

Fair Valuation Techiques and Inputs used - recurring Items

(₹ in lakh)

Financial assets measured at Fair value	Fair value as at		Fair value hierarchy	Valuation Technique(s)	Applicable for Level 2 and Level 3 hierarchy Key input(s)
	31st March, 2019	**31st March, 2018**			
Financial assets					
Investments					
1) Mutual fund investments	**3.24**	21,707.86	Level 1	Unquoted Market Price	Not applicable as Level 1 hierarchy
2) Investment in Preference Shares - 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 Preference Shares - unquoted	**276.00**	-	Level 3	Income Approach - Discounted Cash Flow	For Discounted Cash Flow -Companies Financial projections. These include forecasts of balance sheet, statement of profit and loss along with underlying assumptions.
5) Investment in Preference Shares - unquoted	**481.05**	-	Level 3	Market Multiple Approach and Price of Recent Transaction	In this approach the fair value is derived based on market multiples like PE multiple, Enterprise value (EV) multiple, Revenue multiple etc.
6) Investment in Optionally Convertible Debentures	**39,287.00**	-	Level 3	Income Approach - Discounted Cash Flow	For Discounted Cash Flow - Companies Financial projections. These include forecasts of balance sheet, statement of profit and loss along with underlying assumptions.
7) Investment in Equity Shares -unquoted	**16.57**	-	Level 3	Market Multiple Approach and Price of Recent Transaction	In this approach the fair value is derived based on market multiples like PE multiple, Enterprise value (EV) multiple, Revenue multiple etc.
Total financial assets	**40,063.86**	29,088.26			

Significant unobservable inputs used in level 3 fair value measurements (₹ in lakh)

Financial assets measured at Fair value		Fair value as at		Fair value hierarchy	Significant unobservable inputs	Relationship of unobservable inputs to fair value and sensitivity
		31st March, 2019	31st March, 2018			
1)	Investment in Preference Shares - unquoted	**276.00**	-	Level 3	Interest Rates to discount future cash flow, Financial Projections	Any change (increase / decrease) in the discount factor, financial projections etc. would entail corresponding change in the valuation
2)	Investment in Preference Shares - unquoted	**481.05**	-	Level 3	Market multiples used by benchmarking for valuation	Increase in multiple will result in increase in valuation
3)	Investment in Equity Shares - unquoted	**16.57**	-	Level 3	Market multiples used by benchmarking for valuation	Increase in multiple will result in increase in valuation
4)	Investment in Optionally Convertible Debentures	**39,287.00**	-	Level 3	Interest Rates to discount future cash flow, Financial Projections	Any change (increase / decrease) in the discount factor, financial projections etc. would entail corresponding change in the valuation

38 - Leases

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Details of leasing arrangements		
The company's significant leasing arrangements 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. 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
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	**102.87**	41.86
later than one year and not later than five years	**62.33**	-
later than five years	**-**	-
Expenses recognised in the Statement of Profit and Loss		
Minimum Lease Payments	**438.76**	581.07

39 - 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.

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, 2019			31st March, 2018		
	Projects, Project Management & Development	**Operating of Commercial Complexes**	**Total**	Projects, Project Management & Development	Operating of Commercial Complexes	Total
Revenue						
External customers	**57,845.92**	**1,437.08**	**59,283.01**	54,798.43	1,820.63	56,619.06
Inter-segment	**-**	**-**	**-**	-	-	-
Total revenue	**57,845.92**	**1,437.08**	**59,283.01**	54,798.43	1,820.63	56,619.06
Results						
Segment Results	**12,622.31**	**1,159.27**	**13,781.58**	13,393.47	1,516.96	14,910.43
Share of Profit/(Loss) of equity accounted	**7,263.69**	**-**	**7,263.69**	4,472.12	-	4,472.12
Less						
Unallocated Interest (Finance Cost)	**-**	**-**	**1,249.07**	-	-	4,128.73
Unallocated corporate expense net of unallocated income	**-**	**-**	**5,470.40**	-	-	1,799.76
Profit before tax	**-**	**-**	**14,325.80**	-	-	13,454.06
Income Tax	**-**	**-**	**2,458.92**	-	-	3,117.57
Profit after tax	**-**	**-**	**11,866.88**	-	-	10,336.49
Segment Assets & Liabilities						
Segment Assets	**235,001.00**	**2,727.35**	**237,728.35**	232,370.15	2,201.31	234,571.46
Unallocated corporate assets	**-**	**-**	**61,631.07**	-	-	65,226.54
Total Assets			**299,359.42**			299,798.00
Segment Liabilities	**98,268.00**	**558.00**	**98,826.00**	78,863.27	555.03	79,418.30
Unallocated corporate liabilities			**3,228.09**			10,040.19
Total Liabilities			**102,054.09**			89,458.49
Other Information						
Depreciation and Amortisation Expense	**128.10**	**46.04**	**174.14**	105.27	81.73	187.00
Capital Expenditure	**605.13**	**-**	**605.13**	206.75	-	206.75

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, 2019 and 2018 respectively, revenues from transactions with a single external customer did not amount to 10 per cent 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.

40 - Employee benefits

(a) Defined Contribution Plan

The Group's contribution to Provident Fund and Superannuation Fund aggregating ₹ 333.70 lakhs (2018 : ₹ 322.45 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-19	31-Mar-18
Discount rate(s)	**6.94% - 7.70%**	7.42% - 7.85%
Expected rate(s) of salary increase	**8% - 12%**	6% - 8%
Attrition Rate	**1% to 22% 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 assumed to be 60 years.

