urboonisation

Mahindra
LIFESPACES

Message from the Chairman

Cities around the world are playing an ever-increasing role in creating wealth, enhancing social development, attracting investment and harnessing resources for achieving unprecedented gains in productivity and competitiveness. Cities are known to generate a disproportionate amount of revenue for governments and concentration of economic activity in cities makes them prime generators of non-agricultural employment in both the formal and informal sectors.

In India, urban areas already contribute more than 60 per cent of GDP. Rapid urbanisation is projected to add 300 million new urban residents by 2050. While urbanisation is necessary to cater to the rising aspirations of the nation, urbanisation in India is complex and diverse. Existing cities are overburdened and suffer from chronic infrastructure deficits. While aspirations converge, the chasm between the haves and the have-nots is widening and it compounds social and cultural challenges.

Policymakers are aware of this pressing need and have put in place plans and policies for developing 100 smart cities, housing for all and massive industrial-urban corridors. This provides the Indian real estate sector with a huge opportunity to establish new benchmarks.

With a mission to "transform urban landscapes by creating sustainable communities," MLDL has focused on inclusiveness, the art of living and responsible citizenship.

> MLDL has been a pioneer of sustainable urbanisation and over the years has undertaken several initiatives to not only create value for all its stakeholders but also to influence the larger ecosystem.

We are pro-actively contributing towards the cause of sustainable urbanisation through a two-pronged approach - by demonstrating at our sites, how systemic sustainability is not only good environmentally and socially but also economically, and by advocacy and thought leadership whereby we further sustainability within the industry and amidst stakeholders.

> Our residential portfolio has total green footprint of 8 million sq. ft. in the pre-certification stage (ongoing projects) and 7 million sq. ft. in the certified stage (completed stage).

This year we formed the Mahindra-TERI Centre of Excellence to mainstream sustainable housing, reduce the energy footprint of the real estate industry and to influence the building materials industry to develop innovative and sustainable solutions. The output of the CoE's research will be "open-source" to enable wider adoption of the new standards, technologies and products. We are also the founding members of the Sustainable Housing Leadership Consortium (SHLC), a first-of-its-kind, voluntary, private sector-led consortium formed with a goal to ensure that at least 20% of India's new housing developments are green by 2022.

As we gear up to launch new projects in 2018-19, we intend to continue our focus on making the customer the centre of our sustainability journey. This includes clearly establishing the benefits of our sustainability initiatives to the customers and communicating them, integrating sustainability across functions and taking evermore challenging targets. All of this should strengthen our competitive edge as a sustainable developer and instil greater pride of ownership among our buyers.

> Along with quality residences and productive workspaces, we want our consumers to feel proud of bequeathing a greener and more equitable world to their future generations.

Regards,

Arun Nanda
Chairman

Message from the MD & CEO

Dear Stakeholder

The last few years have been momentous for the real estate industry. The introduction of RERA and GST among other regulations and policies have fundamentally altered the way business is conducted. With its focus on sustainable development and corporate governance, MLDL is well-placed to benefit from these changes impacting the sector.

Urboonisation, MLDL's approach to sustainability, rests on three pillars-

Responcity - urbanisation that is responsible and responsive to all three bottom-lines

Ecosystemic - a holistic approach to successfully manage the complex relationship between economic growth and ecology

Happitat - developing vibrant living spaces that enhance culture, commerce and connectivity

responcity

In a year when the real estate market was subdued, we clocked higher sales. We sold 1,357 residential units aggregating to 1.16 million sq. ft. of saleable area in FY 2017-18 compared to 863 units aggregating to 0.91 million sq. ft. in the previous year.

Staying true to our promise of delivering on time, we handed over 2,254 residential units to customers, almost three times the 823 units handed over in the previous year.

Our two World Cities have been demonstrating our vision of urban centres that balance between Livelihood, Living and Life. **They have provided direct employment to around 50,000 individuals and generated combined exports of INR 12,739 crore in FY 2017-18.** Buoyed by the success of the World Cities, 'ORIGINS by Mahindra World City' has been launched as a brand of industrial clusters located across India, envisioning accelerated economic growth via world-class industrial ecosystems that will attract investment in manufacturing and promote 'Make in India'. These developments will address the growing need for sustainable industrial infrastructure to provide impetus to India's rising prowess as a global manufacturing and investment destination.

It is with pride that I share that Happinest - Palghar, the third affordable housing project was launched during the reporting year. **This project received an extremely encouraging response and sold over 400 units within 45 days of launch.**

'Confluence' is the thought leadership platform curated by Mahindra World City, with McKinsey India as Knowledge Partners. MLDL hosted its 4th edition of confluence in February 2018. This year's theme was Youth and Innovation and sought to explore Cities on the Horizon. It brought together a never-before collective of fresh perspectives and global urban innovation. The event witnessed participation by students, startups and experts from urban development, government, citizen forums, academicians, and business leaders.

ecosystemic

India is presently one of the fastest growing economies in the World. Urban India will need approximately another 2.4 million homes to be built by 2020 and 2/3rd of India's built infrastructure lies in the future. Therein lies the opportunity of creating our built infrastructure in a manner such that we mitigate the impacts and transform the places where we live, work and play. We believe in "building responsibly" and choosing the right construction technologies which help us create sustainable infrastructure.

'Mahindra TERI Centre of Excellence (COE) for Sustainable Habitats' is a classic example to talk about how technology plays an important role in building sustainable urbanisation. The Centre has been established at TERI's Gwal Pahari campus in Gurugram with the objective to provide open source databases for market-ready, scalable, viable materials and technologies.

> In 2018 we became the first and only real estate company in India to commit to Science-Based Targets (SBTs).

SBTs is a joint initiative by CDP, the UN Global Compact (UNGC), the World Resources Institute (WRI) and WWF that raises the ambition of corporate mitigation efforts to ensure that GHG reduction targets are set at a rate consistent with the pace recommended by climate scientists to limit global warming to less than 2°C.

> It is with pride that I share that Mahindra Lifespaces has been ranked 4th in Asia in its category, in the '2017 GRESB Real Estate ESG (Environmental, Social and Governance) Assessment'.

Our institutionalised systemic approach yielded in green certifications during the year. Iris Court-Chennai, Nova-Chennai, Lakewoods (P17)-

Chennai and Roots-Mumbai received IGBC certifications/pre-certifications. Extending our efforts towards environmentally-friendly and healthy living Mahindra World City Chennai introduced a cycle sharing service for residents and visitors within and around the integrated city, (hosting around 40,000 employees) in association with Zoomcar. Implementation of our initiatives undertaken as part of MWC Jaipur city's C40 Stage 2 certification, showed satisfactory progress towards stage 3.

happitat

Our developments are aligned with the Mahindra RISE ideology which encourages driving positive change in the lives of stakeholders & local communities. We at MLDL undertake targeted initiatives that address pressing needs of the local community. Education and environment we believe, are the key aspects of holistic development and thus they continue to get significant share of our CSR investments. Our Green Army programme of creating catalysts through one million caring citizens continued in the reporting period and sensitised school children about the environment, and how they can lead a more sustainable lifestyle. Phase 4 Green Army was launched during the year covering schools in Mumbai Metropolitan Region & Palghar district reaching over 12,000 students and 45,000 citizens. Since its inception, the programme has reached over 32,000 students and 1,28,000 citizens. We are working towards increasing the outreach activities of this programme.

Similarly, MWCJ in association with Technology Business Incubator has been providing various skill training courses to enhance the standard of living of the community nearby. Courses include automobile repairing, basic computer skills, spoken English and hardware repairing. Till date MWC Jaipur has equipped 1,468 students with vocational training.

In 2014, MLDL undertook materiality assessment to determine focus areas for sustainability. This served as the input for the Sustainability Roadmap 2020. Between 2014 to 2018, there have been several major changes in the sustainability context; the Sustainable Development Goals (SDG), the Paris Climate Agreement CoP 21 in 2015 and the commitments on science-based targets. Considering these changes and growing impact of changing ESG issues on business, we are reviewing our material issues. We have embarked on the exercise in mid-2018 to redefine roadmap beyond 2020 and setting our short, medium- and long-term goals. This work will be the basis for rolling out the second wave of sustainability action within the organisation and across the value chain.

We have been a pioneer in green development. Over time, we have endeavored to expand our scope of work from our own organisation to the larger development eco-system through thought-leadership and research initiatives. There have been hits and misses along this path.

> However, we remain committed to "Build Responsibly, Sell Genuinely and Deliver on Time" and the goal is to align with the impending shifts in the sector and deliver superior customer and investor satisfaction.

This is the 7th edition of the sustainability report in line with GRI standard guidelines. So, do go through the report and share your valued views.

Regards,

Sangeeta Prasad
MD & CEO

Our Reporting Approach

> Since inception in 1994, Mahindra Lifespace Developers Ltd. (hereinafter referred to as Mahindra Lifespaces or MLDL) has been providing environmentally sustainable real estate solutions to corporate occupants and aspiring home owners.

Our structured sustainability reporting journey started in FY 2007-08 as part of Mahindra Group Sustainability Report. In FY 2011-12, we graduated to the next level of sustainability performance by bringing out our standalone report. This also made us the first Indian real estate company to achieve this feat.

FY 2011-12

FY 2012-13

FY 2013-14

FY 2014-15

FY 2015-16

FY 2016-17

This is the seventh edition of our annual sustainability report covering our performance during the reporting period of FY 2017-18. This year, we are reporting as per GRI Standards, the most recent of GRI's reporting frameworks launched in October 2016.

This report presents how we are exploring, executing and enhancing sustainable urbanisation through Residential Developments, Integrated Cities and Industrial Clusters. We have delineated our principles of corporate governance plus our approaches towards various stakeholders and how we engage with them, and get mutually enriched in the process.

Report Boundary

The reporting period for this sustainability report is 1st April 2017 to 31st March 2018. Most of our operations are covered under the reporting scope. This includes:

Mahindra Lifespace Developers Limited
Antheia (Pune),
Vivante (Mumbai)

Mahindra Homes Private Limited
Luminare (Gurugram),
Windchimes (Bengaluru)

Mahindra Bebanco Developers Limited
Bloomdale, Nagpur

Mahindra Residential Developers Limited
Aqualily 2E, Chennai

Mahindra World City Developers Limited
Chennai

Mahindra World City Jaipur Limited
Jaipur

Mahindra Integrated Township Limited

Mahindra Industrial Park Chennai Limited*

Mahindra Industrial Park Private Limited*
(Formerly known as Industrial Clusters Pvt. Ltd.)

Mahindra Happinest Developers Limited,
Boisar (Mumbai)

Note: For these companies, only human capital data is in the scope of this report.

Scope Limitations

This report is India-centric and excludes all international operations, joint ventures and the following subsidiaries:

Mahindra World City (Maharashtra) Ltd.

Industrial Township (Maharashtra) Ltd.

Anthurium Developers Ltd.

Knowledge Township Ltd.

Mahindra Infrastructure Developers Ltd.

Mahindra Water Utilities Ltd.

Moonshine Construction Pvt. Ltd.

Deep Mangal Developers Pvt. Ltd.

Mahindra Construction Company Ltd.

Mahindra Knowledge Park (Mohali) Ltd.

We are always eager to receive your feedback.

Please post your views/suggestions/opinions to

Email
MLDLSUSTAINABILITY@MAHINDRA.COM

Registered Office
MAHINDRA TOWERS, 5TH FLOOR, WORLI, MUMBAI

Web
WWW.MAHINDRALIFESPACES.COM
WWW.MAHINDRAWORLDCITY.COM

Mahindra Group

Started in 1945 as a steel trading company, we have come a long distance. Present in 11 business sectors and 20 key industries, we are a US $19 billion global federation of companies that operate with an optimum balance of entrepreneurial independence and synergy.

The Group has a leadership position in utility vehicles, information technology, financial services and vacation ownership in India, and is the world's largest tractor company, by volume. It also enjoys a strong presence in agribusiness, components, commercial vehicles, consulting services, energy, industrial equipment, logistics, real estate, steel, aerospace, defence and two-wheelers.

Headquartered in India, Mahindra employs over 200,000 people across 100 countries

CORE PURPOSE

BRAND PILLARS

ACCEPTING NO LIMITS

ALTERNATIVE THINKING

DRIVING POSITIVE CHANGE

CORE VALUES

Professionalism | Good Corporate Citizenship
Customer First | Quality Focus | Dignity of the Individual

Guided by the three pillars - Accepting No Limits, Alternative Thinking and Driving Positive Change - **the Mahindra Group strives to build not just products and services, but new possibilities for a truly sustainable future.**

The Group aims to be one of the 50 most admired global brands by 2021. A brand that is innovative, a brand that is global and a brand that cares.

Mahindra Lifespace Developers Limited

Mahindra Lifespace Developers Ltd. is one of the leading real estate development companies in India. Part of the Mahindra Group, our projects uphold sustainable living and espouse green design, with projects across multiple city-clusters in India. We work with a high degree of transparency and disclosure, as business responsibility and sustainability are part of our DNA.

With a mission of 'Transforming urban landscapes by creating sustainable communities', we uphold the philosophy of Urboonisation and build, promote and maintain dynamic, inclusive and environment-friendly ecosystems. Concurrently, we also seek to achieve the highest possible returns, to strengthen the faith reposed by our shareholders.

We are creating sustainable infrastructure with presence in focussed but diverse geographies within each business.

RESIDENTIAL BUSINESS

Completed Development	**14·55** million sq. ft.	Ongoing Development	**3·97** million sq. ft.	Forthcoming Development	**4·44** million sq. ft.

(does not include select projects that were completed by GESCO)

Bloomdale won the 'Best Residential Project under Affordable Segment' at the CNBC Awaaz Real Estate Awards

LIFESPACES

Residential projects that optimise natural resource consumption across their life cycles.

▼

3.97 million sq. ft. of residential real estate under execution across 6 focus cities based on market size and profitability.
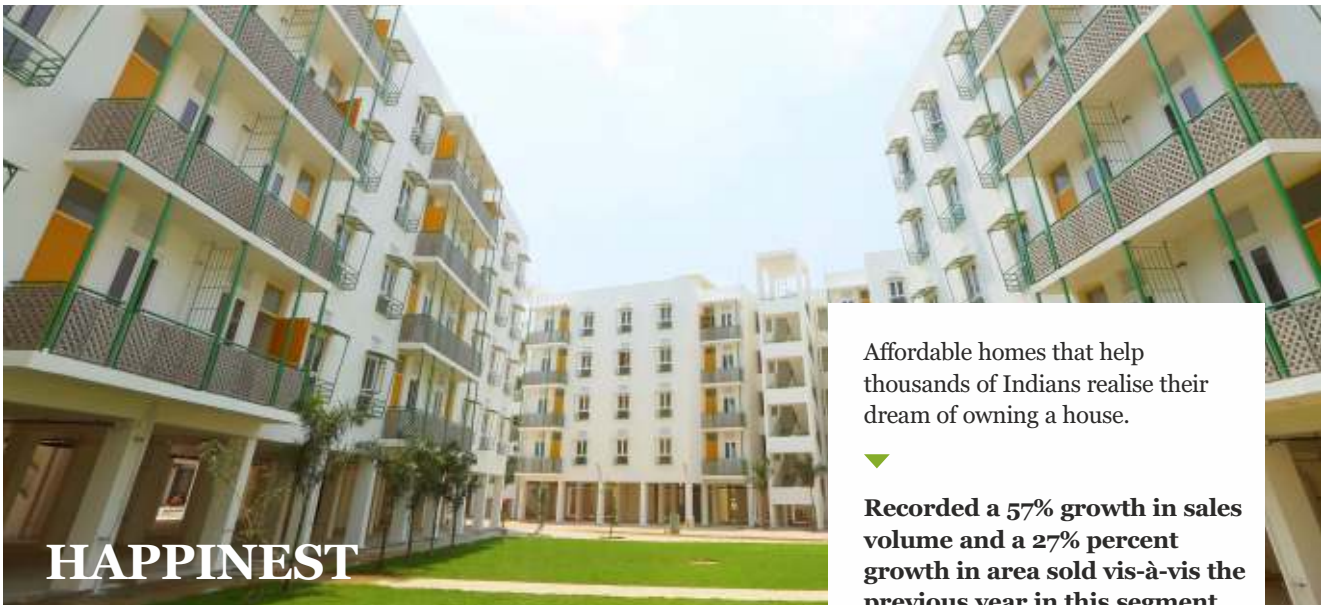
HAPPINEST

Affordable homes that help thousands of Indians realise their dream of owning a house.

▼

Recorded a 57% growth in sales volume and a 27% percent growth in area sold vis-à-vis the previous year in this segment.

WORLD CITIES

Integrated cities that improve the quality of life, living and livelihood for their occupants, and provide a stable infrastructure for organisations to invest in.

▼

Launched 'ORIGINS by Mahindra World City' in Ahmedabad and Chennai to accelerate economic growth by creating world-class industrial ecosystems that attract investment in manufacturing and promote 'Make in India'.

2016 — Partnered with The Energy and Resource Institute (TERI) to set up Mahindra TERI Centre of Excellence for Sustainable Habitats.

JV with Sumitomo Corporation for establishing industrial park in North Chennai.

Launch of first international office in Dubai.

2015

2014 — Launch of new business vertical - Happinest focussed on low cost housing

JV with SCM Real Estate (Singapore) Pvt. Ltd. for residential project development.

2013

First real estate company in India to publish a standalone GRI report.

Expands customer base to 100+ clients at the World Cities.

2012

First developer in India to launch green homes.

2008

Company name changes to Mahindra Lifespace Developers Ltd.

Launches second World City at Jaipur.

2006-07

Launches its first large format integrated business city - Mahindra World City, Chennai.

2002

MRIDL and GESCO merge to form Mahindra Gesco Developers Ltd.

2001

Real Estate arm of GE Shipping demerges and lists as GESCO.

2000

Mahindra Group forays into the real estate business as Mahindra Realty & Infrastructure Developers Limited (MRIDL).

1994

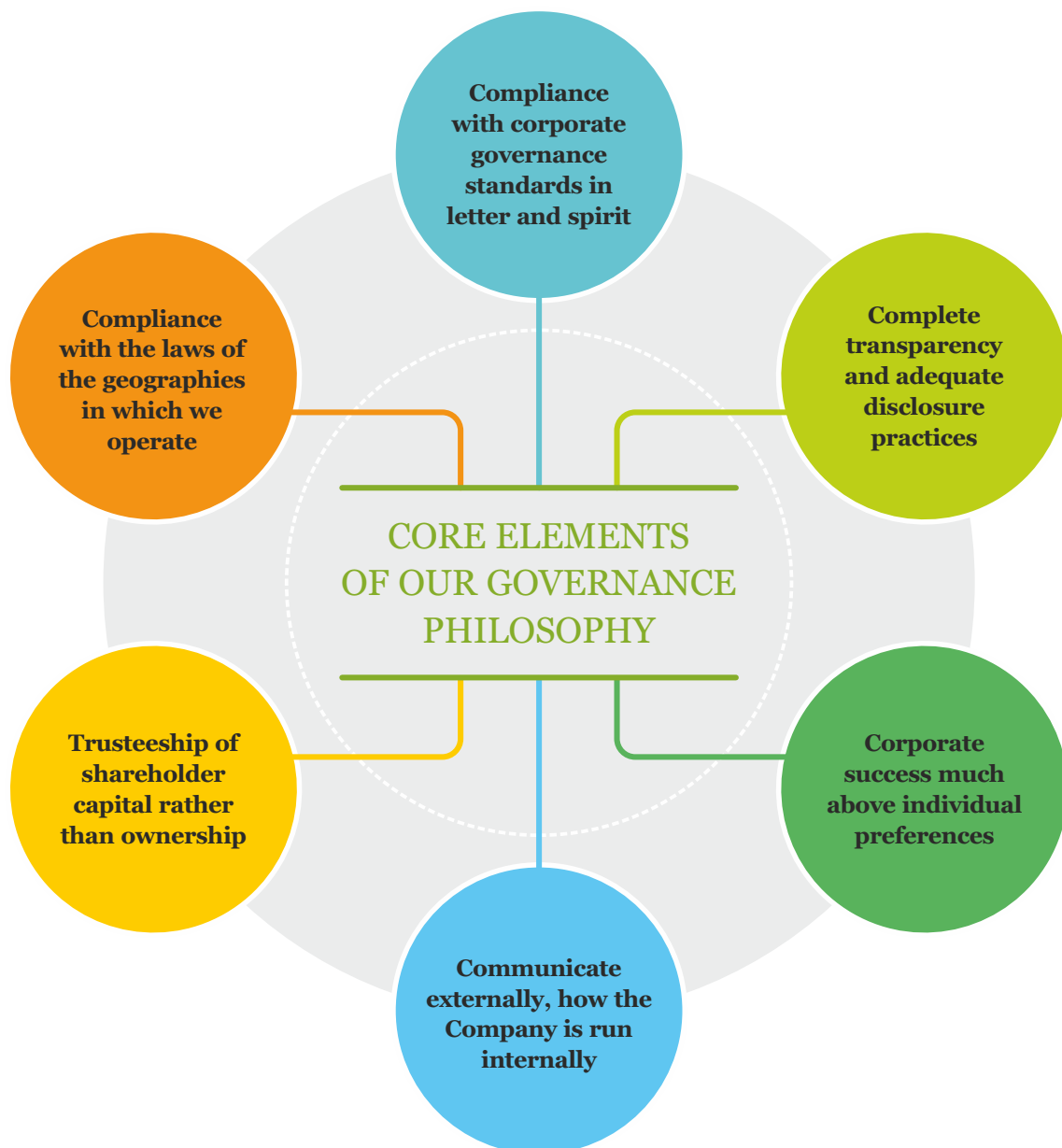# Evolution of business over the last two decades

Management Approach

If every brick is laid where it is supposed to be, the structure becomes what it was planned to be. But it all stems from the intention and skill with which the brick is laid. Good governance is a manifestation of this intent and ability. It helps us build the organisation, which consequently builds investor confidence, customer trust, employee satisfaction, social well-being and eventually, the nation.

TRANSPARENCY | TRUST | COMPLIANCE

are the three essentials that go into building the foundation of corporate governance at Mahindra Lifespaces. It not only guarantees that we respect the laws of the land, but also ensures robust corporate practices and responsible operational policies.

In the reporting year, we continued to intensify our operational risk management mechanism and focus on on-site vigil to assure an egalitarian operational governance. We believe that good governance brings about sustained corporate growth and long-term benefits for all its stakeholders.

Compliance with corporate governance standards in letter and spirit

Complete transparency and adequate disclosure practices

Compliance with the laws of the geographies in which we operate

Corporate success much above individual preferences

CORE ELEMENTS OF OUR GOVERNANCE PHILOSOPHY

Trusteeship of shareholder capital rather than ownership

Communicate externally, how the Company is run internally

Governance Framework

We have a well-articulated policy framework encompassing our values, which helps in implementing the corporate governance practices. All our strategic decisions stem from these policies, leading to effective actions in the best interest of all stakeholders.

Governance Structure

The Board of Directors, comprising both executive as well as non-executive directors, is the highest governing body of Mahindra Lifespaces.

This Board drives the sustainable organisational growth by adopting

TRANSPARENT PROCESSES | PRINCIPLED PROCEDURES | TIMELY DISCLOSURES | ADHERENCE TO APPLICABLE RULES

Board of Directors

The composition of the Board is in conformity with Reg. 17(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [erstwhile, Clause 49 of the Listing Agreement of SEBI]. As on 31st March 2018, the Company's Board comprised six members. The Chairman of the Board is a Non-Executive, Non-Independent Director. The Managing Director is an Executive Director of the Company. One member of the Board is a Non-Executive, Non-Independent Director and remaining three members are Non-Executive Independent Directors.

Overall management of Mahindra Lifespaces is led from the front by the Managing Director and Chief Executive Officer, an Executive of the Company, who operates with a team of management personnel under the supervision of the Board. The Board approves and periodically reviews all actions and outcomes of the management to ensure alignment with long-term objective of enhancing stakeholder value.

The Board is given quarterly updates on the performance of sustainability initiatives throughout the year.

Board Committees

The Board has identified certain core areas to focus on and has instituted committees to manage those areas. These committees objectively form and oversee the execution of policies in line with industry best practices.

Board committees at Mahindra Lifespaces

- Audit Committee
- Stakeholders Relationship Committee
- Nomination and Remuneration Committee
- Loans and Investment Committee
- Share Transfer and Allotment Committee
- Committee for Investment in Residential Joint Venture / Large Format Development
- Risk Management Committee

Sustainability Structure

Mahindra Group is a federation of companies. The decentralised approach of management provides autonomy to each business leader to operate the company as per their vision under the supervision of their statutory boards. At Mahindra Lifespaces, we have adopted a similar top-down sustainability approach, wherein a four-tier structure ingrains sustainability into the core of organisational as well as individual growth parameters.

FUNCTION

THE TOP TIER

Led by the MD & CEO

Formulates the Company's sustainability strategy, reviews the key initiatives under it and is also responsible for the final outcomes. All of the Company's disclosures are formally approved by the Top Tier.

THE MIDDLE TIER

Sustainability Head

Responsible for strategy deployment through a sustainability roadmap. Responsibilities also include identifying risks & opportunities and areas for improvement, reviewing the performance & effectiveness of these initiatives and checking the authentication & accuracy of the data reported.

THE THIRD TIER

Sustainability Team at Corporate Office works with the Sustainability Head and facilitates the fourth tier

Brainstorming and strategising on identifying and executing the projects in line with sustainability roadmap, liaising with M&M Sustainability Cell, compiling sector and project related data, and overseeing the validation of sustainability data for the entire sector (MLIFE+MWC).

THE FOURTH TIER

The last link of our sustainability chain, it consists of Project/Location-wise Sustainability Champions

who take care of initiatives at the site level. Along with reviewing progress, they are also responsible for data collection and reporting.

ACCOUNTABILITY MECHANISM

Quarterly sustainability snapshot gets presented to the Board. It is also presented at the Executive Council Meeting. Both are separate reviews.

There are Monthly Operations Reviews (MoRs) conducted with the MD & CEO where the performance is presented and discussed.

Every month, the Top Tier and Sustainability Heads of MLDL and MWC review the roadmap status update. The roadmap sets the agenda of improving the Company's sustainability performance in medium- and long-term.

The project managers at individual projects maintain scorecards that include sustainability parameters. Individual project level progress and reviews are conducted at regular interval by the managers and shared with the business head.

Core Values

We believe in the same core values as the Mahindra Group.

We challenge conventional thinking and innovatively use all our resources to drive positive change in the lives of our stakeholders and communities across the world, to enable them to Rise. Our core values are influenced by our past, tempered by our present and are designed to shape our future. They are:

PROFESSIONALISM

We have always sought the best people for the job and given them the freedom and the opportunity to grow, and we continue to do so. We support innovation and well-reasoned risk taking, and demand performance.

GOOD CORPORATE CITIZENSHIP

As in the past, we continue to seek long term success that is in alignment with our country's need. We continue to do this without compromising on ethical business standards.

CUSTOMER FIRST

We exist and prosper only because of the customer. We respond to the changing needs and expectations of our customers speedily, courteously and effectively.

