

DIRECTORS' REPORT TO THE SHAREHOLDERS

Your Directors present their Fifteenth Report together with the financials statements of your Company for the year ended 31st March, 2016.

FINANCIAL HIGHLIGHTS AND STATE OF COMPANY'S AFFAIRS*

Particulars	(Amount in ₹)	
	For the year ended 31 st March, 2016	For the year ended 31 st March, 2015
Income	422,983	6,78,900
(Loss) before Depreciation and Taxation	(10,05,734)	(1,55,71,062)
Less: Depreciation	1260	1,260
(Loss) before Taxation	(10,06,994)	(1,55,72,322)
Less: Provision for Taxation		
Current Tax	-	-
(Excess) provision for tax relating to prior years	-	-
Deferred Tax	(382)	(54,37,141)
(Loss) after Taxation	(10,06,612)	(16,01,35,181)
(Loss) brought forward from previous year	(16,07,31,204)	(5,96,023)
Balance carried to Balance Sheet	(16,17,37,816)	(16,07,31,204)
Net Worth	182.62	192.68

* Refer Note. 21 of the financial statements as the figures above include the figures from discontinuing operations.

No material changes and commitments have occurred after the closure of the year under review till the date of this report which would affect the financial position of the Company.

OPERATIONS

During the year under review, your Company's income has decreased to ₹ 4.22 Lakhs as compared to ₹ 6.78 Lakhs in the previous year.

Your Company is looking out for other lines of business opportunities in future.

DIVIDEND

In view of the losses, your Directors do not recommend dividend for the year under review.

RESERVES

The Company does not propose to transfer any amount to reserves.

SHARE CAPITAL

The paid up Equity Share Capital as on 31st March, 2016 was ₹ Eighteen Crores divided into Eighteen Equity Shares of ₹ 10/- each. During the year under review the Company has not issued any shares or any convertible instruments.

JOINT VENTURE/ASSOCIATE/SUBSIDIARY COMPANY

Pursuant to the Share Purchase Agreement dated 29th April, 2015, your Company has purchased 48,999 Equity Shares of ₹ 10/- each of Mahindra Water Utilities Limited ("the said Company"). Accordingly, the said Company has become the subsidiary Company of your Company with effect from 27th July, 2015.

A report on the performance and financial position of the subsidiary, associate and joint venture companies is provided in Form AOC-1 which forms part of this Annual report.

BOARD OF DIRECTORS

Presently the Board comprises of the following Directors:

Sr. No.	Director (DIN)	Designation	Executive/Non-Executive Director	Independent/Non Independent Director
1.	Ms. Anita Arjundas (DIN: 00243215)	Director	Non-Executive Director	Non Independent Director
2.	Mr. Vijay Khetan (DIN: 00465161)	Director	Non-Executive Director	Independent Director
3.	Mr. Jayant Manmadkar (DIN: 03044559)	Director	Non-Executive Director	Non Independent Director
4.	Mr. Sanjay Jain (DIN: 06446899)	Director	Non-Executive Director	Independent Director

During the year under review, Mr. S. Venkatraman (DIN: 00077193) resigned from the Board with effect from 30th September, 2015. The Board places on record its sincere appreciation for the valuable services rendered by Mr. S. Venkatraman during his tenure as Director of the Company.

With the recommendation of Nomination and Remuneration Committee, Mr. Jayant Manmadkar (DIN: 03044559) was appointed as an Additional Director of the Company with effect from 24th October, 2015 to hold office upto the ensuing Annual General Meeting. The Company has received notice pursuant to Section 160 of Companies Act, 2013 proposing the candidature of Mr. Jayant Manmadkar as a Director at the forthcoming Annual General Meeting.

Ms. Anita Arjundas (DIN: 00243215) retires by rotation at the forthcoming Annual General Meeting of the Company and being eligible, offer herself for re-appointment at the forthcoming Annual General Meeting.

Mr. Vijay Khetan (DIN: 00465161) and Mr. Sanjay Jain (DIN: 06446899), Independent Directors of your Company have furnished declarations that they meet the criteria of independence as provided under Section 149 of the Companies Act, 2013.

MEETINGS

The Board of Directors met four times during the year under review viz., on 27th April, 2015, 23rd July, 2015, 21st October, 2015 and 19th January, 2016.

The attendance of the Directors at the meetings of the Board was as follows:

Name of Director	Number of Board Meetings Attended
Ms. Anita Arjundas	4
Mr. Vijay Khetan	4
Mr. Jayant Manmadkar	1
Mr. Sanjay Jain	3
Mr. S. Venkatraman*	2

* Mr. S. Venkatraman resigned from the Company with effect from 30th September, 2015.

The Annual General Meeting of the Company was held on 30th July, 2015.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3)(c) of the Companies Act, 2013, your Directors based on the representation received from the Operating Management and after due enquiry, confirm that:

- in the preparation of the annual accounts, the applicable accounting standards had been followed;
- that such accounting policies have been selected and applied consistently and judgments and estimates made are reasonable and prudent, so as to give a true and fair view of the state of affairs of the company as at 31st March, 2016 and of the loss of the Company for the financial year ended on that date;
- that proper and sufficient care has been taken 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;
- that the annual accounts have been prepared on a going concern basis; and
- that proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

EVALUATION OF PERFORMANCE OF DIRECTORS

The Nomination and Remuneration Committee carried out an evaluation of the overall performance of each Director covering various aspects such as performance, attendance etc.

The Board of Directors of the Company also carried out an annual evaluation of overall performance of the Independent Directors.

MEETING OF INDEPENDENT DIRECTORS

The Independent Directors of the Company met once during the year without the presence of the Non-Independent Directors or Chief Executive Officer or Chief Financial Officer or any other Management Personnel. The Meeting was conducted in an informal and flexible manner to enable the Independent Directors to discuss matters pertaining to, inter alia, review of performance of Non-Independent Directors and the Board as a whole, 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 their duties.

CODES OF CONDUCT

Your Company has in place Codes of Conduct for Corporate Governance ("the Codes") for its Directors and Senior Management Personnel and Employees. These Codes enunciate the underlying principles governing the conduct of your Company's business and seek to reiterate the fundamental precept that good governance must and would always be an integral part of your Company's ethos.

Your Company has for the year under review, received declarations under the Codes from the Directors, Senior Management Personnel and Employees affirming compliance with the respective Codes.

AUDIT COMMITTEE

The Audit Committee comprises of Mr. Jayant Manmadkar (DIN: 03044559), Mr. Vijay Khetan (DIN: 00465161) & Mr. Sanjay Jain (DIN: 06446899) as its Members.

Pursuant to Section 177 of Companies Act, 2013, read with Companies (Meetings of Board and its Powers) Rules, 2014, the Audit Committee was re-constituted on 24th October, 2015 with the induction of Mr. Jayant Manmadkar and resignation of Mr. S. Venkatraman as Member of the Committee.

The Audit Committee met three times during the year under review viz., on 27th April, 2015, 23rd July, 2015 and 21st October, 2015.

The attendance at the meetings of the Audit Committee was as follows:

Name of Director	Number of Meetings Attended
Mr. Jayant Manmadkar#	0
Mr. Sanjay Jain	2
Mr. Vijay Khetan	3
Mr. S. Venkatraman*	2

Appointed with effect from 24th October, 2015

* Mr. S. Venkatraman resigned from the Company with effect from 30th September, 2015.

NOMINATION AND REMUNERATION COMMITTEE

Your Company has constituted a Nomination and Remuneration Committee and have adopted the terms of reference pursuant to provisions of Section 178 of Companies Act, 2013. The Nomination and Remuneration Committee comprises of Mr. Vijay Khetan (DIN: 00465161) (Chairman), Mr. Sanjay Jain (DIN: 06446899) and Ms. Anita Arjundas (DIN: 00243215) as its Members. The Nomination and Remuneration Committee carried out an evaluation of the performance of individual directors through a structured questionnaire process covering various aspects such as skills, performance, attendance, knowledge etc.

The Nomination and Remuneration Committee met twice during the year under review viz., on 27th April, 2015 and 21st October, 2015.

