

## DIRECTORS' REPORT TO THE SHAREHOLDERS

Your Directors present their Fourteenth Report together with the audited accounts of your Company for the year ended 31<sup>st</sup> March, 2015.

### FINANCIAL HIGHLIGHTS AND STATE OF COMPANY'S AFFAIRS

Particulars	(Amount in ₹)	
	For the year ended 31 <sup>st</sup> March, 2015	For the year ended 31 <sup>st</sup> March, 2014
Income	6,80,039	19,81,328
(Loss) before Depreciation and Taxation	(1,55,71,062)	(25,05,078)
Less: Depreciation	1,260	2,121
(Loss) before Taxation	(1,55,72,322)	(25,07,199)
Less: Provision for Taxation		
Current Tax	-	-
(Excess) provision for tax relating to prior years	-	-
Deferred Tax	(54,37,141)	97,987
(Loss) after Taxation	(16,01,35,181)	(26,05,186)
(Loss) brought forward from previous year	(5,96,023)	20,09,163
Balance carried to Balance Sheet	(16,07,31,204)	(5,96,023)
Net Worth	192.68	1,794.03

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 ₹ 6.80 lakhs as compared to ₹ 19.81 lakhs in the previous year.

Your Company has been in several discussions with Tirumala Tirupati Devasthanam (TTD) post termination of the Agreement and is hopeful of a suitable resolution in this regard. Your Company is looking out for other lines of business opportunities in the future.

### DIVIDEND

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

### SHARE CAPITAL

The paid up Equity Share Capital as on 31<sup>st</sup> March, 2015 was Rupees Eighteen Crores. During the year under review the Company has not issued any shares or any convertible instruments.

### JOINT VENTURE/ASSOCIATE

As on 31<sup>st</sup> March, 2015 your Company has two Joint Ventures viz; Mahindra Water Utilities Limited ('MWUL') and Mahindra Inframan Water Utilities Private Limited ('MIWUPL').

During the year under review MWUL earned revenue of ₹ 1671.93 lakhs (previous year ₹ 1384.22 lakhs) & recorded a profit of ₹ 173.77 lakhs (previous year ₹ 448.67 lakhs) and MIWUPL earned revenue of ₹ 65,571 (previous year ₹ 63,418) and recorded a profit of ₹ 27,301 (previous year ₹ 27,107).

### BOARD OF DIRECTORS

Mr. Vijay Khetan (DIN: 00465161) and Mr. Sanjay Jain (DIN: 06446899) who, in the opinion of the Board, are persons with integrity and possess relevant expertise and experience,

and who have given declarations to the effect that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013, were appointed as Independent Directors with effect from 31<sup>st</sup> March, 2015 at the Extra-ordinary General Meeting of the Company held on 31<sup>st</sup> March, 2015 for a period of five consecutive years and they shall not be liable to retire by rotation.

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. A. K. Nanda (DIN: 0001029) and Mr. B. Suresh (DIN: 01479827) have ceased to be Directors of your Company with effect from 17<sup>th</sup> April, 2014 and 27<sup>th</sup> April, 2015 respectively. The Board places on record its sincere appreciation for the valuable services rendered by Mr. A. K. Nanda and Mr. B. Suresh during their tenure as Directors of the Company.

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 five times during the year under review viz., on 17<sup>th</sup> April, 2014, 30<sup>th</sup> July, 2014, 14<sup>th</sup> October, 2014, 13<sup>th</sup> January, 2015, 16<sup>th</sup> March, 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;

- (b) 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 31<sup>st</sup> March, 2015 and of the loss of the Company for the financial year ended on that date;
- (c) 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;
- (d) that the annual accounts have been prepared on a going concern basis; and
- (e) 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.

#### **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. Sundaram Venkatraman (Chairman) (DIN: 00077193), 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 with the induction of Mr. Vijay Khetan (DIN: 00465161) & Mr. Sanjay Jain (DIN: 06446899) and withdrawal of nomination of Ms. Anita Arjundas (DIN: 00243215) & Mr. B. Suresh (DIN: 01479827) as Members of the Committee with effect from 31<sup>st</sup> March, 2015.

The Audit Committee met four times during the year under review viz., on 17<sup>th</sup> April, 2014, 30<sup>th</sup> July, 2014, 14<sup>th</sup> October, 2014 and 13<sup>th</sup> January, 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. Pursuant to Section 178 of Companies Act, 2013, read with Companies (Meetings of Board and its Powers) Rules, 2014, the Nomination and Remuneration Committee of your Company was re-constituted with the induction of Mr. Vijay Khetan (DIN: 00465161) and Mr. Sanjay Jain (DIN: 06446899) and withdrawal of nomination of Mr. Sundaram Venkatraman (DIN: 00077193) and Mr. B. Suresh (DIN: 01479827) as Members of the Committee with effect from 31<sup>st</sup> March, 2015. 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 once during the year under review viz., on 16<sup>th</sup> March, 2015.

#### **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.

#### **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, your Company has appointed Mr. Santosh Gupta as Chief Executive Officer, Ms. Simly Venu as Chief Financial Officer and Ms. Kinjal Vyas as Company Secretary of the Company with effect from 16<sup>th</sup> March, 2015.

#### **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.

**COST AUDITORS**

M/s. Shilpa & Co., Cost Accountants, Nashik (Firm Registration No. 100558) were appointed as Cost Auditors of your Company to audit the cost accounts for the year ending 31<sup>st</sup> March, 2015.

