

## DIRECTORS' REPORT TO THE MEMBERS

Your Directors present their Tenth Report together with the audited financial statements of your Company for the year ended 31st March, 2015.

### Financial Highlights

	(Amount in Rupees)	
	2015	2014
Total Income.....	1,342,826,130	1,021,668,877
Profit before Tax.....	561,535,313	370,343,072
Provision for Taxation		
– Net Current Tax.....	137,267,500	99,800,000
– Deferred Tax.....	44,377,765	26,070,122
Profit after Tax.....	379,890,048	244,472,950
Add: Profit brought forward from previous year .....	5,645,332	37,542,382
Appropriations:		
Less: Adjustment of depreciation (refer note 32 of accounts) .....	876,444	–
Transferred to Debenture Redemption Reserve.....	242,708,333	159,375,000
Proposed Dividend (including tax on distributed profits) .....	102,304,000	116,995,000
Transfer to General Reserve.....	–	–
Profit Carried to Balance Sheet .....	39,646,603	5,645,332

### Brief description of the Company's working during the year/State of the Company's affair.

During the year, your Company added thirteen (13) customers (5 in SEZ and 7 in DTA and 1 both in SEZ and DTA), taking the total number of customers in Mahindra World City, Jaipur (MWCJ) to Sixty Four (64). Five (5) existing customers also increased their footprint during the year. The total land leased out during the year is 58.52 acres (SEZ 16.47 acres and DTA 42.05 acres) and include companies across diverse industry segments. Some of the companies to whom land was leased during the year are Gaston Energy, Chokhi Dhani Resorts Pvt Ltd, Manu Yantralaya, Rajendra and Ursula Joshi Food Industries Pvt. Ltd., Ranka Paper Converters, Rexam HTW Beverage Can (India) Limited.

Five (5) customers (Kirat Craft, Appirio Cloud Solutions, Poly Medicare Private limited, JCB, Dynamic Powertech Private Limited) became operational during the year, taking the total number of operational customers to twenty four (24). During the year, seven (7) customers started their development activities for their respective campus/factories. The total development at eVolve is currently is 0.430 Million square feet rentable area comprising of 4 buildings. Out of the total rentable area of 0.430 Million square feet, an area of 0.394 Million square feet has been leased. The customers at eVolve include DBOI Global Services Pvt Ltd, Metlife, Genpact, EXL Services SEZ BPO Solution Pvt Ltd, Systweak, Phone Support Private Ltd and Appirio India Cloud Solutions Pvt Ltd.

The cumulative direct employment created by the companies at Mahindra World City, Jaipur was around 6836 and the total direct plus indirect employment generated was of 9512 persons. Exports by MWCJ clients grew by 3.91% to reach Rs. 1,119.24 Cr. in 2014-15 compared to Rs. 1,077.16 Cr.

during the previous year. Your Company and the customers based at MWCJ have together invested Rs. 2,377.11 crores in the project till March 31, 2015.

Your Company currently has 5 sector Specific Special Economic Zones (SEZs), viz. 2 in IT/ITes, and 1 each in Handicrafts, Engineering & Related Industries and Gems & Jewellery. The project also comprises a Domestic Tariff Area. The area currently notified, under the SEZs, is 1462.50 acres and the DTA comprises 500 acres.

During the year, 3 editions of the customer engagement platform, Coalesce have been conducted to discuss operational matters in the project and collaborate on new initiatives and infrastructure needs. This initiative has been received well by the customers.

Your company stays committed to sustainable development. Some of the achievements are below:

1. The IT building names as B2 in eVolve® received IGBC LEED Gold under category core and shell.
2. The Company became the first pre-certified Gold Green SEZ by IGBC.
3. The Company achieved the stage 2 certification by the C40 world leaders in sustainability and become the first project in India and 6th in Asia which has reached this stage.

### Reserve

From the profit for the year 2014-15, an amount of Rs. 242,708,333 (previous year Rs. 159,375,000) has been transferred to Debenture Redemption Reserve and the balance has been carried forward to P&L account and no amount has been transferred to General Reserve.

### **Dividend**

Your Directors have recommended a preference dividend of Rs. 0.80 per Share i.e. 8 per cent of the face value of Rs. 10 on 50,000,000 Cumulative Redeemable Preference shares of the Company for the year 2014-15. Your Directors have also recommended an equity dividend of Rs. 0.30 per share i.e. 3 per cent of the face value of Rs. 10 on 150,000,000 equity shares of the Company for the year 2014-15.

The total dividend payment for the year (including tax on distributed profits) amounts to Rs. 102,304,000 /-.

### **Change in the nature of business, if any**

NIL

### **Material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report.**

There have been no material changes and commitments affecting the financial position of the Company between the end of the financial year and the date of the report.

### **Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future**

No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operation in future.

### **Deposit/Advances**

Your Company has not accepted any deposits from the public or its employees during the year under review.

### **Statutory Auditors**

M/s Deloitte Haskins & Sells, Chartered Accountants, Chennai were appointed as Auditors of the Company in the 9<sup>th</sup> Annual General Meeting held on 19<sup>th</sup> September, 2014 in terms of Section 139 of the Companies Act, 2013. The Auditors shall hold office till the conclusion of the ensuing Annual General Meeting. The members will be required to appoint the Statutory Auditors in terms of relevant provisions of the Companies Act, 2013 and fix their remuneration.

As required by the provisions of section 139 and 141 of Companies Act, 2013, the Company has received written consent and certificate from M/s Deloitte Haskins & Sells, Chartered Accountant, (ICAI Firm Registration Number 008072S), proposing to be re-appointed as Auditors for one year i.e upto conclusion of the 11<sup>th</sup> Annual General Meeting of the Company to the effect that their appointment, if made, would be in conformity with the limits specified in that section.

The report of the auditors along with Notes on Accounts are self-explanatory and do not require any explanation.

### **Secretarial Auditors**

As per section 204 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial

Personnel) Rules, 2014 M/s JPS & Associates were appointed as Secretarial Auditors of the Company for 2015-16 for the fees as approved by the Board.

### **Statutory Auditors' Report**

NIL as no qualification, reservation or adverse remark or disclaimer was made by the auditor in his report.

### **Secretarial Audit Report**

The Secretarial Audit was conducted by M/s JPS & Associates, a firm of company secretary in practice. The Secretarial Audit Report for the period ended on 31.03.2015 is enclosed herewith as Annexure- 1.

Further there is no qualification, reservation or adverse remark made by the auditors in its report.

### **Share Capital**

The Authorized and paid-up Share Capital of the Company comprises of 150,000,000 equity shares of Rs. 10/- each aggregating Rs. 1,500,000,000/- and 50,000,000 8% Redeemable Cumulative Preference shares of Rs. 10/- each aggregating Rs. 500,000,000/- held by MLDL and RIICO in the ratio of 74:26.

During the year, the Company has not issued any equity shares with differential rights or any sweat equity shares. The Company does not have any Employee Stock Option Scheme and therefore the requirement of disclosures in respect of voting rights not exercised directly by the employees are not applicable to your Company.

Your Company continues to be a subsidiary Company of MLDL and consequently, a subsidiary company of the ultimate holding company, viz. Mahindra & Mahindra Limited.

### **Non-Convertible Debentures**

During the year, Company issued/allotted non-convertible debentures of Rs. 65 Crores.

### **Networth**

The networth of the Company at the close of the previous financial year (FY 2013-14) and at the close of the current financial year (FY 2014-15) was Rs. 23,244 Lacs and Rs. 26,550 Lacs respectively.

### **Holding Company**

Your Company is a subsidiary company of Mahindra Lifespace Developers Limited and consequently a subsidiary company of the ultimate holding company Mahindra & Mahindra Limited.

During the year, no company has become/ceased to be subsidiary/associate or joint venture company of your Company. Therefore the requirements of consolidated financial statement are not applicable to your Company.

### **Extract of the annual return**

The details forming part of the Extract of the Annual Return in Form MGT-9, as required under Section 92 of the Companies Act, 2013 is included in this Report as Annexure-2 and forms part of this Report.

**Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo**

Your Company does not have any Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo as per Section 134(3)(m) of the Companies Act, 2013 read with the Rule 8(3) of the Companies (Accounts) Rules, 2014 during the year under review. To this effect the annexure in the prescribed format is attached as Annexure-3 to this report.

**Employee Remuneration**

Being unlisted company, provision of Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not applicable to your Company.

**Sustainable Development**

Your Company’s aspirations of sustaining and enhancing its long term growth plans are well balanced by its conscious commitments to society and in its principles of conducting business in a fully compliant manner. Your Company partakes in letter and spirit its intention of being a responsible corporate citizen and is committed to contribute positively in all activities pertaining to environmental protection, health, safety, energy conservation and societal commitments while at the same time continuing to protect and enhance all stakeholders’ interests.

**Corporate Social Responsibility**

CSR forms an integral part of the Company. The Company believes that its initiatives and high ethical standards will definitely encourage a positive impact on everyone involved in the project directly or indirectly. During the year, the Company also re-constituted the CSR Committee consisting of three Directors by inducting one Independent Director. With a view to achieve inclusive social development, the Company has taken initiatives of organizing various training programs for school dropouts / unemployed youth and Women Empowerment, who are part of the local community around project area through a well-recognized NGO - Technology Business Incubator.

- Vocational Skill Development Training – Since its inception a total of 660 candidates have been trained. **In FY 14-15, the training was given to 230 candidates.**
- Formation of Women SHG’s – Since its inception 80 SHG’s have been formed with 810 women. **In FY 14-15, 5 new SHG’s with 23 women have been added.** In addition, **50 women** have been given advance training from the existing groups.
- The Company also conducted four medical camps in the neighboring villages around the project office of the Company.
- The Company also planted **5000 trees** in the neighboring villages around the project office of the Company including government schools.
- Under the Clean India Campaign, the Company took the initiative to **clean the Wildlife Zoo**. The Company plans to continue this activity by adopting the Wildlife Zoo so that this cleanliness drive can be undertaken on a regular and sustainable basis.

By virtue of these initiative and employee participation, the Company received the Skoch Order of Merit for CSR activities and also received Mahindra Group Silver category award for Star Performance and Esops award for CSR activities in non-factory locations.

100% of the planned CSR budget has been spent for FY 14-15.

The CSR Committee and the Board has approved the Corporate Social Responsibility Policy and the Company has posted the same on its website.

The disclosures as per Rule 9 of Companies (Corporate Social Responsibility Policy) Rules, 2014 is enclosed herewith as per Annexure 4 .

**Directors & Manager**

**A) Changes in Directors and Key Managerial Personnel**

During the year following directors ceased to the directors of the company-

S. No.	Name of the director	Director Identification Number	Date of Cessation
1.	Shri Abhay Kumar	02389148	16/04/2014
2.	Shri Devendra Bhushan Gupta	00225916	18/07/2014
3.	Shri Uday Yeshwant Phadke	00030191	19/09/2014
4.	Shri Raghunath Murti	00082761	19/01/2015

Pursuant to the provisions of Articles of Association, three directors shall retire by rotations:

- (1) Shri C.S Rajan (DIN\_00126063)
- (2) Ms. Anita Arjundas (DIN\_00243215)
- (3) Ms. Sangeeta Prasad (DIN\_02791944)

All the three are eligible for reappointment and all three have offered himself/herself for reappointment.

The Company has also appointed two independent directors during the year namely Shri Maheswar Sahu (DIN No. 00034051) and Shri Salil Singhal (DIN No. 00006629).

In the 47<sup>th</sup> Board meeting, the company has also appointed Mr. Sanjay Jain as Chief Financial Officer. The Board also appointed Ms. Prashi Jain as Company Secretary from the date of her joining to the Company.

**B) Declaration by an Independent Director(s) and re-appointment, if any**

In the 47<sup>th</sup> Board Meeting of the Company held on 26<sup>th</sup> March, 2015, a declaration has been received from the independent directors namely Shri Maheswar Sahu (DIN No. 00034051) and Shri Salil Singhal (DIN No. 00006629).

The Section 149 (6) of the Companies Act, 2013 states that- An independent director in relation to a company, means a director other than a managing director or a whole-time director or a nominee director,—

- (a) who, in the opinion of the Board, is a person of integrity and possesses relevant expertise and experience;

- (b) (i) who is or was not a promoter of the company or its holding, subsidiary or associate company;
- (ii) who is not related to promoters or directors in the company, its holding, subsidiary or associate Company;
- (c) who has or had no pecuniary relationship with the company, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;
- (d) none of whose relatives has or had pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to two per cent. or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
- (e) who, neither himself nor any of his relatives—
  - (i) holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed;
  - (ii) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of—
    - (A) a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
    - (B) any legal or a consulting firm that has or had any transaction with the Company, its holding, subsidiary or associate company amounting to ten per cent. or more of the gross turnover of such firm;
  - (iii) holds together with his relatives two per cent. or more of the total voting power of the Company; or
  - (iv) is a Chief Executive or director, by whatever name called, of any nonprofit organization that receives twenty-five per cent. or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two per cent. or more of the total voting power of the company; or
- (f) who possesses such other qualifications as may be prescribed.

A declaration has been received from the independent directors under section 149 (6) of the Companies Act, 2013.

### **C) Policy on appointment of directors and senior management and succession planning for orderly succession to the Board and the senior management**

As per the section 178(2) of the Companies Act, 2013, the Nomination and Remuneration Committee shall identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every Director's performance.