The attendance at the meetings of the Nomination and Remuneration Committee was as follows:

Name of Director	Number of Meetings Attended
Mr. Vijay Khetan	2
Mr. Sanjay Jain	2
Ms. Anita Arjundas	2

RISK MANAGEMENT POLICY

Your Company has formulated a Risk Management Policy including identification therein of the elements of risk which in the opinion of Board may threaten the existence of the Company. Your Company's risk management policy sets out the objectives and elements of risk management within the organization and helps to promote risk awareness amongst employees and to integrate risk management within the corporate culture.

Implementation of the risk Management Policy is expected to be helpful in managing the risks associated with the business of the Company.

POLICY FOR REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES AND CRITERIA FOR APPOINTMENT/REMOVAL OF DIRECTORS AND SENIOR MANAGEMENT PERSONNEL

In line with the principles of transparency and consistency and upon recommendation of the Nomination and Remuneration Committee, your Board has approved:

- Policy on the appointment/removal of directors and senior management personnel, together with the criteria for determining qualifications, positive attributes and independence of directors.
- Policy on the remuneration of directors, key managerial personnel and other employees.

These policies are provided as **Annexure I** and forms part of this Report.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Provisions relating to CSR enumerated under Section 135 of the Companies Act, 2013 are not applicable to your Company

and accordingly, your Company is not required to have a CSR policy.

KEY MANAGERIAL PERSONNEL

Pursuant to provisions of Section 2(51) and Section 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the KMP of your Company consists of Mr. Santosh Gupta as Chief Executive Officer, Ms. Simly Venu as Chief Financial Officer and Ms. Kinjal Vyas as Company Secretary.

STATUTORY AUDITORS

M/s. Deloitte Haskins & Sells, Chartered Accountants, Mumbai (Firm Registration Number: 117365W) retire as Auditors of the Company at the conclusion of the forthcoming Annual General Meeting (AGM).

As required by the provisions of Section 139 read with Section 141 of the Companies Act, 2013, your Company has received a written consent and certificate from M/s. Deloitte Haskins & Sells, Chartered Accountants, Mumbai to the effect that their reappointment, if made, would be in conformity with the conditions and criteria specified in the said sections.

The members are requested to appoint Auditors to hold office from the conclusion of forthcoming AGM till the conclusion of next AGM and fix their remuneration.

The Auditor's Report does not contain any qualification, reservation or adverse remark.

REPORTING OF FRAUDS

During the year under review, the Statutory Auditors have not reported any instances of frauds committed in the Company by its officers or employees to the Audit Committee under Section 143(12) of the Companies Act, 2013 details of which needs to be mentioned in this report.

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

The particulars relating to the energy conservation, technology absorption and foreign exchange earnings and outgo, as required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is furnished as **Annexure II** and forms part of this Report.

PARTICULARS OF PUBLIC DEPOSITS, LOANS, GUARANTEES OR INVESTMENTS

Your Company has not accepted any deposits from the public, or its employees, within the meaning of Section 73 of the Companies Act, 2013 and Companies (Acceptance of Deposits) Rules, 2014 during the year under review.

Your Company has not made any loans/advances which are required to be disclosed in the annual accounts of the Company pursuant to Regulations 34(3) and 53(f) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Schedule V, applicable to the ultimate parent company Mahindra and Mahindra Limited.

The particulars of loans given, Investments made and Guarantees and securities provided are given under notes to financial statements and same form part of this Annual Report.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

All transactions with Related Parties during the year under review were in the Ordinary Course of Business and on Arm's Length basis.

Particulars of material contracts or arrangements or transactions with related parties referred to under Sub-section (1) of Section 188 of the Companies Act, 2013 are furnished in Form AOC 2 as **Annexure III** and the same forms part of this Report.

EXTRACT OF ANNUAL RETURN

Pursuant to Section 92(3) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of the Annual Return in Form **MGT 9** is provided as **Annexure IV** which forms part of this Report.

INTERNAL CONTROLS

Your Company has an adequate system of internal controls and monitoring procedures as well as adequate internal financial controls on financial statements commensurate with the size and the nature of its business. Besides the Company regularly conducts reviews to assess the adequacy of financial and operating controls for various businesses of the Company. Significant issues, if any, are brought to the attention of the Audit Committee.

SAFETY, HEALTH AND ENVIRONMENTAL PERFORMANCE

Your Company's commitment towards safety, health and environment is being continuously enhanced and persons working are given adequate training on safety and health. The requirements relating to various environmental legislations and environment protection have been duly complied with by your Company.

SUSTAINABILITY

Your Company continues with its journey on sustainable development with conscious efforts to minimize the environmental impact caused by its operations and simultaneously taking responsibility to enable communities to Rise without losing focus on economic performance.

THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

During the year under review no complaints were received under The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and rules framed thereunder.

GENERAL DISCLOSURES

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions/ events on these items during the year under review:

1. Issue of equity shares with differential rights as to dividend, voting or otherwise.
2. Details relating to deposits covered under Chapter V of the Companies Act, 2013.
3. Issue of Shares (Including Sweat Equity Shares) to employees of the Company under any Scheme.
4. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and the Company's operations in future.
5. There were no Shares having voting rights not exercised directly by the employees and for the purchase of which or subscription to which loan was given by the Company.
6. Since your Company is not a listed company the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not applicable.

ACKNOWLEDGEMENTS

Your Directors are pleased to take this opportunity to thank all the stakeholders for their co-operation to the Company during the year under review.

For and on behalf of the Board

Anita Arjundas
Chairperson

Mumbai, 25th April, 2016

ANNEXURE I TO THE DIRECTORS' REPORT

POLICY ON APPOINTMENT/REMOVAL OF DIRECTORS AND SENIOR MANAGEMENT PERSONNEL

I. APPOINTMENT OF DIRECTORS

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

REMOVAL OF DIRECTORS

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

SENIOR MANAGEMENT PERSONNEL

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

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

POLICY ON THE REMUNERATION OF THE DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES

a. Policy for Remuneration of the Directors

Purpose

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

Policy Statement

We have a well-defined Compensation policy for Directors including the Chairman of the Company. The overall compensation philosophy which guides us is that in order to achieve global leadership and dominance in domestic markets, we need to attract and retain high performers by compensating them at levels that are broadly comparable with the median of the comparator basket while differentiating people on the basis of performance, potential and criticality for achieving competitive advantage in the business.

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

NON-EXECUTIVE INCLUDING INDEPENDENT DIRECTORS:

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

Executive Directors:

The remuneration to Executive Director(s) shall be recommended by NRC to the Board. The remuneration consists of both fixed compensation and variable compensation and shall be paid as salary, commission, performance bonus, stock options (where applicable), perquisites and fringe benefits as approved by the Board and within the overall limits specified in the Shareholders resolution. While the fixed compensation is determined at the time of their appointment, the variable compensation will be determined annually/half yearly by the NRC based on their performance.

The remuneration involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

The Company may also grant Stock Options to the Directors (other than Independent Directors and Promoter) in accordance with the ESOP Scheme of the Company, if any, and subject to the compliance of the applicable statutes and regulations.

b. Policy on Remuneration of Key Managerial Personnel and Employees

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

Objective

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

Standards

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

For and on behalf of the Board

Anita Arjundas
Chairperson

Mumbai, 25th April, 2016

ANNEXURE II TO THE DIRECTORS' REPORT

PARTICULARS AS PER RULE 8(3) OF THE COMPANIES (ACCOUNTS) RULES, 2014

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE OUTGO:

(A) Conservation of energy-

- (i) The steps taken or impact on conservation of energy:

The Operations of your Company are not energy-intensive. However, adequate measures have been taken to reduce energy consumption.