For the year ended 31<sup>st</sup> March 2014, the due date of filing the Cost Audit Report was 27<sup>th</sup> September, 2014. The Cost Audit Report, accordingly, was filed on 25<sup>th</sup> September 2014 in XBRL format.

As per the Notification No: 1/40/2013 dated 31<sup>st</sup> December, 2014, your Company no longer falls under the class of companies to which cost audit is applicable.

**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 the Companies (Acceptance of Deposits) Rules, 2014 during the year under review.

The Company has not made any loans and advances of the nature which are required to be disclosed in the annual accounts of the Company pursuant to Clause 32 of the Listing Agreement with the parent company Mahindra Lifespace Developers Limited and ultimate parent company Mahindra & Mahindra Limited listed with the Stock Exchanges.

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 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 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, 27<sup>th</sup> April, 2015

## 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, 27<sup>th</sup> April, 2015

## **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**

The Foreign Exchange earned in terms of actual inflows during the year: Nil

The Foreign Exchange outgo during the year in terms of actual outflows: Nil

**For and on behalf of the Board**

**Anita Arjundas**  
Chairperson

Mumbai, 27<sup>th</sup> April, 2015

**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:

<b>Sr. No.</b>	<b>Nature of contracts/ transactions</b>	<b>Name of the related party</b>	<b>Nature of relationship</b>	<b>Duration of contracts</b>	<b>Salient terms of contracts/ transactions</b>	<b>Amount</b>
1.	Sale of Fertilisers	Mahindra Consulting Engineers Limited	Fellow Subsidiary	Event based	At Market rates	1,85,500/-
2.	Services availed	Mahindra & Mahindra Limited	Ultimate Holding Company	01.04.2014 to 31.03.2015	At Market rates	2,67,918/-

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

- 10% of turnover of the Company or Rs. 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 Rs. 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 Rs. 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 Rs. 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, 27<sup>th</sup> April, 2015

## ANNEXURE IV TO THE DIRECTORS' REPORT

Form No. MGT-9

### EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March, 2015

[Pursuant to Section 92(3) of the Companies 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 <sup>th</sup> 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	Associate	50%	2(6)
4	Mahindra Inframan Water Utilities Private Limited. Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai - 400 018.	U90000MH2004PTC144079	Associate	50%	2(6)

#### 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	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/HUF	-	-	-	-	-	-	-	-	-
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State 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	
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...	–	–	–	–	–	–	–	–	–
<b>Sub-total (A)(1):-</b>	<b>–</b>	<b>1,80,00,000*</b>	<b>1,80,00,000*</b>	<b>100%</b>	<b>–</b>	<b>1,80,00,000*</b>	<b>1,80,00,000*</b>	<b>100%</b>	<b>–</b>
<b>(2) Foreign</b>									
a) NRIs – Individuals	–	–	–	–	–	–	–	–	–
b) Other- Individuals	–	–	–	–	–	–	–	–	–
c) Bodies Corp.	–	–	–	–	–	–	–	–	–
d) Banks/FI	–	–	–	–	–	–	–	–	–
e) Any Other	–	–	–	–	–	–	–	–	–
<b>Sub-total (A)(2):-</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total shareholding of Promoter (A)=(A)(1) + (A)(2)</b>	<b>–</b>	<b>1,80,00,000</b>	<b>1,80,00,000</b>	<b>100%</b>	<b>–</b>	<b>1,80,00,000</b>	<b>1,80,00,000</b>	<b>100%</b>	<b>–</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
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)	–	–	–	–	–	–	–	–	–
<b>Sub-total (B)(1):-</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>2. Non- Institutions</b>									
a) Body Corp.	–	–	–	–	–	–	–	–	–
(i) Indian	–	–	–	–	–	–	–	–	–
(ii) Overseas	–	–	–	–	–	–	–	–	–
b) Individual	–	–	–	–	–	–	–	–	–
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	–	–	–	–	–	–	–	–	–
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	–	–	–	–	–	–	–	–	–
c) Others (specify)	–	–	–	–	–	–	–	–	–
<b>Sub-total (B)(2):-</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total Public Shareholding (B)=(B)(1) + (B)(2)</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Grand Total (A+B+C)</b>	<b>–</b>	<b>1,80,00,000</b>	<b>1,80,00,000</b>	<b>100%</b>	<b>–</b>	<b>1,80,00,000</b>	<b>1,80,00,000</b>	<b>100%</b>	<b>–</b>

\* 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 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%
	<b>Total</b>	<b>1,80,00,000</b>	<b>100%</b>	<b>–</b>	<b>1,80,00,000</b>	<b>100%</b>	<b>–</b>	<b>0%</b>

\*\* 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
<b>Indebtedness at the beginning of the financial year</b>				
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
<b>Total (i+ii+iii)</b>				
<b>Change in Indebtedness during the financial year</b>				
financial year				
• Addition	Nil	Nil	Nil	Nil
• Reduction	Nil	Nil	Nil	Nil
<b>Net change</b>				
<b>Indebtedness at the end of the financial year</b>				
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
<b>Total (i+ii+iii)</b>	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**

Sl. 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	–	–
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961	–	–
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	–	–
2.	Stock Option	–	–
3.	Sweat Equity	–	–
4.	Commission	–	–