Defined benefit plans – as per actuarial valuation on 31st March, 2019

Particulars	Funded Plan Gratuity	
	2019	2018
Amounts recognised in comprehensive income in respect of these defined benefit plans are as follows:		
Service Cost		
Current Service Cost	**78.92**	27.98
Past service cost and (gains)/losses from settlements	**-**	3.37
Net interest expense	**9.84**	6.08
Components of defined benefit costs reconised in profit or loss	**88.76**	37.43
Remeasurement on the net defined benefit liability		
Return on plan assets (excluding amount included in net interest expense)	**16.49**	(2.49)
Actuarial (gains) / loss arising form demographic assumptions	**(5.95)**	81.29
Actuarial (gains) / loss arising form changes in financial assumptions	**87.59**	(13.18)
Actuarial (gains) / loss arising form experience adjustments	**20.14**	(22.79)
Change in asset ceiling, excluding amounts included in interest expenses		
Componenets of defined benefit costs recognised in other comprehensive income	**118.27**	42.83
Total	**207.03**	80.26
I. Net Asset/(Liability) recognised in the Balance Sheet as at 31st March		
1. Present value of defined benefit obligation as at 31st March	**532.26**	381.71
2. Fair value of plan assets as at 31st March	**325.24**	212.92
3. Surplus/(Deficit)	**(207.02)**	(168.79)
4. Current portion of the above	**-**	(87.87)
5. Non current portion of the above	**(207.02)**	(80.92)
II. Change in the obligation during the year ended 31st March		
1. Present value of defined benefit obligation at the beginning of the year	**427.86**	332.47
2. Adjustment to the Opening Balance	**22.11**	-
3. Expenses Recognised in Profit and Loss Account		
- Current Service Cost	**78.92**	27.98
- Past Service Cost	**-**	3.37
- Interest Expense (Income)	**9.84**	6.08
4. Recognised in Other Comprehensive Income		
Remeasurement gains / (losses)		
- Actuarial (Gain)/ Loss arising from:	**-**	-
i. Demographic Assumptions	**(5.95)**	81.29
ii. Financial Assumptions	**87.59**	(13.18)
iii. Experience Adjustments	**20.14**	(22.79)
5. Benefit payments	**(108.25)**	(33.51)
6. Present value of defined benefit plans at the end of the year	**532.26**	381.71
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	**212.91**	226.98
2. Adjustment to Opening Balance	**43.44**	-
3. Expenses Recognised in Profit and Loss Account	**-**	-
- Expected return on plan assets	**19.64**	15.97

Particulars		Funded Plan Gratuity	
		2019	2018
4.	Recognised in Other Comprehensive Income	**-**	-
	Remeasurement gains / (losses)	**-**	-
	- Actual Return on plan assets in excess of the expected return	**(0.54)**	1.09
5.	Contributions by employer (including benefit payments recoverable)	**54.75**	12.87
6.	Benefit payments	**(4.97)**	(44.00)
7.	**Fair value of plan assets at the end of the year**	**325.23**	212.91
IV.	**The Major categories of plan assets**		
-	Insurer managed funds (Non Quoted Value)	**325.23**	212.91

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	**2019**	**1.00%**	**504.83**	**562.95**
	2018	1.00%	407.01	451.19
Salary growth rate	**2019**	**1.00%**	**556.82**	**509.65**
	2018	1.00%	447.61	409.63

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 Company expects to contribute ₹ 98.21 lakhs (31st March, 2018 ₹ 100.61 Lakhs) to the gratuity trusts during the next financial year.

Maturity profile of defined benefit obligation: (₹ in lakh)

	31st March, 2019	31st March, 2018
Within 1 year	**98.21**	100.61
1 - 2 year	**58.88**	93.87
2 - 3 year	**59.39**	75.10
3 - 4 year	**61.43**	75.22
4 - 5 year	**60.45**	77.78
5 - 10 years	**398.81**	587.12

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

	31st March, 2019	31st March, 2018
Asset category:		
Deposits with Insurance companies	**100%**	100%
	100%	100%

The Group's policy is driven by considerations of maximizing returns while ensuring credit quality of the debt instruments. The asset allocation for plan assets is determined based on investment criteria prescribed under the Indian Income Tax Act, 1961, and is also subject to other exposure limitations. The Group evaluates the risks, transaction costs and liquidity for potential investments. To measure plan asset performance, the Group compares actual returns for each asset category with published benchmarks.

The weighted average duration of the defined benefit obligation as at 31st March, 2019 is 35.93 years (31st March, 2018: 35.96 years)

41 - 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 Bloomdale 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
Mahindra Industrial Park Private Limited

During the year Mahindra Bloomdale Developers Limited (formerly known as Mahindra Bebanco Developers Limited) has become subsidiary of the Company w.e.f. 29th May, 2018 and before that it was Joint Venture of the Company

(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 & Mahindra Financial Services Limited
Mahindra Susten Private Limited

(iii) Associate of Holding Company

Tech Mahindra Limited
Mahindra Knowledge Park Private Limited

(iv) Key Management Personnel

Mrs Sangeeta Prasad - Managing Director & CEO (From 1st October, 2018) Ms. Anita Arjundas - Managing Director & CEO (Upto 30th September, 2018)

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		Joint Ventures		Key Management Personnel		Other Related Parties	
	Year ended March 31, 2019	Year ended March 31, 2018	**Year ended March 31, 2019**	Year ended March 31, 2018	**Year ended March 31, 2019**	Year ended March 31, 2018	**Year ended March 31, 2019**	Year ended March 31, 2018
Sale of Goods								
Mahindra Happinest Developers Limited	**-**	-	**-**	4,718.00	**-**	-	**-**	-
Rendering of services								
Mahindra & Mahindra Limited	**1,399.55**	1,790.88	**-**	-	**-**	-	**-**	-
Mahindra Homes Private Limited	**-**	-	**1,213.88**	1,294.17	**-**	-	**-**	-
Mahindra Happinest Developers Limited	**-**	-	**813.71**	1,407.77	**-**	-	**-**	-
Mahindra Industrial Park Private Limited	**-**	-	**92.80**	206.00	**-**	-	**-**	-

(₹ in lakh)