- (ii) The steps taken by the company for utilizing alternate sources of energy:
Not Applicable

- (iii) The capital investment on energy conservation equipment: Nil

(B) Technology absorption:

- (i) The efforts made towards technology absorption: None

- (ii) The benefits derived like product improvement, cost reduction, product development or import substitution: Not Applicable

- (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

- (i) The Foreign Exchange earned in terms of actual inflows during the year: Nil

- (ii) The Foreign Exchange outgo during the year in terms of actual outflows: Nil

For and on behalf of the Board

Anita Arjundas
Chairperson

Mumbai, 25th April, 2016

ANNEXURE III TO THE DIRECTORS' REPORT**FORM NO. AOC.2**

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

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

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

Sr. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any.	Date(s) of approval by the Board, if any	Amount paid as advances, if any
1	Mahindra Consulting Engineers Limited	Sale of fertilizers	Event based	42,000/-	Not Applicable	–
2.	Mahindra and Mahindra Limited (Ultimate Holding Company)	Services availed	01.04.2015 to 31.03.2016	1,59,616/-	Not Applicable	–

Note: for the purpose of materiality, the following criteria have been considered.

- 10% of turnover of the Company or ₹ One hundred crore, whichever is lower is considered as material for the purpose of disclosure in respect of Contracts/transactions/arrangements for sale, purchase, or supply of any goods or materials.
- 10% of net worth of the Company or ₹ One hundred crore, whichever is lower is considered as material for the purpose of disclosure in respect of Contracts/transactions/arrangements for selling or otherwise disposing of or buying property of any kind.
- 10% of the net worth of the Company or 10% of turnover of the Company or ₹ One hundred crore, whichever is lower is considered as material for the purpose of disclosure in respect of Contracts/transactions/arrangements for leasing of property of any kind.
- 10% of turnover of the Company or ₹ Fifty crores, whichever is lower is considered as material for the purpose of disclosure in respect of Contracts/transactions/arrangements for rendering of services.

For and on behalf of the Board

Anita Arjundas
Chairperson

Mumbai, 25th April, 2016

ANNEXURE IV TO THE DIRECTORS' REPORT

Form No. MGT-9

**EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31st March, 2016**[Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies
(Management and Administration) Rules, 2014**I. REGISTRATION AND OTHER DETAILS:**

i)	CIN	U45201MH2001PLC131942
ii)	Registration Date	10/05/2001
iii)	Name of the Company	MAHINDRA INFRASTRUCTURE DEVELOPERS LIMITED
iv)	Category/Sub-Category of the Company	Company Limited By Shares (Indian Non-Government Company)
v)	Address of the Registered office and contact details	Mahindra Towers, Worli Mumbai - 400 018, Maharashtra, India Tel: +91 22-24905633 Fax: +91 22-24900833
vi)	Whether listed Company (Yes/No)	No
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	Not Applicable

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

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

Sl. No.	Name and Description of main product/services	NIC Code of the Product/service	% to total turnover of the company
1	-	-	-

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/Subsidiary/ Associate	% of Shares Held	Applicable Section
1	Mahindra Lifespace Developers Limited. Mahindra Towers, 5 th Floor, Worli, Mumbai - 400 018.	L45200MH1999PLC118949	Holding Company	100%	2(46)
2	Mahindra and Mahindra Ltd. Gateway Building, Apollo Bunder, Mumbai 400 001	L65990MH1945PLC004558	Ultimate Holding Company	-	2(46)
3	Mahindra Water Utilities Limited.* Gateway Building, Apollo Bunder, Mumbai 400 001	U45205MH1999PLC121235	Subsidiary	99%	2(87)
4	Mahindra Inframan Water Utilities Private Limited. Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai - 400 018.	U90000MH2004PTC144079	Associate	50%	2(6)

* Subsidiary Company with effect from 27th July, 2015**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity):****(i) Category-wise Share Holding:**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	-	-	-	-	-	-	-	-	-
b) Central Govt.	-	-	-	-	-	-	-	-	-

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
c) State Govt.	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	1,80,00,000*	1,80,00,000*	100%	-	1,80,00,000*	1,80,00,000*	100%	-
e) Banks/FI	-	-	-	-	-	-	-	-	-
f) Any Other...	-	-	-	-	-	-	-	-	-
Sub-total (A)(1):-	-	1,80,00,000*	1,80,00,000*	100%	-	1,80,00,000*	1,80,00,000*	100%	-
(2) Foreign									
a) NRIs – Individuals	-	-	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A)(2):-	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A)=(A)(1) + (A)(2)	-	1,80,00,000	1,80,00,000	100%	-	1,80,00,000	1,80,00,000	100%	-
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks/FI	-	-	-	-	-	-	-	-	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-									
2. Non-Institutions									
a) Bodies Corp.	-	-	-	-	-	-	-	-	-
(i) Indian	-	-	-	-	-	-	-	-	-
(ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individual	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	-	-	-	-	-	-	-	-	-
c) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B)=(B)(1) + (B)(2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	1,80,00,000	1,80,00,000	100%	-	1,80,00,000	1,80,00,000	100%	-

* Includes 6 shares held by nominees of Mahindra Lifespace Developers Limited jointly with Mahindra Lifespace Developers Limited.

(ii) Shareholding of Promoters:

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% of change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/encumbered to total shares	
1.	Mahindra Lifespace Developers Limited	1,79,99,994	100%	–	1,79,99,994	100%	–	0%
2.	Mahindra Lifespace Developers Limited jointly with Mr. Roshan Gandhi**	1	0%	–	1	0%	–	0%
3.	Mahindra Lifespace Developers Limited jointly with Mr. Ulhas Bhosale**	1	0%	–	1	0%	–	0%
4.	Mahindra Lifespace Developers Limited jointly with Mr. Suhas Kulkarni **	1	0%	–	1	0%	–	0%
5.	Mahindra Lifespace Developers Limited jointly with Mr. Basant Jain **	1	0%	–	1	0%	–	0%
6.	Mahindra Lifespace Developers Limited jointly with Ms. Anita Arjundas **	1	0%	–	1	0%	–	0%
7.	Mahindra Lifespace Developers Limited jointly with Mr. Narayan Shankar **	1	0%	–	1	0%	–	0%
	Total	1,80,00,000	100%	–	1,80,00,000	100%	–	0%

** Jointly held with Mahindra Lifespace Developers Limited to comply with the statutory provisions of Companies Act with regard to minimum number of members.

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

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
	At the beginning of the year	1,80,00,000	100%	1,80,00,000	100%
	Date wise Increase/Decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc):	No Change	–	No Change	–
	At the end of the year	1,80,00,000	100%	1,80,00,000	100%

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

Sl. No.	Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
	Not Applicable				

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
	At the beginning of the year				
1	Ms. Anita Arjundas ***	1	0%	1	0%
	Date wise Increase/Decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc):	No Change			
	At the end of the year	1	0%	1	0%

*** Shares held as nominee of Mahindra Lifespace Developers Limited jointly with Mahindra Lifespace Developers Limited.

V. INDEBTEDNESS:

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

PARTICULARS	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	Nil	Nil	Nil	Nil
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)	Nil	Nil	Nil	Nil
Change in Indebtedness during the financial year				
financial year				
• Addition	Nil	Nil	Nil	Nil
• Reduction	Nil	Nil	Nil	Nil
Net change	Nil	Nil	Nil	Nil
Indebtedness at the end of the financial year				
i) Principal Amount	Nil	Nil	Nil	Nil
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)	Nil	Nil	Nil	Nil

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-Time Directors and/or Manager: Not Applicable

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager	Total Amount
	Gross Salary		
1.	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	Nil	Nil
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961	Nil	Nil
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	Nil	Nil
2.	Stock Option	Nil	Nil
3.	Sweat Equity	Nil	Nil
4.	Commission	Nil	Nil
	– As % of Profit	Nil	Nil
	– Others, specify...	Nil	Nil
5.	Others, please specify	Nil	Nil
	Total (A)	Nil	Nil
	Ceiling as per the Act	–	–

