

CORPORATE GOVERNANCE REPORT

CORPORATE GOVERNANCE PHILOSOPHY

Mahindra Lifespaces is committed to good corporate governance and endeavors to implement the Code of Corporate Governance in its true spirit. The philosophy of the Company on corporate governance is to ensure transparency in all its operations, make disclosures, and enhance stakeholder value without compromising in any way on compliance with the laws and regulations. The Company believes that good governance brings about sustained corporate growth and long-term benefits for all its stakeholders.

In India, corporate governance standards for listed companies are regulated by Securities and Exchange Board of India (SEBI) through Regulation 15(2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR") and also by the Ministry of Corporate Affairs through the Companies Act, 2013 ("the Act"). As a Company which believes in implementing corporate governance practices in letter and in spirit, the Company has adopted practices mandated by the Act and SEBI LODR and has established procedures and systems to remain compliant with it. This report provides the Company's compliance with these provisions as on 31st March, 2018.

1. BOARD OF DIRECTORS

The Company has a Non-Executive Chairman and half of the total number of Directors comprises of Independent Directors. The Management of the Company is entrusted in the hands of the Senior Management Personnel of the Company who are members of the Executive Council of the Company headed by the Managing Director, who operates under the overall guidance, supervision and control of the Board. The Board reviews and approves strategy of the Company and oversees the actions and results of the Management to ensure that the long-term objective of enhancing value of the stakeholders is met. The Managing Director is an executive of the Company and draws remuneration from the Company. The Non-Executive Chairman and Independent Directors receive sitting fees for attending the meetings of the Board, the Committees (except Corporate Social Responsibility Committee) thereof and meetings of Independent Directors and would also be entitled to commission under the Act. Mr. Arun Nanda, Non-Executive Chairman, who is also on the Board of Mahindra World City Developers Limited (MWCDL), receives sitting fees for attending meetings of the Board and the Committees (except Corporate Social Responsibility Committee) of MWCDL and would be entitled to commission under the Act, as may be approved by MWCDL. Mr. Ameet Hariani, Independent Director who is also on the Board of Mahindra World City (Jaipur) Limited, receives sitting fees for attending meetings of the Board and the Committees of the Company and would be entitled to commission under the Act, as may be approved by the Company. Dr. Anish Shah,

Non-Executive Non-Independent Director is the Group President - Strategy at Mahindra and Mahindra Limited (M&M) and receives remuneration from M&M. Dr. Anish Shah does not receive any sitting fees or remuneration from the Company. Apart from the above and the reimbursement of expenses incurred in discharge of their duties, none of the Non-Executive Directors have any pecuniary relationship or transaction with the Company, its Holding company, Subsidiaries and Associate companies, their Promoters or Directors or its senior management, which in their judgment would affect their independence. The Directors of the Company are not inter-se related to each other. The Board has adopted a Policy on appointment of Directors and Senior Management and Succession Planning for orderly succession to the Board and the Senior Management. The Senior Management has made disclosures to the Board confirming that there is no material, financial and/or commercial transactions between them and the Company, which could have potential conflict of interest with the Company at large.

a) Composition, Status, Attendance at the Board Meetings and at the last Annual General Meeting

As on 31st March, 2018, the Company's Board comprised of six members. The Chairman of the Board is a Non-Executive Non-Independent Director. The Managing Director & Chief Executive Officer is an Executive of the Company. One member of the Board is a Non-Executive Non-Independent Director and remaining three members are Independent Directors. The names and categories of Directors, their attendance at the Board Meetings held during the year and at the last Annual General Meeting are given below:

| Name of Directors | DIN | Category | Number of Board Meetings | | Attendance at the last AGM |
|--|----------|-------------------------------|--------------------------|----------|----------------------------|
| | | | Held | Attended | |
| Mr. Arun Nanda, Chairman | 00010029 | Non-Executive Non-Independent | 7 | 7 | Yes |
| Mr. Sanjiv Kapoor* | 00004005 | Non-Executive Independent | 7 | 3 | Yes |
| Mr. Shailesh Haribhakti | 00007347 | Non-Executive Independent | 7 | 7 | Yes |
| Dr. Prakash Hebalkar* | 00370499 | Non-Executive Independent | 7 | 2 | No |
| Mr. Bharat Shah | 00136969 | Non-Executive Independent | 7 | 7 | Yes |
| Mr. Ameet Hariani** | 00087866 | Non-Executive Independent | 7 | 4 | Not Applicable |
| Dr. Anish Shah | 02719429 | Non-Executive Non-Independent | 7 | 7 | Yes |
| Ms. Anita Arjundas, Managing Director and Chief Executive Officer (Managing Director w.e.f. 1 st April, 2018) | 00243215 | Executive | 7 | 7 | Yes |

* Mr. Sanjiv Kapoor and Dr. Prakash Hebalkar ceased to be Independent Directors of the Company with effect from 30th July, 2017 on expiry of their 2nd term of office.

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

Further, the Board at its meeting held on 30th January, 2018, has appointed Ms. Sangeeta Prasad as Chief Executive Officer and Key Managerial Personnel (KMP) of the Company effective from 1st April, 2018.

b) Details of Directorships / Committee Memberships as of 31st March, 2018

As mandated by the Act, none of the Directors is a director in more than ten Public Limited Companies. In terms of Regulation 25 of SEBI LODR, none of the Independent Directors of the Company is serving as an independent director in more than seven listed entities or serving as a whole-time director in any listed entities. Further, in terms of Regulation 26 of SEBI LODR, none of the Directors is a member of more than ten committees or acting as a chairman of more than five committees across all listed entities in which they are Directors. The number of directorships and committee positions held by them in Public Companies are given below:

| Name of the Director | Category | Directorship of Public Companies* | Membership in Committees of Public limited companies, whether listed or not** | Chairmanship in Committees of Public limited companies, whether listed or not** |
|---|-------------------------------|-----------------------------------|---|---|
| Mr. Arun Nanda, Chairman | Non-Executive Non-Independent | 7 | 1 | 2 |
| Mr. Shailesh Haribhakti | Non-Executive Independent | 10 | 5 | 5 |
| Mr. Bharat Shah | Non-Executive Independent | 9 | 8 | 1 |
| Mr. Ameet Hariani*** | Non-Executive Independent | 6 | 3 | 1 |
| Dr. Anish Shah | Non-Executive Non-Independent | 3 | 2 | Nil |
| Ms. Anita Arjundas, Managing Director and Chief Executive Officer | Executive | 8 | 1 | 1 |

* Includes Directorship in Mahindra Lifespace Developers Limited as of 31st March, 2018 and includes Public companies whether listed or not

and Private companies which are either holding or subsidiaries of Public companies. Listed entity means an entity which has any of its securities listed on a recognized stock exchange(s).

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

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

c) Number of Board Meetings

Seven Board meetings were held during the year i.e. from 1st April, 2017 to 31st March, 2018, on the following dates: 22nd April, 2017; 16th May, 2017; 25th July, 2017; 4th September, 2017; 30th October, 2017; 30th January, 2018 and 23rd March, 2018. The maximum gap between any two meetings did not exceed one hundred and twenty days.

d) Meeting of Independent Directors

The Independent Directors of the Company meet without the presence of the Chairman, Managing Director / Chief Executive Officer, other Non-Independent Director, Chief Financial Officer and any other Management Personnel. This Meeting is conducted to enable the Independent Directors to, inter-alia, discuss matters pertaining to review of performance of Non-Independent Directors and the Board as a whole, review the performance of the Chairman of the Company (taking into account the views of the Executive and Non-Executive Directors), assess the quality, quantity and timeliness of flow of information between the Company Management and the Board, that is necessary for the Board to effectively and reasonably perform its duties.

