DIRECTORS' REPORT TO THE MEMBERS

The Directors present their twelfth Report together with the audited financial statement of the Company for the financial year ended on 31st March, 2017.

Financial Highlights

(₹ in Lakh)

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Total Income	17,527.86	8,570.61
Profit before Tax	6,974.86	1,423.80
Provision for Taxation		
- Net Current Tax	2,355.48	628.20
- Deferred Tax	113.89	100.63
Profit after Tax	4,505.49	694.97
Add: Profit brought forward from previous year	852.57	1,292.96
Appropriations:		
Transferred to Debenture Redemption Reserve	(1,570.83)	593.75
Transferred to Capital Redemption Reserve	5,000.00	–
Equity Dividend paid (including tax on distributed profits)	541.61	541.61
Transfer to General Reserve	–	–
Profit Carried to Balance Sheet	1,387.28	852.57

Indian Accounting Standards

The financial statements for the financial year 2016-17 have been prepared in accordance with the applicable Indian Accounting Standards (INDAS) and the corresponding figures for the previous year have been restated as per INDAS for the purpose of comparison.

Dividend

The Directors have recommended equity dividend of ₹ 0.60 per share i.e. 6 per cent of the face value of ₹ 10 on 150,000,000 equity shares of the Company for the financial year 2016-17.

The total dividend payment for the financial year (including tax on dividend distribution) is ₹ 1,083.22 lakh.

Reserve

The Company has transferred ₹ 1,554.17 lakh to Debenture Redemption Reserve Account and ₹ 3,125 lakh has been carried forward to Profit & Loss Account.

Operations

The Company is developing a large format integrated city in Jaipur. The Company is a 74:26 Joint Venture between Mahindra Lifespace Developers Limited and Rajasthan State Industrial Development and Investment Corporation (RIICO), a Government of Rajasthan undertaking. The project comprises 2913 acres and offers five sector specific SEZs (2 in IT/ITeS, 1 each in Engineering and Related Industries, Handicrafts, Gems and Jewellery), a Domestic Tariff Area (DTA) and a Social & Residential Zone. The Company has initiated the conversion of its sector specific SEZs into a multi-product SEZ and has received in-principle approval for the same.

During the year, the Company added 7 customers (3 in SEZ, 3 in DTA and 1 in the Social Infrastructure zone), taking the total number of customers in Mahindra World City, Jaipur (MWCJ) to 75. Two existing customers also increased their footprint during the year. The total land leased out during the year was 66.80 acres. Some of the companies who leased space during the year are Metacube, Chokhi Dhani Resorts Private Limited, RUJFL, SHV Energy, Vikas Steel, Maxop and Fackelmann.

Eight customers became operational during the year, taking the total number of operational customers to 41. During the year, nine customers started development activities for their respective campuses/factories.

The cumulative direct employment created by the companies at Mahindra World City, Jaipur was around 8,300 persons. Exports by MWCJ clients grew by 10.31% to reach ₹ 124,472 lakh in 2016-17 compared to ₹ 1,128.35 crore during the previous year. The Company and its customers based at MWCJ have together invested ₹ 325,800 lakh in the project till 31st March, 2017.

Post receipt of product mix related approvals, the Company launched the 2nd phase of its Domestic Tariff Area (DTA) and initiated and completed the economic land use strategy for the residential and social infrastructure zone in Mahindra World City, Jaipur. It will initiate master planning and marketing of this area based on the economic land use plan determined for the same.

No material changes and commitments have occurred after the close of the year till the close of this Report, which affect the financial position of the Company.

The financial statement for the year under review has been prepared on the basis of going concern status of the Company.

During the year, no revision was made with respect to previous financial statements of the Company.

Share Capital

The Authorized share capital of the Company is ₹ 200 crore consisting of 150,000,000 equity shares of ₹ 10/- each aggregating ₹ 15,000 lakh and 50,000,000 8% Redeemable Cumulative Preference shares of ₹ 10/- each aggregating ₹ 50 crore. The 8% Redeemable Cumulative Preference share capital has been treated as financial liability as on 31st March, 2016 under INDAS. The paid-up share capital of the Company is ₹ 15,000 lakh consisting of 150,000,000 equity shares of ₹ 10/- each. The Paid- up share capital is held by Mahindra Lifespace Developers Limited (MLDL) and Rajasthan State Industrial Development & Investment Corporation Limited (RIICO) in the ratio of 74:26.

During the year Company Redeemed 25,000,000 8% Redeemable Cumulative Preference shares on 3rd November, 2016 issued on 4th November, 2011 and 25,000,000 8% Redeemable Cumulative Preference shares on 22nd December, 2016 issue on 23rd December, 2008.

During the year, the Company has neither issued any shares (including equity shares with differential rights or any sweat equity share) nor granted employee stock options. Further, there were no shares having voting rights not exercised directly by the employees for the purchase of which or subscription to which loan was given by the Company.

Non-Convertible Debentures

As on 13th July, 2012, the Company had issued and allotted 2500 – Secured Unlisted Rated Redeemable Non-Convertible Debentures (NCDs) at 10.00% Coupon rate with a face value of ₹ 1,000,000 (Rupees Ten Lakh only) each for cash at par, aggregating ₹ 2,500 lakh (Rupees Two Thousand Five Hundred Lakh only) vide Series A, Series B, and Series C on Private Placement basis.

The Company had also issued and allotted 650- Secured Unlisted Rated Redeemable Non- Convertible Debentures (NCDs) as on 19th December, 2014 at 10.90 percent Coupon rate with a face value of ₹ 1,000,000 (Rupees Ten Lakh only) each for cash at par, aggregating ₹ 6,500 lakh (Rupees Six Thousand Five Hundred Lakh only) vide Series I, Series II, and Series III on Private Placement basis.

The Company had also issued and allotted 50- Secured Unlisted Rated Redeemable Non- Convertible Debentures (NCDs) on 9th July, 2015 at 9.50 percent Coupon rate with a face value of ₹ 10,000,000 (Rupees One Crore only) each for cash at par, aggregating ₹ 5,000 lakh (Rupees Five Thousand Lakh only) on Private Placement basis.

Series A of Secured Unlisted Rated Redeemable 750 Non-Convertible Debentures (NCDs) of 10.00 % coupon rate with a face value of ₹ 1,000,000 (Rupees Ten lakh only) each aggregating ₹ 7,500 lakh (Rupees Seven Thousand Five Hundred Lakh Only) were redeemed on 13th July, 2015 along with redemption premium.

Series B of Secured Unlisted Rated Redeemable 750 Non-Convertible Debentures (NCDs) of 10.00 percent coupon rate with a face value of ₹ 1,000,000 (Rupees Ten lakh only) each aggregating ₹ 7,500 lakh (Rupees Seven Thousand Five Hundred Lakh Only) were redeemed on 12th July, 2016 along with redemption premium.

Company has redeemed 50 Secured Unlisted rated Redeemable Non - Convertible Debentures (NCDs) of ₹ 5,000 lakh at 9.50 percent Coupon Rate with a face value of ₹ 10,000,000/- (Rupees One Crore Only) on 11th July, 2016.

Secured Unlisted Rated 150 Non-Convertible Debentures (NCDs) of 9.48 percent coupon rate with a face value of ₹ 1,000,000 (Rupees Ten lakh only) each aggregating ₹ 15,000 lakh (Rupees Fifteen Thousand Lakh Only) were issued on 07th July, 2016.

The proceeds of all the above mentioned NCDs issue have been utilized for the purpose of the issue.

Networth

The networth of the Company at the close of the previous financial year (FY 2015-16) and at the close of the current financial year (FY 2016-17) was ₹ 22,053.90 lakh and ₹ 26,009.60 lakh respectively.

Holding Company

The 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 the Company. Therefore, the requirement of consolidated financial statements does not apply to the Company.

Board of Directors

As at 31st March, 2017, the Board of Directors comprise of following:

Sr. No.	Name of Directors	DIN	Designation
1.	Mr. Umesh Kumar	01733695	Chairman, Non-Executive Non-Independent Director
2.	Mr. Maheswar Sahu	00034051	Non-Executive Independent Director
3.	Mr. Vaibhav Galriya	03422896	Non- Executive Non- Independent Director
4.	Mr. Salil Singhal	00006629	Non-Executive Independent Director

Sr. No.	Name of Directors	DIN	Designation
5.	Mr. Mukesh Sharma	02087671	Non- Executive Non- Independent Director
6.	Ms. Mugdha Sinha	03527870	Non- Executive Non- Independent Director
7.	Mr. Arun Kumar Nanda	00010029	Non- Executive Non- Independent Director
8.	Ms. Anita Arjundas	00243215	Non- Executive Non- Independent Director
9.	Ms. Sangeeta Prasad	02791944	Non- Executive Non- Independent Director

During the year, Mr. Ashok Jain, Ms. Veena Gupta, Mr, C.S Rajan and Mr. Shikhar Agrawal resigned from the office of Directors on 20th July, 2016, 20th July, 2016, 19th August, 2016 and 17th January, 2017, respectively pursuant to nomination of new Directors by RIICO. The Board places on record its deep appreciation of the valuable services rendered by them during their tenure as Directors of the Company.

Mr. Mukesh Sharma, Mr. Vaibhav Galriya, Mr. Umesh Kumar and Ms. Mugdha Sinha were appointed as Additional Directors on 20th July, 2016, 20th July, 2016, 19th August, 2016 and 10th February, 2017, respectively.

Further Mr. Mukesh Sharma, Mr. Vaibhav Galriya, Mr. Umesh Kumar were appointed as Non-Executive Non-Independent Directors at the previous annual general meeting of the Company held on 29th September, 2016.

Pursuant to Section 152 of the Companies Act, 2013 and provisions of Articles of Association, Non-Executive Non-Independent Directors Ms. Anita Arjundas (DIN: 00243215) and Ms. Sangeeta Prasad (DIN: 02791944), retire by rotation at the ensuing Annual General Meeting of the Company and are eligible for reappointment. Both the Directors being eligible have offered themselves for reappointment.

Ms. Mugdha Sinha (DIN: 03527870) ceases to hold office as per the provisions of Section 161 of the Companies Act, 2013, at the ensuing Annual General Meeting and the Company has received a notice from a Member in writing proposing her candidature for the office of Director alongwith the requisite deposit.

Further, all the above Directors are not disqualified from being appointed/re-appointed as Director by virtue of the provisions of Section 164 of the Companies Act, 2013.

Pursuant to Section 149(7) of the Companies Act, 2013, declaration from all the Independent Directors were received affirming their independence in accordance with the Section 149(6) of the Companies Act, 2013.

Key Managerial Personnel

As at 31st March, 2017, the Key Managerial Personnel of the Company comprise of following:

Sr. No.	Name of Key Managerial Personnel	Designation
1.	Mr. Sanjay Srivastava	Chief Executive Officer
2.	Mr. Pratik Desai	Company Secretary

The Board in its meeting held 20th July, 2016 appointed Mr. Sanjay Srivastava as a Chief Executive Officer and KMP of the Company and designated him as a Business Head. Mr. Sanjay Srivastava therefore ceased to be a Manager and Chief Operating Officer of the Company with effect from 20th July, 2016.

Mr. Pratik Desai was appointed as the Company Secretary of the Company with effect from 17th January, 2017 in place of Ms. Prashi Jain who resigned as Company Secretary during the year under review.

Mr. Sanjay Jain resigned as Chief Financial Officer of the Company with effect from 22nd March, 2017. The Board in its meeting held on 17th April, 2017 has appointed Mr. Girish Agrawal as Chief Financial Officer of the Company with effect from 1st May, 2017.

Committees of the Board:

Audit Committee

The Audit Committee of the Company was reconstituted by the Board in its meeting held on 17th January, 2017 and comprises of two Independent Directors, namely Mr. Maheswar Sahu, Mr. Salil Singhal and one Non- Executive Non-Independent Director, Ms. Mugdha Sinha. Mr. Maheswar Sahu is the Chairman of the Audit Committee. All members of the Audit Committee possess strong knowledge of accounting and financial management. The Chairman of the Company and Statutory Auditors are regularly invited to attend the Audit Committee Meetings. The Board has accepted all recommendations of the Audit Committee made from time to time.

Corporate Social Responsibility Committee (CSR)

The Corporate Social Responsibility (CSR) Committee of the Company was reconstituted by the Board in its meeting held on 17th January, 2017 and comprises of Mr. Maheswar Sahu, Independent Director and two Non-Executive Non-Independent Directors Ms. Mugdha Sinha and Ms. Sangeeta Prasad. Mr. Maheswar Sahu is the Chairman of the Committee.

During the year, the Company contributed ₹ 75.79 Lakh towards Corporate Social Responsibility. The Annual Report on CSR activities providing brief details on CSR policy and CSR initiatives undertaken by the Company during the year is attached herewith at **Annexure 1** to this Report

Nomination and Remuneration Committee (NRC)

The Nomination and Remuneration Committee of the company was reconstituted by the Board in its meeting held on 17th January, 2017 and comprises of two Independent Directors, namely, Mr. Maheswar Sahu, Mr. Salil Singhal and two Non- Executive Non-Independent Directors namely Ms. Anita Arjundas and Ms. Mugdha Sinha. Mr. Maheswar Sahu is the Chairman of the Committee.

The following policies of the Company as required under 178(3) of the Companies Act, 2013 is attached herewith and marked as **Annexure 2**, **Annexure 3 and Annexure 4**, respectively to this report:

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

Other Committees

Contract Committee

The Contract Committee of the Company was reconstituted by the Board in its meeting held on 17th January, 2017 and comprises of three members, namely Mr. Vaibhav Galriya, Non-Executive Non- Independent Director, Ms. Sangeeta Prasad, Non- Executive Non- Independent Director and Mr. Sanjay Srivastava, Chief Executive Officer.

Capital Issue Committee

The Capital Issue Committee of the Company was reconstituted by the Board in its meeting held on 17th January, 2017 and comprises of three members, namely Ms. Mugdha Sinha, Non-Executive Non- Independent Di rector, Mr. Arun Kumar Nanda, Non- Executive Non- Independent Director and Ms. Sangeeta Prasad, Non- Executive Non- Independent Director.

Land Lease Committee

The Land Lease Committee comprises of two members, namely Mr. Mukesh Sharma, Non-Executive Non-Independent Director, and Ms. Anita Arjundas, Non-Executive Non-Independent Director.

Loans & Investments Committee

The Loans & Investment Committee of the Company was reconstituted by the Board in its meeting held on 17th January, 2017 and comprises of four members, namely Mr. Umesh Kumar, Non- Executive Non- Independent Director, Ms. Mugdha Sinha, Non-Executive Non-Independent Director, Mr. Arun Kumar Nanda, Non- Executive Non- Independent Director and Ms. Sangeeta Prasad, Non- Executive Non- Independent Director.

Performance Evaluation

Pursuant to the provisions of the Companies Act, 2013, evaluation of every Director's performance was done by Nomination and Remuneration Committee. The performance evaluation of Non-Independent Directors and the Board as a whole, Committees thereof, and Chairman of the Company was carried out by the Independent Directors. Evaluation of Independent Directors was carried out by the entire Board of Directors, excluding the Director being evaluated. Structured questionnaires, covering various aspects of the evaluation such as adequacy of the size and composition of the Board with regard to skill, experience, independence, diversity, attendance and adequacy of time given by the Directors to discharge their duties; corporate governance practices etc. were circulated to the Directors for the evaluation process The Directors expressed their satisfaction with the evaluation process.