Particulars	Holding Company		Joint Ventures		Key Management Personnel		Other Related Parties	
	Year ended March 31, 2019	Year ended March 31, 2018	**Year ended March 31, 2019**	Year ended March 31, 2018	**Year ended March 31, 2019**	Year ended March 31, 2018	**Year ended March 31, 2019**	Year ended March 31, 2018
Mahindra World City (Jaipur) Limited	**-**	-	**113.74**	9.93	**-**	-	**-**	-
Mahindra World City Developers Limited	**-**	-	**-**	4.80	**-**	-	**-**	-
Receiving of Services								
Mahindra & Mahindra Limited	**679.33**	839.24	**-**	-	**-**	-	**-**	-
Bristlecone India Limited	**-**	-	**-**	-	**-**	-	**-**	11.24
EPC Industries Limited	**-**	-	**-**	-	**-**	-	**2.85**	33.84
Mahindra Intertrade Limited	**-**	-	**-**	-	**-**	-	**1.95**	2.99
Mahindra Integrated Business Solutions Private Limited	**-**	-	**-**	-	**-**	-	**116.19**	55.35
Mahindra Holidays & Resorts India Limited	**-**	-	**-**	-	**-**	-	**13.48**	12.24
Mahindra World City Developers Limited	**-**	-	**296.85**	-	**-**	-	**-**	360.07
Mahindra Retail Private Limited	**-**	-	**-**	-	**-**	-	**0.27**	0.91
Mahindra World City Jaipur Limited	**-**	-	**-**	-	**-**	-	**0.04**	-
NBS International Ltd	**-**	-	**-**	-	**-**	-	**1.44**	-
Reimbursement made to parties								
Mahindra & Mahindra Limited	**104.68**	146.19	**-**	-	**-**	-	**-**	-
Mahindra World City Developers Limited	**-**	-	**-**	7.36	**-**	-	**-**	-
Mahindra World City (Jaipur) Limited	**-**	-	**3.54**	7.88	**-**	-	**-**	-
Mahindra Industrial Park Private Limited	**-**	-	**-**	5.93	**-**	-	**-**	-
Mahindra First Choice Wheels Limited	**-**	-	**-**	-	**-**	-	**2.16**	2.49
Mahindra & Mahindra Contech Limited	**-**	-	**-**	-	**-**	-	**6.63**	5.41
Mahindra Logistics Ltd	**-**	-	**-**	-	**-**	-	**3.49**	-
Mahindra Knowledge Park (Mohali) Limited	**-**	-	**-**	-	**-**	-	**0.63**	0.41
Reimbursement received from parties								
Mahindra & Mahindra Limited	**0.43**	-	**-**	-	**-**	-	**-**	-
Mahindra Industrial Park Private Limited	**-**	-	**1.58**	1.26	**-**	-	**-**	-
Mahindra World City Developers Limited	**-**	-	**23.06**	-	**-**	-	**-**	-
Mahindra World City (Jaipur) Limited	**-**	-	**27.13**	-	**-**	-	**-**	-
Mahindra Homes Private Limited	**-**	-	**36.80**	-	**-**	-	**-**	-
Mahindra Happinest Developers Limited	**-**	-	**103.97**	236.20	**-**	-	**-**	-
Leasing Income								
Mahindra Homes Private Limited	**-**	-	**7.52**	7.52	**-**	-	**-**	-

(₹ in lakh)

Particulars	Holding Company		Joint Ventures		Key Management Personnel		Other Related Parties	
	Year ended March 31, 2019	Year ended March 31, 2018	**Year ended March 31, 2019**	Year ended March 31, 2018	**Year ended March 31, 2019**	Year ended March 31, 2018	**Year ended March 31, 2019**	Year ended March 31, 2018
Inter-corporate Deposit Given								
Mahindra World City (Maharashtra) Limited	**-**	-	**-**	-	**-**	-	**-**	-
Moonshine Construction Private Limited	**-**	-	**-**	-	**-**	-	**-**	-
Deepmangal Developers Private Limited	**-**	-	**-**	-	**-**	-	**-**	-
Mahindra Happinest Developers Limited	**-**	-	**-**	15.00	**-**	-	**-**	-
Mahindra World City Developers Limited	**-**	-	**200.00**	932.63	**-**	-	**-**	-
Mahindra World City (Jaipur) Limited	**-**	-	**-**	12,150.00	**-**	-	**-**	-
Mahindra Industrial Park Private Limited	**-**	-	**157.00**	-	**-**	-	**-**	-
Mahindra Industrial Park Chennai Limited	**-**	-	**450.00**	-	**-**	-	**-**	-
Mahindra Retail Private Limited	**-**	-	**-**	-	**-**	-	**-**	1,500.00
Mahindra & Mahindra Financial Services Limited	**-**	-	**-**	-	**-**	-	**350.00**	-
Inter-corporate Deposit Realised								
Mahindra Happinest Developers Limited	**-**	-	**-**	15.00	**-**	-	**-**	-
Mahindra World City Developers Limited	**-**	-	**200.00**	1,700.90	**-**	-	**-**	-
Mahindra World City (Jaipur) Limited	**-**	-	**5,800.00**	6,350.05	**-**	-	**-**	-
Mahindra Industrial Park Private Limited	**-**	-	**157.00**	-	**-**	-	**-**	-
Mahindra Industrial Park Chennai Limited	**-**	-	**450.00**	-	**-**	-	**-**	-
Loan Taken								
Mahindra & Mahindra Limited	**-**	15,000.00	**-**	-	**-**	-	**-**	-
Tech Mahindra Limited	**-**	-	**-**	-	**-**	-	**5,000.00**	8,000.00
Loan Repaid								
Mahindra & Mahindra Limited	**-**	15,000.00	**-**	-	**-**	-	**-**	-
Tech Mahindra Limited	**-**	-	**-**	-	**-**	-	**10,000.00**	8,400.00
Optionally Convertible Reedemable Debentures issued								
Mahindra Industrial Park Private Limited	**-**	-	**-**	771.00	**-**	-	**-**	-
Investment Made								
Mahindra Industrial Park Private Limited	**-**	-	**-**	370.00	**-**	-	**-**	-
Mahindra Happinest Developers Limited	**-**	-	**-**	1,003.50	**-**	-	**-**	-
Investment sold / redeemed								
Mahindra Industrial Park Private Limited	**-**	-	**-**	3,208.02	**-**	-	**-**	-

(₹ in lakh)

Particulars	Holding Company		Joint Ventures		Key Management Personnel		Other Related Parties	
	Year ended March 31, 2019	Year ended March 31, 2018	**Year ended March 31, 2019**	Year ended March 31, 2018	**Year ended March 31, 2019**	Year ended March 31, 2018	**Year ended March 31, 2019**	Year ended March 31, 2018
Interest Income								
Mahindra Homes Private Limited ..	**-**	-	**2,700.27**	4,022.31	**-**	-	**-**	-
Mahindra Happinest Developers Limited.....	**-**	-	**-**	0.21	**-**	-	**-**	-
Mahindra Industrial Park Private Limited.....	**-**	-	**1.39**	732.81	**-**	-	**-**	-
Mahindra World City Developers Limited.....	**-**	-	**11.87**	66.92	**-**	-	**-**	-
Mahindra World City (Jaipur) Limited.....	**-**	-	**138.82**	605.16	**-**	-	**-**	-
Mahindra Bloomdale Developers Limited #.....	**-**	-	**55.95**	224.98	**-**	-	**-**	-
Mahindra Industrial Park Chennai Limited.....	**-**	-	**10.04**	-	**-**	-	**-**	-
Mahindra Retail Private Limited.....	**-**	-	**-**	-	**-**	-	**26.23**	36.49
Mahindra & Mahindra Financial Services Limited	**-**	-	**-**	-	**-**	-	**2.20**	-
Interest Paid								
Mahindra & Mahindra Limited.....	**-**	114.66	**-**	-	**-**	-	**-**	-
Tech Mahindra Limited.....	**-**	-	**-**	-	**-**	-	**183.67**	248.14
Dividend Paid								
Mahindra & Mahindra Limited.....	**1,586.39**	1,586.39	**-**	-	**-**	-	**-**	-
Mahindra World City Developers Limited.....	**-**	-	**149.50**	-	**-**	-	**-**	-
Dividend Received								
Mahindra Integrated Township Limited.....	**-**	-	**-**	-	**-**	-	**-**	-
Mahindra World City (Jaipur) Limited.....	**-**	-	**1,665.00**	666.00	**-**	-	**-**	-
Rights Issue of Shares (Including Securites Premium Received)								
Mahindra & Mahindra Limited.....	**-**	16,333.67	**-**	-	**-**	-	**-**	-
Managerial Remuneration								
Mrs Sangeeta Prasad.....	**-**	-	**-**	-	**109.16**	-	**-**	-
Ms Anita Arjun Das.....	**-**	-	**-**	-	**231.88**	282.90	**-**	-
Shares alloted under ESOP								
Ms Anita Arjundas	**-**	-	**-**	-	**0.18**	-	**-**	-