B. Remuneration of other directors:

Sr. No.	Particulars of Remuneration	Name of Directors					Total Amount
		Mr. Sundaram Venkatraman (upto 30 th September, 2015)	Ms. Anita Arjundas	Mr. Vijay Khetan	Mr. Sanjay Jain	Mr. Jayant Manmadkar (w.ef. 24 th October 2015)	
1.	Independent Directors						
	• Fee for attending board/committee meetings	Nil	Nil	Nil	Nil	Nil	Nil
	• Commission	Nil	Nil	Nil	Nil	Nil	Nil
	• Others, please specify	Nil	Nil	Nil	Nil	Nil	Nil
	Total (1)	Nil	Nil	Nil	Nil	Nil	Nil
2.	Other Non-Executive Directors						
	• Fee for attending board/committee meetings	Nil	Nil	Nil	Nil	Nil	Nil
	• Commission	Nil	Nil	Nil	Nil	Nil	Nil
	• Others, please specify	Nil	Nil	Nil	Nil	Nil	Nil
	Total (2)	Nil	Nil	Nil	Nil	Nil	Nil
	Total B = (1+2)	Nil	Nil	Nil	Nil	Nil	Nil
	Total Managerial Remuneration	Nil	Nil	Nil	Nil	Nil	Nil
	Ceiling as per the Act						–

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

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			Total
		Chief Executive Officer	Company Secretary	Chief Financial Officer	
		Mr. Santosh Gupta	Ms. Kinjal Vyas	Ms. Simly Venu	
1.	Gross Salary				
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	Nil	Nil	Nil	Nil
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961	Nil	Nil	Nil	Nil
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	Nil	Nil	Nil	Nil
2.	Stock Option	Nil	Nil	Nil	Nil
3.	Sweat Equity	Nil	Nil	Nil	Nil
4.	Commission	Nil	Nil	Nil	Nil
	– As % of Profit	Nil	Nil	Nil	Nil
	– Others, specify...	Nil	Nil	Nil	Nil
5.	Others, please specify	Nil	3,00,000	Nil	3,00,000
	Total	–	3,00,000	–	3,00,000

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority (RD/ NCLT/court)	Appeal made, if any (give details)
A. COMPANY					
Penalty	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Punishment	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Compounding	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
B. DIRECTORS					
Penalty	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Punishment	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Compounding	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
C. OTHER OFFICERS IN DEFAULT					
Penalty	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Punishment	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Compounding	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable

For and on behalf of the Board

Anita Arjundas
Chairperson

Mumbai, 25th April, 2016

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF MAHINDRA INFRASTRUCTURE DEVELOPERS LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **MAHINDRA INFRASTRUCTURE DEVELOPERS LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under Section 133 of the Act, as applicable. 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 judgements and estimates that are reasonable and prudent, and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the Order under Section 143(11) of the Act.

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit

also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2016, and its loss and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards prescribed under Section 133 of the Act, as applicable.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164(2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure "A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.

- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were 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 CARO 2016 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 the CARO 2016 Order.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
Firm's Registration No. 117365W

Uday M. Neogi
Partner
Membership No. 30235

Place: Mumbai
Date: 25th April, 2016

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT TO THE MEMBERS OF MAHINDRA INFRASTRUCTURE DEVELOPERS LIMITED

(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

We have audited the internal financial controls over financial reporting of MAHINDRA INFRASTRUCTURE DEVELOPERS LIMITED (“the Company”) as of 31st March, 2016 in conjunction with our audit of the 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 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, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **DELOITTE HASKINS & SELLS**

Chartered Accountants
Firm’s Registration No. 117365W

Uday M. Neogi

Partner

Membership No. 30235

Place: Mumbai
Date: 25th April, 2016

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MAHINDRA INFRASTRUCTURE DEVELOPERS LIMITED

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

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
- (b) The Company has a program of verification of fixed assets once in every three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. The last physical verification was carried out in March, 2015, accordingly no physical verification of fixed assets was carried out by the Management during the year.
- (c) According to the information and explanations given to us and the records examined by us, we report that the building has been constructed by the Company on the leasehold land pursuant to the lease agreement dated 17th January, 2003 between Tirumala Tirupati Devasthanams and the Company, where the Company is the lessee in the agreement, however the book value of the building as at 31st March, 2016 is Rs. Nil, refer Note 21 to the financial statements.
- (ii) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification.
- (iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 186 of the Companies Act, 2013 in respect of investments made. The Company has not granted any loans or provided guarantees and security under Sections 185 and 186 of the Companies Act, 2013.
- (v) According to the information and explanations given to us, the Company has not accepted any deposit during the year.
- (vi) Having regard to the nature of the Company's business/activities, reporting under clause (vi) of the CARO 2016 Order is not applicable.
- (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, Employees' State Insurance, Income-tax, Service Tax, Cess and other material statutory dues applicable to it to the appropriate authorities.
- (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at 31st March, 2016 for a period of more than six months from the date they became payable.
- (c) According to the records of the Company, there are no dues of Income-tax, Sales Tax, Service Tax, Duty

of Customs, Duty of Excise, Value Added Tax which have not been deposited as at 31st March, 2016 on account of any dispute.

- (viii) The Company has not taken any loans or borrowings from financial institutions, banks and Government or has not issued any debentures. Hence reporting under clause (viii) of the CARO 2016 Order is not applicable to the Company.
- (ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (ix) of the CARO 2016 Order is not applicable.
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) According to the information and explanations given to us, there is no amount payable as a managerial remuneration under 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 Sections 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc., as required by the applicable accounting standards.
- (xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of the CARO 2016 Order 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 persons connected with him 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-I of the Reserve Bank of India Act, 1934.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
Firm's Registration No. 117365W

Uday M. Neogi
Partner

Place: Mumbai
Date: 25th April, 2016

Membership No. 30235

BALANCE SHEET AS AT 31ST MARCH, 2016

Particulars	Note No.	As at		As at	
		31 st March, 2016	31 st March, 2015	31 st March, 2016	31 st March, 2015
		₹	₹	₹	₹
A EQUITY AND LIABILITIES					
1 Shareholders' funds:					
(a) Share capital	3	18,00,00,000	18,00,00,000		
(b) Reserves and surplus	4	(16,17,37,816)	(16,07,31,204)		
			1,82,62,184		1,92,68,796
2 Non-current liabilities:					
(a) Deferred tax liabilities	20		624		1,006
3 Current liabilities:					
(a) Trade payables					
(A) total outstanding dues of micro and small enterprises	17	-	-		
(B) total outstanding dues of payables other than micro and small enterprises		1,20,75,833	1,18,66,810		
(b) Other current liabilities	5	7,38,143	10,80,987		
			1,28,13,976		1,29,47,797
TOTAL.....			3,10,76,784		3,22,17,599
B ASSETS					
1 Non-current assets:					
(a) Fixed assets					
Tangible assets	6	2,031	3,291		
(b) Non-current investments	7	7,98,989	7,49,990		
(c) Long-term loans and advances	8	24,58,481	24,20,381		
			32,59,501		31,73,662
2 Current assets:					
(a) Inventories	9	-	3,71,004		
(b) Trade receivables	10	2,21,13,421	2,21,13,421		
(c) Cash and cash equivalents	11	48,09,768	55,20,794		
(d) Short-term loans and advances	8	8,04,216	8,04,508		
(e) Other current assets	12	89,878	2,34,210		
			2,78,17,283		2,90,43,937
TOTAL.....			3,10,76,784		3,22,17,599

See accompanying notes forming part of the financial statements

In terms of our report attached

For **Deloitte Haskins & Sells**

Chartered Accountants
Firm's Registration No. 117365W

Uday M. Neogi

Partner

Membership No. 30235

Place: Mumbai

Date: 25th April, 2016

Kinjal Vyas

Company Secretary

ACS: 35527

Santosh J. Gupta

Chief Executive Officer

Simly Venu

Chief Financial Officer

Place: Mumbai

Date: 25th April, 2016

For and on behalf of the Board of Directors

Ms. Anita Arjundas

Chairman (DIN: 00243215)

Mr. Vijay Khetan Director (DIN: 00465161)

Mr. Sanjay Jain Director (DIN: 06446899)