Meetings

During the year, five (5) meetings of the Board of Directors were convened and held on 21st April, 2016, 16th June, 2016, 20th July, 2016, 18th October, 2016 and 17th January, 2017.

During the year, two (2) meetings of the Audit Committee were convened and held on 20th July, 2016 and 17th January, 2017.

During the year, two (2) meetings of the Nomination and Remuneration Committee (NRC) were convened and held on 20th July, 2016 and 17th January, 2017.

During the year, three (3) meetings of the Corporate Social Responsibility (CSR) Committee were convened and held on 21st April, 2016, 18th October, 2016 and 17th January, 2017.

During the year, one (1) meeting was also conducted on 21st April, 2016 for availing borrowing facility by the Committee of two Directors comprising of Ms. Veena Gupta and Ms. Sangeeta Prasad.

The previous Annual General Meeting of the Company was held on 29th September, 2016 and an extra-ordinary general meeting of the Company was held on 28th June, 2016.

The details of the number of meetings of the Board and the Committees thereof attended by the respective members of the Board/Committees are given below:

Sr. No.	Name of the Director	Board meetings attended	Audit Committee meetings attended	NRC meetings attended	CSR Committee meetings attended
1.	Mr. Chandra Shekhar Rajan	2	N.A.	N.A.	N.A.
2.	Mr. Maheswar Sahu	2	2	2	1

3.	Mr. Ashok Jain	3	N.A.	N.A.	N.A.
4.	Mr. Salil Singhal	1	1	1	N.A.
5.	Ms. Veenu Gupta	2	N.A.	NIL	1
6.	Mr. Shikhar Agrawal	2	N.A.	N.A.	N.A.
7.	Mr. Arun Kumar Nanda	2	N.A.	N.A.	N.A.
8.	Ms. Anita Arjundas	3	N.A.	2	N.A.
9.	Ms. Sangeeta Prasad	5	N.A.	N.A.	3
10.	Mr. Vaibhav Galriya	1	NIL	NIL	1
11.	Mr. Umesh Kumar	2	N.A.	N.A.	N.A.
12.	Mr. Mukesh Sharma	Nil	N.A.	N.A.	N.A.

Codes of Conduct

The Company has adopted Codes of Conduct ("the Code/s") for its Directors, Independent Directors, Senior Management 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.

During the year, due to the changes in the business environment and the governance landscape, the Code of Conduct of the Company for Senior Management and Employees was revised.

The Company has for the year under review, received declarations under the Codes from the Board Members, Independent Directors, Senior Management and employees affirming compliance with the respective Codes.

Directors' Responsibility Statement

Pursuant to Section 134(5)of the Companies Act, 2013, the Directors, based on the representations received from the operating management and after due enquiry, confirm that:

(a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

(b) they had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year 31st March, 2017 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; and

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

Internal Financial Controls

The Company has in place adequate internal financial controls with reference to the financial statements. The Audit Committee of the Board reviews the internal control systems with the management and auditors.

Vigil mechanism/Whistle Blower Mechanism

The Company has established a vigil mechanism by adopting a Whistle Blower Policy for Directors and employees to report genuine concerns in the prescribed manner. The vigil mechanism is overseen by the Audit Committee and provides adequate safeguards against victimization of employees and Directors. Whistle Blower Policy is a mechanism to address any complaint(s) related to fraudulent transactions or reporting intentional non-compliance with the Company's policies and procedures and any other questionable accounting/operational process followed. It provides a mechanism for employees to approach the Chairman of Audit Committee or Chairman of the Company. During the year, no such incidence was reported and no personnel were denied access to the Chairman of the Audit Committee or Chairman of the Company. The Whistle Blower Policy of the Company has been posted on the website of the Company and is available at the link http://www.mahindraworldcity.com/about-us/our-policies.aspx.

Risk Management

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

Auditors

M/s. Deloitte Haskins & Sells, Chartered Accountants have held office as Auditor of the Company for more than 10 years, i.e. more than two terms of 5 years each and the transition period of 3 years from the date of commencement of the Act is over and shall retire at the forthcoming Annual General Meeting. The Company is now required to appoint a new Statutory Auditor for a term of 5 consecutive years w.e.f. the conclusion of the ensuing 12th Annual General Meeting in place of retiring auditors M/s. Deloitte Haskins & Sells, Chartered Accountants.

As required under the provisions of Section 139 and 141 of Companies Act, 2013, the Company has received written consent and certificate from M/s. B. K. Khare & Co, Chartered Accountants, Mumbai (ICAI Registration Number-105102W) to the effect that their appointment, if made, would be in conformity with the limits specified in that Section.

The Board has recommended M/s. B. K. Khare & Co, Chartered Accountants, Mumbai (ICAI Registration Number-105102W) to be appointed as Auditors of the Company for a term of 5 consecutive years from the conclusion of the 12th Annual General Meeting till the conclusion of the 17th Annual General Meeting to be held in the calendar year 2022 (subject to ratification of their appointment at every AGM), to conduct the audit of the Accounts of the Company, at such remuneration as may be mutually agreed upon between the Board of Directors of the Company and the Auditors and reimbursement of out of pocket expenses and taxes as applicable.

The Statutory Auditor's Report for the financial year 2016-17 does not contain any qualification, reservation or adverse remark and therefore does not call for any further comments.

Cost Auditors

The provisions related to applicability of Cost Audit is not applicable to the Company for the financial year 2016-17

Secretarial Auditors

The Board has appointed M/s. JPS & Associates, practicing Company Secretaries, to conduct the secretarial audit for the financial year 2016-17. The Secretarial Audit report for the financial year ended 31st March, 2017 is annexed herewith and marked as **Annexure 5** to this Report.

The Secretarial audit report does not contain any qualification, reservation or adverse remark and therefore does not call for any further comments.

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

As the Company is engaged in the business of Real Estate Development, 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. The said provisions are also not applicable to acquisition of shares if allotted in pursuance of Section 62(1)(a) of the Act. The particulars of investment are provided in the financial statement at Note No. 16.

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 with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 with related parties which could be considered material. Accordingly, the disclosure of related party transaction to be provided under section 134(3)(h) of the Companies Act, 2013, in form AOC-2 is not applicable to the Company.

Deposits, Loans and Advances

During the year, the Company has not accepted any deposits from the public or its employees, within the meaning of Section 73 of the Companies Act, 2013.

The Company has not made any loans and advances of the nature which are required to be disclosed in the annual accounts of the Company pursuant to Regulation 34(3) and 53 (f) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

The particulars relating to the Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo as per Section 134(3)(m) of the Companies Act, 2013 read with the Rule 8(3) of the Companies (Accounts) Rules, 2014 during the year are given in the prescribed format in the **Annexure 6** to this report.

Employee Remuneration

Being an unlisted Company, the details of employee remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not applicable to your company.

Extract of Annual Return

The details forming part of the extract of the Annual Return in Form MGT-9, as required under Section 92 of the Companies Act, 2013 is included in this Report as **Annexure - 7** and forms part of this Report.

Safety, Health and Environmental Performance

Your Company's commitment towards safety, health and environment is being continuously enhanced and persons working are well informed on safety, health and measure to reduce energy consumption.

Sustainability

Your Company continues with its journey on sustainable development with conscious efforts to minimize the environmental impact caused by its operations and simultaneously taking responsibility to enable communities to Rise without losing focus on economic performance. Mahindra World City Jaipur is the first and largest project in Asia to receive Stage 2 Climate Positive Development certification from C40 Cities Climate Leadership Group.

General

- During the year, there were no cases filed/reported pursuant to the Sexual Harassment of women at workplace (Prevention, Prohibition and Redressal) Act, 2013.
- The Company has received a Demand Notice dated 27th January, 2016 on 28th January, 2016, from Jaipur Development Authority (JDA) regarding payment of lease/

Shahri Jamabandi charges along with interest thereon for the period 27th September, 2006 to 31st March, 2016, on the land leased by Rajasthan State Industrial Development & Investment Corporation Limited (RIICO) to the Company in Mahindra World City, Jaipur. The notice is for an amount of ₹ 32,179.39 lakh.

The Company has from March, 2011 to January, 2016 paid, in various tranches, an aggregate amount ₹ 450.87 lakh towards the aforesaid lease/Shahri Jamabandi charges calculated in accordance with the relevant provisions, statutes and representations on the subject. This has been further validated by a legal opinion.

Based on the above, the Company is of the opinion that as of date, it is not in arrears of any amounts and has taken up the matter with the relevant authorities.

- No other 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.
- No fraud has been reported during the year by the Statutory Auditor and Secretarial Auditor of 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.

Acknowledgement

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,

Ms. Anita Arjundas
Director (DIN 00243215)

Ms. Sangeeta Prasad
Director (DIN 02791944)

Jaipur, 17th April, 2017

ANNEXURE 1

THE ANNUAL REPORT ON CSR ACTIVITIES

1. **A brief outline of the Company's 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. 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 1188 candidates have been trained as on 31st March 2017. **In FY 16-17, the training was given to 230 candidates.**
   - Formation of Women SHG's – Since its inception 85 SHG's have been formed with 960 women as on 31st March 2017. **In FY 16-17**, 10 new SHG's were formed with 100 women, **60 women** have been given advance training from the existing groups and **25 women** were given basic primary education.
   - The Company also provides Mid-Day meals to Govt. School Children through Akshay Patra. In FY 16-17, this initiative catered to **437 children across 5 Schools**, around the project office of the Company.
   - The Company also conducted **three** medical camps in the neighboring villages including Eye Camps for **1000 Children** in 6 Govt. Schools, around the project office of the Company.
   - The Company also planted **5500 trees** in government approved forest area and the neighboring villages around the project office of the Company.
   - Under the Clean India Campaign, the Company took the initiative to **clean four** neighboring villages around the project office of the Company, including one campaign for conservation of a Nature Water Body.
   - The Company has also contributed ₹ 25 lakh for the Rajasthan State Govt. CSR project – MukyaMantri Jal Swavalambhan Abhiyan for making villages self-sufficient in Drinking Water and conserving water resources. A total of **15 villages** have been identified around the project office of the Company.
   - The Company also contributed ₹ 20 lakh for Seva Mandir, Udaipur.

   A detailed report of all activities is attached for reference. We are happy to inform that 100% of the CSR budget has been consumed for FY 16-17.

2. **The Composition of the CSR Committee.**

   The Corporate Social Responsibility (CSR) Committee of the Company comprises of Mr. Maheswar Sahu, Independent Director (Chairman of the Committee), Ms. Mugdha Sinha and Ms. Sangeeta Prasad, Non- Executive Non- Independent Directors of the Company.

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

   The average net profit of the Company for the last three financial years- ₹ **3,789.50** Lakh.

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

   Prescribed CSR spend (2% of above amount) - ₹ **75.79** Lakh

5. **Details of CSR spent during the financial year:**

   a. Total amount to be spent for the financial year: ₹ **75.79** Lakh

   b. Amount unspent, if any: NIL

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

(₹ in lakh)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sr. no.	**CSR project of activity identified**	**Sector in which the project is covered**	**Projects (1) Local area or other (2) Specify the State and district where projects or programs was undertaken**	**Amount outlay (budget) project or programs wise**	**Amount spent on the projects: (1) Direct expenditure on projects or programs (2) Overhead**	**Cumulative expenditure upto the reporting period**	**Amount spent: Direct or through implementing agency***
1	Education of under privileged Children	Education	Udaipur/Rajasthan	20.00	20.00	20.00	Seva Mandir

(₹ in lakh)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sr. no.	**CSR project of activity identified**	**Sector in which the project is covered**	**Projects (1) Local area or other (2) Specify the State and district where projects or programs was undertaken**	**Amount outlay (budget) project or programs wise**	**Amount spent on the projects: (1) Direct expenditure on projects or programs (2) Overhead**	**Cumulative expenditure upto the reporting period**	**Amount spent: Direct or through implementing agency***
2	Vocational Skill Development Program & Women Empowerment	Education	Jaipur/Rajasthan	14.50	14.50	14.50	TBI
3	Model School Development	Education	Jaipur/Rajasthan	0.75	0.75	0.75	Direct
4	Mukhyamantri Jal Swavlamban Abhiyan	Health	Jaipur/Rajasthan	25.00	25.00	25.00	Govt. of Rajasthan
5	Mid-Day meals for Govt. School children	Health	Jaipur/Rajasthan	3.75	3.50	3.50	Akshay Patra
6	Medical Camps	Health	Jaipur/Rajasthan	2.50	2.75	2.75	Direct
7	LED Tube Lights Installation	Environment	Jaipur/Rajasthan	4.29	4.33	4.33	Direct
8	Tree Plantation	Environment	Jaipur/Rajasthan	2.50	2.53	2.53	Direct
9	Clean India Campaigns	Environment	Jaipur/Rajasthan	2.50	2.43	2.43	Direct
	Total			**75.79**	**75.79**	**75.79**	

*** Give Details of implementing agency**

TECHNOLOGY BUSINESS INCUBATOR-KIET is jointly promoted by Department of Science & Technology, Govt. of India and 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 and creation of job opportunities through innovation and entrepreneurship and also market oriented skilled trained rural personnel to meet out the requirement of industries thereby uplifting the economic status and livelihood of the people.

Mukhya Mantri Jal Swawalamban Abhiyan – is an initiative of Government of Rajasthan, to create a water sustainable Rajasthan and make villages self-reliant even during drought periods, to make villages self-sufficient by providing a permanent solution to the demand of drinking water and to increase the Irrigated area through water harvesting and conservation. We have identified 15 villages under 3 Panchayats around the MWCJ campus for contribution towards this initiative.

AKSHAY PATRA - is a not-for-profit organization headquartered in Bangalore, India. The organization strives to fight issues like hunger and malnutrition in India by implementing the Mid-Day Meal Scheme in the Government schools and Government aided schools. It aims to fight not only hunger but also to bring children to school and thereby provide food for education.

6. **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.**

   The Company has spent all the amounts reserved for CSR activities i.e. 2% of average net profit for the last three financial years.

7. **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.

Mr. Maheswar Sahu	**Mr. Sanjay Srivastava**
Chairman of the CSR Committee (DIN 00034051)	***Manager & Chief Executive Officer***

Jaipur, 17th April, 2017

ANNEXURE- 2

POLICY ON APPOINTMENT OF DIRECTORS AND SENIOR MANAGEMENT

DEFINITIONS

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

"**Board**" means Board of Directors of the Company.

"**Company**" means Mahindra 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 sprit 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.

For and on behalf of the Board,

Ms. Anita Arjundas	**Ms. Sangeeta Prasad**
Director (DIN 00243215)	***Director (DIN 02791944)***

Jaipur, 17th April, 2017

ANNEXURE 3

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.