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-19**	**-**	**-**	**-**	**350.00**
	31-Mar-18	-	7,564.56	-	1,500.00
Inter-corporate Loans Taken	**31-Mar-19**	**-**	**-**	**-**	**-**
	31-Mar-18	-	-	-	2,500.00
OCRDS Issued	**31-Mar-19**	**-**	**771.00**	**-**	**-**
	31-Mar-18	-	771.00	-	-

(₹ in lakh)

Particulars	Balance as at	Parent Company	Joint ventures	Key Management Personnel	Other related parties
Security Deposit Received	**31-Mar-19**	**540.08**	**-**	**-**	**-**
	31-Mar-18	540.08	-	-	-
Security Deposit Paid	**31-Mar-19**	**-**	**66.27**	**-**	**-**
	31-Mar-18	-	-	-	99.12
Interest Income Receivable	**31-Mar-19**	**-**	**16,855.96**	**-**	**-**
	31-Mar-18	-	15,362.04	-	-
Interest Expense Payable	**31-Mar-19**	**-**	**-**	**-**	**-**
	31-Mar-18	-	-	-	104.95
Receivables	**31-Mar-19**	**2,322.11**	**909.06**	**-**	**1.37**
	31-Mar-18	2,822.30	858.37	-	7.33
Payables	**31-Mar-19**	**795.83**	**72.77**	**-**	**65.03**
	31-Mar-18	1,040.55	-	-	73.34
Prepaid Rent	**31-Mar-19**	**-**	**4.63**	**-**	**-**
	31-Mar-18	-	12.15	-	-

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 upto 30th September 2018 and to Mrs. Sangeeta Prasad from 01st October 2018 as below:

(₹ in lakh)

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Salary including perquisites	**329.24**	254.56
Other contribution to funds	**11.80**	28.34
Total	**341.04**	282.90

42 - Contingent liabilities and commitments

(₹ in lakh)

	Particulars	As at 31 March, 2019	As at 31 March, 2018
(a)	**Claims against the Group not acknowledged as debts**		
(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

(₹ in lakh)

Particulars		As at 31 March, 2019	As at 31 March, 2018
(v)	Shahri Jamabandi (Urban Assessment/Ground rent demanded by Jaipur Development Authority, Government of Rajasthan) Note : The above amount is based on demand raised, which the Company is contesting with the concerned authorities. Outflows, if any, arising out of this claim would depend on the outcome of the decision of the appellate authorities and Company's rights for future appeals. No reimbursements are expected.	**23,812.75**	23,812.75
(vi)	Claim received from vendor	**175.00**	-
(b)	**Tax Matter under appeal**		
(i)	**Income Tax**		
	Demands against the Group not acknowledged as debts and not provided for, relating to issues of deductibility and taxability in respect of which the Group is in appeal and exclusive of the effect of similar matters in respect of assessments remaining to be completed.	**2,467.71**	1,799.17
(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.	**1,106.74**	864.33
(c)	**Guarantee/Counter guarantee given**	**1,800.00**	1,800.00

43 - 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 22nd April, 2019. 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 ₹ 3,080.95 lakhs. The payment of this dividend is estimated to result in payment of dividend distribution tax of ₹ 633.41 lakhs @ 20.56% on the amount of dividends grossed up for the related dividend distribution tax.

44 - a) Additional Information to the consolidated Financial Statements

Statement of share of Net assets and the Profit or Loss and Other comprehensive income of the entities attributable to the owners and Non controlling interest.

Name of the Enterprise	Net assets (i.e, Total Assets minus Total Liabilities)		Share in Profit or loss		Share in other comprehensive income		Share in 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 other comprehensive Income	Amount (₹ in lakh)	As a % of consolidated total comprehensive Income
Mahindra Lifespace Developers Limited (Parent)	153,935.47	78.02%	3,423.45	28.60%	(77.01)	100.00%	3,346.44	28.14%
Subsidiaries (as per line by line method)								
Mahindra Integrated Township Limited	(1,445.56)	(0.73%)	(476.60)	(3.98%)	-	-	(476.60)	-4.01%
Mahindra Residential Developers Limited	8,368.32	4.24%	658.78	5.50%	-	-	658.78	5.54%
Mahindra Water Utilities Limited	4,399.40	2.23%	779.32	6.51%	-	-	779.32	6.55%
Mahindra Infrastructure Developers Limited	750.44	0.38%	47.25	0.39%	-	-	47.25	0.40%
Mahindra Bloomdale Developers Limited (Formerly known as Mahindra Bebanco Developers Limited) (w.e.f. May 29, 2018)	1,167.27	0.59%	367.21	3.07%	-	-	367.21	3.09%
Industrial Township Maharashtra Ltd.	(231.81)	(0.12%)	(1.31)	(0.01%)	-	-	(1.31)	-0.01%
Anthurium Developers Limited	19.97	0.01%	5.16	0.04%	-	-	5.16	0.04%
Deepmangal Developers Private Limited	(380.29)	(0.19%)	(8.98)	(0.08%)	-	-	(8.98)	-0.08%
Knowledge Township Limited	(709.82)	(0.36%)	19.30	0.16%	-	-	19.30	0.16%
Mahindra World City (Maharashtra) Limited	(1,595.80)	(0.81%)	(1.67)	(0.01%)	-	-	(1.67)	-0.01%
Moonshine Constructions Private Limited	(30.76)	(0.02%)	(0.60)	(0.01%)	-	-	(0.60)	-0.01%
Ratnabhoomi Enterprises Private Limited	(3.56)	0.00%	(0.55)	0.00%	-	-	(0.55)	0.00%
Joint Ventures (as per equity method)								
Mahindra World City Developers Limited	14,274.29	7.23%	1,114.12	9.32%	-	-	1,114.12	9.37%
Mahindra World City (Jaipur) Limited	22,597.80	11.45%	3,291.83	27.50%	-	-	3,291.83	27.67%
Mahindra Bloomdale Developers Limited (Formerly known as Mahindra Bebanco Developers Limited) (till May 28, 2018)	-	0.00%	357.98	3.00%	-	-	357.98	3.01%
Mahindra Inframan Water Utilities Private Limited	0.15	0.00%	(1.18)	(0.01%)	-	-	(1.18)	-0.01%
Mahindra Homes Private Limited	(7,287.42)	(3.69%)	2,874.46	24.01%	-	-	2,874.46	24.17%
Mahindra Happinest Developers Limited	(597.92)	(0.30%)	(319.11)	(2.67%)	-	-	(319.11)	-2.68%
Mahindra Industrial Park Private Limited (Formerly known as Industrial Cluster Private Limited)	(272.19)	(0.14%)	(50.95)	(0.43%)	-	-	(50.95)	-0.43%
Associates (as per equity method)								
Mahindra Knowledge Park Mohali Limited	(0.54)	0.00%	(0.54)	0.00%	-	-	(0.54)	0.00%
Mahindra Construction Company Limited	(3.21)	0.00%	(3.21)	(0.03%)	-	-	(3.21)	-0.03%
Total	**192,954.23**		**12,074.16**		**(77.01)**		**11,997.15**	
Non controlling Interest	**4,351.10**	**2.21%**	**(103.64)**	**(0.87%)**	**-**	**-**	**(103.64)**	**-0.87%**
Attributable to Owners of the Parent	**197,305.33**	**100%**	**11,970.52**	**100%**	**(77.01)**	**100%**	**11,893.51**	**100%**