Accordingly, "Policy on appointment of Directors and senior management and succession planning for orderly succession to the board and the senior management" has been adopted by the Company.

The following policies of the Company are attached herewith and marked as Annexure – 5 and Annexure – 6 to this report.

1. Policy on appointment of Directors and Senior Management and succession planning for orderly succession to the Board and the Senior Management.
2. Policy on remuneration of Directors

### **D) Formal Annual Evaluation**

Evaluation Policy has been prepared by the company and was duly approved by the Board of Directors of the company in its meeting.

### **Number of meetings of the Board of Directors**

During the year under review, five meetings of the Board of Directors of the company were held on 16<sup>th</sup> April, 2014, 18<sup>th</sup> July, 2014, 8<sup>th</sup> October, 2014, 19<sup>th</sup> January, 2015 and 26<sup>th</sup> March, 2015. Further, one meeting was also conducted on 19<sup>th</sup> December, 2014 for issuance of Non- Convertible Debentures by a Committee of two Directors.

### **Committee Meetings**

#### **Audit Committee**

The terms of reference of the Audit Committee was enhanced in the Board meeting held on 16<sup>th</sup> April, 2014, pursuant to Section 177 of the Companies Act, 2013 and Rules made thereunder.

During the year, the Audit Committee was reconstituted by inducting the independent directors in the Board meeting held on 26<sup>th</sup> March'15. The Audit Committee comprises of three Directors, namely, Shri Maheswar Sahu (DIN No. 00034051), Shri Salil Singhal (DIN No. 00006629) and Ms. Veenu Gupta (DIN No. 02170999). Presently, Shri Maheswar Sahu is the Chairman of the Audit Committee. The Company Secretary is the Secretary to the Committee.

During the year under review, 4 meetings of the Audit Committee were held on 16<sup>th</sup> April, 2014, 18<sup>th</sup> July, 2014, 8<sup>th</sup> October, 2014 and 18<sup>th</sup> January, 2015.

### **Details of establishment of vigil mechanism for directors and employees**

The Company has adopted the Whistle Blower policy in respect of the vigil mechanism for directors and employees and the same has been posted on the website of the Company.

**Nomination and Remuneration Committee (earlier known as Remuneration Committee)**

Pursuant to Section 178 of the Companies Act, 2013, the Board of Directors in its meeting held on 16<sup>th</sup> April, 2014, renamed the Remuneration Committee as Nomination and Remuneration Committee and enhanced the terms of reference. The Committee is also authorized to formulate a policy, inter alia, with regard to the criteria for determining qualifications, positive attributes and independence of a Director, and shall ensure that the remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goal. Company has considered and approved Remuneration Policy for Key Managerial Personnel and Employees.

During the year the Nomination and Remuneration Committee was reconstituted by inducting the Independent directors on 26<sup>th</sup> March'15. The Nomination and Remuneration Committee comprises four Directors, namely Shri Maheswar Sahu (DIN No. 00034051), Shri Salil Singhal (DIN No. 00006629), Ms. Veenu Gupta (DIN No. 02170999), and Ms. Anita Arjundas (DIN No. 00243215). Shri Maheswar Sahu is the Chairman of the Nomination and Remuneration Committee.

During the year under review, two meetings of the Committee was held on 18<sup>th</sup> July, 2014 and 8<sup>th</sup> October, 2014.

**Corporate Social Responsibility (CSR) Committee**

During the year, Corporate Social Responsibility Committee of the Board was reconstituted by inducting independent director Shri Maheswar Sahu (DIN No. 00034051). The CSR Committee comprises of three Directors, namely Shri Maheswar Sahu (DIN No. 00034051), Ms. Veenu Gupta (DIN No. 02170999) and Ms. Sangeeta Prasad (DIN No. 02791944). Shri Maheswar Sahu is the Chairman of the CSR Committee.

The Committee recommended the roadmap for the year in terms of focus areas and the CSR policy to the Board for its approval. The Committee, based on the 3 years average profit, recommended a CSR budget of the Company for 2015-16 Rs 50.19 lacs was considered and approved accordingly company has carried out their CSR activities.

During the year under review, three meetings of the Committee were held on 16<sup>th</sup> April, 2014, 2<sup>nd</sup> September, 2014 and 26<sup>th</sup> March, 2015.

**Other Committees**

The Company has also constituted other committees namely Capital Issue Committee, Land Lease Committee, Contract Committee and Loans & Investments Committee, in order to facilitate smooth and proper functioning of the Company.

**Codes of Conduct**

The Company adopted Codes of Conduct ("the Codes") for its Directors and Senior Management personnel and Employees. These Codes enunciate the underlying principles governing the conduct of the Company's business and seek to reiterate the fundamental precept that good governance must and would always be an integral part of the Company's ethos.

The Company has for the year under review, received declarations under the Codes from the Board Members and senior management employees affirming compliance with the respective Codes.

**Particulars of loans, guarantees or investments under section 186 of the Companies Act, 2013.**

As your Company is engaged in the business of providing Infrastructural facilities, the provisions of Section 186 of the Companies Act, 2013 related to loans made, guarantees given or securities provided are not applicable to the Company.

**Particulars of contracts or arrangements with related parties:**

All contracts/arrangements/transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. During the year, the Company had not entered into any contract/arrangement/transaction with related parties which could be considered material. Therefore, the form AOC-2 is not applicable to the Company. Your Directors draw attention to Note no. 35 to the financial statement which sets out details of transactions with related parties.

**Risk management policy & Internal Control over financial reporting (ICFR)**

The Company has started internal control by way of introducing a financial review system wherein company has prepared the risk control matrix of major functional areas. The finance team carried out the review of various major functions performed during the financial year 2014-15 like sales, contract, O&M, procurement and budgeting.

Your Company has appropriate risk management systems in place for identification and assessment of risks, measures to mitigate them, and mechanisms for their proper and timely monitoring and reporting. The Board periodically reviews implementation and monitoring of the risk management plan for the Company.

**Directors' Responsibility Statement**

Pursuant to Section 134(3)(c) of the Companies Act, 2013, the Directors, based on the representations received from the operating management and after due enquiry, confirm that:

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) they had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year 31<sup>st</sup> March, 2015 and of the profit of the Company for that period;
- (c) they had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

- (d) they had prepared the annual accounts on a going concern basis;
- (e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and.
- (f) they had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**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 work place (Prevention, Prohibition and Redressal) Act, 2013, for prevention of sexual harassment.

**General**

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:

- Issue of equity shares with differential rights as to dividend, voting or otherwise.
- 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.
- 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.

**Cautionary statement:**

*Certain statements in the Directors' Report describing the Company's objectives, projections, estimates, expectations*

*or predictions may be forward-looking statements within the meaning of applicable securities laws and regulations. Actual results could differ from those expressed or implied. Important factors that could make a difference to the Company's operations include labour and material availability, and prices, cyclical demand and pricing in the Company's principal markets, changes in government regulations, tax regimes, economic development within India and other incidental factors.*

**Acknowledgements**

The Board of Directors thank and wish to place on record its appreciation to the Ministry of Commerce & Industry, Board of Approvals (SEZ), Development Commissioner, Noida Special Economic Zone, Development Commissioner SEZs, Government of Rajasthan, and all the agencies and Departments of the State Government, Bankers – State Bank of India, HDFC Bank, Kotak Mahindra Bank, Axis Trustee our valuable customers and the employees of the Company at all levels, for their continued co-operation and unstinted support.

The Directors also express their sincere thanks to the shareholders for the continued support and trust they have shown in the Management.

**For and on behalf of the Board of Director  
Mahindra World City (Jaipur) Limited**

**Ms. Anita Arjundas**  
Director (DIN 00243215)

**Ms. Sangeeta Prasad**  
Director (DIN 02791944)

Jaipur, 28<sup>th</sup> April, 2015

## ANNEXURE 1 TO THE DIRECTORS' REPORT

### SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR 2014-15

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies  
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
**Mahindra World City (Jaipur) Limited,**  
4<sup>th</sup> Floor, 411, Neelkanth Tower,  
Bhawani Singh Road, C Scheme,  
Jaipur - 302001.

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

(II) Based on our verification of the Company's statutory registers and records, minutes books, forms and returns filed with various authorities and other records maintained by the Company and also the information and explanation provided by the Company, its officers, agents and authorised representatives during the conduct of Secretarial Audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2015 complied with various provisions or statutory enactments listed hereunder at clause (III) and that the Company has proper Board processes and compliance mechanism in place to the extent and in the manner and subject to the reporting made hereinafter.

(III) We have examined the Statutory Registers, Minutes books of the General Meetings, Board Meetings and Committee Meetings, Forms and Returns filed with various Authorities and other records maintained by the Company for the financial year ended on March 31, 2015, according to the provisions of:

1. The Companies Act, 2013 and the Rules made thereunder;
  2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
  3. The Depositories Act, 1996 and the Regulation and Bye-laws framed thereunder;
  4. The Indian Stamp Act, 1899
  5. The Income Tax act, 1961.
  6. The Customs Act, 1962;
  7. Service Tax Laws;
  8. The Central Sales Tax Act, 1956;
  9. The Rajasthan Value Added Tax Act, 2003
  10. The Special Economic Zones Act, 2005;
  11. Employees Provident Fund and Miscellaneous Provisions Act, 1952;
  12. Employers Liability Act, 1938;
  13. The Payment of Gratuity Act, 1972
  14. The Contract Labour (Regulation and Abolition) Act, 1970;
  15. Employment Exchange (Compulsory Notification of Vacancies) Act, 1959
  16. The Environment (Protection) Act, 1986;
  17. The Water (Prevention and Control of Pollution) Act, 1974
  18. The Air (Prevention and Control of Pollution) Act, 1974
- (IV) Since the company did not receive any Foreign Direct Investment and/or External Commercial Borrowings and did not make any Overseas Direct Investment, the provisions of Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder relating thereto were not applicable to the company during the year under review.
- (V) Since the company is an unlisted company, the Securities and Exchange Board of India Act. 1992 ('SEBI Act') and the Rules, Regulations and guidelines made there under are not applicable to the company during the year under review.
- (VI) We have also examined the compliance with applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India.
- (VII) Based on our above mentioned examination and verification of records and information and explanation provided to us by the management, officer, employee and staff of the company, we report that during the financial year under review the Company has complied with the provisions or the Acts, Rules, Regulations, Guidelines, Standards etc. mentioned above.
- (VIII) We further report that having regard to the size and nature of the company the Board of Directors or the Company is duly constituted with proper balance of Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Act.

- (IX) We further report that keeping in view the size and nature of the company, in our opinion adequate notices were given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance and system exists for seeking and obtaining further, information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- (X) We further report that decisions were observed to be carried out by majority, however, we do not come across or explained with any instance of dissenting members, whose views need to be separately recorded in the minutes books as such.
- (XI) We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
- (XII) We further report that during the financial year under review the Company has issued Non Convertible debentures on private placement and complied With necessary provisions of the Act in this regard.
- (XIII) We further report that during the audit period, there were no instances of:
- (i) Public/Rights/Preferential issue of shares/sweat equity;
  - (ii) Redemption/buy-back of securities;
  - (iii) Merger/amalgamation/reconstruction etc.;
  - (iv) Foreign technical collaborations.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed, provide a reasonable basis for our opinion;
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company;
4. Wherever required, we have obtained the Management Representation, in writing as well as verbal, about the compliance of laws, rules and regulations and happening of events etc.;
5. The Compliance of the provisions or the Corporate and other applicable laws, rules, regulations, standards etc. is the responsibility of the management. Our examination was limited to the verification of the procedures on test basis;
6. The secretarial audit report, is neither an assurance as to the future viability of the Company nor of the efficacy or the effectiveness with which the management has conducted the affairs of the company.
7. The compilation of the Secretarial Audit Report and the above mentioned contents are without any bias and/or prejudice.

Our above report is subject to the following:

1. Maintenance of Secretarial Records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records, based on our audit;

**For JPS & Associates**  
Company Secretaries

**Jai Prakash Sharma**  
*Partner*  
(C.P. No. 5161)

*Jaipur, 24<sup>th</sup> April, 2015*



**ANNEXURE 2 TO THE DIRECTORS' REPORT**

Form No. MGT-9

**EXTRACT OF ANNUAL RETURN  
As on financial year ended on 31.03.2015****Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company  
(Management & Administration) Rules, 2014****I. REGISTRATION AND OTHER DETAILS:**

1.	CIN	U45209RJ2005PLC021207
2.	Registration Date	26/08/2005
3.	Name of the Company	Mahindra World City (Jaipur) Limited
4.	Category/Sub-category of the Company	Category: Company Limited by Shares Sub Category: Indian Non Government Company
5.	Address of the Registered office & contact details	4 <sup>th</sup> Floor, 411, Neelkanth Tower, Bhawani Singh Road, C-Scheme, Jaipur, Rajasthan- 302001 Email: JAIN.SANJAY@mahindra.com Tel. No. 91-141-3003461 Fax No. 91-141-2243060
6.	Whether listed company	No
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Not Applicable for equity and preference shares. (Name:-Mr. Nilesh Bhandari Representative of Sharepro Services (India) Private Limited Address: 13 AB, 2 <sup>nd</sup> Floor, Samhita Warehousing Complex, Sakinaka Telephone Exchange Lane, Off Andheri Kurla Road, Sakinaka, Andheri (East) Mumbai - 400 072 Contact No.: 67720386/67720354; 09833515383 We have appointed the above mentioned Registrar and Transfer agent for the issuance of Non Convertible Debentures.)