For and on behalf of the Board,

Ms. Anita Arjundas	**Ms. Sangeeta Prasad**
Director (DIN 00243215)	***Director (DIN 02791944)***

Jaipur, 17th April, 2017

ANNEXURE-4

REMUNERATION POLICY FOR KMPS AND EMPLOYEES

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

Objective

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

Standards

- All employees, irrespective of contract, are to be remunerated fairly and the remuneration is to be externally competitive and internally equitable. The remuneration will be paid in accordance with the laid down Statutes.
- Remuneration for on-roll employees will include a fixed or guaranteed component payable monthly; and a variable component which is based on performance and paid annually in the month of July following the fiscal.
- The fixed component of remuneration will have a flexible component with a bouquet of allowances to enable an employee to choose the allowances as well as the quantum based on laid down limits as per Company policy. The flexible component can be varied only once annually in the month of July i.e. after the salary increment exercise.
- The variable component of the remuneration will vary from 10% to 25% of the Cost-to-Company (CTC) and will be a function of the employee's grade.
- The actual pay-out of variable component of the remuneration will be a function of individual performance as well as business performance. Business performance is evaluated using a Balanced Score Card (BSC) while individual performance is evaluated on Key Result Areas (KRA). Both the BSC and KRAs are evaluated at the end of the fiscal to arrive at the BSC rating of the business and PPS rating of the individual.
- An annual compensation survey is carried out to ensure that the Company's compensation is externally competitive and is around 60th percentile. Based on the findings of the survey and the business performance, the Sector Talent Council decides:
  - o The increment that needs to be paid for different performance ratings as well as grades.
  - o The increment for promotions and the total maximum increment.
  - o The maximum increase in compensation cost in % and absolute.
- Compensation corrections are made in a few cases where it is outside the band or to keep it tune with the market.
- There are no mid-term compensation increments.

For and on behalf of the Board,

Ms. Anita Arjundas	**Ms. Sangeeta Prasad**
Director (DIN 00243215)	***Director (DIN 02791944)***

Jaipur, 17th April, 2017

ANNEXURE 5

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR 2016-17

[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,
4th 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 compliances 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 31st March, 2017 complied with various provisions of 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 31st March, 2017, according to the provisions of:

1. The Companies Act, 2013 and the Rules made there under;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
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. Employees' State Insurance (ESI) Act, 1948;
15. The Contract Labour (Regulation and Abolition) Act, 1970;
16. Employment Exchange (Compulsory Notification of Vacancies) Act, 1959;
17. The Environment (Protection) Act, 1986;
18. The Water (Prevention and Control of Pollution) Act, 1974;
19. The Air (Prevention and Control of Pollution) Act, 1974.

(IV) As observed and as per the information and explanations given to us, 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, officers, employees and staff of the Company, we report that during the financial year under review the Company has generally complied with the provisions of 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 of the Company is duly constituted with proper balance of Non-Executive Directors and Independent Directors.

(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 a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

(X) We further report that decisions were observed to be carried out by majority, however, we did 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 basis and also redeemed Non Convertible debentures 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) Buy-back of securities;

(iii) Merger/amalgamation/reconstruction etc.;

(iv) Foreign technical collaborations.

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;
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 of 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.

For JPS & Associates
Company Secretaries

Jai Prakash Sharma
Partner
C. P. No.: 5161

Jaipur, 15th April, 2017

ANNEXURE – 6

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:

i) E Rikshaw streamlined and being used by Customers of Mahindra World City(Jaipur) Limited.

ii) 1000 LED installation completed in Mahapura Village during the year

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

During the year, there were no foreign exchange earnings.

For and on behalf of the Board,

Ms. Anita Arjundas
Director (DIN 00243215)

Ms. Sangeeta Prasad
Director (DIN 02791944)

Jaipur, 17th April, 2017

ANNEXURE 7

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN
AS ON FINANCIAL YEAR ENDED ON 31ST MARCH, 2017

(Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12(1) of the Company (Management & Administration) Rules, 2014)

I. REGISTRATION & 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	:	4th Floor, 411, Neelkanth Tower, Bhawani Singh Road, C-Scheme, Jaipur, Rajasthan- 302001 Email: DESAI.PRATIK2@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. For Non-Convertible Debentures: Karvy Computershare Private Limited Karvy Selenium, Tower- B, Plot No 31 & 32., Financial district, Nanakramguda, Hyderabad - 500032 Telephone: +91 40 67162222 Email id: einward.ris@karvy.com

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%

***As per National Industrial Classification- Ministry of Statistics and Programme Implementation.**

 # on the basis of Gross Turnover.

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and Address of company	Country	CIN/GLN	Holding/ Subsidiary/ Associate	% holding as at 31.03.2016	Applicable Section
1	Mahindra Lifespace Developers Limited Address- Mahindra Towers 5th floor, Worli , Mumbai- 400018, Maharashtra	India	L45200MH1999PLC118949	Holding	74%	Section 2(46)

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-2016]				No. of Shares held at the end of the year [As on 31-March-2017]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	–	–	–	–	–	–	–	–	–
b) Central Govt	–	–	–	–	–	–	–	–	–
c) State Govt(s)	–	–	–	–	–	–	–	–	–
d) Bodies Corp.	–	150,000,000	150,000,000	100	–	150,000,000	150,000,000	100	0.00
e) Banks/FI	–	–	–	–	–	–	–	–	–
f) Any Other	–	–	–	–	–	–	–	–	–
Total shareholding of Promoter (A)	–	150,000,000	150,000,000	100	–	150,000,000	150,000,000	100	0.00
B. Public Shareholding									
1. Institutions	–	–	–	–	–	–	–	–	–
a) Mutual Funds	–	–	–	–	–	–	–	–	–
b) Banks/FI	–	–	–	–	–	–	–	–	–
c) Central Govt	–	–	–	–	–	–	–	–	–
d) State Govt(s)	–	–	–	–	–	–	–	–	–
e) Venture Capital Funds	–	–	–	–	–	–	–	–	–
f) Insurance Companies	–	–	–	–	–	–	–	–	–
g) FIIs	–	–	–	–	–	–	–	–	–
h) Foreign Venture Capital Funds	–	–	–	–	–	–	–	–	–
i) Others (specify)	–	–	–	–	–	–	–	–	–
Sub-total (B)(1):-	–	–	–	–	–	–	–	–	–
2. Non-Institutions									
a) Bodies Corp.	–	–	–	–	–	–	–	–	–
i) Indian	–	–	–	–	–	–	–	–	–
ii) Overseas	–	–	–	–	–	–	–	–	–
b) Individuals	–	–	–	–	–	–	–	–	–
i) Individual shareholders holding nominal share capital upto ₹. 1 lakh	–	–	–	–	–	–	–	–	–
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	–	–	–	–	–	–	–	–	–
c. Others (specify)	–	–	–	–	–	–	–	–	–
Non Resident Indians	–	–	–	–	–	–	–	–	–
Overseas Corporate Bodies	–	–	–	–	–	–	–	–	–
Foreign Nationals	–	–	–	–	–	–	–	–	–
Clearing Members	–	–	–	–	–	–	–	–	–
Trusts	–	–	–	–	–	–	–	–	–
Foreign Bodies - D R	–	–	–	–	–	–	–	–	–
Sub-total (B)(2):-	–	–	–	–	–	–	–	–	–
Total Public Shareholding (B)=(B)(1)+(B)(2)	–	–	–	–	–	–	–	–	–
C. Shares held by Custodian for GDRs & ADRs	–	–	–	–	–	–	–	–	–
Grand Total (A+B+C)	–	150,000,000	150,000,000	100	–	150,000,000	150,000,000	100	0.00

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 Limited	110,999,940	73.99	–	110,999,940	73.99	–	0.00
2	Mahindra Lifespace Developers Limited & Mr. Narayan Shankar	10	0.000005	–	10	0.000005	–	0.00
3	Mahindra Lifespace Developers Limited & Mr. Arun Nanda	10	0.000005	–	10	0.000005	–	0.00
4	Rajasthan State Industrial Development & Investment Corporation Limited (RIICO)	39,000,000	26	–	39,000,000	26	–	0.00
5	Mahindra Lifespace Developers Limited & Mr. Suhas Kulkarni	10	0.000005	–	10	0.000005	–	0.00
6	Mahindra Lifespace Developers Limited & Ms. Anita Arjundas	10	0.000005	–	10	0.000005	–	0.00
7	Mahindra Lifespace Developers Limited & Ms. Sangeeta Prasad	10	0.000005	–	10	0.000005	–	0.00
8	Mahindra Lifespace Developers Limited & Mr. Sanjay Srivastava	10	0.000005	–	10	0.000005	–	0.00
	Total	**150,000,000**	**100.00**	–	**150,000,000**	**100.00**	–	**0.00**

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

d) Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs): Nil

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 Limited & Mr. Arun Nanda	10	0.000005	10	0.000005
	Mahindra Lifespace Developers Limited & Ms. Anita Arjundas	10	0.000005	10	0.000005
	Mahindra Lifespace Developers Limited & Ms. Sangeeta Prasad	10	0.000005	10	0.000005
	Mahindra Lifespace Developers Limited & Mr. Sanjay Srivastava	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				
	Mahindra Lifespace Developers Limited & Mr. Arun Nanda	10	0.000005	10	0.000005
	Mahindra Lifespace Developers Limited & Ms. Anita Arjundas	10	0.000005	10	0.000005
	Mahindra Lifespace Developers Limited & Ms. Sangeeta Prasad	10	0.000005	10	0.000005
	Mahindra Lifespace Developers Limited & Mr. Sanjay Srivastava	10	0.000005	10	0.000005

f) INDEBTEDNESS

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

(₹ in lakh)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	28,944.84	4,999.34	–	33,944.18
ii) Interest due but not paid	–	–	–	–
iii) Interest accrued but not due	2,282.90	–	–	2,282.90
Total (i+ii+iii)	31,227.74	4,999.34	–	36,227.08
Change in Indebtedness during the financial year				
Addition	14,953.60	–	–	14,953.60
Reduction	(13,207.15)	(4,999.34)	–	(18,206.49)
Net Change	1,746.45	(4,999.34)	–	(3,252.89)
Indebtedness at the end of the financial year				
i) Principal Amount	31,430.00	–	–	31,430.00
ii) Interest due but not paid	–	–	–	–
iii) Interest accrued but not due	1,544.19	–	–	1,544.19
Total (i+ii+iii)	**32,974.19**	**–**	**–**	**32,974.19**

V REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(₹ in lakh)

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager	Total Amount
		Mr. Sanjay Srivastava (Manager)*	
1.	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	39.21	39.21
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	–	–
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	–	–
2.	Stock Option related perquisites	–	–
3.	Sweat Equity	–	–
4.	Commission – as % of profit – others, specify	–	–
5.	Others, please specify	–	–
	Total (A)	39.21	39.21
	Ceiling as per the Act	345.26	345.26

* Mr. Sanjay Srivastava was a Manager and COO. He became CEO with effect from 20th July, 2016

B. Remuneration to other directors:

(₹ in lakh)

Sr. No.	Particulars of Remuneration	Name of Directors		Total Amount
		Mr. Maheswar Sahu	Mr. Salil Singhal	
1	Independent Directors			
	Fee for attending board committee meetings	0.90	0.40	1.30
	Commission	–	–	–
	Others, please specify	–	–	–
	Total (1)	0.90	0.40	1.30

(₹ in lakh)

Sr. No.	Particulars of Remuneration	Name of Directors		Total Amount
		Mr. Maheswar Sahu	Mr. Salil Singhal	
2	Other Non-Executive Directors			
	Fee for attending board committee meetings	–	–	–
	Commission	–	–	–
	Others, please specify	–	–	–
	Total (2)	–	–	–
	Total (B)=(1+2)	0.90	0.40	1.30
	Total Managerial Remuneration (A + B)	–	–	40.51
	Overall Ceiling as per the Act	N.A.		N.A.

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

Sr. No.	Particulars of Remuneration	Key Managerial Personnel (₹ in lakh)			
		CEO*	CS	CFO	Total
1	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	90.93	1.90	56.79	149.62
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	–	–	–	–
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	–	–	–	–
2	Stock Option related perquisites	–	–	–	–
3	Sweat Equity	–	–	–	–
4	Commission				
	- as % of profit	–	–	–	–
	others, specify...	–	–	–	–
5	Others, please specify	–	–	–	–
	Total	90.93	1.90	56.79	149.62

* Mr. Sanjay Srivastava was a Manager and COO. He became CEO with effect from 20th July, 2016

VI. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

There was no penalties/punishments/compounding of offences for the year ending 31st March, 2017.

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/ NCLT/COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty					
Punishment			NONE		
Compounding					
B. DIRECTORS					
Penalty					
Punishment			NONE		
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment			NONE		
Compounding					

For and on behalf of the Board,

Ms. Anita Arjundas
Director
DIN: 00243215

Ms. Sangeeta Prasad
Director
DIN: 02791944

Jaipur, 17th April, 2017

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF
MAHINDRA WORLD CITY (JAIPUR) LIMITED

Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of **Mahindra World City (Jaipur) Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Ind AS Financial Statements

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

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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk sessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2017, its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit on the separate financial statements, to the extent applicable that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

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

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

   e) On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164(2) of the Act.

   f) With respect to the adequacy of the internal financial controls over financial reporting of the Company, and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

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

(i) The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements (Refer note 31 to the financial statements).

(ii) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses on long-term contracts. The company has not entered into any derivative contracts;

(iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

(iv) The Company has provided requisite disclosures in the financial statements as regards its holding and dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated the 8th November, 2016 of the Ministry of Finance, during the period from 8th November 2016 to 30th December 2016. Based on audit procedures performed and the representations provided to us by the management we report that the disclosures are in accordance with the books of account maintained by the Company and as produced to us by the Management. (Refer note 40 to the financial statements).

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

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm's Registration No. 008072S)

Geetha Suryanarayanan
Partner
(Membership No. 29519)

Place: Chennai
Date: 17th April, 2017

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

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

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **Mahindra World City (Jaipur) Limited** ("the Company") as of March 31, 2017 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing whether the risk of a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm's Registration No. 008072S)

Geetha Suryanarayanan
Partner
(Membership No. 29519)

Place: Chennai
Date: April 17, 2017

ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

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

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

(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.

(c) With respect to the leasehold land on which the properties are constructed by the company, based on examination of the registered lease deeds provided to us, we report that the lease agreements are in the name of the Company as at the balance sheet date where the company is the lessee in the agreement.

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

(iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.

(iv) The Company has not granted any loans, made investments or provide guarantees and hence reporting under clause (iv) of the CARO 2016 is not applicable.

(v) According to the information and explanations given to us, the Company has not accepted any deposits during the year. There were no unclaimed deposits outstanding at any time during the year.

(vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under subsection (1) of Section 148 of the Companies Act, 2013, and are 'of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

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

(a) The Company has been generally regular in depositing undisputed statutory dues, including Provident Fund, Employees' Stale Insurance, Income-tax, Sales Tax, Customs Duty, Excise Duty, Value Added Tax, cess and other material statutory dues applicable to it to the appropriate authorities.

(b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2017 for a period of more than six months from the date they became payable.

(c) The details of dues of Income Tax which have not been deposited as on March 31, 2017 on account of disputes are given below:

Name of Statute	Nature of Dues	Forum where dispute is pending	Period to which the Amount relates	Amount involved (₹ In Lacs)	Amount unpald (₹ In Lacs)
Jaipur Development Authority Act 1982	Urban assessment/ Shahri Jamabandi	Jaipur Development Authority	2006-16	32,179	31,729

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to debenture holders.

(ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (ix) of the CARO 2016 is not applicable.

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

(xi) In our opinion and according to the information and explanations given to us and based on the Company's confirmation that they are covered under Para (d), Section III (Remuneration payable by companies having no profit or inadequate profit without Central Government approval in special circumstances), Part II of Schedule V to the Companies Act, 2013, relating to company in a Special Economic Zone as notified by the Department of Commerce, the managerial remuneration paid/provided by the Company is in accordance with Section 197 read with the above Schedule V of the Companies Act, 2013.