QUALITY FOCUS

Quality is the key to delivering value for money to our customers. We continue to make quality a driving value in our work, in our products and in our interactions with others. We will do it 'First Time Right'.
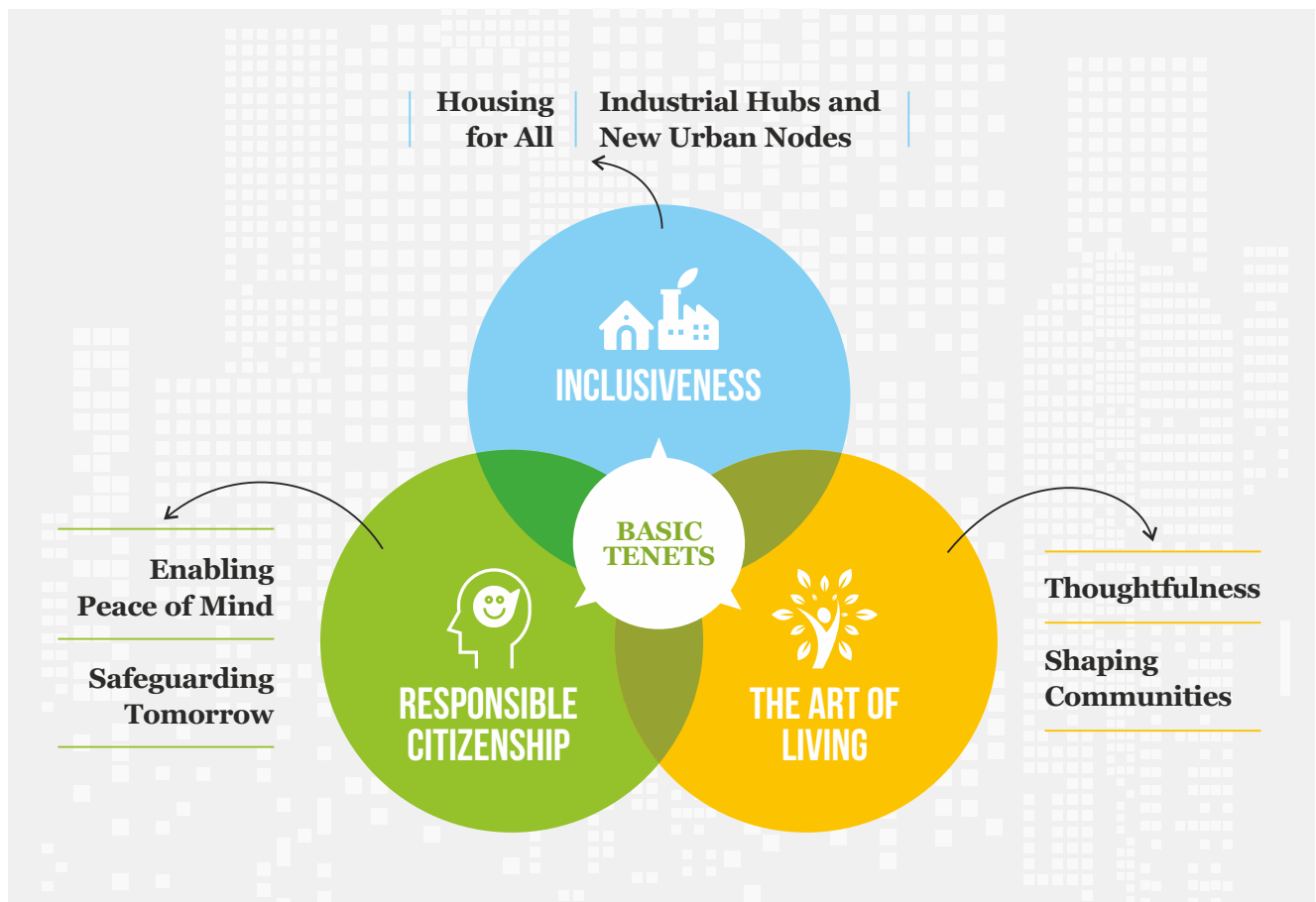
DIGNITY OF THE INDIVIDUAL

We value individual dignity, uphold the right to express disagreement, and respect the time and efforts of others. Through our actions, we nurture fairness, trust and transparency.

Company Philosophy

Mahindra Lifespaces has been at the forefront of the real estate industry in India to achieve the mission of

'Transforming urban landscapes by creating sustainable communities'.

Sustainability is thus a core agenda for the Company. This mission ensures that triple bottom line performance remains at the core of everything we do. The three bottom lines of People, Planet and Profit are carried forward through our basic tenets.

Housing for All | Industrial Hubs and New Urban Nodes

INCLUSIVENESS

BASIC TENETS

Enabling Peace of Mind

Safeguarding Tomorrow

RESPONSIBLE CITIZENSHIP

THE ART OF LIVING

Thoughtfulness

Shaping Communities

ETHIQUETTE
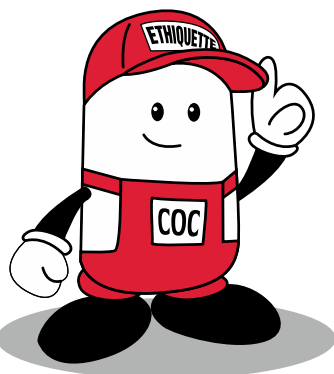
ethiquette
THE WAY WE RISE

BE A
MAHINDRIGHT
ALWAYS REPORT WHAT'S WRONG

COC

Code of Conduct

A new Code of Conduct for Mahindra Lifespaces, in line with the Mahindra Group's refreshed CoC, better aligned with current challenges, benchmarked with the best in the global industry practices and broad-based to cover additional set of scenarios, was approved and adopted in 2016.

The codes cover issues related to ethics, bribery, etc. and are made more user-friendly and easier to refer on an ongoing basis. The Code of Conduct for senior management and associates also covers all dealings with suppliers, customers and other business partners including joint ventures and other stakeholders.

Compliance becomes part of the culture when it is embedded from the beginning. All the new employees are introduced to the Code of Conduct as part of the induction process. It is also posted on our intranet for employees' reference anytime.

Governance Policies

The Code of Conduct is further strengthened by Company-specific policies, procedures and guidelines that govern us to move forward and succeed through an ethical path.

Corporate Communication Policy for transparent and timely information dissemination to stakeholders

Policy on Sexual Harassment for protection of women at the workplace

Whistle Blower Policy to reinforce robust implementation of the Company's code of conduct

Quality Policy for continuous improvement and sustainable development

Environment Policy to improve our environmental performance

Occupational Health and Safety Policy to prevent accidental injuries and occupational ill health

Green Supply Chain Management Policy to encourage contractors, suppliers and vendors to ensure total compliance for better health, safety and environment

Corporate Social Responsibility Policy for contributing to the social good

Risk Management

No business activity is immune to risk. That said, if risk is ascertained and addressed in time, it can accelerate growth as well. Our enterprise-wide risk management framework helps identify, classify, monitor and mitigate risks. We have constituted a Board-level Risk Management Committee consisting of a Non-Executive Independent Director, Managing Director & CEO, and the Chief Financial Officer, for monitoring and reviewing of the risk assessment, mitigation and risk management plan from time to time.

The Board reviews implementation and monitoring of the risk management plan for the Company including identification of risks, if any, which in the opinion of the Board may threaten the existence of the Company. We have adopted a multi-tiered structure to increase risk awareness and width of coverage across the organisation.

1 **Project-level risks are reviewed by regional managers on a monthly basis and presented to the top management during quarterly reviews.**

2 **Designated Risk Champions and Risk Controllers identify and monitor identified risks, flag the critical ones and deploy specific action plans.**

3 **Risk audits are conducted across locations and the operational scope of the Internal Audit Task Force has been enlarged to include risk management.**

Our approach to risk management is aligned to the COSO* Framework.

All projects are assessed by the process owners for risks related to safety, quality, technology, supply chain management, contractual compliances, contractor performance, cash management, financial reporting, and project planning & execution. Mitigation plans are finalised by the process owners and approved by the business head. Implementation status is reviewed every month by the business head.

*COSO-Committee of Sponsoring Organisations

Anti-Corruption Measures

Management Approach

Every building we construct bears our name, and reinforces trust to its occupants and owners. We take pride in upholding our emblem and everything that it stands for. Corruption is one of the tarnishes we are wary of and fight against at all cost. Compromising on integrity is non-negotiable at Mahindra Lifespaces. Multiple corporate policies and operational processes are in place to avoid the breach of conduct.

Three separate Codes of Conduct viz. for Directors, Independent Directors, and Senior Management and Employees have been adopted. The Code for senior management and employees elucidates detailed clauses on anti-corruption and bribery in all possible means; be it gifts, bribes, payments or receivables in kind, for business or financial gain.

We have also included other stakeholders in our ambit. Suppliers and contractors are expected to follow the highest standards of integrity, impartiality and equity. Any employee, supplier or contractor found wanting in terms of ethical conduct are dealt with promptly and stringently.

Compliance

We have raised our bar on compliance far above the basic 'laws of the land'. We believe in following global best practices and set industry benchmarks on this issue.

We became the first real estate company in India to publish a full-fledged sustainability report as per globally recognised GRI G3.1 guideline, which was beyond compliance in FY 2011-12. Since then, we are publishing the report every year, and this is our 7th edition of the report

All our projects are Pre-certified/Certified Green* projects, which go far beyond the regulatory requirements.

*under Indian Green Building Council (IGBC) rating systems

We fully comply with the corporate governance standards for listed companies as regulated by the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [erstwhile Clause 49 of the Listing Agreement with the Stock Exchanges]

We are the first real estate developers in India to be fully prepared for the GST regime. We also adopted the RERA framework with alacrity for all our applicable projects.

This year we published our second Business Responsibility Report, which is a testament of our accountability towards all our stakeholders. In line with SEBI's proposed index and the nine principles of the Government of India's 'National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business', the report summarises our efforts to conduct business with responsibility.

We also abide by the Competition Act, 2002 - a mandatory legislation that deals with anti-competitive behaviour and all labour-related legislations of the Central and State Governments.

Since inception, no penalties have been levied on us by any institution, be it the stock exchanges or SEBI, for any form of non-compliance pertaining to the capital market. We have also incurred no fines from any regulatory authority, for non-compliance with any rules and regulations.

Neither a project is launched, nor a unit sold, without relevant approval and completed paperwork. That has been the hallmark of our operational compliance.

Public Policy Advocacy

Management Approach

At MLDL, we believe that a change at policy level is always better in effectively communicating the sustainable urbanisation message across. Our senior management leverage their vast experience and expertise to advocate such policy change that could accelerate green development. They participate and represent the Company on a number of trade bodies and commerce platforms.

TOP MANAGEMENT PARTICIPATION

MR. ARUN NANDA

- Chairman Emeritus
  Indo-French Chamber of Commerce

- Member
  Governing Board of the Council of EU

- Member
  Chambers of Commerce in India

MS. SANGEETA PRASAD

- Co-Chairperson
  Group Diversity Council, Mahindra Group

- Member
  Group Executive Board, Mahindra Group

- Member
  FICCI Smart Cities Committee

- Member
  Board of Governors, IIM Lucknow, between 2012 and 2018

Corporate Memberships/ Associations in Building Sustainable Habitats

C40 Cities, Climate Positive Development Program (CPDP)

Indian Green Building Council (IGBC)

The Energy and Resources Institute, New Delhi (TERI)

Sustainable Housing Leadership Consortium (SHLC)

'Social Media Campaign of the year' at CMO Asia 2018 for the Company's #IAMGREENARMY campaign

Mahindra World City conferred the **'Best PPP (Public-Private Partnership) Model'** at the 'Business World Smart Cities Conclave & Awards 2017'

Received the **'Golden Peacock Environment Management Award' (GPEMA)** for sustainable urban development across India

Bloomdale won the **'Best Residential Project under Affordable Segment'** at the CNBC Awaaz Real Estate Awards

L'Artista won the **'Best Residential Project under Ultra Luxury Segment'** at the CNBC Awaaz Real Estate Awards

Nova won the **'Low Cost Housing Apartment Project of the Year'** at the NDTV Property Awards

Happinest, Avadi conferred **India's first IGBC Platinum certification** for Green Affordable Housing

Ranked 29th in the **Great Places to Work** - mid-sized companies, in 2017

MWC Chennai conferred the **'Export Excellence Award'** by MEPZ

AWARDS

Vivante and Happinest Boisar received the **'Achievement Award for Construction, Health, Safety & Environment'** at the 10th CIDC Vishwakarma Awards.

Philosophy

Urbanisation is like a dual-edged sword. When wielded well, it has the power to transform lives of large swathes of humanity by providing greater employment opportunities along with higher wages, higher productive capacities owing to spatial agglomeration, more and better social services, more varied cultural and spiritual opportunities.

Unfortunately, the way it is practiced and implemented, it has come to represent crumbling infrastructure, skyrocketing real estate prices, pollution, slums, poverty and inferior quality of life.

At Mahindra Lifespaces, we want to ensure that urbanisation delivers on its true potential and thus practise a different brand of urbanisation, which we call Urboonisation. Our mission is to transform urban landscapes by creating sustainable communities. These new cities and developments within existing cities, will be hubs of Prosperity, Social Parity, Better Quality of Life and Environmental Sustainability. Concurrently, we also seek to achieve the highest possible return on capital to strengthen the faith reposed by our shareholders.

WE PLAN TO ACHIEVE OUR MISSION THROUGH THREE DISTINCT BUSINESS DIVISIONS

Happinest

Affordable homes that help thousands of Indians realise their dream of owning a house

Lifespaces

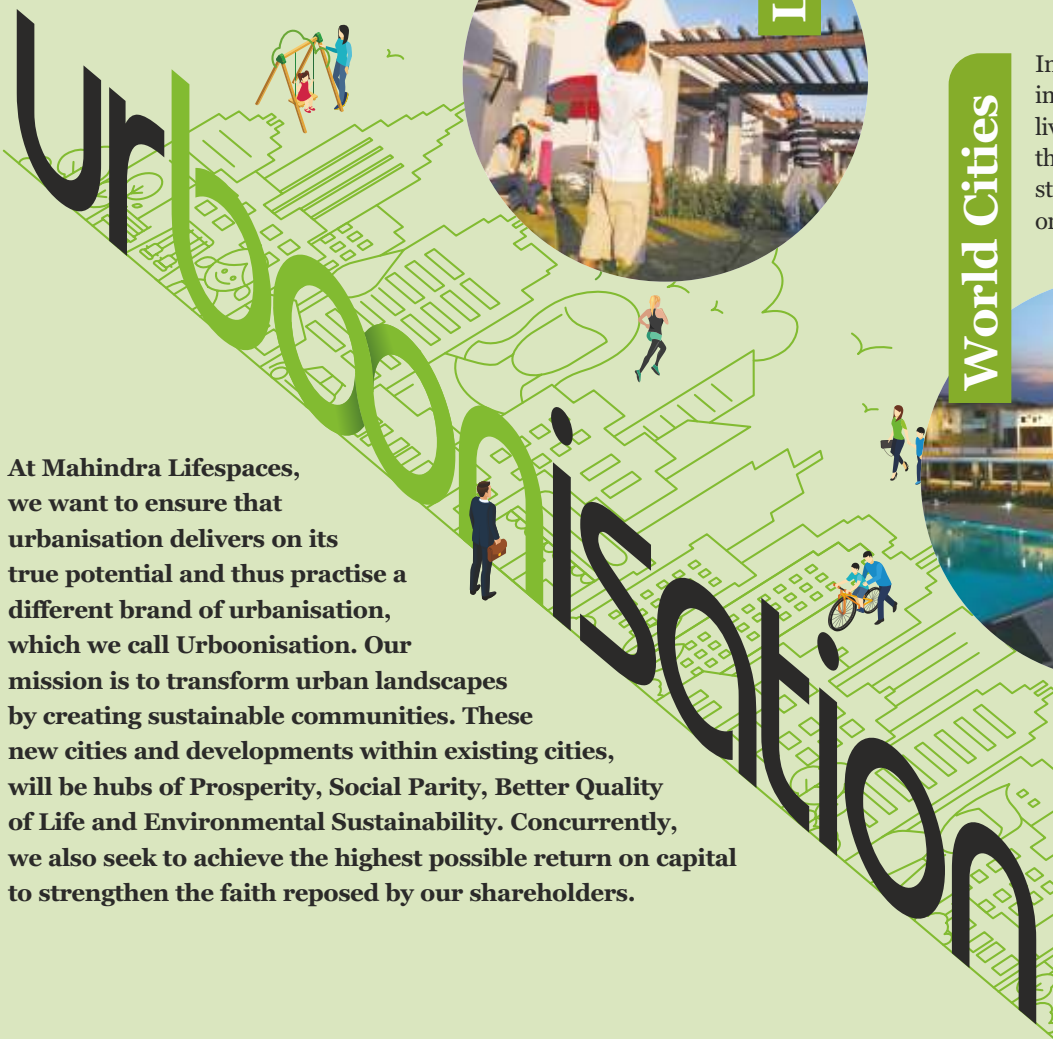Residential projects that optimise natural resource consumption across their life cycles

World Cities

Integrated cities that improve the quality of life, living and livelihood for their occupants, and provide stable infrastructure for organisations to invest in

Sustainability | A Business Imperative

At Mahindra Lifespaces, we believe that providing quality homes and workspaces is no longer enough to build a sustainable business. Stakeholders, including governments and customers, expect us to demonstrate greater responsibility towards the environment and the society. Buying decisions, licence to operate - legal and societal, plus the ability to attract and retain good talent, all of these have a direct relationship to our sustainability performance. Thus, it is no surprise that all members of our team integrate in their daily business decisions, these three objectives:

BUSINESS RESPONSIBILITY

Build a sustainable business by adopting the highest standards of governance, customer centricity, diversity and inclusion.

ENVIRONMENTAL STEWARDSHIP

Create a green canvas by reducing the environment footprint of our products and the supply chain, and drive innovation through the adoption of sustainable technologies.

COMMUNITY REACH

Develop ecosystems that create a positive impact on the communities around its developments and drive interventions that positively influence the society at large.

Sustainability risks are now part of the risk management framework at Mahindra Lifespaces, and are identified and monitored through a real-time online platform.

Sustainability — A Collective Responsibility

The process of transforming urbanisation into urboonisation is a collective and collaborative responsibility. Thus, we continually engage with a wide spectrum of stakeholders like:

- **Policy Makers**
- **Planners & Practitioners**
- **Academia**
- **Global Platforms**
- **Industry Collectives**

The aim is to promote sustainable infrastructure and evolve sustainable frameworks to nurture the future of cities. As pioneers of green design and healthy living, we engage with other like-minded organisations to espouse the philosophy of sustainable urbanisation.

We also learn from and share our expertise with various bodies to improve the quality of urban living. We undertake need-based advocacy on issues pertaining to the industry, for the advancement of public good through our membership in relevant industry bodies.

Mahindra Lifespaces engages with many industry bodies, some of which include:

- **Confederation of Indian Industry (CII)**
- **Federation of Indian Chambers of Commerce and Industry (FICCI)**
- **Maharashtra Chamber of Housing Industry (MCHI)**
- **Indian Green Building Council (IGBC)**
- **India Business and Biodiversity Initiative (IBBI)**

Materiality Analysis

At Mahindra Lifespaces, we have a diverse set of stakeholders ranging from the government, employees, suppliers, customers, shareholders, to community. Knowing exactly what and how we can address the concerns of these varied stakeholders is central to our sustainability performance. Understanding the materiality helps us distil the stakeholder concerns and expectations, and hone our interventions, policies and programmes accordingly.

In FY 2013-14, we undertook a detailed materiality assessment exercise to identify, refine and reassess our principle environmental, social and governance imperatives. An organised materiality analysis process was undertaken to engage with all stakeholders and arrive at shared material issues. This assessment was aligned with the principles of GRI G4, and this year re-visited to check alignment with GRI Standards.

In the next financial year FY 2018-19, we would be revisiting the materiality assessment to align with:
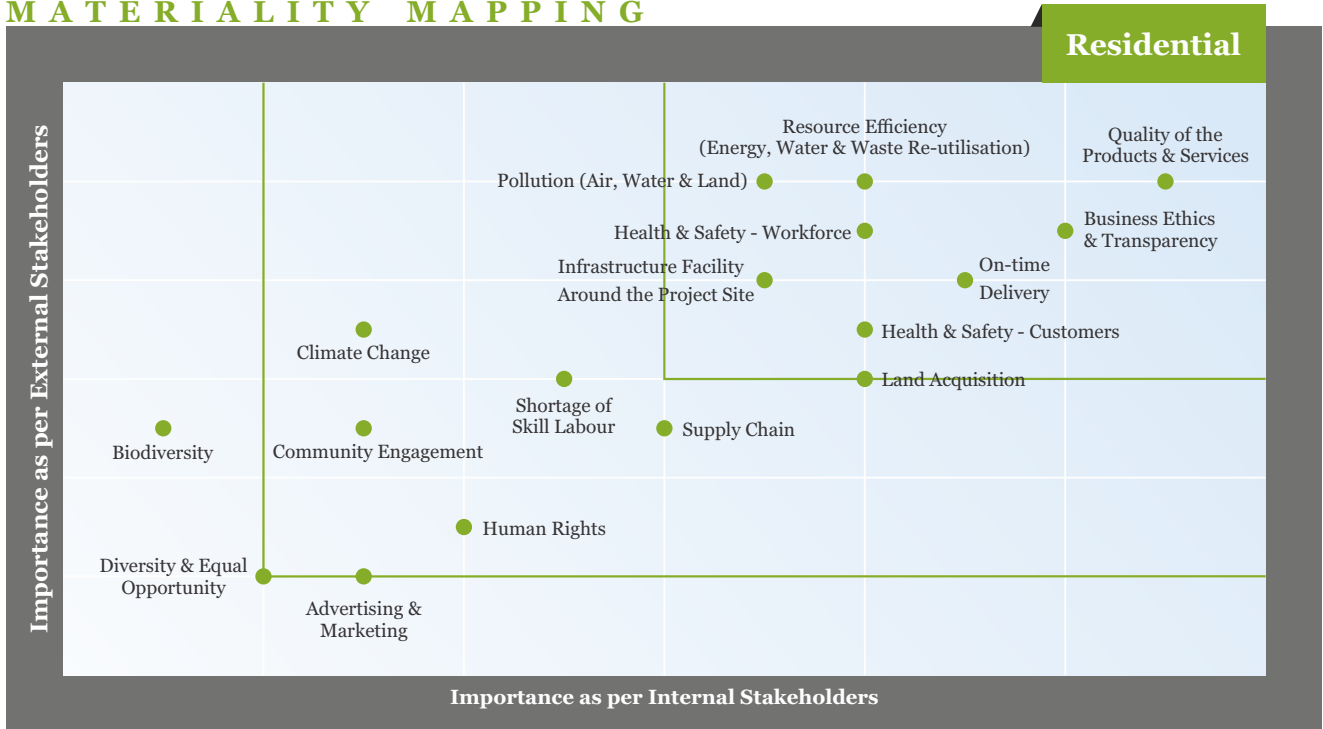
Changing regulatory requirements and context | Changing stakeholder expectations Sustainable development goals | Science based targets | Group carbon neutrality target

HIGHLIGHTS OF OUR MATERIALITY ANALYSIS AND OUTCOMES

THE FIVE STEP PROCESS

STEP 5

Appointment of executives responsible for their mitigation, engagement of cross-functional teams to deliver solutions and cross-location implementation

STEP 4

Aligning it with the business vision and charting a sustainability agenda and actionable milestones

STEP 3

Prioritisation and establishing co-relation of material issues on

- Importance as per external stakeholders
- Importance as per internal stakeholders

STEP 2

Engaging with external as well as internal stakeholders relevant to each business, such as customers, suppliers, contractors, investors, consultancies and employees

STEP 1

Business-wise identification of material issues

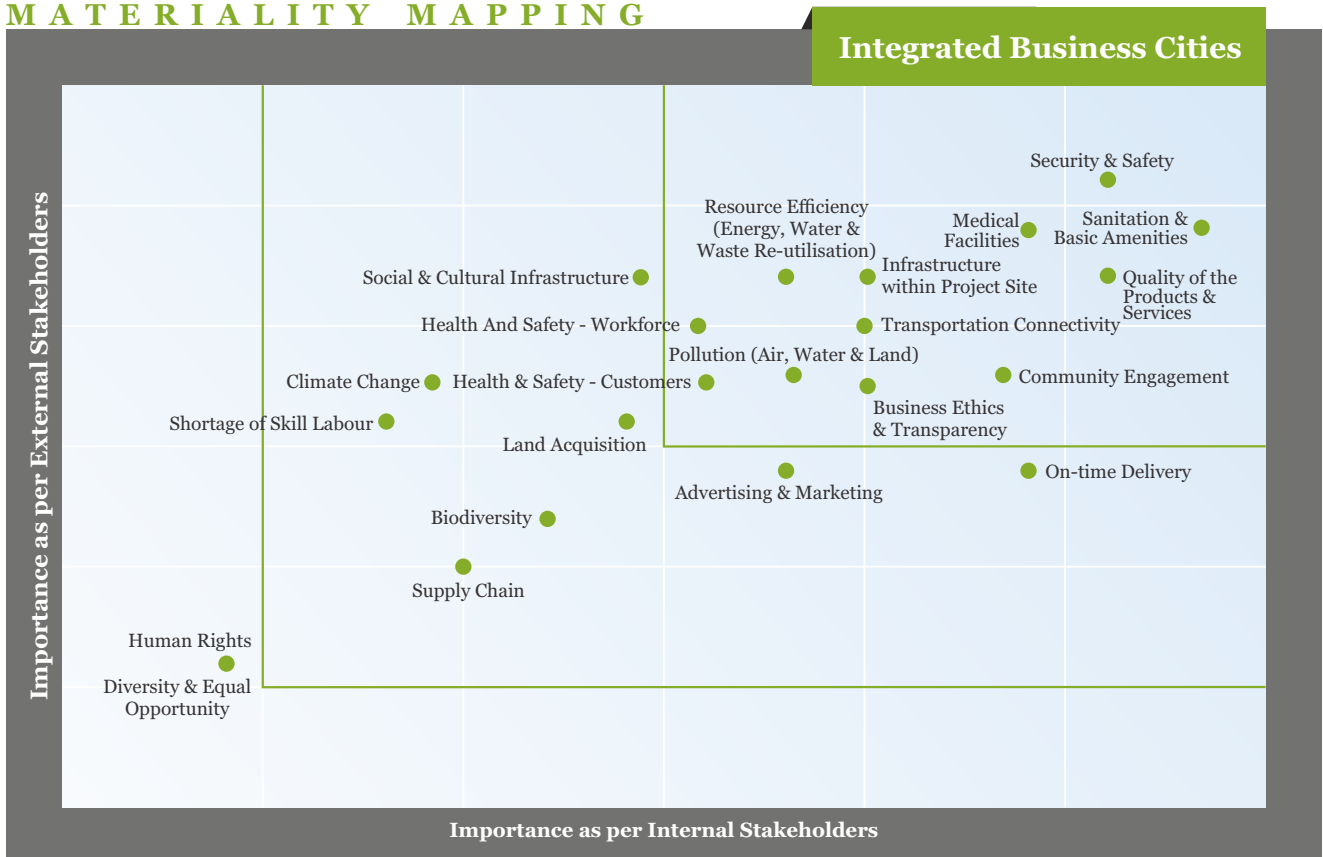## Business-wise Identification and Prioritisation of Material Issues

Broadly, our engagement with internal and external stakeholders centres around materiality issues of our two core businesses - Residential and Integrated Business Cities. The material issues have been further filtered and prioritised for internal and external stakeholders.