44. b) 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 as per Companies Act,2013

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 Bloomdale Developers Limited	Industrial Township (Maharashtra) Limited	Anthurium Developers Limited	Mahindra Industrial Park Private Limited	Mahindra Industrial Park Chennai Limited	Mahindra Water Utilities Limited	"Mahindra Homes Private Limited	Mahindra Knowledge Park Mohali 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	07-May-18 $	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	0.00	1.01	0.00	10.00
Reserves & surplus	(581.71)	13,160.31	15,399.52	(948.77)	2,863.51	267.25	8,700.66	(682.60)	(18.18)	19.97	(101.17)	177.43	5,739.48	(2,513.93)	(122.03)	(30.34)	(30.74)	(1,400.40)
Total assets	1,263.95	49,205.70	73,027.16	1,210.15	18,448.28	6,305.70	12,665.52	19,592.49	535.28	231.40	14,282.45	30,504.73	6,088.46	148,244.95	0.03	215.42	1.04	14,147.16
Total Liabilities	45.66	34,045.39	42,627.64	2,041.88	10,541.27	3,938.45	3,939.86	20,270.09	53.46	206.42	14,378.62	13,327.29	338.98	150,676.55	122.05	244.75	31.77	15,537.57
Investments	10.29	11,500.00	-	1,191.06	6,629.48	-	-	-	-	-	-	-	3.24	-	-	0.05	0.25	198.17
Turnover	-	13,306.68	13,352.45	-	629.42	-	3,671.29	9,314.27	-	-	-	4,777.50	1,942.61	39,014.36	-	-	-	-
Profit/(Loss) before taxation	1,052.53	2,732.94	5,256.52	(59.58)	(936.09)	21.80	530.92	1,009.43	(1.47)	6.95	(133.42)	(146.61)	1,092.39	3,889.16	(0.54)	(13.57)	(0.74)	(1,147.22)
Provision for taxation	16.26	1,098.49	787.66	-	(433.02)	3.20	(46.91)	293.00	-	1.79	(38.85)	(41.47)	305.11	1,169.87	-	-	-	-
Profit/(Loss) after taxation	1,036.27	1,634.45	4,468.86	(59.58)	(503.07)	18.60	577.83	716.43	(1.47)	5.16	(94.56)	(105.14)	787.27	2,719.29	(0.54)	(13.57)	(0.74)	(1,147.22)
Proposed Dividend	-	200.00	2,250.00	-	-	-	157.00	-	-	-	-	-	100.00	-	-	-	-	-
% of shareholding	100.00%	89.00%	74.00%	100.00%	96.30%	100.00%	96.30%	100.00%	100.00%	100.00%	100.00%	53.40%	98.99%	75.00%	99.97%	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 lakhs denotes amount less than ₹ 500/-

$ Consequent to the amendment to Companies Act, 2013, Mahindra Knowledge Park Mohali Limited (MKPML) became a subsidiary of Mahindra World City (Maharashtra) Limited (MWCML), a wholly owned subsidiary of the Company and consequently, subsidiary of the Company.

Part "B"Associates/Joint Ventures : Nil

Mahindra World City Developers Limited, Mahindra World City (Jaipur) Limited, Mahindra Homes Private Limited, Mahindra Industrial Park Private Limited and Mahindra Happinest Developers Limited are all direct joint venture cum subsidiary companies and have been covered in Part A above.

45 - Capital Commitments

(₹ in lakh)

Commitments	As at 31st March, 2019	As at 31st March, 2018
Capital Commitment : Estimated value of contracts remaining to be executed on capital account and not provided for (net of advances)	**22.19**	30.57

46 - Recent Indian Accounting Standards (Ind AS)

IND AS 116 - Leases

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases Standard, Ind AS 17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of Profit & Loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17. The Company is currently assessing the impact of application of Ind AS 116 on Company's financial statements.

Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments :

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

The standard permits two possible methods of transition - i) Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and ii) Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives.

The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019. The Company will adopt the standard on April 1, 2019 and has decided to adjust the cumulative effect in equity on the date of initial application i.e. April 1, 2019 without adjusting comparatives.

The effect on adoption of Ind AS 12 Appendix C would be insignificant in the standalone financial statements.

Amendment to Ind AS 12 – Income taxes :

On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes.

The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company is currently evaluating the effect of this amendment on the standalone financial statements.

Amendment to Ind AS 19 – plan amendment, curtailment or settlement:

On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements.

The amendments require an entity:

- to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and
- to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling.

  Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company does not have any impact on account of this amendment.

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

Revenue from operations for the year ended 31st March, 2019 is net of ₹ 205.22 Lakhs (31st March, 2018 -₹ 1,228 Lakhs) 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.