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

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

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

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

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

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm's Registration No. 008072S)

Geetha Suryanarayana
Partner
(Membership No. 29519)

Place: Chennai
Date: April 17, 2017

BALANCE SHEET AS AT 31ST MARCH, 2017

₹ in Lakh

Particulars		Note No.	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
I	**ASSETS**				
	NON-CURRENT ASSETS				
	(a) Property, Plant and Equipment	3	**6,554.85**	7,089.61	6,536.13
	(b) Capital Work-in-Progress		**436.74**	195.40	653.97
	(c) Investment Property	4	**9,134.92**	9,276.01	9,474.08
	(d) Other Intangible Assets	5	**–**	–	–
	(e) Financial Assets				
	(i) Investments	6	**–**	–	–
	(ii) Trade receivables	7	**–**	–	–
	(iii) Loans	8	**107.88**	88.14	72.37
	(iv) Other Financial Assets	9	**–**	–	–
	(f) Deferred Tax Assets (Net)				
	(g) Other Non-current Assets	10	**923.29**	1,733.40	1,501.92
	SUB-TOTAL		**17,157.68**	18,382.56	18,238.47
	CURRENT ASSETS				
	(a) Inventories	11	**45,077.83**	46,393.20	43,811.88
	(b) Financial Assets				
	(i) Investments	6	**4,224.22**	425.20	5,975.05
	(ii) Trade Receivables	7	**616.99**	820.66	622.42
	(iii) Cash and Cash Equivalents	12	**2,415.89**	629.84	276.90
	(iv) Other Bank Balances	12	**11.56**	166.76	240.30
	(v) Loans	8	**–**	–	–
	(vi) Other Financial Assets	9	**160.00**	120.86	22.67
	(c) Other Current Assets	10	**406.79**	394.79	158.41
	SUB-TOTAL		**52,913.28**	**48,951.31**	**51,107.63**
	TOTAL ASSETS		**70,070.96**	**67,333.87**	**69,346.10**
II	**EQUITY AND LIABILITIES**				
1	**EQUITY**				
	(a) Equity Share Capital	13	**15,000.00**	15,000.00	15,000.00
	(b) Other Equity	14	**11,009.60**	7,053.90	6,907.55
	SUB-TOTAL		**26,009.60**	22,053.90	21,907.55
	LIABILITIES				
2	**NON-CURRENT LIABILITIES**				
	(a) Financial Liabilities				
	(i) Borrowings	15	**19,431.25**	16,434.56	28,914.55
	(ii) Trade Payables	16	**–**	–	–
	(iii) Other Financial Liabilities	17	**56.58**	20.27	730.95
	(b) Provisions	18	**528.59**	1,157.93	1,406.87
	(c) Deferred Tax Liabilities (Net)	19	**2,066.73**	1,952.85	1,852.20
	(d) Other Non-current Liabilities	20	**617.81**	279.89	191.22
	SUB-TOTAL		**22,700.96**	19,845.50	33,095.79
3	**CURRENT LIABILITIES**				
	(a) Financial Liabilities				
	(i) Borrowings	21	**–**	5,000.00	76.96
	(ii) Trade Payables	16	**805.47**	883.31	860.35
	(iii) Other Financial Liabilities	17	**17,302.29**	17,124.94	11,308.58
	(b) Provisions	18	**1,437.18**	798.31	535.49
	(c) Current Tax Liabilities (Net)				
	(d) Other Current Liabilities	20	**1,815.46**	1,627.91	1,561.38
	TOTAL LIABILITIES		**21,360.40**	25,434.47	14,342.76
	TOTAL EQUITY AND LIABILITIES		**70,070.96**	67,333.87	69,346.10

See accompanying notes to the financial statements

In terms of our report attached

For **Deloitte Haskins & Sells**
Chartered Accountants

Geetha Suryanarayanan
Partner
Membership No : 29519

Place : Chennai
Date : April 17, 2017

Sanjay Srivastava
Chief Executive Officer

Pratik Desai
Company Secretary
(ACS: A30026)

For and on behalf of the Board of Directors

Maheswar Sahu Director (DIN: 00034051)
Anita Arjundas Director (DIN: 00243215)

Place : Jaipur
Date : April 17, 2017

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2017

₹ in Lakh

	Particulars	Note No.	Year ended 31st March, 2017	Year ended 31st March, 2016
I	Revenue from operations	22	17,168.61	8,245.61
II	Other income	23	359.25	325.00
III	**Total Revenue (I + II)**		17,527.86	8,570.61
IV	**EXPENSES**			
	(a) Cost of land and Project development		1,742.72	2,214.41
	(b) (Increase)/Decrease in inventories of finished goods, work-in-progress and stock-in-trade	24	1,315.37	(2,581.32)
	(c) Employee benefit expense	25	590.85	657.33
	(d) Finance costs	26	3,941.93	4,126.07
	(e) Depreciation and amortisation expense		767.99	860.60
	(f) Impairment expenses/losses		–	–
	(g) Other expenses	27	2,194.29	1,897.76
			10,553.15	7,174.85
	Less : Capitalized		(0.15)	(28.04)
	Total Expenses- (IV)		10,553.00	7,146.81
V	**Profit/(loss) before exceptional items and tax (III - IV)**		6,974.86	1,423.80
VI	**Exceptional Items**		–	–
VII	**Profit/(loss) before tax (V - VI)**		6,974.86	1,423.80
VIII	**Tax Expense**			
	(1) Current tax	28	2,355.48	628.20
	(2) Deferred tax	28	113.89	100.63
	Total tax expense- (VIII)		2,469.37	728.83
IX	**Profit/(loss) after tax from continuing operations (VII - VIII)**		4,505.49	694.97
X	**Profit/(Loss) from continuing operations for the period attributable to:**			
	Owners of the Company		4,505.49	694.97
	Non controlling interests			
			4,505.49	694.97
XI	**Other comprehensive income**		(8.18)	(7.00)
	A (i) Items that will not be recycled to profit or loss			
	(a) Remeasurements of the defined benefit liabilities/(asset)		(8.18)	(7.00)
XII	**Total comprehensive income for the period (XV + XVIII)**		4,497.31	687.97
XIII	**Total comprehensive income for the period attributable to:**			
	Owners of the Company		4,497.31	687.97
	Non controlling interests		–	–
XIV	**Earnings per equity share (for continuing operation):**			
	(1) Basic	29	3.00	0.46

See accompanying notes to the financial statements
In terms of our report attached

For **Deloitte Haskins & Sells**
Chartered Accountants

Geetha Suryanarayanan
Partner
Membership No : 29519

Place : Chennai
Date : April 17, 2017

Sanjay Srivastava
Chief Executive Officer

Pratik Desai
Company Secretary
(ACS: A30026)

For and on behalf of the Board of Directors

Maheswar Sahu Director (DIN: 00034051)
Anita Arjundas Director (DIN: 00243215)

Place : Jaipur
Date : April 17, 2017

CASH FLOW STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2017

₹ in Lakh

Particulars	Year ended 31st March, 2017	Year ended 31st March, 2016
Cash flows from operating activities		
Profit before tax for the year	**6,974.86**	1,423.80
Non-cash adjustment to reconcile profit before tax to net cash flows		
Finance costs recognised in profit or loss	**3,941.93**	4,126.07
Interest Income	**(102.22)**	(66.48)
Investment income recognised in profit or loss	**(245.45)**	(235.22)
Loss/(Gain) on disposal of property, plant and equipment	**15.19**	–
Gain/(Loss) on Actuarial Valuation Adjustment in OCI	**(8.18)**	(7.00)
Depreciation and amortisation of non-current assets	**767.99**	860.60
Operating Profit/(Losses) before working capital changes	**11,344.12**	6,101.77
Movements in working capital:		
(Increase)/Decrease in trade and other receivables	**203.67**	(198.24)
(Increase)/Decrease in inventories	**1,315.37**	(2,581.32)
(Increase)/Decrease other Non Current and current assets	**93.21**	(613.20)
(Increase)/Decrease Financial Assets – Loans	**(19.74)**	(15.77)
Increase/(Decrease) in trade and other payables	**(77.84)**	22.96
Increase/(Decrease) in financial liabilities	**1,486.27**	(80.70)
Increase/(Decrease) in other liabilities	**525.47**	155.20
Increase/(Decrease) in Provision	**17.57**	39.08
Cash generated from operations	**14,888.10**	2,829.78
Income taxes paid	**(1,660.95)**	(537.40)
Net cash generated by operating activities	**13,227.15**	2,292.38
Cash flows from investing activities		
Payments for property, plant and equipment	**(361.33)**	(809.34)
Purchase of current investments	**(30,351.78)**	(21,530.60)
Redemption of current investments	**26,798.21**	27,315.67
Interest Income received	**125.37**	62.31
Investment in fixed deposit for more than 3 months	**(62.29)**	(94.02)
Payments for investment property	**–**	(9.86)
(Investment)/Redemption of Earmarked Fixed Deposits	**155.20**	73.54
Net cash (used in)/generated by investing activities	**(3,696.62)**	**5,007.70**

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31ST, 2017

₹ in Lakh

Particulars	Year ended 31st March, 2017	Year ended 31st March, 2016
Cash flow from financing activities		
Proceeds from borrowings	**15,000.00**	5,000.00
Repayment of borrowings	**(17,500.00)**	(7,576.96)
Dividend Paid	**(541.61)**	(541.61)
Interest Paid	**(4,702.87)**	(3,827.94)
Net cash used in financing activities	**(7,744.48)**	(6,946.51)
Net increase in cash and cash equivalents	**1,786.05**	353.56
Cash and cash equivalents at the beginning of the year	**629.84**	276.28
Cash and cash equivalents at the end of the year	**2,415.89**	629.84
Components of cash and cash equivalents		
Cash on hand	**0.53**	0.20
With banks	**–**	–
– on current account	**2,415.36**	629.64
– on deposit account	**–**	–
Total cash and cash equivalents (note 15)	**2,415.89**	**629.84**

See accompanying notes to the financial statements
In terms of our report attached

For **Deloitte Haskins & Sells**
Chartered Accountants

Geetha Suryanarayanan
Partner
Membership No : 29519

Place : Chennai
Date : April 17, 2017

Sanjay Srivastava
Chief Executive Officer

Pratik Desai
Company Secretary
(ACS: A30026)

For and on behalf of the Board of Directors

Maheswar Sahu Director (DIN: 00034051)
Anita Arjundas Director (DIN: 00243215)

Place : Jaipur
Date : April 17, 2017

Statement of Changes In Equity

Particulars	Share Capital	Reserves and Surplus			Other Comprehensive Income	
	Equity Share Capital	Debenture Redemption reserve	Capital Redemption Reserve	Retained Earnings	Acturial Gain/Loss	Total
Balance at the beginning of the reporting period – April 1, 2016	15,000.00	6,208.33	–	852.57	(7.00)	22,053.90
Profit for the year				4,505.49		4,505.49
Additions during the year		1,554.17	5,000.00			6,554.17
OCI component of actuarial gains/losses (Net of Taxes)					(8.18)	(8.18)
Dividends and tax thereon				(541.61)		(541.61)
Transfer to Debenture Redemption Reserve				(1,554.17)		(1,554.17)
Transfer to Capital Redemption Reserve				(5,000.00)		(5,000.00)
Transfer to Retained Earnings		(3,125.00)		3,125.00		–
Balance at the end of the reporting period – March 31, 2017	**15,000.00**	**4,637.50**	**5,000.00**	**1,387.28**	**(15.18)**	**26,009.60**

Particulars	Share Capital	Reserves and Surplus			Other Comprehensive Income	
	Equity Share Capital	Debenture Redemption reserve	Capital Redemption Reserve	Retained Earnings	Acturial Gain/Loss	Total
Balance at the beginning of the reporting period – April 1, 2015	15,000.00	5,614.58	–	1,292.96	–	21,907.54
Profit for the year				694.97		694.97
Additions during the year		2,468.75		1,875.00		4,343.75
OCI component of actuarial gains/losses					(7.00)	(7.00)
Dividends and tax thereon				(541.61)		(541.61)
Transfer to Debenture Redemption Reserve				(2,468.75)		(2,468.75)
Transfer to Retained Earnings		(1,875.00)				(1,875.00)
Balance at the end of the reporting period – March 31, 2016	15,000.00	6,208.33	–	852.57	(7.00)	22,053.90

See accompanying notes to the financial statements
In terms of our report attached

For **Deloitte Haskins & Sells**
Chartered Accountants

Geetha Suryanarayanan
Partner
Membership No : 29519

Place : Chennai
Date : April 17, 2017

Sanjay Srivastava
Chief Executive Officer

Pratik Desai
Company Secretary
(ACS: A30026)

For and on behalf of the Board of Directors

Maheswar Sahu Director (DIN: 00034051)
Anita Arjundas Director (DIN: 00243215)

Place : Jaipur
Date : April 17, 2017

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

Note 1. General Information

The Company is engaged in the business of development of an Industrial park with Special Economic Zone (SEZ) and 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 Statement of compliance

The financial statements have been prepared in accordance with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015.

The Company prepared its financial statements up to the year ended 31st March 2016 in accordance with the requirements of previous GAAP, which includes Standards notified under the Companies (Accounting Standards) Rules, 2006. The Company has prepared its financial statements for the current financial year as per the requirement Ind AS. The date of transition to Ind AS is 1st April 2015.

2.2 Basis of preparation and presentation

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company considers the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

2.3 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable.

2.3.1 Land Lease Premium

Land lease premium is recognized as income upon creation of leasehold rights in favour of the lessee or upon an agreement to create leasehold rights with handing over of possession.

2.3.2 Income from properties

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.

2.3.3 Income from O&M

Income from operation & maintenance charges and water charges are recognized on an accrual basis as per terms of the agreement with the lessees.

2.3.4 Other income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

2.3.5 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.

2.4 Taxation

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

2.4.1 Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

2.4.2 Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the way the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

2.4.3 Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

2.5 Borrowing costs

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

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

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

2.6 Inventories

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

2.7 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.

2.8 Property, plant and equipment

Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. Freehold land is not depreciated.

Properties used in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of property,plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Fixtures and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

2.9 Investment Property:

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes).Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, Investment properties are measured in accordance with IND AS 16's requirements.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated at the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

2.10 Impairment of tangible and intangible assets other than goodwill

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also, allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired. Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit)in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

2.11 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.

2.12 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) because of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all the economic benefits required to settle, a provision is expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

2.12.1 Onerous contracts

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

2.13 Financial instruments

Financial assets and financial liabilities are recognised when a Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

2.14 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.

2.15 Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets

2.15.1 Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Interest income is recognised in profit or loss for FVTOCI debt instruments. For the purposes of recognising foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortised cost. Thus, the exchange differences on the amortised cost are recognised in profit or loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income and accumulated under the heading of 'Reserve for debt instruments through other comprehensive income'. When the investment is disposed of, the cumulative gain or loss previously accumulated in this reserve is reclassified to profit or loss.

All other financial assets are subsequently measured at fair value.

2.15.2 Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the "Other income" line item.

2.15.3 Investments in equity instruments at FVTOCI

On initial recognition, the Company can make an irrevocable election (on an instrument by – instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition, it is part of a portfolio of identified financial instruments
- that the Company manages together and has a recent actual pattern of short term
- profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument or
- a financial guarantee.

2.15.4 Financial assets at fair value through profit or loss (FVTPL)

Debt instruments that do not meet the amortised cost criteria or FVTOCI criteria (see above) are measured at FVTPL. In addition, debt instruments that meet the amortised cost criteria or the FVTOCI criteria but are designated as at FVTPL are measured at FVTPL.