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager	Total Amount
	– As % of Profit		
	– Others, specify...		
5.	Others, please specify	–	–
	Total (A)		
	Ceiling as per the Act	–	–

**B. Remuneration of other directors:**

Particulars of Remuneration	Name of Directors					Total Amount
	Mr. Sundaram Venkatraman	Mr. B. Suresh	Ms. Anita Arjundas	Mr. Vijay Khetan	Mr. Sanjay Jain	
3. Independent Directors						
• Fee for attending board/committee meetings	–	–	–	–	–	–
• Commission	–	–	–	–	–	–
• Others, please specify	–	–	–	–	–	–
<b>Total (1)</b>						
4. Other Non-Executive Directors	–	–	–	–	–	–
• Fee for attending board/committee meetings	–	–	–	–	–	–
• Commission	–	–	–	–	–	–
• Others, please specify	–	–	–	–	–	–
<b>Total (2)</b>						
<b>Total B = (1+2)</b>	Nil	Nil	Nil	Nil	Nil	Nil
<b>Total Managerial Remuneration</b>						
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	–	–	–	–
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961	–	–	–	–
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	–	–	–	–
2.	Stock Option	–	–	–	–
3.	Sweat Equity	–	–	–	–
4.	Commission	–	–	–	–
	– As % of Profit	–	–	–	–
	– Others, specify...	–	–	–	–
5.	Others, please specify	–	–	–	–
	<b>Total</b>	Nil	Nil	Nil	Nil

**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)
<b>A. COMPANY</b>					
Penalty	–	Not applicable	Not applicable	Not applicable	Not applicable
Punishment	–	Not applicable	Not applicable	Not applicable	Not applicable
Compounding	–	Not applicable	Not applicable	Not applicable	Not applicable
<b>B. DIRECTORS</b>					
Penalty	–	Not applicable	Not applicable	Not applicable	Not applicable
Punishment	–	Not applicable	Not applicable	Not applicable	Not applicable
Compounding	–	Not applicable	Not applicable	Not applicable	Not applicable
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	–	Not applicable	Not applicable	Not applicable	Not applicable
Punishment	–	Not applicable	Not applicable	Not applicable	Not applicable
Compounding	–	Not applicable	Not applicable	Not applicable	Not applicable

**For and on behalf of the Board**

**Anita Arjundas**  
Chairperson

Mumbai, 27<sup>th</sup> April, 2015

## INDEPENDENT AUDITORS' 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 31<sup>st</sup> March, 2015, the Statement of Profit and Loss, 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 specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### Auditor's Responsibility

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.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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 31<sup>st</sup> March, 2015, 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 the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. 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 specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2015 from being appointed as a director in terms of Section 164(2) of the Act.
  - (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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.

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

**U. M. Neogi**  
*Partner*

Place: Mumbai  
Date: 27<sup>th</sup> April 2015

(Membership No. 30235)

## ANNEXURE TO THE AUDITORS' REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) Having regard to the nature of the Company's business/ activities/results during the year, clauses (v), (vi), (ix), (x) and (xi) of the Order are not applicable to the Company.
- (ii) In respect of its fixed assets:
- (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. As explained to us, the fixed assets were physically verified during the year by the Management and no material discrepancies were noticed on physical verification.
- (iii) In respect of its inventories:
- (a) As explained to us, the inventories were physically verified during the year by the Management. In our opinion the frequency of verification is reasonable.
- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the Management were reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.
- (iv) The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.
- (v) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to the sale of goods. There are no purchases of inventory and fixed assets and sales of services during the year. During the course of our audit, we have not observed any major weakness in such internal control system.
- (vi) 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 with the appropriate authorities.
- (b) No undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other statutory dues were in arrears as at 31<sup>st</sup> March, 2015 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, Wealth Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax and Cess which have not been deposited as at 31<sup>st</sup> March, 2015 on account of any dispute.
- (d) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- (vii) The accumulated losses of the Company at the end of the financial year are not less than fifty percent of its net worth and the Company has incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- (viii) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

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

**U. M. Neogi**  
Partner

(Membership No. 30235)

Place: Mumbai  
Date: 27<sup>th</sup> April 2015

**BALANCE SHEET AS AT 31<sup>ST</sup> MARCH 2015**

Particulars	Note No.	As at	
		31 <sup>st</sup> March 2015	As at 31 <sup>st</sup> March 2014
		₹	₹
<b>A EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' Funds:</b>			
(a) Share capital .....	3	18,00,00,000	18,00,00,000
(b) Reserves and surplus .....	4	(16,07,31,204)	(5,96,023)
		<b>1,92,68,796</b>	17,94,03,977
<b>2 Non-current liabilities:</b>			
(a) Deferred tax liabilities .....	22	1,006	5,438,147
<b>3 Current liabilities:</b>			
(a) Trade payables .....	5	1,18,66,810	1,07,87,408
(b) Other current liabilities.....	6	10,80,987	8,69,884
(c) Short-term provisions .....	7	–	70,95,171
		<b>1,29,47,797</b>	1,87,52,463
<b>TOTAL.....</b>		<b>3,22,17,599</b>	<b>20,35,94,587</b>
<b>B ASSETS</b>			
<b>1 Non-current assets:</b>			
(a) Fixed assets			
Tangible assets .....	8	3,291	1,97,93,324
(b) Non-current investments .....	9	7,49,990	15,07,49,990
(c) Long-term loans and advances	10	24,20,381	23,70,621
		<b>31,73,662</b>	17,29,13,935
<b>2 Current assets:</b>			
(a) Inventories.....	11	3,71,004	13,52,517
(b) Trade receivables.....	12	2,21,13,421	2,21,13,421
(c) Cash and cash equivalents.....	13	55,20,794	31,90,821
(d) Short-term loans and advances	10	8,04,508	39,36,840
(e) Other current assets .....	14	2,34,210	87,053
		<b>29,03,937</b>	3,06,80,652
<b>TOTAL.....</b>		<b>3,22,17,599</b>	<b>20,35,94,587</b>