MATERIALITY MAPPING

Residential

Importance as per External Stakeholders

- Resource Efficiency (Energy, Water & Waste Re-utilisation)
- Quality of the Products & Services
- Pollution (Air, Water & Land)
- Business Ethics & Transparency
- Health & Safety - Workforce
- On-time Delivery
- Infrastructure Facility Around the Project Site
- Health & Safety - Customers
- Climate Change
- Land Acquisition
- Shortage of Skill Labour
- Supply Chain
- Biodiversity
- Community Engagement
- Human Rights
- Diversity & Equal Opportunity
- Advertising & Marketing

Importance as per Internal Stakeholders

MATERIALITY MAPPING

Integrated Business Cities

Importance as per External Stakeholders

- Security & Safety
- Resource Efficiency (Energy, Water & Waste Re-utilisation)
- Medical Facilities
- Sanitation & Basic Amenities
- Social & Cultural Infrastructure
- Infrastructure within Project Site
- Quality of the Products & Services
- Health And Safety - Workforce
- Transportation Connectivity
- Pollution (Air, Water & Land)
- Climate Change
- Health & Safety - Customers
- Community Engagement
- Shortage of Skill Labour
- Business Ethics & Transparency
- Land Acquisition
- Advertising & Marketing
- On-time Delivery
- Biodiversity
- Supply Chain
- Human Rights
- Diversity & Equal Opportunity

Importance as per Internal Stakeholders

23

Our Sustainability Agenda

OUR MATERIALITY MATTERS

Prioritised based on stakeholder interests, strategic importance to the business and aligned with the Group brand pillars - accepting no limits, alternative thinking and driving positive change.

ECONOMIC

Scale | Green Supply Chain Management | Product Stewardship | Customer Centricity

- **We strive for sustainable business growth**
- **We enable sustainable supply chain**
- **We ensure customer delight**

SOCIAL

Capacity Building | Safety | Hygiene & Health | Community Development & Social Infrastructure | Business Ethics

- **We care for our people**
- **We build communities**
- **We are transparent**

ENVIRONMENTAL

Resource Efficiency | Positive Environmental Impact | Carbon Footprint

- **We conserve energy, water, material**
- **We reduce pollution caused by construction activity**
- **We aspire to be Carbon +ve**

THE MATERIAL ASPECTS

Revalidated as per the GRI standards. These material aspects have served as effective building blocks during the development of this report and will continue to act as guiding principles for our sustainability journey.

ECONOMIC

Economic Performance | Market Presence | Indirect Economic Impacts | Procurement Practices | Land Procurement | Business Ethics & Transparency

PRODUCT

Customer Health & Safety | Product & Service | Labelling | Marketing Communication

SOCIETY

Local Communities | Anti-Corruption | Public Policy | Grievance Mechanism on Society

LABOUR

Employment | Labour/Management Relations | Occupational Health and Safety | Training and Education | Diversity & Equal Opportunity | Supplier Assessment of Labour Practice | Labour Practice | Grievance Mechanism

HUMAN RIGHTS

Investment | Non-Discrimination | Child Labour | Forced & Compulsory Labour | Security Practices Assessment | Supplier Human Rights Assessment | Human Rights Grievance Mechanism

ENVIRONMENT

Materials | Energy

Water | Biodiversity | Emissions

Effluents & Waste

Products & Services

Supplier Environmental Assessment

Environment Grievance Mechanism

OUR STAKEHOLDERS

Customers | Suppliers | Contractors | Consultants | Shareholders | Partners | Competitors

Employees | Customers | Local Community | Statutory & Local Govt. Bodies | Suppliers

Local Community | Vendors | Educational | Technical Institutes | Universities

ACCEPTING NO LIMITS | ALTERNATIVE THINKING | DRIVING POSITIVE CHANGE

Sustainability Roadmap 2020

Our Sustainability Roadmap assesses our baseline environmental and social performance, analyses corporate management and accountability structures and systems, and conducts a materiality analysis of risks and opportunities. It constitutes various inputs from associates, customers, competitors, vendors, consultants and local community across the three bottom-lines, which helps us align our efforts with the real need of the enterprise and its stakeholders. We conducted sustainability benchmarking by evaluating the top 20 real estate companies worldwide on their material issues and roadmap commitments. This will be used as input to redefine our own roadmap 2020 and thereafter.

BUSINESS RESPONSIBILITY

Set and uphold the highest standards of ethics & transparency with all our stakeholders

Increase shareholder value by significantly enhancing the Return On Capital Employed

Be recognised among the most trusted brand for customers in the markets we operate in, through reputable survey(s)

Be among industry leaders in the 'Great Places to Work' Survey

Improve our gender diversity ratio to 30% women

Build partnerships to drive innovation in the development of sustainable habitats and ecosystems

COMMUNITY OUTREACH

100% of our projects to have community engagement programmes

Community engagement programmes to reach out and cover >30% of the target group

Enable employability by driving skill development and upgradation programmes reaching out to over 10,000 persons

ENVIRONMENTAL STEWARDSHIP

10% energy intensity reduction and 10% Greenhouse Gas intensity reduction

10% improvement in water efficiency and exceeding the minimum wastewater standards

5% of energy requirement to be met through renewable energy

Reduce waste intensity by 20%

Zero fatalities and reportable accidents at all sites and continued reduction in lost work day accident rates

Ensure that 50% of the total building materials (by cost) are procured within a distance of 400 km

Build sustainable supply chain for top 100 suppliers through capacity building and establish monitoring mechanism for carbon and water footprint

Develop biodiversity plans for at least two key locations

Sustainability Roadmap 2020 and Performance

Our sustainability roadmap spells out targets on material issues which were arrived at after detailed inputs from associates, customers, competitors, vendors, consultants and local community. Not only does it help us align efforts with the real need of the enterprise and our stakeholders, it also helps enhance accountability and motivation of our team.

Business Responsibility

Targets	Actions Taken		Status*
Set and uphold the highest standards of ethics and transparency with all our stakeholders	Training on Code of Conduct and ethics to 100% of employees Published Business Responsibility Report (BRR) Adherence and disclosure to Real Estate Regulatory Authority (RERA) norms		🟢
Increase shareholder value by significantly enhancing return on capital employed	Asset-lite model for growth through JDs & JVs Inducting strategic partners in long gestation projects Divestment of non-core assets		🟠 Reduced to 7% ROCE
Be recognised among the most trusted brands for customers in the markets we operate, through reputable survey(s)	Brand health survey in different markets New brand positioning of 'Joyful homecomings' Enhancement initiatives taken in customer experience management		🟢
Be among industry leaders in the 'Great Places to Work' survey	Leave gifting Culture building and audit	Counselling on career progression Associate value proposition launched	🟠 Ranked 22th in India's mid-sized companies
Improve our gender diversity ratio to 30% women	Benchmarking to industry best maternity policy Career coaching and mentoring platform for all women associates Reverse mentoring/wings		🟠 Reduction with 18% achieved
Build partnerships to drive innovation in the development of sustainable habitats and ecosystems	Partnership with The Energy and Resources Institute (TERI) for a Centre of Excellence, and founding member of Sustainable Housing Leadership Consortium (SHLC) with IFC and four other developers		🟢

Environment Stewardship

Targets	Actions Taken		Status*
10% energy intensity reduction and 10% greenhouse gas intensity reduction	Energy efficient technologies Low frequency vibrator	Pre-cast technology Energy benchmarking study for RMC plants, cranes, etc.	🟠 2% reduction achieved
10% improvement in water efficiency and exceeding the minimum wastewater standards	Curing compounds AAC block fixing with block adhesives	Self-curing concrete Tile bedding - screed adhesives Water benchmarking for RMCs	🟠 2% improvement
5% of energy to be met through renewable energy	Evaluated BOOT/OPEX model for RE projects Biogas, geothermal solutions evaluated Group captive solutions for MWCs evaluated		🟠 3% met

The base line year is 2014-15.   🟢 Achieved   🟠 In Progress   *At the end of reporting period (% achieved)*

Targets	Actions Taken	Status[*]
Reduce waste intensity by 20%	Identified options for debris and construction waste utilisation to convert it into aggregates	●
	Use of ready-mix plaster	4% reduced
	Technology under evaluation to create a building block or landscape furniture from slag, and construction waste to be an input	
50% of total building materials (by cost) to be procured within a distance of 400 km	40% of the building materials (by cost) are procured within a distance of 400 km	●
Build sustainable supply chain by capacity building and establish monitoring mechanism of carbon and water footprint for top 100 suppliers	Rolled out templates to capture water and carbon footprint for top 50 suppliers	●
Zero fatalities and reportable accidents in all sites, and continued reduction in lost work day accident rates	Here & Now Cards / Training on behavioural-based safety launched in the reporting period SMAART - Initiative continued / Safety handbook in regional languages	● Zero fatalities and reportable accidents
Develop biodiversity plans for at least two key locations	Biodiversity strategy implementation underway for MWC, Chennai and Boisar site	●
	Extended the biodiversity work to ecosystem valuation	

Community Outreach

Targets	Actions Taken	Status[*]
100% of our projects to have community engagement programmes	All our projects implemented community engagement programmes through a structured CSR strategy	●
	Initiatives like vocational training programmes, Green Army, skill development programmes, tree plantation, rural infrastructure development (access to roads, school, community centre)	
Community engagement programmes to reach out/cover >30% of the target group	Across projects the coverage has been >50%	●
	Evaluated study on Social Return on Investment (SROI)	
Enable employability by driving skill development/upgradation programmes reaching out to cover 10,000 persons	Continued with the skill development programmes at Jaipur and Chennai	● Covered 6,400 persons
	Evaluated and commissioned similar programmes at residential sites	

The base line year is 2014-15. ● Achieved ● In Progress *At the end of reporting period (% achieved)*

Overview

Stakeholder engagement provides us an opportunity to better align our business practices with societal needs and expectations, and helps to drive long-term sustainability and shareholder value. After all, we exist and prosper only because of our stakeholders and by staying true to their expectations.

We are committed to following the triple bottom line philosophy of 'people, planet, and profit', with a commitment to providing more modern homes, workplaces and social infrastructure to the nation. This core purpose makes it imperative for us to engage our stakeholders systematically, consistently and meaningfully.

Our Engagement Framework

To engage across a wide spectrum of stakeholders, we make use of both formal and informal engagement mechanisms.

Stakeholder Group	Engagement Mechanism	Frequency
Customers	Newsletter	Project-wise, sent monthly
	'Refresh' newsletter for MLIFE customers	Quarterly
	'Skyline' newsletter for MWC customers	Quarterly
	Advertisements, brochures	Project-wise
	CAPS/CSS score interview, personnel visit	Annually / Quarterly
	Home-user guide for MLIFE customers	At the time of handover of flats
	'Coalesce' meeting organised by MWC's	Quarterly
Associates (Employees)	'Expressions' town hall	Bi-annual
	'MSpire' leadership conclave	Annually
	Feedback / suggestions	Throughout the year
	Recognition	Spontaneous / Monthly champ / Annual awards
	Mailers informing special offers, Mahindra Group newsletter	Monthly / Quarterly
	360° Newsletter	Daily
	Employee engagement (Celebrate you-fun at work, wellness) activities	Monthly
	'My Customer My Valentine'	Throughout the year
	'Great Places to Work' and 'MCARES' survey	Annual
	Training	Throughout the year
	Earnings update	Quarterly
	'SOTERIA' safety newsletter	Fortnightly
Suppliers & Contractors	Suppliers and Contractors' meet	Annually
	Compliance with applicable regulatory requirements and Green Supply Chain Management	Throughout the year

Stakeholder Group	Engagement Mechanism	Frequency
Investors	Presentations (including Company Profile)	Quarterly
	Earnings call	Quarterly
	Investor conference and meetings with analysts	Frequent intervals
Local Community	CSR initiatives at all locations	Throughout the year
NGOs	CSR initiatives at MWCs	Project basis
Competitors	Benchmarking studies	Frequent intervals
Regulatory Bodies	Conferences organised by CII, FICCI and other bodies	Frequent intervals
Media	Press conference, round tables, press releases	Throughout the year

Key Engagement Mechanisms

At Mahindra Lifespaces, we have put in place, a number of communication channels that facilitate sharing of ideas with our stakeholders. After mapping the internal as well as external stakeholders through materiality mapping, the key is to have continuous and consistent dialogue with the stakeholders to better understand their priorities and explain our viewpoints.

We inform, consult and involve stakeholders so that we are better equipped and have responsible policies, projects, programmes and services.

Whether it is major or minor, all stakeholders are engaged, and the key mechanisms are detailed in the respective chapters.
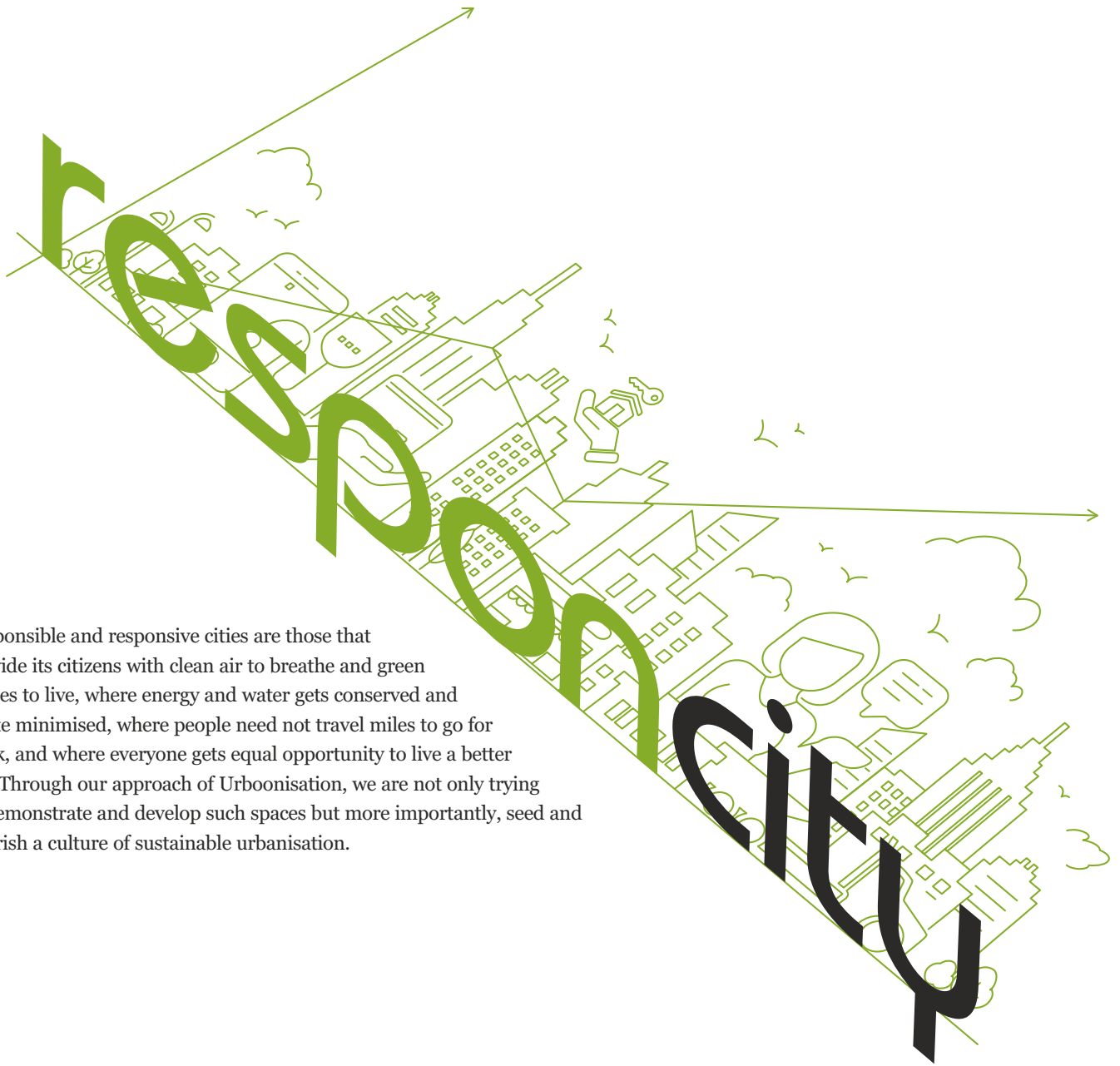
Responsible and responsive cities are those that provide its citizens with clean air to breathe and green spaces to live, where energy and water gets conserved and waste minimised, where people need not travel miles to go for work, and where everyone gets equal opportunity to live a better life. Through our approach of Urboonisation, we are not only trying to demonstrate and develop such spaces but more importantly, seed and nourish a culture of sustainable urbanisation.

Mahindra's development footprint spans 23 million sq. ft. (2.137 million sq. m.) of completed, ongoing and forthcoming residential projects across seven Indian cities, and over 4,960 acres of ongoing and forthcoming projects under development/ management at its integrated developments in four cities.

₹644.1 cr
economic value generated

₹554.3 mn
economic value distributed

Includes Operating Costs | Employee wages and benefits | Payment to providers of capital | Payment to Government

Product Responsibility

People buy our products to achieve different goals. Some buy them to live in peace, others to take pride, some desire lifestyle change and others seek return on investment. At Mahindra Lifespaces, we enable our customers to accomplish whatever they want, in an economically viable, socially responsible, and environmentally sound manner.

We practice and promote sustainable urbanisation through an integrated approach to design and execution that is strongly rooted in environmental and social considerations. Backed by our experience of over two decades and strong consumer insights, we have been providing added value to our stakeholders.

> **Our projects, be it residential, business or integrated cities, are safe and sustainable across the build phase and the use phase.**

Management Approach

Our Urboonisation approach helps us in doing things and teaching others how to do it. We are not only developing sustainable spaces, but seeding and nurturing a culture of sustainable urbanisation in the industry. Leveraging more than two decades of customer insights and on-ground experience of fulfilling stakeholder expectations, our projects champion sustainability across formats and phases of development.

Taking a leadership position on sustainability in the industry, we have adopted science-based targets (SBTs) this year. The SBTs, we believe, will enable us in setting greenhouse gas emission reduction targets in line with the level of decarbonisation required to keep global temperature increase below 2 degrees Celsius compared to pre-industrial temperatures. It will also help us in making our products more sustainable, spur innovation and create more value for stakeholders.

We are partnering with TERI through the 'Mahindra TERI CoE for Sustainable Habitats' to evaluate both traditional and innovative technologies, and alternative materials customised for the Indian buildings sector and climate zones to create viable, scalable, market-ready and affordable solutions. As a member of Sustainable Housing Leadership Consortium (SHLC), we aim to green at least 20% of India's new housing by 2022. Our affordable housing scheme, Happinest, is contributing to India's mission of Housing for All.

We operate our business on three diversified business lines

Mid-premium residential projects
GREEN LIFESPACES

Affordable housing projects
HAPPINEST

Large format integrated cities & industrial clusters
MAHINDRA WORLD CITY

Health & well-being of the occupants is at the centre of homes that we build. Green and sustainable buildings that we develop provide a conducive environment for the residents to live and influence them to practice environment-friendly behaviour.
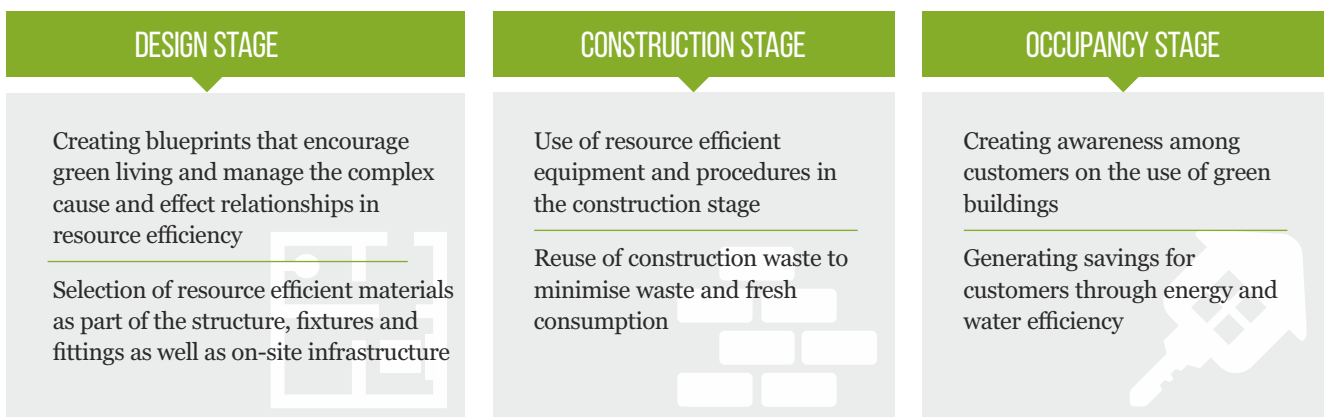
Green buildings are being developed by Mahindra Lifesapces to increase resource efficiency (energy, water, and materials), while reducing the impact on human health and the environment, through better selection of sites, design, construction, operation and maintenance, i.e. the complete building life cycle.

Residential Projects

We have institutionalised an integrated systemic approach that straddles all three stages of a building's life cycle to yield maximum resource savings.

DESIGN STAGE	CONSTRUCTION STAGE	OCCUPANCY STAGE
Creating blueprints that encourage green living and manage the complex cause and effect relationships in resource efficiency	Use of resource efficient equipment and procedures in the construction stage	Creating awareness among customers on the use of green buildings
Selection of resource efficient materials as part of the structure, fixtures and fittings as well as on-site infrastructure	Reuse of construction waste to minimise waste and fresh consumption	Generating savings for customers through energy and water efficiency

GREEN CERTIFICATIONS* DURING THE YEAR

We continued to build green residential spaces by flagging off new phases this year. We sharpened our focus on Pune and launched Phase 3 of 'Antheia' with new tower. We also expanded our existing projects such as Serenes, Happinest-Boisar, Aqualily, Windchimes, etc., and launched new projects in Mumbai, Pune, Chennai, with green features like:

- HEALTH-FRIENDLY INDOORS
- ENERGY-EFFICIENT LIGHTING
- WATER-EFFICIENT PLUMBING FIXTURES
- ALTERNATIVE BUILDING MATERIALS
- SUSTAINABLE LOCATION
- RAINWATER HARVESTING
- WATER RECYCLING AND RE-USE
- ORGANIC WASTE TREATMENT
- ENERGY-EFFICIENT BUILDING ENVELOPE
- EFFICIENT DAYLIGHTING AND VENTILATION

We sold 1,357 residential units aggregating to 1.16 mn sq. ft. of saleable area in FY 2017-18 compared to 863 units aggregating to 0.91 mn sq. ft. in the previous year.

Iris Court
Chennai
FINAL CERTIFICATION FOR GOLD RATING

Nova
Chennai
FINAL CERTIFICATION FOR GOLD RATING

Lakewoods (P17)
Chennai
PRE-CERTIFICATION FOR PLATINUM RATING

Roots
Kandivali
PRE-CERTIFICATION FOR GOLD RATING

*under Indian Green Building Council (IGBC) Green Homes Rating system

Some of the key developments during FY 2017-18 include:

LIVING THE GOOD LIFE

Antheia has been designed to offer a healthy and balanced community living experience, replete with spacious homes and modern amenities and features. It incorporates

ENVIRONMENT-FRIENDLY DEVELOPMENT

GREEN BUILDING DESIGNS

ENERGY EFFICIENT WALLS AND ROOFS

WATER EFFICIENT PLUMBING FIXTURES

RAINWATER HARVESTING

A SEWAGE TREATMENT PLANT

NATURALLY LIT AND WELL-VENTILATED LIVING SPACES

WASTE SEGREGATION AT SOURCE

enabling a resource conscious living experience for residents. The site is well connected to the city centre through the old Pune - Mumbai highway.

This is Lifespaces' fourth residential project in Pune, after 'Mahindra Royale' in Pimpri-Chinchwad, 'The Woods' in Wakad and 'L'Artista' in Sopan Baug. More than 500 homes in phase 1 of Antheia have been handed over so far, and another 450 handovers are planned this year. Impetus on infrastructure such as the upcoming Pune Metro is expected to add to the city's livability quotient.

antheia

Mahindra Lifespaces presented an exclusive art show in association with curators 'Aura Art', at L'Artista, its art inspired luxury residences in Sopan Baug, Pune. The works of art on display reflected the ethos of the artists - staying true to their roots while at the same time breaking new ground - similar to the tree which, while rooted in the earth, reaches out to the sun via its branches and leaves.

The show titled **'The Tree of Life'** featured masterpieces by 30 renowned artists from across the country, including the likes of Ajay De, Haku Shah, Prem Singh, Thota Vaikuntam, Shrikant Kadam, Ratan Saha and Chetan Vaity.

The show's theme centered around nature as the supreme artist, with exclusive paintings and sculptures on display.
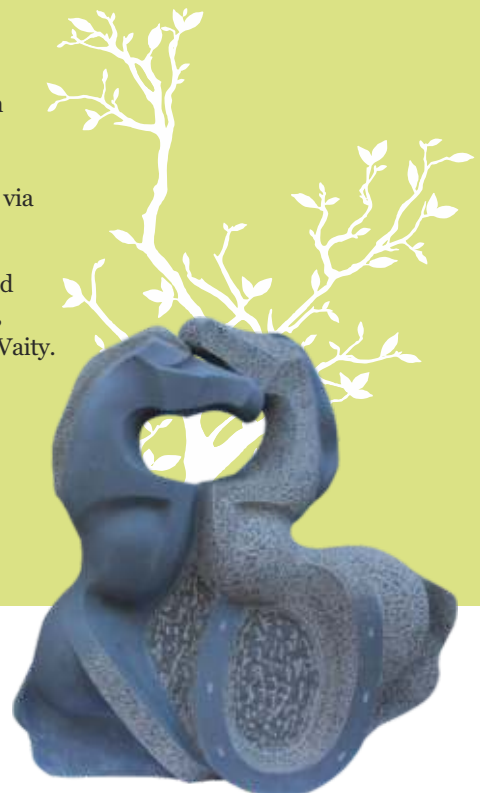
mahindra
LIFESPACES

AURA ART

Mahindra World Cities are the cities of the future meant to provide its residents 'livelihood, living and life' - everything at one place. These cities break down the traditional 'wheel and spoke model' of living and commuting with the mixed-use approach where business and residential customers co-exist in a safe, separate and exclusive gated-community.

Mahindra World City, Jaipur and Chennai offers clean residential spaces, commercial spaces and leisure options to its residents to

LIVE, WORK AND PLAY

In FY 2017-18, the combined exports by companies at the two World Cities stood at INR 12,739 crore and provided direct employment to around 50,000 persons.

We also launched 'ORIGINS by Mahindra World City', a new brand of industrial clusters which are relatively smaller clusters - one near Chennai and the other near Ahmedabad - this year.

Mahindra World City, Jaipur was conferred the 'Best PPP (Public-Private Partnership) Model' at the Business World Smart Cities Conclave & Awards, 2017.

Mahindra World City, Chennai (MWC, Chennai)

MWC, Chennai spans ~1,500 acres and is promoted in a public-private partnership between Mahindra Lifespace Developers Ltd. and TIDCO (Tamil Nadu Industrial Development Corporation). Residents of MWC, Chennai have easy access to thoughtfully developed social infrastructure within the self-contained city.

MWC, Chennai is India's first IGBC Gold (Stage 1) certified Green Township, and home to corporate India's first operational SEZ. The city's journey of sustainability includes many pioneering initiatives, including an off-grid solar power plant with capacity to generate 116,000 units of clean electrical energy annually, and a bio-CNG plant which fuels buses and tractors, and powers street lights within MWC, Chennai. It has played a pivotal role in the development of the NH 32 corridor by introducing employment, skilling and entrepreneurship opportunities for stakeholder communities.