**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)

Sr. No.	Name and Description of main products/services	NIC Code of the Product/service	% to total turnover of the company
1	Other specialized constructions activities [Development, Operation and Maintenance of Special Economic zone (SEZ) and Domestic Tariff Area (DTA)]	439	100%

**III. Particulars of Holding, subsidiary and associate Companies**

Sr. No.	Name and Address of company	Country	CIN/GLN	Holding/ Subsidiary/ Associate	% holding as at 31.03.2015	Applicable Section
1	Mahindra Lifespace Developers Limited Mahindra Towers 5th Floor Road No 13, Worli, Mumbai- 400018	India	L45200MH1999PLC118949	Holding	74%	Section 2(87)

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**

**a) Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2014]				No. of Shares held at the end of the year [As on 31-March-2015]				% 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(s)	–	–	–	–	–	–	–	–	–
d) Bodies Corp.	–	15,00,00,000	15,00,00,000	100%	–	15,00,00,000	15,00,00,000	100%	–
e) Banks/FI	–	–	–	–	–	–	–	–	–
f) Any Other	–	–	–	–	–	–	–	–	–
<b>Total shareholding of Promoter (A)</b>	–	15,00,00,000	15,00,00,000	100%	–	15,00,00,000	15,00,00,000	100%	–
<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>2. Non-Institutions</b>									
a) Bodies Corp.	–	–	–	–	–	–	–	–	–
i) Indian	–	–	–	–	–	–	–	–	–
ii) Overseas	–	–	–	–	–	–	–	–	–
b) Individuals	–	–	–	–	–	–	–	–	–
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)	–	–	–	–	–	–	–	–	–
Non Resident Indians	–	–	–	–	–	–	–	–	–
Overseas Corporate Bodies	–	–	–	–	–	–	–	–	–
Foreign Nationals	–	–	–	–	–	–	–	–	–
Clearing Members	–	–	–	–	–	–	–	–	–
Trusts	–	–	–	–	–	–	–	–	–
Foreign Bodies - D R	–	–	–	–	–	–	–	–	–
<b>Sub-Total (B)(2):-</b>	–	–	–	–	–	–	–	–	–
Total Public Shareholding (B)=(B)(1)+(B)(2)	–	–	–	–	–	–	–	–	–
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	–	–	–	–	–	–	–	–	–
<b>Grand Total (A+B+C)</b>	–	15,00,00,000	15,00,00,000	100%	–	15,00,00,000	15,00,00,000	100%	–

**b) Shareholding of Promoter-**

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change In shareholding 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 Ltd.	11,09,99,940	73.99%	–	11,09,99,940	73.99%	–	–
2	Mahindra Lifespace Developers Ltd. & Narayan Shankar	10	0.000005%	–	10	0.000005%	–	–
3	Mahindra Lifespace Developers Ltd & Arun Nanda	10	0.000005%	–	10	0.000005%	–	–
4	Rajasthan State Industrial Development & Investment Corporation Ltd. (RIICO)	3,90,00,000	26%	–	3,90,00,000	26%	–	–
5	Mahindra Lifespace Developers Ltd. & Sanjay Srivastava	10	0.000005%	–	10	0.000005%	–	–
6	Mahindra Lifespace Developers Ltd. & Suhas Kulkarni	10	0.000005%	–	10	0.000005%	–	–
7	Mahindra Lifespace Developers Ltd. & Anita Arjundas	10	0.000005%	–	10	0.000005%	–	–
8	Mahindra Lifespace Developers Ltd & Sangeeta Prasad	10	0.000005%	–	10	0.000005%	–	–
	<b>Total</b>	<b>15,00,00,000</b>	<b>100.00</b>	<b>–</b>	<b>15,00,00,000</b>	<b>100.00</b>	<b>–</b>	<b>–</b>

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

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year				
	Mahindra Lifespace Developers Limited (60 shares are held in joint name.)	11,10,00,000	74	11,10,00,000	74
	Rajasthan State Industrial Development and Investment Corporation Limited	3,90,00,000	26	3,90,00,000	26
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment /transfer/bonus/ sweat equity etc.):	–	–	–	–
	At the end of the year				
	Mahindra Lifespace Developers Limited (60 shares are held in joint name.)	11,10,00,000	74	11,10,00,000	74
	Rajasthan State Industrial Development and Investment Corporation Limited	3,90,00,000	26	3,90,00,000	26
	<b>Total</b>	<b>15,00,00,000</b>	<b>100</b>	<b>15,00,00,000</b>	<b>100</b>

**d) Shareholding Pattern of top ten Shareholders: Nil**

**(Other than Directors, Promoters and Holders of GDRs and ADRs):**

Sr. No.	For Each of the 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
	At the beginning of the year	–	–	–	–
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment/transfer/bonus/ sweat equity etc):	–	–	–	–
	At the end of the year	–	–	–	–

**e) Shareholding of Directors and Key Managerial Personnel:**

Sr. No.	Shareholding of each Directors and each Key Managerial Personnel	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				
	Mahindra Lifespace Developers Ltd. And Arun Nanda	10	0.000005	10	0.000005
	Mahindra Lifespace Developers Ltd. And Sanjay Srivastava	10	0.000005	10	0.000005
	Mahindra Lifespace Developers Ltd. And Anita Arjundas	10	0.000005	10	0.000005
	Mahindra Lifespace Developers Ltd. And Sangeeta Prasad	10	0.000005	10	0.000005
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment/transfer/bonus/ sweat equity etc):	–	–	–	–
	At the end of the year	40	0.000020	40	0.000020

**f) INDEBTEDNESS - Indebtedness of the Company including interest outstanding/accrued but not due for payment.**

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>	–	–	–	–
i) Principal Amount	3,16,10,00,000	–	–	3,16,10,00,000
ii) Interest due but not paid	–	–	–	–
iii) Interest accrued but not due	30,62,52,091	–	–	30,62,52,091
<b>Total (i + ii + iii)</b>	3,46,72,52,091	–	–	3,46,72,52,091
<b>Change in Indebtedness during the financial year</b>				
* Addition	74,73,75,653	–	–	74,73,75,653
* Reduction	(66,80,91,941)	–	–	(66,80,91,941)
<b>Net Change</b>	7,92,83,712	–	–	7,92,83,712
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	3,15,76,95,835	–	–	3,15,76,95,835
ii) Interest due but not paid	–	–	–	–
iii) Interest accrued but not due	38,88,39,968	–	–	38,88,39,968
<b>Total (i + ii + iii)</b>	3,54,65,35,803	–	–	3,54,65,35,803

**XI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-**
**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager				Total Amount
		Manager	—	—	—	
1.	Gross salary					
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	9271324	—	—	—	9271324
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961	32400	—	—	—	32400
	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 SAR's	—	—	—	—	—
	Total (A)	9303724	—	—	—	9303724
	Ceiling as per the Act					

\* The amount of salary of Mr. Sanjay Srivastava debited in the financials for the year ended 31st March, 2015 is Rs. 9,968,046/- which is as per the Companies Act, 2013.

**B. Remuneration to other directors: Nil (Since there was no remuneration paid to directors during the financial year)**

Sr. No.	Particulars of Remuneration	Name of Directors				Total Amount
		—	—	—	—	
1	Independent Directors					
	Fee for attending board committee meetings	—	—	—	—	—
	Commission	—	—	—	—	—
	Others, please specify	—	—	—	—	—
	Total (1)	—	—	—	—	—
2	Other Non-Executive Directors					
	Fee for attending board committee meetings	—	—	—	—	—
	Commission	—	—	—	—	—
	Others, please specify	—	—	—	—	—
	Total (2)	—	—	—	—	—
	Total (B)=(1 + 2)	—	—	—	—	—
	Total Managerial Remuneration	—	—	—	—	—
	Overall Ceiling as per the Act					

**C. Remuneration to key managerial personnel other than MD/Manager/WTD:**

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS*	CFO*	Total
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	—	4075788.87	—	4075788.87
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	—	452770.68	—	452770.68
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	—	—	—	—
2	Stock Option	—	—	—	—
3	Sweat Equity	—	—	—	—

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS*	CFO*	Total
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	others, specify...	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	-	4528559.55	-	4528559.55

\* Mr. Sanjay Jain has worked as Company Secretary cum GM Accounts till 25th March, 2015 and thereafter he has started working as Chief Financial Officer.

**XII. PENALTIES/PUNISHMENT/ COMPOUNDING OF OFFENCES:**

There was no penalties/ punishments/ compounding of offences for the year ending 31.03.2015

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	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>B. DIRECTORS</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

For and on behalf of the Board of Directors  
Mahindra World City (Jaipur) Limited

Anita Arjundas  
Director  
DIN: 00243215

Sangeeta Prasad  
Director  
DIN: 02791944

Jaipur, 28<sup>th</sup> April, 2015

**ANNEXURE – 3 TO THE DIRECTORS’ REPORT****PARTICULARS AS PER THE COMPANIES (ACCOUNTS) RULES ,2014 AND FORMING PART OF THE DIRECTORS’ REPORT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2015.****A. CONSERVATION OF ENERGY**

- a) Energy conservation measures taken :

The Company is regularly pursuing the initiatives taken for energy conservation which include introduction of LED lighting, use of re-cycled water, plantation etc.

- b) Additional investments and proposals, if any, being implemented for reduction of consumption of energy:

The Company has been working with Mahindra EPC for use of solar power.

- c) Impact of the measures taken/to be taken at (a) & (b) above for reduction of energy consumption and consequent impact on the cost of production of goods: Energy saving of 30% due to use of LED street lights.

- d) Total energy consumption and energy consumption per unit of production as per Form-A of the Annexure to the Rules in respect of Industries specified in the Schedule: Not applicable

**B. TECHNOLOGY ABSORPTION****Research & Development (R&D)**

- |   |  |
|---|--|
| 1. Areas in which R & D is carried out:               | The Company has not carried out any specific R&D activities during the year. |
| 2. Benefits derived as a result of the above efforts: | Not Applicable.  |
| 3. Future Plan of action:                             | Further quality improvement  |
| 4. Expenditure on R & D:                              | Nil  |
| 5. Technology absorption, adaptation and innovation:  | Nil  |
| 6. Imported Technology for the last 5 years:          | Nil  |

**C. FOREIGN EXCHANGE EARNINGS AND OUTGO**

Your Company has incurred expenditure in foreign exchange to the extent of Rs. 5,27,938/- during the year under review. Foreign exchange earnings during the year was Nil.

**For and on behalf of the Board**

**Ms. Anita Arjundas**  
Director (DIN 00243215)

**Ms. Sangeeta Prasad**  
Director (DIN 02791944)

Jaipur, 28<sup>th</sup> April, 2015

## ANNEXURE 4 TO THE DIRECTORS' REPORT

### Form CSR

Annual Report on CSR Activities as a part of the Board's Report.

1. A brief outline of the company CSR Policy, including overview of projects or programs proposed to be taken and a reference to the Web link to the CSR Policy and projects or programs.

CSR forms an integral part of the Company. The Company believes that its initiatives and high ethical standards will definitely encourage a positive impact on everyone involved in the project directly or indirectly. During the year, the Company has also re-constituted the CSR Committee consisting of three Directors. With a view to achieve inclusive social development, the Company has taken initiatives of organizing various training programs for school dropouts/unemployed youth and Women Empowerment, who are part of the local community around project area through a well-recognized NGO - Technology Business Incubator.

- Vocational Skill Development Training – Since its inception a total of 1070 candidates have been trained. In FY 14-15 training was given to 230 candidates.
- Formation of Women SHG's – Since its inception 80 SHG's have been formed with 810 women. In FY 14-15 we added 5 new SHG's with 23 women. In addition, 50 women have been given advance training from the existing groups.
- Four medical camps also conducted in the neighbouring villages around the project site of the Company.
- The Company planted 5000 trees in the neighbouring villages around the project office of the company including government schools.

- c. Manner in which the amount spent during the financial year is detailed below:

Sr. No.	CSR project or activity identified	Sector in which the project is covered	Projects or programs (1) Local Area or other (2) Specify the State and district where projects or programmes was taken.	Amount outlay (budget) project or program wise.	Amount spent on the projects or programme sub-heads: (1) Direct expenditure on projects or programme (2 overheads)	Cumulative expenditure upto to the reporting period.	Amount spent: Direct or through implementary agency.
1.	Skill Development Activity	Education	Jaipur/Rajasthan	800000	800000	800000	0
2.	Skill Development Activity	Education	Jaipur/Rajasthan	450000	450000	1250000	0
3.	Making safe drinking water available	Education	Jaipur/Rajasthan	50000	38000	1288000	0
4.	Book Fair, Youth awareness camp, Faculty Development Programme	Education	Jaipur/Rajasthan	23000	40566	1328566	0

- Under the Clean India Campaign, the Company took the initiative to clean the Wildlife Zoo. The Company plans to continue this activity by adopting the Wildlife Zoo so that this cleanliness drive can be undertaken on a regular and sustainable basis.