A financial asset that meets the amortised cost criteria or debt instruments that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Company has not designated any debt instrument as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognised when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

2.15.5 Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI, lease receivables, trade receivables, and other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Company measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

The impairment requirements for the recognition and measurement of a loss allowance are equally applied to debt instruments at FVTOCI except that the loss allowance is recognised in other comprehensive income and is not reduced from the carrying amount in the balance sheet.

2.15.6 Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

2.15.7 Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

- For foreign currency, denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in profit or loss except for those which are designated as hedging instruments in a hedging relationship.
- Changes in the carrying amount of investments in equity instruments at FVTOCI relating to changes in foreign currency rates are recognised in other comprehensive income.
- For the purposes of recognising foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortised cost. Thus, the exchange differences on the amortised cost are recognised in profit or loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income.

2.16 Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

2.16.1 Equity instruments

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

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

2.16.1.1 Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies,financial guarantee contracts issued by the Company, and commitments issued by the Company to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

2.16.1.2 Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

2.16.1.3 Derecognition of financial liabilities

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

2.17 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 year.

2.18 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.

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.

<u>Defined benefit plans</u>

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 adjusted for unrecognized past service cost.

<u>Short-term employee benefits</u>

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:

(a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and

(b) in case of non-accumulating compensated absences, when the absences occur.

<u>Long-term employee benefits</u>

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.

2.19 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.

2.20 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.

2.21 First-time adoption – mandatory exceptions, optional exemptions, and

2.21.1 Overall principle

The Company has prepared the opening balance sheet as per Ind AS as of 1 April 2015 (the transition date) by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognised assets and liabilities. However, this principle is subject to the certain exception and certain optional exemptions availed by the Company as detailed below.

2.21.2 Derecognition of financial assets and financial liabilities

The Company has applied the derecognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after 1 April 2015 (the transition date).

2.21.3 Classification of debt instruments

The Company has determined the classification of debt instruments in terms of whether they meet the amortised cost criteria or the FVTOCI criteria based on the facts and circumstances that existed as of the transition date.

2.21.4 Impairment of financial assets

The Company has applied the impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised in order to compare it with the credit risk at the transition date. Further, the Company has not undertaken an exhaustive search for information when determining, at the date of transition to Ind ASs, whether there have been significant increases in credit risk since initial recognition, as permitted by Ind AS 101.

2.21.5 Deemed cost for property, plant and equipment, investment properties and intangible assets:

The Company has not elected the exemption of previous GAAP carrying value for its Property, Plant and Equipment and Intangible Assets recognized as of April 1, 2015 (transition date) as deemed cost. Consequently, these items are carried at values arrived at by applying the Ind AS retrospectively.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

2.22 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 1, the management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only the period of the revision and future periods if the revision affects both current and future periods.

Note 3. Property, Plant and Equipment

₹ in Lakh

Carrying Amounts of:	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Land - Lease hold	**19.65**	20.23	20.44
Buildings - Freehold	**4,765.01**	4,887.96	4,298.20
Plant & Equipment- Freehold	**1,492.59**	1,738.06	1,614.03
Office Equipment	**21.75**	28.12	18.90
Furniture and Fixtures	**231.36**	390.89	551.49
Vehicles	**22.03**	16.46	24.33
Computers	**2.46**	7.89	8.74
Total	**6,554.85**	**7,089.61**	**6,536.13**

Description of Assets	Land - Leasehold	Buildings - Freehold	Plant and Equipment - Freehold	Office Equipment	Furniture and Fixtures	Vehicles	Computer	Total
I. Gross Carrying Amount								
Balance as at 1st April 2016	20.55	5,301.37	2,653.17	49.23	1,485.21	51.37	60.84	**9,621.74**
Additions	–	90.65	1.93	1.39	0.87	12.10	1.01	**107.95**
Disposals	–	18.60	1.93	3.64	0.48	6.71	4.96	**36.32**
Balance as at 31st March 2017	**20.55**	**5,373.42**	**2,653.17**	**46.98**	**1,485.60**	**56.76**	**56.89**	**9,693.37**
II. Accumulated depreciation and impairment								
Balance as at 1st April 2016	0.32	413.41	915.11	21.11	1,094.32	34.91	52.95	**2,532.13**
Depreciation expense for the year	0.58	197.79	249.43	7.34	160.41	6.53	4.82	**626.90**
Eliminated on disposal of assets	–	2.79	1.93	3.64	0.48	6.71	4.96	**20.51**
Balance as at 31st March 2017	**0.90**	**608.41**	**1,160.58**	**25.23**	**1,254.24**	**34.73**	**54.43**	**3,138.52**
III. Net carrying amount (I-II)	**19.65**	**4,765.01**	**1,492.59**	**21.75**	**231.36**	**22.03**	**2.46**	**6,554.85**

Description of Assets	Land - Leasehold	Buildings - Freehold	Plant and Equipment - Freehold	Office Equipment	Furniture and Fixtures	Vehicles	Computer	Total
I. Gross Carrying Amount								
Balance as at 1st April 2015	20.55	4,566.27	2,211.09	33.38	1,483.95	45.46	54.89	**8,415.59**
Additions	–	735.10	442.08	15.85	1.26	5.91	5.95	**1,206.15**
Balance as at 31st March 2016	**20.55**	**5,301.37**	**2,653.17**	**49.23**	**1,485.21**	**51.37**	**60.84**	**9,621.74**
II. Accumulated depreciation and impairment								
Balance as at 1st April 2015	0.11	268.07	597.06	14.48	932.46	21.13	46.15	**1,879.46**
Depreciation expense for the year	0.21	145.34	318.05	6.63	161.86	13.78	6.80	**652.67**
Balance as at 31st March 2016	**0.32**	**413.41**	**915.11**	**21.11**	**1,094.32**	**34.91**	**52.95**	**2,532.13**
III. Net carrying amount (I-II)	**20.23**	**4,887.96**	**1,738.06**	**28.12**	**390.89**	**16.46**	**7.89**	**7,089.61**

Note:

Refer note 1 and 2 for Company's policy on recognition and measurement of Property Plant, Equipment and Depreciation Methods Used.

Note 4. Investment Property

₹ in Lakh

Carrying Amounts of:	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Completed Investment Properties (Net Value)	**9,134.92**	9,276.01	9,474.08

Description of Assets	Land	Buildings	Total
I. Gross Carrying Amount			
Balance as at 1st April 2016	422.53	10,052.34	10,474.87
Additions	–	–	–
Balance as at 31st March 2017	**422.53**	**10,052.34**	**10,474.87**
II. Accumulated depreciation and impairment			
Balance as at 1st April 2016	40.18	1,158.68	1,198.86
Additions	3.85	137.24	141.09
Balance as at 31st March 2017	**44.03**	**1,295.92**	**1,339.95**
III. Net carrying amount (I-II)	**378.50**	**8,756.42**	**9,134.92**

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

Description of Assets	Land	Buildings	Total
I. Gross Carrying Amount			
Balance as at 1st April 2015	422.53	10,042.48	10,465.01
Transferred from Inventories and Property, Plant and Equipment	–	9.86	9.86
Balance as at 31st March 2016	**422.53**	**10,052.34**	**10,474.87**
II. Accumulated depreciation and impairment			
Balance as at 1st April 2015	35.97	954.96	990.93
Additions	4.21	203.72	207.93
Balance as at 31st March 2016	**40.18**	**1,158.68**	**1,198.86**
III. Net carrying amount (I-II)	**382.35**	**8,893.66**	**9,276.01**

Fair value disclosure on Company's investment properties

(i) The Company's investment properties consist of land and building with current rentable area of 4.30 Lakh sq. ft. Management determined that the investment properties consist of two classes of assets – Land and Building – based on the nature, characteristics and risks of each property.

(ii) As at 31st March, 2017 and 31st March, 2016, the fair values of the properties are ₹ 17,722 Lakhs and ₹ 17,678 Lakhs respectively (Level 3). These valuations are based on valuations performed by Purshotam Khandelwal, an accredited independent valuer. Purshotam Khandelwal is a specialist in valuing these types of investment properties.

(iii) The Company has no restrictions on the realisability of its investment properties and no contractual obligations to either purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

Description of valuation techniques used and key inputs to valuation on investment properties:

Valuation technique – Income Approach Method

₹ in Lakh

Significant unobservable Inputs	Range (weighted average) **As at 31st March, 2017**	As at 31st March, 2016
Annual Rental	**1,994.24**	1,896.51
Less: Repairs & Maintenance & Mgmt. Exp, Insurance Etc. 15%	**299.14**	284.48
Net Annual Rental	**1,695.10**	1,612.03
Capitalized Net Yield	**10.00%**	10.00%
Net Annual Income	**16,951.03**	16,120.37
Total Built Up area (Sq Ft area)	**430,672**	430,672
Rented Built Up Area	**415,240**	394,501
Area under Possession MWCJ	**15,432**	36,171
Market Rate/Sq ft ₹ 5,000 Year 2016-17 ₹ 4,250 Year 2015-16	**771.58**	1,537.25
Total Market Value	**17,722.61**	**17,657.62**

₹ in Lakh

Significant unobservable Inputs	Range (weighted average) **As at 31st March, 2017**	As at 31st March, 2016
Realisable Value 75%	**13,291.96**	13,243.22
Realisable Value (In CR)	**132.92**	132.43
Distress Sale Value 50%	**8,861.31**	8,828.81
Distress Sale Value (In CR)	**88.61**	88.29

Basis of Valuation Method:- Valuation is carried out by income approach method (also called Yield Method) in which appropriate rate of return is capitalised to reach the market value of the property of the portion rented out and sales comparable method used for the portion pending to be rented out.

Note 5. Other Intangible Assets

₹ in Lakh

Carrying Amounts of:	**As at 31st March, 2017**	As at 31st March, 2016	As at 1st April, 2015
Other Intangible Assets	**–**	–	–

Description of Assets	Computer Software	Total
I. Gross Carrying Amount		
Balance as at 1st April 2016	52.03	52.03
Additions	–	–
Disposals	–	–
Balance as at 31st March 2017	**52.03**	**52.03**
II. Accumulated depreciation and impairment		
Balance as at 1st April 2016	52.03	52.03
Amortisation expense for the year	–	–
Eliminated on disposal of assets	–	–
Balance as at 31st March 2017	**52.03**	**52.03**
III. Net carrying amount (I-II)	**–**	**–**

Description of Assets	Computer Software	Total
Intangible Assets		
I. Gross Carrying Amount		
Balance as at 1st April 2015	52.03	52.03
Additions from separate acquisitions	–	–
Disposals	–	–
Balance as at 31st March 2016	**52.03**	**52.03**
II. Accumulated depreciation and impairment		
Balance as at 1st April 2015	52.03	52.03
Amortisation expense for the year	–	–
Balance as at 31st March 2016	**52.03**	**52.03**
III. Net carrying amount (I-II)	**–**	**–**

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

Note 6. Investments

₹ in Lakh

Particulars	As at 31st March, 2017 Amounts Current	As at 31st March, 2017 Amounts Non Current	As at 31st March, 2016 Amounts Current	As at 31st March, 2016 Amounts Non Current	As at 1st April, 2015 Amounts Current	As at 1st April, 2015 Amounts Non Current
I. Unquoted Investments (all fully paid)						
Investments in Mutual Funds	**4,224.22**		425.20		5,975.05	
Total Unquoted Investments	**4,224.22**	**–**	**425.20**	**–**	**5,975.05**	**–**
INVESTMENTS CARRIED AT FVTPL	**4,224.22**	**–**	**425.20**	**–**	**5,975.05**	**–**
Of the above, investments designated as FVTPL	4,224.22		425.20		5,975.05	
TOTAL INVESTMENTS CARRIED AT FAIR VALUE	**4,224.22**	**–**	**425.20**	**–**	**5,975.05**	**–**
TOTAL INVESTMENTS	**4,224.22**	**–**	**425.20**	**–**	**5,975.05**	**–**
TOTAL INVESTMENTS CARRYING VALUE	**4,224.22**	**–**	**425.20**	**–**	**5,975.05**	**–**
Other disclosures						
Aggregate amount of Market value of investments	**4,224.22**		**425.20**		**5,975.05**	

Refer Schedule for disclosure of Measurement Requirements as per IND AS 107, 109, 113

Note 7. Trade receivables

₹ in Lakh

Particulars	As at 31st March, 2017 Current	As at 31st March, 2017 Non Current	As at 31st March, 2016 Current	As at 31st March, 2016 Non Current	As at 1st April, 2015 Current	As at 1st April, 2015 Non Current
Trade receivables						
(a) Secured, considered good						
(b) Unsecured, considered good	**616.99**		820.66		622.42	
(c) Doubtful						
Less: Allowance for Credit Losses						
TOTAL	**616.99**	**–**	**820.66**	**–**	**622.42**	**–**
Of the above, trade receivables from:						
– Related Parties			8.46		0.07	
– Others			812.20		622.35	
TOTAL	**616.99**	**–**	**820.66**	**–**	**622.42**	**–**

(i) Trade receivables are dues in respect of services rendered in the normal course of business.

(ii) The average credit period on service rendered is as per the terms of the service agreement with clients. Refer Note no. 39 for Credit Risk Management on Receivables.

(iii) No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

Note 8. Loans

Particulars	As at 31st March, 2017 Current	As at 31st March, 2017 Non Current	As at 31st March, 2016 Current	As at 31st March, 2016 Non Current	As at 1st April, 2015 Current	As at 1st April, 2015 Non Current
Security Deposits						
– Secured, considered good						
– Unsecured, considered good		**107.88**		88.14		72.37
– Doubtful						
Less: Allowance for Credit Losses						
GRAND TOTAL	**–**	**107.88**	**–**	**88.14**	**–**	**72.37**

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

Note 9. Other financial assets

Particulars	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	Current	Non Current	Current	Non Current	Current	Non Current
Financial assets at amortised cost						
(a) Interest Accrued	3.69	–	26.84	–	22.67	–
(b) Fixed Deposits	156.31	–	94.02	–	–	–
Total	160.00	–	120.86	–	22.67	–

Note 10. Other assets

Particulars	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	Current	Non Current	Current	Non Current	Current	Non Current
(a) Capital advances						
(i) For Capital work in progress		26.27		36.65		91.18
(b) Advances other than capital advances						
(i) Balances with government authorities (other than income taxes)	49.75	82.91	53.60	82.91	15.42	82.91
(ii) Income Tax		394.03		1,088.56		1,179.37
(iii) Taxes paid under Protest		406.88		406.88		
(iv) Prepaid Expenses	71.60	13.20	34.56	118.40	20.96	148.46
(v) Others	285.44		306.63		122.03	
Total	406.79	923.29	394.79	1,733.40	158.41	1,501.92

Note 11. Inventories

₹ in Lakh

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Work-in-progress (Representing cost of land and related expenditure)	45,077.83	46,393.20	43,811.88
Total Inventories (at lower of cost and net realisable value)	45,077.83	46,393.20	43,811.88
Included above:			
Land Cost	21,731.41	22,895.21	23,339.86
Development Cost	23,346.42	23,497.99	20,472.02
Total	45,077.83	46,393.20	43,811.88
Borrowing Cost inventorised in the above	1,246.42	1,447.53	1,835.20

(i) The cost of inventories recognised as an expense during the year in respect of continuing operations was ₹ 4,520.43 Lakh (31st March 2016: ₹ 1,358.22 Lakh; 31st March 2015: ₹ 2,698.22 Lakh).