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)

**U. M. Neogi**  
Partner  
(Membership No. 30235)  
Place: Mumbai  
Date: 27<sup>th</sup> April 2015

**Santosh J. Gupta**  
Chief Executive Officer

**Simly Venu**  
Chief Financial Officer

**Kinjal Vyas**  
Company Secretary

For and on behalf of the Board of Directors  
**Anita Arjundas** Chairperson

**S. Venkatraman** Director  
**Mr. Vijay Khetan** Director  
**Mr. Sanjay Jain** Director

Place: Mumbai  
Date: 27<sup>th</sup> April 2015



**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2015**

Particulars	Note No.	For the year ended 31 <sup>st</sup> March 2015 ₹	For the year ended 31 <sup>st</sup> March 2014 ₹
<b>A CONTINUING OPERATIONS:</b>			
1 Revenue from operations (gross).....		-	-
Less: Excise duty .....		-	-
Revenue from operations (net).....		-	-
2 Other income.....	15	4,92,839	17,15,328
3 <b>Total revenue (1+2)</b> .....		<b>4,92,839</b>	<b>17,15,328</b>
<b>4 EXPENSES</b>			
(a) Employee benefits expense .....	16	10,56,943	8,95,164
(b) Depreciation expense .....	8	1,260	2,121
(c) Other expenses.....	17	12,52,285	7,32,085
<b>Total expenses</b> .....		<b>23,10,488</b>	<b>16,29,370</b>
5 Profit/(Loss) before exceptional item and taxation (3-4) .....		<b>(18,17,649)</b>	85,958
<b>6 EXCEPTIONAL ITEM:</b>			
Diminution in the value of long-term investment.....	25	15,00,00,000	-
7 Profit/(Loss) before taxation (5-6).....		<b>(15,18,17,649)</b>	85,958
8 Tax expense:			
(a) Current tax .....		-	-
(c) Deferred tax.....	22	(373)	8,469
		<b>(373)</b>	8,469
9 Profit/(Loss) from continuing operations (7-8).....		<b>(15,18,17,276)</b>	77,489
<b>B DISCONTINUING OPERATIONS:</b>			
10 (i) Loss from discontinuing operations (before tax) .....	23	(1,37,54,673)	(25,93,157)
(ii) Tax expense of discontinuing operations - deferred tax....	22	(54,36,768)	89,518
11 Loss from discontinuing operations [10(i)-10(ii)] .....		<b>(83,17,905)</b>	(26,82,675)
<b>C TOTAL OPERATIONS</b>			
12 (Loss) for the year (9+11).....		<b>(16,01,35,181)</b>	(26,05,186)
13 <b>Earnings per share (of ₹ 10 each)</b> .....	21		
<b>Basic/diluted:</b>			
(i) Continuing operations.....		<b>(8.4343)</b>	0.0043
(ii) Total operations.....		<b>(8.8964)</b>	(0.1447)

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)