Here are some of the key initiatives taken up at MWC, Chennai in FY 2017-18.

EVALUATING THE OPPORTUNITIES AT MWC, CHENNAI - KOREAN DELEGATION

The Korean investment delegation visited MWC, Chennai with the objective of evaluating opportunities for investment and partnership.

The South Korean delegation comprised representatives from SH Tech Co. Ltd., Sensortec Co. Ltd., Lattron, NeXT Chip, amongst other companies, and consisted mainly of auto component makers considering investments in India.

The visit was arranged by the Indian Chamber of Commerce in Korea (ICCK), with support from Mahindra World City, Mahindra Korea and the Government of Tamil Nadu.

COMMUTING TO WORK WITHOUT POLLUTING

As part of its initiative to promote environment-friendly and healthy commutes, MWC has introduced a cycle sharing service for residents and visitors within and around the integrated city in association with Zoomcar.

The 200 GPS-tracked PEDL bicycles have been deployed for an initial trial phase at MWC, Chennai. A user can book these bicycles with inbuilt smart locks via a mobile app.

Nearly 40,000 persons employed in the city's business zone visit MWC, Chennai every day. The introduction of this app-enabled dockless bicycle sharing service will facilitate complete last-mile connectivity within MWC, Chennai, while ensuring optimal air quality via reduced emissions. The ultimate goal is to build a cycling community at MWC, Chennai.

MAKING FLEXIBLE HOMES

Mahindra Lifespaces has always been launching products as per evolving home buyer needs, including those of the millennials. In response to the customer demands, we launched 'Aqualily Flexi-homes' in Mahindra World City, Chennai.

This adaptability is delivered through the use of a dynamic wall and intelligent use of furniture. For example, a bedroom wall serves as a functional 'flexi-wall' that can either be collapsed or opened out to alter room dimensions to suit varied user needs.

These homes are a unique residential offering which provides homeowners innovatively designed living spaces that enable them to alter the internal layouts depending on their needs.

aqualily
FLEXI-HOMES

Mahindra World City, Jaipur (MWC, Jaipur)

MWC, Jaipur is Asia's first and world's largest project to receive C40 Climate Positive Development Stage 2 Certification.

It is promoted as a PPP between the Mahindra Group and Rajasthan State Industrial Development and Investment Corporation (RIICO) which provides an ideal destination of choice for companies looking to establish their base in North India.

Spread on 750 acres, it houses over 80 companies and provides direct employment to 10,000 people.

Of the several initiatives taken up, these are a few key ones.

ATTRACTING NEW CUSTOMERS AT MWC, JAIPUR

Mahindra World City, Jaipur has added ten customers over the past year, amounting to more than INR 500 crores in additional investments. The ten companies who signed include a combination of new clients and business diversification by existing customers, and are expected to create employment for more than ~1,600 persons when fully operational. In addition, ten companies have begun operations at MWC, Jaipur during the reference year, including Perto, Pinnacle Infotech, RUFIL (Rajendra & Ursula Joshi Food Industries Pvt. Ltd.) and Tweaking Technologies, among others.

As part of its efforts to ensure that local communities are integrated into its growth journey, MWC, Jaipur has initiated skill enhancement and entrepreneurship development programmes for local youth from nine surrounding villages.

Over 700 persons were trained under this initiative and many of them have found employment at MWC, Jaipur. It has also set up 75 Self Help Groups (SHGs) to provide vocational/skills training to women in neighbouring villages.

GAUGING THE ECOSYSTEM - DELEGATION FROM SMOLENSK REGION IN RUSSIA

A senior government and trade delegation representing the Smolensk region in Russia visited MWC, Jaipur to better understand the business advantages and ecosystem in the state, and also visited leading companies already operational at the integrated city. The delegation was in Jaipur to explore and enhance bilateral trade opportunities between Rajasthan and the Smolensk region. The visit holds importance as the two countries have announced targets to achieve bilateral trade worth USD 30 billion by 2025, in the Engineering and Food Processing sectors, among others.

CHECKING THE PROGRESS - ZACHARY TOFIAS

Zachary Tofias visited MWC, Jaipur to review initiatives undertaken as part of the integrated city's C40 Stage 2 certification and expressed satisfaction on progress made thus far. Mr. Tofias is the Head of the Urban Planning and Development Initiative and the Climate Positive Development Programme at C40 Cities, a network of global megacities committed to addressing climate change. Stage 2 Climate Positive recognition is conferred on developments that have successfully created detailed plans for reduction in energy, waste and transportation related carbon emissions onsite, and for extending the impact to the surrounding community to achieve a climate positive outcome.

Industrial Clusters

India is fast becoming a source of growth for the global economy and to continue this growth, it needs world-class ecosystems and investments in manufacturing. MLDL introduced its new brand of industrial clusters located across India, 'ORIGINS by Mahindra World City', to address the growing need for sustainable industrial infrastructure to provide impetus to India's rising prowess as a global manufacturing and investment destination.

The first project of ORIGINS by Mahindra World City, a joint venture between Mahindra World City Developers Limited and Sumitomo Corporation of Japan, is coming up in North Chennai with a Phase 1 development of 264 acres. The second project located near Ahmedabad is being developed along with International Finance Corporation (IFC) as a strategic partner with a Phase 1 development of 268 acres.

Together, these industrial clusters are expected to create direct employment for around 20,000 persons and will target companies across the **engineering, medical equipment, food processing and logistics sectors, amongst others.**

ORIGINS COMPRISE INDUSTRIAL CLUSTERS OF

international standards

spanning 250-600 acres

located in high growth corridors across India

These industrial clusters will enable faster go-to-market for both domestic and global companies by way of

clear land titles

plug-and-play infrastructure

in-house expertise in operations and security

a range of business support services such as warehousing, logistics, banks, food courts, etc.

Customers will benefit from a hassle-free environment and value-added services such as fulfilment centres, industrial kitchens and industrial waste management.

In line with MLDL's focus on sustainable urban development, they will also incorporate environment friendly, smart elements; these encompass solutions in the areas of

water

waste management

energy efficiency

security

FORMING STRATEGIC PARTNERSHIP WITH IFC TO DEVELOP MULTIPLE INDUSTRIAL PARKS

Mahindra Lifespaces and International Finance Corporation (IFC), a member of the World Bank Group, announced partnership for the development of multiple industrial parks across Gujarat, Rajasthan and Maharashtra. The partnership envisages investment across Mahindra Lifespaces' existing and upcoming industrial park projects, with its first investment in an approximately 350-acre industrial park near Ahmedabad. These industrial parks will offer plug-and-play ecosystems encompassing world class infrastructure and utilities to enable faster go-to-market for large businesses, while also making available critical manufacturing infrastructure for small and medium businesses.

IFC has collaborated with Mahindra Lifespaces on carbon pricing and green residential development. In continuation with this engagement, IFC will explore working with Mahindra Lifespaces and with the occupants of these industrial parks for the adoption of renewable energy under its Eco-Assist programme.

Mahindra LIFESPACES

IFC | International Finance Corporation WORLD BANK GROUP

Unless every strata of the society gets the opportunity to prosper economically and to enjoy basic urban services, growth and development cannot be sustainable. Happinest has been envisioned to contribute to India's mission of 'Housing for All by 2022' by providing affordable homes to people.

In 2017-18, the affordable housing segment saw maximum activity with forward strides in government policies such as 'Housing for All' and the 'Pradhan Mantri Awas Yojana', which have further improved the viability of this segment.

During 2017-18, we launched Happinest Palghar, our third affordable housing project, which received a tremendous response.

> **We are currently developing 3.97 million square feet with another 4.44 million square feet available in the form of forthcoming projects - new phases of ongoing projects and new projects that are in various stages of planning, for launch in the future.**

Happinest leverages innovative technologies and value engineering approaches to ensure quality and timely construction in a cost-effective manner. Mahindra Lifespaces is also in the process of creating an ecosystem for access to home finance for our customers in the segment, including partnerships with NBFCs that survey the financial capability of prospective customers, and accordingly approve home loans.

Some of the key initiatives in FY 2017-18 include:

PROVIDING VALUE FOR MONEY HOMES - PARTNERSHIP WITH HDFC

Mahindra Lifespace Developers Ltd. (MLDL) has launched **'Happinest - Palghar' - the first affordable housing project in partnership with HDFC Capital Affordable Real Estate Fund-1 (HDFC Capital), a fund managed by HDFC Capital Advisors Ltd.** Happinest - Palghar comprises around 850 thoughtfully designed apartments and community spaces on over 8 acres, with prices ranging from INR 8 lakhs to INR 24 lakhs. This is one small step towards 'Housing for All by 2022', which HDFC Ltd. has been working on as a mission and business objective to take the government's flagship scheme Pradhan Mantri Awas Yojana (PMAY) to the real beneficiaries.

MAKING AFFORDABLE HOUSING, GREEN

Mahindra Lifespaces has been awarded India's first IGBC 'Platinum' certification in affordable housing for Phase 1 of its project 'Happinest, Avadi', located in Chennai.

The certification is a part of the Indian Green Building Council's Green Affordable Housing rating system, and is conferred on residential projects that have been designed and developed to meet high standards of environmental and human health performance, thereby delivering a better quality of life.

The IGBC certification acknowledges a range of environment-friendly features and amenities integrated into the project including

sewage treatment plant	organic waste converter	rainwater harvesting facilities	energy efficiency for cooling and lighting

construction with low density Cellular Lightweight Concrete blocks

Quality

The quality of real estate that people buy affects their quality of life. When a customer gets a good quality home or office, it results in customer delight and builds trust. We continue to improve the quality of our products through constant improvement in project, product, processes and quality of interactions to achieve growth and become the most trusted brand in the industry.

A robust Quality Management System is in place at Mahindra Lifespaces to achieve exacting quality standards while building cost-effective spaces and delivering them on time.

A comprehensive Quality Policy is well entrenched and Standard Operating Procedures have been defined for all service functions and construction activities, to ensure quality of products and services.

Quality metrics have been defined for all internal functions and are monitored as per defined frequencies.
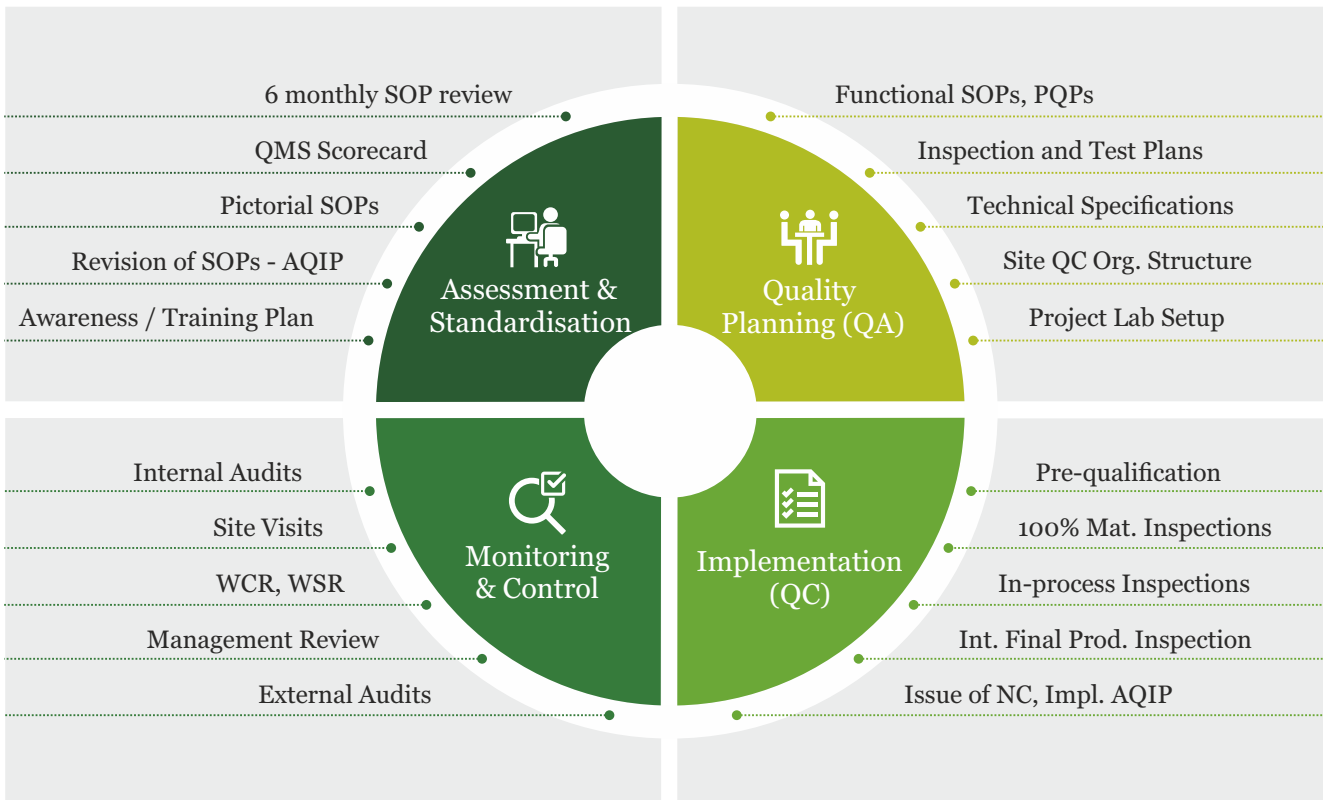
Mahindra Lifespaces is an 'Integrated Management System' certified organisation since 2013 complying with standards of

ISO 9001 - QUALITY MANAGEMENT SYSTEM (QMS)

BS OHSAS 18001 - OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT SYSTEM

ISO 14001 - ENVIRONMENTAL MANAGEMENT SYSTEM (EMS).

In 2016-17, we proactively and successfully implemented the upgraded standards requirement of ISO 9001:2015 (QMS) and ISO 14001:2015 (EMS).

Assessment & Standardisation

- 6 monthly SOP review
- QMS Scorecard
- Pictorial SOPs
- Revision of SOPs - AQIP
- Awareness / Training Plan

Quality Planning (QA)

- Functional SOPs, PQPs
- Inspection and Test Plans
- Technical Specifications
- Site QC Org. Structure
- Project Lab Setup

Monitoring & Control

- Internal Audits
- Site Visits
- WCR, WSR
- Management Review
- External Audits

Implementation (QC)

- Pre-qualification
- 100% Mat. Inspections
- In-process Inspections
- Int. Final Prod. Inspection
- Issue of NC, Impl. AQIP

Evaluated and implemented innovative technologies like Grillage foundation for building construction, tile adhesive to ensure no wet-work at floors, hot-dipped galvanised window frames and RCC door frames.

Ready to fit elements and modular components were specially designed and fabricated for building construction.

Single stack systems for drainage was used to ensure better management of soil and waste with zero leakages.

The 'Zero-Snag Product' launched last year, received a major boost with the implementation of a mobile application 'Q SCAN', which automates the entire home inspection process prior to handover. This was extended to all projects in FY 2017-18. Post-handover feedback mechanisms were also institutionalised to enable accurate analysis and corrective action.

Our quality initiatives in FY 2017-18, focused on both internal and external flanks.

We recognise that the quality of products and services is the most critical factor in achieving customer delight. Hence, we continue to strengthen our ongoing initiatives and launch new ones.

Leveraged community events during project milestones such as handovers, launch of club house and during festivals, to engage with the customers and generate referrals. Additionally, we also engaged with our 700-odd channel partners during the year.

"**Customer Assist**" - a single contact number for the customer from sales to post-handover that logs and tracks all queries until they are successfully resolved.

Launched 'Joyful Homecomings' as our brand proposition - the cornerstone of our communication strategy. 2017-18 saw significant activity, with all the campaigns and messaging consistent with the strategy.

Campaigns generated over 180 million Facebook and Twitter impressions and over 8 million video views during the year.

"**M-Life**" - a mobile application for customers. Apart from enabling the complete set of transactions and enquiries during the customer's journey with us, it also allows them to avail value added services and connect with other homeowners in a project.

Responsible Marketing

Buying a home comes with all sorts of hurdles – location, budget, developer, and finance are just some of them. At Mahindra Lifespaces we help you overcome these hurdles to make the experience of home buying a joyful one. Thus 'Joyful Homecomings' was carved out as the CVP (Customer Value Proposition) for the **brand Mahindra Lifespaces' residential offerings and a communication brand template was developed around it.**

QUALITY
We respect what you put into your house which is why we compromise on nothing

SIMPLICITY
Ease the burden and stress through simple processes and communication

THE FOUR PILLARS OF BRAND TEMPLATE

TRANSPARENCY
Clarity of what, how much and when, from blueprint to final handover

WARMTH
An intuitive and sensitive approach reached out through service

We follow a customer-centric approach. This includes being accessible to our customers through multiple channels of communication and using customer feedback and inputs to improve on our products and services. Customer satisfaction surveys are also carried out by external agencies like the 'Customer Satisfaction Study' conducted through IMRB International. Quick resolution of customer complaints is given top priority.

As per the last financial year 99% of customer complaints have been resolved through FM, CRM team where as 86% of consumer cases are still pending these nos. have been shared by FM/CRM and legal team.

Being in the real estate business, product labels are not applicable to the Company. However, the detailing in its project brochures is in compliance with the applicable laws.

There is no case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on 31st March 2018.

Performance Highlights

2017-18 was a difficult year for the real estate industry due to a challenging macroeconomic and regulatory environment. In addition, Mahindra Lifespaces had to defer its planned launches due to regulatory issues. Despite these headwinds, we registered a creditable performance.

Mahindra Lifespaces has always been ahead of the curve, spotting trends and developments, and implementing those developments in the organisation to function profitably over time in a socially and environmentally responsible manner. As a leader in the industry, we accept new ideas, implement them fast and successfully, and inspire other companies to do the same.

This year too, we led by example. Goods and Services Tax (GST) and Real Estate Regulatory Authority (RERA) were the two new regulations brought in by the government last year. We welcomed them both, and became one of the first real estate developers in India to be fully prepared for the GST regime, as well as share the impact of input tax credit with our customers.

We adopted the RERA framework with alacrity for all our applicable projects. With our transparent policies and preparedness, Mahindra Lifespaces smoothly transitioned to the new policy regime - which reflects through our credible performance across business segments during the year. It shows our preparedness in implementing the necessary changes to accelerate growth.

Consolidated total revenue reduced from INR 831 crore in FY 2016- 17 to INR 644 crore in FY 2017-18, primarily due to decline in project activity during the year and a one-time revenue of INR 176.71 crore through sale of land in the previous year.

Profit Before Taxes (PBT) of the consolidated entity, after including share in profit from JV entities and associates, stood at INR 134.5 crore in FY 2017-18 as compared to INR 138.9 crore in FY 2016-17.

The consolidated PAT of the Company was INR 101 crore in FY 2017-18, compared to INR 102.2 crore in the previous year.

Diluted EPS was INR 19.88 for the consolidated entity.

Residential Business

Mahindra Lifespaces is committed to transforming India's urban landscape through residential developments under our 'Mahindra Lifespaces' and 'Happinest' brands which stand for innovative customer-focussed solutions rooted in a legacy of trust and transparency.

The residential segment continued to have high inventory levels in key markets despite a sharp drop in new launches due to implementation of RERA. Demand remained subdued, especially in the earlier part of 2017-18, with a gradual pick-up towards the fourth quarter, as the uncertainty around GST and its impact on prices dissipated.

Number of Units Handed Over by Mahindra Lifespaces

Mahindra Lifespaces sold 1,357 residential units aggregating to 1.16 million sq. ft. of saleable area in FY 2017-18 compared to 863 units aggregating to 0.91 million sq. ft. in the previous year.

The sales growth of 57% and 27% by area sold was achieved in spite of having to defer the launch of three of our projects in Mumbai due to High Court related restrictions and two of our projects, one each in Pune and Chennai, due to pending approvals. The focus on execution continued during the year with the completion of construction aggregating to 0.68 million sq. ft. and the handover of 1,592 units to customers.

Mahindra - Affordable Housing

In the affordable housing segment, where efficiencies are a critical component of the business plan, the two Happinest projects in Avadi and Boisar saw around 75% of the total launched phases being completed and **around 1,155 units have already been handed over to the customers since construction commenced in 2015-16.**

Integrated Cities and Industrial Clusters

World Cities

Mahindra World Cities are the cities of tomorrow. These cities have been built for the future generation, hence planned on the forward-looking, innovative and sustainable ideas. World Cities in Chennai and Jaipur provide its residents and businesses with

PROSPERITY **SOCIAL PARITY** **BETTER QUALITY OF LIFE** **ENVIRONMENTAL SUSTAINABILITY**

In FY 2017-18, Mahindra World City, Chennai had a total area of 1,524 acres. With greater stabilisation in the business zone, the focus is now on developing the residential and social infrastructure. **Mahindra World City, Jaipur is currently focussing on lease of industrial land in the project as well as on developing the blueprint for the launch of the residential and social zone.**

In the integrated cities and industrial clusters segment, around 62 acres of land leases were concluded during the year across the two operational World Cities in Jaipur and Chennai. **In 2018-19, we expect to benefit from the ability to market to a wider customer base at Jaipur with the conversion of the sector specific SEZs into a multi-product SEZ in April 2018.**

This year, we also launched our new brand for industrial clusters with mid-sized acres called 'ORIGINS by Mahindra World City'. The first two of these clusters, near Chennai and Ahmedabad, are in various stages of planning and development. During 2017-18, there was a moderate revival in the demand for industrial land and built-to-suit solutions from companies targeting the Indian market.

Mahindra Lifespaces will focus on increasing its deal pipeline and closures in the balance inventory of industrial land in Chennai and in leveraging the enhanced product-mix at Jaipur to add more customers in its DTA and multi-product SEZ.

Looking Ahead

We are focussed on being future-ready to address the dynamic and changing business environment and serve our customers in a better and responsible manner.

We have identified the western and southern regions as growth corridors for our residential business. Our current projects in Mumbai Metropolitan Region (MMR), Pune and Chennai are in advanced stages of planning or approvals. We seek to grow our presence significantly in Mumbai, Pune and Bengaluru and add to our presence in Hyderabad and NCR before exploring any other geographies.

Mahindra Lifespaces will continue to focus its growth strategy on the mid-premium segment where it has a strong connect and equity with the target customer.

This year, the affordable housing segment saw maximum traction, with forward strides in government policy such as the Pradhan Mantri Awas Yojana - Housing for All. Based on the learnings and success of our ongoing projects at Avadi and Boisar, and the recently launched project in Palghar, we are confident of scaling up our presence in this space as part of our future growth strategy.

As part of our growth strategy for this business, the Company has also decided to build a network of smaller industrial clusters branded as 'ORIGINS by Mahindra World City'.

प्रधान मंत्री
आवास योजना
Pradhan Mantri Awaas Yojana

Management Approach

Our approach to urbanisation is to help raise living standards and reduce poverty for those who are right at the bottom of the wealth pyramid without degrading the ecosystems on which life depends. At Mahindra Lifespaces, economic growth is a key cog in the agenda of sustainable urbanisation.

DIVERSE AND WIDER PROJECT FOOTPRINT

We identify segments which are hitherto untapped and/or show potential for growth. So, we pioneered the green design space in the residential and industrial cluster segment with our World Cities. We later added the affordable segment to our portfolio looking at the need and demand, in line with the government's and nation's importance. Locational diversity takes care of risks. Our residential projects span across seven important city clusters, while our integrated cities are closer to business corridors.

In FY 2016-17, the Delhi-NCR market continued to be the most affected followed by Chennai. In comparison, the demand situation was better in Mumbai, Pune, Hyderabad and Bengaluru.

OPERATIONAL EXPERIENCE

Being a 360-degree operation, managing the entire value chain of development - from identification, due diligence and acquisition of land, conceptualisation and design management, statutory approvals, project management and quality assurance to branding, marketing and sales of our projects - ensures timely delivery.

In this financial year, we continued to increase our efficiency, and handed over almost three times the units handed over in the previous year.

LAND ACQUISITION

Land acquisition is a complex matter for the industry. Due diligence and proper legalities are taken care of to acquire the land rightfully before we develop it. During FY 2016-17, through our subsidiary, we acquired around 268 acres of land near Ahmedabad in Gujarat.

PROCURING PRACTICES

Procuring locally manufactured building materials and hiring of local human resources empowers the local talent, enhances local economy, reduces costs and environmental impact, leading to quick turnaround.

In the current year, we continued to source majorly from local vendors, preferring those who follow green practices.

ECONOMIC DASHBOARD

Consolidated	Unit	FY 2015-16	FY 2016-17	FY 2017-18
Residential Business	In sq. ft.	1,931,177	950,745	1,455,000
Integrated Cities footprint + Industrial Clusters	In acres	2,788	2,788	4,969

Consolidated	Unit	FY 2015-16	FY 2016-17	FY 2017-18
Operating + other income	INR mn	6,872	8,310	6,441
Profit Before Tax	INR mn	1,398	944	1,345
Profit After Tax	INR mn	946	1,059	1,034

In million

6,441	Economic Value Generated
5,280.28	Economic Value Distributed
1,160.72	Economic Value Retained

ECONOMIC VALUE DISTRIBUTED
In million
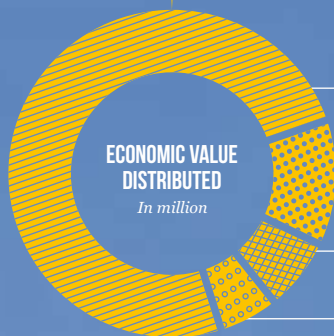
3,935	Operating costs
660.31	Employee wages and benefits
373.21	Payment to providers of capital (dividend)
311.76	Payment to Government (tax)

We invested INR 56.6 million in social upliftment initiatives

Implications of Climate Change

Mahindra Lifespaces' endeavour is to leverage urbanisation to accelerate progress, to trigger and cascade inclusive growth, and to ensure that both are done with minimal impact on the environment. And we have been taking up initiatives in this regard.

As a pioneer of sustainable urban communities in India, we have designed and built unique urban ecosystems that mitigate the emissions and are sustainable across their entire life cycle.

This year, we continued to strengthen our efforts for sustainability through the following:

Mahindra TERI Centre of Excellence (COE) to evaluate innovative technologies and materials tailored to the Indian building sector and climates

Sustainable Housing Leadership Consortium (SHLC) to develop a low carbon roadmap for the housing industry

Climate Positive Development Programme (C40 programme)

Collaboration with WRI for green power procurement at MWC, Chennai

E-rickshaws in MWC, Jaipur

Distribution of LED lights in the nearby villages

Sustainable Housing Leadership Consortium (SHLC)

Mahindra Lifespaces became one of the five founding members of SHLC - a new consortium established in 2016-17 as a CEO led think tank. Convened by International Finance Corporation (IFC), it aims to develop a low carbon roadmap for the housing industry which would also contribute towards the achievement of India's climate change goals. The key motivation is to mainstream sustainability in India's urban housing sector and support the transition to a low carbon economy.

─── THE OBJECTIVES SET FOR THE CONSORTIUM ARE ───

To make 100% of own housing portfolio sustainable by 2017 as evidenced by appropriate green building certification(s)

To achieve 20% reduction in incremental variable costs for sustainable housing construction to further improve the business case for green buildings

To provide leadership and advocacy for broader industry and government policy actions that aim to make 20% of India's new multi-family housing construction sustainable by 2022

During the year, SHLC identified and worked on the following four levers to enable the objectives:

POLICY LEVER

To conduct a review of the policy landscape in India as well as globally, draw from best practices, and propose two to three key policy approaches to the government for incentivising the delivery of sustainable housing in India. Five to six policy levers have been shortlisted and a dialogue with key government stakeholders in Mumbai, Bengaluru and MoEF has been initiated with the aim of establishing an implementation process for these proposed incentives.