During the year, one Meeting of Independent Directors was held on 9th March, 2018, and this meeting was attended by all Independent Directors.

e) Board Procedure

A detailed agenda is sent to each Director in advance of the meetings of Board and Committees. To enable the Board to discharge its responsibility effectively, the Managing Director & Chief Executive Officer of the Company briefs the Board at every meeting on the overall performance of the Company. A detailed report on operations is also

presented at the quarterly Meetings of the Board. The Board also reviews strategy and business plans, annual operating and capital expenditure budgets, remuneration of Non-Executive Directors, compliance with Statutory/ Regulatory requirements and review of major legal issues, adoption of quarterly / half-yearly / annual results, risk management policies, investors' grievances, borrowings and investments, issue of securities, use of capital issue proceeds, major accounting provisions and write-offs, corporate restructuring, minutes of meetings of the Audit Committee and other Committees of the Board, sustainability plans and its performance, and Corporate Social Responsibility (CSR) spends, plan and its review, etc. The Board reviews the compliance certificate issued by the Managing Director & Chief Executive Officer regarding compliance with the requirements of various Statutes, Regulations and Rules applicable to the business of the Company.

2. DIRECTORS SEEKING APPOINTMENT / REAPPOINTMENT

Pursuant to Section 152 of the Companies Act, 2013 ("the Act"), Dr. Anish Shah retires by rotation at the forthcoming Annual General Meeting of the Company and has offered himself for re-appointment for the office of the Director. Dr. Anish Shah is not related to any of the Directors or Key Managerial Personnel of the Company.

The Board of Directors at its meeting held on 4th September, 2017, had appointed Mr. Ameet Hariani as an Additional Director in the category of Non-Executive Independent Director with effect from 4th September, 2017. Pursuant to Section 161 of the Act and Article 128 of the Articles of Association of the Company, he holds office upto the date of forthcoming Annual General Meeting. Further, in terms of Section 149 and Section 152 of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014, it is proposed that Mr. Ameet Hariani who meets the criteria of Independence, be appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a term of 5 (five) consecutive years commencing from 4th September, 2017.

The Board is of the view that Mr. Ameet Hariani's knowledge and experience will be of benefit and value to the Company. Mr. Ameet Hariani is not related to any of the Directors or Key Managerial Personnel of the Company. Pursuant to Section 160 of the Act, the Company has received notice proposing candidature of Mr. Ameet Hariani as a Director of the Company. Accordingly, the resolution relating to

appointment of Mr. Ameet Hariani at Item No. 5 of the Notice as an Ordinary Resolution is recommended for approval of the Members.

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

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

Dr. Anish Shah

Dr. Anish Shah aged 48 years is the Group President (Strategy) for the Mahindra Group. His key focus areas are strategy development and implementation, building capabilities such as digitization and analytics, and driving international growth especially in the US and Africa. He also leads the Risk Management and Performance Review and enables synergy across Group Companies. The Group Strategy Office also plays a key role in developing talent for leadership roles across the Group.

He joined Mahindra Group from General Electric where he was the President and Chief Executive Officer for GE Capital India from 2009-14. In this role, he led the transformation of the business, including a turnaround of the SBI Card joint venture.

Dr. Shah's career at GE spanned 14 years, during which he held several leadership positions at GE Capital's US and global units. As Director, Global Mortgage, he worked across 30+ countries to drive growth and manage risk. As SVP (Marketing & Product Development) at GE Mortgage Insurance, he led various growth initiatives and played a key role in preparing the business for an IPO, as a spinoff from GE. He has also received GE's Lewis Latimer Award for outstanding utilization of Six Sigma in developing a "Digital Cockpit." Before GE, he worked at Bank of America, Bain & Company and Citibank.

Dr. Shah holds a PhD from Carnegie Mellon's Tepper School of Business, where his doctoral thesis was on corporate governance. He has also received a Masters degree from Carnegie Mellon and has a post-graduate diploma in Management from the Indian Institute of Management, Ahmedabad. He completed his Bachelor of Commerce degree from the University of Mumbai.

Dr. Anish Shah does not hold any Equity Share in the Company and is not related to any Director of the Company. As on 31st March, 2018, Dr. Anish Shah holds Directorships and Committee positions in the following companies and other entities:

| Name of Company | Designation | Name of Committee | Position held |
|---|---|---|---------------|
| Mahindra & Mahindra Financial Services Limited | Non-executive Non-Independent Director | Audit Committee | Member |
| | | Corporate Social Responsibility Committee | Member |
| | | Strategic Investment Committee | Member |
| Mahindra Trucks & Buses Limited | Non-executive Non-Independent Director | - | - |
| Mahindra Lifespace Developers Limited | Non-executive Non-Independent Director | Audit Committee | Member |
| | | Loans and Investment Committee | Member |
| | | Nomination & Remuneration Committee | Member |
| Mahindra Ecole Centrale | Director | - | - |
| Indian National Committee – United World College | Member of Board of Governors | - | - |
| Orizonte Business Solutions | Non-executive Non-Independent Director | - | - |
| Confederation of Indian Industry (Western Region) | Chairman International Trade & Investment (sub-committee) | - | - |
| PF Holdings B. V. | Director | - | - |

Mr. Ameet Hariani

Mr. Ameet Hariani, aged 57 years, is an Advocate and Solicitor. He has handled prominent arbitrations and litigations, including the first hostile takeover in India, prior to formation of SEBI. In the real estate sector, his list of clients include some of the major players of the real estate sector in India. He has over 30 years of experience advising clients on matters of corporate strategy and governance.

He has been practicing as a Solicitor since 1986. He was a partner at M/s. Ambubhai and Diwanji, Mumbai and Andersen Legal India, Mumbai. He is the Founder and Managing Partner of M/s. Hariani & Co. since 1991.

He obtained his law degree from Government Law College, Mumbai and has obtained his Masters in law degree from the University of Mumbai. He enrolled as an advocate with the Bar Council of Maharashtra and Goa in 1984 and he is also a member of the Bombay Incorporated Law Society, the Law Society of England & Wales, the Law Society of Singapore, the Bar Council of Maharashtra and the Bombay Bar Association.

He has also authored a Book on Real Estate Laws (1st & 2nd editions) published by Bombay Chartered Accountants Society and Godrej Properties Ltd. and has written several articles in various publications on real estate.

The tenure of appointment of Mr. Ameet Hariani will be for a period of 5 (five) consecutive years with effect from 4th September, 2017. He will be entitled to sitting fees

for attending the meetings of the Board, the Committees (except Corporate Social Responsibility Committee) thereof and meetings of Independent Directors and would also be entitled to the commission under the Act. Details of sitting fees and commission paid / payable to Mr. Ameet Hariani for the period from 4th September, 2017 to 31st March, 2018 are provided in clause 6.iii of this report.

Mr. Ameet Hariani does not hold any Equity Share in the Company and is not related to any Director or Key Managerial Personnel of the Company. As on 31st March, 2018, he holds Directorships and Committee positions in the following companies and other entities:

| Name of Company | Designation | Name of Committee | Position Held |
|---------------------------------------|------------------------------------|---------------------------------------|---------------|
| Mahindra Lifespace Developers Limited | Non-Executive Independent Director | Stakeholders' Relationship Committee | Member |
| | | Loans & Investment Committee | Member |
| Batilboi Limited | Non-Executive Independent Director | Audit Committee | Member |
| Ras Resorts & Apart Hotels Limited | Non-Executive Independent Director | Stakeholders Relationship Committee | Chairman |
| | | Audit Committee | Member |
| Capricon Realty Limited | Non-Executive Independent Director | Nomination and Remuneration Committee | Member |
| | | Remuneration Committee | Member |
| Mahindra Homes Private Limited | Non-Executive Independent Director | - | - |
| Mahindra World City (Jaipur) Limited | Non-Executive Independent Director | - | - |
| Envision Computer Consultancy LLP | Designated Partner | - | - |
| Radicle Informatics LLP | Designated Partner | - | - |
| Hariani & Co. | Managing Partner | - | - |

3. FAMILIARISATION OF INDEPENDENT DIRECTORS

The details of familiarisation program for Independent Directors have been uploaded on website of the Company and is available at the link : <https://www.mahindralifespaces.com/media/4810/familiarisation-programme-for-independent-directors.pdf>

4. CODES OF CONDUCT AND POLICIES

The Board of Directors of the Company has laid down two separate Codes of Conduct — one for Directors

and another for Senior Management and Employees. It has also adopted Code for Independent Directors as per Schedule IV of the Act.

These codes are posted on the Company's website: <https://www.mahindralifespaces.com/investors/disclosures-under-sebi>

All Board Members including Independent Directors and Senior Management Personnel have affirmed compliance with the respective Codes of Conduct for the year under review. A declaration signed by Managing Director & Chief Executive Officer to this effect is annexed to this report.