Place: Mumbai

Date: 25th April, 2016

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2016

Particulars	Note No.	For the year	For the year
		ended 31 st March, 2016	ended 31 st March, 2015
		₹	₹
A CONTINUING OPERATIONS:			
1 Revenue from operations (gross).....		-	-
Less: Excise duty		-	-
Revenue from operations (net).....		-	-
2 Other income.....	13	3,80,983	4,92,839
3 Total revenue (1+2)		3,80,983	4,92,839
4 EXPENSES			
(a) Employee benefits expense	14	-	10,56,943
(b) Depreciation expense.....	6	1,260	1,260
(c) Other expenses.....	15	9,64,894	12,52,285
Total expenses		9,66,154	23,10,488
5 Loss before exceptional item and taxation (3-4)		(5,85,171)	(18,17,649)
6 EXCEPTIONAL ITEM:			
Diminution in the value of long-term investment.....	23	-	15,00,00,000
7 Loss before taxation (5-6).....		(5,85,171)	(15,18,17,649)
8 Tax expense:			
(a) Current tax		-	-
(c) Deferred tax.....	21	(382)	(373)
		(382)	(373)
9 Loss from continuing operations (7-8).....		(5,84,789)	(15,18,17,276)
B DISCONTINUING OPERATIONS:			
10 (i) Loss from discontinuing operations (before tax)	21	(4,21,823)	(1,37,54,673)
(ii) Tax expense of discontinuing operations - deferred tax....	21	-	(54,36,768)
11 Loss from discontinuing operations [10(i)-10(ii)]		(4,21,823)	(83,17,905)
C TOTAL OPERATIONS			
12 Loss for the year (9+11)		(10,06,612)	(16,01,35,181)
13 Earnings per share (of ₹ 10 each)	19		
Basic/diluted:			
(i) Continuing operations.....		(0.0325)	(8.4343)
(ii) Total operations.....		(0.0559)	(8.8964)

See accompanying notes forming part of the financial statements

In terms of our report attached

For **Deloitte Haskins & Sells**

Chartered Accountants
Firm's Registration No. 117365W

Uday M. Neogi

Partner

Membership No. 30235

Kinjal Vyas

Company Secretary

ACS: 35527

Place: Mumbai

Date: 25th April, 2016

Santosh J. Gupta

Chief Executive Officer

Simly Venu

Chief Financial Officer

Place: Mumbai

Date: 25th April, 2016

For and on behalf of the Board of Directors

Ms. Anita Arjundas

Chairman (DIN: 00243215)

Mr. Vijay Khetan Director (DIN: 00465161)

Mr. Sanjay Jain Director (DIN: 06446899)

Place: Mumbai

Date: 25th April, 2016

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016

Particulars	For the year ended 31 st March, 2016 ₹	For the year ended 31 st March, 2015 ₹
A Cash flow from operating activities:		
Net loss before taxation	(5,85,171)	(15,18,17,649)
Adjustments to reconcile net loss to net cash flow from operating activities:		
Depreciation expense.....	1,260	1,260
Provision for diminution in the value of investments.....	-	15,00,00,000
Sundry balances written off.....	-	1,10,417
Interest income.....	(3,80,983)	(4,92,839)
Operating loss from continuing operations before working capital changes Changes in	(9,64,894)	(21,98,811)
Trade and other payables.....	(1,23,674)	13,14,937
Cash generated from continuing operations	(10,88,568)	(8,83,874)
Income taxes (paid)	(38,100)	(49,760)
Net cash flow used in continuing operations	(11,26,668)	(9,33,634)
Net cash flow used in discontinued operations	(60,674)	(1,08,445)
Net cash flow used in operating activities.....	(11,87,342)	(10,42,079)
B Cash flow from investing activities:		
Refund of inter-corporate deposit given.....	-	30,00,000
Interest received.....	5,25,315	3,72,052
Purchase of long-term investments Subsidiary	(48,999)	-
Net cash flow from continuing operations	4,76,316	33,72,052
Net cash flow from discontinued operations	-	-
Net cash flow from investing activities	4,76,316	33,72,052
C Cash flow from financing activities:		
Net cash flow from continuing operations	-	-
Net cash flow from discontinued operations	-	-
Net cash flow from financing activities	-	-
Net (decrease)/increase in cash and cash equivalents (A+B+C)	(7,11,026)	23,29,973
Cash and cash equivalents at the beginning of the year	55,20,794	31,90,821
Cash and cash equivalents at the end of the year	48,09,768	55,20,794
Reconciliation of Cash and cash equivalents with Balance Sheet:		
Cash and cash equivalents as per Balance Sheet (Note 11)	48,09,768	55,20,794
Cash and cash equivalents at the end of the year.....	48,09,768	55,20,794
See accompanying notes forming part of the financial statements		

In terms of our report attached

For **Deloitte Haskins & Sells**

Chartered Accountants
Firm's Registration No. 117365W

Uday M. Neogi

Partner

Membership No. 30235

Kinjal Vyas

Company Secretary

ACS: 35527

Place: Mumbai

Date: 25th April, 2016

Santosh J. Gupta

Chief Executive Officer

Simly Venu

Chief Financial Officer

Place: Mumbai

Date: 25th April, 2016

For and on behalf of the Board of Directors

Ms. Anita Arjundas

Chairman (DIN: 00243215)

Mr. Vijay Khetan

Director (DIN: 00465161)

Mr. Sanjay Jain

Director (DIN: 06446899)

Place: Mumbai

Date: 25th April, 2016

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

Note 1 Corporate Information

Mahindra Infrastructure Developers Limited ("the Company") is a public company incorporated in India on 10th May, 2001 under the provisions of the Companies Act, 1956. The Company is in the business of development of infrastructure projects and infrastructure related services.

Note 2 Significant accounting policies

a) Basis of preparation

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

b) Use of estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known/materialise.

c) Fixed Assets (Tangible)

(i) All Fixed Assets are carried at cost less accumulated depreciation. Cost includes financing cost relating to borrowed funds attributable to the construction or acquisition of qualifying assets upto the date the asset is ready for use.

When an asset is scrapped or otherwise disposed off, the cost and related depreciation are removed from the books of account and resultant profit (including capital profit) or loss, if any, is reflected in the statement of Profit and Loss.

(ii) Depreciation on an asset (other than impaired assets) is calculated on Straight Line Method at the rate 11.31% p.a. which is based on useful life of 9 years determined on the basis of technical evaluation by the Management of the Company and is different from the useful life of 15 years indicated in part C of schedule II to the 2013 Act. (Refer note 21).

d) Impairment of assets

The carrying values of assets/cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists. If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognised for such excess amount. The impairment loss is recognised as an expense in the Statement of Profit and Loss. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss.

e) Cash and cash equivalents (for purposes of Cash Flow Statement)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

f) Cash flow statement

Cash flows are reported using the indirect method, whereby profit/(loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

g) Investments

Long-term investments are valued at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of investments.

h) Inventories

Inventories are stated at cost and net realisable value, whichever is lower. Cost is arrived at on first-in first-out basis and includes overheads on absorption basis, where appropriate.

i) Revenue Recognition

Revenue on account of sale of services is recognised under the Completed Service Contract Method to the extent it is probable that the economic benefit will flow to the Company and the revenue can be reliably measured.

Sales are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers.

Dividend income is recognised in the Statement of Profit and Loss when the right to receive payment is established.

Interest Income is accounted for on time proportion basis.

j) Income Taxes

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws. Deferred tax is recognised, subject to consideration of prudence, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets arising on account of unabsorbed depreciation and carry forward of losses and items relating to capital losses are recognised only to the extent that there is virtual certainty supported by convincing evidence that sufficient future tax income will be available against which such deferred tax assets can be realised.

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 against which the MAT paid will be adjusted.

k) Segment reporting

The Company has a single reportable segment namely development of infrastructure projects and infrastructure related services for the purpose of Accounting Standard 17 on Segment Reporting.