TECHNOLOGY LEVER

A comprehensive list of technologies has been identified (market ready, scalable, viable and sustainable) to help further enhance the business case for sustainable housing. The analysis of the shortlisted technologies that could be scaled up for reducing the incremental cost of building green will be completed in the next reporting year. We have commenced detailed technology discussions with industry partners such as Saint Gobain to determine the right composition for walls and glazing to deliver visual and thermal comfort. SHLC also visited IIT Tirupati and Madras to study the implementation of Glass-Fibre Reinforced Gypsum (GFRG).

CONSUMER AWARENESS

SHLC engaged IMRB to undertake a study on consumer awareness/post occupancy evaluation for green and non-green residential developments of the members to understand consumer behaviour and patterns and assess the level of awareness for green homes. The survey has been completed and reached a sample size of 1,400 consumers. The report, which will also educate consumer about the benefits of buying green, will be released in the next reporting year.

FINANCIAL INSTRUMENTS LEVER

To identify two to three financial instruments that can catalyse the sustainable housing industry. National Housing Bank (NHB) is likely to join the SHLC as a steering committee member to enable this lever.

In addition to its approaches and initiatives, Mahindra Lifespaces also participated in the annual Clean Energy Ministerial (CEM8) in Beijing, China, and the round table on 'Leveraging City-Scale Building Efficiency Action'.

Thinking Global, Sourcing Local

Mahindra Lifespaces believes in giving back to society. Sourcing locally is our way of giving back to the community where we operate and promoting best practice for sustainability. Buying from local vendors and manufacturers cuts down on

fuel emissions

encourages biodiversity

supports local economy

fosters community pride
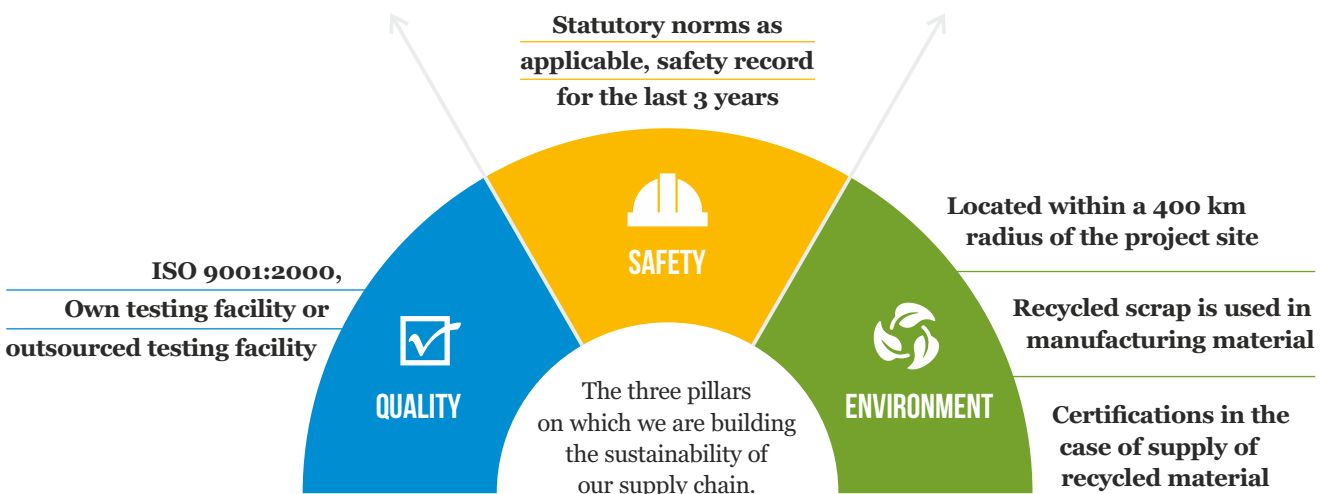
builds trustworthy partnerships

Our constant endeavour is to source 50% of the building materials (by cost) within a 400-km radius of the project site. We also invest in building capacities as well as capabilities of these local suppliers to maintain the requisite quantity and quality.

Sector	Monetary value of total suppliers (INR million)	Monetary value of top 10 significant suppliers (INR million)	% of significant top 10 local suppliers
Mahindra Lifespaces	239	175	73%
Mahindra World Cities	44.38	39.11	75%

Sustainable Supply Chain

Management Approach

Mahindra has ingrained sustainability in the organisation wider and deeper, but to realise the full potential of sustainability initiatives they have to be cascaded down to the supply chain level. We continue to make the supply chain processes greener and sustainable through intensive measures. We devote our resources and energies to percolate all possible good environment and labour practices among our suppliers and contractors to maintain a sustainable supply chain. We also assess and screen them on various parameters such as environment, quality, safety and human rights practices in making sustainability a norm for our suppliers.

Statutory norms as applicable, safety record for the last 3 years

SAFETY

ISO 9001:2000,
Own testing facility or outsourced testing facility

QUALITY

Located within a 400 km radius of the project site

Recycled scrap is used in manufacturing material

ENVIRONMENT

Certifications in the case of supply of recycled material

The three pillars on which we are building the sustainability of our supply chain.

We believe that it is equally important to involve our supply chain in our decision making processes and lend a patient ear to their grievances.

We regularly engage with our contractual workforce and address their concerns through a safety committee constituted of 50% of Company representatives and 50% of labour representatives.

Plans are afoot to develop a formal grievance mechanism to address concerns of our vendors pertaining to our environment, human rights, safety and labour practices.

We involve our suppliers and vendors on a consistent basis through supplier meets, to actualise the commitment to sustainable sourcing. A Green Supply Chain Management Policy is in place.

Service provider to ensure total compliance to applicable legal and other requirements, which have significant impact on health, safety and environment

Locally based suppliers and preference to purchase from sources which are low polluting and/or use clean technology

Preference to vendors who take the waste or scrap materials from our project sites and recycle them to manufacture new life products

Green Supply Chain Management (GSCM) Policy

The policy has been shared with suppliers to improve their awareness about legal compliances, enhance environmental efficiencies, and ensure health and safety initiatives by the suppliers.

We continue to deepen our engagement with our suppliers and contractors through a series of interventions to enhance their sustainability efforts, which include:

providing information

hosting dialogues

consultation

support

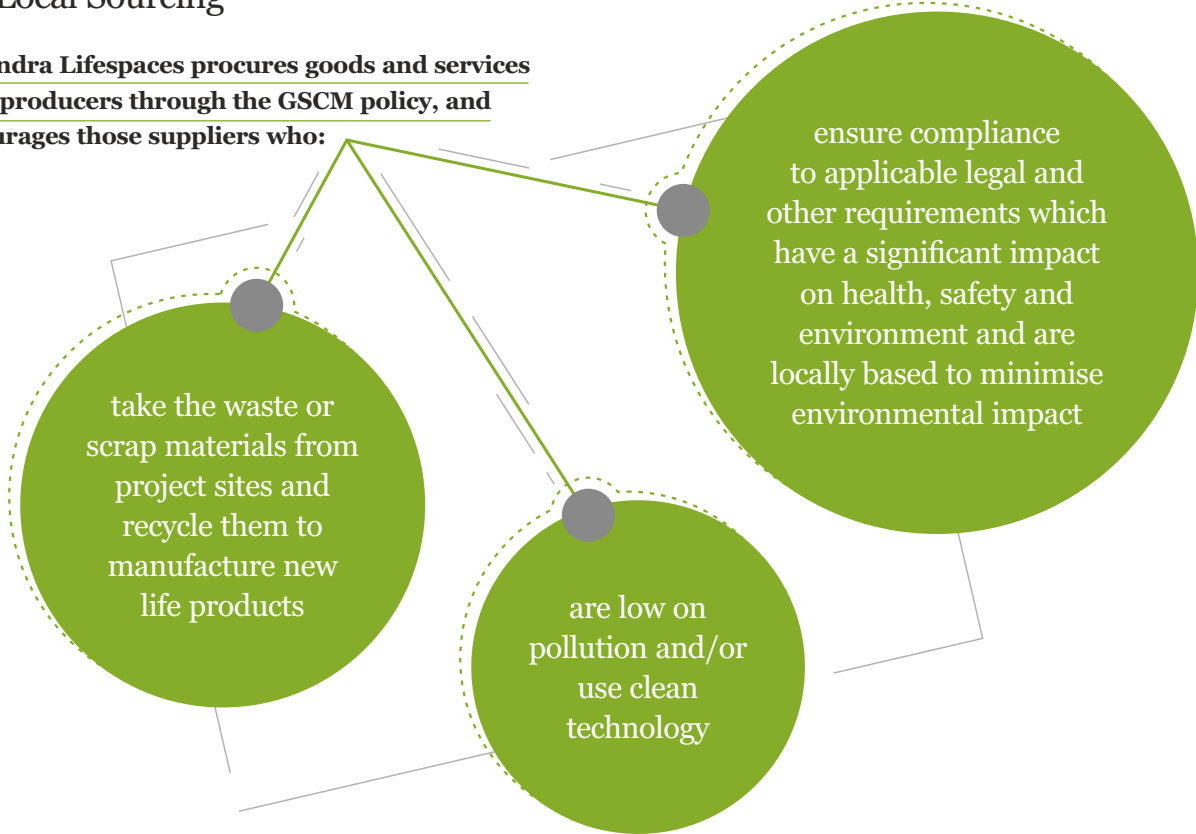**bringing innovation in our processes**

Local Sourcing

Mahindra Lifespaces procures goods and services from producers through the GSCM policy, and encourages those suppliers who:

take the waste or scrap materials from project sites and recycle them to manufacture new life products

are low on pollution and/or use clean technology

ensure compliance to applicable legal and other requirements which have a significant impact on health, safety and environment and are locally based to minimise environmental impact

50% of the total building materials (by cost) procured by us is within a 400 km radius. This data is captured for every project and the percentage varies as per the green rating (for e.g., the total building materials procured within a 400 km radius goes up to 75% in the case of platinum rated buildings).

INITIATIVE

Suppliers & Contractors Meet

During the reporting year, Mahindra Lifespaces conducted Suppliers and Contractors Meet in the western region, engaging its key stakeholders. Over 80 companies participated in the meet with the objective of building sustainable supply chains.

ecosystemic
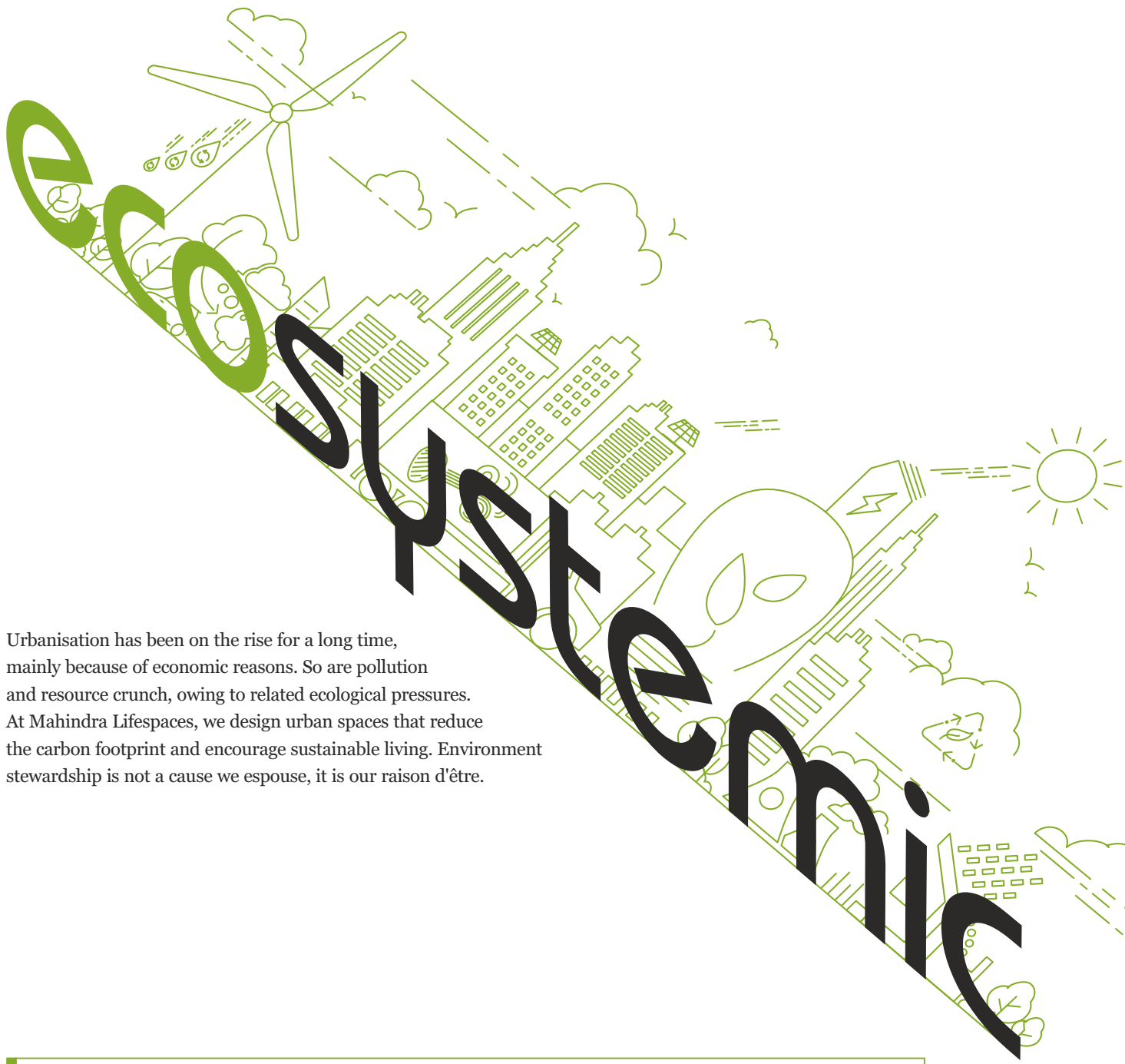
Urbanisation has been on the rise for a long time, mainly because of economic reasons. So are pollution and resource crunch, owing to related ecological pressures. At Mahindra Lifespaces, we design urban spaces that reduce the carbon footprint and encourage sustainable living. Environment stewardship is not a cause we espouse, it is our raison d'être.

Mahindra Lifespaces has been ranked 4th in Asia in its category, in the '2017 GRESB Real Estate ESG (Environmental, Social and Governance) Assessment'.

Our efforts are invested in the three areas which we feel are critical to unleash the true potential of urbanisation:

Reduction of Carbon Footprint
Develop greener, cleaner and smarter cities

Reduction of Pollution
Compliance with all statutory emission norms

Conservation of Resources
Conserve energy, water and material across all stages of projects

Reduction of Carbon Footprint

Rapid, unplanned and unmanaged urbanisation results in negative environmental impact. When done right, urban spaces can reduce the carbon footprint given the efficiency benefits of greater density. At Mahindra Lifespaces, we design homes which are green across their lifecycle - from construction to use till end-of-life phase. Some of these features include:

HEALTH-FRIENDLY INDOORS

ENERGY-EFFICIENT LIGHTING

ALTERNATIVE BUILDING MATERIALS

SUSTAINABLE LOCATION

ENERGY-EFFICIENT BUILDING ENVELOPE

FEATURES OF MLDL'S GREEN HOMES

ORGANIC WASTE TREATMENT

WATER RECYCLING & RE-USE

RAINWATER HARVESTING

EFFICIENT DAYLIGHTING & VENTILATION

WATER-EFFICIENT PLUMBING FIXTURES

🏢 GHG

Management Approach
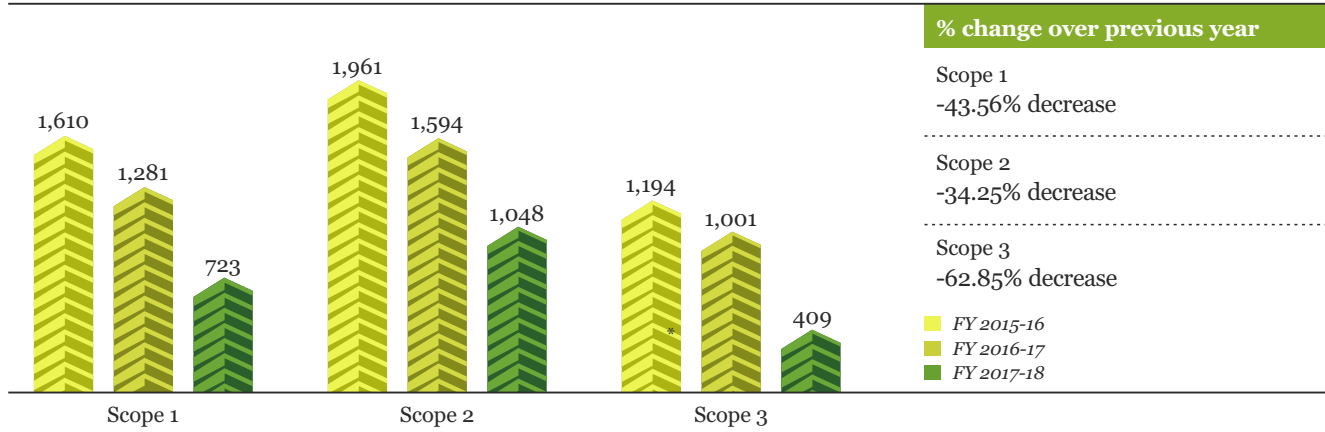
If greenhouse gas emissions continue at their present rate, it will have potentially harmful effects on ecosystems, biodiversity and the livelihoods of the people worldwide. We believe that by measuring, monitoring and mitigating these GHG emissions across all three scopes, we can make the cities more sustainable, increasing the quality of life of the residents.
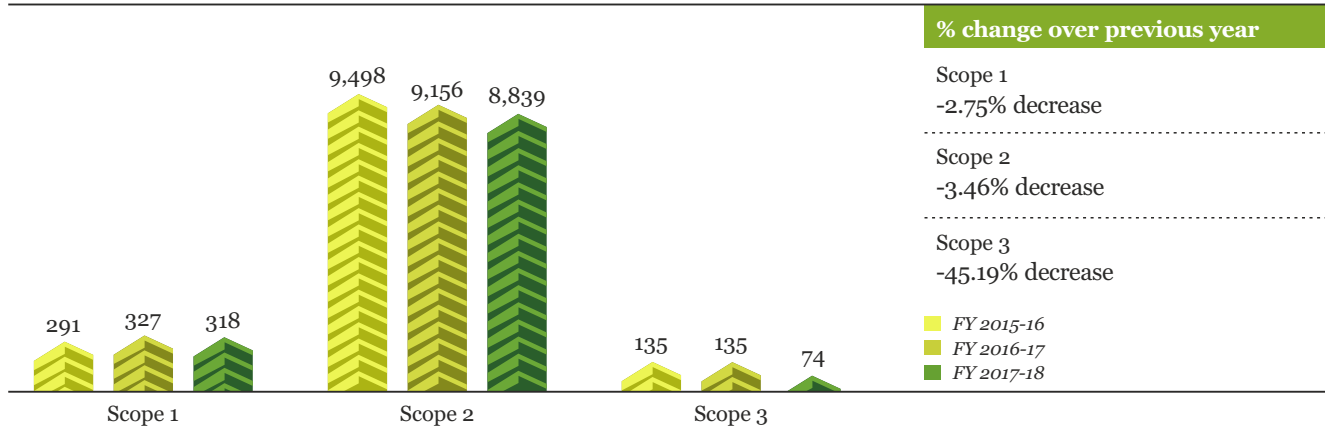
SCOPE 1	SCOPE 2	SCOPE 3
GHG emissions from burning of fuel for energy	GHG emissions from purchased electricity, heat or steam	Other indirect GHG emissions like inbound and outbound logistics, air travel, daily commutation, paper consumption and transport-related activities

GHG - MLDL
tCO₂e

% change over previous year

Scope 1
-43.56% decrease

Scope 2
-34.25% decrease

Scope 3
-62.85% decrease

- FY 2015-16
- FY 2016-17
- FY 2017-18

Scope 1 values: 1,610 / 1,281 / 723
Scope 2 values: 1,961 / 1,594 / 1,048
Scope 3 values: 1,194 / 1,001 / 409

GHG - MWC
tCO₂e

% change over previous year

Scope 1
-2.75% decrease

Scope 2
-3.46% decrease

Scope 3
-45.19% decrease

- FY 2015-16
- FY 2016-17
- FY 2017-18

Scope 1 values: 291 / 327 / 318
Scope 2 values: 9,498 / 9,156 / 8,839
Scope 3 values: 135 / 135 / 74

- At MWC, 12.37% increase in scope 1 emissions in the last year was due to infrastructure development at MWC Jaipur during that financial year.
- Inbound i.e. material intake in the year was less which is why the numbers are low for scope 3.

Total Specific Emissions (Scope 1+2)
*in tCO₂/unit of measure**

MLDL			MWC		
FY 2015-16	FY 2016-17	FY 2017-18	FY 2015-16	FY 2016-17	FY 2017-18
0.002	0.003	0.002	3.511	3.4	3.28

At MLDL, there was an increase last year in the total specific emissions (scope 1+2) due to the addition of phases in Boisar, Luminare and Windchimes projects.
*MLDL - sq ft and *MWC - acres

CLIMATE LEADERSHIP INITIATIVES

Urban settlements can have a great effect on emissions in particular, and climate change in general. Whether these effects are positive or negative, depends on the way urbanisation is planned and executed. AtMLDL, we endeavour to develop greener, cleaner and smarter cities. As a pioneer of sustainable urban communities in India, we have forged partnerships to amplify our efforts.

1 **Sustainable Housing Leadership Consortium (SHLC)**
To develop a low carbon roadmap for the housing industry.

2 **Climate Positive Development Programme (C40 programme)**
For pushing the climate positive urbanisation agenda.

MWC, Jaipur became the 1st Indian and the largest of its kind project to achieve Stage 2 of the C40 programme

Collaboration with World Resource Institute (WRI) to strengthen the energy supply for customers at Mahindra World City, Chennai (MWCC) via renewable sources through Group Captive Initiative.

1

Indian Green Building Council (IGBC)
For green certifications for buildings that are energy-efficient resulting in less scope 3 emissions in use phase. Our total green footprint is currently 8 mn sq.ft. in the pre-certification stage and 7 mn sq.ft. in the certified stage (completed stage).

2

Carbon Disclosure Project (CDP)
For continued voluntary participation in the Climate Disclosure Project for climate change.

3

Mahindra TERI Centre of Excellence (CoE)
To evaluate innovative technologies and materials tailored to the Indian building sector and climates. The instruments have been procured during the year and assembly of some of the equipment is in progress along with research work such as material testing, visual comfort studies and sky modelling. The progress under the CoE activities gets monitored on a monthly basis by the Joint Implementation committee (JIC) and quarterly by the Joint Advisory committee (JAC).

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Building A Greener Urban Future

Other Initiatives

• Conducted sustainability benchmarking by evaluating the top 20 real estate companies worldwide on their material issues and roadmap commitments. The Company has delineated a sustainability roadmap 2020, which is aligned with the National Action Plan on Climate Change (NAPCC)

• Designing energy-efficient buildings and efficient use of energy for utilities

• Use of renewable energy (solar) in our residential and world city projects

• Provision of green space and use of native plants in the projects and tree plantation drives in areas adjoining the projects

Reduction of Pollution

Approximately 3.7 million premature deaths annually worldwide are caused by outdoor air pollution exposure. That is an estimate by WHO, which recognises air pollution as the world's largest single environmental health risk. Urban planners and real estate companies can play a key role in how cities and buildings are designed and managed.

Exterior Air Quality

Construction activities that contribute to air pollution include land clearing, operation of diesel engines, demolition, burning, and working with toxic materials. All construction sites also generate high levels of noise, and dust (typically from concrete, cement, wood, stone, silica, etc.) which can carry for large distances over a long period of time.

Being a responsible developer of green homes, we follow good practices to prevent and control pollution for better health and environs. Some of the measures we take to mitigate pollution includes:

- **Control dust through fine water sprays used to dampen down the site**

- **Screen the whole site to stop dust spreading, or alternatively, place fine mesh screening close to the dust source**

- **Cover trucks loaded with construction materials, and continually damp down with low levels of water**

- **Cover piles of building materials like cement, sand and other powders, regularly inspect for spillages**

- **No burning of materials on site**

- **Effective waste management processes**

- **Reduce noise pollution through careful handling of materials; modern, quiet power tools, equipment and generators; low impact technologies; and wall structures as sound shields**

- **Periodic monitoring of ambient air**

Ambient Air Quality

in microgram/Nm³

Businesses	PM 10	PM 2.5	SOx	NOx
NAAQ Limits - 2009	100	60	80	80
MLDL	95	42.5	9.2	22.5
MWC	70.54	39.6	10.5	20.6

The emissions generated were within the permissible limits given by Central Pollution Control Board (CPCB) / State Pollution Control Board (SPCB) for the financial year being reported. No show cause or legal notices were received from CPCB / SPCB, or that were pending as on 31st March 2018.

REDUCTION OF DG EMISSIONS

CHALLENGE

Clean air and oxygen are prerequisites for life. Air pollution is a grave issue as the following stats suggest:

• 4th leading cause of death globally. 88% of these deaths occur in developing nations

• Every third child in New Delhi has reduced lung function. PM (Particulate Matter) 10 and PM 2.5 are the key culprits of ambient air pollution and are responsible for major health scares

• Causes respiratory diseases including Asthma and Chronic Obstructive Pulmonary Disease

• Reason for cardiovascular diseases including Stroke and Ischemic Heart Disease

• May cause cancer as PM 2.5 is a Class I carcinogen (WHO)

• 18% higher likelihood of pre-term births

INTERVENTION

Diesel Generators that are used for power backup are a major contributor to PM 2.5 in metropolitan cities - about 9 percent of PM 2.5 in Chennai is from Diesel Generators (DGs).

Our team brainstormed and evaluated various alternatives and came across 'Chakr Shield' which is a retrofit on the existing DGs to capture emissions without any adverse impact. Chakr's technology met our sustainability objectives and the same was installed in our DG system as a Pilot.

Step 1 Cools the exhaust in an optimal manner to cause rapid agglomeration of soot particles

Step 2 Captures the soot particles by slowly passing the exhaust gases through contours and meshes while interacting with a solution

Step 3 Continuously cleans the meshes and contours in real time, collecting soot at the bottom in a collection bin which can be reused as branding ink

IMPACT

Parameter	Method	Unit	Results	TNPCB Limits
Before installing Chakr Shield				
Particulate Matters (PM)	IS 11255 PART 1 1985	mg/Nm^3	**68.7**	150
After installing Chakr Shield				
Particulate Matters (PM)	IS 11255 PART 1 1985	mg/Nm^3	**9.3**	150

Adoption of the technology saw an 86% reduction in the PM. It is proposed to deploy the same across all DGs in a phased manner during 2018- 19.

Conservation of Resources

According to research*, the construction sector contributes to 40% of drinking water pollution, and 50% of landfill wastes. In separate research by the U.S. Green Building Council (USGBC), the construction industry accounts for 40% of worldwide energy usage, with estimations that by 2030 emissions from commercial buildings will grow by 1.8%.