By virtue of these initiative and employee participation, in the same year, the Company received the Skoch Order of Merit for CSR activities and also received Mahindra Group Silver category award for Star Performance and Esops award for CSR activities in non-factory locations.

A details report of all activities in attached for reference. We are happy to inform that 100% of the CSR budget has been consumed for FY 14-15.

The disclosures as per Rule 9 of Companies (Corporate Social Responsibility Policy) Rules, 2014 shall be made.

2. The Composition of the CSR Committee.

The Corporate Social Responsibility (CSR) Committee of your Company presently comprises of three Directors, namely Mr Maheswar Sahu, Ms Veenu Gupta and Ms Sangeeta Prasad.

3. Average Net profit of the company for the last three financial years (Before tax).

Rs. 2513.40

4. Prescribed CSR Expenditure (two percent of the amount as in item no. 3).

Rs. 50.27

5. Details of CSR spent during the financial year.

- a. Total amount to be spent for the financial year;
- b. Amount unspent, if any;



Sr. No.	CSR project or activity identified	Sector in which the project is covered	Projects or programs (1) Local Area or other (2) Specify the State and district where projects or programmes was taken.	Amount outlay (budget) project or program wise.	Amount spent on the projects or programme sub-heads: (1) Direct expenditure on projects or programme (2 overheads)	Cumulative expenditure upto to the reporting period.	Amount spent: Direct or through implementary agency.
5.	Class Room Construction	Education	Jaipur/Rajasthan	300000	308343	1636909	0
6.	Education of the girl child	Education	Jaipur/Rajasthan	1200000	1200000	2836909	0
7.	Education of the girl child Amount spent through implementary agency.	Education	Chennai	810000	810000	3646909	0
8.	Education of the girl child Amount through implementary agency.	Education	Chennai	499000	499000	4145909	0
9.	Providing Hygenic Sanitation facility for female students	Education	Jaipur/Rajasthan	187000	318228	4464137	0
10.	Make a Wish	Education	Jaipur/Rajasthan	0	95650	4559787	0
11.	Mid Day Meal Contribution	Health	Jaipur/Rajasthan	200000	174400	4734187	0
12.	Dental Camp	Health	Jaipur/Rajasthan	50000	32814	4767001	0
13.	Eye Camp	Health	Jaipur/Rajasthan	50000	45144	4812145	0
14.	Clean India Campaign (Animal Welfare) Jaipur Zoo	Environment	Jaipur/Rajasthan	200000	77126	4889271	0
15.	Tree Plantation Drive	Environment	Jaipur/Rajasthan	200000	137236	5026507	0

Give Details of implementary agency:

TECHNOLOGY BUSINESS INCUBATOR-KIET is jointly promoted by Department of Science & Technology, Govt. of India & Krishna Institute of Engineering & Technology, Ghaziabad . TBI-KIET is registered under Society Registration Act 1860 initiated by DST support to demonstrate a model of creating knowledge based enterprise & creation of job opportunities through innovation & entrepreneurship and also market oriented skilled trained rural personnel to meet out the requirement of industries thereby uplifting the economics status & livelihood of the people.

The K. C. MAHINDRA EDUCATION TRUST in the year 1953, with an objective of promoting literacy and higher learning in the country. It is registered as a public Charitable Trust under the Bombay Public Trusts Act, 1950. Over the years, the Trust has undertaken a number of education initiatives, which make a difference in the lives of deserving and needy students. The trust has provided more than Rs. 440.34 million (8.81 million \$) in the form of grants, scholarships and loans. These funds are derived from the trusts investment portfolio, the main donor of which is the Mahindra group of companies. Since its inception, the trust has promoted education mainly by way of scholarships and grants to deserving and needy students.

- In case the company has failed to spend the two percent of average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board Report.
- A responsibility statement of the CSR committee that the implementation and monitoring of CSR policy, is in compliance with the CSR objectives and policy of the company.

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

**For Mahindra World City (Jaipur) Limited**

**Ms. Anita Arjundas**  
Director  
(DIN 0243215)

**Ms. Sangeeta Prasad**  
Director  
(DIN02791944)

Jaipur, 28<sup>th</sup> April, 2015

## ANNEXURE 5 TO THE DIRECTORS' REPORT

### POLICY ON APPOINTMENT OF DIRECTORS AND SENIOR MANAGEMENT AND SUCCESSION PLANNING FOR ORDERLY SUCCESSION TO THE BOARD AND THE SENIOR MANAGEMENT

#### DEFINITIONS

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

“**Board**” means Board of Directors of the Company.

“**Company**” means Mahindra World City (Jaipur) Limited.

“**Committee(s)**” means Committees of the Board for the time being in force.

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

“**HR**” means the Human Resource department of the Company.

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

- (i) Managing Director (MD), or Chief Executive Officer (CEO); or Manager; or Whole time Director (WTD)
- (ii) Chief Financial Officer (CFO); and
- (iii) Company Secretary (CS).

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

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

#### I. APPOINTMENT OF DIRECTORS

The NRC reviews and assesses Board composition and recommends the appointment of new Directors. In evaluating the suitability of individual Board member, the NRC shall take into account the following criteria regarding qualifications, positive attributes and also independence of director when ID is to be appointed :

1. All Board appointments will be based on merit, in the context of the skills, experience, diversity, and knowledge, for the Board as a whole to be effective.
2. Ability of the candidates to devote sufficient time and attention to his / her professional obligations as Director for informed and balanced decision making.
3. Adherence to the applicable Code of Conduct and highest level of Corporate Governance in letter and in spirit by the Directors.

Based on recommendation of the NRC, the Board will evaluate the candidate(s) and decide on the selection of the appropriate member. The Board through the Chairman or 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.

#### II. SUCCESSION PLANNING:

##### Purpose

The Talent Management Policy sets out the approach to the development and management of talent in the Company to ensure effective conduct of Company's business and implementation of the strategic business plans of the Company.

##### Board:

The successors for the Independent Directors shall be identified by the NRC atleast one quarter before expiry of the scheduled term. In case of separation of Independent Directors due to resignation or otherwise, successor will be appointed at the earliest but not later than the immediate next Board meeting or three months from the date of such vacancy, whichever is later.

The successors for the Executive Director(s) shall be identified by the NRC from among the Senior Management or through external source as the Board may deem fit. If the office of any whole-time key managerial personnel is vacated, the resulting vacancy shall be filled-up by the Board at a meeting of the Board within a period of six months from the date of such vacancy.

The NRC will accord due consideration for the expertise and other criteria required for the successor. Subject to the applicable statutory provisions, the Board may also

decide not to fill the vacancy caused at its discretion.

**Senior Management Personnel:**

A good succession-planning program aims to identify high growth individuals, train them and feed the pipelines with new talent. It will ensure replacements for key job incumbents in KMPs and senior management positions in the organization.

Significantly, we have a process of identifying Hi-pots and critical positions. Successors are mapped for these positions at the following levels:

1. Emergency successor
2. Ready now
3. Ready in 1 to 2 years
4. Ready in 2 to 5 years
5. Ready in more than 5 years

In order to ensure talent readiness as per a laddered approach.

**Policy Statement**

The Talent Management framework of the Company has been created to address three basic issues:

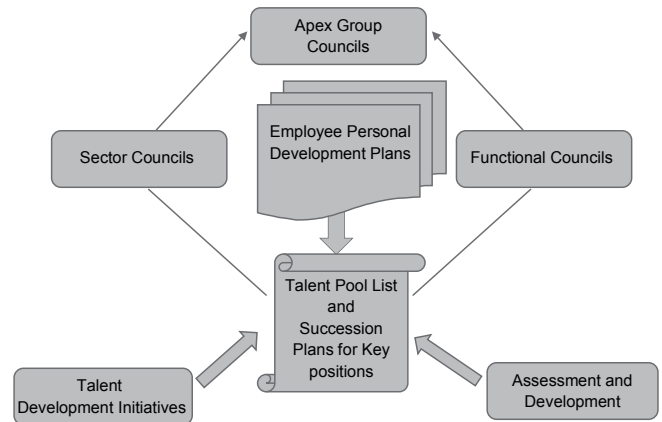
- 1) Given the strategic business plans, do we have the skills and competencies required to implement them? If not, how do we create them – by developing them internally or through lateral induction from outside?
- 2) For critical positions, what is the succession pipeline?
- 3) What are the individual development plans for individuals both in the succession pipeline as well as others?

The framework lays down an architecture and processes to address these questions using the 3E approach:

- a) Experience i.e. both long and short-term assignments. This has 70% weightage
- b) Exposure i.e. coaching and mentoring – 20% weightage
- c) Education i.e. learning and development initiatives – 10% weightage

The Talent Management process is applicable to all employees. Over the years, the Talent Management framework has become a well-structured and process-oriented system which is driven by an interactive and collaborative network of Talent Councils at the Mahindra Group and Real Estate Sector. These Talent Councils, which consist mainly of Senior Business Leaders supported by HR, are a mix of Real Estate Sector and Functional Councils coordinated by an Apex Talent Council of Mahindra Group. The Apex Talent Council of Mahindra Group reviews the work done by the Talent Councils and facilitates movement of talent across Sectors. The Real Estate Sector / Real Estate Functional Councils meet regularly throughout the year and the Mahindra Group Apex Talent Council interacts with each one of them separately once a year, and in addition conducts an integrated meeting where the Chairpersons of all the Councils are present.

The Talent Management process can be represented pictorially as under:



The talent pipeline is maintained and developed so as to ensure that there is a seamless flow of talent. An important part of this exercise is drawing up and implementing IDAPs (Individual Development Action Plans) for every Executive concerned using the 3E approach mentioned above.

## **ANNEXURE 6 TO THE DIRECTORS' REPORT**

### **POLICY FOR REMUNERATION OF THE DIRECTORS**

#### **Purpose**

This Policy sets out the approach to Compensation of Directors, in Mahindra World City (Jaipur) Limited.

#### **Policy Statement**

We have a well-defined Compensation policy for Directors, of the Company. The overall compensation philosophy which guides us to focus on enhancing the value, to attract, to retain and motivate Directors for achieving objectives of the Company and to maintain the pioneer status in the Integrated Business City format, to be the most trusted brand in the business we operate in and focus on customer centricity through transparency, quality and on-time delivery, to be a thought leader and establish industry benchmarks in Sustainable Development.

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.

#### **Directors**

The Chief Operating Officer is an executive of the Company and draws remuneration from the Company. Independent Directors receive sitting fees for attending the meeting of the Board and the Committees thereof, as fixed by the Board of Directors from time to time subject to statutory provisions.

#### **Disclosures**

Information on the total remuneration of members of the Company's Board of Directors, Chief Operating Officer and KMP/senior management personnel may be disclosed in the Board's report and the Company's annual report/website as per statutory requirements in this regard.

## INDEPENDENT AUDITORS' REPORT

### TO THE MEMBERS OF MAHINDRA WORLD CITY (JAIPUR) LIMITED

#### Report on the Financial Statements

We have audited the accompanying financial statements of **MAHINDRA WORLD CITY (JAIPUR) LIMITED** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March 2015, 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 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.

#### Auditors' 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 these 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, its profit and its cash flows for the year ended on that date.

#### Report on Other Legal and Regulatory Requirements

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 paragraph 3 and 4 of the Order.

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 & Auditors) Rule, 2014, in our opinion and to the best of our information and according to the explanation given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements. Refer note 28 to the financial statements.
  - ii. The Company did not have material foreseeable losses on long term contracts and there were no derivative contracts. Refer note 38 to the financial statements.
  - 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. 008072S)

**Geetha Suryanarayanan**  
Partner  
(Membership No. 29519)

Place: Jaipur  
Date: 28<sup>th</sup> April, 2015

## ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

(Referred to under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of Mahindra World City (Jaipur) Limited on the accounts for the year ended 31<sup>st</sup> March 2015)

- (i) Having regard to the nature of the Company's business/ activities/result, clause (v) of the Order is not applicable to the Company in the current year.
- (ii) In respect of its fixed assets:
- (a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
- (iii) In respect of its inventory:
- (a) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals.
- (b) In our opinion and according to the information and explanation 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) In our opinion and according to the information and explanations given to us, 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.
- (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 purchases and the sale of inventory. During the course of our audit, we have not observed any continuing failure to correct major weakness in such internal control system.
- (vi) We have broadly reviewed the cost records maintained by the Company specified by the Central Government under sub-section (1) of Section 48 of the Companies Act, 2013 and are of the opinion that prima facie the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) According to the information and explanations given to us in respect of statutory dues:
- (a) The Company has been generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, wealth

tax, sales tax, service tax, value added tax, duty of customs, duty of excise, cess and other material statutory dues applicable to it with the appropriate authorities and there were no outstanding statutory dues as at the last day of the financial year for a period of more than six months from the date they became payable.