48 - Prior Period Items

No material events have occurred after the balance sheet date and upto the approval of the financial statements.

49 - Previous year figures

The figures for previous year have been regrouped wherever necessary to confirm 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**	**Sangeeta Prasad**	Managing Director & CEO	- DIN 02791944
Company Secretary	Chief Financial Officer			

Mumbai : 22nd April, 2019

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 2018-19, the Company had over 16.39 million sq. ft. of completed projects and over 8.84 million sq. ft. of ongoing and forthcoming projects besides, over 5,063 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 third 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

Overview

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 18-19, the Company had over 16.39 million sq. ft. of completed projects and over 8.84 million sq. ft. of ongoing and forthcoming projects besides, over 5063 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 third 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.

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 2018 - 31st March 2019
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): 20-MMR (5), Pune, Nagpur, Delhi, Gurugram, Bengaluru, Hyderabad, Chennai (5) Jaipur (2), and Ahmedabad (2)
10. Markets served by the Company - Local/State/National
    i. Residential Projects (including affordable housing): MMR, Pune, Nagpur, Gurugram, Bengaluru, Hyderabad, Chennai
    ii. Integrated Cities (including industrial clusters): Chennai, Jaipur and Ahmedabad

Section B: Financial Details of the Company

1. Paid-up Capital (INR) : 5134.91 Lakh*
2. Total Turnover (INR) : 55484.23 Lakh*
3. Total profit after taxes (INR) : 5859.45 Lakh*

*standalone financial statement as per Indian Accounting Standards (INDAS) as of 31st March 2019

4. Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%): INR 291.21 lakh i.e. 4.97% of the current year net profit. The CSR spend by the Company together with those of its subsidiaries and JV companies works out to INR 469.51 lakh. The details of the CSR expenditure dealt with subsequently in this report include 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 workers/ neighbouring village children, school infrastructure upgradation in village communities

d. Community development - Local infrastructure projects such as provision of street lights, toilets, construction of community centre, development of roads in the neighbourhood areas

(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 2019 (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 2018-19, six subsidiaries have been included in the scope of the Sustainability Report viz. 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 six 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%) 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
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 : 02791944
- Name : Ms. Sangeeta Prasad
- Designation : Managing Director & CEO

b. Details of the BR Head

Sr. No.	Particulars	Details
1	DIN Number (If applicable)	Not Applicable
2	Name	Mr. Suhas Kulkarni
3	Designation	Chief Legal Officer & 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 Note 1	Y	Y
2	Has the policy been formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	NA	Y	Y
3	Does the policy conform to any national/ international standards? If yes, specify? Policies conform to international ISO standards such as 9001, 1400 ₹, OSHA 18001, UNGC principle, and meet regulatory requirement such as SEBI guidelines. The policies reflect the Mahindra Rise principles and values and reinforces the company's commitment to improve the quality of life of its stakeholders, while building enduring business and rejuvenating the environment. Relevant benchmarking has been done by the group as per the relevant National/ International standards.	Y	Y	Y	Y	Y	Y	NA	Y	Y
4	Has the policy been approved by the Board? If yes, has it been signed by the MD/owner/ CEO/appropriate Board Director?	Y	N Note 2	Y Note 2	Y Note 2	Y Note 2	N Note 2	NA	Y Note 2	N Note 2
5	Does the Company have a specified committee of the Board/ Director/Official to oversee the implementation of the policy?	Y	N	Y	Y	Y	N	NA	Y	N
6	Indicate the link for the policy to be viewed online?	Listed in the subsequent table. It has been the Company's practice to upload all policies on its intranet and website for the information of and the implementation by all stakeholders.								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	The relevant policies have evolved over a period by taking inputs and feedbacks from relevant stakeholders from time to time.								
8	Does the Company have an in-house structure to implement the policy/policies?	The company has in-house structures to implement these policies. The policy custodian and relevant functions implement the policies in the organisation.								
9	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	The company has a mechanism of customer grievance redressal and records all complaints on product quality and services. For suppliers, vendors and contractors, channel partners grievance redressal is addressed through ongoing communication, supplier/contractor meets and ongoing communication. Community needs are assessed through CSR engagement meetings. Whistle blower mechanism provides employees the ability to report violation of Code of Conduct, which covers various principles of BRR such as ethic and transparency, human rights.								
10	Has the Company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	The Code of conduct and Whistle Blower policy is reviewed periodically by internal functions. Every year under TMW (The Mahindra Way) there is a review of group common policies and practices assessment. This review is stringent and aligns the company's policies to international and national standards. The EHS and Quality policies are subject to internal and external audits as a part of certifications. We also get assurance by external agency for the Sustainability report (GRI Standard). The assurance checks the execution of the policies through processes and systems.								

- Note 1 – The Company has a mechanism for providing inputs to public policy through the group public affairs team. The Company is part of Sustainable Housing Leadership Consortium where we influence public policy for Sustainable Urbanisation.
- Note 2 - These policies have been signed by Ms. Sangeeta Prasad, Managing Director & CEO of the Company. The Code of Conduct for Directors, Senior Management and Employees, POSH, Whistle Blower and the CSR policy are approved by the Board. EHS, GSCM and quality policy have been signed by the MD & CEO.

These policies are mapped to each principle hereunder:

Principle	Applicable Policies	Link for Policies
Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability	Code of conduct	https://www.mahindralifespaces.com/investors/codes-and-policies
Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle	EHS policy Quality Policy	https://www.mahindralifespaces.com/wp-content/uploads/2019/04/EHS_Policy.pdf
Principle 3: Businesses should promote the well-being of all employees	EHS policy POSH policy	https://www.mahindralifespaces.com/wp-content/uploads/2019/04/EHS_Policy.pdf https://www.mahindralifespaces.com/wp-content/uploads/2018/09/policy-on-sexual-harassment-for-women-employees.pdf
Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised	CSR policy EHS policy	https://www.mahindralifespaces.com/wp-content/uploads/2018/09/corporate-social-responsibility-csr-policy.pdf https://www.mahindralifespaces.com/wp-content/uploads/2019/04/EHS_Policy.pdf
Principle 5: Businesses should respect and promote human rights	Code of conduct Whistle blower policy	https://www.mahindralifespaces.com/investors/codes-and-policies
Principle 6: Business should respect, protect and make efforts to restore the environment	EHS policy GSCM	https://www.mahindralifespaces.com/wp-content/uploads/2019/04/EHS_Policy.pdf https://www.mahindralifespaces.com/wp-content/uploads/2018/09/green-supply-chain-management-policy.pdf
Principle 7 : Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner	NA	
Principle 8: Businesses should support inclusive growth and equitable development	CSR policy Equal opportunity	https://www.mahindralifespaces.com/wp-content/uploads/2018/09/corporate-social-responsibility-csr-policy.pdf https://www.mahindralifespaces.com/wp-content/uploads/2018/09/equal-opportunity-policy.pdf
Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner	Quality Policy	https://www.mahindralifespaces.com/wp-content/uploads/2019/04/Quality_Policy-new.pdf

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 and quarterly, respectively. The Managing Director & CEO is part of this review.