Note 3 Share capital

Particulars	As at 31 st March, 2016		As at 31 st March, 2015	
	Number of shares	₹	Number of shares	₹
(a) Authorised				
Equity shares of ₹ 10 each with voting rights	2,00,00,000	20,00,00,000	2,00,00,000	20,00,00,000
	<u>2,00,00,000</u>	<u>20,00,00,000</u>	<u>2,00,00,000</u>	<u>20,00,00,000</u>
(b) Issued, subscribed and fully paid-up shares				
Equity shares of ₹ 10 each	1,80,00,000	18,00,00,000	1,80,00,000	18,00,00,000
	<u>1,80,00,000</u>	<u>18,00,00,000</u>	<u>1,80,00,000</u>	<u>18,00,00,000</u>
Notes (i) to (iv) below				

(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	As at 31 st March, 2016		As at 31 st March, 2015	
	Number of shares	₹	Number of shares	₹
Opening balance	1,80,00,000	18,00,00,000	1,80,00,000	18,00,00,000
Add: Issued during the year	—	—	—	—
Closing balance	<u>1,80,00,000</u>	<u>18,00,00,000</u>	<u>1,80,00,000</u>	<u>18,00,00,000</u>

The company has not allotted any equity shares for consideration other than cash, bonus shares, nor have any shares been bought back during the period of five years immediately preceding the Balance Sheet date.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016
(ii) Terms/rights attached to equity shares:

The Company is having only one class of equity shares having par value of ₹ 10 each. Each holder of equity share is entitled to one vote per share.

In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the Company. The distribution will be in proportion to the amount paid up on equity shares held by the shareholders.

(iii) Details of shares held by the holding company:

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
Mahindra Lifespace Developers Limited, the holding company, including 6 shares jointly held with its nominees	1,80,00,000	1,80,00,000

(iv) Details of shares held by each shareholder holding more than 5% shares:

Particulars	As at 31 st March, 2016		As at 31 st March, 2015	
	Number of shares	% holding	Number of shares	% holding
Mahindra Lifespace Developers Limited the holding company, including 6 shares jointly held with its nominees	1,80,00,000	100%	1,80,00,000	100%

Note 4 Reserves and surplus

Particulars	As at 31 st March, 2016 ₹	As at 31 st March, 2015 ₹
Deficit in the Statement of Profit and Loss		
Opening balance	(16,07,31,204)	(5,96,023)
Add: Loss for the year	(10,06,612)	(16,01,35,181)
Closing balance	(16,17,37,816)	(16,07,31,204)

Note 5 Other current liabilities

Particulars	As at 31 st March, 2016 ₹	As at 31 st March, 2015 ₹
(a) Other payables		
(i) Statutory remittances (Contributions to PF and ESIC, Withholding Taxes, Service Tax, etc.)	7,38,143	8,80,987
(ii) Deposit refundable (Note 18)*	-	2,00,000
	7,38,143	10,80,987

* Deposit received from Mahindra Lifespace Developers Limited pursuant to Section 160(1) of the 2013 Act.

Note 6 Fixed assets

	Gross Block			Accumulated Depreciation and impairment				Net Block
	Balance as at 1 st April, 2015	Addition	Balance as at 31 st March, 2016	Balance as at 1 st April, 2015	Depreciation expense for the year (Note 21)	Impairment losses (Note 21)	Balance as at 31 st March, 2016	Balance as at 31 st March, 2016
Tangible assets	₹	₹	₹	₹	₹	₹	₹	₹
(a) Building	31,58,995	-	31,58,995	31,58,995	-	-	31,58,995	-
	(31,58,995)	(-)	(31,58,995)	(3,14,363)	(-)	(28,44,632)	(31,58,995)	(-)
(b) Plant and equipment	1,94,82,323	-	1,94,82,323	1,94,79,032	1,260	-	1,94,80,292	2,031
	(1,94,82,323)	(-)	(1,94,82,323)	(25,96,298)	(1,260)	(1,68,81,474)	(1,94,79,032)	(3,291)
(c) Furniture and fixtures	28,189	-	28,189	28,189	-	-	28,189	-
	(28,189)	(-)	(28,189)	(17,933)	(-)	(10,256)	(28,189)	(-)
(d) Vehicles	96,000	-	96,000	96,000	-	-	96,000	-
	(96,000)	(-)	(96,000)	(48,371)	(-)	(47,629)	(96,000)	(-)
(e) Office equipment	9,500	-	9,500	9,500	-	-	9,500	-
	(9,500)	(-)	(9,500)	(9,500)	(-)	(-)	(9,500)	(-)
(f) Computer	1,35,277	-	1,35,277	1,35,277	-	-	1,35,277	-
	(1,35,277)	(-)	(1,35,277)	(1,30,495)	(-)	(4,782)	(1,35,277)	(-)
Total	2,29,10,284	-	2,29,10,284	2,29,06,993	1,260	-	2,29,08,253	2,031
<i>Previous year</i>	<i>(2,29,10,284)</i>	<i>(-)</i>	<i>(2,29,10,284)</i>	<i>(31,16,960)</i>	<i>(1,260)</i>	<i>(1,97,88,773)</i>	<i>(2,29,06,993)</i>	<i>(3,291)</i>

Previous year's figures are in brackets and italics.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016
Note 7 Non-current investments

Particulars	As at 31 st March, 2016		As at 31 st March, 2015	
	Number of shares	₹	Number of shares	₹
Long-term Investments (At cost, unless otherwise specified):				
Non-trade and fully paid-up unless otherwise specified				
(a) Investment in equity instruments - unquoted of subsidiary				
₹ 10 per share in Mahindra Water Utilities Limited (subsidiary with effect from 27 July, 2015, prior to that it was a joint venture)	98,999	5,48,999	–	–
of joint ventures				
₹ 10 per share in Mahindra Inframan Water Utilities Private Limited	24,999	2,49,990	24,999	2,49,990
₹ 10 per share in Mahindra Water Utilities Limited (joint venture upto 26 July, 2015, subsequently it has become subsidiary)	–	–	50,000	5,00,000
of associates				
₹ 10 per share in Rathna Bhoomi Enterprises Private Limited	500	5,000	500	5,000
of other entity				
₹ 10 per share in New Tirupur Area Development Corporation Limited (Note 23)	1,50,00,000	15,00,00,000	1,50,00,000	15,00,00,000
		15,08,03,989		15,07,54,990
Less: Provision for diminution in value of investments		15,00,05,000		15,00,05,000
Sub total		7,98,989		7,49,990
(b) Investment in preference shares - unquoted of associates				
₹ 10 per share in Rathna Bhoomi Enterprises Private Limited	1,19,250	11,92,500	1,19,250	11,92,500
Less: Provision for diminution in value of investment		11,92,500		11,92,500
Sub total		–		–
Total		7,98,989		7,49,990
Aggregate amount of unquoted investments (net of provisions)		7,98,989		7,49,990

Note 8 Loans and advances

Particulars	Non-current		Current	
	As at 31 st March, 2016	As at 31 st March, 2015	As at 31 st March, 2016	As at 31 st March, 2015
	₹	₹	₹	₹
Unsecured, considered good				
(a) Security deposits	1,26,200	1,26,200	–	–
(b) Advance income tax including fringe benefit tax (net of provisions ₹ 42,51,646 (As at 31 March 2015 ₹ 42,51,646))	23,32,281	22,94,181	–	–
(c) Prepaid expenses	–	–	15,398	15,690
(d) Balance with government authorities (service tax credit receivable)	–	–	7,88,818	7,88,818
	24,58,481	24,20,381	8,04,216	8,04,508

Note 9 Inventories

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
	₹	₹
At lower of cost and net reliable value (Note 21)		
(a) Finished goods.....	–	3,71,004
	–	3,71,004

Note 10 Trade receivables

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
	₹	₹
Unsecured, considered good		
(a) Trade receivables outstanding for a period exceeding six months from the date they are due for payment.....	2,21,13,421	2,21,13,421
	2,21,13,421	2,21,13,421

Note 11 Cash and cash equivalents

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
	₹	₹
(a) Balances with banks		
in current accounts	2,85,092	2,52,479
in term deposit accounts.....	45,24,676	52,68,315
	48,09,768	55,20,794

The balances that meet the definition of Cash and cash equivalents as per AS 3 Cash Flow Statements is