At MLDL, we are committed to sustainable construction and conservation of resources, focussing on

ENERGY **WATER** **MATERIAL** **WASTE** **BIODIVERSITY**

Energy

Buildings consume energy and are not always built with efficient use of energy in mind. The current stock of energy efficient buildings in India is less than 5% of the total building stock. Measures to reduce the consumption of energy benefit the environment by reducing emissions and conserving resources. We have been at the forefront of designing energy efficient buildings that cover all three stages of a building's life cycle to yield maximum energy savings.

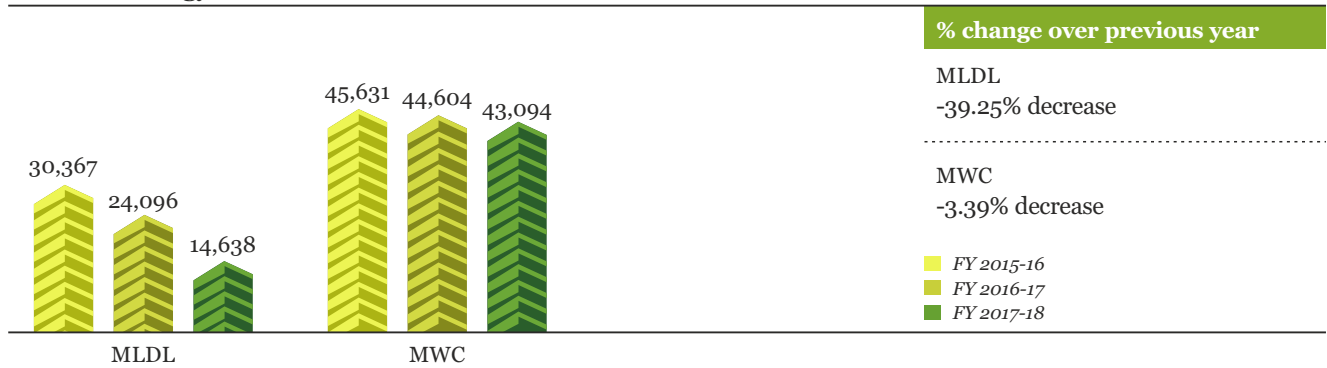| DESIGN STAGE	CONSTRUCTION STAGE	OCCUPANCY STAGE
Creating blueprints that encourage green living and manage the complex cause and effect relationships in energy efficiency.	Deploying multiple small initiatives at our construction sites like using energy-efficient equipment and infrastructure to make a big cut in energy use.	The average energy savings for our IGBC Gold or Platinum rated building is around 25-30%.

Reference: article on 'benefits of Green Building' updated in May 2018 https://www.usgbc.org/articles/green-building-facts

We measure and manage our energy consumption in the form of direct and indirect energy. Direct energy is the energy from fuel directly consumed within our project location whereas indirect energy is the energy consumed in the form of power from the utility.
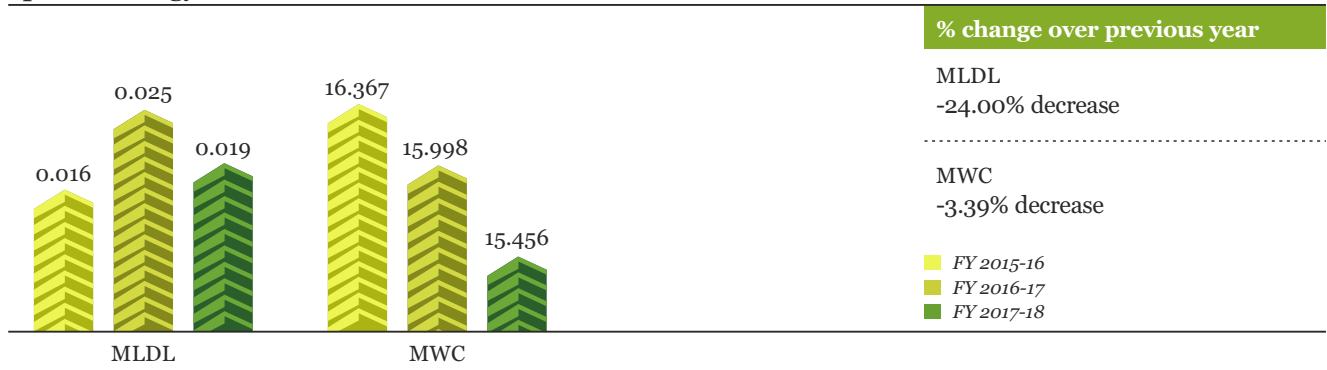
Absolute Energy

in GJ

% change over previous year
MLDL
-39.25% decrease
MWC
-3.39% decrease

- FY 2015-16
- FY 2016-17
- FY 2017-18

MLDL: 30,367 24,096 14,638
MWC: 45,631 44,604 43,094

Specific Energy

in GJ/unit of measure*

% change over previous year
MLDL
-24.00% decrease
MWC
-3.39% decrease

- FY 2015-16
- FY 2016-17
- FY 2017-18

MLDL: 0.016 0.025 0.019
MWC: 16.367 15.998 15.456

As some of our projects were in final stages of completion, the specific consumption is reduced compared to the previous year.
*MLDL - sq ft and *MWC - acres

Some of the key steps that we take for energy conservation:

- The building orientation is arrived at by study of the solar access analysis

- CFD (Computational Fluid Dynamics) analysis at site and building level is done for effective building level strategies

- The design is modified with passive design strategies to achieve comfortable internal temperatures

- Energy efficient building envelopes for walls and roofs

- Effective shading for reduced solar heat gain

- Effective wall-window ratio for optimum lighting

- Desired lighting power densities are maintained through LED lights, and transition from CFL to LED in buildings

- Adoption of efficient pumps and motors

- Usage of solar lighting, solar water heating systems and solar photovoltaic system

MAHINDRA-TERI CENTRE OF EXCELLENCE

CHALLENGE

The current stock of energy efficient buildings in India is less than 5% of the total building stock than 5% of the total building stock. The estimated building stock of India stood at 11,627 million sq. m. as of 2011 and is projected to reach 15,374 million sq. m. by 2020. This fast-paced growth is likely to result in an enormous demand for energy in the future.

A majority of the buildings constructed in the country are not responsive to the climate. This insensitivity towards climatic requirements while constructing buildings is resulting in buildings that are guzzlers of energy. The Indian building sector offers a huge potential for energy efficiency and unless this potential is realised, the building sector will emerge as a large energy consumer, posing a serious threat to India's future energy scenario.

INTERVENTION

With a vision to build a greener urban future by developing innovative energy efficient solutions tailored to Indian climates, Mahindra Lifespaces and The Energy and Resources Institute (TERI) announced the creation of a Centre of Excellence (CoE). The CoE has been established at TERI's Gwal Pahari campus in Gurgaon and is operational from June 2018.

The CoE will focus on providing coherent databases for market ready, scalable and viable materials and technologies through a systems approach. The use of state-of-the-art research techniques, tools and performance measurement solutions like the guarded hot box will help generate performance data and metrics that can provide scale to the implementation of energy efficient building stock in India.

IMPACT

Mainstream sustainable housing by offering a wide range of indigenous materials that are thermally efficient, scalable and affordable

Influence the building materials industry to develop innovative and sustainable solutions thereby enhancing the green supply chain ecosystem

Reduce the energy footprint of the real estate industry

🏢 Water

Although Cape Town managed to push back the 'Day Zero' expected in 2018 to a future date, the cap of 50 litre per person per day on water consumption continues. The scarcity is similar in Bengaluru, which is one of the 10 metropolitan cities besides Cape Town that are fast moving towards 'Day Zero' - a situation when taps start running dry. As per the report by Centre for Science and Environment (CSE), the urban water demand is expected to go up by a whopping 80% from the current level by 2050, and 36% of the cities across the world will face a water crisis by then.

Building construction is a highly water intensive process, so at MLDL, we make sure that usage of water is monitored, and water efficiency is focussed wherever it is consumed. We also include water conservation at every stage of our construction project, from design, to construction and occupancy.

DESIGN STAGE	**CONSTRUCTION STAGE**	**OCCUPANCY STAGE**
Our projects are designed with an aim to lower water consumption of the site.	Existing water bodies are preserved to minimise ecological disturbance at site.	A host of initiatives are undertaken to minimise water usage during the occupancy stage.

Absolute Water Consumption
in m³

% change over previous year

MLDL
-52.32% decrease

MWC
3.77% increase

- ▉ FY 2015-16
- ▉ FY 2016-17
- ▉ FY 2017-18

Values shown: MLDL — 366,280 / 235,791 / 112,432; MWC — 1,995,511 / 2,390,401 / 2,480,492
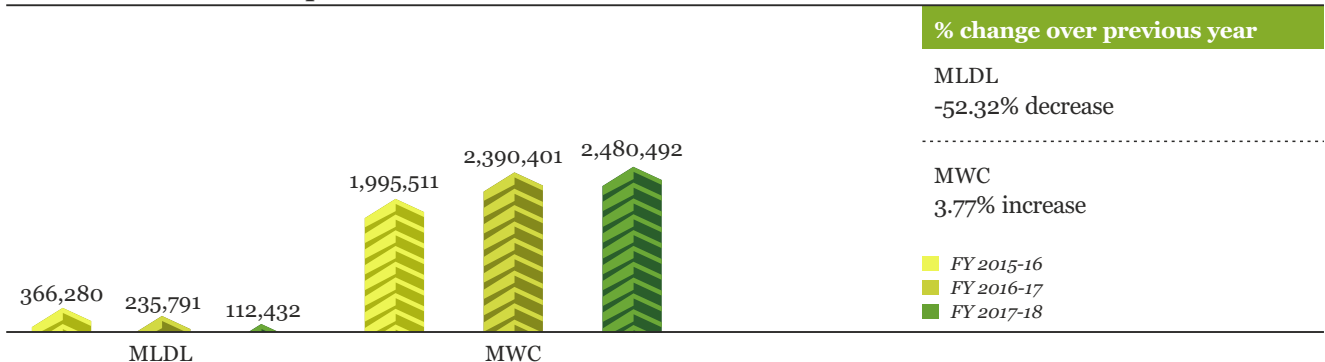
Absolute water consumption in MWC rose by 19.79% last year and 3.77% this year on account of increase in operational demand, and denominator area of development and maintenance being constant.

Specific Water Consumption

in m³/unit of measure*

0.146	FY 2015-16
0.248	FY 2016-17
0.15	FY 2017-18

715.75 857.389 889.7

MLDL MWC

% change over previous year
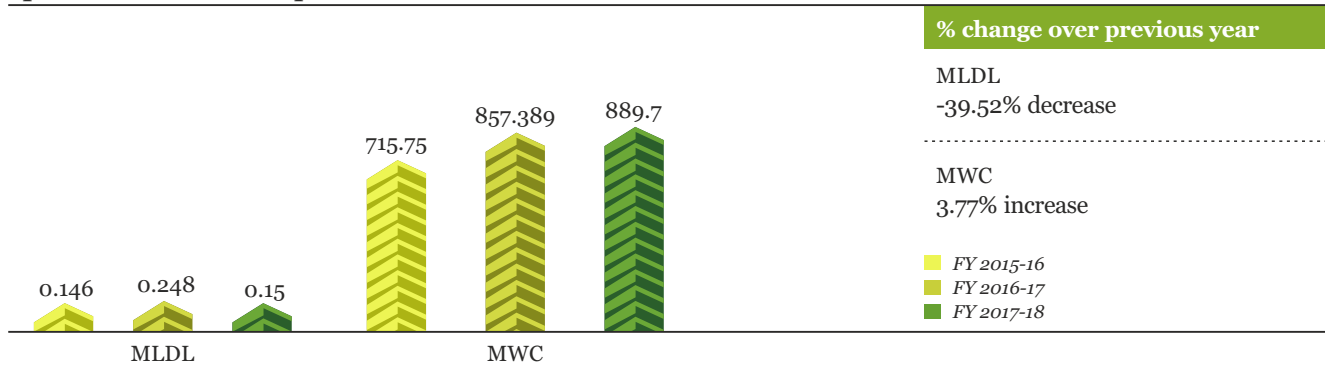
MLDL
-39.52% decrease

MWC
3.77% increase

- FY 2015-16
- FY 2016-17
- FY 2017-18

Specific consumption of water in MLDL increased by around 70% last year due to huge reduction in denominator i.e. square feet of built up area (approx. 52% less), and some of the projects which consume more water being in the final stages. In MWC, the increase seen last year as well as this year is due to the increase in the numerator (volume of water usage due to increase in the number of occupants) with the same denominator (land area maintained of 2,788 acres).

*MLDL - sq ft and *MWC - acres

Water Withdrawal by Source

in m³

MLDL			MWC	
2016-17	**2017-18**		**2016-17**	**2017-18**
23,893	51,719	**Tanker Water**	91,019	156,556
103,495	19,113	**Municipality Water**	386,860	427,273
60,360	37,102	**Ground Water**	1,268,052	1,120,780
224	4,497	**Bottled Water**	52	30
12,450	0	**Surface Water**	0	0
29,580	0	**Treated Water**	644,418	775,853

The surface water and treated water for this year remained zero. The site using surface water remained with no construction activity this year and treated water was not used for MLDL construction operations this year.

Note: The increased percentage of tanker water consumption is mainly due to the Gurugram site of 'Luminare', where tanker water is the only source supplied by the government authority. This tanker water is recycled waste water.

Note: The surface water usage at MWC was nil this year. We have increased the use of treated water from STP (26% to 31%) and 3% more of tanker water consumption, which enabled us to reduce the ground water consumption from 53% to 45% this year as compared to the previous year.

Some of the key water conservation steps that we take can be divided into 2 parts

Construction Phase	**Product Design and Use Phase**
• Curing compound is used for curing verticals of concrete in place of water, resulting in the saving of water	• Efficiency of potable water use through better design/technology
• Gypsum plaster, an alternate material to cement sand plaster is used. It requires 50% less water for mixing and water is not required for curing	• Ground water recharge mechanism through rainwater harvesting is an effective tool to counter the rapid decline in ground water levels, and improve water supply and quality, for neighbouring communities
	• Water-efficient flow and flush fixtures as well as other plumbing fixtures
	• 100% waste water treatment with in-house Sewage Treatment Plant (STP) and Tertiary Treatment Plant (TTP), ensuring that the waste water generated within the project is internally recycled and treated. The treated water is used in flushing, cooling, irrigation (on-site landscaping) and other non-potable uses within the site
	• Efficient irrigation systems • Use of drought tolerant species

Materials

With rapid urbanisation and growing demand for housing, the consumption of raw materials by the realty sector is increasing really fast, resulting in a depletion of natural resources, increasing the environmental impacts and CO_2 emissions. **To mitigate these effects, we take steps to monitor the usage, reduce the consumption, use the right material, try to find alternate materials, and recycle waste for reuse.**

Material Consumption

MLDL

In tons

- Semi-manufactured
- Raw material
- Associated material

Note: The demand of material of 2016-17 was partially procured in the late FY 2015-16. Hence, the procurement of material in 2016-17 is low compared to 2017-18.

MWC

In tons

- Semi-manufactured
- Raw material

Due to road constructions, raw material consumption was very high during the year in MWC.
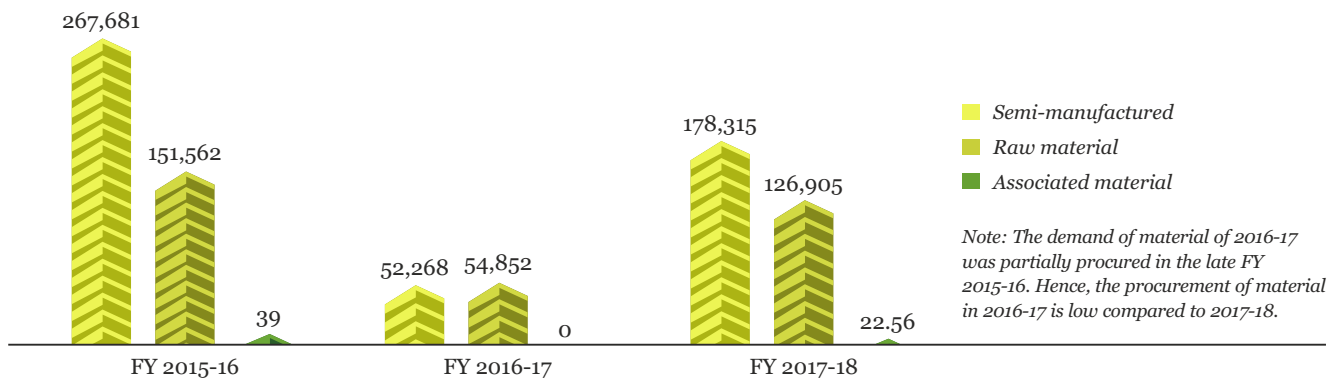
Some of the key steps undertaken at MLDL to conserve materials include:

- **Building simple, which uses less material**

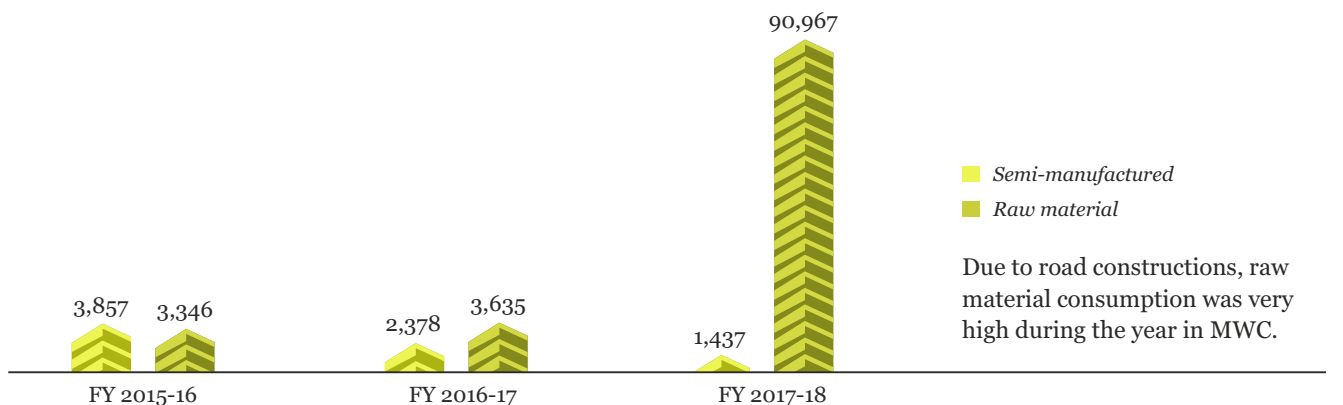- **The design solution is arrived at by modular bays for ease of repetition to achieve a universal design**

- **Concrete achieved with high flow (free flow dynamic concrete) which requires minimal compaction compared to conventional concrete**

- **Ready-mix plaster with additives like cellulose fibres, PP fibres and integral waterproofing compound additives. Additives improve open time, workability and crack resistance**

- **Block work done with CLC (Cellular Lightweight Concrete) block, which is light in weight, has better thermal insulation and finish, is eco-friendly, faster to construct and easy to handle. It also improves labour productivity and reduces structural load to the buildings due to lower density**

- **Selection of resource efficient materials as part of the structure, fixtures and fittings as well as in site infrastructure**

- **Self-curing polymer-based plasters are also being explored for our current affordable housing projects**

- **100% replacement of river sand by crushed sand**

- **EPS (Expanded Polystyrene) wall panels for internal walls and roofs, with thermal and sound insulation. They are structurally strong and fire resistant, and the EPS core contains no ozone damaging CFC**

- **Dry wall panels for partitions, mezzanine floors and boundary walls, with advantages like faster construction, minimum usage of paints, increase in carpet area due to lesser thickness, and is termite, water and fungus resistant**

🏢 Waste

The waste from the construction industry constitutes roughly 25% of the total estimated waste in India[*]. Management of such a high quantum of waste is a huge concern with a shortage of dumping sites, pressure on the existing landfills, increase in transportation and disposal cost, and above all pollution increase, environmental impact and health effects.

> **At MLDL, we consider generated waste as a resource, and responsible management of waste as an essential aspect of sustainable buildings. This includes eliminating and minimising waste, reusing and recycling generated waste, and safe disposal at government-approved sites.**

Our waste management practices span across the life cycle of the project, which includes:

DESIGN STAGE	CONSTRUCTION STAGE	OCCUPANCY STAGE
Innovative techniques to reduce, reuse and recycle waste are incorporated right at the design stage in each project.	At least 75% of our construction waste is diverted from landfills. Under our construction waste management plan, we track all recyclable waste and ensure it is collected & segregated at a demarcated location. This facilitates reuse and methodical disposal.	All our buildings are equipped with colour coded bins - red, green and blue to collect recyclable waste such as inorganic waste/hazardous waste, bio-degradable waste/organic waste and paper/plastic/cardboard waste respectively. All the treated biodegradable waste is converted into manure and is used for landscaping.

Reference: Report on Construction Materials and C&D Waste in India by Sandeep Shrivastava and Abdol Chini M.E. Rinker Sr., School of Building Construction University of Florida, USA

Waste Generated Dashboard

MWC

Non-hazardous waste	FY 2015-16	FY 2016-17	FY 2017-18
Solid (tons)	3,049	3,056	2,014

MLDL

Hazardous waste	FY 2015-16	FY 2016-17	FY 2017-18
Solid (nos.)	177	0	461
Liquid (kl)	1	1.107	2.2

MLDL

Non-hazardous waste	FY 2015-16	FY 2016-17	FY 2017-18
Solid (MT)	866	248.268	1,743
Solid (Nos.)	31,042	35,721	13,839
Liquid (Kl)	20	0	0

Note: The increase in the nos. of solid hazardous waste generation in MLDL is due to more finishing work, which increased the waste generation of hazardous waste containers. Similarly, the wood and other materials used in the finishing stages was more, which resulted in the increase in mass of solid non-hazardous waste.

Some of the key steps for waste management at MLDL include:

- Use up to 25 percent fly ash in free flow dynamic concrete used for regular construction

- Concrete grade of M25 with high volume of fly ash (HVFAC) up to 55% of total cementitious content was used in road networks and car parks, reducing cement consumption

- Preference for vendors who take the waste or scrap materials from project sites and recycle them to manufacture new life products

- An in-house Sewage Treatment Plant (STP) and a Tertiary Treatment Plant (TTP), ensuring that the waste water generated within the project is internally recycled and treated. The treated water is used to meet the requirements of flushing, cooling, irrigation (on-site landscaping) and other non-potable uses within the site

- Ensuring effective waste segregation on site and conversion of biodegradable waste into biofuel and compost

- Use of concrete test cubes to form water drinking / dish wash area for labour camp

- Reuse of construction waste to minimise fresh consumption of resources. One of the ways to reuse is that the waste generated in our projects is used for filling, grading, levelling, etc.

The emissions/waste generated by the Company are within the permissible limits given by the Central Pollution Control Board (CPCB)/State Pollution Control Board (SPCB) for the financial year being reported. No show cause or legal notices were received from CPCB/SPCB or were pending as on March 31st, 2018.

🏢 Biodiversity

The growth of cities may cause biodiversity to decline by fragmenting or destroying large areas of natural habitat on which many species depend. At MLDL, we expand our footprint in synergy with the ecological footprint. Every space has a unique biotic heritage and we take proactive steps to preserve it as we design and construct green homes.

Some of the key steps taken by us for protecting biodiversity include:

- **Participating in India Business & Biodiversity Initiative (IBBI) baseline assessment to get an overview of the relation between Natural Capital and our dependence on it**

- **Creating a Natural Capital Profile (NCP) of the Company**

- **Chalking out a Natural Capital Action Plan (NCAP) for our integrated cities based on the recommendations during the assessment and the NCP of Mahindra World City Chennai**

- **Rolling out a comprehensive biodiversity management plan at some of our projects, based on the recommendations given for Happinest Boisar and Mahindra World City Chennai**

- **Planting of trees as part of Project Hariyali - Mahindra's Group-wide afforestation project**

Total Environmental Expenditure

In INR

Environmental Expenditure	MLDL	MWC
STP / ETP maintenance contract cost and expenses incurred for treatment chemicals	300,000	7,789,268
Expenses incurred for air emission monitoring (stack and ambient)	398,544	888,086
Cost for water quality monitoring	240,420	603,138
External certification of management systems	0	0
Expenditure for the purchase and use of emission certificates	17,500	0
Fees paid to Pollution Control Boards for consent application / renewal	250,000	415,706
Cost for waste disposal / treatment	1,070,700	5,933,031
Total Environmental Expenditure	**2,277,164**	**15,629,229**
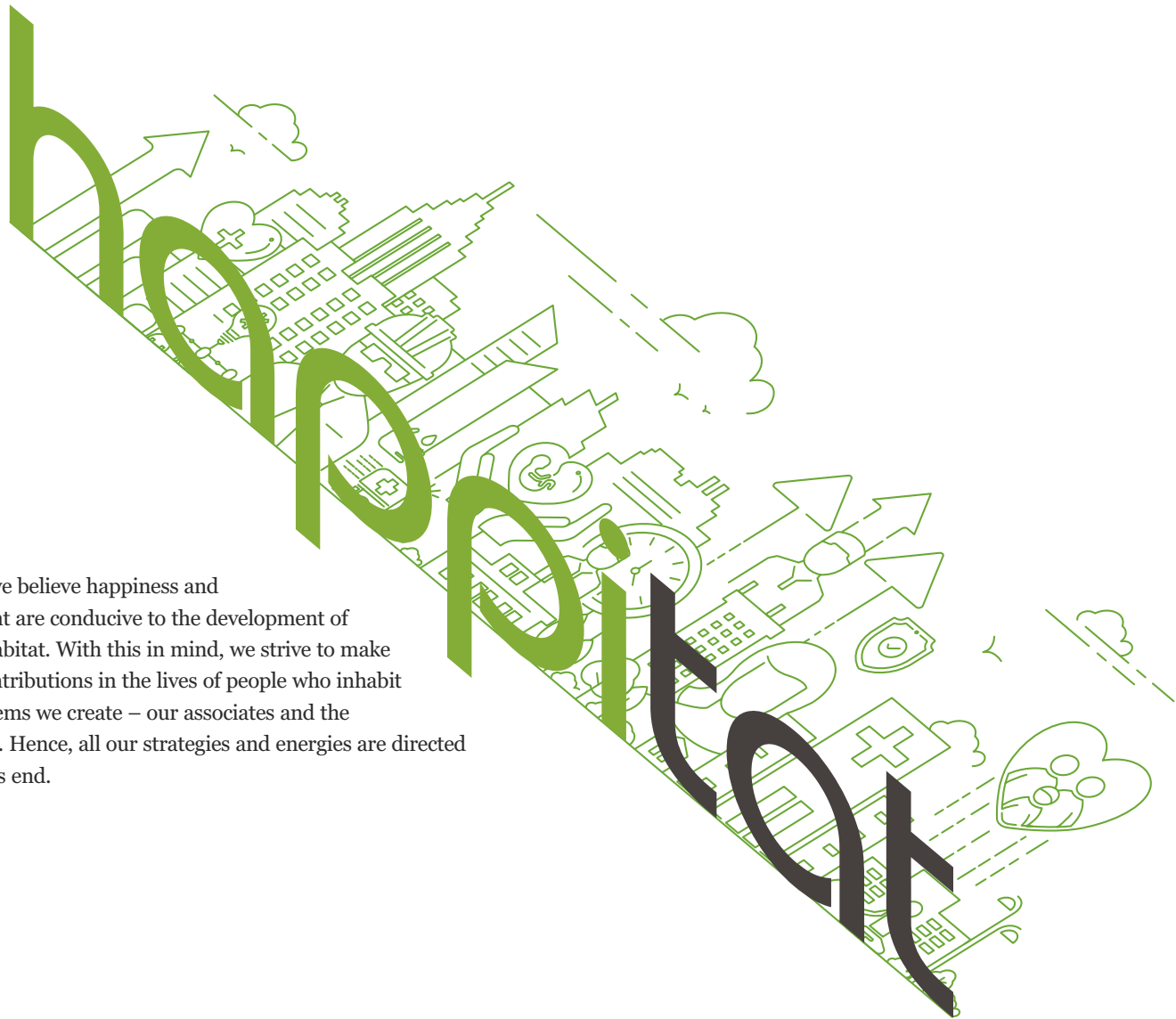
happitat

At MLDL we believe happiness and contentment are conducive to the development of a vibrant habitat. With this in mind, we strive to make positive contributions in the lives of people who inhabit the ecosystems we create – our associates and the community. Hence, all our strategies and energies are directed towards this end.