We also send quarterly sustainability review notes as a part of updates to the board on sustainability performance.

- **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, 2016-17 and 2017-18 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 2017-18 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

8909 customer complaints were received during the reporting year; of which 98% of the complaints were resolved and closed during the year.

During the reporting year, 24 investor complaints were received from the shareholders, and all of which were resolved as on 31st March 2019.

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 institutionalized 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 existing projects like Antheia, Vivante, Happinest-Palghar, Lakewoods, Luminare, 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 planned and will be executed as per the stages of development for the ongoing/upcoming industrial clusters (Chennai and Ahmedabad) and have been implemented in the integrated cities that are operational (Mahindra World City Chennai and Jaipur):

- 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.

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
- take the waste or scrap materials from project sites and recycle them to manufacture new life products

50% 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% in the case of platinum rated buildings).

The Company is planning to conduct Suppliers and Contractors Meet in the western and the southern region engaging its key stakeholders, with the objective of building sustainable supply chains based on the Environment, Social and Governance (ESG) framework.

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:

S. No.	Category	No. of complaints filed during the financial year	No. of complaints pending as on end of the financial year
1.	Child labour/forced labour/involuntary labour	NIL	NIL
2.	Sexual harassment	1	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% (Safety induction training given to all associates)
- Contract/ Casual/ Temporary Associates: 100% (Safety induction training given to all associates)

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 include self-development platforms, high value learning programmes and digital learning platforms.

- Permanent Associates: An average of 22 hours per person of job specific and skill upgradation training has been imparted to associates

Employee data

- Total number of Permanent Associates: As of 31st March 2019, the Company together with its subsidiaries and JV companies had 491 associates on rolls. (includes Fixed Term Contract and Third Party Contract associates)
- Total number of Contract/Casual/Temporary associates: 3907 workmen were employed across sites by contractors (Contractual labourers on site, hired by contractors)
- Number of permanent women associates: 80 associates on rolls (includes Fixed Term Contract and 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 as a part of materiality analysis, including the disadvantaged, vulnerable and marginalised stakeholders. Stakeholders have been prioritised based on ability to impact the company and the company's ability to influence the stakeholder group. 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

The Company wants to ensure that urbanisation delivers on its true potential and thus practise a different brand of urbanisation, which the Company calls Urboonisation. The Company's mission is to transform urban landscapes by creating sustainable communities. These new cities and developments within existing cities, will be hubs of Prosperity, Social Parity, Better Quality of Life and Environmental Sustainability. 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

Materiality assessment is a tool for identification of key ESG risks and opportunities in light of evolving world order. This sets the tone for defining our strategy and objectives for mitigation of risks and exploration of opportunities for creation of value. The key performance indicators need to be monitored and reviewed for risk measures and creative differentiation. The Company has delineated a sustainability roadmap 2020, which is aligned to SDGs. It includes all facets of social and environmental stewardship.

For more details, please refer the link https://www.mahindralifespaces.com/about/sustainable-urbanisation

Performance

The performance during construction is appended below, which is as reported in the Mahindra Lifespaces Sustainability Report for FY 2016-17, FY 2017-18 (available on the Company's website) and FY 2018-19 (Sustainability Report will be released shortly). The third party data assurance for FY 2018-19 is in progress.

Resource Use	Division	Unit of Measurement	2016-17	2017-18	2018-19
Specific Energy Consumption	Mahindra Lifespaces	GJ/square feet area developed	0.025	0.016	0.0011
	Mahindra World Cities	GJ/acre of land developed/ maintained	15.998	15.457	11.65
Greenhouse Gas Emissions	Mahindra Lifespaces	tCO_{2e}/square feet of area developed	0.001	0.0009	0.0008
(Scope I)	Mahindra World Cities	tCO_{2e}/acre of land developed/ maintained	0.117	0.114	0.559
Greenhouse Gas Emissions	Mahindra Lifespaces	tCO_{2e}/square feet of area developed	0.001	0.001	0.0004
(Scope II)	Mahindra World Cities	tCO_{2e}/acre of land developed/ maintained	3.284	3.17	11.09
Specific Water Consumption	Mahindra Lifespaces	m^3/square feet of area developed	0.248	0.15	0.012
	Mahindra World Cities	m^3/acre of land developed/ maintained	857.388	889.709	882.65

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

Certifications during the year (IGBC/ GRIHA)

1. Origins by Mahindra World City Chennai, First Industrial Cluster in Tamil Nadu to receive IGBC Green Cities 'Platinum Rating'
2. Origins Ahmedabad to receive IGBC Green Cities 'Gold Rating'
3. Centralis, Pune has been awarded '4 star' as per GRIHA Rating system
4. Roots, Kandivali received its Pre-certification for Gold rating

Mahindra TERI Center of Excellence (COE)- was inaugurated on the 12th of June 2018 by the Hon'ble group Chairman Mr. Anand Mahindra with a vision **'To build a greener urban future by developing innovative energy efficient solutions tailored to Indian climates.'**

Framework of CoE- During the year, the scope, objective, research activities and some of the early research outputs (e.g. Glare Indices) were presented to the various advisory committees formed to strengthen the research outputs. The Company prepared and shared the standard Reporting templates with TERI researchers as part of the monthly and quarterly reporting framework. The intent is to visualize the future from an impact perspective and capture the outcomes, stakeholders/ beneficiaries of the research work (short term and long term)

Dissemination strategy-

- During the year, various stakeholder consultation workshops were organized to communicate the research objectives, validate the methodology, identify the gaps to make the research relevant, user friendly, meaningful and share the intermediate outcomes of the research modules. E.g. stakeholder consultation workshops for Visual Comfort and Sustainable Water Use.
- The workshop brought together think tanks, academicians, consultants, developers, technology providers, accredited laboratories, rating bodies and government agencies from relevant domain.

Research Activities-

- Building materials testing is under progress to establish the database for the green buildings. Expected completion of this activity is end of 2019.
- Visual comfort studies for the Daylight and Artificial light has been completed. Glare indices report has been disseminated to the key stakeholders and the feedback has been received from the relevant stakeholders validating the methodology and enhancing the scope to help not only

to residential but other industries at large.