- (b) Details of dues of Income Tax and Entry tax which have not been deposited as on March 31, 2015 on account of disputes are given below:

Statute	Nature of dues	Forum where dispute is pending	Financial Year	Amount involved (₹ in lakhs)
Income Tax Act, 1961	Income Tax including interest	Income Tax Appellate Tribunal	2008-09	6.79
		Commissioner of Income Tax - (Appeals)	2010-11	30.73
Rajasthan Entry Tax Act, 1999	Rajasthan entry tax	High court of Rajasthan	2010-11 to 2014-15	42.93

- (c) There are no amounts required to be transferred to the Investor Education and Protection Fund by the Company during the year.
- (viii) There are no accumulated losses at the end of the financial year and the Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- (ix) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues in respect of term loans.
- (x) In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
- (xi) In our opinion and according to the information and explanations given to us, the term loans have been applied by the Company during the year for the purposes for which they were obtained.
- (xii) 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. 008072S)

**Geetha Suryanarayana**  
Partner  
(Membership No. 29519)

Place: Jaipur  
Date: 28<sup>th</sup> April, 2015

**BALANCE SHEET AS AT MARCH 31, 2015**

Particulars	Note No.	As at	
		March 31, 2015	March 31, 2014
		₹	₹
<b>A EQUITY AND LIABILITIES</b>			
<b>1 Shareholder's funds</b>			
(a) Share capital .....	3	2,000,000,000	2,000,000,000
(b) Reserves & Surplus.....	4	601,104,936	324,395,332
		<u>2,601,104,936</u>	<u>2,324,395,332</u>
<b>2 Non-Current liabilities</b>			
(a) Long term Borrowings .....	5	2,400,000,000	3,058,100,000
(b) Deferred tax liabilities (Net).....	6	178,273,043	134,346,578
(c) Other long term liabilities.....	7	44,542,026	34,958,373
(d) Long term provisions .....	8	140,686,719	122,416,085
		<u>2,763,501,788</u>	<u>3,349,821,036</u>
<b>3 Current liabilities</b>			
(a) Short term Borrowings.....	9	7,695,835	–
(b) Trade payables.....	10	86,035,110	63,089,893
(c) Other current liabilities .....	11	1,340,341,991	789,916,045
(d) Short term provisions.....	12	102,966,831	117,501,578
		<u>1,537,039,767</u>	<u>970,507,516</u>
<b>TOTAL.....</b>		<u><b>6,901,646,491</b></u>	<u><b>6,644,723,884</b></u>
<b>B ASSETS</b>			
<b>1 Non-Current assets</b>			
(a) Fixed Assets			
(i) Tangible assets.....	13	1,590,618,913	1,510,127,131
(ii) Intangible assets .....	14	1	1
(iii) Capital work in progress.....		65,396,914	103,146,856
		<u>1,656,015,828</u>	<u>1,613,273,988</u>
(b) Long term loans and advances .....	15	157,428,379	155,714,667
		<u>1,813,444,207</u>	<u>1,768,988,655</u>
<b>2 Current assets</b>			
(a) Current Investments .....	16	586,379,798	295,472,347
(b) Inventories .....	17	4,369,752,207	4,369,974,693
(c) Trade receivables .....	18	62,242,370	100,594,995
(d) Cash and cash equivalents .....	19	51,720,495	67,763,259
(e) Short term loans and advances .....	20	8,490,665	25,058,952
(f) Other current assets.....	21	9,616,749	16,870,983
		<u>5,088,202,284</u>	<u>4,875,735,229</u>
<b>TOTAL.....</b>		<u><b>6,901,646,491</b></u>	<u><b>6,644,723,884</b></u>

See accompanying notes forming part of the Financial Statements  
In terms of our report attached

For and on behalf of the Board of Directors

For **Deloitte Haskins & Sells**  
Chartered Accountants

**Sanjay Srivastava**  
Manager & COO

**Maheswar Sahu**  
**Anita Arjundas**

} Directors

**Geetha Suryanarayanan**  
Partner

**Sanjay Jain**  
Chief Financial Officer

Place : Jaipur  
Date : April 28, 2015

**Prashi Jain**  
Company Secretary

Place : Jaipur  
Date : April 28, 2015

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2015**

	Note No.	For the year ended March 31, 2015	For the year ended March 31, 2014	
		₹	₹	
<b>INCOME</b>				
1	Revenue from operations.....	22	1,316,208,689	983,579,758
2	Other income.....	23	26,617,441	38,089,119
3	<b>Total Revenue</b> .....		<b>1,342,826,130</b>	<b>1,021,668,877</b>
<b>4 EXPENDITURE</b>				
	Cost of land and Project development.....		64,874,951	176,051,475
	Changes in Inventories of Work in Progress.....	24	222,486	(174,381,362)
	Employee benefits expense.....	25	60,899,143	51,129,283
	Finance costs.....	26	412,291,682	402,712,255
	Depreciation and amortization expense.....	13	65,989,323	55,585,511
	Other expenses.....	27	184,917,218	144,428,165
			<b>789,194,803</b>	<b>655,525,327</b>
	Less : Capitalized .....		<b>(7,903,986)</b>	<b>(4,199,522)</b>
			<b>781,290,817</b>	<b>651,325,805</b>
5	<b>Profit before tax</b>		<b>561,535,313</b>	<b>370,343,072</b>
6	<b>Tax expense:</b>			
	(a) Current tax.....		137,267,500	99,800,000
	(b) Deferred tax.....		44,377,765	26,070,122
7	<b>Profit for the year</b> .....		<b>379,890,048</b>	<b>244,472,950</b>
	Basic and diluted earnings per share .....		<b>2.21</b>	<b>1.32</b>

See accompanying notes forming part of the Financial Statements  
In terms of our report attached

For and on behalf of the Board of Directors

For **Deloitte Haskins & Sells**  
Chartered Accountants

**Sanjay Srivastava**  
Manager & COO

**Maheswar Sahu**  
**Anita Arjundas**

} Directors

**Geetha Suryanarayanan**  
Partner

**Sanjay Jain**  
Chief Financial Officer

Place : Jaipur  
Date : April 28, 2015

**Prashi Jain**  
Company Secretary

Place : Jaipur  
Date : April 28, 2015



**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2015**

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
	₹	₹
<b>A. Cash flow from operating activities</b>		
Net Profit before tax .....	561,535,313	370,343,072
<b>Adjustments for:</b>		
Depreciation and Amortization .....	65,989,323	55,585,511
Finance costs .....	412,291,682	402,712,255
Loss on sale of fixed assets (net) .....	-	559,867
Gain on redemption of Mutual Fund Investments .....	(20,973,762)	(27,431,814)
Interest income .....	(5,625,022)	(9,739,952)
Operating profit before working capital changes .....	1,013,217,534	792,028,939
Changes in working capital:		
<i>Adjustments for (Increase)/decrease in operating assets</i>		
Inventories .....	(1,832,768)	(174,381,362)
Trade receivables .....	38,352,625	(5,065,921)
Short Term Loans and advances .....	16,568,287	7,885,191
Long term Loans and advances .....	(3,739,562)	(14,899,960)
Other Current Assets .....	4,039,338	1,639,393
<i>Adjustments for Increase/(Decrease) in operating liabilities</i>		
Trade Payables .....	22,945,217	15,931,868
Other Current Liabilities .....	(77,790,748)	(19,718,075)
Other Long term Liabilities .....	9,583,653	31,819,078
Short Term Provisions .....	(52,729,251)	(980,879)
Long Term Provision .....	(4,021,529)	(288,526)
Cash generated from Operations .....	964,592,796	633,969,746
Income Tax paid .....	(141,011,150)	(108,641,363)
Net cash flow from operating activities (A) .....	823,581,646	525,328,383
<b>B. Cash flow from investing activities</b>		
Capital expenditure on fixed assets, including capital advances .....	(134,018,806)	(157,566,586)
Proceeds from sale of fixed assets .....	-	40,693
Net movement in deposits not considered as Cash and cash equivalents .....	12,486,522	137,196,583
Interest received .....	8,839,919	9,614,435
Gain on redemption of Mutual Fund Investments .....	20,973,762	27,431,814
<b>Net cash flow from/(used) in Investing activities (B) .....</b>	<b>(91,718,603)</b>	<b>16,716,939</b>
<b>C. Cash flow from financing activities</b>		
Proceeds from long-term borrowings .....	650,000,000	60,000,000
Repayment of long-term borrowings .....	(661,000,000)	(57,900,000)
Proceeds/(Repayment) of working capital borrowings .....	7,695,835	(21,850,598)
Dividend including dividend distribution tax paid .....	(116,995,000)	(81,896,500)
Finance costs .....	(324,212,669)	(333,122,028)
<b>Net cash flow (used) in financing activities (C) .....</b>	<b>(444,511,834)</b>	<b>(434,769,126)</b>
<b>Net increase/(decrease) in Cash and cash equivalents (A+B+C) .....</b>	<b>287,351,209</b>	<b>107,276,196</b>
Cash and cash equivalents at the beginning of the period .....	314,182,189	206,905,993
<b>Cash and cash equivalents at the end of the period .....</b>	<b>601,533,398</b>	<b>314,182,189</b>

## CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2015

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
	₹	₹
<b>Reconciliation of Cash and cash equivalents with the Balance Sheet:</b>		
Cash and cash equivalents as per Balance Sheet (Refer Note 19) .....	51,720,495	67,763,259
Less: Bank balances not considered as Cash and cash equivalents		
(i) in deposit accounts maturing after 3 months.....	12,536,404	–
(ii) in earmarked accounts (Refer Note 19) .....	24,030,491	49,053,417
Net Cash and cash equivalents.....	15,153,600	18,709,842
Add: Current investments considered as part of Cash and cash equivalents		
Investment in units of Mutual Funds (Refer Note 16) .....	586,379,798	295,472,347
	<b>601,533,398</b>	<b>314,182,189</b>
<b>Cash and cash equivalents at the end of the period*</b>		
* Comprises:		
(a) Cash on hand.....	62,035	43,055
(b) Balances with banks		
(i) In current accounts.....	15,091,565	18,666,787
(c) Current investments considered as part of Cash and cash equivalents (Refer Note 16).....	586,379,798	295,472,347
	<b>601,533,398</b>	<b>314,182,189</b>

See accompanying notes forming part of the Financial Statements  
In terms of our report attached

For and on behalf of the Board of Directors

For **Deloitte Haskins & Sells**  
Chartered Accountants

**Sanjay Srivastava**  
Manager & COO

**Maheswar Sahu**  
**Anita Arjundas**

} Directors

**Geetha Suryanarayanan**  
Partner

**Sanjay Jain**  
Chief Financial Officer

Place : Jaipur  
Date : April 28, 2015

**Prashi Jain**  
Company Secretary

Place : Jaipur  
Date : April 28, 2015

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

### Note 1. Corporate information

The Company is engaged in the business of development of an Industrial park with a multi product Special Economic Zone (SEZ) and a Domestic Tariff Area (DTA). The Company acquires land under lease, incurs expenditure on its development and related infrastructure facilities and gives them on a long term lease for industrial, commercial and residential use. The Company also maintains the Industrial Park for which it collects operation and maintenance charges from the lessees.

### Note 2. Significant accounting policies

#### 2.1 Basis of accounting and preparation of financial statements

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")/Companies Act, 1956 ("the 1956 Act"), as applicable. 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 except for change in the accounting policy for depreciation as more fully described in Note 2.6.

#### 2.2 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 period. 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 recognized in the periods in which the results are known/materialize.

#### 2.3 Inventories

Inventories are valued at the lower of cost and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost represents cost of land and all expenditure incurred in connection with, or attributable to the project, and, being a long-term project, includes interest.

#### 2.4 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.

#### 2.5 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.

#### 2.6 Depreciation and amortization

Depreciation is provided on straight line method from the date the assets are put to use in accordance with Schedule II to Companies Act, 2013 with effect from April 1, 2014. Accordingly estimated useful life of all tangible fixed assets has been revised and the Company has applied the transition provisions stated in Schedule II.

Leasehold land is amortized over the period of lease i.e. 99 years

Cost of Interiors of building given on lease is amortized over the period of lease.

Assets costing less than ₹ 5,000 is depreciated fully in the year of purchase.

Intangible assets are amortized over their estimated useful life as follows:

Software expenditure incurred is amortized over three years.

The estimated useful life of the intangible assets and the amortization period are reviewed at the end of each financial year and the amortization method is revised to reflect the changed pattern.

#### 2.7 Revenue recognition

- Land lease premium is recognized as income upon creation of leasehold rights in favor of the lessee or upon an agreement to create leasehold rights with handing over of possession.
- Income from properties and other assets given under operating lease is recognised based on the terms of lease agreement on a straight line basis over the non cancellable lease period.
- Income from operation & maintenance charges and water charges are recognized on an accrual basis as per terms of the agreement with the lessees.

#### 2.8 Other income

Interest income is accounted on accrual basis. Dividend income is accounted for, when the right to receive it is established.

#### 2.9 Fixed assets (Tangible and Intangible assets)

Fixed assets, are carried at cost less accumulated depreciation and impairment losses, if any. The cost of fixed assets includes interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use and other incidental expenses incurred up to that date. Subsequent expenditure relating to fixed assets is capitalized only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

##### Capital work-in-progress

Projects under which assets are not ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

#### 2.10 Foreign currency transactions and translations

Foreign currency transactions are recorded at exchange rates prevailing on the date of transaction. Monetary assets/liabilities are translated at exchange rates prevailing on the date of settlement or at the year end as applicable, and gain/loss arising out of such translation is adjusted to the profit and loss account.

#### 2.11 Investments

Long-term investments (excluding investment properties), are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties.

#### 2.12 Employee benefits

Employee benefits include provident fund, superannuation fund, employee state insurance scheme, gratuity fund, compensated absences, long service awards and post-employment medical benefits.