In accordance with the requirement of SEBI LODR, the Company has formulated and adopted policy for determining material subsidiaries, policy on materiality of and dealing with related party transactions, policy for determining materiality for disclosures. These policies are posted on the Company's website at: <http://www.mahindralifespaces.com/investors/disclosures-sebi>

5. CEO / CFO CERTIFICATION

As required under Regulation 17(8) read with Part B of Schedule II of SEBI LODR, the Managing Director & Chief Executive Officer and the Chief Financial Officer of the Company have certified to the Board regarding the Financial Statements for the year ended on 31st March, 2018.

6. REMUNERATION PAID TO DIRECTORS

Remuneration Policy

The objective of the Remuneration Policy of the Company for Directors and Senior Management is to focus on enhancing the value of the Company by attracting and retaining Directors and Senior Management for achieving objectives of the Company and to place the Company in leading position. The Policy is guided by a reward framework and set of principles and objectives as more fully and particularly envisaged under Section 178 of the Act and principles pertaining to qualifications, positive attributes, integrity and independence of Directors, etc.

While reviewing the Company's remuneration policies and deciding on the remuneration for Directors, the Board and the Nomination and Remuneration Committee (NRC) considers performance of the Company, current trends in the industry, qualifications of the appointee(s), their experience, past performance, responsibilities shouldered by them, the Statutory provisions and other relevant factors.

The Non-Executive Chairman and Independent Directors are paid sitting fees and reimbursement of expenses incurred in attending the Board, Committee meetings and

meeting of Independent Directors. The Directors have voluntarily waived sitting fees for attending meetings of Corporate Social Responsibility Committee. The Board determines the remuneration, if any, of Non-Executive Directors, subject to requisite approvals, if any. At the 16th Annual General Meeting of the Company held on 31st July, 2015, the shareholders had approved the payment of commission, at a rate not exceeding one percent (1%) per annum or such percentage as may be specified by the Act from time to time in this regard, of annual net profit of the Company computed in accordance with the provisions of the Act or Rules framed thereunder from time to time, to such Directors of the Company (other than the Managing Director and / or Whole-time Director, Executive Directors and such of the remainder as may not desire to participate) but subject to such ceiling, if any, per annum, as the Board of Directors may, from time to time, fix in this behalf and the same to be divided amongst them in such manner as the Board may, from time to time, determine for each of the financial years commencing from 1st April, 2015. Accordingly, the Board of Directors at its meeting held on 27th April, 2018 has approved payment of commission for the financial year ended on 31st March, 2018.

Performance Evaluation

Pursuant to the provisions of the Act and Part D of Schedule II of SEBI LODR, 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 and Committees thereof with regard to skill, experience, independence, diversity, attendance and adequacy of time given by the Directors to discharge their duties, Corporate Governance practices, etc. were circulated to the Directors for the evaluation process. The Directors expressed their satisfaction with the evaluation process and the outcome of evaluation which reflects high level of engagement of the Board of Directors amongst its members and with the management.

Criteria for making payments to Non-Executive Directors

The Non-Executive Directors shall be entitled to receive remuneration by way of sitting fees, reimbursement of expenses for participation in the Board / Committee meetings and commission as detailed hereunder:

- i. A Non-Executive Director shall be entitled to receive sitting fees for each meeting of the Board, Committee of the Board (except Corporate Social Responsibility Committee) and meeting of Independent Directors attended by him of such sum as may be approved by the Board of Directors, within the overall limits prescribed under the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014;
- ii. A Non-Executive Director will also be entitled to receive commission on an annual basis of such sum as may be approved by the Board within the limits approved by the shareholders in accordance with statutory provisions in this regard. The total commission payable to the Directors shall not exceed one percent (1%) of the net profit of the Company calculated in the prescribed manner. The Board in determining the quantum of commission payable to the Directors, takes into consideration the remuneration policy of the Company. The Board may approve a higher commission for the Chairman of the Board of Directors taking into consideration his overall responsibility. The Commission shall be payable on pro-rata basis to Directors who occupy office for part of the year and;
- iii. As per provisions of the Act, the Independent Directors are not entitled to fresh grant of any Stock Options.

Detailed information of Directors' remuneration for the year 2017-18 is set forth below:

(₹ in lakhs)

| Name of the Director | Status | Sitting Fees (Note a) | Commission (Note g) | Salary, Performance Pay and Perquisites | Aggregate of Company's contributions to Superannuation, Provident and Pension Fund | Total |
|------------------------------|---|-----------------------|---------------------|---|--|--------|
| Mr. Arun Nanda, Chairman | Non-Executive Non- Independent | 9.15 | 47.50 | Nil | Nil | 56.65 |
| Mr. Sanjiv Kapoor* | Non- Executive Independent | 4.50 | 3.33 | Nil | Nil | 7.83 |
| Mr. Shailesh Haribhakti | Non- Executive Independent | 12.50 | 10.00 | Nil | Nil | 22.50 |
| Dr. Prakash Hebalkar* | Non- Executive Independent | 2.60 | 3.33 | Nil | Nil | 5.93 |
| Mr. Bharat Shah | Non- Executive Independent | 10.40 | 10.00 | Nil | Nil | 20.40 |
| Mr. Ameet Hariani ** | Non- Executive Independent | 5.00 | 5.83 | Nil | Nil | 10.83 |
| Dr. Anish Shah | Non- Executive Non-Independent | NA | NA | NA | NA | NA |
| Ms. Anita Arjundas, (Note b) | Executive (Managing Director and Chief Executive Officer) | NA | NA | 268.81 | 14.09 | 282.90 |

* Mr. Sanjiv Kapoor and Dr. Prakash Hebalkar ceased to be Independent Directors of the Company with effect from 30th July, 2017 on expiry of their 2nd term of office.

** Mr. Ameet Hariani was appointed as an Additional Director in the category of Non-Executive Independent Director w.e.f. 4th September, 2017.

Notes:

- a. Non-Executive Non-Independent Chairman and Non-Executive Independent Directors were paid sitting fees for attending meetings of Board, various committees and meeting of Independent Directors as under:

| Meeting | Sitting Fees per meeting (in ₹) |
|--|---------------------------------|
| Board | 100,000 |
| Independent Directors Meeting | 100,000 |
| Share Transfer & Allotment Committee | 5,000 |
| Corporate Social Responsibility (CSR) Committee* | Nil |
| All other Committees | 30,000 |

* The members of the CSR Committee have voluntarily waived their entitlement to sitting fees for attending meetings of the said Committee.

The Managing Director & CEO and Non-Executive Non-Independent Director (not being the Chairman) do not receive sitting fees for attending meetings of the Board / Committees of the Board of Directors of the Company.

- b. (i) Ms. Anita Arjundas, prior to her appointment as Managing Director & CEO in the Company, in her capacity as an employee of the Company, is in receipt of 50,000 Stock Options under Employee Stock Options Scheme-2006 (ESOS-2006) granted to her on 25th April, 2008, of which she has exercised 1,000 options and balance 49,000 Stock Options lapsed on 24th April, 2017. In her capacity as Managing Director & CEO, she is in receipt of 10,000 Stock Options under Employee Stock Options Scheme-2012 (ESOS-2012) granted on 4th August, 2012, of which she has exercised 7,000 options and will continue to hold balance options in terms of the Grant. She shall be eligible for additional Stock Options/ Grants, as and when the event happens.
- (ii) The nature of employment of Managing Director & CEO with the Company is contractual and can be terminated by giving three months' notice from either party. The contract does not provide for any severance fee.