(ii) The carrying amount of inventories is pledged as security for liabilities. Refer Note No. 15 – Non-Current Borrowings.

(iii) Mode of valuation of inventories is cost or net realisable value, whichever is less.

(iv) Borrowing cost inventorised relates to interest on borrowings referred in Note 15 a. and Series III of borrowings referred to in Note 15 c. considered in the ratio of land inventory pending to be developed to the total inventory.

Note 12. Cash and cash equivalents

₹ in Lakh

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Cash and cash equivalents			
(a) Balances with banks	2,415.36	629.64	276.28
(b) Cheques, drafts on hand	–	–	–
(c) Cash on hand	0.53	0.20	0.62
Total Cash and cash equivalent	2,415.89	629.84	276.90
Other Bank Balances			
(a) Earmarked balances with banks	11.56	166.76	240.30
Total Other Bank balances	11.56	166.76	240.30
Grand Total	2,427.45	796.60	517.20

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

Note 13. Equity Share Capital

₹ in Lakh

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Equity Share Capital	**15,000.00**	**15,000.00**	**15,000.00**

₹ in Lakh

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Authorised Share Capital:			
150,000,000 fully paid equity shares of ₹ 10 each	**15,000.00**	15,000.00	15,000.00
Issued, Subscribed and Fully Paid:			
150,000,000 Equity shares of 10 each (as at 31st March, 2016 150000000 and 1st April, 2015 150,000,000)	**15,000.00**	15,000.00	15,000.00
Total	**15,000.00**	**15,000.00**	**15,000.00**

(a) **Terms/rights attached to equity shares:**

(i) 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 and carry right to dividends.

(ii) The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors are approved by the shareholders at the Annual General Meeting. The amount of dividend approved and distributed to equity shareholders is ₹ 4,50,00,000/- (Re. 0.30 per share) (Previous Year ₹ 4,50,00,000/- (Re. 0.30 per share)).Refer Note 41 for Dividends Proposed by the board in the current year.

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

(b) **Reconciliation of the number of shares outstanding at the beginning and at the end of the period**

Particulars	Opening Balance	Other Changes	Closing Balance
Equity Shares with Voting rights*			
Year Ended 31st March, 2017			
No. of Shares	150,000,000	–	150,000,000
Amount	15,000	–	15,000
Year Ended 31st March, 2016			
No. of Shares	150,000,000	–	150,000,000
Amount	15,000	–	15,000
Year Ended 1st April, 2015			
No. of Shares	150,000,000	–	150,000,000
Amount	15,000	–	15,000

* Terms/rights attached to equity shares are mentioned in note 13 (a).

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

₹ in Lakh

Class of shares/Name of shareholder	**As at 31st March, 2017**		As at 31st March, 2016		As at 1st April, 2015	
	Number of shares held	**% holding in that class of shares**	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights						
– Mahindra Lifespace Developers Limited	**111000000**	**74%**	111000000	74%	111000000	74%
– Rajasthan State Industrial Development and Investment Corporation Limited	**39000000**	**26%**	39000000	26%	39000000	26%

Note 14 (a) Other Equity

₹ in Lakh

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Retained earnings	**1,372.10**	845.57	1,292.97
Capital redemption reserve	**5,000.00**	–	–
Debenture redemption reserve	**4,637.50**	**6,208.33**	**5,614.58**
Total	**11,009.60**	**7,053.90**	**6,907.55**

Note 14 (b) Other Equity

Particulars	Capital Redemption Reserve	Debenture Redemption Reserve	Retained Earnings	Total
As at 1st April, 2015	**–**	**5,614.58**	**1,292.97**	**6,907.55**
Profit/(Loss) for the period – As per I - GAAP			1,286.09	1,286.09
Other Comprehensive Income/(Loss)				–
Total Comprehensive Income for the year	**–**	**5,614.58**	**2,579.06**	**8,193.64**

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

Particulars	Capital Redemption Reserve	Debenture Redemption Reserve	Retained Earnings	Total
Dividend paid on Equity Shares		–	(450.00)	(450.00)
Dividend Distribution Tax		–	(91.61)	(91.61)
Transfers to Debenture Redemption Reserve		–	(2,468.75)	(2,468.75)
Transfers to Capital Redemption Reserve		–	–	–
Transfers to Reserves		(1,875.00)	1,875.00	–
Transfers from retained earnings		2,468.75		2,468.75
Exercise of employee stock options			(15.92)	(15.92)
Any other changes (to be specified)			(582.21)	(582.21)
As at 31st March, 2016	**–**	**6,208.33**	**845.57**	**7,053.90**
Profit/(Loss) for the period			4,505.49	4,505.49
Other Comprehensive Income/(Loss)			(8.18)	(8.18)
Total Comprehensive Income for the year	**–**	**6,208.33**	**5,342.88**	**11,551.21**
Dividend paid on Equity Shares			(450.00)	(450.00)
Dividend Distribution Tax			(91.61)	(91.61)
Transfers to Debenture Redemption Reserve			(1,554.17)	(1,554.17)
Transfers to Capital Redemption Reserve			(5,000.00)	(5,000.00)
Transfers from retained earnings	5,000.00	1,554.17		6,554.17
Transfers to retained earnings		(3,125.00)	3,125.00	–
As at 31st March, 2017	**5,000.00**	**4,637.50**	**1,372.10**	**11,009.60**

Note 15. Non-Current Borrowings

₹ in Lakh

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Measured at amortised cost			
Secured Borrowings:			
(a) Bonds/Debentures – Refer note 15 (a) to 15 (c)	**19,431.25**	16,434.56	23,916.14
(b) Other Loans		–	
Total Secured Borrowings	**19,431.25**	**16,434.56**	**23,916.14**
Un-Secured Borrowings:			
Other Loans – Refer note 15 (d)	**–**	–	4,998.41
Total Borrowings	**19,431.25**	**16,434.56**	**28,914.55**

Summary of Borrowing Arrangements:

15 a. 10.00% Redeemable Non Convertible Debentures

Company has issued 2,500 Redeemable Secured Non Convertible Debentures of ₹ 10 Lakh 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:-

Particulars	Series I	Series II	Series III
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

* Duly repaid on the effective due dates.

15 b. 10.90% Redeemable Non Convertible Debentures

Company has issued, on 19th December' 2015 10.90% – 650 Redeemable Secured Non Convertible Debentures, on 19th December' 2015 of ₹ 10 Lakh each aggregating to ₹ 65 Crores repayable in 3, 4 and 5 years in the ratio of 31:31:38 respectively as below:-

Particulars	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

These Debentures are secured by way of first pari passu charge along with the debenture holders of ₹ 100 Crores (Out of ₹ 250 Crores issued in July'12) 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.

15 c. 9.48% Redeemable Non Convertible Debentures

Company has issued, on 7th July' 2016, 150 Redeemable Secured Non Convertible Debentures of ₹ 10 Lakh each aggregating to ₹ 150 Crores repayable in 3, 4 and 5 years in the ratio of 30:30:90 respectively as below:-

Particulars	Series I	Series II	Series III
Face Value (₹)	1,000,000	1,000,000	1,000,000
No. of Debentures	300	300	900
Total Value (₹)	300,000,000	300,000,000	900,000,000
Coupon Rate (%)	N.A.	N.A.	9.48%
Interest Repayment	N.A.	N.A.	Annual
Redemption Premium (₹)	93,469,500	131,090,300	N.A.
Maturity Date	8-Jul-19	7-Jul-20	7-Jul-21

First ranking pari passu charge on the specified Mortgaged Assets of the Company along with the NCD holder of ₹ 100 Crores (Out of ₹ 250 Crores issued in July'16) and ₹ 65 Crore by way of constructive mortgage, through deposit of the title deeds with the Debenture Trustee.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

The Company shall ensure that the requisite security cover of 1.25 X to the Secured Obligations shall be maintained throughout the tenor of the Debentures and this Deed.

15 d. Terms of Conversion/redemption of 8% Redeemable Cumulative Preference Shares (RCPS)

(a) The Company issued 25 Million 8% Redeemable Cumulative Preference Shares of ₹ 10/- each on 23rd December 2008. These Preference Shares are redeemed on due date i.e., 23rd December, 2016.

(b) The amount of interim dividend approved for distribution to preference shareholders at the time of redemption (refer (a) above) i.e., ₹ 1,45,75,342/- is paid (Re. 0.58 per share).

(c) The Company issued 25 Million 8% Redeemable Cumulative Preference Shares of ₹ 10/- each on 4th November, 2011. The Company has redeemed these shares on the due date i.e., on 4th November, 2016.

(d) The amount of interim dividend approved for distribution to preference shareholders at the time of redemption (refer (a) above) i.e., ₹ 1,18,35,616/- is paid (Re. 0.47 per share).

(e) The amount of dividend approved for distribution to preference shareholders i.e., ₹ 4,00,00,000/- (Re. 0.80 per share) (Previous Year ₹ 4,00,00,000/- (Re. 0.80 per share)) was paid in respect of FY 2015-16.

Non-Current Borrowings Oustanding Summary

₹ in Lakh

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
10.00% Redeemable Non Convertible Debentures	–	9,978.83	17,454.52
10.90% Redeemable Non Convertible Debentures	4,477.65	6,455.73	6,461.62
9.48% Redeemable Non Convertible Debentures	14,953.60		–
8% Redeemable Cumulative Preference Shares Capital			4,998.41
Total	**19,431.25**	**16,434.56**	**28,914.55**

Note 16. Trade Payables

₹ in Lakh

Particulars	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	Current	Non Current	Current	Non Current	Current	Non Current
Trade payable – Micro and small enterprises	49.54		101.50		–	
Trade payable – Other than micro and small enterprises	755.93		781.81		860.35	
Total trade payables	**805.47**	–	**883.31**	–	**860.35**	–

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

Refer Note 32 for Micro and Small Enterprises

Note 17. Other Financial Liabilities

₹ in Lakh

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Other Financial Liabilities Measured at Amortised Cost			
Non-Current			
(a) Security Deposits	56.58	20.27	730.95
(b) Other long term liabilities			
Total Non Current Other financial liabilities measured at amortised cost	**56.58**	20.27	730.95
Current			
(a) Current maturities of long-term debt	13,542.94	14,792.52	9,489.85
(b) Other liabilities	3759.35	2,332.42	1,818.73
Total Current Other financial liabilities measured at amortised cost	**17,302.29**	17,124.94	11,308.58
Total other financial liabilities	**17,358.87**	17,145.21	12,039.54

Refer Note No. 15 - Non-Current Borrowings for current maturities of long- term debt

Current Borrowings Outstanding Summary

₹ in Lakh

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
10.00% Redeemable Non Convertible Debentures	9,999.04	9,793.18	9,489.85
10.90% Redeemable Non Convertible Debentures	3,543.90	–	–
9.48% Redeemable Non Convertible Debentures	–	–	–
8% Redeemable Cumulative Preference Shares Capital	–	4,999.34	–
Total	**13,542.94**	14,792.52	9,489.85

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

Note 18. Provisions

₹ in Lakh

Particulars	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	Current	**Non Current**	Current	Non Current	Current	Non Current
(a) Provision for employee benefits						
– Long-term Employee Benefits	**46.94**	**58.12**	26.50	60.99	6.63	41.78
(b) Other Provisions	**1,390.24**	**470.47**	771.81	1,096.94	528.86	1,365.09
Total trade payables	**1,437.18**	**528.59**	**798.31**	**1,157.93**	**535.49**	**1,406.87**

(i) Long term employee benefit expense provision includes provision for leave encashment and gratuity.

(ii) Other provision majority includes provision on redemption of premium on Non-Convertible Debentures. Refer 15 a. and 15 c. The provision is not subject to discounting.

Details of movement in Other Provisions is as follows:

₹ in Lakh

Particulars	**Amount**
Balance at 1st April, 2015	**1,893.95**
Additional provisions recognised	646.05
Amounts used during the period	583.76
Balance at 31st March, 2016	**1,956.24**
Balance at 1st April, 2016	1,956.24
Additional provisions recognised	735.42
Amounts used during the period	830.95
Balance at 31st March, 2017	**1,860.71**

Note 19. Current Tax and Deferred Tax

Movement in deferred tax balances

Particulars	**For the Year ended 31st March, 2017**		
	Opening Balance	**Recognised in profit and Loss**	**Closing Balance**
Tax effect of items constituting deferred tax liabilities			
Property, Plant and Equipment	**1,951.84**	**116.05**	**2,067.89**
Others – (Deferred tax on Security Deposits)	**2.35**	**(1.83)**	**0.52**
FVTPL financial asset	**1.09**	**26.83**	**27.92**
NCDs EIR	**36.84**	**(30.44)**	**6.40**
	1,992.12	**110.61**	**2,102.73**
Tax effect of items constituting deferred tax assets			
Provisions for Leave Encashment & Gratuity	**30.27**	**5.73**	**36.00**
Other Items (Unbilled Debtors)	**5.74**	**(5.74)**	**–**
Other Temporary Differences (Preliminary Expenses Written off)	**3.26**	**(3.26)**	**–**
	39.27	**(3.27)**	**36.00**
Net Tax Asset (Liabilities)			**2,066.73**

Particulars	**For the Year ended 31st March, 2016**		
	Opening Balance	**Recognised in profit and Loss**	**Closing Balance**
Tax effect of items constituting deferred tax liabilities			
Property, Plant and Equipment	1,820.28	131.56	1,951.84
Others – (Deferred tax on Security Deposits)	1.59	0.76	2.35
FVTPL financial asset	37.81	(36.72)	1.09
NCDs EIR	30.07	6.77	36.84
	1,889.75	102.37	1,992.12
Tax effect of items constituting deferred tax assets			
Provisions for Leave Encashment & Gratuity	16.75	13.52	30.27
Depreciation Adjustment due to Transition of Companies Act	4.51	(4.51)	–
Other Items (Unbilled Debtors)	14.33	(8.59)	5.74
Other Temporary Differences (Preliminary Expenses Written off)	1.96	1.30	3.26
	37.55	1.72	39.27
Net Tax Asset (Liabilities)	**1,852.20**		**1,952.85**

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

Note 20. Other Current Liabilities

₹ in Lakh

Particulars	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	Current	**Non Current**	Current	Non Current	Current	Non Current
a. Advances received from customers	**1,559.08**		1,604.16		1,521.39	
b. Statutory dues						
– taxes payable (other than income taxes)	**256.38**		23.75		39.99	
– Employee Recoveries and Employer Contributions						
c. Others		**617.81**		279.89		191.22
TOTAL OTHER LIABILITIES	**1,815.46**	**617.81**	**1,627.91**	**279.89**	**1,561.38**	**191.22**

20 (a) Others include the rent free deposits received from customers treated as Advance income

Note 21. Short Term Borrowings

₹ in Lakh

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Secured Borrowings			
(a) Loans repayable on demand			
(1) From Banks	**–**	–	76.96
(2) from other parties			
(b) Other Loans	**–**	5,000.00	–
Total Short Term Borrowings	**–**	**5,000.00**	**76.96**

21 a. 9.50% Redeemable Non Convertible Debentures

Company has issued 50 Redeemable Secured Non Convertible Debentures of ₹ 1 Crore each aggregating to ₹ 50 Crores repayable in 1 year with call options on 06th Jan' 16, 29th Feb' 16, 06th Apr' 16 and 06th Jun'16. It can be fully exercised on these dates. As of 31st March 2016 company has not exercised its call option.