##### Defined contribution plans

The Company's contribution to provident fund are considered as defined contribution plans and are charged as an expense as they fall due based on the amount of contribution required to be made and when services are rendered by the employees.

##### Defined benefit plans

For defined benefit plans in the form of gratuity fund, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each Balance Sheet date. Actuarial gains and losses are recognized in the Statement of Profit and Loss in the period in which they occur. Past service cost is recognized immediately to the extent that the benefits are already vested and otherwise is amortized on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognized in the Balance Sheet represents the present value of the defined benefit obligation as

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

adjusted for unrecognized past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes.

### Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognized during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service. The cost of such compensated absences is accounted as under:

- in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
- in case of non-accumulating compensated absences, when the absences occur.

### Long-term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognized as a liability at the present value of the defined benefit obligation as at the Balance Sheet date less the fair value of the plan assets out of which the obligations are expected to be settled.

### 2.13 Borrowing costs

Borrowing costs include interest and amortization of ancillary costs incurred. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilized for qualifying assets, pertaining to the period from commencement of activities relating to construction/development of the qualifying asset up to the date of capitalization of such assets are added to the cost of the assets. Capitalization of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

### 2.14 Segment reporting

The Company has a single reportable segment namely, lease of land and properties constructed thereon.

### 2.15 Leases

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. The assets given by the Company on operating leases are capitalised in the books as fixed assets. Lease rentals under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis over the lease term.

### 2.16 Earnings per share

Basic/Diluted earnings per share is computed by dividing the profit/(loss) after tax (including the post tax effect of extraordinary items, if any) and after reducing the dividend obligation (including Dividend Distribution Tax) on Preference Shares by the weighted average number of equity shares outstanding during the period.

### 2.17 Taxes on income

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

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

Deferred tax is recognized on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognized for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognized only if there is virtual certainty that there will be sufficient future taxable income available to realize such assets. Deferred tax assets are recognized for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realized. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.

### 2.18 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, the recoverable amount of such assets is estimated and impairment is recognized, if the carrying amount of these assets exceeds their recoverable amount. 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 recognized for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognized in the Statement of Profit and Loss, except in case of revalued assets.

### 2.19 Provisions and contingencies

A provision is recognized when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes.

### 2.20 Insurance claims

Insurance claims are accounted for on the basis of claims admitted/expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.

### 2.21 Service tax input credit

Service tax input credit is accounted for in the books in the period in which the underlying service received is accounted and when there is reasonable certainty in availing/utilising the credits.

### Note 3. Share Capital

Particulars	₹	
	As at March 31, 2015	As at March 31, 2014
<b>Authorized</b>		
150,000,000 equity shares of ₹ 10 each .....	<b>1,500,000,000</b>	1,500,000,000
50,000,000 Preference shares of ₹ 10 each .....	<b>500,000,000</b>	500,000,000
	<b><u>2,000,000,000</u></b>	<b><u>2,000,000,000</u></b>
<b>Issued, subscribed and fully paid up</b>		
150,000,000 Equity shares of ₹ 10/- each fully paid up .....	<b>1,500,000,000</b>	1,500,000,000
50,000,000 Preference Share of ₹ 10/- each fully paid up .....	<b>500,000,000</b>	500,000,000
	<b><u>2,000,000,000</u></b>	<b><u>2,000,000,000</u></b>
Total .....	<b><u>2,000,000,000</u></b>	<b><u>2,000,000,000</u></b>

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015**
**3.a Reconciliation of the shares outstanding at the beginning and at the end of the reporting year**

Particulars	As at March 31, 2015		As at March 31, 2014	
	No of Shares	Value of Shares	No of Shares	Value of Shares
<b>Equity Shares</b>				
At the beginning of the year	150,000,000	1,500,000,000	150,000,000	1,500,000,000
Issued during the year	-	-	-	-
Outstanding at the end of the year	150,000,000	1,500,000,000	150,000,000	1,500,000,000
<b>Preference Shares</b>				
At the beginning of the year	50,000,000	500,000,000	50,000,000	500,000,000
Issued during the year	-	-	-	-
Outstanding at the end of the year	50,000,000	500,000,000	50,000,000	500,000,000

**3.b Terms/Rights attached to Equity Shares**

The Company has only one class of Equity shares having a par value of ₹ 10/- per share. Each holder of Equity Shares is entitled to one vote per share.

The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders at the Annual General Meeting.

Repayment of capital will be in proportion to the number of equity shares held.

**3.c Terms of Conversion/redemption of 8% Redeemable Cumulative Preference Shares (RCPS)**

- The Company issued 25 Million 8% Redeemable Cumulative Preference Shares of ₹ 10/- each on 23<sup>rd</sup> December 2008. These Preference Shares are due for redemption on 23<sup>rd</sup> December, 2016.
- The Company issued 25 Million 8% Redeemable Cumulative Preference Shares of ₹ 10/- each on 4<sup>th</sup> November, 2011. The Company is entitled to redeem these shares at the end of 5 years i.e., on 4<sup>th</sup> November, 2016, otherwise redemption can be extended up to the end of 8th year i.e., up to 4<sup>th</sup> November, 2019, with preference shareholders' approval.
- Each holder of RCPS is entitled to one vote per share only on resolutions placed before the Company which directly affect the rights attached to RCPS in case of dividends are in arrear.

**3.d Details of shares held by each shareholder holding more than 5% shares:**

Particulars	As at March 31, 2015		As at March 31, 2014	
	No of Shares	Value of Shares	No of Shares	Value of Shares
<b>Holding Company (74%)</b>				
Mahindra Lifespace Developers Limited				
Equity	111,000,000	1,110,000,000	111,000,000	1,110,000,000
Preference Shares	37,000,000	370,000,000	37,000,000	370,000,000
<b>Rajasthan State Industrial Development and Investment Corporation Limited (26%)</b>				
Equity	39,000,000	390,000,000	39,000,000	390,000,000
Preference Shares	13,000,000	130,000,000	13,000,000	130,000,000

**Note 4. Reserves & Surplus**

Particulars	As at	
	March 31, 2015	March 31, 2014
<b>(a) Debenture Redemption Reserve</b>		
Opening Balance.....	318,750,000	159,375,000
Add: Additions during the year Transferred from surplus in Statement of Profit & Loss .....	242,708,333	159,375,000
<b>Closing balance .....</b>	<b>561,458,333</b>	318,750,000
<b>(b) Surplus in Statement of Profit and loss</b>		
Opening Balance.....	5,645,332	37,542,382
Less: Adjustment of depreciation on tangible fixed assets with remaining useful life ₹ NIL on transition to Schedule II of the Companies Act, 2013 (Net of deferred tax) (Refer Note 32)....	876,444	-
Add: Profit for the year	379,890,048	244,472,950
Less: Appropriations		
Transferred to Debenture Redemption Reserve.....	242,708,333	159,375,000
Dividends proposed to be distributed to equity shareholders..	45,000,000	60,000,000
Dividends proposed to be distributed to preference shareholders.....	40,000,000	40,000,000
Tax on dividend .....	17,304,000	16,995,000
	<b>39,646,603</b>	5,645,332
<b>Closing balance Total</b>	<b>601,104,936</b>	324,395,332

**Note 5. Long Term Borrowings (Secured)\*\***

Term loans from bank .....	-	558,100,000
10.00% Redeemable Non Convertible Debentures.....	1,750,000,000	2,500,000,000
10.90% Redeemable Non Convertible Debentures.....	650,000,000	-
<b>Total</b>	<b>2,400,000,000</b>	3,058,100,000

\*\* (Refer note 11 for current maturities of long term borrowings)

**Term Loans from Bank**

5.a The Term loan from Bank has been fully paid in December 2014 before the due date.

**10.00% Redeemable Non Convertible Debentures**

5.b Company has issued 2,500 Redeemable Secured Non Convertible Debentures of ₹ 10 Lakhs each aggregating to ₹ 250 Crores repayable in 3, 4 and 5 years in the ratio of 30:30:40 respectively along with redemption premium as below:-

Series	A	B	C
Face Value (₹)	1,000,000	1,000,000	1,000,000
No. of Debentures	750	750	1,000
Total Value (₹)	750,000,000	750,000,000	1,000,000,000
Redemption Premium per debenture (₹)	77,835	110,794	147,421
Maturity Date	13-Jul-15	13-Jul-16	13-Jul-17

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

5.c These Debentures are secured by way of first pari passu charge along with the debenture holders of ₹ 65 Crores as mentioned below in note 5.f. on the assets of the project (excluding specified assets) by way of constructive mortgage through deposit of the title deeds with the Debenture Trustee/hypothecation. The company has to maintain minimum fixed asset coverage ratio (FACR) of 1.25 times at all times during the currency of debentures.

5.d Interest on these debentures is payable annually in July.

### 10.90% Redeemable Non Convertible Debentures

5.e Company has issued 650 Redeemable Secured Non Convertible Debentures of ₹ 10 Lakhs each aggregating to ₹ 65 Crores repayable in 3, 4 and 5 years in the ratio of 31:31:38 respectively as below:-

Series	Series I	Series II	Series III
Face Value (₹)	1,000,000	1,000,000	1,000,000
No. of Debentures	200	200	250
Total Value (₹)	200,000,000	200,000,000	250,000,000
Maturity Date	19-Dec-17	19-Dec-18	19-Dec-19

5.f These Debentures are secured by way of first pari passu charge along with the debenture holders of ₹ 250 Crores as mentioned above in note 5.c. on the assets of the project (excluding specified assets) by way of constructive mortgage, through deposit of the title deeds with the Debenture Trustee. The company has to maintain minimum fixed asset coverage ratio (FACR) of 1.25 X at all times during the currency of debentures.

5.g Interest on these debentures is payable annually in December.

### Note 6. Deferred Tax Liabilities

Particulars	₹	
	As at March 31, 2015	As at March 31, 2014
<b>Deferred Tax Liability:</b>		
Fixed Assets.....	182,027,938	132,202,388
Less: Transition Adjustment (Refer Note 32)	(451,300)	-
Income accrued based on lease equalization.....	(1,432,542)	3,429,202
	<u>180,144,096</u>	<u>135,631,590</u>
<b>Deferred Tax Assets:</b>		
Accrued expenses allowable on payment.....	1,871,053	1,285,012
<b>Net Deferred tax liability Total.....</b>	<u>178,273,043</u>	<u>134,346,578</u>
<b>Deferred tax reconciliation:</b>		
Deferred tax expense for the year based on the movement in net deferred tax liability as at the beginning and the end of the year as shown above.....	43,926,465	26,070,122
<b>Add: Deferred tax impact netted off from depreciation on tangible fixed assets on transition to Schedule II of the Companies Act, 2013 adjusted to opening surplus. Refer Note 4 and 32.....</b>	<u>451,300</u>	<u>-</u>
<b>Deferred tax impact in the Statement of Profit and Loss.....</b>	<u>44,377,765</u>	<u>26,070,122</u>

### Note 7. Other Long Term Liabilities

Deposits from lessees.....	44,542,026	34,958,373
<b>Total.....</b>	<u>44,542,026</u>	<u>34,958,373</u>

### Note 8. Long term Provisions

Particulars	₹	
	As at March 31, 2015	As at March 31, 2014
Compensated Absences.....	1,869,763	1,309,149
Gratuity.....	2,307,836	1,398,842
Provision for premium on redemption of debentures (Refer Note 5.b).....	136,509,120	119,708,094
<b>Total.....</b>	<u>140,686,719</u>	<u>122,416,085</u>

### Note 9. Short Term borrowings

Overdraft from banks (secured).....	7,695,835	-
<b>Total.....</b>	<u>7,695,835</u>	<u>-</u>

Overdraft from banks is secured against earmarked Fixed deposits mentioned in note 19. The overdraft is repayable on demand.

### Note 10. Trade payables

Trade payables.....	86,035,110	63,089,893
<b>Total.....</b>	<u>86,035,110</u>	<u>63,089,893</u>

### Note 11. Other current Liabilities

Current maturities of Term Loan from Banks*.....	-	102,900,000
Current maturities of NCDs**.....	750,000,000	-
Interest accrued and not due on Debentures.....	199,445,344	179,452,056
Interest accrued and not due on term loan.....	-	7,091,941
Premium on redemption of debentures (Refer Note 5.b***).....	52,885,504	-
<b>Other Payables</b>		
Statutory Remittances.....	3,998,692	3,534,569
Earnest money deposit received.....	497,000	497,000
Advances from customers.....	152,139,193	176,434,310
Deposit from lessees.....	89,706,213	103,354,687
Payable on purchase of Fixed Assets.....	50,982,758	82,767,411
Other liabilities.....	40,687,287	133,884,071
<b>Total.....</b>	<u>1,340,341,991</u>	<u>789,916,045</u>

\*Refer Note 5.a - Long Term Borrowings - This term loan has been fully paid in December 2014 before the due date.

\*\* Refer Note 5.b - Long Term Borrowings - for terms of repayment and security

\*\*\* This premium is towards debentures redeemable in July 2015. Refer Note 5.b.