- c. The Company has not advanced any loan to any Director.
- d. **ESOS-2006:** Except as stated below, all the Options granted under ESOS-2006 but not exercised have lapsed on 24th April, 2017. During the year, none of the Stock Options granted under ESOS-2006 were exercised. The details of Stock Options granted under ESOS-2006, which have not lapsed, are as follows:

| Name of the Director | No. of Stock Options Granted on 4 th August, 2012. (Exercise Price ₹ 325/- per Stock Option) | No. of Stock Options Granted on 4 th August, 2012 which are vested but to be exercised on or before 3 rd August, 2021. (Exercise Price ₹ 325/- per Stock Option) | No. of Stock Options Exercised as on 31 st March, 2018 |
|-----------------------|---|--|---|
| Dr. Prakash Hebalkar* | 10,000 | 5,000 | 5,000 |
| Total | 10,000 | 5,000 | 5,000 |

- * Dr. Prakash Hebalkar ceased to be a director in the category of Non – Executive Independent Director w.e.f. 30th July, 2017.
- e. **ESOS-2012:** As of 31st March, 2018, a total of 75,850 Stock Options have been exercised by the grantees at an exercise price of ₹ 10 per Stock Option, out of which 7,000 Stock Options have been exercised by Ms. Anita Arjundas, Managing Director & CEO and 68,850 Stock Options have been exercised by other grantees under ESOS-2012.

Details of Vesting period is as below:

| Year | Entitlement | Vesting Schedule |
|------|-------------|----------------------------------|
| 1 | 20% | 12 months from the date of grant |
| 2 | 20% | 24 months from the date of grant |
| 3 | 30% | 36 months from the date of grant |
| 4 | 30% | 48 months from the date of grant |

The Options are to be exercised within a period of five years from the respective dates of vesting.

- f. Besides Stock Options, in case of Managing Director & CEO, the performance pay in accordance with 'The Policy for Remuneration of the Directors' is the only component which is performance linked and variable. All other components are fixed.
- g. In case of other Directors, Employee Stock Option and Commission are the only components of Remuneration that are performance linked and variable.
- h. As per provisions of the Act and SEBI LODR, the Independent Directors are not entitled to fresh grant of any Stock Options.

Shares and Convertible Instruments held by Non-Executive Directors:

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

As on 31st March, 2018, the details of equity shares held by the Directors are as follows:

- Mr. Arun Nanda holds 1,66,212* equity shares in the Company.
*Out of 1,66,212 Equity Shares, 142 Equity Shares are held jointly with Ms. Neerja Nanda (wife) with Mr. Nanda being the first holder, 750 Equity Shares are held jointly with Ms. Neerja Nanda, Mr. Nanda being the second holder and 437 Equity Shares are held jointly with Mr. Uday Nanda (son) and Ms. Neerja Nanda, Mr. Nanda being the third holder;
- Mr. Shailesh Haribhakti holds 6,342 equity shares in the Company;
- Mr. Bharat Shah, Dr. Anish Shah and Mr. Ameet Hariani do not hold any equity shares in the Company, either on their own or for any other person on a beneficial basis.

7. COMMITTEES OF THE BOARD

Audit Committee

As on 31st March, 2018, the Audit Committee of the Company comprises of two Independent Directors, namely Mr. Shailesh Haribhakti and Mr. Bharat Shah and one Non-Executive Non-Independent Director, Dr. Anish Shah. Consequent to the cessation of Mr. Sanjiv Kapoor and Dr. Prakash Hebalkar, as Independent Directors and as members of the Committee w.e.f. 30th July, 2017, the Committee was re-constituted by the Board vide circular resolution dated 22nd August, 2017 which is effective from 24th August, 2017 by appointing Mr. Bharat Shah in the Audit Committee effective from 24th August, 2017.

At the close of the meeting of the Audit Committee held on 27th April, 2018, Mr. Shailesh Haribhakti resigned as the Chairman of the Audit Committee. Mr. Shailesh Haribhakti continues to be a member of the Audit Committee. The Board at its meeting held on 27th April, 2018, has appointed Mr. Ameet Hariani, Independent Director as a member of the Audit Committee.

All members of the Audit Committee possess strong knowledge of accounting and financial management.

The terms of reference of the Committee pursuant to Section 177 of the Act, inter-alia, includes:

- Review and Monitor the auditor's independence, performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the Company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Monitoring the end use of funds raised through public offers and related matters.

The terms of reference of the Committee are also in accordance with the requirements of Regulation 18(3) read with Part C of Schedule II of SEBI LODR which, inter-alia, includes:

- Overview of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of their fees. Approval of payment of fees to statutory auditors for any other services rendered by the Statutory Auditors;
- Evaluation of the internal control systems and risk management system with the management, Internal Auditors and Statutory Auditors;
- Review with the management, the annual financial statements and auditors report before submission to the Board for approval, with special emphasis on accounting policies and practices, compliance and other legal requirements concerning financial statements;
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- Review of Management Discussion and Analysis of financial condition and results of the operations;
- Management letters / letters of internal control weakness issued by Statutory Auditors;
- Review of material Individual Transactions with related parties not in normal course of business or which are not on arm's length basis;

- Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate;
- Review of financial statements and investment of unlisted subsidiary companies.

During the year under review, 1st April, 2017 to 31st March, 2018, eight meetings of the committee were held on the following dates: 22nd April, 2017; 16th May, 2017, 25th July, 2017; 4th September, 2017; 30th October, 2017; 30th January, 2018; 9th March, 2018 and 23rd March, 2018. The maximum gap between any two meetings did not exceed one hundred and twenty days. The details of attendance at the Audit Committee meetings held during the year are as under:

| Name of the Director | Status | No. of Audit Committee Meetings | |
|-------------------------|-------------------------------|---------------------------------|----------|
| | | Held | Attended |
| Mr. Sanjiv Kapoor* | Non-Executive Independent | 8 | 3 |
| Mr. Shailesh Haribhakti | Non-Executive Independent | 8 | 8 |
| Dr. Prakash Hebalkar* | Non-Executive Independent | 8 | 2 |
| Mr. Bharat Shah | Non-Executive Independent | 8 | 5 |
| Dr. Anish Shah | Non-Executive Non-Independent | 8 | 8 |

*ceased to be Independent Director of the Company with from 30th July, 2017 on expiry of their 2nd term of office.

Mr. Sanjiv Kapoor, then Chairman of the Audit Committee, was present at the Annual General Meeting of the Company held on 25th July, 2017. The Chairman of the Company, the Managing Director & CEO, Chief Financial Officer, the Internal Auditors and Statutory Auditors are invited to attend the Audit Committee Meetings. The Company Secretary is the Secretary to the Committee. The Company has established a vigil mechanism by adopting a Whistle Blower Policy for Stakeholders including Directors and employees and their representative bodies to report genuine concerns in the prescribed manner. The vigil mechanism is overseen by the Audit Committee and provides adequate safeguards against victimization of stakeholders including employees and Directors and their representative bodies. Whistle Blower Policy is a mechanism to address any complaint(s) related to fraudulent transactions or reporting intentional non-compliance with the Company's policies and procedures and any other questionable accounting /

operational process followed. It provides a mechanism to approach the Chairman of Audit Committee or Chairman of the Company or the Corporate Governance Cell. During the year, no personnel were denied access to the Chairman of the Audit Committee or Chairman of the Company or the Corporate Governance Cell. The Boards' Report also provides details on the Whistle Blower Policy of the Company and the Policy is available at web link: <https://www.mahindralifespaces.com/media/1318/whistle-blower-policy.pdf>.

Stakeholders Relationship Committee

As on 31st March, 2018, the Stakeholders Relationship Committee of the Company comprises of Non-Executive Non-Independent Director, Mr. Arun Nanda and Non-Executive Independent Director, Mr. Ameet Hariani. Consequent to the cessation of Dr. Prakash Hebalkar, as Independent Director and as member of the Committee w.e.f. 30th July, 2017, the Committee was re-constituted by the Board at its meeting held on 30th October, 2017 by appointing Mr. Ameet Hariani effective from 30th October, 2017. Mr. Arun Nanda is the Chairman of the Committee. Mr. Suhas Kulkarni, Senior Vice President – Legal & Company Secretary, is the Compliance Officer for the Committee. The Committee's objective is to attend to investors' complaints pertaining to transfers / transmission of shares, non-receipt of dividend / interest, and any other related matter. Mr. Arun Nanda attended the Annual General Meeting of the Company held on 25th July, 2017.

Status of Investors Complaints received during the period 1st April, 2017 to 31st March, 2018:

| | | |
|---|--|----|
| 1 | Number of complaints received from the investors comprising non-receipt of dividend, non-receipt of shares lodged for transfer, non-receipt of Annual Report, etc. | 60 |
| 2 | Number of complaints resolved | 59 |
| 3 | Complaints pending as at 31 st March, 2018 | 1* |

* The pending complaint was resolved on 19th April, 2018.

Nomination and Remuneration Committee

As on 31st March, 2018, the Nomination and Remuneration Committee of the Company comprises two Independent Directors, Mr. Bharat Shah and Mr. Shailesh Haribhakti and two Non-Executive Non-Independent Directors, Mr. Arun Nanda and Dr. Anish Shah. Mr. Bharat Shah is the Chairman of the Committee. Consequent to the cessation of Mr. Sanjiv Kapoor, as Independent Director w.e.f. 30th July, 2017, the Committee was re-constituted by the Board vide circular resolution dated 22nd August, 2017 effective from 24th August, 2017 by appointing Mr. Bharat Shah effective from 24th August, 2017. During

the year under review, the Committee met five times on the following dates: 22nd April, 2017; 25th July, 2017; 4th September, 2017, 30th January, 2018 and 9th March, 2018. All members of the Committee attended all meetings. Mr. Sanjiv Kapoor, then Chairman of the Nomination and Remuneration Committee, was present at the Annual General Meeting of the Company held on 25th July, 2017.

The role of the Nomination and Remuneration Committee, inter-alia, includes:

- To consider appointment, re-appointment, determination of the fixation of the remuneration, revision in the remuneration payable to the Managing Director / Whole-Time Director of the Company from time to time;
- To formulate and administer the Employee Stock Option Scheme ("the Scheme");
- To formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommending to the Board, a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees;
- To identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down, recommend to the Board, their appointment and removal;
- To attend to such other matters and functions as may be prescribed from time to time;
- Devising a policy on Board Diversity.

Corporate Social Responsibility Committee

As on 31st March, 2018, the Committee comprises of Non-Executive Non-Independent Director Mr. Arun Nanda, Independent Director, Mr. Shailesh Haribhakti and the Managing Director & CEO, Ms. Anita Arjundas. Mr. Arun Nanda is the Chairman of the Committee.

During the year under review, the Committee met twice on the following dates: 22nd April, 2017 and 25th July, 2017. All members attended both meetings.

Loans & Investment Committee

As on 31st March, 2018, the Loans & Investment Committee of the Board of the Company comprises of two Non-Executive Non-Independent Directors, Mr. Arun Nanda and Dr. Anish Shah and Non-Executive Independent Director, Mr. Ameet Hariani. Consequent to the cessation of Dr. Prakash Hebalkar, as an Independent Director and as member of the Committee w.e.f. 30th July, 2017, the Committee was re-constituted effective 30th October,

2017 by the Board by appointing Mr. Ameet Hariani, Non-Executive Independent Director on the Committee.

The Committee's objective is to finalise within the parameters set by the Board, the terms on which the borrowings/ investments would be made by the Company from time to time.

Mr. Arun Nanda is the Chairman of the Committee.

Share Transfer and Allotment Committee (earlier known as Share Allotment Committee)

The Board at its meeting held on 31st July, 2014, changed the nomenclature of the existing "Share Allotment Committee" to "Share Transfer and Allotment Committee". The role of the Committee covers the following:

- to issue duplicate share certificates in lieu of original certificates, which are lost or misplaced against an Indemnity Bond;
- to issue duplicate share certificates in lieu of original certificates, which are lost or misplaced against an Indemnity Bond without insisting on an advertisement or notification being published in the newspaper / Maharashtra Government Gazette, if the face value of shares involved is not more than ₹ 10,000 and the market value is not more than ₹ 5,00,000;
- to approve in physical mode transfers in excess of 5,000 equity shares per transfer;
- to approve transmission in physical mode of equity shares of a market value exceeding ₹ 5,00,000;
- to allot equity shares arising out of exercise of Stock Options pursuant to the Employee Stock Option Scheme - 2006 (ESOS- 2006) and Employee Stock Option Scheme - 2012 (ESOS - 2012), or any other Employee Stock Option Scheme that may be in vogue from time to time, and allot equity shares / preference shares / securities / convertible instruments as per the terms of any other issue of shares / securities / convertible instruments as may be approved by the Board / shareholders from time to time.

As on 31st March, 2018, the Committee comprises of two Non-Executive Non-Independent Directors, Mr. Arun Nanda and Dr. Anish Shah and the Managing Director & CEO, Ms. Anita Arjundas.

During the year, the Committee has approved issue of duplicate share certificates cum transfer / transmission of shares through circular resolutions and the Committee has also met once on 24th November, 2017.

Committee for Residential Joint Ventures / Large Format Developments

The Board at its meeting held on 30th October, 2017: a) changed the nomenclature of the Committee for Residential Projects in Joint Venture to "**Committee for investment in residential Joint Ventures / Large Format Developments**", b) revised the terms of reference of the Committee to include evaluation of investment / divestment proposals in Large Format Developments, and c) disbanded the Committee for Large Format Developments.

As on 31st March, 2018, the Committee for Residential Joint Ventures / Large Format Developments comprises of Non-Executive Non-Independent Director, Mr. Arun Nanda, Independent Director, Mr. Shailesh Haribhakti and the Managing Director & CEO, Ms. Anita Arjundas. The objective of the Committee is to evaluate business plans and investments in Residential projects to be undertaken in Joint Venture and in large format development.

During the year, the Committee met twice on 16th May, 2017 and 23rd March, 2018.

Qualified Institutional Placement (QIP) Committee and Rights Issue Committee - The Board at its meeting held on 30th October, 2017 disbanded both the committees.

Risk Management Committee

The Company already has in place a procedure to inform the Board about the risk assessment and minimization procedures. Presently, in terms of Regulation 21 of the SEBI LODR, the requirement of Risk Management Committee is not applicable to the Company. However, the Board has constituted Risk Management Committee comprising Directors and Chief Financial Officer of the Company.

As on 31st March, 2018, the Committee comprises of Mr. Shailesh Haribhakti, Independent Director, Ms. Anita Arjundas, Managing Director & CEO and Mr. Jayant Manmadkar, Chief Financial Officer of the Company. Mr. Shailesh Haribhakti is the Chairman of the Committee. The role of the Committee is to monitor and review the risk assessment, mitigation and risk management plan for the Company from time to time.

8. GENERAL SHAREHOLDER INFORMATION

Nineteenth Annual General Meeting – financial year 2017-18

Day / Date: Monday, 30th July, 2018

Time: 3:00 p.m.

Venue: Y.B. Chavan Centre, General Jagannath Bhosle Marg, Next to Sachivalaya Gymkhana, Mumbai 400 021.

Details of Annual / Extra-ordinary General Meetings held during past three years

| Year | Date | Time | Venue | Special Resolutions passed |
|------|---|-----------|---|--|
| 2015 | 16 th AGM, 31 st July, 2015 | 3:00 p.m. | Walchand Hirachand Hall, 4 th Floor, Indian Merchant Chamber Building, IMC Marg, Churchgate, Mumbai – 400020 | <ul style="list-style-type: none"> • Appointment of Mr. Shailesh Haribhakti as an Independent Director • Appointment of Mr. Sanjiv Kapoor as an Independent Director • Appointment of Dr. Prakash Hebalkar as an Independent Director • Private placement of Non-Convertible Debentures and / or other Debt Securities upto aggregate of ₹ 750 crore. • Commission to Non-Executive Directors • Adoption of new set of Articles of Association • Material Related Party Transaction |
| 2016 | 17 th AGM, 28 th July, 2016 | 3:00 p.m. | Y. B. Chavan Centre, General Jagannath Bhosle Marg, next to Sachivalaya Gymkhana, Mumbai 400 021 | <ul style="list-style-type: none"> • Private Placement of Non-Convertible Debentures and/ or other Debt Securities upto aggregate of ₹ 750 crore; • Maintenance of the Register of Members and Related Books at a Place other than the Registered Office of the Company; • Alteration of Articles of Association of the Company; |
| 2017 | 18 th AGM, 25 th July, 2017 | 3:00 p.m. | Y. B. Chavan Centre, General Jagannath Bhosle Marg, next to Sachivalaya Gymkhana, Mumbai 400 021 | <ul style="list-style-type: none"> • Private Placement of Non-Convertible Debentures and/ or other Debt Securities upto aggregate of ₹ 750 crore |

No Extra-Ordinary General Meeting (EGM) was held during last three years and no special resolution was passed in the previous year through Postal Ballot.

Dates of Book Closure

Saturday, 21st July, 2018 to Monday, 30th July, 2018 (both days inclusive)

Final Dividend Payment Date

Final Dividend, if declared, will be credited / dispatched between 31st July, 2018 to 3rd August, 2018.

Financial Year

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

Financial reporting for 2018-19 (Tentative)

| | |
|---|-------------------------|
| For Quarter ending – 30 th June, 2018 | By end of July, 2018 |
| For Half Year ending – 30 th September, 2018 | By end of October, 2018 |
| For Quarter ending – 31 st December, 2018 | By end of January, 2019 |
| For year ending – 31 st March, 2019 | By end of April, 2019 |

9. LISTING ON STOCK EXCHANGES

The equity shares of the Company are listed on BSE Limited and National Stock Exchange of India Limited. Series I, II and III of Secured Listed Rated Redeemable 10.78 percent YTM, comprising of 1,250, 1,750 and 2,000 Non-Convertible Debentures (NCDs) with a face value of ₹ 10 lakh each aggregating ₹ 500 crore (Rupees Five hundred crore Only) listed on BSE Limited were redeemed in accordance with the terms of NCDs on 4th April, 2016, 3rd April, 2017 and 4th April, 2018, respectively, along with redemption premium and interest thereon. Listing fees have been paid to the Stock Exchanges for the period up to 31st March, 2019.

The Company's Stock Exchange Codes and address:

| Name and Address of the Stock Exchanges | Type of Security / Scrip Code | International Security Identification Number (ISIN) |
|--|---|---|
| BSE Limited Piroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001 | Equity Shares: Scrip Code – 532313 | INE813A01018 |
| National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai 400 051 | Equity Shares: Scrip Code – MAHLIFE | INE813A01018 |
| BSE Limited Piroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001 | Non-Convertible Debentures: *Series III - Scrip Code: 949080 Scrip ID: 8MLDL2018C | Non-Convertible Debentures: *Series III – INE813A07031 |

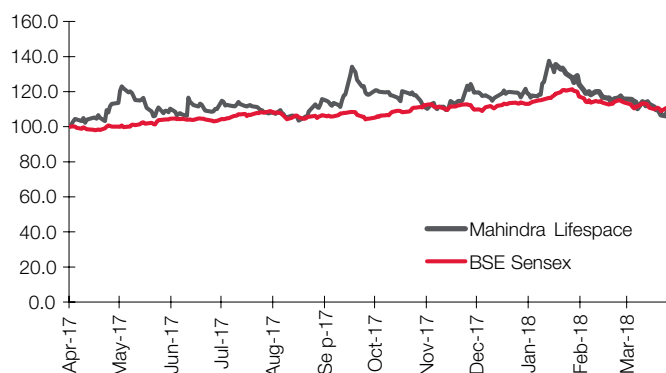
* Fully redeemed on 4th April, 2018

BSE and NSE – Monthly High / Low and Volumes

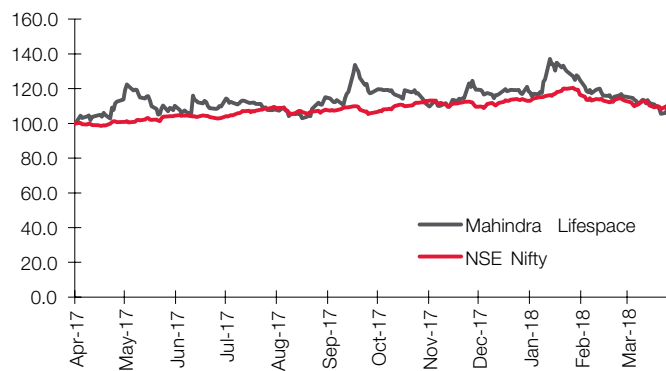
| Year | Month | BSE | | | NSE | | |
|------|-----------|----------|---------|----------------|----------|---------|----------------|
| | | High (₹) | Low (₹) | Monthly Volume | High (₹) | Low (₹) | Monthly Volume |
| 2017 | April | 454.00 | 388.75 | 2,77,206 | 454.20 | 383.15 | 17,57,092 |
| 2017 | May | 493.00 | 410.00 | 2,84,719 | 492.80 | 408.05 | 14,47,605 |
| 2017 | June | 465.50 | 412.55 | 98,850 | 464.00 | 411.10 | 7,82,142 |
| 2017 | July | 452.00 | 419.50 | 1,08,851 | 452.00 | 419.00 | 8,37,203 |
| 2017 | August | 446.00 | 382.30 | 60,294 | 445.05 | 396.55 | 7,55,047 |
| 2017 | September | 528.10 | 432.60 | 1,73,302 | 530.00 | 432.00 | 16,59,086 |
| 2017 | October | 480.00 | 427.00 | 77,191 | 482.00 | 433.05 | 7,84,295 |
| 2017 | November | 495.00 | 415.50 | 1,35,368 | 494.25 | 426.60 | 13,32,366 |
| 2017 | December | 482.25 | 445.10 | 39,504 | 487.70 | 445.05 | 7,74,624 |
| 2018 | January | 563.00 | 451.10 | 3,12,023 | 563.15 | 451.50 | 27,03,892 |
| 2018 | February | 512.00 | 440.50 | 60,059 | 512.50 | 439.55 | 5,50,177 |
| 2018 | March | 472.00 | 392.30 | 65,110 | 472.65 | 398.00 | 5,94,744 |

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

| Year | Month | Closing Price on Last Trading Day of the Month | | | | |
|------|-----------|--|------------|-----------|-----------|------------|
| | | MLDL at BSE (₹) | BSE Sensex | NSE Nifty | BSE 500 | BSE Realty |
| 2017 | April | 441.95 | 29,918.40 | 9,304.05 | 12,979.24 | 1,923.92 |
| 2017 | May | 426.50 | 31,145.80 | 9,621.25 | 13,199.15 | 1,931.11 |
| 2017 | June | 430.55 | 30,921.61 | 9,520.90 | 13,178.45 | 2,043.23 |
| 2017 | July | 420.80 | 32,514.94 | 10,077.10 | 13,897.23 | 2,186.28 |
| 2017 | August | 441.05 | 31,730.49 | 9,917.90 | 13,762.13 | 2,137.67 |
| 2017 | September | 462.45 | 31,283.72 | 9,788.60 | 13,610.70 | 2,065.41 |
| 2017 | October | 441.80 | 33,213.13 | 10,335.30 | 14,485.57 | 2,301.28 |
| 2017 | November | 478.60 | 33,149.35 | 10,226.55 | 14,493.58 | 2,445.67 |
| 2017 | December | 456.40 | 34,056.83 | 10,477.90 | 15,002.73 | 2,608.25 |
| 2018 | January | 502.15 | 35,965.02 | 11,027.70 | 15,347.19 | 2,609.09 |
| 2018 | February | 452.75 | 34,184.04 | 10,492.85 | 14,670.49 | 2,468.34 |
| 2018 | March | 442.35 | 32,968.68 | 10,113.70 | 14,125.53 | 2,229.92 |

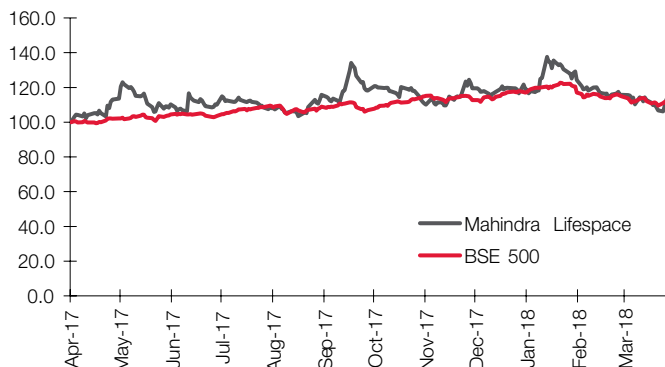
Chart A: Mahindra Lifespaces' Share Performance versus BSE Sensex

Note: Share price of Mahindra Lifespaces and BSE Sensex have been indexed to 100 on 3rd April, 2017

Chart B: Mahindra Lifespaces' Share Performance versus NSE NIFTY

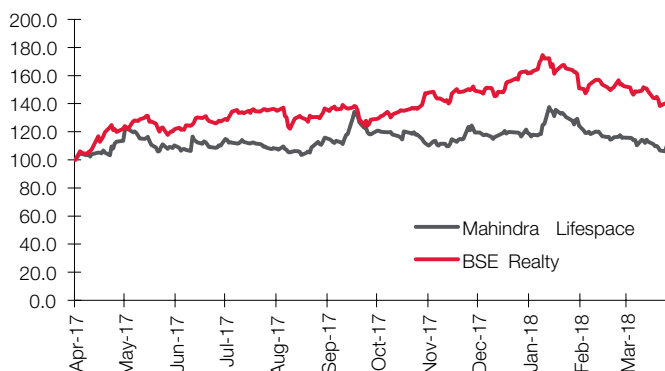
Note: Share price of Mahindra Lifespaces and NSE NIFTY have been indexed to 100 on 3rd April 2017

Chart C: Mahindra Lifespaces' Share Performance versus BSE 500



Note: Share price of Mahindra Lifespaces and BSE 500 have been indexed to 100 on 3rd April, 2017

Chart D: Mahindra Lifespaces' Share Performance versus BSE Realty



Note: Share price of Mahindra Lifespaces and BSE Realty have been indexed to 100 on 3rd April, 2017

Registrar and Share Transfer Agents

Karvy Computershare Private Limited

Corporate Office:

Karvy Selenium, Tower B, Plot Nos. 31-32,
Gachibowli, Financial District,
Nanakramguda, Hyderabad 500 032.
Tel: 91 40-67162222
Email Id: einward.ris@karvy.com
Website: www.karvycomputershare.com

Investor Relation Centre:

Karvy Computershare Private Limited
24 B, Rajabhadur Mansion Ground Floor,
Ambalal Doshi Marg Fort, Mumbai – 400 023
Tel: 022-66235454 / 412 / 427

*Debtenture Trustees:

Axis Trustees Services Limited
Ground Floor Axis House, Wadia International Centre
Pandurang Budhkar Marg, Worli Mumbai - 400 025
Phone no. 022 6226 0050/54; Fax:022-43253000
Email: debtenturetrustee@axistrustee.com

* All Debtentures are fully redeemed by the Company as on 4th April, 2018

Share Transfer System

Shares sent for transfer in physical form are registered and returned within a period of fifteen days from the date of receipt of documents, provided the documents are valid and complete in all respect. With a view to expedite the process of share transfers, certain officials of the Company have been severally authorised by the Board to approve the transfer of shares in physical form, not exceeding 5,000 equity shares per transfer, provided that, the transferee does not hold 1,00,000 or more equity shares. As of date of this Report, there are no pending share transfers pertaining to the year under review.

Distribution of Shareholding as on 31st March, 2018

| No. of Equity Shares | No. of Shareholders | % of Shareholders | No. of Shares Held | % of Shareholding |
|----------------------|---------------------|-------------------|--------------------|-------------------|
| 1-100 | 51,882 | 86.72 | 12,02,020 | 2.34 |
| 101-200 | 3,747 | 6.26 | 5,47,266 | 1.07 |
| 201-300 | 1,246 | 2.08 | 3,15,995 | 0.62 |
| 301-400 | 627 | 1.05 | 2,23,176 | 0.43 |
| 401-500 | 499 | 0.83 | 2,35,327 | 0.46 |
| 501-1000 | 926 | 1.55 | 6,75,436 | 1.32 |
| 1001-2000 | 426 | 0.71 | 6,00,283 | 1.17 |
| 2001-3000 | 141 | 0.24 | 3,53,050 | 0.69 |
| 3001-4000 | 73 | 0.12 | 2,57,373 | 0.50 |
| 4001-5000 | 42 | 0.07 | 1,95,835 | 0.38 |
| 5001-10000 | 92 | 0.15 | 6,54,346 | 1.27 |
| 10001 & above | 124 | 0.21 | 4,60,68,031 | 89.75 |
| Total | 59,825 | 100.00 | 5,13,28,138 | 100.00 |

Shareholding Pattern

| Category | As on 31 st March, 2018 | | As on 31 st March, 2017 | |
|---|------------------------------------|-------------------|------------------------------------|-------------------|
| | No. of Equity Shares Held | % of Shareholding | No. of Equity Shares Held | % of Shareholding |
| Promoter's and Promoter Group | 2,64,39,850 | 51.51 | 2,08,46,126 | 50.78 |
| Insurance Companies, Banks and Financial Institutions | 17,349 | 0.03 | 13,567 | 0.03 |
| UTI and Mutual Funds | 15,93,464 | 3.10 | 912,235 | 2.22 |
| FIs | 1,16,12,473 | 22.62 | 9,944,506 | 24.22 |
| NRIs / OCB | 3,89,259 | 0.76 | 329,835 | 0.80 |
| Bank of New York Mellon (for GDR Holders) | 44,770 | 0.09 | 44,770 | 0.11 |
| Domestic Companies | 32,16,839 | 6.27 | 2,800,460 | 6.82 |
| Trust | 10,713 | 0.02 | 9,663 | 0.02 |
| Resident Individuals | 71,52,784 | 13.94 | 5,650,735 | 13.76 |
| Others – Clearing members | 75,698 | 0.15 | 59,139 | 0.14 |
| Others HUF | 6,42,780 | 1.25 | 442,514 | 1.08 |
| Others - IEPF | 1,32,159 | 0.26 | - | - |
| Total | 513,28,138 | 100 | 41,053,550 | 100.00 |

Dematerialisation of Shares

As of 31st March, 2018, 5,08,51,367 shares (99.07% of total paid-up equity capital) were held in electronic form with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The Company's equity shares are traded in the electronic form. Requests for dematerialisation of shares are generally processed and confirmed within 7 days.

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

As of 31st March, 2018, outstanding GDR's represent 44,770 equity shares. Since the underlying equity shares represented by GDRs have been allotted in full, the outstanding GDRs have no impact on the equity share capital of the Company.

Mahindra Lifespace Developers Limited - Unclaimed Suspense Account

The unclaimed / undelivered shares lying in the possession of the Company are required to be dematerialized and transferred into a "Unclaimed Suspense Account" held by the Company. The Company had sent three reminder letters to such shareholders whose share certificates returned undelivered and hence remained unclaimed, by requesting them to update correct details viz. postal addresses, PAN details, etc. registered with the Company to avoid transfer of such unclaimed shares to the "Unclaimed Suspense Account." The Company has in March, 2014 transferred 49,854 of such unclaimed shares to the "Mahindra Lifespace Developers Limited – Unclaimed Suspense Account". Any corporate benefits in terms of securities accruing on such shares viz. bonus shares, split, etc., are being and will be credited to such Demat Suspense Account. The Suspense Account is held by the Company on behalf of the allottees who are entitled to the shares and the shares held in such Suspense Account shall not be transferred in any manner whatsoever except for the purpose of allotting / delivering the shares as and when the shareholders approach the Company. The voting rights on such shares shall remain frozen till the rightful owner claims the shares. As and when the allottee approaches the Company, the Company credits the shares lying in the Suspense Account to the demat account of the allottee to the extent of the allottee's entitlement, after proper verification of the identity of the allottee.

Details as of 31st March, 2018:

| | | |
|---|--|---|
| 1 | Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year (Shares being credited to the Suspense Account) | Number of shareholders: 3,135 Outstanding shares: 49,091 |
| 2 | Pursuant to the Rights issue of the Company, shares allotted under the issue which could not be credited due to mismatch in shareholder details and lying in Rights pool A/c were transferred to the suspense account. Number of shareholders and the corresponding shares transferred during the year in the suspense account | Number of transfers to the account :123 No. of shares: 11,879 |
| 3 | Number of shareholders who approached the issuer for transfer of shares from suspense account during the year | No. of requests : 88 ¹ No. of shares : 11,651 |
| 4 | Number of shareholders to whom shares were transferred from suspense account during the year | No. of transfers from the account : 81 ² No. of shares : 11,511 |
| 5 | Number of shares and the corresponding no. of shareholders whose shares were transferred from the suspense account to Investor Education and Protection Fund in terms of Investor Education & Protection fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 | No. of transfers from the account: 2,494 No. of shares : 34,579 |
| 6 | Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year | Number of shareholders: 683 Outstanding shares: 14,880 |

¹Out of total 88 requests representing 11,651 shares, 84 requests representing 11,593 shares pertains to Rights Pool A/C.