**Simly Venu**  
Chief Financial Officer

For and on behalf of the Board of Directors  
**Anita Arjundas** Chairperson

**U. M. Neogi**  
Partner  
(Membership No. 30235)  
Place: Mumbai  
Date: 27<sup>th</sup> April 2015

**Santosh J. Gupta**  
Chief Executive Officer

**Kinjal Vyas**  
Company Secretary

**S. Venkatraman** Director  
**Mr. Vijay Khetan** Director  
**Mr. Sanjay Jain** Director

Place: Mumbai  
Date: 27<sup>th</sup> April 2015

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2015**

Particulars	For the year ended 31 <sup>st</sup> March 2015 ₹	For the year ended 31 <sup>st</sup> March 2014 ₹
<b>A Cash flow from operating activities:</b>		
Net profit/(loss) before taxation .....	(15,18,17,649)	85,958
Adjustments to reconcile net profit/(loss) to net cash flow from operating activities:		
Depreciation expense .....	1,260	2,121
Provision for diminution in the value of investments .....	15,00,00,000	-
Sundry balances written off .....	1,10,417	-
Provision no longer required written back .....	-	(11,92,500)
Interest income .....	(4,92,839)	(5,21,696)
Operating loss from continuing operations before working capital changes Changes in	(21,98,811)	(16,26,117)
Trade and other receivables .....	-	-
Trade and other payables .....	13,14,937	9,26,278
Cash generated from continuing operations .....	(8,83,874)	(6,99,839)
Income taxes (paid) .....	(49,760)	(53,304)
Net cash flow used in continuing operations .....	(9,33,634)	(7,53,143)
Net cash flow used in discontinued operations .....	(1,08,445)	(3,83,507)
<b>Net cash flow used in operating activities .....</b>	<b>(10,42,079)</b>	<b>(11,36,650)</b>
<b>B Cash flows from investing activities:</b>		
Refund of inter-corporate deposit given .....	30,00,000	-
Interest received .....	3,72,052	8,09,381
Proceeds from sale of long-term investment .....	-	11,92,500
Bank balance not considered as Cash and cash equivalents (Net) .....	(37,971)	(37,510)
Net cash flow from continuing operations .....	33,34,081	19,64,371
Net cash flow from discontinued operations .....	-	-
<b>Net cash flow from investing activities .....</b>	<b>33,34,081</b>	<b>19,64,371</b>
<b>C Cash flows from financing activities:</b>		
Net cash flow from continuing operations .....	-	-
Net cash flow from discontinued operations .....	-	-
<b>Net cash flow from financing activities .....</b>	<b>-</b>	<b>-</b>
<b>Net increase in cash and cash equivalents (A+B+C) .....</b>	<b>22,92,002</b>	<b>8,27,721</b>
Cash and cash equivalents at the beginning of the year .....	28,42,254	20,14,533
Cash and cash equivalents at the end of the year .....	51,34,256	28,42,254
Reconciliation of Cash and cash equivalents with Balance Sheet:		
Cash and cash equivalents as per Balance Sheet (Note 13) .....	55,20,794	31,90,821
Less: Bank balance not considered as Cash and cash equivalents In earmarked account balance held as margin money .....	3,86,538	3,48,567
<b>Cash and cash equivalents at the end of the year .....</b>	<b>51,34,256</b>	<b>28,42,254</b>
<b>See accompanying notes forming part of the financial statements</b>		

In terms of our report attached

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

**Simly Venu**  
Chief Financial Officer

For and on behalf of the Board of Directors  
**Anita Arjundas** Chairperson

**U. M. Neogi**  
Partner  
(Membership No. 30235)  
Place: Mumbai  
Date: 27<sup>th</sup> April 2015

**Santosh J. Gupta**  
Chief Executive Officer

**Kinjal Vyas**  
Company Secretary

**S. Venkatraman** Director  
**Mr. Vijay Khetan** Director  
**Mr. Sanjay Jain** Director

Place: Mumbai  
Date: 27<sup>th</sup> April 2015

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2015

### Note 1 Corporate Information

Mahindra Infrastructure Developers Limited ("the Company") is a public company incorporated in India on 10 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 specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 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 23)

#### 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 <sup>st</sup> March 2015		As at 31 <sup>st</sup> March 2014	
	Number of shares	₹	Number of shares	₹
(a) <b>Authorised</b>				
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 <sup>st</sup> March 2015		As at 31 <sup>st</sup> March 2014	
	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	-	-	-	-
<b>Closing balance</b>	<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.

#### (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.

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2015**

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 <sup>st</sup> March 2015	31 <sup>st</sup> March 2014
Mahindra Lifespace Developers Limited, the holding company, including 6 shares jointly held with its nominee	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 <sup>st</sup> March 2015		As at 31 <sup>st</sup> March 2014	
	Number of shares	% holding	Number of shares	% holding
Mahindra Lifespace Developers Limited, the holding company, including 6 shares jointly held with its nominee	1,80,00,000	100%	1,80,00,000	100%

**Note 4 Reserves and surplus**

Particulars	As at	
	31 <sup>st</sup> March 2015	31 <sup>st</sup> March 2014
(Deficit)/Surplus in the Statement of Profit and Loss	₹	₹
Opening balance .....	(5,96,023)	20,09,163
Add: Loss for the year .....	(16,01,35,181)	(26,05,186)
<b>Closing balance .....</b>	<b>(16,07,31,204)</b>	<b>(5,96,023)</b>

**Note 8 Fixed assets**

	Gross Block			Accumulated Depreciation and impairment				Net Block	
	Balance as at 1 <sup>st</sup> April 2014	Addition	Balance as at 31 <sup>st</sup> March 2015	Balance as at 1 <sup>st</sup> April 2014	Depreciation expense for the year (Note 23)	losses (Note 23)	Balance as at 31 <sup>st</sup> March 2015	Balance as at 31 <sup>st</sup> March 2015	
Tangible assets	₹	₹	₹	₹	₹	₹	₹	₹	
(a) Building	31,58,995	–	31,58,995	3,14,363	–	28,44,632	31,58,995	–	
	(31,58,995)	(–)	(31,58,995)	(3,14,363)	(–)	(–)	(3,14,363)	(28,44,632)	
(b) Plant and equipment	1,94,82,323	–	1,94,82,323	25,96,298	1,260	1,68,81,474	1,94,79,032	3,291	
	(1,94,82,323)	(–)	(1,94,82,323)	(25,95,038)	(1,260)	(–)	(25,96,298)	(1,68,86,025)	
(c) Furniture and fixtures	28,189	–	28,189	17,933	–	10,256	28,189	–	
	(28,189)	(–)	(28,189)	(17,933)	(–)	(–)	(17,933)	(10,256)	
(d) Vehicles	96,000	–	96,000	48,371	–	47,629	96,000	–	
	(96,000)	(–)	(96,000)	(48,371)	(–)	(–)	(48,371)	(47,629)	
(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	1,30,495	–	4,782	1,35,277	–	
	(1,35,277)	(–)	(1,35,277)	(1,29,634)	(861)	(–)	(1,30,495)	(4,782)	
<b>Total</b>	<b>2,29,10,284</b>	<b>–</b>	<b>2,29,10,284</b>	<b>31,16,960</b>	<b>1,260</b>	<b>1,97,88,773</b>	<b>2,29,06,993</b>	<b>3,291</b>	
<i>Previous year</i>	<i>(2,29,10,284)</i>	<i>(–)</i>	<i>(2,29,10,284)</i>	<i>(31,14,839)</i>	<i>(2,121)</i>	<i>(–)</i>	<i>(31,16,960)</i>	<i>(1,97,93,324)</i>	

Previous year's figures are in brackets and italics.