### Note 12. Short term provisions

Compensated absences.....	627,669	426,433
Gratuity.....	35,162	80,145
Proposed Equity Dividend.....	45,000,000	60,000,000
Proposed Preference Dividend.....	40,000,000	40,000,000
Tax on Proposed Dividend.....	17,304,000	16,995,000
<b>Total.....</b>	<u>102,966,831</u>	<u>117,501,578</u>

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015**
**Note 13. Fixed Assets**

₹

Particulars	Gross Block					Depreciation					Net Block	
	As at 01.04.2014	Additions	Adjustments	Deductions	As at 31.03.2015	As at 01.04.2014	Transition Adjustment (Refer Note 1)	For the year (Refer Note 2)	Deductions	As at 31.03.2015	As at 31.03.2015	As at 31.03.2014
<b>Tangible Assets</b>												
Leasehold land	42,253,019	2,055,254	-	-	<b>44,308,273</b>	3,176,032	-	432,075	-	<b>3,608,107</b>	<b>40,700,166</b>	39,076,987
Buildings												
Owned	346,512,637	110,153,910	-	-	<b>456,666,547</b>	20,613,137	-	7,389,900	-	<b>28,003,037</b>	<b>428,663,510</b>	325,899,500
Given under operating lease	988,285,883	5,227,825	-	-	<b>993,513,708</b>	72,691,193	-	20,747,963	-	<b>93,439,156</b>	<b>900,074,552</b>	915,594,690
Plant and machinery												
Owned	73,836,608	28,444,082	-	-	<b>102,280,690</b>	18,775,367	441,053	5,913,760	-	<b>25,130,180</b>	<b>77,150,510</b>	55,061,241
Given under operating lease	118,592,704	-	-	-	<b>118,592,704</b>	22,686,025	-	11,809,898	-	<b>34,495,923</b>	<b>84,096,781</b>	95,906,679
Office equipment	2,191,276	1,147,012	-	-	<b>3,338,288</b>	434,511	463,161	549,942	-	<b>1,447,614</b>	<b>1,890,674</b>	1,756,765
Furniture and fixtures												
Owned	8,461,560	266,558	-	-	<b>8,728,118</b>	2,114,827	-	1,120,181	-	<b>3,235,008</b>	<b>5,493,110</b>	6,346,733
Given under operating lease	139,059,988	-	-	-	<b>139,059,988</b>	73,318,359	-	16,498,247	-	<b>89,816,606</b>	<b>49,243,382</b>	65,741,629
Computers	4,974,345	514,208	-	-	<b>5,488,553</b>	3,413,214	423,530	778,688	-	<b>4,615,432</b>	<b>873,121</b>	1,561,131
Vehicles	4,545,739	-	-	-	<b>4,545,739</b>	1,363,963	-	748,669	-	<b>2,112,632</b>	<b>2,433,107</b>	3,181,776
<b>Total Tangible Assets</b>	<b>1,728,713,759</b>	<b>147,808,849</b>	<b>-</b>	<b>-</b>	<b>1,876,522,608</b>	<b>218,586,628</b>	<b>1,327,744</b>	<b>65,989,323</b>	<b>-</b>	<b>285,903,695</b>	<b>1,590,618,913</b>	<b>1,510,127,131</b>

**Note 14. Intangible Assets**

Software	5,203,368	-	-	-	<b>5,203,368</b>	5,203,367	-	-	-	<b>5,203,367</b>	<b>1</b>	<b>1</b>
<b>Total Intangible Assets</b>												
Total	5,203,368	-	-	-	<b>5,203,368</b>	5,203,367	-	-	-	<b>5,203,367</b>	<b>1</b>	<b>1</b>
	1,733,917,127	147,808,849	-	-	<b>1,881,725,976</b>	223,789,995	1,327,744	65,989,323	-	<b>291,107,062</b>	<b>1,590,618,914</b>	1,510,127,132

**Note 13. Fixed Assets (Previous Year)**

₹

Particulars	Gross Block					Depreciation				Net Block	
	As at 01.04.2013	Additions	Adjustments	Deductions	As at 31.03.2014	As at 01.04.2013	For the year	Deductions	As at 31.03.2014	As at 31.03.2014	As at 31.03.2013
<b>Tangible Assets</b>											
Leasehold land	42,253,019	-	-	-	<b>42,253,019</b>	2,755,472	420,560	-	<b>3,176,032</b>	<b>39,076,987</b>	39,497,547
Buildings											
Owned	251,413,132	95,099,505	-	-	<b>346,512,637</b>	14,076,437	6,536,700	-	<b>20,613,137</b>	<b>325,899,500</b>	237,336,695
Given under operating lease	969,472,638	18,813,245	-	-	<b>988,285,883</b>	52,754,828	19,936,365	-	<b>72,691,193</b>	<b>915,594,690</b>	916,717,810
Plant and machinery											
Owned	69,861,058	3,975,550	-	-	<b>73,836,608</b>	8,191,997	10,583,370	-	<b>18,775,367</b>	<b>55,061,241</b>	61,669,061
Given under operating lease	110,808,530	7,784,174	-	-	<b>118,592,704</b>	20,632,894	2,053,131	-	<b>22,686,025</b>	<b>95,906,679</b>	90,175,636
Office equipment	1,992,588	386,896	-	188,208	<b>2,191,276</b>	381,897	112,606	59,992	<b>434,511</b>	<b>1,756,765</b>	1,610,691
Furniture and fixtures											
Owned	5,294,281	3,167,279	-	-	<b>8,461,560</b>	1,702,700	412,127	-	<b>2,114,827</b>	<b>6,346,733</b>	3,591,581
Given under operating lease	139,059,988	-	-	-	<b>139,059,988</b>	58,665,684	14,652,675	-	<b>73,318,359</b>	<b>65,741,629</b>	80,394,304
Computers	4,574,229	720,916	-	320,800	<b>4,974,345</b>	3,254,170	459,000	299,956	<b>3,413,214</b>	<b>1,561,131</b>	1,320,059
Vehicles	3,688,528	2,096,487	-	1,239,276	<b>4,545,739</b>	1,732,762	418,977	787,776	<b>1,363,963</b>	<b>3,181,776</b>	1,955,766
<b>Total Tangible Assets</b>	<b>1,598,417,991</b>	<b>132,044,052</b>	<b>-</b>	<b>1,748,284</b>	<b>1,728,713,759</b>	<b>164,148,841</b>	<b>55,585,511</b>	<b>1,147,724</b>	<b>218,586,628</b>	<b>1,510,127,131</b>	<b>1,434,269,150</b>

**Note 14. Intangible Assets (Previous Year)**

Software	5,203,368	-	-	-	<b>5,203,368</b>	5,203,367	-	-	<b>5,203,367</b>	<b>1</b>	<b>1</b>
<b>Total Intangible Assets</b>											
Total	5,203,368	-	-	-	<b>5,203,368</b>	5,203,367	-	-	<b>5,203,367</b>	<b>1</b>	<b>1</b>
	1,603,621,359	132,044,052	-	1,748,284	<b>1,733,917,127</b>	169,352,208	55,585,511	1,147,724	<b>223,789,995</b>	<b>1,510,127,132</b>	1,434,269,151

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015**
**Note 15. Long term Loans and advances (Unsecured unless otherwise stated and considered good.)**

Particulars	₹	
	As at March 31, 2015	As at March 31, 2014
Capital advance (Secured by Bank Guarantee from vendors) .....	9,117,559	14,887,059
Security deposits .....	7,051,064	6,817,608
Deposits in respect of premises taken on lease .....	186,168	126,000
Export duty refund receivable .....	8,290,887	8,290,887
Advance income tax (net of provisions) .....	117,936,763	114,193,113
Prepaid expenses .....	14,845,938	11,400,000
<b>Total</b>	<b>157,428,379</b>	<b>155,714,667</b>

**Note 16. Current Investments (At lower of cost and fair value)**

Particulars	Units		₹	
	As at March 31, 2015	As at March 31, 2014	As at March 31, 2015	As at March 31, 2014
<b>Investment in Mutual funds (unquoted &amp; non trade)</b>				
ICICI Prudential Interval Fund II Quarterly Plan F- Growth .....		7,349,409		99,999,989
ICICI Prudential Interval Fund III Quarterly Plan F- Growth .....		738,748		9,999,988
ICICI - Ultra Short Term Plan - Direct Growth .....	5,308,832	-	75,000,000	-
DSP Black Rock Money manager Fund-Direct plan-growth .....	231	-	431,269	-
JM Money Manager Fund Super Plus Plan - Growth .....	7,846,192	108,988	152,024,210	2,000,000
IDFC Money Manager Fund - Treasury Plan .....	3,631,816	-	80,000,000	-
JM High Liquidity Fund - Growth Option (452) .....	778,187	201,554	29,511,947	7,000,000
JM - Money Manager fund - Super Plan Growth Option .....		152,579		2,800,000
JM Floater Short Term Fund - Growth Option (448) .....		445,647		8,827,379
Kotak Liquid scheme plan-A - Growth .....		2,537		6,442,237
Reliance Interval Fund Quarterly Plan Series- I .....		4,989,422		50,000,000
Reliance Interval Fund Quarterly Plan Series- II .....	2,642,371	2,894,591	50,000,000	50,000,000
Reliance Money Manager Fund - Growth Option .....		1,185		2,000,000
Reliance Liquid Fund - Treasury Plan - Direct Growth Plan - Growth Option .....	2,063	-	7,000,000	-
SBI Ultra Short Term Debt Fund - Growth .....		2,134		3,500,000
TATA Floater Fund - Growth ...		428		769,841
Tata Floater Fund - Growth .....		1,663		2,953,898
Tata Treasury Manager Fund Direct Growth .....		-		-
Templeton India Ultra Short Bond Fund Super Inst. Plan - Growth .....		1,544,522		25,358,474

Particulars	Units		₹	
	As at March 31, 2015	As at March 31, 2014	As at March 31, 2015	As at March 31, 2014
Templeton India Ultra Short Bond Fund Super Institutional Plan - Direct Growth .....	10,631,481	-	192,412,372	-
UTI Banking & PSU Debt Fund - Growth .....		2,186,728		21,867,283
UTI Money Market Fund-Institutional Plan - Growth .....		1,382		1,953,258
Balance				
<b>Total</b>	<b>30,841,174</b>	<b>20,621,517</b>	<b>586,379,798</b>	<b>295,472,347</b>

**Note 17. Inventories (at lower of cost and net realisable value)**

Particulars	₹	
	As at March 31, 2015	As at March 31, 2014
Work In Progress .....	4,369,752,207	4,369,974,693
<i>(representing cost of land and related expenditure)</i>		
<b>Total</b>	<b>4,369,752,207</b>	<b>4,369,974,693</b>

**Note 18. Trade Receivable. (Unsecured considered good)**

Trade receivables outstanding for a period exceeding six months from the date they were due for payment ...	48,655,348	21,385,128
Other Trade receivables .....	13,587,022	79,209,867
<b>Total</b>	<b>62,242,370</b>	<b>100,594,995</b>

**Note 19. Cash and cash equivalents**

Cash on hand .....	62,035	43,055
Balances with Banks		
in Current account .....	15,091,565	18,666,787
In Deposits maturing after 3 months ....	12,536,404	-
in earmarked deposits (with restriction on usage)* .....	24,030,491	49,053,417
<b>Total</b>	<b>51,720,495</b>	<b>67,763,259</b>

\* The earmarked deposits are given as security against term loan, Bank over draft and other non-fund based facilities.

**Note 20. Short term Loans and advances (Unsecured, considered good unless otherwise stated)**

Prepaid expenses .....	2,096,367	7,086,553
Mobilization and other advances given to vendors (secured against bank guarantee) .....	1,962,834	16,439,861
Balances with Government authorities (Service tax) .....	1,542,179	1,532,538
Other advances given to vendors .....	2,889,285	-
<b>Total</b>	<b>8,490,665</b>	<b>25,058,952</b>

**Note 21. Other current assets**

Deferred lease rent .....	5,949,519	10,088,857
Interest accrued on Fixed Deposits .....	2,267,230	5,482,126
Contractually recoverable expenses .....	1,400,000	1,300,000
<b>Total</b>	<b>9,616,749</b>	<b>16,870,983</b>



**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015**
**Note 22. Revenue from operations**

Particulars	₹	
	For the year ended March 31, 2015	For the year ended March 31, 2014
Land Lease Premium .....	1,032,810,158	761,999,822
Property Rentals .....	171,009,364	158,430,063
Income from Operation and Maintenance.....	112,389,167	63,149,873
<b>Total .....</b>	<b>1,316,208,689</b>	<b>983,579,758</b>

22.a During the current year, the company has leased 58.51 (previous year 50.07) acres of land on long term basis. Of this 16.46 (previous year 1.15 Acres) acres in SEZ and 42.05 (previous year 48.91) acres is in the Non SEZ.