- Water studies will be initiated by conducting a walkthrough audit on water efficiency and water management in the residential projects.
- The other work-packages include:
  - Developing a template of repository of water related data in Indian context, which will provide information regarding quality and quality of water in different parts of the country.
  - Carrying out a detailed study in 3 cities (Pune, Jaipur and Chennai) to:
    a. Understand the inflows and outflows of water (including wastewater) and develop a well-defined water balance strategy
    b. Degree of dependency on main sources of water (demand and supply)
    c. Wastewater and rainfall potential of replacing centralized water supply

Sustainable Housing Leadership Consortium (SHLC)- The workplan has been structured around the three pillars of Policy, Technology & Skilling, and Consumer Awareness and currently in its implementation stage. An update on each of the lever has been presented below:

Policy

Policy intervention at central level, MoEFCC

- SHLC is working on the policy proposal on fast tracking the Environmental Clearance (EC) process for green buildings. The same has been presented to the Environmental Clearance Expert Appraisal Committee (EAC). It is expected that the policy proposal will be finalized (with expected approval).
- SHLC has been working closely with the Tax Policy Research Unit (TPRU) on evaluating the tax structures/ GST regimes for the green/affordable housing sector. TPRU has requested SHLC to undertake a sector wide study on proposing tax structures including GST that could be discussed with the Government post elections.
- SHLC has been working with GST Council and BMTPC on establishing a criteria for sustainable materials to provide the GST incentive on sustainable materials.

Policy intervention at state level, Maharashtra

- SHLC is supporting the Government of Maharashtra's (GoM) Housing department to develop the first of its kind state green/affordable housing policy, the policy has been approved by GOM, the cabinet approval is expected shortly.

Policy intervention at state level, Karnataka

- The Green Building Incentive Policy under the leadership of ACS, Urban Development Department, Karnataka has been prepared, reviewed and finalized.
- SHLC has also commenced discussions with Karnataka and Tamil Nadu Housing department to provide support in structuring a green/affordable housing policy with incentives included for the delivery of green/affordable homes

Technology

- A workshop on "Technology Identification for Scaling up Green Housing in India" was organized to demonstrate and evaluate new and emerging green technologies which will contribute to reduce the cost of construction of green housing in India.
- The working committee is also evaluating the potential of smart meters for water and energy for additional resource savings.

Consumer Awareness

- Consumer awareness campaigns were rolled out, during the year having a customer value proposition of 'Good for you Good for the planet'. Discussions have also been initiated with the property websites (such as MagicBricks.com, Housing.com) to include green/sustainable housing as a separate category.

Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

Regulations and policies affect how a Company conducts a 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 shares 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 feed 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 INR 449.96* lakh was made in FY 201819 by the Company, its subsidiaries and JV companies towards CSR initiatives. This included community programmes and social interventions addressing key focus areas:

- Education: INR 237.46 lakh
- Environment: INR 145.64 lakh
- Health: INR 36.30 lakh
- Community Development: INR 25.94 lakh
- Gender Equality/Old age & Day care homes: 4 lakh
- Overhead: 0.62 lakh

A snapshot of the Company's community-based CSR initiatives under various focus areas is provided below:

- **Education**
  - o Nanhi Kali: During the year, the Company supported 4673 Nanhi Kalis through its Central CSR budget.
  - o Seva Mandir: an education program at Udaypur, the initiative supported 859 children of which 48% were girls.
  - o Primary Education: 50 women have been given primary education in Mahindra World City Jaipur.
  - o Vocational skill training, Mahindra World City, Jaipur (MWCJ): 280 students have been trained during the year. Till date 1773 Students have been trained.
  - o Self Help Group, Mahindra World City, Jaipur (MWCJ): 106 women have been trained during the year. Till date 1193 (105 SHG's) women have been trained
- **Health**
  - o Health check-up camps: More than 500 people from communities around the Company's project sites have undergone health check-up camps including eye, dental and general check-up.
- **Environment**
  - o Green Army: During the year, through the school initiative program, the Company has reached out to more than 100 schools, over 20,000 students, and 80,000 citizens across Mumbai, Pune, Nagpur, Ahmedabad, Delhi, Gurugram. Since inception the Company has reached over 250+ schools, 50,000 students, 2 lakh citizens making an impact of savings in Energy upto 22,50,000 Units, Water upto 34,492.5 Mn Litres and Waste upto 45,62,500 Kgs.
  - o Mahindra Hariyali: 1,60,000 saplings were planted during the year across locations (Chennai and Jaipur).
- **Community Development**
  - o School Infrastructure: With an aim to provide better quality infrastructure within the education space the Company took the initiative to support Pimpri Chinchwad Municipal Corporation schools

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 initiatives.

The detailed information about the Company's social initiatives will be a part of the Sustainability Report 2018-19. 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

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 2% and 90% 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 2019.

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





Lakewoods, Chennai



Windchimes, Bengaluru



Roots, Mumbai



Ashvita, Hyderabad



Centralis, Pune



Bloomdale, Nagpur

OUR PRESENCE

Bengaluru | Chennai | Delhi NCR | Hyderabad | Jaipur | Mumbai | Nagpur | Pune

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Corporate Office: Mahindra Lifespace Developers Limited

5th Floor, Mahindra Towers, Worli, Mumbai 400 018, India. | CIN L45200MH1999PLC118949

Tel: 022 6747 8600/6747 8601 | **Fax:** 022 2497 5084 | **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 20th Annual General Meeting of the Company on Friday, 26th July, 2019 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	

----------TEAR HERE----------

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 20th Annual General Meeting of the Company, to be held on Friday, 26th July, 2019 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(s) 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: a. the audited standalone financial statement of the Company for the financial year ended on 31st March, 2019 and the Reports of the Board of Directors and the Auditor's thereon; and b. the audited consolidated financial statement of the Company for the financial year ended on 31st March, 2019 and report of the Auditor's thereon;			
2.	To declare Dividend on equity shares for the financial year ended on 31st March, 2019			
3.	To appoint a Director in place of Mr. Arun Nanda (DIN: 00010029), who retires by rotation and being eligible, offers himself for re-appointment.			
SPECIAL BUSINESS				
4.	Appointment of Ms. Sangeeta Prasad as a Director			
5.	Appointment and Remuneration of Ms. Sangeeta Prasad as the Managing Director & Chief Executive Officer			
6.	Ratification of remuneration to Cost Auditor			

Signed this……..day of…….2019.

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; and
3. For other details, please refer to the notes to the Notice convening 20th Annual General Meeting.