**Note 5 Trade payables**

Particulars	As at	
	31 <sup>st</sup> March 2015	31 <sup>st</sup> March 2014
(a) Total outstanding dues of micro and small enterprises (Note 19) .....	–	–
(b) Total outstanding dues of other than micro and small enterprises .....	1,18,66,810	1,07,87,408
	<b>1,18,66,810</b>	<b>1,07,87,408</b>

**Note 6 Other current liabilities**

Particulars	As at	
	31 <sup>st</sup> March 2015	31 <sup>st</sup> March 2014
(a) Other payables	₹	₹
(i) Statutory remittances (Contributions to PF and ESIC, Withholding Taxes, Service Tax, etc.) .....	8,80,987	8,69,884
(ii) Deposit refundable (Note 20)* .....	2,00,000	–
	<b>10,80,987</b>	<b>8,69,884</b>

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

**Note 7 Short term provisions**

Particulars	As at	
	31 <sup>st</sup> March 2015	31 <sup>st</sup> March 2014
(a) Provision – Others	₹	₹
Provision for diminution in the value of business unit (Note 23) .....	–	70,95,171
	–	<b>70,95,171</b>

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2015**
**Note 9 Non-current investments**

Particulars	As at 31 <sup>st</sup> March 2015		As at 31 <sup>st</sup> March 2014	
	Number of shares	₹	Number of shares	₹
<b>Long-term Investments (At cost, unless otherwise specified):</b>				
<b>Non-trade and fully paid-up unless otherwise specified</b>				
(a) <b>Investment in equity instruments - unquoted of joint ventures</b>				
₹ 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	50,000	5,00,000	50,000	5,00,000
<b>of associates</b>				
₹ 10 per share in Rathna Bhoomi Enterprises Private Limited	500	5,000	500	5,000
<b>of other entity</b>				
₹ 10 per share in New Tirupur Area Development Corporation Limited (Note 25)	1,50,00,000	15,00,00,000	1,50,00,000	15,00,00,000
		15,07,54,990		15,07,54,990
Less: Provision for diminution in value of investments		15,00,05,000		5,000
Sub total		7,49,990		15,07,49,990
(b) <b>Investment in preference shares - unquoted of associates</b>				
₹ 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		7,49,990		15,07,49,990
Aggregate amount of unquoted investments (net of provisions)		7,49,990		15,07,49,990

**Note 10 Loans and advances**

Particulars	Non-current		Current	
	As at 31 <sup>st</sup> March 2015	As at 31 <sup>st</sup> March 2014	As at 31 <sup>st</sup> March 2015	As at 31 <sup>st</sup> March 2014
	₹	₹	₹	₹
Unsecured, considered good				
(a) Security deposits	1,26,200	1,26,200	-	-
(b) Loans and advances to related party				
Inter-corporate deposits (including interest receivable)	-	-	-	30,26,370
(c) Advance income tax including fringe benefit tax (net of provision)	22,94,181	22,44,421	-	-
(d) Prepaid expenses	-	-	15,690	11,235
(e) Balance with government authorities (service tax credit receivable)	-	-	7,88,818	8,99,235
	24,20,381	23,70,621	8,04,508	39,36,840

**Note 11 Inventories**

Particulars	As at 31 <sup>st</sup> March 2015	As at 31 <sup>st</sup> March 2014
	₹	₹
At lower of cost and net realisable value (Note 23)		
(a) Finished goods.....	3,71,004	12,74,622
(b) Packing materials.....	-	77,895
	3,71,004	13,52,517

**Note 12 Trade receivables**

Particulars	As at 31 <sup>st</sup> March 2015	As at 31 <sup>st</sup> March 2014
	₹	₹
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 13 Cash and cash equivalents**

Particulars	As at 31 <sup>st</sup> March 2015	As at 31 <sup>st</sup> March 2014
	₹	₹
(a) Balances with banks		
in current accounts.....	2,52,479	3,99,597
in term deposit accounts.....	48,81,777	24,42,657
in earmarked account		
balance held as margin money.....	3,86,538	3,48,567
	55,20,794	31,90,821

Of the above, the balances that meet the definition of Cash and cash equivalents as per AS 3 Cash Flow Statements is.....