	48,09,768	55,20,794
Note: Balances with bank include term deposits with remaining maturity of more than 12 months from the balance sheet date.....	16,15,178	–

Note 12 Other current assets

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
	₹	₹
(a) Interest accrued but not due on term deposit accounts.....	89,878	2,34,210
	89,878	2,34,210

Note 13 Other income

Particulars	For the year ended 31 st March, 2016	For the year ended 31 st March, 2015
	₹	₹
(a) Interest income on		
Bank deposits.....	3,80,983	4,44,634
Interest on inter-corporate deposits	–	48,205
	3,80,983	4,92,839

Note 14 Employee benefits expenses

Particulars	For the year ended 31 st March, 2016	For the year ended 31 st March, 2015
	₹	₹
(a) Secondment Charges (including service tax)	–	10,33,299
(b) Staff welfare	–	23,644
	–	10,56,943

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016
Note 15 Other expenses

Particulars	For the year ended	For the year ended
	31 st March, 2016	31 st March, 2015
	₹	₹
(a) Professional charges	5,59,948	3,95,321
(b) Stamp and filing fees.....	24,000	25,400
(c) Sundry balances written off.....	-	1,10,417
(d) Payment to auditors (Note below)	3,72,125	7,05,433
(e) General and miscellaneous expenses.....	8,821	15,714
	9,64,894	12,52,285
Note		
Payment to auditors (including service tax):		
For audit	3,72,125	3,65,170
For other service.....	-	3,37,080
Reimbursement of expenses	-	3,183
	3,72,125	7,05,433

Note 16 Contingent liabilities (to the extent not provided for)

Guarantee/Counter Guarantee given by the Company:

Amount in ₹

	Amount of Guarantee outstanding		Maximum liability of the Company	
	2016	2015	2016*	2015
For Subsidiary Company (subsidiary with effect from 27 th July, 2015, prior to that it was a joint venture)	18,00,00,000	18,00,00,000	18,00,00,000	9,00,00,000

* During the year, the Company has acquired 48,999 shares of Mahindra Water Utilities Limited from United Utilities International Limited @ ₹ 1/- per share vide Share Purchase Agreement dated 29th April 2015. Consequently, as per the same agreement value of performance guarantee given by the Company to New Tirupur Area Development Corporation Limited increases to ₹ 18,00,00,000/- (previous year ₹ 9,00,00,000/-)

Note 17 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

No Companies have been identified under the Micro, Small and Medium Enterprises Development Act, 2006 as on 31st March, 2016 and hence the disclosure as required by Notification No. G.S.R. 719 (E), dated 16th November, 2007 issued by the Ministry of Corporate Affairs is not applicable.

Note 18 Related party transactions

The Company has given the following relevant disclosures in pursuance of the Accounting Standard 18 "Related Party Disclosures"

Enterprises Controlling the Company

1	Mahindra & Mahindra Limited	Ultimate Holding Company
2	Mahindra Lifespace Developers Limited	Holding Company

Subsidiary

1	Mahindra Water Utilities Limited (subsidiary with effect from 27 th July, 2015, prior to that it was a joint venture)
---	--

Fellow Subsidiary

1	Mahindra Consulting Engineers Limited
---	---------------------------------------

Joint Ventures

1	Mahindra Inframan Water Utilities Private Limited
2	Mahindra Water Utilities Limited (joint venture upto 26 th July, 2015, subsequently it has become subsidiary)

Details of transactions with related parties during the year and balance as at 31st March, 2016

In ₹

Transactions with related parties during the year

Nature of transactions	Enterprises controlling the Company		Fellow Subsidiary	Joint Venture
	Ultimate Holding Company	Holding Company	Mahindra Consulting Engineers Limited	Mahindra Water Utilities Limited
Interest income on inter-corporate deposit	-	-	-	-
	(-)	(-)	(-)	(48,205)
Sale of goods	-	-	42,000	-
	(-)	(-)	(1,85,500)	(-)
Deposit refundable	-	-	-	-
	(-)	(2,00,000)	(-)	(-)
Deposit repaid	-	2,00,000	-	-
	(-)	(-)	(-)	(-)
Professional Fees (including service tax)	1,59,616	-	-	-
	(2,67,918)	(-)	(-)	(-)
Secondment Charges (including service tax)	-	-	-	-
	(-)	(10,33,299)	(-)	(-)
Refund of inter-corporate deposit given	-	-	-	-
	(-)	(-)	(-)	(30,00,000)

 Balance as at 31st March, 2016

In ₹

Nature of transactions	Enterprises controlling the Company		Subsidiary	Fellow Subsidiary	Joint Venture
	Ultimate Holding Company	Holding Company	Mahindra Water Utilities Limited	Mahindra Consulting Engineers Limited	Mahindra Water Utilities Limited
Maximum liability to the Company in respect of guarantee outstanding	-	-	18,00,00,000	-	-
	(-)	(-)	(-)	(-)	(9,00,00,000)
Receivables	-	-	2,19,13,260	-	-
	(-)	(-)	(-)	(-)	(2,19,13,260)
Payables	13,66,869	83,40,671	-	-	-
	(12,21,230)	(85,40,671)	(-)	(-)	(-)

1. Previous year's figures are in brackets and italics.
2. During the year, there were no amounts required to be written off or written back in respect of debts due from or to related parties.
3. Related parties have been identified by the Management.

Note 19 Computation of "Earnings Per Share"

The computation of the "Earnings per share" in line with Accounting Standard 20 is as under:

Particulars	For the year ended 31 st March, 2016	For the year ended 31 st March, 2015
(a) Net loss after tax from continuing operations available for equity shareholders (₹)	(5,84,789)	(15,18,17,276)
(b) Net loss after tax from total operations available for equity shareholders (₹)	(10,06,612)	(16,01,35,181)
(c) Nominal value per share (₹)	10	10
(d) Weighted average number of equity shares (₹)	1,80,00,000	1,80,00,000
(e) Basic/Diluted earnings per share (₹)		
Continuing operations	(0.0325)	(8.4343)
Total operations	(0.0559)	(8.8964)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

Note 20 Deferred tax liabilities

Particulars	As at 31 st March, 2016 ₹	As at 31 st March, 2015 ₹
Deferred tax liabilities		
Difference between book depreciation and tax depreciation	624	1,006
Deferred tax liabilities	624	1,006

Note 21 Discontinuing Operations:

Solid Waste Treatment Agreement (“the Agreement”) executed on 17 January, 2003 with Tirumala Tirupati Devasthanams (TTD) for operating a solid waste treatment plant (“the project”) at Tirumala, has been terminated by the Company with effect from 19th June, 2009. Discussions are on with TTD for resolving all the pending issues post termination in accordance with the terms of the Agreement. The project has not been operating since the termination date. The Company has a right to claim the written down value of the fixed assets as of the termination date and an appropriate compensation from TTD in terms of the Agreement. Accordingly, no depreciation on the fixed assets of the project was provided after the date of termination and prior to impairment of fixed asset made during the previous year. The particulars of the project as on the date of termination to be transferred to TTD on acceptance of the termination by them are given below:

Amount in ₹

Description of assets	Written down value of the assets
Building	28,44,632
Plant & Machinery and Office equipment	1,68,81,474
Computer	4,782
Furniture and fixtures	10,256
Vehicles	47,629
Total	1,97,88,773

At present the Company is in discussion to sell this plant to third party and all the fixed assets are valued to ₹ Nil as a part of the said process.

The carrying amount of long-term loans and advances, current assets and current liabilities pertaining to the above discontinuing operation are ₹ 1,26,200 (as at 31.03.2015: ₹ 1,26,200), ₹ 2,15,559 (as at 31.03.2015: ₹ 5,86,855) and ₹ 19,28,990 (as at 31.03.2015: ₹ 19,39,137) respectively.