Particulars	Series I
Face Value (₹)	10,000,000
No. of Debentures	50
Total Value (₹)	500,000,000
Maturity Date	11-Jul-2016

These Debentures were secured by way of first pari passu charge along with:-

(i) the debenture holders of ₹ 175 Crores (as on 31st March'16) (Out of ₹ 250 Crores issued in July'12) as mentioned in Note No. 15 on the assets of the project (excluding specified assets) by way of constructive mortgage through deposit of the title deeds and Hypothecation with the Debenture trustee.

(ii) the debenture holders of ₹ 65 Crores as mentioned in Note No. 15 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 times at all times during the currency of debentures.

(iii) These debentures have been paid in 11th July'16.

Note 22. Revenue from Operations

The following is an analysis of the company's revenue for the year from continuing operations.

₹ in Lakh

Particulars	As at 31st March, 2017	As at 31st March, 2016
Revenue from rendering of services		
(i) Land Lease Premium	**13,331.42**	4,896.50
(ii) Property Rentals- eVolve	**1,996.02**	1,872.77
(iii) Income from Operation and Maintenance	**1,841.17**	1,476.35
Total Revenue from Operations	**17,168.61**	**8,245.62**

Note 23. Other Income

₹ in Lakh

Particulars	As at 31st March, 2017	As at 31st March, 2016
(a) Interest Income		
(1) Interest on Bank Deposits	**45.29**	42.14
(2) Others	**56.93**	24.34
(b) Net gain/(loss) arising on financial assets designated as at FVTPL	**245.45**	235.22
(c) Miscellaneous Income	**11.58**	23.30
Total Other Income	**359.25**	**325.00**

Note 23 (a) Interest on others represent the interest received on income tax refund of ₹ 51.34 Lakh in FY' 17.

Note 24. Changes in inventories of finished goods, work-in-progress and stock-in-trade

₹ in Lakh

Particulars	As at 31st March, 2017	As at 31st March, 2016
Inventories at the end of the year:		
Finished goods		
Work-in-progress	**45,077.83**	46,393.20
Stock-in-trade		
	45,077.83	46,393.20
Inventories at the beginning of the year:		
Finished goods		
Work-in-progress	**46,393.20**	43,811.88
Stock-in-trade		
	46,393.20	43,811.88
Net (increase)/decrease	**1,315.37**	**(2,581.32)**

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

Note 25. Employee Benefits Expense

₹ in Lakh

Particulars	As at 31st March, 2017	As at 31st March, 2016
(a) Salaries and wages, including bonus	**535.01**	590.97
(b) Contribution to provident and other funds	**36.11**	41.82
(c) Share based payment transactions expenses		
(1) Equity-settled share-based payments	**8.88**	15.92
(2) Cash-settled share-based payments		
(d) Staff welfare expenses	**19.03**	15.62
(e) Other Comprehensive income reclassification	**(8.18)**	(7.00)
Total Employee Benefit Expense	**590.85**	**657.33**

Note 26. Finance Cost

₹ in Lakh

Particulars	As at 31st March, 2017	As at 31st March, 2016
(a) Interest expense	**3,516.30**	3,597.52
(b) Dividend on redeemable preference shares	**329.00**	446.54
(c) Other borrowing cost		
(d) Other interest costs	**96.63**	82.01
Total finance costs	**3,941.93**	**4,126.07**

1. The interest is inventorised on borrowings referred to in Note 15 a. and on Series III of borrowings referred to in Note 15 c. in the ratio of undeveloped inventory to the total inventory.

Analysis of Interest Expenses by Category

₹ in Lakh

Particulars	As at 31st March, 2017	As at 31st March, 2016
Interest Expenses		
(a) On Financial Liability at Amortised Cost	**1,246.42**	1,447.53
(b) On Financial Liabilities at FVTPL	**–**	–

Note 27. Other Expenses

₹ in Lakh

Particulars	As at 31st March, 2017	As at 31st March, 2016
(a) Rent including lease rentals	**12.75**	12.86
(b) Rates and taxes	**7.48**	2.87
(c) Insurance	**25.64**	22.08
(d) Repairs and Maintenance	**92.01**	62.08
(e) Electricity Charges	**330.09**	262.30
(f) Travelling & Conveyance	**79.78**	88.82
(g) Legal & Professional Fees	**56.61**	61.02
(h) Printing & Stationery	**4.79**	3.55
(i) Communication	**12.19**	14.26
(j) Advertisement, Marketing & Business Development	**303.17**	265.74
(k) Auditors Remuneration	**15.80**	10.99
(l) Loss on sale of Fixed assets	**15.19**	–
(m) Expenditure on Corporate Social Responsibility	**75.79**	79.94
(n) Miscellaneous Expenses	**27.30**	8.34
Total Gross Other Expenses	**1,058.59**	894.85
Operation & Maintenance cost	**1,135.70**	1,002.91
Total Gross Other Expenses	**2,194.29**	1,897.76

Note 28. Current Tax and Deferred Tax

Income Tax recognised in profit or loss

₹ in Lakh

Particulars	Year ended 31st March, 2017	Year ended 31st March, 2016
Current Tax:		
In respect of current year	**2,355.48**	628.20
Deferred Tax:		
In respect of current year origination and reversal of temporary differences	**113.89**	100.63
Total income tax expense	**2,469.37**	728.83

The total Income tax computation to be reconciled with your book profit.

₹ in Lakh

Particulars	Year ended 31st March, 2017	Year ended 31st March, 2016
Profit before Tax	**6,974.86**	1,423.80
Income Tax @ 34.608% for the year	**2,413.86**	492.75
Effect of expenses that is non-deductible in determining taxable profit		
CSR Expense (net of deduction u/s 80G allowed)	**21.56**	23.00
Preference Share dividend	**110.01**	166.61
Deduction u/s 80IAB	**(79.39)**	–
Change in tax rate	**–**	32.41
Others	**3.33**	14.06
Total	**2,469.37**	**728.83**
Income tax expense recognised In profit or loss	**2,469.37**	**728.83**

Note 29. Earnings per Share

₹ in Lakh

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
	Per Share	Per Share
Basic Earnings per share		
From continuing operations	**3.00**	0.46
Total basic earnings per share	**3.00**	**0.46**

Basic earnings per share

The earnings and weighted average number of ordinary shares used in the calculation of basic earnings per share are as follows:

₹ in Lakh

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Profit/(loss) for the year attributable to owners of the Company	**4,505.49**	694.97
Less: Preference dividend and tax thereon	**–**	–
Profit/(loss) for the year used in the calculation of basic earnings per share	**4,505.49**	694.97

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

₹ in Lakh

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Profits used in the calculation of basic earnings per share	**4,505.49**	694.97
Weighted average number of equity shares	**150,000,000**	150,000,000
Earnings per share - Basic - (₹)	**3.00**	**0.46**

Note 30. Segment information

The Company operates in only one business segment, i.e. 'lease of land and properties constructed thereon' based on the nature of the services and products, the risks and returns etc. Therefore, business segment reporting in terms of IND AS 108 on segmental reporting is not applicable.

The Company operates only in India. Therefore, geographical segment reporting in terms of IND AS 108 on segmental reporting is not applicable. The conditions prevailing in India being uniform, no separate geographical disclosure within India is considered necessary.

Note 31. Contingent liabilities and commitments

₹ in Lakh

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
(i) Contingent liabilities (to the extent not provided for)			
(a) Other Matters disputed			
Shahri Jamabandi (Urban Assessment/ Ground rent demanded by Jaipur Development Authority, Government of Rajasthan)	**32,179.39**	32,179.39	–
Note : The above amount is based on demand raised, which the Company is contesting with the concerned authorities. Outflows, if any, arising out of this claim would depend on the outcome of the decision of the appellate authorities and Company's rights for future appeals. No reimbursements are expected.			
(b) Other money for which the Company is contingently liable (Income Tax Matter under appeal)	**204.15**	173.42	173.42
(c) Rajasthan Entry Tax	**28.05**	30.28	42.93
(ii) Commitments			
Estimated amount of contracts remaining to be executed on capital account and not provided for	**498.94**	770.41	331.98

i. The Company has disclosed the impact of pending litigations on its financial position in the above note. The company did not have any pending litigations which would impact its financial position.

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts. The company did not have any material foreseeable losses on long term contracts. The company has not entered into any derivative contracts.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Note 32. Disclosures required under Section 22 of the Micro Small and Medium Enterprises Development Act 2006

₹ in Lakh

Particulars	As at 31st March, 2017	As at 31st March, 2016
Principal amount remaining unpaid to MSME suppliers	**211.55**	101.50

(i) Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management and this has been relied upon by the auditors.

(ii) There are no overdue amounts payable to Micro, Small and Medium Enterprises, as defined in the Micro, Small and Medium Enterprises Development Act, 2006, as at the reporting date or anytime during the year and hence no interest has been paid or payable accordingly no additional disclosures have been made.

Note 33. Expenditure in Foreign Currency

₹ in Lakh

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Travel	–	3.49
Subscription	–	1.99
Total	**–**	**5.48**

Note 34. Leases

Details of Operating leasing arrangements As Lessor

The Company has entered into operating lease arrangements for certain surplus facilities. The lease is non-cancellable for a period of 2 to 3 years for the building and 9 yrs and 5 months for interiors from 2008 to 2020 and may be renewed for a further period of 2 terms of 5 years each based on mutual agreement of the parties.

₹ in Lakh

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016	For the year ended 1st April, 2015
Future minimum lease payments			

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

₹ in Lakh

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016	For the year ended 1st April, 2015
Not later than one year	**455.05**	663.69	137.03
Later than one year and not later than five years	**764.76**	1,188.54	1,647.72
Later than five years	**–**	31.27	1,015.59

Note 35. Employee benefits

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

₹ in Lakh

Particulars	Valuation as at	
	As at 31st March, 2017	As at 1st April, 2016
Discount rate(s)	**6.69%**	7.46%
Expected rate(s) of salary increase	**10.00%**	10.00%
Average Longevity	**IALM (2006-08) Ultimate**	IALM (2006-08) Ultimate
Attrition Rate	**20.69%**	**21.62%**

Defined benefit plans – As per Actuarial Valuation

₹ in Lakh

Particulars	Defined Benefit Plan Gratuity	
	As at 31st March, 2017	As at 1st April, 2016
Amounts recognised in comprehensive income in respect of these defined benefit plans are as follows:		
Service Cost	**40.98**	23.43
Current Service Cost	**11.08**	6.35
Past service cost and (gains)/losses from settlements	**(10.99)**	9.58
Net interest expense	**2.66**	1.68
Components of defined benefit costs recognised in profit or loss	**43.73**	**41.04**
Remeasurement on the net defined benefit liability	**–**	–
Return on plan assets (excluding amount included in net interest expense)	**–**	–
Actuarial gains and loss arising form changes in financial assumptions	**–**	–
Actuarial gains and loss arising form experience adjustments	**–**	–
Actuarial (Gain)/Loss on obligation	**(1.15)**	(0.06)
	–	–
Components of defined benefit costs recognised in other comprehensive income	**(1.15)**	**(0.06)**
Total	**42.58**	**40.98**
I. Net Asset/(Liability) recognised in the Balance Sheet as at 31st March	**–**	–
1. Present value of defined benefit obligation as at 31st March	**42.58**	40.98
2. Fair value of plan assets as at 31st March	**–**	–
3. Surplus/(Deficit)	**(42.58)**	(40.98)
4. Current portion of the above	**4.81**	38.97
5. Non current portion of the above	**37.77**	2.01
II. Change in the obligation during the year ended 31st March		
1. Present value of defined benefit obligation at the beginning of the year	**40.98**	23.43
2. Add/(Less) on account of Scheme of Arrangement/ Business Transfer		
3. Expenses Recognised in Profit and Loss Account		
– Current Service Cost	**11.08**	6.35
– Past Service Cost	**0.29**	13.07
– Interest Expense (Income)	**2.66**	1.68
4. Recognised in Other Comprehensive Income		
Remeasurement gains/(losses)		
– Actuarial Gain/(Loss) arising from:		
i. Demographic Assumptions	**(2.97)**	(2.66)
ii. Financial Assumptions	**3.49**	2.10
iii. Experience Adjustments	**(1.67)**	0.50
5. Benefit payments	**(11.28)**	(3.49)
6. Others (Specify)		
7. Present value of defined benefit obligation at the end of the year	**42.58**	**40.98**
III. Change in fair value of assets during the year ended 31st March		
1. Contributions by employer (including benefit payments recoverable)	**11.28**	3.49
2. Benefit payments	**(11.28)**	(3.49)
3. Fair value of plan assets at the end of the year	**–**	**–**

The actuarial valuation is carried out by an independent actuary.

Note 36. Related Party Transactions

Description of relationship	Names of related parties
Ultimate Holding Company	Mahindra & Mahindra Limited
Holding Company	Mahindra Lifespace Developers Limited
Entities having joint control/ significant influence over Company	Rajasthan State Industrial Development and Investment Corporation Limited
Fellow Subsidiaries	Mahindra Integrated Business Solutions Private Limited Mahindra Susten Private Limited (Formerly known as Mahindra EPC Services Private Limited) Mahindra Consulting Engineers Limited Mahindra Holidays & Resorts India Limited Tech Mahindra Limited Mahindra Defence Systems Limited
Associates	Mahindra World City Developers Limited
Key Management Personnel (KMP)	Mr. Sanjay Srivastava - Chief Operating Officer Mr. Sanjay Jain - Chief Finance Officer Ms. Prashi Jain - Company Secretary Mr Prateek Desai - Company Secretary (KMP from Current year)

Details of transaction between the Company and its related parties are disclosed below:

Nature of transactions with Related Parties	For the year ended	Mahindra & Mahindra Limited	Mahindra Lifespace Developers Limited	Rajasthan State Industrial Development and Investment Corporation Limited	Mahindra Integrated Business Solutions Private Limited	Mahindra Susten Private Limited (Formerly known as Mahindra EPC Services Private Limited)	Mahindra Consulting Engineers Limited	Tech Mahindra Limited	Mahindra Defence Systems Limited	Mahindra World City Developers Limited	Mr. Sanjay Srivastava	Mr. Sanjay Jain	Ms. Prashi Jain	Mr Pratik Desai
Rendering of services	31-Mar-17	38.10				0.12		0.05	0.05					
	31-Mar-16	29.11				0.12		–	–					
Receiving of services	31-Mar-17	8.26		11.86	1.09		45.00			1.18				
	31-Mar-16	8.26		–	1.09					–				
Reimbursement made to parties	31-Mar-17	25.21	8.88											
	31-Mar-16	36.36	16.47											
Remuneration	31-Mar-17										132.46	57.38	1.84	–
	31-Mar-16										112.75	52.07	2.99	–
Preference shares Dividend Paid	31-Mar-17		491.44	172.67										
	31-Mar-16		296.00	104.00										
Equity Shares Dividend Paid	31-Mar-17		333.00	117.00										
	31-Mar-16		333.00	117.00										