Ranked 22nd in India's great mid-size workplaces in 2018, in a study conducted by GPTW (Great Places to Work) Institute

*97.20 lakhs unspent is earmarked for Mahindra TERI Centre of Excellence

Zero
fatality

First aid cases
Reduced by 35%

₹490.49 lakhs
CSR spend in FY 2017-18*

Our Associates

For several years now we, at Mahindra Lifespaces, have been working towards sustainable growth, and to have equally invested associates, it is essential that they are enthusiastic and engaged. We offer a work culture and workplace environment that attracts, values, appreciates and, thereby, retains talent. A 360-degree HR policy that covers all aspects, from recruitment to retention, leads to overall development of the associates. We keep an eye on emerging workplace trends, and based on the feedback we receive, our HR policy keeps evolving.

Management Approach

Our Company is built on strong values, and it is essential the talent we hire are the right fit, not only in terms of job profile, but also the right attitude. This is enabled through our workplace policies.

Policies at Work

Since it is our associates who work on and help build our vision of sustainable urbanisation, we draft policies that empower them, and processes that are constantly evolving but always associate-centric and growth oriented. These policies foster the institutionalisation of best practices in talent acquisition and management.

Human Resources Policy

Associate development, grievance redressal mechanism and associate counselling

Health & Safety Policy

Assurance of stringent OHS standards

Wellness Policy

Learning & Development (L&D) programmes, preventive health examinations and wellness activities like yoga

Policy on Sexual Harassment for Women Associates

Zero tolerance approach towards any act of sexual harassment

Employee Relations Policy

Equal opportunity and diversity

Maternity, Paternity & Adoption Policy

26 weeks of fully-paid maternity leave and ten days' paternity leave. Six weeks of adoption leave for women and ten days of adoption leave for men

Work-Life Integration Policy

Work from home alternative, concierge services, sabbaticals and work-life counselling facilities

Working Hours Policy

Flexible working hours for effective work-life balance and efficient work execution

We continually evolve these policies, based on the feedback received, to deliver an effective framework of relevant talent nourishing mechanisms. This framework includes the basic tenets of human rights, diversity and safety.

HumanRights

Respecting human rights is at the core of Mahindra Group's ideals. At Mahindra Lifespaces, we intensely value the principles of human rights and workplace entitlements. To embed a culture of respect and equality across departments and designations, we train our associates on human rights. As a signatory to the United Nations Global Compact (UNGC) Principles of Human Rights, we abide by all its principles in letter and spirit.

Principle 1 Businesses should support and respect the protection of internationally proclaimed human rights; and

Principle 2 make sure that they are not complicit in human rights abuses;

Principle 3 Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4 the elimination of all forms of forced and compulsory labour;

Principle 5 the effective abolition of child labour; and

Principle 6 the elimination of discrimination in respect of employment and occupation.

Diversity and Inclusion

Associates being a very important and key resource at our company, we see it as essential to have a workforce that is diverse in every way – diversity of perspectives, experiences, knowledge, cultures, genders, etc. They bring to the table alternative ways to grow, and multiple perspectives on how to tackle challenges, thereby cultivating an ideal environment to innovate and adapt to the ever-changing industry scape. We believe that diversity of any kind, adds to the richness of the organisation. As an equal opportunity employer, we believe that merit is the only condition to work and grow and the Company does not discriminate on the basis of caste, gender, race, religion or any other classification. We are always conscious of creating and nurturing a working environment which is inclusive and celebrates the uniqueness of each associate. Respect for diversity has a significant impact on associate engagement leading to enhanced organisational performance. We have constituted a 'Diversity Council' which formulates, implements and monitors initiatives to foster an inclusive work culture.

Talent Management

At Mahindra Lifespaces, we strongly believe in nurturing the talents of our associates as we work towards creating lifelong bonds with them. Talent management for us is, hence, all about long-term associate development. This entails the right recruitment of new talent as well as providing the right direction for existing ones. Aided by a stimulating and rewarding work environment, associates grow personally and professionally, leading to improved productivity and retention. Anything that lasts must start well. We employ inventive recruitment procedures and employment practices to get the right fit through campus, referrals and collaborations.

Onboarding feedback is taken thrice - on the 7th, 21st and 90th day of recruitment, the response is measured on a 10-point rating scale and the feedback is shared with respective stakeholders to address relevant points. This rating has been consistent with the average rating of 8.5 across locations.

Monthly dashboards that highlight vacant positions, hiring challenges and steps to address the same

Enriching our hiring managers with 'Competency Based Interview' workshops for mapping skill sets to job specifics

Hiring new recruits through our 'Power to Refer' employee programme with non-monetary incentives

Our process involves the introduction of a basic test to gauge the capability of the applicants when they apply for jobs. Following this, those who get recruited, go through a comprehensive onboarding process to help acquaint them to the organisation's culture quickly, and learn the skills and behaviours required to function effectively.

Onboarding feedback is taken thrice - on the 7th, 21st and 90th day of recruitment, the response is measured on a 10-point rating scale and the feedback is shared with respective stakeholders to address relevant points. This rating has been consistent with the average rating of 8.5 across locations. A quarterly feedback mechanism evens out the slightest of gaps, if any. Keeping in mind our quest to be a truly sustainable organisation, we have digitised the process, effectively eliminating the need to print paper. New hires receive a link where they can update their details, which is then automated and reports are shared.

Respect, Safety and Prosperity

Gender diversity has been a major focus area at Mahindra Lifespaces. To guarantee a safe, transparent and friendly work environment for women, we undertook the following initiatives in this reporting period:

Group Women Leadership Programme which offers mentoring and leadership training to women who are performing exceptionally well. This year, 3 women associates were certified under this programme

Several gender sensitisation sessions were conducted to identify and deal with unconscious bias

Guest speakers were invited for mentoring sessions to increase awareness on gender diversity

A self-defence pilot was conducted to equip women associates with mental and physical preparedness in dangerous situations

Promoting the Well-being of All Employees

A work environment where employees feel truly cared for is the key to a sustainable business. For us, our associates are our first customers. They are encouraged to think independently, develop leadership skills and explore innovative ideas. Although, there are no employee associations recognised by the management, a comprehensive HR policy covers all facets of talent management. Based on the feedback received from associates, the HR policy evolves on a consistent basis. MLDL is an equal opportunity employer and does not discriminate based on race, religion, caste, gender, age, disability, HIV/AIDS status, and any other characteristic. We see sexual harassment at the workplace as one form of discriminatory behaviour. We have formal procedures for mediating cases of sexual harassment brought to the committee. The committee includes external members on the panel to ensure independence and provide balance.

Category	No. of complaints filed during the FY	No. of complaints pending as on end of the FY
Child labour/forced labour/involuntary labour	NIL	NIL
Sexual harassment	NIL	NIL
Discriminatory employment	NIL	NIL

Talent Development

At Mahindra Lifespaces, it is our belief that by investing in associate development we see higher commitment as well as productivity. These enablers of performance excellence are identified through the assessment of our continuous associate feedback mechanisms. The resultant satisfaction and growth of associates has fast-tracked our journey on the path of becoming a truly customer-centric organisation, both internal and external. Although we ensure an all-round progress of our associates, this reporting period, we particularly focused on two vital areas:

1 Improving project execution skills through optimisation of time and cost, and enhancement of safety and quality

2 Delivering a superlative customer experience through superior customer-centric training activities

Skill Upgradation

It is vital to be up to date with rapid technological changes to survive in any business. Hence we ensure our associates keep learning throughout their careers. The Company invests in programmes and initiatives to train and help associates to stay ahead of the learning curve with knowledge enablement and capability development. Some of the key elements of learning and development include self-development platforms, high value learning programmes and digital learning platforms.

- Each Permanent Associate of Mahindra Lifespaces received an average of 24 hours of job specific and skill upgradation training in FY 2017-18

- Contract/Casual/Temporary Associates: 124 workmen were certified by National Skill Development Council (NSDC) based on Pradhan Mantri Kaushal Vikas Yojana (PMKVY) 2.0 framework, under the Company's skill upgradation initiative 'Parivartan'

Technology & Skilling

Our skilling programme uses technology in the areas of building envelope, glazing and wastewater treatment. We have identified and work with relevant industry partners, discussing the possibilities and shortlisted technologies. Based on this we are able to evaluate the technology's impacts and their scale-up potential.

1 Glass-Fibre Reinforced Gypsum (GFRG) developed by IIT Chennai in collaboration with Rapidwall as one of the shortlisted technologies

2 In discussions with EESL to structure channels of access to consumers for super-efficient fans and ACs

3 Evaluating interventions in skilling/up-skilling for construction workforce, with a focus on gender aspects. SHLC has conducted working sessions with National Skill Development Council (NSDC), Ministry of Skill Development, to identify job roles appropriate for women in the construction workforce

Nurturing Our Rising Stars

As an established and well-oiled Company, we are gearing up for an accelerated development in the future. In order to achieve our aspirations, 22 high-potential associates, whom we call 'STARS' have been identified through our Talent Council's high-potential development platform. They are continuously mentored and undergo rigorous training by Executive Committee members, and are provided opportunities in cross-functional projects to enhance their capabilities and sharpen their business acumen. Some of the projects that were managed by 'STARS' this year were the launch of our customer referral programme - 'Regalus' and implementation of 'Walk the Talk' - our customer outreach programme.

Revamping Learning For Excellence

While several training programmes and learning modules are conducted for our associates, we also felt the need to undertake an intent-to-impact assessment of these ongoing initiatives. Benchmarking was done, with both the Mahindra Group companies and other MNCs, to leverage on the best practices in the learning and development domain. My Real Learning portal was used to measure the effectiveness of these programmes. The participants' supervisors were asked to provide feedback, subjective and objective information, 90 days after their subordinate had attended the training. Higher focus was also given to on-the-job training and department projects led by function heads to drive desired learning outcomes.

Talent Engagement

At Mahindra Lifespaces, we believe that 'Happy Associates make Happy Customers'. Whether it is celebration or information, sharing nurtures a joyful relationship. The same is reciprocated by the associates with the customers. We continually engage with our associates through the following key engagement platforms to foster their growth with us:

Annual Leadership Conference

In 2016, we remodelled our annual employee conference which focused on communicating strategy, sharing annual performance and celebrating achievements with a wider group of employees (managers and above) to a more focused, participative event with operational leadership (DGM and above) - MSPIRE. This year MSPIRE acknowledged the successful launch of Happinest Palghar, upcoming launches in the residential business, visibility on new land parcels, our mindset, efforts, being creative while also taking a look at our actions towards all our key priorities and marshalling all our resources.

Quarterly Executive Council Meetings

Each quarter, the Real Estate Executive Council meets at one of our sites to gain a deeper understanding of operations at the site as well as discuss the strategic issues and key challenges facing the Company. The Council also discusses quarterly numbers and reviews full year estimates at these meetings. These meetings provide the Council with a forum to share best practices across regions and businesses.

Functional Meets

The Sales, Projects and CRM teams meet quarterly to review their performance over the last quarter, and discuss targets for the next year and methods to achieve them. Staff functions such as HR, Finance and Design meet once every year.

Quarterly Results Update

At the end of each quarter, the financial and operational performance of the quarter is shared by the CEO across the organisation. Achievements of teams in the quarter are recognised and priorities/focus areas are laid out for the next quarter.

Expressions

Reach-out forums are held annually across all locations to communicate, connect and collaborate in achieving key milestones of the Company. This forum also recognises our Pillars of Strength and Rising Stars.

External benchmarking using GPTW (Great Places to Work) data and focused group discussions were done with 40% of associates across all units, functions and other segments to craft our AVP (Associate Value Proposition). The AVP was launched during Expressions, the Town Hall meeting, which included a 4-minute video that was circulated on social media.

Customer Centricity

To successfully create a customer value proposition of 'Joyful Homecoming', it is imperative to imbibe a customer centric mindset across the organisation. This year, we continued to delight our customers with our 'My Customer My Valentine' initiative. Embedding customer centricity in our work culture was carried out through a structured result-driven process, involving contests, training, culture building exercises, etc. Special focus was given to training our associates to collaborate with our customers and provide them with a superlative property handover experience, which included:

Living the CVP

Increased communication and higher connect with the customers via social media

Launch of Apartment Adda – our facilities management app

Upgrading the website for enhanced customer experience

Flexi-home options for customers

Walk the Talk

30+ customer engagements

83 inputs across design, quality and service areas with 25 points already acknowledged and implemented

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CASE STUDY

CHALLENGE

Majority of our residents in Ashvita, Hyderabad, were working professionals with both husband and wife pursuing their careers. Although we had a crèche as part of our standard project amenities, we identified the need for a functional day care facility to take care of the children while their parents were at work.

INTERVENTION

The local and corporate CRM team saw this as an opportunity to implement the joyful homecoming proposition. After internal discussions and meetings with the residents, we decided to modify the club house plan to accommodate a larger day care facility. The area of the crèche was increased from 440 sq. ft. to 1,600 sq. ft.

OUTCOME

The children of the working couples now have a fun and safe place to stay back after school. We co-created an amenity based on the identified need of the larger community and converted a potential worry into a reason to smile.

Talent Dashboard

Consolidated (MLIFE+MWC)	Unit	FY 2015-16	FY 2016-17	FY 2017-18
Total Workforce	Numbers	6,802	4,952	4,061
Attrition Rate#	%	14.62%	18%	16.25%
Men Headcount	Numbers	6,677	4,871	3,996
Women Headcount	Numbers	125	81	65
Training	Person-Hours	21,898.5	16,617	8,882

#Attrition rate is only for permanent associates (men + women headcount) MLIFE - Mahindra Lifespaces | MWC - Mahindra World Cities | Training hours only for permanent associates

Growing Together

Associates are the ones who actualise our vision. We value their contribution in our mission with rewards, remuneration and other benefits.

Fair and Transparent Remuneration

Attractive Pay Packages benchmarked with best in the business

Balance Scorecards (BSCs) to streamline the management of performance appraisal

Online Performance Management System (PMS) Integration of all goal sheets, appraisals, career planning and individual development action plan

Value Added Advantages

Flexi-pay for all permanent associates Automated flexi-pay stages using SAP making the mechanism more convenient

Flexi-time Flexible hours have been allowed primarily to enable work-life balance

Internal Job Postings (IJP) Lateral as well as upward movement enabling associates to make wise career moves

Permanent Perks Parental Insurance, Mobile Facility, Mobile Reimbursement, Accident Insurance, Retirement Benefits, Leave Accumulation, Employee Stock Options, Restricted Stock Units, Maternity / Paternity Leave

Adoption Leave Women associates are entitled to a maximum of six weeks of leave and male associates for ten days

Sabbatical Three months for further studies, skill building or CSR after completion of five years

Working from Home or Alternate Office Maximum of one day in a week or two days in a month

Empowering Work Culture Strong code of conduct and work ethics

Rewards And Recognition

The one who is happy to be associated with their company is a happy associate! We want our associates to experience a sense of pride in their journey with us. Every time they walk that extra mile to add value to the organisation through product innovation or service excellence, we convey our appreciation and gratitude to them through rewards and worthy recognitions.

At Mahindra Lifespaces, we encourage exceptional performance by our associates through the following key awards:

Soaring Above & Beyond Award
to recognise an associate who creates
organisational value that impacts
profitability, revenue, productivity,
product innovation and customer delight,
entailing a quantum jump in metrics

Quarterly Milestone Award
for recognising field teams, who achieve
new benchmarks or set new records,
has been launched. This award focuses
on appreciating team performances
rather than individual performances

Here & Now is a spot recognition
platform for having a customer-centric
culture and a positive environment. It
is given to the associates when the
situation arises

Chairman's Rolling Trophy is an annual award that recognises
excellence in project execution and customer acquisition in our sector,
based on quality, safety and sales criteria

Safeguarding Health And Safety

A top priority at Mahindra Lifespaces is the health and safety of our associates. The strength of a building stems from its foundation
and for us this is the foundation which enables us to build a stronger organisation. In order to flourish, we are committed to protect
our environment, associates, customers, visitors, operatives and general public from any harm due to our operations.

By making safety and
construction important
parameters that go hand-in-
hand, we have ensured it
becomes every person's
responsibility to be
committed to the safety of
the people working with
them. Individual site
engineers are being trained
and authorised to carry out
project evaluations, and take
ownership of the safety of
the entire site. We are
constantly empowering the
workforce with knowledge in
order to help them identify
unsafe acts, raise concerns
and take informed decisions.

ZERO
fatality

First Aid cases
reduced by
35%

Safety Snapshot

At Mahindra Lifespaces, we continuously provide safety training to all of our associates including contractual associates. We consider safety as one of our topmost priorities.

Permanent Associates: 100%
(Safety induction training given to all associates)

Contract/ Casual/ Temporary Associates: 100%
(Safety induction training given to all associates)

There was one reportable accident at the Aqually 2E Project in Chennai. The associate suffered a minor hairline fracture to his vertebrae due to a fall. The injury could have been worse if safety measures, such as the safety netting, were not in place.

Root cause of the accident: Not adhering to Safety Management Plan and not incorporating requirements in BOQ.

Preventive actions taken: Safety requirements are considered as part of project construction and incorporated in BOQ of every contract for all upcoming projects.

Sector	Average Manpower	Man Hours Worked	First Aid	Near Miss	SAR*	Injury Rate	Reportable Injury
MLIFE	2,937	9,182,497	178	168	20.25	0.21	1
MWC	777	1,942,224	21	23	12.95	0	0
Total	**3,714**	**11,124,721**	**199**	**191**	**33.2**	**0.21**	**1**

SAR-Severity Activity Rate | Activity-Initiatives undertaken throughout the year related to SMARRT card, mock drills, safety walkthroughs, trainings, etc.

A glimpse of the safety initiatives that we undertook during the reporting period:

SMARRT Training
A two-day SMARRT (Safe Method and Risk Reduction Technique) and 'Jaan Hai To Jahan Hai' training was organised in all zones

EHS Awareness
A fortnightly EHS newsletter 'Soteria' is shared with all associates. A daily SMS based EHS awareness campaign in vernacular languages ensures that safety retains the top-of-mind position across the workforce.

EHS Software
The development of a user-friendly software for Environment, Health and Safety is under process. It is designed to reduce paperwork by 95%.

Labour Colony at Windchimes, Bengaluru

Labour Camp Standards
We revised our onsite workers' housing standards to ensure that the people building our homes are well taken care of. Minimum standards have been defined for ongoing projects, and enhanced standards for all new and upcoming projects.

Workforce Snapshot

Employment Gender & Distribution: Permanent Associates

Sector	2015-16			2016-17			2017-18		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
MLDL	306	69	375	288	61	349	246	57	303
MWC	38	7	45	32	6	38	36	8	44

Employment Gender & Distribution: Non-Permanent Associates

Sector	2015-16			2016-17			2017-18		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
MLDL	6,381	31	6,412	4,042	12	4,054	2,937	0	2,937
MWC	601	1	602	802	2	804	777	0	777

Note: Third party contractual labour headcount is presented in the safety data. Till the year before, labour was part of Associate data, but as the other parameters such as employment grade and age group do not get captured for the third party contractual workforce, this change of representation of the data has been made this year.

Employment Grade & Type: Permanent Associates

2017-18

Sector	Junior Management			Middle Management			Senior Management			Grand Total
	Male	Female	Total	Male	Female	Total	Male	Female	Total	
MLDL	95	26	121	118	29	147	33	2	35	303
MWC	9	5	14	22	2	24	5	1	6	44

2016-17

Sector	Junior Management			Middle Management			Senior Management			Grand Total
MLDL	109	28	137	145	31	176	34	2	36	349
MWC	8	3	11	17	3	20	7	0	7	38

2015-16

Sector	Junior Management			Middle Management			Senior Management			Grand Total
MLDL	128	36	164	162	30	192	16	3	19	375
MWC	11	5	16	23	2	25	4	0	4	45

Employment Grade & Age: Permanent Associates

2017-18

Sector	Junior Management				Middle Management				Senior Management				Grand Total
	<30 yrs	30-50 yrs	>50 yrs	Total	<30 yrs	30-50 yrs	>50 yrs	Total	<30 yrs	30-50 yrs	>50 yrs	Total	
MLDL	52	67	2	121	12	131	4	147	0	28	7	35	303
MWC	1	13	0	14	2	22	0	24	0	5	1	6	44

2016-17

Sector	Junior Management				Middle Management				Senior Management				Grand Total
MLDL	51	84	2	137	13	156	7	176	0	30	6	36	349
MWC	1	9	1	11	0	20	0	20	0	6	1	7	38

2015-16

Sector	Junior Management				Middle Management				Senior Management				Grand Total
MLDL	53	109	2	164	13	170	9	192	13	6	19	38	394
MWC	4	12	0	16	0	23	2	25	2	2	4	8	49

Gender Composition & Turnover

2017-18

Sector	Head Count		Employee Turnover		Count of New Employees		Count of New joinees Leaving	
	Male	Female	Male	Female	Male	Female	Male	Female
MLDL	246	57	78	12	40	10	0	0
MWC	36	8	5	1	4	1	1	0

2016-17

Sector	Head Count		Employee Turnover		Count of New Employees		Count of New joinees Leaving	
MLDL	288	61	62	17	66	11	5	0
MWC	32	6	4	2	3	2	0	1

2015-16

Sector	Head Count		Employee Turnover		Count of New Employees		Count of New joinees Leaving	
MLDL	306	69	50	3	36	8	4	0
MWC	38	7	8	1	2	0	1	0

Age-wise Turnover									
2017-18									
Sector	Employee Turnover %			Rate of New Employees joining			Rate of New joinees Leaving		
	<30 yrs	30 - 50 yrs	>50 yrs	<30 yrs	30 - 50 yrs	>50 yrs	<30 yrs	30 - 50 yrs	>50 yrs
MLDL	25%	31%	23%	24	25	1	0	0	0
MWC	0%	13%	0%	2	3	0	0	1	0
2016-17									
MLDL	42	19	13	66	13	0	7	6	0
MWC	50	50	0	0	4	1	0	1	0
2015-16									
MLDL	41	59	0	35	63	2	100	0	0
MWC	50	50	0	0	50	50	100	0	0

Training Snapshot

Total Training Hours: Sector-wise (in person-hours)			
2017-18			
Sector	Male	Female	Total Training Hours (Sector-wise)
MLDL	5,563	1,366	6,929
MWC	1,585.5	367.5	1,953
Total Training Hours (Gender-wise)	7,148.5	1,733.5	8,882
2016-17			
MLDL	10,340.5	2,218.5	12,559
MWC	3,423.5	635	4,058.5
Total Training Hours (Gender-wise)	13,764	2,853.5	16,617.5
2015-16			
MLDL	12,349	2,467	14,816
MWC	4,793	828	5,621
Total Training Hours (Gender-wise)	17,142	3,295	20,437

Total Training Hours: Grade-wise (in person-hours)

2017-18

Grade	Male	Female	Total Training Hours (Grade-wise)
Fixed Term Contract	4.5	0	4.5
Junior Management	2,994	687	3,681
Middle Management	3,482	990.5	4,472.5
Senior Management	668	56	724
Total Training Hours (Gender-wise)	7,148.5	1,733.5	8,882

2016-17

Grade	Male	Female	Total Training Hours (Grade-wise)
Fixed Term Contract	15.5	15.5	31
Junior Management	10,900.5	2,649.5	13,550
Middle Management	2,207.5	145	2,352.5
Senior Management	640.5	43.5	684
Total Training Hours (Gender-wise)	13,764	2,853.5	16,617.5

2015-16

Grade	Male	Female	Total Training Hours (Grade-wise)
Fixed Term Contract	46	12	58
Junior Management	13,284	3,076	16,360
Middle Management	2,618	115	2,733
Senior Management	1,195	93	1,288
Total Training Hours (Gender-wise)	17,143	3,296	20,439

Average Training Hours: MLDL

2017-18

Gender	Training Hours	Employee Count	Average Training Hours
Male	1,366	52	26.27
Female	5,563	231	24.08
Total	6,929	283	25.2

2016-17

Gender	Training Hours	Employee Count	Average Training Hours
Male	10,340.5	268	38.6
Female	2,218.5	54	41.1
Total	12,559	322	39.8

2015-16

Gender	Training Hours	Employee Count	Average Training Hours
Male	12,349	260	47.5
Female	2,467	59	41.8
Total	14,816	319	46.5

Average Training Hours: MWC

2017-18

Gender	Training Hours	Employee Count	Average Training Hours
Male	367.5	14	26.27
Female	1,585.5	69	24.08
Total	1,953	83	25.2

2016-17

Gender	Training Hours	Employee Count	Average Training Hours
Male	3,423.5	79	43.3
Female	635	17	37.4
Total	4,058.5	96	42.3

2015-16

Gender	Training Hours	Employee Count	Average Training Hours
Male	4,793	90	43.6
Female	828	19	53.3
Total	5,621	109	51.6

Community

We exist and prosper because of our stakeholders, which includes the communities that live around our properties. Sustainable growth can only be achieved by a combination of economic and equitable development. As a pioneer of sustainable urbanisation in India and being at the forefront of transforming urban landscapes, we are committed to creating sustainable communities by driving positive change in the neighbourhoods around our development. During this financial year we undertook measures and concrete steps to uplift and positively influence our neighbourhoods by creating opportunities and facilitating resources for the economically marginalised.