The following statement shows the revenue and expenses of the continuing and the above discontinuing operation of the Company

In ₹

Particulars	Continuing operations		Discontinuing operations		Total	
	For the year ended 31 March, 2016	For the year ended 31 March, 2015	For the year ended 31 March, 2016	For the year ended 31 March, 2015	For the year ended 31 March, 2016	For the year ended 31 March, 2015
Revenue from Operations	-	-	42,000	1,85,500	42,000	1,85,500
Other Income	3,80,983	4,92,839	-	561	3,80,983	4,93,400
Total Revenue	3,80,983	4,92,839	42,000	1,86,061	4,22,983	6,78,900
Changes in inventories*	-	-	(3,71,004)	(9,81,513)	(3,71,004)	(9,81,513)
Employee Benefits Expense	-	(10,56,943)	(33,317)	(1,68,074)	(33,317)	(12,25,017)
Depreciation Expense	(1,260)	(1,260)	-	-	(1,260)	(1,260)
Impairment of fixed assets*	-	-	-	(1,26,93,602)	-	(1,26,93,602)
Other Expenses	(9,64,894)	(12,52,285)	(59,502)	(97,545)	(10,24,396)	(13,49,830)
Total Expenses	(9,66,154)	(23,10,488)	(4,63,823)	(1,39,40,734)	(14,29,977)	(1,62,51,222)
Loss before exceptional item and taxation	(5,85,171)	(18,17,649)	(4,21,823)	(1,37,54,673)	(10,06,994)	(1,55,72,322)
Exceptional item: Diminution in the value of long-term investment (Note 25)	-	(15,00,00,000)	-	-	-	(15,00,00,000)
Loss before taxation	(5,85,171)	(15,18,17,649)	(4,21,823)	(1,37,54,673)	(10,06,994)	(1,65,72,322)
Current tax	-	-	-	-	-	-

For Deloitte Haskins & Sells
Chartered Accountants
Firm's Registration No. 117365W

Uday M. Neogi
Partner
Membership No. 30235
Place: Mumbai
Date: 25th April, 2016

Kinjal Vyas
Company Secretary
ACS: 35527

Santosh J. Gupta
Chief Executive Officer
Simly Venu
Chief Financial Officer

Place: Mumbai
Date: 25th April, 2016

For and on behalf of the Board of Directors

Ms. Anita Arjundas Chairman (DIN: 00243215)
Mr. Vijay Khetan Director (DIN: 00465161)
Mr. Sanjay Jain Director (DIN: 06446899)

Place: Mumbai
Date: 25th April, 2016

Particulars	Continuing operations		Discontinuing operations		Total	
	For the year ended 31 March, 2016	For the year ended 31 March, 2015	For the year ended 31 March, 2016	For the year ended 31 March, 2015	For the year ended 31 March, 2016	For the year ended 31 March, 2015
Deferred tax benefit	(382)	(373)	-	(54,36,768)	(382)	(54,37,141)
Loss after taxation	(5,84,789)	(15,18,17,276)	(4,21,823)	(83,17,905)	(10,06,612)	(1,61,01,35,181)

* During the previous year, the Management made impairment of fixed assets and write down of inventories as the discussions with TTD has not been very fruitful and encouraging. The provision made for diminution in the value of the business unit in earlier years of ₹ 70,95,171 was adjusted against the said impairment of fixed assets.

Note 22 Information pertaining to Joint Ventures

The Company's share of the assets, liabilities, income and expenses of the jointly controlled entities for the year ended 31st March, 2016 are as follows:

In ₹

Name of Joint Venture	2016*	2015	2016	2015
	Unaudited	Unaudited	Audited	Audited
Mahindra Water Utilities Limited			Mahindra Inframan Water Utilities Private Limited	
% of interest	50%	50%	50%	50%
Country of incorporation	India	India	India	India
Non-current liabilities	-	20,43,485	-	-
Current liabilities	-	3,57,14,096	82,881	10,207
Non-current assets	-	14,71,75,999	39,076	39,057
Current assets	-	11,31,56,370	3,93,539	3,82,725
Revenue	3,30,56,658	8,35,96,963	23,616	32,786
Employee benefits expense	74,89,159	2,40,90,909	-	-
Finance costs	8,87,600	4,95,775	-	-
Depreciation and amortisation expense	1,05,810	6,87,058	-	-
Other expenses	72,04,792	4,53,78,434	85,455	13,031
Profit/(Loss) before tax	1,73,69,298	1,29,44,788	(61,840)	19,754
Income tax expense	42,88,215	42,56,289	-	6,104
Profit/(Loss) after tax	1,30,81,083	86,88,499	(61,840)	13,650

* Mahindra Water Utilities Limited has become subsidiary with effect from 27th July, 2015 and therefore figures related to income and expenses for the current year are disclosed proportionately from the unaudited financial statements for the half year ended 30th September 2015.

Note 23 The Capital of New Tirupur Area Development Corporation Limited (NTADCL) as on 31st March, 2015 has been almost fully eroded by past losses. It was exploring the option of supplying substantial volume of industrial water to a textile park proposed to be set up by the State Government which would have contributed substantially to its topline. Based on forthcoming information there are likely to be delays and the possibility of recovering the past losses of the company does not seem very promising. In view of this, the company has provided for its entire investment of ₹ 15,00,00,000 in the equity shares of NTADCL during the previous year. Based on the review, the Company would like to continue with the same position during the current year also.

Note 24 The Company has only made provisions in respect of investment in NTADCL and the assets of the project. There is no intention of disposing off this investment. Also the Company can continue its current operations with its own cash resources for a period of atleast one year. Hence the accounts of the Company for the year ended 31st March, 2016 have been prepared on the basis of going concern.

Note 25 Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure.

Form AOC-I

**(Pursuant to first proviso to sub-section (3) of Section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures**

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs.)

Sl. No.	Particulars	Details
1.	Name of the subsidiary	Mahindra Water Utilities Limited
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	NA
4.	Share capital	1,000,000
5.	Reserves & surplus	500,772,764
6.	Total assets	561,927,901
7.	Total Liabilities	60,155,137
8.	Investments	280,962
9.	Turnover	189,520,341
10.	Profit before taxation	86,973,881
11.	Provision for taxation	30,350,691
12.	Profit after taxation	56,623,190
13.	Proposed Dividend	NIL
14.	% of shareholding	98.99%

Notes: The following information shall be furnished at the end of the statement:

- Names of subsidiaries which are yet to commence operations
- Names of subsidiaries which have been liquidated or sold during the year.

Part “B”: Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

	Joint Venture	Associate
Name of associates/Joint Ventures	Mahindra Inframan Water Utilities Private Limited	Rathna Bhoomi Enterprises Private Limited
1. Latest audited Balance Sheet Date	31.03.2016	31.03.2016
2. Shares of Associate/Joint Ventures held by the company on the year end	50%	50%
No.	24,999	500
Amount of Investment in Associates/Joint Venture	249,990	5000
Extend of Holding%	50%	50%
3. Description of how there is significant influence	Note A	Note A
4. Reason why the associate/joint venture is not consolidated		
5. Net worth attributable to shareholding as per latest audited Balance Sheet	349,735	11,22,219
6. Profit/Loss for the year		
i. Considered in Consolidation	(61,840)	(3843)
ii. Not Considered in Consolidation	(61,840)	(3843)

Note A: There is significant influence due to percentage (%) of Share Capital

- Names of associates or joint ventures which are yet to commence operations.
- Names of associates or joint ventures which have been liquidated or sold during the year.

Note: This Form is to be certified in the same manner in which the Balance Sheet is to be certified.

For **Deloitte Haskins & Sells**

Chartered Accountants
Firm's Registration No. 117365W

Uday M. Neogi **Kinjal Vyas**
Partner Company Secretary
Membership No. 30235 ACS: 35527

Place: Mumbai
Date: 25th April, 2016

Santosh J. Gupta
Chief Executive Officer
Simly Venu
Chief Financial Officer

Place: Mumbai
Date: 25th April, 2016

For and on behalf of the Board of Directors

Ms. Anita Arjundas Chairman (DIN: 00243215)
Mr. Vijay Khetan Director (DIN: 00465161)
Mr. Sanjay Jain Director (DIN: 06446899)

Place: Mumbai
Date: 25th April, 2016