51,34,256 28,42,254

**Note 14 Other current assets**

Particulars	As at 31 <sup>st</sup> March 2015	As at 31 <sup>st</sup> March 2014
	₹	₹
(a) Interest accrued but not due on term deposit accounts.....	2,34,210	87,053
	2,34,210	87,053
<b>For the year ended 31<sup>st</sup> March 2015</b>		<b>For the year ended 31<sup>st</sup> March 2014</b>
	₹	₹

**Note 15 Other income**

Particulars	As at 31 <sup>st</sup> March 2015	As at 31 <sup>st</sup> March 2014
	₹	₹
(a) Interest income on		
Bank deposits.....	4,44,634	1,76,699
Interest on inter-corporate deposits.....	48,205	3,44,997
(b) Other non-operating income		
Provision for diminution in value of investment written back.....	-	11,92,500
Miscellaneous income.....	-	1,132
	4,92,839	17,15,328

**Note 16 Employee benefits expenses**

Particulars	As at 31 <sup>st</sup> March 2015	As at 31 <sup>st</sup> March 2014
	₹	₹
(a) Secondment Charges (including service tax).....	10,33,299	8,68,318
(b) Staff welfare.....	23,644	26,846
	10,56,943	8,95,164

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2015**

**Note 17 Other expenses**

Particulars	For the year ended	For the year ended
	31 <sup>st</sup> March 2015	31 <sup>st</sup> March 2014
	₹	₹
(a) Professional charges .....	<b>3,95,321</b>	1,59,019
(b) Stamp and filing fees.....	<b>25,400</b>	2,210
(c) Sundry balances written off.....	<b>1,10,417</b>	29,392
Less: Provision held .....	-	(29,392)
	<b>1,10,417</b>	-
(d) Payment to auditors (Note below) .....	<b>7,05,433</b>	5,62,838
(e) General and miscellaneous expenses.....	<b>15,714</b>	8,018
	<b>12,52,285</b>	7,32,085
Note		
Payment to auditors (including service tax)		
For audit	<b>3,65,170</b>	3,65,170
For other service	<b>3,37,080</b>	1,96,630
Reimbursement of expenses	<b>3,183</b>	1,038
	<b>7,05,433</b>	5,62,838

**Note 18 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	
	2015	2014	2015	2014
For Joint Venture Company	18,00,00,000	18,00,00,000	9,00,00,000	9,00,00,000

**Note 19 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 31 March, 2015 and hence the disclosure as required by Notification No. G.S.R. 719 (E), dated 16 November, 2007 issued by the Ministry of Corporate Affairs is not applicable.

**Note 20 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

**Fellow Subsidiary**

1	Mahindra Consulting Engineers Limited
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**Joint Ventures**

1	Mahindra Water Utilities Limited
2	Mahindra Inframan Water Utilities Private Limited

**Key Management Personnel (KMP)**

Mr. Santosh Gupta (Chief Executive Officer) (w.e.f. 16 March 2015).
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**Details of transactions with related parties during the year and balance as at 31 March 2015**

Amount in ₹

Transactions with related parties during the year

Nature of transactions	Enterprises controlling the Company		Fellow Subsidiary	Joint Venture (Mahindra Water Utilities Limited)
	Ultimate Holding Company	Holding Company	Mahindra Consulting Engineers Limited	
Interest income on inter-corporate deposit	-	-	-	48,205
	(-)	(-)	(-)	(3,44,997)
Sale of goods	-	-	1,85,500	-
	(-)	(-)	(2,66,000)	(-)
Deposit refundable	-	2,00,000	-	-
	(-)	(-)	(-)	(-)
Professional charges	2,67,918	-	-	-
	(-)	(-)	(-)	(-)
Secondment Charges (including service tax)	-	10,33,299	-	-
	(-)	(8,68,318)	(-)	(-)
Refund of inter-corporate deposit given	-	-	-	30,00,000
	(-)	(-)	(-)	(-)

Balance as at 31<sup>st</sup> March 2015

Nature of transactions	Enterprises controlling the Company		Fellow Subsidiary	Joint Venture (Mahindra Water Utilities Limited)
	Ultimate Holding Company	Holding Company	Mahindra Consulting Engineers Limited	
Maximum liability to the Company in respect of guarantee outstanding	-	-	-	9,00,00,000
	(-)	(-)	(-)	(9,00,00,000)
Receivables	-	-	-	2,19,13,260
	(-)	(-)	(-)	(2,19,13,260)
Payables	12,21,230	85,40,671	-	-
	(9,46,989)	(73,99,335)	(-)	(-)
Inter-corporate deposits (including interest receivable)	-	-	-	-
	(-)	(-)	(-)	(30,26,370)

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.

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2015**
**Note 21 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 <sup>st</sup> March 2015	For the year ended 31 <sup>st</sup> March 2014
(a) Net profit/(loss) after tax from continuing operations available for equity shareholders (₹)	(15,18,17,276)	77,489
(b) Net loss after tax from total operations available for equity shareholders (₹)	(16,01,35,181)	(26,05,186)
(c) Nominal value per share (₹)	10	10
(d) Weighted average number of equity shares (No.)	1,80,00,000	1,80,00,000
(e) Basic/Diluted earnings per share (Re.)		
Continuing operations	(8.4343)	0.0043
Total operations	(8.8964)	(0.1447)

**Note 22 Deferred tax liabilities**

Particulars	As at 31 <sup>st</sup> March 2015	As at 31 <sup>st</sup> March 2014
	₹	₹
<b>Deferred tax liabilities</b>		
Difference between book depreciation and tax depreciation	1,006	54,38,147
<b>Deferred tax liabilities</b>	<b>1,006</b>	<b>54,38,147</b>

**Note 23 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 19 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 has been provided after the date of termination. 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:

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

The carrying amount of long-term loans and advances, current assets and current liabilities pertaining to the above discontinuing operation are Rs.1,26,200 (as at 31.03.2014: ₹ 1,26,200), ₹ 5,86,855 (as at 31.03.2014: ₹ 15,63,913) and ₹ 19,39,137 (as at 31.03.2014: ₹ 90,58,740) respectively.

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

Particulars	Continuing operations		Discontinuing operations		Total	
	For the year ended 31 March 2015	For the year ended 31 March 2014	For the year ended 31 March 2015	For the year ended 31 March 2014	For the year ended 31 March 2015	For the year ended 31 March 2014
	Revenue from Operations	-	-	1,85,500	2,66,000	1,85,500
Other Income	4,92,839	17,15,328	561	-	4,93,400	17,15,328
Total Revenue	4,92,839	17,15,328	1,86,061	2,66,000	6,78,900	19,81,328
Changes in inventories*	-	-	(9,81,513)	(1,86,200)	(9,81,513)	(1,86,200)
Employee Benefits Expense	(10,56,943)	(8,95,164)	(1,68,074)	(2,44,548)	(12,25,017)	(11,39,712)
Depreciation Expense	(1,260)	(2,121)	-	-	(1,260)	(2,121)
Diminution in the value of business unit	-	-	-	(21,50,810)	-	(21,50,810)
Impairment of fixed assets*	-	-	(1,26,93,602)	-	(1,26,93,602)	-
Other Expenses	(12,52,285)	(7,32,085)	(97,545)	(2,77,599)	(13,49,830)	(10,09,684)
Total Expenses	(23,10,488)	(16,29,370)	(1,39,40,734)	(28,59,157)	(1,62,51,222)	(44,88,527)
Profit/(Loss) before exceptional item and taxation	(18,17,649)	85,958	(1,37,54,673)	(25,93,157)	(1,55,72,322)	(25,07,199)
Exceptional item: Diminution in the value of long-term investment (Note 25)	(15,00,000)	-	-	-	(15,00,000)	-
Profit/(Loss) before taxation	(15,18,17,649)	85,958	(1,37,54,673)	(25,93,157)	(1,65,72,322)	(25,07,199)
Current tax	-	-	-	-	-	-
Deferred tax expense/(benefit)	(373)	8,469	(54,36,768)	89,518	(54,37,141)	97,987
Profit/(Loss) after taxation	(15,18,17,276)	77,489	(83,17,905)	(26,82,675)	(1,60,135,181)	(26,05,186)

\* During the 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 has been adjusted against the said impairment of fixed assets.

**Note 24 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 31 March 2015 are as follows:

Name of Joint Venture	2015		2014	
	Unaudited	Audited	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	15,96,099	-	-
Current liabilities	3,57,14,096	3,74,10,831	10,207	10,208
Non-current assets	14,71,75,999	16,59,06,261	39,057	38,734
Current assets	11,31,56,370	8,75,47,861	3,82,725	3,69,398
Revenue	8,35,96,963	6,92,10,982	32,786	31,709
Employee benefits expense	2,40,90,909	2,07,40,015	-	-
Finance costs	4,95,775	6,54,399	-	-
Depreciation expense	6,87,058	5,50,132	-	-
Other expenses	4,53,78,434	1,39,37,068	13,031	12,094
Profit before tax	1,29,44,788	3,33,29,368	19,754	19,615
Income tax expense	42,56,289	1,08,95,746	6,104	6,061
Profit after tax	86,88,499	2,24,33,622	13,650	13,554

**Note 25** The Capital of New Tirupur Area Development Corporation Limited (NTADCL) as on 31 March 2014 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. Information forthcoming in the last few months suggest that 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 year.

**Note 26** The Company has only made provisions in respect of its investments in NTADCL and the assets of the project. There is no intention of disposing off these investments and assets. Also the Company can continue its current operations with its own cash resources for a period of at least one year. Hence the accounts of the Company for the year ended 31<sup>st</sup> March 2015 have been prepared on the basis of going concern.

**Note 27** Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure.

For and on behalf of the Board of Directors

**Simly Venu**  
Chief Financial Officer

**Anita Arjundas**  
Chairperson

**S. Venkatraman**  
Director

**Kinjal Vyas**  
Company Secretary

**Mr. Vijay Khetan**  
Director

**Mr. Sanjay Jain**  
Director

**Santosh J. Gupta**  
Chief Executive Officer

Place: Mumbai

Date: 27<sup>th</sup> April 2015

## 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 - Nil

Part "B": Associates and Joint Ventures

Amount in Rupees

	Latest Audited Balance Sheet Date	Shares of Joint Venture held by the Company on the year end		Extent of Holding	Description of how there is significant influence	Reason why the associate/joint venture is not consolidated	Networth attributable to Shareholding as per latest audited Balance sheet	Profit/Loss for the year	
		No.	Amount of investment in Associates/ Joint Venture					Considered in Consolidation	Not Considered in Consolidation
<b>JOINT VENTURES</b>									
Mahindra Inframan Water Utilities Private Limited	31 <sup>st</sup> March 2015	24,999	249,990	50.00%	Note A	NA	4.12	0.14	0.14
Mahindra Water Utilities Private Limited	31 <sup>st</sup> March 2015	50,000	500,000	50.00%	Note A	NA	2,225.75	86.88	86.88

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

For and on behalf of the Board of Directors

**Simly Venu**  
Chief Financial Officer

**Kinjal Vyas**  
Company Secretary

**Santosh J. Gupta**  
Chief Executive Officer

**Anita Arjundas** *Chairperson*

**S. Venkatraman** *Director*

**Mr. Vijay Khetan** *Director*

**Mr. Sanjay Jain** *Director*

Place: Mumbai  
Date: 27<sup>th</sup> April 2015