Particulars	Balance as on	Mahindra & Mahindra Limited	Mahindra Lifespace Developers Limited	Rajasthan State Industrial Development and Investment Corporation Limited	Mahindra Integrated Business Solutions Private Limited	Mahindra Susten Private Limited (Formerly known as Mahindra EPC Services Private Limited)	Mahindra Consulting Engineers Limited	Tech Mahindra Limited	Mahindra Defence Systems Limited	Mahindra World City Developers Limited	Mr. Sanjay Srivastava	Mr. Sanjay Jain	Ms. Prashi Jain	Mr Pratik Desai
Trade payables	31-Mar-17	8.24	8.88		0.10		–			–	–	1.29	–	–
	31-Mar-16	21.48	15.92		0.19		–			–	–	–	–	–
Loans & advances taken (MOU Advance)	31-Mar-17							570.00						
	31-Mar-16							570.00						
Trade Receivable	31-Mar-17	2.96				0.06		0.06	0.06					
	31-Mar-16	8.44				0.02		–	–					
Deposits Payables	31-Mar-17	8.40												
	31-Mar-16	8.35												
Advance/Deposit to Vendor	31-Mar-17			254.86										
	31-Mar-16			254.86										

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

Note 37. Fair Value Measurement

Fair Valuation Techniques and Inputs used - recurring Items

₹ in Lakh

Financial assets/financial liabilities measured at Fair value	Fair value as at			Fair value hierarchy	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Relationship of unobservable inputs to fair value and sensitivity
	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015				
Financial assets							
Investments							
(1) Mutual fund investments	**4,224.22**	425.20	5,975.05	**Level 2**		**4,224.22**	**Market quoted NAVs**
Total financial assets	**4,224.22**	**425.20**	**5,975.05**				
Financial liabilities							
Other Financial Liabilities							
(1) Long term Borrowings	**19,431.25**	16,434.56	28,914.55	**Level 2**		**19,431.25**	**EIR Method**
Total financial liabilities	**19,431.25**	**16,434.56**	**28,914.55**				

Fair value of financial assets and financial liabilities that are not measured at fair value

₹ in Lakh

Particulars	**31st March, 2017**		31st March, 2016		1st April, 2015	
	Carrying amount	**Fair value**	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets						
Financial assets carried at Amortised Cost						
– Investments	**4,224.22**	**4,224.22**	425.20	425.20	5,975.05	5,975.05
– Trade Receivables	**616.99**	**616.99**	820.66	820.66	622.42	622.42
– Cash and Cash Equivalents	**2,415.89**	**2,415.89**	629.84	629.84	276.90	276.90
– Other Bank Balances	**11.56**	**11.56**	166.76	166.76	240.30	240.30
– Loans	**107.88**	**107.88**	88.14	88.14	72.37	72.37
– Other Financial Assets	**160.00**	**160.00**	120.86	120.86	22.67	22.67
Total financial assets	**7,536.54**	**7,536.54**	**2,251.46**	**2,251.46**	**7,209.71**	**7,209.71**
Financial liabilities						
Financial liabilities held at amortised cost						
– Borrowings	**19,431.25**	**19,431.25**	21,434.56	21,434.56	28,991.51	28,991.51

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

₹ in Lakh

Particulars	31st March, 2017		31st March, 2016		1st April, 2015	
	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
– Trade Payables	805.47	805.47	883.31	883.31	860.35	860.35
– Other Financial Liabilities	17,358.87	17,358.87	17,145.21	17,145.21	12,039.54	12,039.54
Total	**37,595.59**	**37,595.59**	**39,463.08**	**39,463.08**	**41,891.40**	**41,891.40**

Note 38. Fair Value Measurement

Overall principle

The Company has prepared the opening balance sheet as per Ind AS as of 1 April 2015 (the transition date) by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognised assets and liabilities. However, this principle is subject to the certain exception and certain optional exemptions availed by the Company as detailed below.

Derecognition of financial assets and financial liabilities

The Company has applied the derecognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after 1 April 2015 (the transition date).

Classification of debt instruments

The Company has determined the classification of debt instruments in terms of whether they meet the amortised cost criteria or the FVTOCI criteria based on the facts and circumstances that existed as of the transition date.

Impairment of financial assets

The Company has applied the impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised in order to compare it with the credit risk at the transition date. Further, the Company has not undertaken an exhaustive search for information when determining, at the date of transition to Ind ASs, whether there have been significant increases in credit risk since initial recognition, as permitted by Ind AS 101.

Deemed cost for property, plant and equipment, investment property, and intangible assets

The Company has not elected the exemption of previous GAAP carrying value of all its Property, Plant and Equipment, Investment Property, and Intangible Assets recognised as of 1 April 2015 (transition date) as deemed cost.

Determining whether an arrangement contains a lease

The Company has applied Appendix C of Ind AS 17 Determining whether an Arrangement contains a Lease to determine whether an arrangement existing at the transition date contains a lease on the basis of facts and circumstances existing at that date.

First Time Ind AS Adoption reconciliations

(i) Reconciliation of Total Equity as at 31st March, 2016 and 1st April, 2015:

₹ in Lakh

Particulars	As at 31st March, 2016	As at 1st April, 2015
Equity as reported under previous GAAP	**6,274.11**	6,011.05
Ind AS: Adjustments increase (decrease):		
– Security Deposit	**4.67**	3.08
– Preference share adjustments due to Inventorisation	**114.36**	115.95
– Fair Value of Mutual Fund adjustments	**111.25**	73.44
– Proposed dividend and tax on it adjustments	**541.61**	541.61
– Effective Interest rate adjustments on Borrowings	**163.37**	162.41
– Income from discounting of Security deposit	**2.12**	
– Mutual fund MTM impact	**(108.11)**	
– Cost of sale - Interest inventorisation	**0.58**	
– ESOP Impact	**15.92**	
– Effective interest rate adjustments on Borrowings	**19.56**	
– Depreciation Booked on preference share capitalisation	**2.91**	
– Dividend distribution tax treated as other expenses	**482.36**	
– Deferred tax impact on above adjustments	**(29.20)**	
– Dividend and tax on dividend on equity shares	**(541.61)**	
Equity as reported under IND AS	**7,053.90**	**6,907.54**

(ii) Reconciliation of Total Comprehensive Income for the year ended 31st March, 2016:

₹ in Lakh

Particulars	Year ended 31st March, 2016
Profit or Loss as per previous GAAP	1,286.09
Ind AS: Adjustments increase (decrease):	(598.12)
Reclassification of Employee benefit provision - OCI	(7.00)
Total adjustment to profit or loss	**(605.12)**
Profit or Loss under Ind AS	**680.97**
Other comprehensive income	7.00
Total comprehensive income under Ind ASs	**687.97**

Note: No statement of comprehensive income was produced under previous GAAP. Therefore the reconciliation starts with profit under previous GAAP.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

(iii) Material adjustments to the Statement of Cash Flows

Particulars	Year ended 31st March, 2016 Previous GAAP	Ind AS Adjustments	Ind AS
Net cash flows from operating activities	2,787.59	(576.62)	2,210.97
Net cash flows from investing activities	5,008.29	(0.59)	5,007.70
Net cash flows from financing activities	(7,442.32)	577.21	(6,865.11)
Net increase (decrease) in cash and cash equivalents	**353.56**	**–**	**353.56**
Cash and cash equivalents at beginning of period	**276.28**		**276.28**
Effects of exchange rate changes on the balance of cash held in foreign currencies			
Cash and cash equivalents at end of period	**629.84**	**–**	**629.84**

Note 39. Financial Instruments

Capital management

The Company manages capital risk in order to maximize shareholders' profit by maintaining sound/optimal capital structure through monitoring of financial ratios, such as debt-to-equity ratio and net borrowings-to-equity ratio on a monthly basis and implements capital structure improvement plan when necessary. There is no change in the overall capital risk management strategy of the Company compared to last year.

The Company uses debt equity ratio as a capital management index and calculates the ratio as total liabilities divided by total equity. Total liabilities and total equity are based on the amounts stated in the separate financial statements.

The Company is not subject to externally enforced capital regulation.

Debt-to-equity ratio as of 31st March, 2017, 31st March, 2016 and 1st April, 2015 is as follows:

₹ in Lakh

	31st March, 2017	31st March, 2016	1st April, 2015
Debt (A)	**32,974.19**	36,227.08	38,481.36
Equity (B)	**26,009.60**	22,053.90	21,907.54
Debt Equity Ratio (A/B)	**1.27**	**1.64**	**1.76**

Categories of financial assets and financial liabilities

As at 31st March, 2017

Particulars	Amortised Costs	FVTPL	FVOCI	Total
Non-current Assets				
Investments				–
Trade Receivables				–
Loans	107.88			107.88
Other Financial Assets				–
– Non Derivative Financial Assets				–
Current Assets				
Investments	–	4,224.22	–	4,224.22
Trade Receivables	616.99			616.99
Cash and Cash Equivalents	2,415.89			2,415.89
Other Bank Balances	11.56			11.56
Loans	–			–
Other Financial Assets				–
– Non Derivative Financial Assets	160.00			160.00
Non-current Liabilities				
Borrowings	19,431.25			19,431.25
Trade Payables	–			–
Other Financial Liabilities				
– Non Derivative Financial Liabilities	56.58			56.58
Current Liabilities				
Borrowings	–			–
Trade Payables	805.47			805.47
Other Financial Liabilities				–
– Non Derivative Financial Liabilities	17,302.29			17,302.29
– Derivative Financial Liabilities				–

As at 31st March, 2016

Particulars	Amortised Costs	FVTPL	FVOCI	Total
Non-current Assets				
Investments	–			-
Trade Receivables				
Loans	88.14			88.14
Other Financial Assets				
– Non Derivative Financial Assets	–			-
– Derivative Financial Liabilities				
Current Assets				
Investments		425.20		425.20
Trade Receivables	820.66			820.66
Cash and Cash Equivalents	629.84			629.84
Other Bank Balances	166.76			166.76
Loans	–			-
Other Financial Assets				
– Non Derivative Financial Assets	120.86			120.86
Non-current Liabilities				
Borrowings	16,434.56			16,434.56
Trade Payables				
Other Financial Liabilities				
– Non Derivative Financial Liabilities	20.27			20.27
– Derivative Financial Liabilities				

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

Particulars	Amortised Costs	FVTPL	FVOCI	Total
Current Liabilities				
Borrowings	5,000.00			5,000.00
Trade Payables	883.31			883.31
Other Financial Liabilities				
– Non Derivative Financial Liabilities	17,124.94			17,124.94
– Derivative Financial Liabilities				

As at 1st April, 2015

Particulars	Amortised Costs	FVTPL	FVOCI	Total
Non-current Assets				
Investments	–			-
Trade Receivables				
Loans	72.37			72.37
Other Financial Assets				
– Non Derivative Financial Assets	–			-
– Derivative Financial Assets				
Current Assets				
Investments		5,975.05		5,975.05
Trade Receivables	622.42			622.42
Other Bank Balances	240.30			240.30
Loans	–			
Other Financial Assets				
– Non Derivative Financial Assets	22.67			22.67
Non-current Liabilities				
Borrowings	28,914.55			28,914.55
Trade Payables				
Other Financial Liabilities				
– Non Derivative Financial Liabilities	730.96			730.96
Current Liabilities				
Borrowings	76.96			76.96
Trade Payables	860.35			860.35
Other Financial Liabilities				
– Non Derivative Financial Liabilities	11,308.58			11,308.58

CREDIT RISK

(i) Credit risk management

Credit risk arises when a counterparty defaults on its contractual obligations to pay resulting in financial loss to the Company. The Company enteres into an agreement with each customer. The agreement has a termination clause by which the Company can terminate the agreement and secure the receivable. The trade redeivables are also reviewed by the Management regularly and necessary actions are taken in order to collect any amount outstanding from customers. Being a Developer, a unit needs certain NOC and permission in respect of commencement and operation of the business and as per the agreement signed with customer, the developer gives the enquired NOC and permission after clearing the outstanding dues alongwith interest.

Trade receivables consist of a large number of customers, spread across diverse industries and geographical areas. Customer creditability is researched before leasing the land to ensure only credit worthiness of the clients.

The credit risk on liquid funds is limited because the counterparties are banks and debt mutual funds with high credit-ratings assigned.

LIQUIDITY RISK

(i) *Liquidity risk management*

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the Company's short-, medium- and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

(ii) *Maturities of financial liabilities*

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The amount disclosed in the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the Company may be required to pay.

Particulars	Less than 1 Year	1-3 Years	3 Years to 5 Years	5 years and above
	INR	INR	INR	INR
Non-derivative financial liabilities				
31st March, 2017				
Non-interest bearing	56.58			
Trade payable	800.28	5.19		
Variable interest rate instruments	–	–	–	–
Fixed interest rate instruments				
10.00% Redeemable Non Convertible Debentures	10,000.00			
10.90% Redeemable Non Convertible Debentures	2,000.00	4,500.00		
9.48% Redeemable Non Convertible Debentures		3,000.00	12,000.00	
Total	**12,856.86**	**7,505.19**	**12,000.00**	**–**
31st March, 2016				
Non-interest bearing	20.27			
Trade payable	759.97	123.34		
Variable interest rate instruments				

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

Particulars	Less than 1 Year	1-3 Years	3 Years to 5 Years	5 years and above
	INR	INR	INR	INR
Fixed interest rate instruments				
10.00% Redeemable Non Convertible Debentures..............	7,500.00	10,000.00		
10.90% Redeemable Non Convertible Debentures..............		6,500.00		
9.50% Redeemable Non Convertible Debentures..............	5,000.00			
Total	**13,280.24**	**16,623.34**	**–**	**–**
1st April, 2015				
Non-interest bearing Security Deposits.....	730.96			
Trade payable				
Variable interest rate instruments..............	76.96			
Fixed interest rate instruments				
10.00% Redeemable Non Convertible Debentures..............	7,500.00	7,500.00	10,000.00	
10.90% Redeemable Non Convertible Debentures..............		2,000.00	4,500.00	
9.50% Redeemable Non Convertible Debentures				
Total	**8,307.92**	**9,500.00**	**14,500.00**	**–**

Note 40. Disclosure of transactions in Specified bank notes (SBN's) as per Rule 11 of Companies (Audit and Auditors) Rules, 2014

₹

Particulars	SBNs	Other denomination notes	Total
Closing cash in hand as on 8th November, 2016	**21,000.00**	**10,966.00**	**31,966.00**
(+) Permitted receipts	–	100,000.00	100,000.00
(-) Permitted payments	–	49,805.00	49,805.00
(-) Amount deposited in Banks	21,000.00	–	21,000.00
Closing cash in hand as on 30th December, 2016	**–**	**61,161.00**	**61,161.00**

Note 41. Additional Information to the consolidated Financial Statements

Dividend

In respect of the current year, the directors propose that a dividend of Re. 0.60 per share be paid on equity shares. This equity dividend is subject to approval by shareholders at the Annual General Meeting and has not been included as a liability in these consolidated financial statements. The total estimated equity dividend to be paid is ₹ 900 Lakh. The payment of this dividend is estimated to result in payment of dividend distribution tax of ₹ 183.22 Lakh @ 15% (exclusive of surcharge and education cess) on the amount of dividends grossed up for the related dividend distribution tax.

Note 42. Approval

The financial statements were approved for issue by the board of directors on 17th April, 2017.

See accompanying notes to the financial statements
In terms of our report attached

For and on behalf of the Board of Directors

For **Deloitte Haskins & Sells**
Chartered Accountants

Geetha Suryanarayanan
Partner
Membership No : 29519

Place : Chennai
Date : April 17, 2017

Sanjay Srivastava
Chief Executive Officer

Pratik Desai
Company Secretary
(ACS: A30026)

Maheswar Sahu Director (DIN: 00034051)
Anita Arjundas Director (DIN: 00243215)

Place : Jaipur
Date : April 17, 2017