**Note 23. Other Income**

Particulars	₹	
	For the year ended March 31, 2015	For the year ended March 31, 2014
Interest on		
Deposits from Banks .....	4,699,001	9,438,387
Others .....	926,021	301,565
Gain on Redemption of Mutual funds .....	20,973,762	27,431,814
Miscellaneous Income.....	18,657	886,781
Liabilities no longer required written back.....	-	30,572
<b>Total .....</b>	<b>26,617,441</b>	<b>38,089,119</b>

**Note 24. Changes in Inventory of Work in Progress**

Opening work in progress .....	4,369,974,693	4,195,593,331
Less: Closing work in progress .....	4,369,752,207	4,369,974,693
<b>Total .....</b>	<b>222,486</b>	<b>(174,381,362)</b>

**Note 25. Employee Benefit Expenses**

Salaries, Wages and Bonus...	55,644,447	47,646,468
Contribution to Provident and other funds.....	1,816,273	1,431,555
Gratuity.....	1,328,020	(4,145)
Staff welfare .....	2,110,403	2,055,405
<b>Total .....</b>	<b>60,899,143</b>	<b>51,129,283</b>

**Note 26. Finance Costs**

Interest on Term Loans.....	54,012,174	82,462,331
Interest on Inter Corporate Deposits .....	7,085,616	-
Interest on Debentures.....	269,993,288	250,000,000
Premium on Redemption of Debentures.....	69,686,530	69,686,530
Interest - Others.....	1,548,520	47,298
Other Borrowing Costs.....	9,965,554	516,096
<b>Total .....</b>	<b>412,291,682</b>	<b>402,712,255</b>

**Note 27. Other Expenses**

Particulars	₹	
	For the year ended March 31, 2015	For the year ended March 31, 2014
Legal and Professional.....	4,011,669	8,067,861
Electricity.....	19,578,870	13,289,724
Rent.....	1,312,846	850,390
Rates and Taxes .....	711,790	160,634
Insurance .....	2,838,364	2,223,285
Repairs and Maintenance .....	5,457,545	4,372,516
Commission .....	10,536,082	6,434,142
Marketing & Advertisement.....	28,136,807	24,605,527
Operation & Maintenance Expenses.....	93,966,043	66,728,816
Travelling and Conveyance.....	8,883,403	9,778,236
Communication.....	1,283,046	1,120,085
Payments to auditors (Refer Note (i) below).....	851,788	811,694
Loss on sale of fixed assets....	-	559,867
Expenditure on Corporate Social Responsibility.....	5,026,506	993,415
Miscellaneous Expenses .....	2,322,459	4,431,973
<b>Total .....</b>	<b>184,917,218</b>	<b>144,428,165</b>

Particulars	₹	
	For the year ended March 31, 2015	For the year ended March 31, 2014
Payment to the auditors comprises (net of service tax refund) .....		
Statutory Audit .....	575,000	550,000
Other services.....	270,000	240,000
Reimbursement of expenses...	6,788	21,694
<b>Total .....</b>	<b>851,788</b>	<b>811,694</b>

**Additional information to the financial statements**
**Note 28. Contingent liabilities and commitments (to the extent not provided for)**

	₹	
	As at March 31, 2015	As at March 31, 2014
(i) <b>Contingent liabilities - Tax matters disputed and under appeal</b>		
(i) Income Tax		
By Company.....	3,072,880	3,072,880
By Tax authorities.....	24,296,357	24,296,357
(ii) Rajasthan Entry Tax.....	4,292,646	-

**Note:-**

The above amount is based on demands raised, which the company is contesting with the concerned authorities. Outflows, if any, arising out of these claims would depend on the outcome of the decision of the appellate authorities and the company's rights for future appeals.

**(ii) Commitments**

Estimated amount of contracts remaining to be executed on capital account and not provided for on Tangible Assets

33,197,642	189,203,067
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## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

**Note 29.** There are no amounts due to micro enterprises and small enterprises. This is based on the information received from such parties as identified by the company. This has been relied upon by the auditors.

**Note 30. Value of imports calculated on CIF basis**

	For the year ended March 31, 2015	For the year ended March 31, 2014
Capital Goods.....	6,297,804	-

**Note 31. Expenditure in foreign currency**

	For the year ended March 31, 2015	For the year ended March 31, 2014
Travel .....	-	151,018
Advertisement .....	272,639	571,202
Subscription .....	255,299	-
	<u>527,938</u>	<u>722,220</u>

**Note 32.** During the year, pursuant to the notification of Schedule II to the Companies Act, 2013 with effect from April 1, 2014 the Company has revised the estimated useful life of some of its assets to align the useful life with those specified in Schedule II. The details of previously applied depreciation method, rates/useful life are as follows:

Asset	Previous depreciation rate/ useful life (Based on SLM)	Revised useful life based on SLM (schedule 2 rates)
Buildings (other than Factory buildings)	1.63%/~60 years	30 years
Vehicles - Motor cars	9.5%/~10 years	8 years
General Plant and Machinery	4.75%/~20 years	15 years
General Furniture and Fittings	6.33%/~ 15 Years	10 Years

Pursuant to the transition provisions prescribed in Schedule II to the Companies Act, 2013, the Company has fully depreciated the carrying value of assets (determined after considering the revised useful life as prescribed by Schedule II) net of residual value, where the remaining useful life of the asset was determined to be Nil as on April 1, 2014, and has adjusted an amount of ₹ 876,444/- (net of deferred tax of ₹ 451,300/-) against the opening Surplus balance in the Statement of Profit and Loss under Reserves and Surplus. (refer note no. 4(C)).

The depreciation expense in the Statement of Profit and Loss for the year is higher by ₹ 49,18,910/- consequent to the adoption of revised useful life as prescribed by schedule II of the Companies Act, 2013.

**Disclosures under Accounting Standards**

**Additional information to the financial statements - Employee benefits**

**Note Disclosures on Employee share based payments:**

**33(a)** Under the following Employee Stock Option Schemes, Mahindra Lifespace Developers Limited, the parent company issued equity – settled options to the employees of the Company as per the following details:

ESOS Scheme	Date of grant	No. of options granted	Options vested	Options exercised	Options lapsed	Options outstanding as at		Employee compensation cost incurred by the Parent company and not charged to the Company for the	
						March 31 2015	March 31 2014	March 31 2015	March 31 2014
<b>ESOS 2008</b>	April 25, 2008	64,550	49,450	1,250	13,550	<b>49,750</b>	64,550	-	-
<b>ESOS 2012</b>	August 4, 2012	11,000	3,500	1,900	1,500	<b>7,600</b>	11,000	<b>1,073,303</b>	340,316
	October 17, 2014	9,000	-	-	-	<b>9,000</b>	-	<b>474,445</b>	-
<b>Total charge for the year</b>								<b>15,47,748</b>	<b>3,40,316</b>

**Other terms**

ESOS Scheme	ESOS 2008	ESOS 2012
Exercise price	₹ 428/share	₹ 10/share
Vesting Conditions	25 % each on expiry of 12 ,24 , 36 and 48 months from the date of grant	20 % each on expiry of 12 and 24 months and 30 % each on expiry of 36 and 48 months from the date of grant
Contractual life	5 years from the date of individual vesting.	

The Parent company has adopted intrinsic value method for computing the compensation cost for the Options granted. The Intrinsic value, i.e. the difference between the market price of the share and the exercise price is being amortised as employee compensation cost over the vesting period in the books of the parent company. The Parent company has also confirmed that there will be no recovery of the above ESOP cost from the Company.

**Note:** The above details are as provided by the parent company and the auditors have placed reliance on the same.

**Note 33(b) Employee Benefits**

	₹	
	Gratuity (Unfunded)	
	2014-15	2013-14
<b>a. Net Asset/(Liability) recognized in the balance sheet as at March 31, 2015</b>		
Liability recognised in the balance sheet	<b>2,342,998</b>	1,478,987
Non current.....	<b>2,307,836</b>	1,398,842
Current .....	<b>35,162</b>	80,145
<b>b. Expense recognized in the Profit &amp; Loss account</b>		
Past service cost.....	-	-
Current Service cost.....	<b>653,788</b>	403,521
Interest cost .....	<b>114,722</b>	150,139
Actuarial (gains)/Losses .....	<b>559,510</b>	(557,805)
Total expenses	<b>1,328,020</b>	(4,145)
<b>c. Change in present value of Defined Benefit obligation</b>		
Present Value of the obligation at the beginning of the year .....	<b>1,478,987</b>	2,270,331
Past service cost.....	-	-
Current Service cost.....	<b>653,788</b>	403,521
Interest Cost.....	<b>114,722</b>	150,139
Actuarial (Gains)/Losses .....	<b>559,510</b>	(557,805)
Benefits Paid .....	<b>(464,009)</b>	(787,199)
Present value of the obligation as at the end of the year .....	<b>2,342,998</b>	1,478,987
<b>d. Principal actuarial assumptions.....</b>		
Discount Rate .....	7.77%	9.20%
Mortality Rate .....	<b>IALM</b> <b>(2006-08)</b> <b>Ultimate</b>	IALM (2006-08) Ultimate
<b>e. Estimates of future salary increases considered in actuarial valuation take account of inflation, seniority, promotions, increments and other relevant factors such as supply and demand in the employment market.</b>		

f. Experience adjustment as provided by actuary:	Year				
	2014-15	2013-14	2012-13	2011-12	2010-11
Present value of obligation	2,342,998	1,478,987	2,270,331	2,527,755	1,809,056
Experience adjustment on plan liabilities	95,631	(162,668)	(169,416)	(126,336)	(761,237)

**Note 34. Details of borrowing costs capitalised**

	₹	
	For the year ended March 31, 2015	For the year ended March 31, 2014
Borrowing costs capitalized during the year as		
- Inventory.....	<b>183,519,809</b>	180,585,043
- Fixed Assets.....	-	-
- Capital Work in Progress...	-	-

**Note 35. Related party transactions**

Details of related parties:

Particulars		₹
Description of relationship	Names of related parties	
Ultimate Holding Company	Mahindra & Mahindra Limited	
Holding Company	Mahindra Lifespaces Developers Limited	
Fellow Subsidiaries	Mahindra Integrated Business Solutions Private Limited Mahindra EPC Services Private Limited Mahindra Consulting Engineers Limited Mahindra Holidays & Resorts India Limited	
Key Management Personnel (KMP)	Mr. B.K. Subbaiah - Chief Operating Officer (Upto June 30, 2013) Mr. Sanjay Srivastava - Chief Operating Officer (From July 01, 2013) Mr Sanjay Jain - Chief Finance Officer (KMP from current year)	

Note: Related parties have been identified by the Management and disclosed where transaction entered into.

**Details of related party transactions during the year ended March 31, 2015 and balances outstanding as at March 31, 2015:**

Particulars	Mahindra & Mahindra Limited	Mahindra Lifespace Developers Limited	Mahindra Integrated Business Solutions Private Limited	Mahindra EPC Services Private Limited	Mr. B.K. Subbaiah	Mr. Sanjay Srivastava	Mr. Sanjay Jain
Rendering of services	1,585,564 (1,006,732)			12,000 (3,000)			
Land Lease Premium Received	-	-					
Receiving of services	831,740 (480,072)	(101,640,000)	108,000 (18,000)				
Security Deposit Received	-						
Finance (including loans and equity contributions in cash or in kind)							
ICD Taken		20,000,000 (-)					
ICD Repaid		20,000,000 (-)					
Interest on ICD		7,085,616 (-)					
Preference Shares Dividend Paid		29,600,000 (29,600,000)					
Equity Shares Dividend Paid		44,400,000 (22,200,000)					
Remuneration					-	9,968,046 (7,734,944)	4,680,569 -
<b>Balances outstanding at the end of the year</b>		-	9,315	6,742			
Trade payables	486,757 (791,687)			(-)			
Deposits Payable	699,518 (699,518)						

Note: Figures in bracket relate to the previous year

**Note 36. Leases**

The Company's leasing arrangements are in respect of commercial premises given under operating lease .

₹

Particulars	As at March 31, 2015	As at March 31, 2014
Gross carrying amount of premises and other assets	1,243,382,226	1,238,154,401
Accumulated depreciation	217,269,532	168,688,468
Depreciation for the year	48,573,955	36,635,062

Future minimum lease payments under non-cancellable operating leases (lock in period of 2 to 3 years for the building and 9 years 5 months for interiors)

₹

Particulars	As at March 31, 2015	As at March 31, 2014
Not later than 1 year	13,703,238	66,228,804
Later than 1 year and not later than 5 years	164,771,545	172,235,624
Later than 5 years	101,559,471	37,346,934

**Significant Leasing Arrangements**

Lease is non cancellable during the lock in period.

In respect of buildings, primary lease period is for 5 years, renewable for further 2 terms of 5 years each.

**Note 37. Earnings per share**

₹

Particulars	As at March 31, 2015	As at March 31, 2014
Basic & Diluted		
Net profit for the year from continuing operations	379,890,048	244,472,950
Less: Preference dividend and tax thereon	48,143,059	46,798,000
Net profit for the year from continuing operations attributable to the equity shareholders	331,746,989	197,674,950
Weighted average number of equity shares	150,000,000	150,000,000
Par value per share	10	10
Earnings per share from continuing operations - Basic & Diluted	2.21	1.32

- Note 38.** (i) The Company does not have material foreseeable losses on long term contracts as on March 31,2015.  
(ii) The Company did not enter into any derivative contracts during the year.  
(iii) There are no amounts required to be transferred to the Investor Education and Protection Fund by the Company during the year.

**Note 39.** Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure.

In terms of our report attached

For **Deloitte Haskins & Sells**  
Chartered Accountants

**Geetha Suryanarayanan**  
Partner

Place : Jaipur  
Date : April 28, 2015

**Sanjay Srivastava**  
Manager & COO

**Sanjay Jain**  
Chief Financial Officer

**Prashi Jain**  
Company Secretary

For and on behalf of the Board of Directors

**Maheswar Sahu**  
**Anita Arjundas**

} Directors

Place : Jaipur  
Date : April 28, 2015