Our CSR interventions are designed to address three important issues, namely:

INCLUSIVENESS
Housing for All

THE ART OF LIVING
Shaping Communities
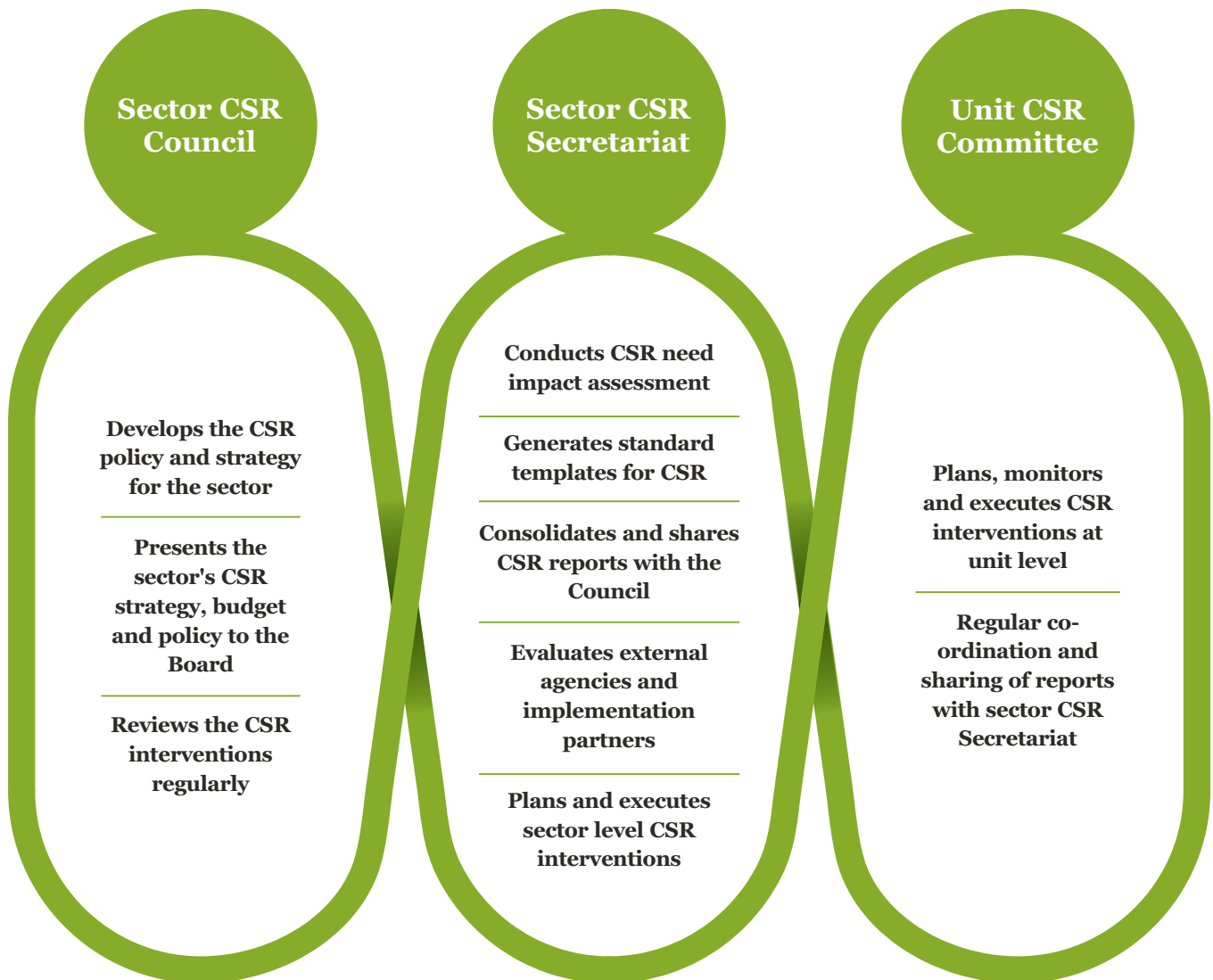

RESPONSIBLE CITIZENSHIP
Safeguarding Tomorrow

Across all our sites, we engage with our surrounding communities to identify their needs and provide them with the required support in terms of health, education and skill building. We believe what is built right will stay right. Hence, we also have in place measures to assess the effectiveness of our programmes, and its social and economic impact on local communities.

Implementation Structure

All the planning would be futile if there is no proper structure in place for its implementation. Implementing the well devised plans on ground and periodically reviewing their implications to the community is the key to ensuring the CSR activities are successful in their mission. Our implementation structure has been revamped to make it more linear, transparent and efficient. This new structure has helped in bringing more clarity to and reaping greater benefits of our CSR activities.

Our social interventions are steered by a dedicated Sector CSR Council comprising members from the senior management of Mahindra Lifespaces, which is complemented by a sector level CSR Secretariat and unit level CSR committees.
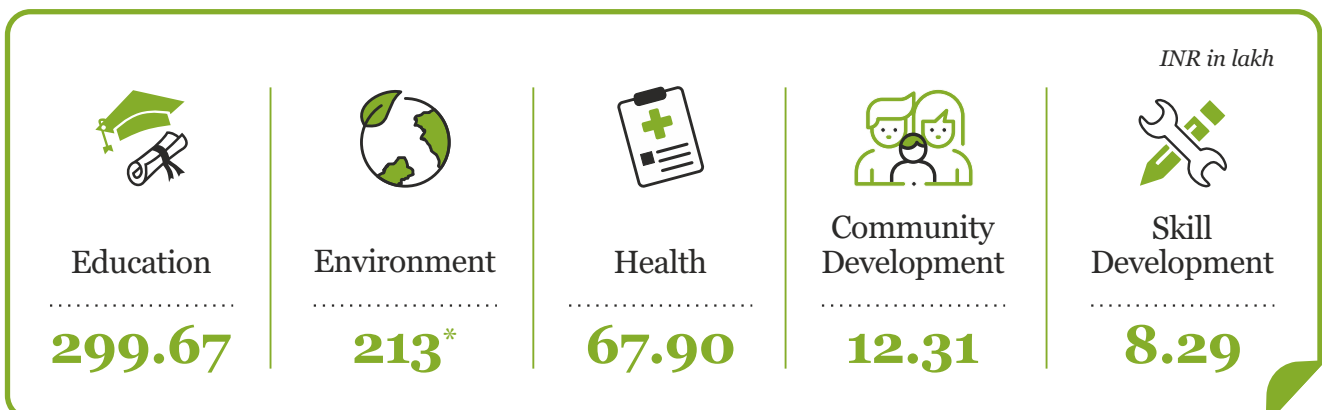
Sector CSR Council

Develops the CSR policy and strategy for the sector

Presents the sector's CSR strategy, budget and policy to the Board

Reviews the CSR interventions regularly

Sector CSR Secretariat

Conducts CSR need impact assessment

Generates standard templates for CSR

Consolidates and shares CSR reports with the Council

Evaluates external agencies and implementation partners

Plans and executes sector level CSR interventions

Unit CSR Committee

Plans, monitors and executes CSR interventions at unit level

Regular co-ordination and sharing of reports with sector CSR Secretariat

THE IMPLEMENTATION STRUCTURE OF THE CSR ACTIVITIES

CSR Spend

A total commitment / contribution of INR 601.17 lakh* was made in FY 2017-18 by the Company, its subsidiaries and JV companies towards CSR initiatives.

This included community programmes and social interventions addressing key focus areas:

INR in lakh

Education	Environment	Health	Community Development	Skill Development
299.67	**213***	**67.90**	**12.31**	**8.29**

*Includes INR 97.20 Lakh earmarked for 'Mahindra TERI Centre of Excellence' that was not spent during the year and is to be utilized in 2018-19.
Note: entities included are MLDL, MBDL, MHPL, MWCDL, MITL, MRDL, MWCJ

Empowering the Base of the Pyramid

While we attempt to safeguard air, water and earth as part of our green architecture approach, we also aim to protect the interests of our neighbourhood. For all the progress made by humankind, the on-ground realities for many in the society remain unchanged. Factors like education, hygiene, healthcare and gainful employment are still a distant dream for the marginalised sections of the society. We, at MLDL, believe that our developments impact the community as a whole, which includes the people within and around.

As part of our responsibility to nurture the society, we primarily focus on the following four pillars of positive change:

EDUCATION

HEALTH

ENVIRONMENT

SKILL DEVELOPMENT & COMMUNITY WELFARE

Education

Education is fundamental to the economic welfare and sustainable development of a nation. It is a powerful tool that can help uplift the marginalised people of the society, opens new doors of opportunities, leads to broad social benefits and enriches quality of life. It also plays a crucial role in improving income distribution and securing economic and social progress of the community and the nation as a whole. Hence, we facilitate opportunities for education of children as well as adults, helping them build up their lives and pen their own future.

INITIATIVES

Digital India

The aim of this campaign, launched by the Government, is to empower the country digitally by increasing the Internet connectivity and improving the online infrastructure, especially connecting the rural areas with high speed Internet networks.

As part of this campaign Mahindra World City Jaipur (MWCJ) created a Digital Learning Centre at Prempura village near its campus. This learning centre offers e-education, e-health, National Pension Scheme, National Scholarship Scheme, and other facilities under "Mera Aadhar Meri Pehchan". This initiative saw good participation from the village community and it was our objective to make the village completely digital in this reporting period.

Children's Club

This forum serves as a great platform to bring awareness among children on child rights and abuse, grooming young talents and children with leadership qualities, and inculcating in them the spirit of being a team player. The club meets every week and discusses issues pertaining to children and the various solutions for them.

Support to Schools

With an aim to provide better quality infrastructure, the Company took the initiative to support a local tribal school in Palghar district of Maharashtra which is currently deprived of basic amenities like benches and blackboards. Multiple schools were visited to do a need assessment and understand their requirements. Through this initiative 12 classrooms that were closed for over 5 years due to lack of infrastructure were opened. Apart from this, stationery items were also distributed at Aagan Badi Centres at Daulatpura, Khatwara and Jhai villages.

A project undertaken at Chennai aims to make Panchayat Union Middle School at Paranur village in Veerapuram Panchayat, a model school for the Kattankalathur Block.

Health

Just as economic equity is essential for a nation's sustainable development, so is the health equity of all its citizens. Good health is a basic human right and also an essential contributor to the economic progress of the country. At MLDL we undertake interventions aimed at creating awareness about the importance of good health and providing easy, affordable access to healthcare for the underprivileged communities. Safeguarding the health of our communities leads to more productive people and decreased expenditure on healthcare.

Our health and wellness interventions follow a two-pronged approach: promoting awareness and encouraging prevention.

INITIATIVES

Health Check-up Camps

Health check-up camps were organised across Mumbai, Pune, Chennai and Jaipur for the construction workforce as well as the communities around our areas of operation. 1,750 individuals benefitted from the various camps that included eye, dental and general health check-ups. Post check-up counselling was also organised for them.

Health Hygiene

This project aims to address the health needs as well as encourage a healthy lifestyle and behaviour in the target communities of two gram panchayats near Mahindra World City Chennai (MWCC) and improve the infrastructure facilities in the Primary Health Centre at one of these villages. Community led sessions on sanitation and hygiene were conducted in 10 target communities and 30 households in the village have been identified for partial support in individual toilet construction.

A baseline survey was also conducted with 300 mothers with children under the age of 5.

Swachh Bharat

Under the Swachh Bharat and Public Health Centre initiatives, MWCJ constructed 14 toilets in 5 village schools and public places.

Environment

MLDL is an ardent believer of enabling healthy living through efficient use of resources and by safeguarding air, water and earth. It is our goal to embrace responsibility for our actions and ensure positive impact through our activities. While on one hand we pioneered the construction and design of buildings which are green across their life cycle, we are also taking proactive steps to spread awareness about the importance of conserving natural resources, reducing carbon footprint and promoting afforestation. We undertake initiatives that enable us to take our ethos of energy efficiency and eco-friendly measures to our communities, thus, influencing a wider section in our efforts to tackle environmental challenges.

INITIATIVES

The Green Army

As part of this initiative we create an education module to reach out to school children to bring behavioural transformation in the area of sustainable living, sensitise them about the environment and mould them into caring citizens. During the year, the Company reached out to 60 schools in MMR and Palghar district covering more than 12,000 students and 45,000 citizens (including the students' families). Since the inception of the programme, we have covered 160 schools, over 30,000 students and 120,000 citizens.

Mahindra Hariyali

6,200 saplings were planted during the year across Delhi, Bengaluru, Chennai, Pune, Nagpur and Jaipur.

LED Tube light in Rural Homes & Solar Workshops

As part of this initiative MWCJ identified Nevta village for installation of LED tube lights and covered 1,200 rural homes. Till date 3,000 rural homes across 7 villages have benefitted under this project, creating awareness among the rural communities about its benefits and cost saving potential. A centre for solar workshop has been established in Nagpur for conversion into usable energy by solar panels.

Skill Development and Community Welfare

The true progress of a nation happens when the transformation in its urban landscape is matched by the development of the rural and marginalised communities. Hence, at MLDL, we not only build modern homes, work spaces and social infrastructure but are also committed to uplifting the quality of life for our rural communities. Skill development in the rural communities is the roadmap to mobilising the burgeoning youth and efficient utilisation of the country's human resources. At MLDL we identify the skill challenges faced by the rural communities and work towards equipping them with the requisite and economically viable skills. This helps in bringing employment opportunities and improving gender equality and social inclusion which are vital to empowering the youth and women and revitalising the economy.

INITIATIVES

Vocational Skill Development Programme

With a view to achieve inclusive development, MWCJ started a skill development programme for school dropouts/ unemployed youth of all 14 neighbouring villages to bring out the hidden talents and give them opportunities to enhance it. This ongoing programme focusses on education, vocational training, socio-economic empowerment, community participation and development.

Till date 1,468 students have been trained, of which 300 students were trained in this financial year. Around 45% of the trained youth have been placed in MWCJ and in the campuses of clients at MWCJ. 100 students from Nagpur were trained in computer skills and youths from Jaipur were trained in electrical works and hardware repairing.

Till date, 1,276 women have been trained at the Self Help Group, MWCJ, of which 152 women have been trained in FY 2017-18.

Empowering Women

Providing vocational training to the rural women leads to positive economic impact in individual households which translates into bigger economic impact in the community and nation. As a part of this initiative, a centre for dress designing and sewing, and beauty parlour was opened at Purnvasan village in Nagpur to provide women with a source of income.

150 women from Nagpur trained in dress designing and running a beauty salon

50 women from Mumbai suburbs trained in tailoring

50 women from MWCC trained in power sewing machine operations

Pond Irrigation

Irrigation makes it possible to grow cash crops yielding good returns for the cultivators. Improvement in the yield of crops means more income for farmers irrespective of the season. As a vast majority of the rural population depends on farming for their source of income, it is imperative that they have access to farming through the year to sustain their families. MLDL constructed a pond holding 20 lakh litres of water in Takli village, Nagpur to cater to the farmers' water requirements, increase the productivity of their farmlands and for providing an additional income source through fishing.

Giving Back to Society

In addition to investing resources and expertise, the Company also encourages the employees to contribute their time for the welfare of the community. These volunteers, known as Esops volunteers, passionately led and participated in various CSR activities, thus, ushering change in the lives of many people. It not only brings about a positive difference in the lives of the people they are serving but also gives them an opportunity to interact with people from different strata of society.

Esops Dashboard		
Company	**April 2017 to March 2018 volunteers**	**April 2017 to March 2018 person hours**
Real Estate Sector	173	5,550
Mahindra Lifespaces	87	2,317
MWC Jaipur	36	1,558
MWC Chennai	24	1,142
Mahindra Bebanco Developers Ltd.	26	533

INDEPENDENT ASSURANCE STATEMENT

Introduction

DNV GL Business Assurance India Private Limited has been commissioned by the management of Mahindra Lifespace Developers Limited (CIN:L45200MH1999PLC118949); hereafter referred as 'MLDL' or the 'Company') to carry out an independent assurance engagement for the non-financial - qualitative and quantitative information (sustainability performance covering Economic, Environmental and Social performance of the activities undertaken by the Company over the Reporting period 1st April'2017 to 31st March'2018) reported in MLDL standalone Sustainability Report ('the Report') in its printed format for the financial year ending 31st March 2018. The intended users of this assurance statement are the management of the Company.

We performed our work using DNV GL's assurance methodology VeriSustain™¹, which is based on our professional experience, international assurance best practice including International Standard on Assurance Engagements (ISAE) 3000 Revised*, along with GRI Reporting content and quality principles. The verification engagement was carried out during December 2017 -February 2019.

We understand that the reported financial data and related information are based on disclosures from MLDL Annual Report for year ending 31st March' 2018, which are subject to a separate independent statutory audit process. We did not review financial disclosures and data in the Sustainability Report and Annual Report 2017-18 as it was not within the scope of our work.

We planned and performed our work to obtain the evidence we considered necessary to provide a basis for our assurance opinion related to non-financial sustainability disclosures in this Report. We are providing a 'limited level' of assurance based on DNV GL VeriSustain and no external stakeholders were interviewed as part of this assurance engagement.

Responsibilities of the Management of MLDL and of the Assurance Providers

The Senior Management team of MLDL have sole responsibility for the preparation of the Report and responsible for all information provided in the Report as well as the processes for collecting, analysing and reporting the information presented in the Report. MLDL has stated in this Report that this report is based on the GRI Standards and has adopted performance indicators for disclosures related to identified material topics from Global Reporting Initiative's Standard 2016.

DNV GL's assurance engagements are based on the assumption that the data and information provided by the Company to us as part of our review have been provided in good faith, true and free from material misstatements. DNV GL was not involved in the preparation of any statements or data included in the Report except for this Assurance Statement. DNV GL expressly disclaims any liability or co-responsibility for any decision a person or an entity may make based on this Assurance Statement.

Our verification engagement included limited level of verification of Sustainability performance disclosures based on GRI Standards for identified material topics of MLDL operations in India. Our verification applies a ±5% uncertainty threshold towards errors and omissions.

Basis of our opinion

A multi-disciplinary team of sustainability and assurance specialists performed assurance at Corporate office and selected sites of the Company. We undertook the following activities:

- Review of the non-financial sustainability disclosures disclosed in this Report;

- Review of approach to Materiality determination and Stakeholder engagement and recent outputs although we have no direct engagement with stakeholders;

- Review of information provided to us by the Company on its reporting and management processes related to sustainability performance for the reporting year based on the reporting framework adopted by MLDL;

- Interviews with selected members of leadership team, and senior managers responsible for management of sustainability issues and review of selected evidence to support issues discussed. We were free to choose interviewees and interviewed those with overall responsibility for the programmes to deliver the targets for medium and long term Vision, Mission and milestones;

¹The VeriSustain protocol is available on dnvgl.com. | *Assurance Engagements other than Audits or Reviews of Historical Financial Information.

- Desk Review of selected parameters of environmental importance was done for some of its Operating Sites and gap analysis and findings were discussed with Corporate Sustainability Team. Site visits were conducted in MLDL Corporate Office at Mumbai, MLDL Sites at Chennai, Boisar and MWC Site at Jaipur. The sites, we visited, were selected based on identified material topics as well as geographical and divisional spread and data proofing and site level material issues were discussed during the Visits.

- Review of supporting evidence for key claims and data disclosed in the Report. Our verification processes were prioritised based on our risk based approach i.e. relevance of identified material topics and sustainability context of the business;

- Review of the processes for gathering and consolidating the performance data and, for a sample, checking the data consolidation at site and corporate level.

The reporting topic boundary is based on the internal and external materiality assessment covering the operations of various Businesses under MLDL in India region and Corporate Centre - Mahindra Towers-Worli. During the assurance process, we did not come across limitations to the scope of the agreed assurance engagement.

Opinion and Observations

On the basis of the work undertaken, nothing came to our attention to suggest that the Report does not properly describe the sustainability performance of identified material topics as per the following GRI topic specific standards:

- GRI 201: Economic performance-2016-201-1
- GRI 202: Indirect economic impacts- 2016- 203-1,203-2
- GRI 205: Anti-corruption- 2016- 205-2
- GRI 301: Material usage-2016- 301-1
- GRI 302: Energy- 2016- 302-1,302-2,302-3,302-4
- GRI 303: Water- 2016- 303-1,303-2,303-3,303-5
- GRI 304: Biodiversity- 2016- 304-3
- GRI 305: Emissions- 2016-305-1,305-2, 305-3, 305-4,305-5,305-7
- GRI 306: Effluents and waste-2016-306-2
- GRI 401: Employment- 2016-401-1

- GRI 403: Occupational health & safety 2016- 403-1,403-2, 403-4,404-5,404-8,404-9,404-10
- GRI 404: Training & education- 2016-404-1,404-2
- GRI 405: Diversity & equal opportunity-2016-405-1
- GRI 406: Non-discrimination- 2016- 406-1
- GRI 407: Freedom of association- 2016- 407-1
- GRI 408: Child labour- 2016- 408-1
- GRI 409: Forced or compulsory labour- 2016- 409-1
- GRI 412: Human rights assessment -2016-412-2, 412-3
- GRI 413: Local communities-2016-413-1
- GRI 416: Customer health & safety- 2016-416-1,416-2

Without affecting our assurance opinion, we also provide the following observations. We have evaluated the Report's adherence to the following principles:

Stakeholder Inclusiveness

The participation of stakeholders in developing and achieving an accountable and strategic response to Sustainability.

The stakeholder engagement process is fairly established to identify key stakeholders, sustainability challenges and concerns of diverse stakeholder groups considering MLDL's operations, however the Company needs to strengthen its mechanism for responding to key stakeholders concerns as per requirements of GRI standards disclosure -102-44.

Materiality

The process of determining the issues that are most relevant to an organization and its stakeholders.

The report brings out the application of GRI materiality principles to arrive at key material topics for the Company. The materiality determination process was revalidated based on inputs from key stakeholders including employees, customers, investors, suppliers and contractors, competitors, regulators, media, local communities, NGOs and senior management of Company. Nothing has come to our attention to suggest that MLDL has missed out key material issues related to its operations in India i.e. Construction and Real Estate Sector. The management of the Company is in the process of establishing internal assessment of significant impacts - in line with Corporate Guidelines on a continual basis for their long-term organizational sustainability - 102-47.

Responsiveness

The extent to which an organization responds to stakeholder issues.

The Report has brought out responses to the identified material topics and fairly disclosed the strategies and management approach and challenges considering the overall sustainability context of its business within the identified aspect boundary. The report could bring out the Material issue, long and medium term targets related to identified material topics, Sustainability Road Map 2020 and include other relevant material issues like attrition/Climate Change and bring in response to these concerns of stakeholders.

Reliability

The accuracy and comparability of information presented in the report, as well as the quality of underlying data management systems.

The majority of data and information verified at the Corporate Office in Mumbai, and sampled sites at Chennai, Jaipur and Boisar and those resulting out of desk review were found to be identifiable and traceable to the source and nothing came to our attention to suggest that reported data have not been properly collated and consolidated at corporate level, nor that the assumptions used were inappropriate. Some of the data inaccuracies identified during the verification process at sampled locations were found to be attributable to interpretation and aggregation errors and the errors have been communicated for correction and corrected.

Completeness

How much of all the information that has been identified as material to the organization and its stakeholders is reported.

The Report has fairly attempted to disclose the sustainability disclosures for key material topics including the disclosure on management approach and performance indicators within the identified reporting boundary. Though the Report covers the disclosures related to Climate change and sustainable use of materials, however it is suggested that future reports may provide a disclosure of risk and opportunities as per GRI standard 201-2.

Neutrality

The extent to which a report provides a balanced account of an organization's performance, delivered in a neutral tone.

Nothing has come to our attention to suggest that the Report does not bring out disclosures related to sustainability issues and performances in a neutral tone, in terms of content and presentation related to the challenges faced across India during the reporting period for the basic divisions of MLDL. It is suggested that the future Reports may explicitly bring out sustainability challenges at various geographical locations of operations.

For and on behalf of **DNV GL Business Assurance India Private Limited**

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Project Manager,
DNV GL - Business Assurance
India Private Limited

Kishore Kavadia
Lead Verifier,
DNV GL - Business Assurance
India Private Limited

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Assurance Reviewer,
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Operations,

DNV GL - Business Assurance
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3rd February 2019, Bangalore, India.

DNV GL Business Assurance India Private Limited is part of DNV GL - Business Assurance, a global provider of certification, verification, assessment and training services, helping customers to build sustainable business performance. www.dnvgl.com

GRI Standard Index

GRI Standard	Disclosure	Reference / Explanation
GRI 101: Foundation 2016 [GRI 101 does not include any disclosures]		

General Disclosures

Organizational Profile		
GRI 102 General Disclosures	102-1: Name of the Organization	Reported - Page 4, 7
	102-2: Activities, brands, products, and services	Reported - Page 7, 8, 9
	102-3: Location of headquarters	Reported - Page 5
	102-4: Location of operations	Reported - Page 5
	102-5: Ownership and legal form	Reported - Page 7
	102-6: Markets served	Reported - Page 4, 54-56
	102-7: Scale of the organization	Reported - Page 5, 7, 53, 89 Annual Report 2018 Page 21, 22, 55, 57, 61, 173, 202. Refer Our Properties in the Menu tab on www.mahindralifespaces.com
	102-8: Information on employees and other workers	Reported - Page 92-94
	102-9: Supply chain	Reported - Page 61-63
	102-10: Significant changes to the organization and its supply chain	Reported - Page 61, 62, 63 There are no significant changes to the organisation and its supply chain. However, the only change would be the number of projects getting reported depending upon the construction life cycle. The selection and termination criteria for suppliers is as per the pre-qualification criteria and termination clause in the agreement. Annual Report 2017 Page 218 Annual Report 2018 Page 20, 202 www.mahindralifespaces.com/ about/sustainable-urbanisation/ environment-stewardship
	102-11: Precautionary principle or approach	MLDL projects undergo an Environmental and Social Impact Assessment prior to the commencement as per the requirement of MoEFCC. 1. Environment due diligence during land acquisition 2. Environment impact assessment during environmental clearance process (as per applicability) 3. Green building certification for each project during design, execution and completion Reported - Page 59, 65
	102-12: External initiatives	Reported - Page 31, 59
	102-13: Memberships of associations	Reported - Page 17, 21

GRI Standard	Disclosure	Reference / Explanation
Strategy		
GRI 102 General Disclosures	102-14: Statement from senior decision-maker	Reported - Page 1, 2, 3
	102-15: Key impacts, risks, and opportunities	Reported - Page 15
Ethics & Integrity		
GRI 102 General Disclosures	102-16: Values, principles, standards, and norms of behaviour	Reported - Page 10-16
	102-17: Mechanisms for advice and concerns about ethics	Reported - Page 14, 15
Governance		
GRI 102 General Disclosures	102-18: Governance Structure	Reported - Page 11, Annual Report 2018 Page 65, 71-74
	102-19: Delegating authority	Reported - Page 11, 12 Annual Report 2018 Page 23, 73
	102-20: Executive-level responsibility for economic, environmental, and social topics	Reported - Page 12
	102-21: Consulting stakeholders on economic, environmental, and social topics	Reported - Page 22
	102-22: Composition of the highest governance body and its committees	Reported - Page 11, 12, 17 Annual Report 2018 Page 65, 68
	102-23: Chair of the highest governance body	Reported - Page 11
	102-26: Role of highest governance body in setting purpose, values, and strategy	Reported - Page 11, 12
	102-27: Collective knowledge of highest governance body	Reported - Page 11, 12
	102-28: Evaluating the highest governance body's performance	Reported - Page 11, 12, 15 Annual Report 2018 Page 24, 69
	102-31: Review of economic, environmental, and social topics	Reported - Page 12
	102-32: Highest governance body's role in sustainability reporting	Reported - Page 12
	102-33: Communicating critical concerns	Reported - Page 14-16
Stakeholder Engagement		
GRI 102 General Disclosures	102-40: List of stakeholder groups	Reported - Page 28, 29
	102-41: Collective bargaining agreements	No unions
	102-42: Identifying and selecting stakeholders	Reported - Page 28, 29
	102-43: Approach to stakeholder engagement	Reported - Page 28, 29
	102-44: Key topics & concerns raised	Reported - Page 28, 29
Reporting Practice		
GRI 102 General Disclosures	102-45: Entities included in the consolidated financial statements	Reported - Page 5 Annual Report 2018 Page 21, 22, 198, 199, 202, 203
	102-46: Defining report content and topic boundaries	Reported - Page 5
	102-47: List of material topics	Reported - Page 22-24
	102-48: Restatements of information	Reported - Page 4 There is no information that was missed out or wrongly reported
	102-49: Changes in reporting	Reported - Page 4

GRI Standard	Disclosure	Reference / Explanation
	102-50: Reporting period	Reported - