

Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2021

1. General Information

Mahindra Lifespace Developers Limited ('the Company') is a limited company incorporated in India. The equity shares of the Company are listed on the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE). Its parent and ultimate holding company is Mahindra & Mahindra Limited.

The addresses of its registered office and principal place of business are disclosed in the introduction to the annual report. The Company along with its subsidiary companies is engaged in the development of residential projects and large formats developments such as integrated cities and industrial clusters.

2. Significant Accounting Policies

2.1 Statement of compliance and basis of preparation and presentation

The Standalone Financial Statements of the Company have been prepared in accordance with the Indian Accounting Standards ('Ind AS') as per the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under section 133 of the Companies Act, 2013 (the 'Act') and other relevant provision of the act. The aforesaid financial statements have been approved by the Company's Board of Directors and authorised for issue in the meeting held on 12th May, 2021.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use

2.2 Basis of measurement

These 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.

2.3 Measurement of Fair Values

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 takes into account 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 standalone financial statements is determined on such basis, except for share-based payment transactions that are within the scope of Ind AS 102 – Share based Payments and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 - Inventories or value in use in Ind AS 36 – Impairment of Assets.

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 : Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date;
- Level 2 : 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 for the asset or liability that are not based on observable market data (unobservable inputs).

2.4 Revenue from Contracts with Customers

2.4.1 Revenue from Projects

- i. The Company develops and sells residential and commercial properties. Revenue from contracts is recognised when control over the property has been transferred to the customer. An enforceable right to payment does not arise until the development of the property is completed. Therefore, revenue is recognised at a point in time i.e. Completed contract method of accounting as per IND AS 115 when (a) the seller has transferred to the buyer all significant risks and rewards of ownership and the seller retains no effective control of the real estate to a degree usually associated with ownership, (b) The seller has effectively handed over possession of the real estate unit to the buyer forming part of the transaction; (c) No significant uncertainty exists regarding the amount of consideration that will be derived from real estate sales; and (d) It is not unreasonable to expect ultimate collection of revenue from buyers. The revenue is measured at the transaction price agreed under the contract.

- ii. The Company invoices the customers for construction contracts based on achieving performance-related milestones.
- iii. For certain contracts involving the sale of property under development, the Company offers deferred payment schemes to its customers. The Company adjusts the transaction price for the effects of the significant financing component.
- iv. Costs to obtain contracts (“Contract costs”) relate to fees paid for obtaining property sales contracts. Such costs are recognised as assets when incurred and amortised upon recognition of revenue from the related property sale contract.
- v. Contract assets is the Company’s right to consideration in exchange for goods or services that the Company has transferred to a customer when that right is conditioned on something other than the passage of time

2.4.2 Revenue from Sale of land and other rights

Revenue from Sale of land and other rights is generally a single performance obligation and the Company has determined that this is satisfied at the point in time when control transfers as per the terms of the contract entered into with the buyers, which generally are with the firmity of the sale contracts / agreements.

2.4.3 Revenue from Project Management fees and Rental Income

Revenue from Project Management Fees and Rental Income are recognized on accrual basis as per the terms and conditions of relevant agreements.

2.4.4 Dividend and interest income

Dividend income from investment in mutual funds is recognised when the unit holder’s right to receive payment has been established

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.

2.5 Current versus non-current classification

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

Based on the nature of activity carried out by the company and the period between the procurement and realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 5 years for the purpose of Current – Non Current classification of assets & liabilities.

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Borrowings are classified as current if they are due to be settled within 12 months after the reporting period.

2.6 Leasing

2.6.1 The Company as a Lessor

Leases for which the Company is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Rental income from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as expense on a straight-line basis over the lease term. The respective leased assets are included in the balance sheet based on their nature. The Company did not need to make any adjustments to the accounting for assets held as a lessor as a result of adopting IND AS 116-Leases.

2.6.2 The Company as a Lessee

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term and a corresponding lease liability at the lease commencement date i.e. the date at which the leased asset is available for use by the Company. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in statement of profit and loss.

The Company has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

2.7 Foreign exchange transactions and translation

Transactions in foreign currencies i.e. other than the Company's functional currency are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise.

2.8 Employee Benefits

2.8.1 Defined contribution plans

The Company's contribution paid/payable during the year to Superannuation Fund and Provident fund is recognised in profit or loss.

2.8.2 Defined benefit plan

The liability or assets recognised in the Balance Sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of the plan assets. The defined benefit obligation is calculated by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows with reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in the employee benefit expenses in the Statement of Profit and Loss.

2.8.3 Remeasurement gains/losses

Remeasurement of defined benefit plans, comprising of actuarial gains or losses, return on plan assets excluding interest income are recognised immediately in balance sheet with corresponding debit or credit to other comprehensive income. They are included in Retained Earnings in the Statement of Changes in Equity and in the Balance Sheet. Remeasurements are not reclassified to profit or loss in subsequent period.

Remeasurement gains or losses on long term compensated absences that are classified as other long term benefits are recognised in profit or loss.

2.8.4 Short-term and other long-term employee benefits:

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised 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 short-term 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.

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 recognised as a liability at the present value of expected future payments to be made in respect of services provided by employees up the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in Statement of Profit and Loss.

2.8.5 Employee Stock Option Scheme

Equity-settled share-based payments to employees are measured at the fair value of the equity instruments at the grant date. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity.

At the end of each reporting period the Company revises its estimate of the No. of equity instruments expected to vest. The impact of revision of the original estimate, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate with the corresponding adjustments to the equity settled.

2.9 Cash and Cash Equivalents

Cash and cash equivalent in the Balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to insignificant risk of changes in value.

2.10 Earnings per share

The Company reports basic and diluted earnings per share in accordance with Ind AS - 33 on 'Earnings per Share'. Basic

earnings per share is computed by dividing the net profit or loss for the year by the weighted average number of Equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit or loss for the year by the weighted average number of equity shares outstanding during the year as adjusted for the effects of all diluted potential equity shares except where the results are anti-dilutive.

2.11 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.

2.12 Income Taxes

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

2.12.1 Current tax

Current tax is determined as the amount of tax payable in respect of taxable income for the year. The Company's current tax is calculated using tax rate that has been enacted or substantially enacted by the end of the reporting period.

2.12.2 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 manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

2.12.3 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 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.

2.13 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 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.

Furniture & Fixtures and Office equipment's 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.

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.

Depreciation on tangible fixed assets has been provided on pro-rata basis, on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except for certain assets as indicated below:

Lease hold improvements are amortised over the period of lease/estimated period of lease.

Vehicles used by employees are depreciated over the period of 48 months considering this period as the useful life of the vehicle for the Company.

Sales office and the sample flat/ show unit cost at site is amortised over 5 years or the duration of the project (as estimated by management) whichever is lower.

Fixed Assets held for disposal are valued at estimated net realizable value.

2.14 Intangible Assets

2.14.1 Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

2.14.2 Derecognition of Intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in profit or loss when the asset is derecognised.

2.14.3 Useful lives of Intangible assets

Estimated useful lives of the intangible assets are as follows:

Computer Software	5 years
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2.15 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 for cost model.

Investment property includes freehold/leasehold land and building. Depreciation on investment property has been provided on pro-rata basis, on the straight-line method as per the useful life of such property. Buildings are depreciated over the period of 60 years considering this period as the useful life for the Company.

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 as the difference between 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.

2.16 Impairment of tangible and intangible asset 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, which is the higher of the value in use or fair value less cost to sell, of the asset or cash generating unit, as the case may be, is estimated and the impairment loss (if any) is recognised and the carrying amount is reduced to its recoverable amount. 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.

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.

2.17 Inventories

Inventories are stated at lower of cost and net realisable value. The cost of construction material is determined on the basis of weighted average method. Construction Work-in-Progress includes cost of land, premium for development rights, construction costs and allocated interest & manpower costs and expenses incidental to the projects undertaken by the Company.

2.18 Cost of Construction/Development

Cost of Construction/Development (including cost of land) incurred is charged to the statement of profit and loss proportionate to project area sold. Costs incurred for projects which have not received Occupancy/Completion Certificate is carried over as construction work-in-progress. Costs incurred for projects which have received Occupancy/Completion Certificate is carried over as Completed Properties.

2.19 Dividend Distribution

Dividends paid (including income tax thereon) is recognized in the period in which the interim dividends are approved by the Board of Directors, or in respect of the final dividend when approved by shareholders.

2.20 Provisions and contingent liabilities

2.20.1 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result 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 of the economic benefits required to settle a provision are 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.

Provisions and contingent liabilities are reviewed at each Balance Sheet date.

2.20.2 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.

2.20.3 Contingent liabilities

Contingent liability is disclosed in case of:

- a) a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation; and
- b) a present obligation arising from past events, when no reliable estimate is possible.

2.21 Financial instruments

Financial assets and financial liabilities are recognised when the 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.

2.21.1 Classification and subsequent measurement

2.21.1.1 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 marketplace. All recognised financial assets are subsequently measured at either amortised cost or fair value depending on their respective classification.

On initial recognition, a financial asset is classified as - measured at:

- Amortised cost; or
- Fair Value through Other Comprehensive Income (FVTOCI) - debt investment; or
- Fair Value through Other Comprehensive Income (FVTOCI) - equity investment; or
- Fair Value Through Profit or Loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

All financial assets not classified as measured at amortised cost or FVTOCI are measured at FVTPL.

Financial assets at amortised cost are subsequently measured at amortised cost using effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain and loss on derecognition is recognised in profit or loss.

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.

Debt investment at FVTOCI are subsequently measured at fair value. Interest income under effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in Other Comprehensive Income (OCI). On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

For equity investments, the Company makes an election on an instrument-by-instrument basis to designate equity investments as measured at FVTOCI. These elected investments are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the reserves. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments. These investments in equity are not held for trading. Instead, they are held for medium or long term strategic purpose.

Equity investments that are not designated as measured at FVTOCI are designated as measured at FVTPL and subsequent changes in fair value are recognised in profit or loss.

Financial assets at FVTPL are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

2.21.1.2 Financial liabilities and equity instruments

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.

Equity instruments

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

Financial liabilities

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading or it is a derivative (that does not meet hedge accounting requirements) or it is designated as such on initial recognition. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

2.21.2 Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

2.21.3 Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

2.21.4 Impairment of financial assets

The Company applies the expected credit loss (ECL) model for recognising impairment loss on financial assets. With respect to trade receivables, the Company measures the loss allowance at an amount equal to lifetime expected credit losses.

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets. For debt securities at FVTOCI, the loss allowance is recognised in OCI and is not reduced from the carrying amount of the financial asset in the balance sheet.

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities under the Company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

2.21.5 Derecognition of financial liabilities

The Company derecognizes 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/or payable is recognised in profit or loss.

3. Use of estimates and judgements

In the application of the Company's accounting policies, which are described in note 2, 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.

Key sources of estimation uncertainty

In the process of applying the Company's accounting policies, management has made the following judgements based on estimates and assumptions, which have the significant effect on the amounts recognised in the financial statements:

A. Useful lives of property, plant and equipment, Investment Property and Intangible Asset

The Company reviews the useful life of property, plant and equipment, Investment Property and Intangible Asset at the end of each reporting period. This re-assessment may result in change in depreciation expense in future periods.

B. Fair value measurements and valuation processes

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or a liability, the Company uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Company engages third party valuers, where required, to perform the valuation. Information about the valuation techniques and inputs used in determining the fair value of various assets, liabilities and share based payments are disclosed in the notes to the financial statements.

C. Actuarial Valuation

The determination of Company's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognised in the Statement of Profit and Loss and in other comprehensive income. Such valuation depends upon assumptions determined after taking into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market. Information about such valuation is provided in notes to the financial statements.

D. Taxes

Deferred tax assets are recognised for temporary differences to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

E. Determination of the timing of revenue recognition on the sale of completed and under development property

The Company has evaluated and generally concluded that the recognition of revenue over the period of time criteria are not met owing to non-enforceable right to payment for performance completed to date and, therefore, recognises revenue at a point in time. The Company has further evaluated and concluded that based on the analysis of the rights and obligations under the terms of the contracts relating to the sale of property, the revenue is to be recognised at a point in time when control transfers which coincides with receipt of Occupation Certificate.

F. Determination of performance obligations

With respect to the sale of property, the Company has evaluated and concluded that the goods and services transferred in each contract constitute a single performance obligation. In particular, the promised goods and services in contracts for the sale of property is to undertake development of property and obtaining the Occupation Certificate. Generally, the Company is responsible for all these goods and services and the overall management of the project. Although these goods and services are capable of being distinct, the Company accounts for them as a single performance obligation because they are not distinct in the context of the contract.

G. Impairment of investments

The Company assesses impairment of investments in subsidiaries, associates and joint ventures which are recorded at cost. At the time when there are any indications that such investments have suffered a loss, if any, is recognised in the statement of Profit and Loss. The recoverable amount requires estimates of operating margin, discount rate, future growth rate, terminal values, etc. based on management's best estimate.

H. Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of IND AS 116. Identification of a lease requires significant judgement. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonable certain to exercise that option and period covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. The Company revises the lease term if there is a change in the non-cancellable period of the lease.

The discount rate is generally based on increment borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

Description of Assets	Building	Leasehold Improvements	Office Equipments and Fixtures	Vehicles	Computers	Total
4 - Property, Plant and Equipment						
I. Gross Carrying Amount						
Balance as at 1 st April, 2020	477.02	612.89	198.01	229.98	541.87	2,165.98
Additions during the year.....	-	-	7.14	30.10	33.82	119.67
Deductions/Adjustments during the year.....	(335.25)	(99.60)	(13.05)	(114.79)	(199.02)	(763.17)
Balance as at 31st March, 2021	141.77	513.29	192.10	145.29	376.67	1,522.48
II. Accumulated depreciation and impairment						
Balance as at 1 st April, 2020	412.19	443.33	181.78	119.26	494.71	1,716.09
Depreciation expense for the year	15.44	74.36	7.96	28.28	28.79	173.46
Deductions/Adjustments during the year.....	(287.58)	(82.11)	(12.93)	(67.42)	(175.17)	(626.67)
Balance as at 31st March, 2021	140.05	435.58	176.81	80.12	348.33	1,262.88
III. Net carrying amount (I-II).....	1.72	77.71	15.29	65.17	28.34	259.60
Description of Assets						
I. Gross Carrying Amount						
Balance as at 1 st April, 2019	477.02	588.63	228.82	421.54	548.71	2,371.49
Additions during the year.....	-	24.26	2.20	38.90	16.49	99.62
Deductions/Adjustments during the year.....	-	-	(33.01)	(230.46)	(23.33)	(305.13)
Balance as at 31st March, 2020	477.02	612.89	198.01	229.98	541.87	2,165.98
II. Accumulated depreciation and impairment						
Balance as at 1 st April, 2019	394.40	366.01	203.00	259.17	476.34	1,770.79
Depreciation expense for the year	17.79	77.32	10.78	50.02	41.69	207.13
Deductions/Adjustments during the year.....	-	-	(32.00)	(189.93)	(23.32)	(261.83)
Balance as at 31st March, 2020	412.19	443.33	181.78	119.26	494.71	1,716.09
III. Net carrying amount (I-II).....	64.83	169.56	16.23	110.72	47.16	449.89

5 - Right of Use Assets

(₹ in lakh)

Description of Assets	Buildings	
	As at March 31, 2021	As at March 31, 2020
I. Gross Carrying Amount		
As at 1 st April	973.12	973.12
Deductions/Adjustments during the year	(26.27)	-
Balance as at 31st March.....	946.85	973.12
II. Accumulated depreciation		
Balance as at 1 st April.....	458.57	-
Depreciation expense for the year	431.03	458.57
Balance as at 31st March.....	889.60	458.57
III. Net carrying amount (I-II)	57.25	514.55

6 - Investment Property

(₹ in lakh)

Description of Assets	Land	Buildings	Total
I. Gross Carrying Amount			
Balance as at 1 st April, 2020.....	1,766.17	1,189.01	2,955.18
Balance as at 31st March, 2021.....	1,766.17	1,189.01	2,955.18
II. Accumulated depreciation and impairment			
Balance as at 1 st April, 2020.....	-	860.36	860.36
Depreciation expense for the year	-	46.01	46.01
Balance as at 31st March, 2021.....	-	906.37	906.37
III. Net carrying amount (I-II)	1,766.17	282.64	2,048.81

Description of Assets	Land	Buildings	Total
I. Gross Carrying Amount			
Balance as at 1 st April, 2019.....	1,766.17	1,189.01	2,955.18
Balance as at 31st March, 2020.....	1,766.17	1,189.01	2,955.18
II. Accumulated depreciation and impairment			
Balance as at 1 st April, 2019.....	-	814.35	814.35
Depreciation expense for the year	-	46.01	46.01
Balance as at 31st March, 2020.....	-	860.36	860.36
III. Net carrying amount (I-II)	1,766.17	328.65	2,094.82

Fair value disclosure on Company's investment properties

The Company's investment property consist of a commercial property constructed on land taken on perpetual lease in India, Mahindra Towers at Delhi. Management determined that the investment properties consist of two classes of assets – office and retail – based on the nature, characteristics and risks of each property.

Details of the investment properties and information about the fair value hierarchy:

(₹ in lakh)

Particulars	Mahindra Towers, Delhi #		
	Land	Buildings	Total
Opening balance as at 1 st April, 2019	14,280.89	1,103.98	15,384.87
Fair value difference	(1,760.89)	(33.98)	(1,794.87)
Closing balance as at 31 st March, 2020	12,520.00	1,070.00	13,590.00
Fair value difference	(320.00)	(20.00)	(340.00)
Closing balance as at 31 st March, 2021	12,200.00	1,050.00	13,250.00

The fair values of the Mahindra Towers at Delhi have been arrived at on the basis of a valuation carried out by the independent valuers of Anarock Property Consultant Pvt. Ltd., not related to the Company who are registered with the authority which governs the valuers in India and have appropriate qualifications and experience in the valuation of properties in the relevant locations. The Fair value was determined using the discounted cash flow methodology as on 31st March, 2021 based on the forecasted cash flows for five years (market comparable approach as on 31st March 2020 based on recent market prices without any significant adjustments being made to the market observable data).

Information regarding income and expenditure of Investment property:

(₹ in lakh)

Particulars	For the year ended 31 st March, 2021	For the year ended 31 st March, 2020
Rental income derived from investment properties (included in 'Revenue from Operations')	669.18	1,151.81
Direct operating expenses that generate rental income (included in 'Other Expenses')	264.55	308.61

7 - Intangible Assets

(₹ in lakh)

Description of Assets	Computer Software	
	As at March 31, 2021	As at March 31, 2020
I. Gross Carrying Amount		
Balance as at 1 st April.....	361.00	361.00
Additions during the year	-	-
Deductions/Adjustments during the year	(289.53)	-
Balance as at 31st March.....	71.47	361.00
II. Accumulated depreciation and impairment		
Balance as at 1 st April.....	343.09	328.82
Deductions/Adjustments during the year	(289.52)	-
Amortisation expense for the year	14.17	14.27
Balance as at 31st March.....	67.74	343.09
III. Net carrying amount (I-II)	3.73	17.91

8 - Investments

Particulars	As at 31 st March, 2021			As at 31 st March, 2020		
	Face Value	QTY	Amounts* Non Current	Face Value	QTY	Amounts* Non Current
A. COST						
Unquoted Investments (all fully paid)						
Investments in Equity Instruments						
- of Subsidiaries						
Mahindra Infrastructure Developers Limited.....	10	18,000,000	1,800.00	10	18,000,000	1,800.00
Mahindra World City (Maharashtra) Limited.....	10	1,170,400	117.04	10	1,170,400	117.04
Mahindra Integrated Township Limited.....	10	37,000,000	3,700.00	10	37,000,000	3,700.00
Knowledge Township Limited (refer note "a" below)	10	49,071,664	5,528.15	10	21,000,000	2,372.94
Industrial Township (Maharashtra) Limited	10	5,000,000	500.00	10	5,000,000	500.00
Mahindra Bloomdale Developers Limited (Earlier known as Mahindra Bebanco Developers Limited) (w.e.f. 29 th May, 2018)	10	50,000	403.50	10	50,000	403.50
Anthurium Developers Limited.....	10	50,000	5.00	10	50,000	5.00
Deepmangal Developers Private Limited	10	177	284.61	10	177	284.61
- of Joint Ventures						
Mahindra World City (Jaipur) Limited	10	111,000,000	11,115.43	10	111,000,000	11,115.43
Mahindra Happines Developers Limited	10	51,000	5.10	10	51,000	5.10
Mahindra Industrial Park Private Limited (Earlier known as Industrial Cluster Private Limited)	10	50,000	5.00	10	50,000	5.00
Mahindra World City Developers Limited	10	17,799,999	3,889.43	10	17,799,999	3,889.43
Mahindra Homes Private Limited.....						
Class A Equity Shares.....	10	616,879	61.69	10	616,879	61.69
Class C Equity Shares (Refer note 'b' below).....	10	64,423	32,054.04	10	64,423	32,054.04
- of Associate						
Mahindra Knowledge Park (Mohali) Limited	10	6	0.00	10	6	0.00
TOTAL INVESTMENTS CARRIED AT COST [A]			59,468.99			56,313.78
B. AMORTISED COST						
Unquoted Investments (all Fully Paid)						
Investments in Preference Shares						
- of Subsidiaries						
Moonshine Construction Pvt Limited (7.00% Non-Cumulative Redeemable Participating Preference Shares).....	10	5,000	0.50	10	5,000	0.50
Mahindra World City Maharashtra Limited (8.50% Non convertible Preference Shares)	10	175,000	17.50	10	175,000	17.50
- of Joint Ventures						
Mahindra Homes Private Limited (Series A 0.01% Optionally Convertible Redeemable Preference Shares).....	10	1	0.00	10	1	0.00
TOTAL INVESTMENTS CARRIED AT AMORTISED COST [B]			18.00			18.00

8 - Investments

Particulars	As at 31 st March, 2021			As at 31 st March, 2020	
	Face Value	QTY	Amounts* Non Current	Face Value	QTY Amounts* Non Current
C. Designated at Fair Value Through Profit and Loss					
Unquoted Investments (all fully paid)					
Investments in Preference Shares					
- of Joint Ventures					
Mahindra Happinest Developers Limited (0.01% Optionally Convertible Redeemable Preference Shares).....	10	949,661	843.85	10	949,661 834.00
- of Other Entities					
Urban Stay Technologies Private Limited (0.0001% Cumulative Compulsorily Convertible Preference Shares).....	10	45,000	14.54	10	45,000 437.85
Investments in Debentures					
- of Joint Ventures					
Mahindra Industrial Park Private Limited (Earlier known as Industrial Cluster Private Limited) (11% Optionally Convertible Debentures).....	100,000	7,457	9,306.00	100,000	7,457 8,605.00
Mahindra Happinest Developers Limited (15% Optionally Convertible Redeemable Debentures).....	10	16,121,060	1,417.50	10	16,121,060 1,915.72
- of Subsidiaries					
Knowledge Township Limited (11% Optionally Convertible Debentures) (Refer note ^m a below).....	-	-	-	100,000	2,637 2,637.00
Investments in Equity Instruments					
- of Other Entities					
New Tirupur Area Development Corporation Limited.....	10	500,000	0.00	10	500,000 0.00
Urban Stay Technologies Private Limited.....	10	1,550	0.50	10	1,550 15.08
Total Aggregate Unquoted Investments.....			11,582.39		14,444.65
TOTAL INVESTMENTS CARRIED AT FVTPL [C].....			11,582.39		14,444.65
TOTAL INVESTMENTS (A) + (B)+ (C).....			71,069.38		70,776.43
Total Impairment value for investment carried at cost (D) (Refer notes 'c' and 'd' below).....			(24,074.09)		(24,074.09)
TOTAL INVESTMENTS CARRYING VALUE (A) + (B) + (C) + (D).....			46,995.29		46,702.34
Other disclosures.....					
Aggregate carrying value of unquoted investments.....					
Aggregate amount of impairment in value of unquoted investments.....					
			71,069.38		70,776.43
			(24,074.04)		(24,074.09)

* ₹ 0.00 lakhs denotes amount less than ₹ 500/-

Notes:

- a. During the year ended 31st March, 2021, the Company has opted to convert its investment in 2,637 11% Optionally Convertible Debentures (OCDs) of the face value of ₹ 1.00 lakh each and interest receivable of ₹ 518.21 lakhs in Knowledge Township Limited and has received 2,80,71,664 fully paid up equity shares of the face value of ₹ 10 each as per the terms of Debenture subscription agreement.
- b. During the year ended 31st March, 2020, the Company has opted to convert its investment in 3,20,17,000 Series B Optionally Convertible Debentures (OCD's) in Mahindra Homes Private Limited and has received 64,034 fully paid-up Series C Equity Shares (non-voting rights) of the face value of ₹ 10 each.
- c. During the year ended 31st March, 2020, Mahindra Homes Private Limited (MHPL), a Joint Venture of the Company saw significant cancellations of earlier bookings. The Company had evaluated the carrying value of its investment and on the basis of estimated Net Present Value of forecasted cash flows provided for an aggregate impairment loss of ₹ 23,731.31 lakh. This was done as a matter of prudence in an uncertain market environment.
- d. During the year ended 31st March, 2021, the Company has assessed its investment in subsidiaries and have considered provision of ₹ Nil lakhs (31st March 2020: ₹ 230.77 lakhs in Industrial Township (Maharashtra) Limited), and reversal of provision of ₹ Nil lakhs (31st March 2020: ₹ 1,800 lakhs for investment in Mahindra Infrastructure Developers (Private) Limited) considering the performance of these Companies and their future projections, which have been included in note no. 28 - Other Expenses and note no.24 - Other Income of the statement of Profit & Loss respectively.

9 - Deferred Tax Asset (Net)

(₹ in lakh)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Deferred Tax Liabilities.....	799.99	873.57
Deferred Tax Assets.....	(4,433.69)	(2,760.14)
Total	(3,633.70)	(1,886.57)

Deferred Tax (assets)/liabilities in relation to:

(₹ in lakh)

Particulars	Opening Balance as at 1 st April, 2020	Recognised in Statement of Profit and Loss	Recognised in Other Comprehensive Income	Closing Balance as at 31 st March, 2021
Fiscal allowance on Property, Plant and Equipment, Investment Property and Other Intangible Assets.....	396.56	(43.01)	-	353.55
Disallowance u/s 43(B) of the Income tax Act, 1961.....	(107.68)	(70.36)	-	(178.04)
Provision for Employee Benefits.....	(91.40)	(37.59)	(5.05)	(134.04)
Adjustment relating to cumulative effect of applying IND AS 115 - Revenue from Contracts with Customers.....	(33.16)	33.16	-	-
Carry forward of Business Loss.....	(2,527.90)	(1,061.51)	-	(3,589.41)
Interest income on Optionally Convertible Debentures of a joint venture.....	-	(532.20)	-	(532.20)
Other Temporary differences.....	477.01	(30.57)	-	446.44
Total	(1,886.57)	(1,742.08)	(5.05)	(3,633.70)

Deferred Tax (assets)/liabilities in relation to:

(₹ in lakh)

Particulars	Opening Balance as at 1 st April, 2019	Recognised in Statement of Profit and Loss*	Recognised in Other Comprehensive Income	Closing Balance as at 31 st March, 2020
Fiscal allowance on Property, Plant and Equipment, Investment Property and Other Intangible Assets	631.87	(235.31)	-	396.56
Disallowance u/s 43(B) of the Income tax Act, 1961	(191.25)	83.57	-	(107.68)
Provision for Employee Benefits	(279.54)	159.37	28.77	(91.40)
Adjustment relating to cumulative effect of applying IND AS 115 - Revenue from Contracts with Customers	(1,806.59)	1,773.43	-	(33.16)
Carry forward of Business Loss	(160.91)	(2,366.99)	-	(2,527.90)
Other Temporary differences	273.52	203.49	-	477.01
Total	(1,532.90)	(382.44)	28.77	(1,886.57)

* The Taxation Laws (Amendment) Ordinance 2019 has inserted section 115BAA in the Income Tax Act 1961 providing existing domestic companies with an option to pay tax at a concessional rate of 22% plus applicable surcharge and cess. The Company has adopted the option as provided under section 115BAA in the Income Tax Act, 1961 from the financial year ended 31st March 2020.

10 - Other Assets

(₹ in lakh)

Particulars	As at 31 st March, 2021		As at 31 st March, 2020	
	Non Current	Current	Non Current	Current
(a) Capital Advances	251.90	-	251.90	-
(b) Advances other than capital advances				
(i) Advances to related parties *	-	2,000.00	-	2,000.00
(ii) Balances with government authorities (other than income taxes)	-	1,028.12	-	549.97
(iii) Prepaid Expenses	-	1,454.31	-	1,688.30
(iv) Income Tax Assets (Net)	4,595.05	-	3,861.59	-
(v) Security Deposits	-	1,650.00	-	1,729.00
(vi) Other Advances #	-	3,190.03	-	2,941.22
Total	4,846.95	9,322.46	4,113.49	8,908.49

Other Advances mainly includes Advance to Employees and Project Advances given to vendors.

Advance given to employees as per the Company's policy are not considered for the purposes of disclosure under section 186(4) of the Companies Act, 2013.

*The Company had entered into an agreement to acquire a parcel of land near Thane, Maharashtra, at a consideration of ₹ 2,000.00 lakhs. While full consideration was paid, the land was not conveyed pending completion of certain formalities. The Company has incurred additional cost of ₹ 1,530.54 lakhs towards liasoning and other related costs upto 31st March 2021, (₹ 1,530.54 lakhs upto 31st March 2020) which has been included in inventories as construction work in progress in note no. 11. Tahsildar (Thane) has issued an order against the registered owner alleging non-adherence of certain conditions pertaining to Bombay Tenancy and Agricultural Lands Act, 1948 and changed the land records to reflect Government of Maharashtra as the holder of the land. The Company has been legally advised that the said order and the demand thereunder is grossly erroneous and not tenable. Accordingly, the Company has filed an appeal before Sub-Divisional Officer Thane (SDO). SDO after hearing and completing the process has issued an order dated 07th February, 2019 and set aside the order passed by Tahsildar (Thane) and has also directed Tahsildar (Thane) to delete the name of Government of Maharashtra from the land records of the aforesaid land.

11 - Inventories (at lower of cost and net realisable value)

(₹ in lakh)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
(a) Raw materials	1,882.38	2,006.57
(b) Construction Work-in-progress*	89,232.18	80,457.45
(c) Finished Goods	12,058.98	8,786.71
Total	103,173.54	91,250.73

*Construction Work-in-Progress represents materials at site and construction cost incurred for the projects.

Notes:

- Based on projections and estimates by the Company of the expected revenues and costs to completion, provision for losses to completion and/ or write off of costs carried to inventory are made on projects where the expected revenues are lower than the estimated costs to completion. In the opinion of the management, the net realisable value of the construction work in progress will not be lower than the costs so included therein. The amount of inventories recognised as an expense of ₹ 8,042.60 lakhs as on 31st March, 2021. (31st March, 2020: ₹ 35,064.64 lakhs) include 31st March, 2021: ₹ NIL (31st March, 2020: ₹ NIL) in respect of write down of inventory to net realisable value.
- The Company has availed cash credit facilities and short term loans, which are secured by hypothecation of inventories.
- The Company had purchased land parcel at Alibaug and two GAT Numbers (1755 and 1756) out of this land parcel have been attached by Income Tax department by serving order of attachment dated 31st July 2017 on one of the erstwhile land owners in lieu of recovery proceedings of tax dues of ₹ 5,988.00 lakhs payable towards Income Tax department. The Company had lodged objections to the attachment of these two GAT Numbers with Income Tax Department. During the year ended 31st March, 2021, based on the letter dated 16th February, 2021 received by the Company from Deputy Commissioner of Income Tax, the erstwhile land owner's income tax liability stands at ₹ 24.33 lakhs. There is no change in the wealth tax liability of ₹ 6.06 lakhs."

12 - Trade receivables

Particulars	(₹ in lakh)	
	As at 31 st March, 2021	As at 31 st March, 2020
Trade receivables		
(a) Considered good - unsecured.....	5,016.03	8,963.72
(b) Credit impaired.....	154.14	141.72
	<u>5,170.17</u>	<u>9,105.44</u>
Less: Allowance for credit losses	<u>(154.14)</u>	<u>(141.72)</u>
Total	<u>5,016.03</u>	<u>8,963.72</u>

12 a - Movement in the allowance for credit loss

Particulars	(₹ in lakh)	
	As at 31 st March, 2021	As at 31 st March, 2020
Balance at beginning of the year.....	141.72	286.16
Reversal during the year	<u>12.42</u>	<u>(144.44)</u>
Balance at end of the year	<u>154.14</u>	<u>141.72</u>

Refer Note 31 for disclosures related to credit risk, impairment of trade receivables under expected credit loss model and related financial instrument disclosures.

13 - Cash and Bank Balances

Particulars	(₹ in lakh)	
	As at 31 st March, 2021	As at 31 st March, 2020
Cash and cash equivalents		
(a) Cash on hand.....	-	0.94
(b) Cheques on hand.....	16.91	253.80
(c) Balance with Banks:		
- On current accounts*	2,231.86	887.13
- Fixed Deposit with original maturity Less than 3 months.....	7,485.18	6,189.47
Total Cash and cash equivalent (considered in Statement of Cash Flows)	<u>9,733.96</u>	<u>7,331.34</u>
Bank Balances other than Cash and cash equivalents		
(a) Balances with Banks:		
(i) Earmarked balances	1,054.84	1,555.14
(ii) On Margin Accounts.....	29.66	27.85
(iii) Fixed Deposits with original maturity greater than 3 months	4.09	626.56
Total Other Bank balances	<u>1,088.59</u>	<u>2,209.55</u>

* Includes ₹ 20.74 lakhs (31st March, 2020: ₹ 12.79 lakhs) held in AED denominated bank accounts

14 - Loans

(₹ in lakh)

Particulars	As at	
	31 st March, 2021	31 st March, 2020
Loans receivables considered good - unsecured		
a) Security Deposits	1,713.29	1,709.17
b) Loans to related parties (refer note 36)	6,369.91	6,596.91
Total (a+b)	8,083.20	8,306.08

15 - Other financial assets

(₹ in lakh)

Particulars	As at	
	31 st March, 2021	31 st March, 2020
Financial assets at amortised cost		
a) Interest Accrued	7,578.37	16,017.09
Total	7,578.37	16,017.09

16 - Equity Share Capital

(₹ in lakh)

Particulars	As at 31 st March, 2021		As at 31 st March, 2020	
	No. of shares	Amount	No. of shares	Amount
Authorised:				
Equity shares of ₹ 10 each with voting rights	115,000,000	11,500.00	115,000,000	11,500.00
Unclassified shares of ₹ 10 each	6,000,000	600.00	6,000,000	600.00
Issued:				
Equity shares of ₹ 10 each with voting rights	51,434,301	5,143.43	51,412,451	5,141.25
Subscribed and Fully Paid up:				
Equity shares of ₹ 10 each with voting rights	51,383,238	5,138.32	51,361,388	5,136.14
Total	51,383,238	5,138.32	51,361,388	5,136.14

(i) Reconciliation of the number of shares and outstanding amount

Particulars	As at 31 st March, 2021		As at 31 st March, 2020	
	No. of Shares	₹ in lakh	No. of Shares	₹ in lakh
Balance at the Beginning of the year	51,361,388	5,136.14	51,349,088	5,134.91
Add: Stock options allotted during the year	21,850	2.19	12,300	1.23
Balance at the end of the year.....	51,383,238	5,138.32	51,361,388	5,136.14

Terms/rights attached to equity shares with voting rights

The Company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share and carry a right to dividends. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in ensuing Annual General Meeting.

(ii) Details of shares held by the holding company and its subsidiaries:

Particulars	Equity Shares with Voting rights
As at 31st March, 2021	
Mahindra & Mahindra Ltd. the Holding Company.....	26,439,850
As at 31st March, 2020	
Mahindra & Mahindra Ltd. the Holding Company.....	26,439,850
Other than the above shares, no shares are held by any subsidiaries or associates of the holding company	

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

Class of shares / Name of shareholder	As at 31 st March, 2021		As at 31 st March, 2020	
	Number of shares held	% holding	Number of shares held	% holding
Equity shares with voting rights				
Mahindra & Mahindra Limited.....	26,439,850	51.46%	26,439,850	51.48%

iv) Shares reserved for issue under options

The Company has 5,48,504 (Previous Year 126,350) equity shares of ₹ 10/- each reserved for issue under options [Refer Note 26].

v) The allotment of 51,063 (Previous Year 51,063) equity shares of the Company has been kept in abeyance in accordance with Section 206A of the Companies Act, 1956 (Section 126 of the Companies Act 2013), till such time the title of the bonafide owner of the shares is certified by the concerned Stock Exchange or the Special Court (Trial of Offences relating to Transactions in Securities).

17 - Other equity

Particulars	As at		(₹ in lakh)
	31 st March, 2021	31 st March, 2020	
General reserve.....	7,299.49	7,299.49	
Securities premium.....	97,075.89	96,985.49	
Share options outstanding account.....	537.58	475.09	
Retained earnings.....	27,139.21	32,378.74	
Capital redemption reserve.....	7,353.58	7,353.58	
Share Application money pending allotment.....	0.75	0.12	
	139,406.50	144,492.51	

Description of the nature and purpose of Other Equity:

General Reserve: The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. There is no policy of regular transfer. Items included under General Reserve shall not be reclassified back into the Profit and Loss.

Securities Premium : The Securities Premium is created on issue of shares at a premium.

Share Options Outstanding Account: The Share Options Outstanding Account represents reserve in respect of equity settled share options granted to the Company's employees in pursuance of the Employee Stock Option Plan.

Retained Earnings: This reserve represents cumulative profits of the Company and effects of remeasurement of defined benefit obligations. This reserve can be utilised in accordance with the provisions of Companies Act, 2013.

Capital Redemption Reserve: The Capital Redemption Reserve was created against redemption of Preference Shares.

Share Application Money Pending allotment: This represents share application money received from the eligible employees upon exercise of employee stock option. The same will be transferred to equity share capital account after the allotment of shares to the applicants. The share application money pending allotment of ₹ 0.12 lakhs pertaining to previous year has been transferred to equity share capital during the year upon allotment of shares.

18 - Provisions

(₹ in lakh)

Particulars	As at 31 st March, 2021		As at 31 st March, 2020	
	Current	Non Current	Current	Non Current
(a) Provision for employee benefits				
-Gratuity.....	-	124.57	-	67.28
-Leave Encashment.....	56.33	301.78	61.02	204.90
(b) Other Provisions				
-Defect Liabilities	672.42	-	635.93	-
Total Provisions.....	728.75	426.35	696.95	272.18

Details of movement in provisions for Defect Liabilities are as follows:

(₹ in lakh)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Opening Balance as at.....	635.93	413.23
Additional provisions recognised.....	42.00	249.00
Amounts utilised during the year	(5.51)	(26.30)
Closing Balance as at	672.42	635.93

Defect Liability Provisions:

Provision for defect liability represents present value of management's best estimate of the future outflow of economic resources that will be required in respect of residential units when control over the property has been transferred to the customer, the estimated cost of which is accrued during the period of construction, upon sale of units and recognition of related revenue. Management estimates the related provision for future defect liability claims based on historical cost of rectifications and is adjusted regularly to reflect new information. The residential units are generally covered under a the defect liability period limited to 5 year from the date when control over the property has been transferred to the customer.

19 - Borrowings

(₹ in lakh)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
A. Secured Borrowings at amortised cost		
(a) Loans on cash credit account from Banks.....	238.21	87.85
(b) Other loan from Financial Institution.....	3,500.00	-
Total	3,738.21	87.85
B. Unsecured Borrowings at amortised cost		
(a) Loans on cash credit account from Banks.....	7.17	31.71
(b) Other Loans from banks	7,394.66	11,771.99
Total	7,401.83	11,803.70
Total (A+B)	11,140.04	11,891.55

Secured Borrowing

- (a) The cash credit facility carrying interest rate in the range of 7.65% p.a. to 8.65% p.a.(Previous Year 8.65% p.a. to 9.20% p.a.) is secured by first charge on all existing and future current assets excluding land and immovable properties.
- (b) Other loan from Financial Institution carrying interest rate in the range of 8.85% p.a. to 9.10% p.a. (previous year NIL) is secured by first charge on all existing and future current assets excluding land and immovable properties.

Unsecured Borrowings

- (a) The cash credit facility is carrying interest rate in the range of 7.35% p.a. to 8.20% p.a. (Previous Year 8.10% to 8.70% p.a.)
- (b) Other loans from banks include short term loan carrying interest rate in the range of 4.25% p.a. to 7.40% p.a. (Previous Year 8.05% p.a. to 9.20% p.a.)

20 - Trade Payables

(₹ in lakh)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Trade payable - Micro and small enterprises*	579.00	153.98
Trade payable - Other than micro and small enterprises	8,861.51	9,004.49
Total	9,440.51	9,158.47

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

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

*This information has been determined to the extent such parties have been identified on the basis of intimation received from the suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006.

Particulars	31 st March, 2021	31 st March, 2020
Dues remaining unpaid		
Principal	579.00	153.98
Interest	-	-
Interest paid in terms of Section 16 of the MSMED Act along with the amount of payment made to the supplier beyond the appointed day during the year		
- Principal paid beyond the appointed date	-	-
- Interest paid in terms of Section 16 of the MSMED Act	-	-
Amount of interest due and payable for the period of delay on payments made beyond the appointed day during the year	-	-
Further interest due and payable even in the succeeding years, until such date when the interest due as above are actually paid to the small enterprises	-	-
Amount of interest accrued and remaining unpaid	-	-

21 - Other Financial Liabilities

(₹ in lakh)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Carried at Amortised Cost		
(a) Interest accrued	2.09	26.59
(b) Unclaimed dividends	126.53	144.68
(c) Other liabilities#	2,762.87	3,465.75
Total	2,891.49	3,637.02

Other liabilities majorly includes Trade Deposits and Society Maintenance deposits.

22 - Other Current Liabilities

(₹ in lakh)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
a. Advances received from customers.....	32,450.05	22,490.89
b. Statutory dues payable*.....	234.89	296.14
Total	32,684.94	22,787.03

* There are no amounts due and outstanding to be credited to the Investor Education and Protection Fund.

23 - Revenue from Operations

(₹ in lakh)

Particulars	For the year ended 31 st March, 2021	For the year ended 31 st March, 2020
(a) Revenue from Contracts with Customers		
(i) Revenue from Projects.....	8,228.62	42,103.00
(ii) Project Management Fees.....	65.94	733.98
(b) Income from Operation of Commercial Complexes.....	669.03	1,151.49
Total	8,963.59	43,988.47

Notes:

(1) Contract Balances

- (a) Amounts received before the related performance obligation is satisfied are included in the balance sheet (Contract liability) as “Advances received from Customers” in note no. 22- Other Current Liabilities. Amounts billed for development milestone achieved but not yet paid by the customer are included in the balance sheet under trade receivables in note no. 12.
- (b) During the year, the Company recognised Revenue of ₹ 3,489.49 lakhs (April 1, 2020: ₹ 24,830.49 lakhs) from opening contract liability (after Ind AS 115 adoption) included in the balance sheet as “Advances received from Customers” in note no. 22 - Other Current Liabilities of ₹ 22,490.89 (April 1, 2020 : ₹ 36,784.55 lakhs).
- (c) There were no significant changes in the composition of the contract liabilities and Trade receivable during the reporting period other than on account of periodic invoicing and revenue recognition.
- (d) Amounts previously recorded as contract liabilities increased due to further milestone based invoices raised during the year and decreased due to revenue recognised during the year on completion of the construction.
- (e) Amounts previously recorded as Trade receivables increased due to further milestone based invoices raised during the year and decreased due to collections during the year.
- (f) There are no contract assets outstanding at the end of the year.
- (g) The aggregate amount of the transaction price allocated to the performance obligations that are completely or partially unsatisfied as March 31, 2021, is ₹ 82,432.55 lakhs (March 31, 2020 : ₹ 57,082.93 lakhs). Out of this, the Company expects, based on current projections, to recognize revenue of around 20% within the next one year and the remaining thereafter. This includes contracts that can be terminated for convenience with a penalty as per the agreement since, based on current assessment, the occurrence of the same is expected to be remote.

(2) Reconciliation of revenue recognised with the contracted price is as follows:

(₹ in lakh)

Particulars	For the year ended 31 st March, 2021	For the year ended 31 st March, 2020
Contracted price	8,228.62	42,103.00
Adjustments on account of cash discounts or early payment rebates, etc.....	-	-
Revenue recognised as per Statement of Profit & Loss	8,228.62	42,103.00

(3) Contract costs

(₹ in lakh)

Particulars	For the year ended 31 st March, 2021	For the year ended 31 st March, 2020
Contract costs included in Prepaid expenses in Note no. 10- Other Assets ..	1,223.44	1,079.80
(a) The Company incurs commissions that are incremental costs of obtaining a contract with a customer. Previously, all such costs were expensed as and when incurred. Under Ind AS 115, the Company recognises the incremental costs of obtaining a contract as assets under Prepaid Expenses under note no. 10 - Other Assets and amortises it upon completion of the related property sale contract.		
(b) For the year ended 31 March 2021 amortisation amounting to ₹ 89.14 lakhs (31 March 2020: ₹ 563.27 lakhs) was recognised as Brokerage cost in note no. 25 - Cost of Sales. There were no impairment loss in relation to the costs capitalised.		

24 - Other Income

(₹ in lakh)

Particulars	For the year ended 31 st March, 2021	For the year ended 31 st March, 2020
(a) Interest Income on:		
(1) Inter Corporate Deposits	574.00	681.60
(2) Bank Deposits	230.34	611.48
(3) Optionally Convertible Debentures.....	211.44	-
(4) Others*	120.30	0.01
(b) Dividend Income from Joint Ventures and Subsidiaries.....	2,761.20	3,085.00
(c) Net Gain arising on Financial Assets measured at Fair Value through Profit and Loss.....	541.12	1,158.14
(d) Miscellaneous Income#.....	237.06	2,544.70
Total	4,675.46	8,080.93

* Other Interest Income includes interest income on account of financing component involved in contracts with customers and interest charged on late payment received from customers.

Miscellaneous Income includes reversal of provision for investment amounting to ₹ Nil lakhs (31st March 2020: ₹ 1,800 lakhs in Mahindra Infrastructure Developers Limited) considering the performance of the Company and its future projections.

25 - Cost of Sales

(₹ in lakh)

Particulars	For the year ended 31 st March, 2021	For the year ended 31 st March, 2020
A. Cost of Project		
Opening Stock:		
Construction work-in-progress.....	80,457.45	83,501.02
Raw Material.....	2,006.57	2,449.90
Finished Goods.....	8,786.71	13,827.59
Sub-Total (a).....	91,250.73	99,778.51

Particulars	For the year ended 31 st March, 2021	(₹ in lakh) For the year ended 31 st March, 2020
Add: Expenses incurred during the year		
Land Cost.....	8,600.82	8,578.08
Architect Fees.....	188.74	408.70
Civil Electricals, Contracting, etc.....	6,805.68	8,014.89
Interest costs allocated.....	445.42	988.90
Employee benefits expense allocated.....	1,296.11	1,345.68
Liasioning costs.....	1,872.59	6,240.67
Insurance.....	12.33	54.14
Legal & Professional Fees.....	743.72	905.80
Sub-Total (b).....	19,965.41	26,536.86
Less: Closing Stock:		
Construction work-in-progress.....	89,232.18	80,457.45
Raw Material.....	1,882.38	2,006.57
Finished Goods.....	12,058.98	8,786.71
Sub-Total (c).....	103,173.54	91,250.73
Total A (a+b-c).....	8,042.60	35,064.64
B. Operating Expenses		
Brokerage.....	89.14	563.27
Total B.....	89.14	563.27
Total (A+B).....	8,131.74	35,627.91

26 - Employee Benefits Expense

Particulars	For the year ended 31 st March, 2021	(₹ in lakh) For the year ended 31 st March, 2020
(a) Salaries and wages, including bonus.....	7,130.66	7,695.80
(b) Contribution to provident and other funds.....	383.22	453.32
(c) Share based payment expenses.....	137.81	66.40
(d) Staff welfare expenses.....	175.55	292.17
Less : Allocated to projects.....	(1,296.11)	(1,345.68)
Total.....	6,531.13	7,162.01

Share based payment

The Company has granted options to its eligible employees under the Employee Stock Options Scheme 2006 ("ESOS 2006") and the Employee Stock Options Scheme 2012 ("ESOS 2012). The options granted under both the schemes are equity settled.

ESOS 2006:- Options granted under ESOS 2006 vest in 4 equal instalments of 25% each on expiry of 12 months, 24 months, 36 months and 48 months respectively from the date of grant. The options may be exercised on any day over a period of five years from the date of vesting.

ESOS 2012 (Options granted till 16th March, 2021):- Options granted under ESOS 2012 vest in 4 instalments bifurcated as 20% each on the expiry of 12 months and 24 months, 30% each on the expiry of 36 months and 48 months respectively from the date of grant. The options may be exercised on any day over a period of five years from the date of vesting.

ESOS 2012 (Options granted from 17th March, 2021):- Options granted under ESOS 2012 vest in 3 equal instalments of 33.33% each on expiry of 12 months, 24 months, and 36 months respectively from the date of grant. The options may be exercised within a period of five years from the date of grant.

The other details of the schemes are summarised below:

Details about Vesting Conditions:

Particulars	Number of Options	Grant Date	Expiry Date	Exercise Price	Fair value per Option at Grant Date (₹)
ESOS 2006					
1 Series 2 Granted on 4 th August 2012	10,000	4-Aug-12	4-Aug-21	₹ 325 per share	294.06
2 Series 15 Granted on 30 th Oct 2020	400,000	30-Oct-20	30-Oct-29	₹ 246 per share	108.97
ESOS 2012					
1 Series 3 Granted on 4 th August 2012	101,000	4-Aug-12	4-Aug-21	₹ 10 per share	294.06
2 Series 4 Granted on 24 th July 2013	26,500	24-Jul-13	24-Jul-22	₹ 10 per share	409.27
3 Series 5 Granted on 17 th October 2014	27,000	17-Oct-14	17-Oct-23	₹ 10 per share	461.87
4 Series 6 Granted on 30 th April 2015	3,000	30-Apr-15	30-Apr-24	₹ 10 per share	402.60
5 Series 7 Granted on 28 th January 2016	31,000	28-Jan-16	28-Jan-25	₹ 10 per share	417.10
6 Series 8 Granted on 28 th July 2016	30,000	28-Jul-16	28-Jul-25	₹ 10 per share	420.53
7 Series 9 Granted on 25 th July 2017	18,500	25-Jul-17	25-Jul-26	₹ 10 per share	393.45
8 Series 10 Granted on 30 th Jan 2018	2,500	30-Jan-18	30-Jan-27	₹ 10 per share	453.81
9 Series 11 Granted on 30 th July 2018	19,500	30-Jul-18	30-Jul-27	₹ 10 per share	532.67
10 Series 12 Granted on 14 th Feb 2019	6,000	14-Feb-19	14-Feb-28	₹ 10 per share	341.88
11 Series 13 Granted on 26 th July 2019	64,500	26-Jul-19	26-Jul-28	₹ 10 per share	353.37
12 Series 14 Granted on 29 th July 2020	24,500	29-Jul-20	29-Jul-29	₹ 10 per share	168.56
13 Series 15 Granted on 30 th Oct 2020	10,500	30-Oct-20	30-Oct-29	₹ 10 per share	258.83
14 Series 16 Granted on 17 th March 2021	32,654	17-Mar-21	17-Mar-26	₹ 10 per share	542.32

Movement in Share Options

Particulars	For the year ended 31 st March, 2021		For the year ended 31 st March, 2020	
	Number of Options	Weighted average exercise price (₹)	Number of Options	Weighted average exercise price (₹)
1 The number and weighted average exercise prices of share options outstanding at the beginning of the year;	126,350	20.32	96,850	23.46
2 Granted during the year.....	467,654	211.86	64,500	10.00
3 Forfeited during the year	17,450	10.00	21,300	10.00
4 Exercised and allotted during the year*.....	21,850	10.00	12,300	10.00
5 Expired during the year	6,200	137.02	1,400	10.00
6 Outstanding at the end of the year	548,504	183.54	126,350	20.32
7 Exercisable at the end of the year.....	21,550	46.54	48,300	42.61

* Excludes share application money pending allotment of 1,200 options (31st March, 2020 - 1,800 options)

Share Options Exercised and Allotted during the Year

Particulars	Number of Options Exercised	Exercise Date	Price per Share at Exercise Date (₹)
-------------	-----------------------------	---------------	--------------------------------------

Equity Settled

1 Series 3 Granted on 4 th August 2012	900	3-Aug-20	211.83
2 Series 5 Granted on 17 th October 2014	6,000	22-Jul-20	210.78
3 Series 5 Granted on 17 th October 2014	450	6-Feb-20	407.25
4 Series 5 Granted on 17 th October 2014	450	8-Apr-20	191.78
5 Series 5 Granted on 17 th October 2014	1,200	14-Jul-20	214.25
6 Series 5 Granted on 17 th October 2014	1,000	25-Sep-20	223.50

Particulars	Number of Options Exercised	Exercise Date	Price per Share at Exercise Date (₹)
7 Series 5 Granted on 17 th October 2014	750	2-Mar-20	357.73
8 Series 9 Granted on 25 th July 2017	300	2-Mar-20	357.73
9 Series 9 Granted on 25 th July 2017	450	29-Sep-20	229.28
10 Series 9 Granted on 25 th July 2017	750	29-Jul-20	204.85
11 Series 9 Granted on 25 th July 2017	1,600	22-Apr-20	196.83
12 Series 11 Granted on 30 th July 2018	500	14-Apr-20	193.90
13 Series 11 Granted on 30 th July 2018	500	1-Aug-20	210.60
14 Series 11 Granted on 30 th July 2018	600	7-Sep-20	240.85
15 Series 11 Granted on 30 th July 2018	500	10-Aug-20	210.98
16 Series 11 Granted on 30 th July 2018	500	14-Oct-20	229.65
17 Series 12 Granted on 14 th Feb 2019	300	21-May-20	182.15
18 Series 13 Granted on 26 th July 2019	300	26-Jul-20	210.50
19 Series 13 Granted on 26 th July 2019	800	23-Dec-20	332.28
20 Series 13 Granted on 26 th July 2019	500	25-Aug-20	277.18
21 Series 13 Granted on 26 th July 2019	500	21-Sep-20	236.38
22 Series 13 Granted on 26 th July 2019	500	22-Sep-20	229.68
23 Series 13 Granted on 26 th July 2019	1,200	3-Nov-20	268.68
24 Series 13 Granted on 26 th July 2019	800	29-Aug-20	282.35
25 Series 13 Granted on 26 th July 2019	500	25-Jul-20	210.50
	21,850		

Share Options outstanding at the end of the year

The share options outstanding at the end of the year had a range of exercise prices of ₹ 10 - ₹ 325 (as at March 31, 2020: ₹ 10 - ₹ 325), and weighted average remaining contractual life of 2,996 days (as at March 31, 2020: 2,137 days).

The Fair value has been calculated using the Black Scholes option pricing model and the significant inputs used for the valuation are as follows

Particulars	4 th August 2012	4 th August 2012	24 th July 2013	17 th October 2014	30 th April 2015	28 th January 2016	28 th July 2016
Share price per Option at grant date (₹)....	324.14	324.14	454.09	516.08	467.60	482.25	450.60
Exercise price per Option (₹)	325	10	10	10	10	10	10
Expected volatility.....	44.15% - 59.61%	44.15% - 59.61%	47.63%	26.68% - 43.74%	26.11% - 37.68%	27.17% - 30.20%	26.98% - 28.17%
Expected life / Option Life.....	3.5 - 6.5 Years	3.5 - 6.5 Years	6.0 - 9.0 Years	3.5 - 6.5 Years	3.5 - 6.5 Years	3.5 - 6.5 Years	3.5 - 6.5 Years
Expected dividends yield.....	1.38%	1.38%	1.31%	2.28%	2.57%	2.49%	1.31%
Risk-free interest rate.....	8.06% - 8.20%	8.06% - 8.20%	8.31% - 8.39%	8.49% - 8.52%	7.69% - 7.74%	7.43% - 7.73%	6.88% - 7.14%

Particulars	25 th July 2017	30 th January 2018	30 th July 2018	14 th February 2019	26 th July 2019	29 th July 2020	30 th Oct 2020
Share price per Option at grant date (₹)....	393.45	453.81	532.67	341.88	353.37	168.56	108.97
Exercise price per Option (₹)	10	10	10	10	10	10	246
Expected volatility.....	27.24% - 28.90%	27.77% - 28.98%	27.95% - 30.52%	28.39% - 30.88%	28.40% - 29.58%	30.51% - 32.39%	31.48% - 33.32%
Expected life / Option Life.....	3.5 - 6.5 Years	3.5 - 6.5 Years	3.5 - 6.5 Years	3.5 - 6.5 Years	3.5 - 6.5 Years	3.5 - 6.5 Years	3.5 - 6.5 Years
Expected dividends yield.....	1.39%	1.22%	1.05%	1.58%	1.54%	2.95%	-
Risk-free interest rate.....	6.37%-6.66%	7.11% - 7.56%	7.76% - 8.01%	6.97% - 7.29%	6.25% - 6.55%	4.82% - 5.69%	4.82% - 5.69%

Particulars	30 th Oct 2020	17 th Mar 2021
Share price per Option at grant date (₹).....	258.83	542.32
Exercise price per Option (₹)	10	10
Expected volatility.....	31.48%-33.32%	34.19%-34.87%
Expected life / Option Life.....	3.5 - 6.5 Years	3 - 4 Years
Expected dividends yield.....	0.00%	0.00%
Risk-free interest rate.....	4.82% - 5.69%	5.16% - 5.59%

In respect of Options granted under the Employee Stock Option Plan the accounting is done as per requirements of Ind AS 102 - 'Share Based Payments' after adjusting for reversals on account of options forfeited.

The risk-free interest rate being considered for the calculation is the interest rate applicable for maturity equal to the expected life of the options based on the zero-yield curve for Government Securities

27 - Finance Costs

(₹ in lakh)

Particulars	For the year ended 31 st March, 2021	For the year ended 31 st March, 2020
(a) Interest costs :		
Interest expense for financial liabilities at amortised cost	775.93	1,109.01
Less: Allocated to projects.....	(445.42)	(988.90)
(b) Interest on lease liabilities	21.19	58.43
(c) Other borrowing costs*	14.90	5.17
Total	366.60	183.71

* Other borrowing costs include guarantee charges and ancillary costs incurred in connection with borrowings.

28 - Other Expenses

(₹ in lakh)

Particulars	For the year ended 31 st March, 2021	For the year ended 31 st March, 2020
(a) Power & Fuel.....	43.34	90.89
(b) Rent, Rates & Taxes	377.62	501.53
(c) Insurance.....	13.58	37.18
(d) Repairs and maintenance	487.46	482.89
(e) Advertisement, Marketing & Business Development.....	1,433.30	2,268.45
(f) Travelling and Conveyance Expenses	57.81	292.05
(g) Expenditure on Corporate Social Responsibility (CSR) under section 135 of the Companies Act, 2013	70.72	124.85
(h) Donations and Contributions *	-	50.00
(i) Payment to Auditors #	64.54	90.22
(j) Legal and other professional costs.....	995.43	1,614.56
(k) Printing & Stationery.....	14.97	44.79
(l) Miscellaneous expenses	1,352.72	2,024.02
Total	4,911.49	7,621.43

* Given to New Democratic Electoral trust (Incorporated as a section 8 Company under the Companies Act, 2013)

Payments to Auditors

(₹ in lakh)

Particulars	For the year ended 31 st March, 2021	For the year ended 31 st March, 2020
(i) To Statutory auditors		
For Audit.....	47.50	47.50
For Other Services	14.90	39.75
Reimbursement of Expenses	0.56	1.39
(ii) To Cost auditors for cost audit.....	1.58	1.58
Total.....	64.54	90.22

29 - Tax (Credit)/Expense

(₹ in lakh)

(a) Tax (Credit)/Expense recognised in profit or loss

Particulars	For the year ended 31 st March, 2021	For the year ended 31 st March, 2020
Current Tax:		
In respect of current year.....	-	-
Deferred Tax:		
In respect of current year origination and reversal of temporary differences	(1,742.08)	(382.44)
Total	(1,742.08)	(382.44)

(b) Tax (Credit)/Expense recognised in Other Comprehensive income

Particulars	Year ended 31 st March, 2021	Year ended 31 st March, 2020
Deferred tax related to items recognised in other comprehensive income during the year:		
Remeasurements of the defined benefit plans.....	5.05	(28.77)
Total.....	5.05	(28.77)

(c) Reconciliation of estimated income tax expense at tax rate to income tax expense reported in Statement of Profit or Loss is as follows:

Particulars	For the year ended 31 st March, 2021	For the year ended 31 st March, 2020
Loss before tax	(6,966.58)	(22,982.95)
Income tax expense calculated at 25.17%	(1,753.49)	(5,784.81)
Effect of income that is exempt from taxation	-	(776.49)
Effect of expenses that is non deductible in determining taxable profit	17.80	5,783.31
Changes in recognised deductible temporary differences	(6.39)	395.55
Income tax expense recognised In profit or loss	(1,742.08)	(382.44)

30 - Earnings per Share

Particulars	For the year ended 31 st March, 2021	For the year ended 31 st March, 2020
	₹	₹
Basic Earnings per share	(10.17)	(44.01)
Diluted earnings per share	(10.17)	(43.90)

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 31 st March, 2021	For the year ended 31 st March, 2020
Loss for the year.....	(5,224.50)	(22,600.51)
Weighted average number of equity shares.....	51,373,583	51,356,467

Diluted earnings per share

The diluted earnings per share has been computed by dividing the net Loss after tax available for equity shareholders by the weighted average number of equity shares, after giving dilutive effect of the outstanding stock options for the respective periods.

(₹ in lakh)

Particulars	For the year ended 31 st March, 2021	For the year ended 31 st March, 2020
Loss for the year used in the calculation of diluted earnings per share.....	(5,224.50)	(22,600.51)

The weighted average number of ordinary shares for the purpose of diluted earnings per share reconciles to the weighted average number of ordinary shares used in the calculation of basic earnings per share as follows:

Particulars	For the year ended 31 st March, 2021	For the year ended 31 st March, 2020
Weighted average number of equity shares used in the calculation of Basic EPS	51,373,583	51,356,467
Add: Options outstanding under Employee Stock Option Plan*.....	-	119,605
Weighted average number of equity shares used in the calculation of Diluted EPS	<u>51,373,583</u>	<u>51,476,072</u>

* 291,969 potential equity shares are considered anti-dilutive and therefore excluded from the calculation of weighted average number of equity shares used in the calculation of diluted EPS

31 - Financial Instruments

Capital management

The Company's capital management objectives are:

- safeguard its ability to continue as a going concern, so that it can continue to maximise the returns for shareholders and benefits for other stakeholders
- maintain an optimal capital structure to reduce the cost of capital

The Management of the Company monitors the capital structure using debt equity ratio which is determined as the proportion of total debt to total equity.

Particulars	As at 31 st March, 2021 (₹ in lakh)	As at 31 st March, 2020 (₹ in lakh)
Debt.....	11,204.70	12,431.10
Cash and bank balances.....	(10,822.55)	(9,540.89)
Net Debt (A)	<u>382.15</u>	<u>2,890.21</u>
Equity (B)	<u>144,544.82</u>	<u>149,628.65</u>
Net Debt to Equity Ratio (A / B)	<u>0.003</u>	<u>0.019</u>

Categories of financial assets and financial liabilities

The following tables shows the carrying amount of financial assets and financial liabilities by category:

As at 31st March, 2021

(₹ in lakh)

Particulars	Amortised Costs	FVTPL	Total
Non-current Assets			
Investments	35,412.90	11,582.39	46,995.29
Current Assets			
Trade Receivables.....	5,016.03	-	5,016.03
Cash and Bank Balances	10,822.55	-	10,822.55
Loans.....	8,083.20	-	8,083.20
Other Financial Assets			
- Non Derivative Financial Assets	7,578.37	-	7,578.37
Non-current Liabilities			
Other Financial Liabilities			
- Lease Liabilities	-	-	-
Current Liabilities			
Borrowings.....	11,140.04	-	11,140.04
Lease Liabilities.....	64.66	-	64.66
Trade Payables	9,440.51	-	9,440.51
Other Financial Liabilities			
- Non Derivative Financial Liabilities	2,891.49	-	2,891.49

As at 31st March, 2020

(₹ in lakh)

Particulars	Amortised Costs	FVTPL	Total
Non-current Assets			
Investments	32,257.69	14,444.65	46,702.34
Current Assets			
Trade Receivables.....	8,963.72	-	8,963.72
Cash and Bank Balances	9,540.89	-	9,540.89
Loans.....	8,306.08	-	8,306.08
Other Financial Assets			
- Non Derivative Financial Assets	16,017.09	-	16,017.09
Non-current Liabilities			
Other Financial Liabilities			
- Lease Liabilities	96.17	-	96.17
Current Liabilities			
Borrowings.....	11,891.55	-	11,891.55
Lease Liabilities.....	443.38	-	443.38
Trade Payables	9,158.47	-	9,158.47
Other Financial Liabilities			
- Non Derivative Financial Liabilities	3,637.02	-	3,637.02

Financial Risk Management Framework

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk. In order to manage the aforementioned risks, the Company operates a risk management policy and a program that performs close monitoring of and responding to each risk factor.

CREDIT RISK

(i) Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk arises from trade receivables, cash and cash equivalents & other financial assets.

Trade Receivables:

The Company's trade receivables include receivables on sale of residential flats and rent receivable. As per the Company's flat handover policy, a flat is handed over to a customer only upon payment of entire amount of consideration. The rent receivables are secured by security deposits obtained under the lease agreement. Thus, the Company is not exposed to any credit risk on receivables from sale of residential flats and rent receivables.

Cash and Cash Equivalents & Other Financial Assets

For banks and financial institutions, only high rated banks/institutions are accepted. The Company holds cash and cash equivalents with bank and financial institution counterparties, which are having highest safety ratings based on ratings published by various credit rating agencies. The Company considers that its cash and cash equivalents have low credit risk based on external credit ratings of the counterparties.

For Other Financial Assets, the Company assesses and manages credit risk based on reasonable and supportive forward looking information. Other Financial Assets are considered to be low credit risk exposure assets.

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-term, medium-term 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.

(₹ in lakh)

Particulars	Less than 1 Year	1 Year to 3 Years	3 Years to 5 Years
As at 31st March 2021			
Current			
Borrowings.....	11,140.04	-	-
Lease Liabilities.....	64.66	-	-
Trade Payables.....	9,440.51	-	-
Other Financial Liabilities.....	2,891.49	-	-
Total Current.....	23,536.70	-	-
As at 31st March 2020			
Non Current			
Other Financial Liabilities.....	-	96.17	-
Total Non Current (A).....	-	96.17	-
Current			
Borrowings.....	11,891.55	-	-
Lease Liabilities.....	443.38	-	-
Trade Payables.....	9,158.47	-	-
Other Financial Liabilities.....	3,637.02	-	-
Total Current.....	25,130.42	-	-

MARKET RISK

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk such as equity price risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. All such transactions are carried out within the guidelines set by the Board of Directors.

Currency Risk

Foreign currency risk is the risk that the fair value or the future cash flows of an exposure will fluctuate because of changes in the foreign exchange rate. The Company undertakes transactions denominated in foreign currencies only for the purchases of the components which are required to carry out the construction activities. The Company manages its foreign currency risk by forward contracts that are expected to occur within a maximum 12 month from the entering of a contract.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates. The Company manages its interest rate risk by having a balanced portfolio of fixed and floating rate loans and borrowings.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

Increase / decrease in basis points	Currency	As at March 31, 2021 Effect on loss before tax (₹ In Lakhs)	As at March 31, 2020 Effect on loss before tax (₹ In Lakhs)
+100	₹	(111.40)	(118.92)
-100	₹	111.40	118.92

32 - Fair Value Measurement

Fair Valuation Techniques and Inputs used - Recurring Items

(₹ in lakh)

Financial assets measured at Fair value	Fair value as at		Fair value hierarchy	Valuation Technique(s)	Applicable for Level 2 and Level 3 hierarchy Key input(s)
	31 st March, 2021	31 st March, 2020			
Financial assets					
Investments					
1) Investment in Preference Shares - unquoted.....	858.39	1,271.85	Level 3	Income Approach - Discounted Cash Flow/ Net Asset Value / Comparable Companies Method / Market Multiple Approach and Price of Recent Transaction	For Discounted Cash Flow - Companies Financial projections. These include forecasts of balance sheet, statement of profit and loss along with underlying assumptions. For Net Asset Value- The value is derived based on the book value since the assets are intended to be disposed off. For Comparable Companies Method- In this approach the fair value is derived based on revenue multiple of comparable companies. For Market Multiple Approach and Price of Recent Transaction - In this approach the fair value is derived based on market multiples like PE multiple, Enterprise value (EV) multiple, Revenue multiple etc.

Financial assets measured at Fair value	Fair value as at		Fair value hierarchy	Valuation Technique(s)	Applicable for Level 2 and Level 3 hierarchy Key input(s)
	31 st March, 2021	31 st March, 2020			
2) Investment in Equity Shares - unquoted	0.50	15.08	Level 3	Net Asset Value/ Comparable Companies Method/ Market Multiple Approach and Price of Recent Transaction	For Net Asset Value- The value is derived based on the book value since the assets are intended to be disposed off. For Comparable Companies Method- In this approach the fair value is derived based on revenue multiple of comparable companies. For Market Multiple Approach - In this approach the fair value is derived based on market multiples like PE multiple, Enterprise value (EV) multiple, Revenue multiple etc.
3) Investment in Optionally Convertible Debentures.....	10,723.50	13,157.71	Level 3	Income Approach - Discounted Cash Flow	For Discounted Cash Flow - Companies Financial projections. These include forecasts of balance sheet, statement of profit and loss along with underlying assumptions.
Total financial assets	11,582.39	14,444.64			

Significant unobservable inputs used in level 3 fair value measurements

(₹ in lakh)

Financial assets measured at Fair value	Fair value as at		Fair value hierarchy	Significant unobservable inputs	Relationship of unobservable inputs to fair value and sensitivity
	31 st March, 2021	31 st March, 2020			
1) Investment in Preference Share - unquoted	858.39	1,271.85	Level 3	Interest Rates to discount future cash flow, Financial Projections Intrinsic worth of Net Assets/Market multiples used by benchmarking for valuation	Any change (increase/decrease) in the discount factor, financial projections etc. would entail corresponding change in the valuation Increase in book value/multiple will result in increase in valuation
2) Investment in Equity Share - unquoted	0.50	15.08	Level 3	Intrinsic worth of Net Assets/Market multiples used by benchmarking for valuation	Increase in book value/multiple will result in increase in valuation
3) Investment in Optionally Convertible Debentures.....	10,723.50	13,157.71	Level 3	Interest Rates to discount future cash flow, Financial Projections	Any change (increase/decrease) in the discount factor, financial projections etc. would entail corresponding change in the valuation

Financial Instrument not measured using Fair Value i.e. measured using amortized cost

The carrying value of Other financial assets / liabilities represent reasonable estimate of fair value.

There were no transfers between Level 1 and Level 2 during the year.

Reconciliation of Level 3 fair value measurements of financial instruments measured at fair value

Particulars	Investment in Preference Shares - unquoted	Investment in Equity Shares - unquoted	Investment in Optionally Convertible Debentures	Total
(₹ in lakh)				
Year Ended 31st March 2021				
Opening Balance of Fair Value.....	1,271.85	15.08	13,157.71	14,444.64
Total incomes/gains or (losses) recognised :				
-In Profit or Loss	(413.46)	(14.58)	969.16	541.12
Redemption of Optionally Convertible Redeemable Debentures during the year	-	-	(766.37)	(766.37)
Conversion of Optionally Convertible Redeemable Debenture to Equity Share (Refer note. 8a).....	-	-	(2,637.00)	(2,637.00)
Closing balance of fair value.....	858.39	0.50	10,723.50	11,582.39
Year Ended 31st March 2020				
Opening Balance of Fair Value.....	757.05	16.57	41,928.53	42,702.15
Total incomes/gains or (losses) recognised :				
-In Profit or Loss	(126.46)	(1.49)	1,286.09	1,158.14
Fair value of purchases made during the year	641.26	-	1,997.10	2,638.36
Conversion of Optionally Convertible Redeemable Debenture to Equity Share (Refer note. 8b).....	-	-	(32,054.00)	(32,054.00)
Closing balance of fair value.....	1,271.85	15.08	13,157.71	14,444.64

33 - Leases

As lessee

The Company has entered into operating lease arrangements for Worli and Andheri Office. The lease is non-cancellable for a period of 1 - 2 years and may be renewed based on mutual agreement between the parties. The leases have varying terms, escatation clauses and renewal rights. From 1 April 2019, the Company has recognised right of use assets for these leases, except for short term leases.

Undiscounted Cash Flow of Lease liabilities

	For the year ended 31 st March, 2021	For the year ended 31 st March, 2020
Less than one year	65.90	497.47
One to Three years.....	-	65.90
Three to five years.....	-	-
More than five years.....	-	-
Total undiscounted lease liabilities at Balance sheet date	65.90	563.37

Cash outflow for leases for the year ended March 31, 2021 is ₹ 470.60 lakhs (March 31, 2020 is ₹ 492 lakhs).

Expense relating to leases of low-value assets of ₹ 2.63 lakhs for the year ended March 31, 2021 (₹ 81.32 lakhs for the year ended March 31, 2020) is included in "Rent, Rates & Taxes" in Note 28 "Other Expenses"

34 - Segment information

The reportable segments of the Company are 'Projects, Project Management and Development' and 'Operating of Commercial Complexes'.

The segments are largely organised and managed separately according to the organisation structure that is designed based on the nature of business. Operating segments are reported in a manner consistent with the internal reporting provided to the Managing Director regarded as the Chief Operating Decision Maker ("CODM").

Description of each of the reportable segments for all periods presented, is as under:

- i) Projects, Project Management & Development: This Segment of the business includes income from sale of residential units across projects, project management and development in India.
- ii) Operating of Commercial Complexes: This Segment of the business includes rental income from commercial properties at New Delhi.

The CODM evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by operating segments. The CODM reviews revenue and gross profit as the performance indicator for all of the operating segments. The measurement of each segment's revenues, expenses and assets is consistent with the accounting policies that are used in preparation of the financial statements. Segment profit represents the profit before interest and tax.

Information regarding the Company's reportable segments is presented below:

Particulars	31 st March, 2021			31 st March, 2020		
	Projects, Project Management & Development	Operating of Commercial Complexes	Total	Projects, Project Management & Development	Operating of Commercial Complexes	Total
(₹ in lakh)						
Revenue						
External customers.....	8,294.66	668.93	8,963.59	42,836.98	1,151.49	43,988.47
Total revenue	8,294.66	668.93	8,963.59	42,836.98	1,151.49	43,988.47
Results						
Segment Results	(1,712.65)	404.82	(1,307.83)	5,614.07	843.17	6,457.24
Less:-						
-Unallocated Interest (Finance Cost)	-	-	366.60	-	-	183.71
-Unallocated corporate expense net of unallocated income (includes exceptional Item - refer note no. 8).....	-	-	5,292.15	-	-	29,256.48
Loss before tax	-	-	(6,966.58)	-	-	(22,982.95)
Tax (credit)/Expense	-	-	(1,742.08)	-	-	(382.44)
Loss after tax	-	-	(5,224.50)	-	-	(22,600.51)
Segment Assets & Liabilities						
Segment Assets	162,074.52	2,397.99	164,472.51	151,397.94	3,552.57	154,950.51
Unallocated corporate assets			38,828.16			45,040.00
Total Assets			203,300.67			199,990.51
Segment Liabilities	51,946.29	550.83	52,497.12	41,213.58	580.40	41,793.98
Unallocated corporate liabilities			6,258.73			8,567.88
Total Liabilities			58,755.85			50,361.86
Other Information						
Depreciation and Amortisation Expense.....	1.53	46.01	47.54	12.13	46.01	58.14
Capital Expenditure	354.92	-	354.92	341.90	-	341.90

Revenue from type of products and services

The operating segments are primarily based on nature of products and services and hence the Revenue from external customers of each segment is representative of revenue based on products and services.

Geographical Information

The Company operates in one reportable geographical segment i.e. "Within India". Hence, no separate geographical segment wise disclosure is applicable as per the requirements of Ind AS 108 Operating Segments.

Information about major customers

Revenues from transactions with a single external customer did not amount to 10 percent or more of the Company’s revenues from external customers.

Segment revenue reported above represents revenue generated from external customers. There were no inter-segment sales in the current year as well as previous year.

35 - Employee benefits

(a) Defined Contribution Plan

The Company’s contribution to Provident Fund and Superannuation Fund aggregating ₹ 292.74 lakhs (31st March, 2020 : ₹ 330.06 lakhs) has been recognised in the Statement of Profit or Loss under the head Employee Benefits Expense.

(b) Defined Benefit Plans:

Gratuity

The Company operates a gratuity plan covering qualifying employees. The benefit payable is the greater of the amount calculated as per the Payment of Gratuity Act, 1972 or the Company scheme applicable to the employee. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting. The Company makes contribution to the group gratuity scheme administered by the Life Insurance Corporation of India through its Gratuity Trust Fund.

Through its defined benefit plans the Company is exposed to a number of risks, the most significant of which are detailed below:

Investment risk

The present value of the defined benefit plan liability (denominated in Indian Rupee) is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

Interest risk

A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan’s debt investments.

Longevity risk

The present value of defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan’s liability.

Salary risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan’s liability.

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

	As at	
	31-Mar-21	31-Mar-20
Discount rate(s)	5.71%	5.68%
Expected rate(s) of salary increase	8.00%	5.00%
Expected average remaining service	5.72	4.98
Attrition Rate.....	0 to 42: 14%	0 to 42: 16%
Mortality rate	IALM (2006-08) ULT.	IALM (2006-08) ULT.

Defined benefit plans – as per actuarial valuation on 31st March, 2020

(₹ in lakh)

Particulars	Funded Plan Gratuity	
	For the year ended 31 st March, 2021	For the year ended 31 st March, 2020
Amounts recognised in comprehensive income in respect of these defined benefit plans are as follows:		
Service Cost		
Current Service Cost	88.99	115.48
Net interest expense	1.48	7.78
Components of defined benefit costs recognised in profit or loss	<u>90.47</u>	<u>123.26</u>
Remeasurement on the net defined benefit liability		
Return on plan assets (excluding amount included in net interest expense)	(2.32)	(0.28)
Actuarial (gains)/loss arising from demographic assumptions	9.99	(29.76)
Actuarial (gains)/loss arising from changes in financial assumptions	56.10	(80.94)
Actuarial (gains)/loss arising from experience adjustments	<u>(43.69)</u>	<u>(3.32)</u>
Components of defined benefit costs recognised in other comprehensive income	<u>20.08</u>	<u>(114.30)</u>
Total	<u>110.55</u>	<u>8.96</u>
I. Net Asset/(Liability) recognised in the Balance Sheet		
1. Present value of defined benefit obligation	407.40	331.97
2. Fair value of plan assets as at	282.83	264.69
3. Surplus/(Deficit)	(124.57)	(67.28)
4. Current portion of the above	-	-
5. Non current portion of the above	(124.57)	(67.28)
II. Movements in the present value of the defined benefit obligation.		
1. Present value of defined benefit obligation at the beginning of the year	331.97	458.58
2. Less: Transfer out liability for employees transferred to group companies	-	(84.48)
3. Add: Transfer in liability for employees transferred from group companies	6.65	-
4. Expenses Recognised in Profit and Loss Account		
- Current Service Cost	88.99	115.47
- Interest Cost	17.31	25.73
5. Recognised in Other Comprehensive Income		
Remeasurement gains / (losses)		
- Actuarial Gain (Loss) arising from:		
i. Demographic Assumptions	9.99	(29.76)
ii. Financial Assumptions	56.10	(80.94)
iii. Experience Adjustments	<u>(43.69)</u>	<u>(3.32)</u>
6. Benefit payments	<u>(59.92)</u>	<u>(69.31)</u>
7. Present value of defined benefit obligation at the end of the year	<u>407.40</u>	<u>331.97</u>

Particulars	Funded Plan Gratuity	
	For the year ended 31 st March, 2021	For the year ended 31 st March, 2020
III. Movements in the fair value of plan assets are as follows.		
1. Fair value of plan assets at the beginning of the year	264.69	246.45
2. Actual Return on Plan Assets	2.31	0.29
3. Interest Income	15.83	17.95
4. Fair value of plan assets at the end of the year	<u>282.83</u>	<u>264.69</u>
IV. The fair value of the plan assets at the end of the reporting period for each category, are as follows:		
- Issuer Managed funds (Non quoted value)	<u>282.83</u>	<u>264.69</u>

In respect of the plan, the most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out as at March 31, 2021 by G. N. Agarwal, Fellow of the Institute of Actuaries of India. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

(₹ in lakh)

Principal assumption		Changes in assumption (%)	Impact on defined benefit obligation	
			Increase in assumption	Decrease in assumption
Discount rate	2021	1.00%	382.81	434.98
	2020	1.00%	316.56	348.94
Salary growth rate	2021	1.00%	428.76	387.16
	2020	1.00%	345.77	318.86

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the Balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to previous year.

The Company expects to contribute ₹ 39.79 lakhs (31st March, 2020 ₹ 61.01 Lakhs) to the gratuity trusts during the next financial year.

Maturity profile of defined benefit obligation:

	31 st March, 2021	31 st March, 2020
Within 1 year.....	39.79	61.01
1 - 2 year	40.12	40.99
2 - 3 year	47.63	38.46
3 - 4 year	45.02	41.91
4 - 5 year	43.06	36.00
5 - 10 years.....	184.65	137.64

Major Category of plan assets for Gratuity Fund is as follows:

Asset category:	31 st March, 2021	31 st March, 2020
Deposits with Insurance companies.....	100%	100%
	<u>100%</u>	<u>100%</u>

The weighted average age considered for defined benefit obligation as at 31st March 2021 is 36.79 years (31st March, 2020: 36.24 years)

36 - Related Party Disclosures

(a) Related Parties where control exists

(i) Holding Company

Mahindra & Mahindra Limited

(ii) Subsidiaries

Mahindra Infrastructure Developers Limited

Industrial Township (Maharashtra) Limited

Mahindra Residential Developers Limited

Anthurium Developers Limited

Mahindra World City (Maharashtra) Limited

Deepmangal Developers Private Limited

Mahindra Integrated Township Limited

Moonshine Construction Private Limited

Knowledge Township Limited

Mahindra Bloomdale Developers Limited

Rathna Bhoomi Enterprises Private Limited

Mahindra Water Utilities Limited

(Subsidiary of Mahindra Infrastructure Developers Limited)

(b) Other Parties with whom Transactions have taken place during the year

(i) Joint Ventures

Mahindra World City Developers Limited

Mahindra Industrial Park Chennai Limited

Mahindra Homes Private Limited

Mahindra World City (Jaipur) Limited

Mahindra Happinest Developers Limited

Mahindra Industrial Park Private Limited

(ii) Fellow Subsidiaries

Mahindra EPC Irrigation Ltd

Mahindra Retail Limited

Mahindra Integrated Business Solutions Private Limited

Mahindra Defence Systems Limited

Mahindra & Mahindra Contech Limited

Mahindra MSTC Recycling Private Limited

Mahindra Holidays & Resorts India Limited

Mahindra First Choice Wheels Limited

NBS International Limited

Mahindra Intertrade Limited

Mahindra Logistics Ltd

(iii) Key Management Personnel

Mrs Sangeeta Prasad - Managing Director & CEO
(upto 30th June, 2020)

Mr. Arun Kumar Nanda - Non Executive Chairman

Mr. Arvind Subramanian - Managing Director & CEO
(from 01st July, 2020)

Dr. Anish Shah - Non Executive Non Independent Director

Mr. S. Durgashankar - Non Executive Non Independent Director
(Appointed on 23rd March, 2021)

Mr. Bharat Shah - Independent Director

Ms. Amrita Chowdhury - Independent Director

Mr. Ameet Hariani - Independent Director

Related party transactions

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

Particulars	₹ in lakh)												
	Holding Company		Subsidiary Companies		Joint Ventures		Key Management Personnel		Other Related Parties				
	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31, 2021	Year ended March 31, 2020	
Rendering of services													
Mahindra & Mahindra Limited	633.09	1,144.53	-	-	-	-	-	-	-	-	-	-	-
Mahindra Infrastructure Developers Limited	-	-	0.97	0.97	-	-	-	-	-	-	-	-	-
Mahindra Residential Developers Limited	-	-	3.89	20.05	-	-	-	-	-	-	-	-	-
Knowledge Township Limited	-	-	0.90	0.90	-	-	-	-	-	-	-	-	-
Mahindra Integrated Township Limited	-	-	15.87	103.42	-	-	-	-	-	-	-	-	-
Industrial Township (Maharashtra) Limited	-	-	-	0.28	-	-	-	-	-	-	-	-	-
Mahindra Homes Private Limited	-	-	-	-	-	-	139.75	-	-	-	-	-	-
Mahindra Happinest Developers Limited	-	-	-	-	3.51	334.54	-	-	-	-	-	-	-
Mahindra Industrial Park Private Limited	-	-	-	-	-	68.00	-	-	-	-	-	-	-
Mahindra World City (Jaipur) Limited	-	-	-	-	88.00	126.72	-	-	-	-	-	-	-
Receiving of Services													
Mahindra & Mahindra Limited	371.80	410.09	-	-	-	-	-	-	-	-	-	-	-
Mahindra Retail Limited	-	-	-	-	-	-	-	-	-	-	-	-	1.29
Mahindra Defence Systems Limited	-	-	-	-	-	-	-	-	-	-	-	-	2.25
Mahindra Integrated Business Solutions Private Limited	-	-	-	-	-	-	-	-	-	-	120.87	156.24	-
Mahindra Holidays & Resorts India Limited	-	-	-	-	-	-	-	-	-	-	10.74	14.33	-
NBS International Ltd	-	-	-	-	-	-	-	-	-	-	3.40	1.27	-
Mahindra Engineering & Chemical Products Ltd	-	-	-	-	-	-	-	-	-	-	6.37	-	-
Reimbursement made to parties													
Mahindra & Mahindra Limited	257.28	449.35	-	-	-	-	-	-	-	-	-	-	-
Mahindra Integrated Township Limited	-	-	-	134.79	-	-	-	-	-	-	-	-	-
Mahindra World City Developers Limited	-	-	-	-	0.08	0.49	-	-	-	-	-	-	-
Mahindra Happinest Developers Limited	-	-	-	-	36.54	82.13	-	-	-	-	-	-	-
Mahindra World City (Jaipur) Limited	-	-	-	-	-	0.65	-	-	-	-	-	-	-
Mahindra Defence Systems Limited	-	-	-	-	-	-	-	-	-	-	-	-	0.05
Mahindra & Mahindra Contech Limited	-	-	-	-	-	-	-	-	5.14	-	-	-	7.52

(₹ in lakh)

Particulars	Holding Company		Subsidiary Companies		Joint Ventures		Key Management Personnel		Other Related Parties	
	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31, 2021	Year ended March 31, 2020
Reimbursement received from parties										
Mahindra & Mahindra Limited	-	3.08	-	-	-	-	-	-	-	-
Mahindra MSTC Recycling Private Limited	-	-	-	-	-	-	-	-	-	1.47
Mahindra Industrial Park Private Limited	-	-	-	-	0.50	1.58	-	-	-	-
Mahindra World City Developers Limited	-	-	-	-	2.54	26.79	-	-	-	-
Mahindra World City (Jaipur) Limited	-	-	-	-	3.52	50.21	-	-	-	-
Mahindra Homes Private Limited	-	-	-	-	32.46	37.22	-	-	-	-
Mahindra Happiest Developers Limited	-	-	-	-	52.52	115.51	-	-	-	-
Mahindra Bloomdale Developers Limited	-	-	3.44	18.00	-	-	-	-	-	-
Mahindra Integrated Township Limited	-	-	27.20	53.27	-	-	-	-	-	-
Mahindra Residential Developers Limited	-	-	21.65	36.48	-	-	-	-	-	-
Inter-corporate Deposit Given										
Mahindra Bloomdale Developers Limited	-	-	2,675.00	4,304.96	-	-	-	-	-	-
Mahindra World City (Maharashtra) Limited	-	-	7.00	96.56	-	-	-	-	-	-
Rathna Bhoomi Enterprises Private Limited	-	-	2.50	-	-	-	-	-	-	-
Knowledge Township Limited	-	-	100.00	72.00	-	-	-	-	-	-
Deepmangal Developers Private Limited	-	-	48.50	63.33	-	-	-	-	-	-
Mahindra Industrial Park Private Limited	-	-	-	-	-	1,755.00	-	-	-	-
Mahindra World City (Jaipur) Limited	-	-	-	-	2,000.00	-	-	-	-	-
Mahindra Integrated Township Limited	-	-	2,500.00	-	-	-	-	-	-	-
Inter-corporate Deposit Realised										
Mahindra Bloomdale Developers Limited	-	-	3,060.00	2,850.00	-	-	-	-	-	-
Mahindra World City (Jaipur) Limited	-	-	-	-	2,000.00	-	-	-	-	-
Mahindra Integrated Township Limited	-	-	2,500.00	-	-	-	-	-	-	-
Investment Made/Conversion										
Mahindra Happiest Developers Limited	-	-	-	-	-	1,563.37	-	-	-	-
Knowledge Township Limited (refer note 8a)	-	-	2,637.00	-	-	-	-	-	-	-
Mahindra Industrial Park Private Limited	-	-	-	-	-	1,075.00	-	-	-	-
Mahindra Homes Private Limited (refer note 8c)	-	-	-	-	-	32,054.00	-	-	-	-
Investment redeemed										
Mahindra Happiest Developers Limited	-	-	-	-	250.00	-	-	-	-	-

(₹ in lakh)

Particulars	Holding Company		Subsidiary Companies		Joint Ventures		Key Management Personnel		Other Related Parties	
	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31, 2021	Year ended March 31, 2020
Interest Income on Optionally Convertible Redeemable Debentures										
Mahindra Happinest Developers Limited	-	-	-	-	516.37	-	-	-	-	-
Conversion of ICD Interest receivable to Equity										
Knowledge Township Limited (refer note 8a)	-	-	518.21	-	-	-	-	-	-	-
Interest Income										
Mahindra World City (Maharashtra) Limited	-	-	61.53	67.92	-	-	-	-	-	-
Deepmangal Developers Private Limited	-	-	10.12	6.70	-	-	-	-	-	-
Rathna Bhoomi Enterprises Private Limited	-	-	0.13	0.14	-	-	-	-	-	-
Mahindra Homes Private Limited	-	-	-	-	211.44	-	-	-	-	-
Moonshine Construction Private Limited	-	-	0.13	0.14	-	-	-	-	-	-
Mahindra Bloomdale Developers Limited	-	-	293.98	459.73	-	-	-	-	-	-
Mahindra Industrial Park Private Limited	-	-	-	-	147.01	144.83	-	-	-	-
Mahindra Integrated Township Limited	-	-	10.29	-	-	-	-	-	-	-
Knowledge Township Limited	-	-	12.00	2.14	-	-	-	-	-	-
Mahindra World City (Jaipur) Limited	-	-	-	-	38.80	-	-	-	-	-
Dividend Paid										
Mahindra & Mahindra Limited	-	1,586.39	-	-	-	-	-	-	-	-
Dividend Received										
Mahindra World City (Jaipur) Limited	-	-	-	1,665.00	-	-	-	-	-	-
Mahindra Infrastructure Developers Limited	-	-	2,761.20	1,242.00	-	-	-	-	-	-
Mahindra World City Developers Limited	-	-	-	-	-	178.00	-	-	-	-
Managerial Remuneration										
Mrs Sangeeta Prasad	-	-	-	-	-	-	308.72	304.31	-	-
Mr Arvind Subramanian	-	-	-	-	-	-	220.94	-	-	-
Shares allotted under ESOP										
Mr Arvind Subramanian	-	-	-	-	-	-	0.12	-	-	-
Commission and other benefits to Non Executive/ Independent Directors										
	-	-	-	-	-	-	34.10	78.20	-	-

Outstanding Balances as at year end date

The following table provides the outstanding balances with related parties as on the relevant date

(₹ in lakh)

Particulars	Balance as at	Holding Company	Subsidiaries	Joint ventures	Key Management Personnel	Other related parties
Inter-corporate Deposit Given*	31-Mar-21	-	4,614.91	1,755.00	-	-
	31-Mar-20	-	4,841.91	1,755.00	-	-
Security Deposit Received	31-Mar-21	540.08	-	-	-	-
	31-Mar-20	540.08	-	-	-	-
Interest Income Receivable	31-Mar-21	-	779.00	6,367.83	-	-
	31-Mar-20	-	1,240.38	14,297.80	-	-
Receivables	31-Mar-21	2,061.90	301.66	279.24	-	-
	31-Mar-20	3,159.06	779.93	462.07	-	-
Payables	31-Mar-21	98.40	-	1.19	-	27.44
	31-Mar-20	949.84	-	-	-	24.53

* The above inter corporate deposit have been given for general business purposes.

As the liability for gratuity and leave encashment is provided on an actuarial basis for the Company as a whole, the amount pertaining to the Key Management Personnel is not ascertained separately, and therefore, not included above.

Terms and conditions of transactions with related parties

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables.

Compensation of key management personnel

The current year remuneration of key management personnel includes remuneration paid to Ms. Sangeeta Prasad upto 30th June 2020 and to Mr. Arvind Subramanian from 01st July 2020 as below:

Particulars	For the year ended 31 st March, 2021	For the year ended 31 st March, 2020
Salary including perquisites	496.82	290.45
Other contribution to funds	32.84	13.86
Total	529.66	304.31

37 - Contingent liabilities

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
(a) Claims against the Company not acknowledged as debt*		
(i) Demand from a local authority for energy dues disputed by the Company.	2,164.04	2,164.04
(ii) Claim from welfare association in connection with project work, disputed by the Company	4,500.00	4,500.00
(b) Income Tax Matter under appeal		
In respect of certain business incomes re-classified by the Income tax Department as income from house property and other disallowances, the Company has partially succeeded in appeal and is pursuing the matter further with the appropriate appellate authorities	301.92	512.11

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
(c) Indirect Tax Matters under appeal		
VAT, Service Tax and Entry Tax claims disputed by the Company relating to issues of applicability and interest on demand. The Company is pursuing the matter with the appropriate Appellate Authorities.	1,069.41	791.42

*In the opinion of the management the above claims are not sustainable and the Company does not expect any outflow of economic resources in respect of above claims and therefore no provision is made in respect thereof.

38 - Capital Commitments

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Capital Commitment : Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	43.32	51.94

39 - Impact of COVID-19 (Global Pandemic)

The Company is actively monitoring the impact of the global health pandemic on its financial condition, liquidity, operations, suppliers, industry, and workforce. The operations of the Company were impacted due to the stoppage of work at its project sites and corporate office following the nationwide lockdown by the Government of India on March 23, 2020. The various sites were impacted due to the lockdown for different periods of time, depending on their location and local regulations. The Company has resumed its operations in a phased manner as per the directives issued by the Government of India and local authorities.

However, since early March 2021, India has witnessed a second wave of COVID-19 with sudden rise in COVID-19 cases across the country. This has again led to imposing lockdown like restrictions across the country, which is likely to impact the economic activity of the country as a whole and the Company's operations in particular. The Company has used the principles of prudence in applying judgments, estimates and assumptions based on current assessments. In assessing the recoverability of assets such as inventories, financial assets and other assets, based on current indicators of future economic conditions, the Company expects to recover the carrying amounts of its assets. The extent to which COVID -19 impacts the operations will depend on future developments which remain uncertain.

40 - 'Disclosure as per Regulation 34(3) read with Para A of Schedule V of the SEBI (Listing Obligations and Disclosures Requirements) Regulation, 2015 and section 186(4) of Companies Act, 2013

Loans and advances in the nature of loans given to subsidiaries, joint ventures, firms / companies in which directors are interested:

(₹ in lakh)					
Name of the party	Relationship	Amount outstanding as at 31 st March, 2021	Maximum balance outstanding during the period	Amount outstanding as at 31 st March, 2020	Maximum balance outstanding during the previous year
Deepmangal Developers Private Limited	Subsidiary	158.14	158.14	109.64	109.64
Moonshine Construction Private Limited	Subsidiary	1.50	1.50	1.50	1.50
Rathna Bhoomi Enterprises Private Limited	Subsidiary	4.05	4.05	1.55	1.55
Mahindra World City (Maharashtra) Limited	Subsidiary	734.70	734.70	727.70	727.70
Mahindra Bloomdale Developers Limited	Subsidiary	3,544.53	3,929.53	3,929.53	6,729.53
Knowledge Township Limited	Subsidiary	172.00	172.00	72.00	72.00
Mahindra Industrial Park Private Limited	Joint Venture	1,755.00	1,755.00	1,755.00	2,830.00

The above inter corporate deposit have been given for general business including investment purposes

41 - Recent Indian Accounting Standards (Ind AS)

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2021

42 - Expenditure on Corporate Social Responsibility (CSR)

- a) Gross Amount required to be spent by the company for the year ended 31st March, 2021 (as certified by the Company) : ₹ 70.72 Lakhs (Previous Year ₹ 124.85 lakhs)
- b) Following are the details of amount spent during the year for CSR:

(₹ In lakhs)

Particulars	In cash	Yet to be paid in cash	Total
(i) Construction/acquisition of any asset	-	-	-
	(-)	(-)	(-)
(ii) On purchase other than (i) above	70.72	-	70.72
	(124.85)	(-)	(124.85)

Figure in bracket represents figures for previous year

43 - Input Tax Credit (ITC) benefits to the customers

Revenue from operations for the year ended 31st March, 2021 is net of ₹ 13.44 Lakhs (31st March, 2020. 699.25 lakhs) towards input tax credit benefits passed on to the customers as per the provisions of section 171 on Anti-Profiteering of CGST Act, 2017. The treatment is as per the prevailing Indian Accounting Standards.

44 - Events after the reporting period

No material events have occurred after the Balance Sheet date and upto the approval of the financial statements.

45 - Previous Year Figures

The figures for previous year have been regrouped wherever necessary to confirm to current year's grouping.

Ankit Shah
Assistant Company Secretary

Vimal Agarwal
Chief Financial Officer



For and on behalf of the Board of Directors of
Mahindra Lifespace Developers Limited

Arun Nanda	Chairman	- DIN:00010029
Arvind	Managing	
Subramanian	Director	- DIN:02551935

Mumbai : 12th May, 2021