²Out of total 81 transfers representing 11,511 shares, 79 transfers representing 11,451 shares pertains to Rights Pool A/C.

Address for Correspondence

Registered Office & Corporate Office

Mahindra Lifespace Developers Limited
CIN: L45200MH1999PLC118949
5th Floor, Mahindra Towers, Worli, Mumbai 400 018
Tel: 022- 67478600 / 67478601

Shareholders may correspond with the Company at its Registered Office and /or with the Registrars and Share Transfer Agent, **Karvy Computershare Private Limited** at 24 B, Rajabhadur Mansion, Ground Floor, Ambalal Doshi Marg, Fort, Mumbai 400 023. Tel: 022-66235454 / 412 / 427 Email Id: einward.ris@karvy.com.

Compliance Officer

Mr. Suhas Kulkarni, Company Secretary
Mahindra Lifespace Developers Limited
5th Floor, Mahindra Towers,
Worli, Mumbai 400 018
Tel: 022-67478600 / 67478601
Fax: 022-24975084
E-mail: kulkarni.suhas2@mahindra.com

Company's investor email ID

investor.mldl@mahindra.com

Company's website

www.mahindralifespaces.com

10. DISCLOSURE OF ACCOUNTING TREATMENT

The standalone and consolidated financial statements for 2017-18 have been prepared in accordance with applicable Indian Accounting Standards (INDAS) issued by the Institute of Chartered Accountants of India and the provisions of the Companies Act, 2013 and the Rules framed thereunder.

11. RELATED PARTY TRANSACTIONS

The Company has formulated a policy on materiality of Related Party Transactions and also on dealing with Related Party Transactions. The policy has been uploaded on the website of the Company and is available at the link: <https://www.mahindralifespaces.com/media/1322/policy-on-materiality-of-and-dealing-with-related-party-transactions.pdf>

All related party transactions are entered with prior approval of the Audit Committee. During 2017-18, there were no materially significant related party transactions entered between the Company and its Promoters, Directors or Key Managerial Personnel, Senior Management, or their relatives, subsidiaries, etc. that may have potential conflict with the interests of the Company at large. Details of Related Party transactions are presented in Note No. 36 to Annual Accounts.

12. COMPLIANCE WITH MANDATORY REQUIREMENTS

As of 31st March, 2018, the Company was fully compliant with all applicable mandatory requirements of the provisions of SEBI LODR.

13. NON-MANDATORY REQUIREMENTS

The status of compliance with non-mandatory recommendations of Part E of Schedule II of SEBI LODR is provided below:

- Non-Executive Chairman's Office: The Company at its expense partially maintains office of the Non-Executive Chairman of the Company and reimburses expenses incurred in performance of his duties.
- Shareholders' Rights: As the quarterly and half yearly, financial performance and summary of significant events in last six-months are published in the newspapers and are also posted on the Company's website, the same are not being sent to the shareholders.
- Audit Qualifications: The Company's financial statement for 2017-18 does not contain any audit qualification.
- Separate posts of Chairman and CEO: The Chairman of the Board is a Non-Executive Director and his position is separate from that of the Managing Director & CEO.
- Reporting of Internal Auditor: The Internal Auditor reports to the Audit Committee.

14. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report (MDA) has been attached to the Board's Report and forms part of this Annual Report.

15. OTHER DISCLOSURES

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

The Company has complied with all requirements of Regulatory Authorities. No penalties / strictures were imposed on the Company by Stock Exchanges or SEBI or any Statutory Authority on any matter related to capital market since the listing of the Company's equity shares. The Company has also complied with the requirements of Corporate Governance Report of sub paras (2) to (10) mentioned in Para C of Schedule V of SEBI LODR and disclosed necessary information as specified in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) of SEBI LODR at the respective places in this report.

Code for Prevention of Insider Trading Practices

In compliance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Company has, on 30th April, 2014 approved the "Code for Prohibition of Insider Trading and to regulate, monitor and report trading by Insiders and designated persons" and "Code for Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI)" ("these Codes") which are effective from 15th May, 2015. The Code for Prohibition of Insider Trading and to regulate, monitor and report trading by Insiders and designated persons was further modified to align with the amendments / clarifications to the Regulations. These Codes lays down guidelines and procedures to be followed and disclosures to be made while dealing with shares of the Company and

caution about the consequences of violations. These Codes have been formulated to regulate, monitor and ensure reporting of trading by the Employees and Connected Persons designated on the basis of their functional roles in the Company towards achieving compliance with the Regulations and is designed to maintain the highest ethical standards of trading in Securities of the Company by persons to whom it is applicable.

Risk Assessment and Minimization

The Company has appropriate risk management systems in place for identification and assessment of risks, measures to mitigate them, and mechanisms for their proper and timely monitoring and reporting. Presently, in terms of Regulation 21 of SEBI LODR, the requirement of Risk Management Committee is not applicable to the Company. However, the Board has constituted Risk Management Committee comprising of two Directors and the Chief Financial Officer, for monitoring and reviewing risk assessment, mitigation and risk management plan from time to time. The Board periodically reviews implementation and monitoring of the risk management plan for the Company.

Commodity Price Risk / Foreign Exchange Risk and Hedging Activities

In compliance with the Reserve Bank of India guidelines, the Company proactively manages foreign exchange risk to protect value of exposures, if any, with an objective to manage financial statement volatility. Currently, the Company is only an importer and has in place appropriate risk hedging strategy. Foreign exchange exposures are periodically reviewed and if necessary, hedged while avoiding trading and speculative positions. The Board periodically reviews foreign exchange exposure, if any, and hedges undertaken by the Company.

Material Non-Listed Subsidiary Company

The Company has formulated a "Policy for determining Material Subsidiaries" and such policy is uploaded on

the Company's website and a web link for the same is: <https://www.mahindralifespaces.com/media/1323/policy-for-determining-material-subsidiaries.pdf>

Till 31st March, 2018, Mahindra World City Developers Limited and Mahindra Homes Private Limited were material non-listed subsidiary companies under Regulation 16(c) of SEBI LODR read with the Company's 'Policy for determining material subsidiaries'. Effective 1st April, 2018, Mahindra World City (Jaipur) Limited and Mahindra Homes Private Limited are the only 'material non-listed subsidiary companies' in terms of Regulation 16(c) of SEBI LODR read with the Company's 'Policy for determining material subsidiaries'

The Audit Committee of the Company periodically reviews the financial statements of subsidiary companies and in particular, the investments made by the unlisted subsidiary company. The management periodically brings to the attention of the Board of Directors of the Company, a statement of all significant transactions and arrangements, if any, entered into by the unlisted subsidiary company.

Means of Communication

During the financial year 2017-18, the quarterly, half-yearly and yearly results were published in the Economics Times (English newspaper) and Maharashtra Times (Marathi newspaper) within prescribed timelines. The Company also informs stock exchanges in a prompt manner, about all price sensitive information or such other matters which in its opinion, are material and relevant to the shareholders and subsequently issues a press release on the said matters.

Further, the Company has also been complying with the listing requirement for filing of its financial results with BSE Ltd. (BSE) and National Stock Exchange of India Ltd. (NSE). The Company's results, earnings call transcripts, corporate and investor presentations, news and press releases are displayed on the Company's website www.mahindralifespaces.com

Declaration on Codes of Conduct

As required by Regulation 34(3) read with Schedule V(D) of SEBI LODR, the Declaration on Codes of Conduct is given below:

To,
The Members
Mahindra Lifespace Developers Limited

I, Anita Arjundas, Managing Director & Chief Executive Officer (Managing Director w.e.f. 1st April, 2018) of the Company declare that all Board Members and Senior Management Personnel of the Company have affirmed compliance with the Codes of Conduct of Board of Directors and Senior Management for the year ended 31st March, 2018.

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

Anita Arjundas
Managing Director
(DIN: 00243215)

Mumbai, 27th April, 2018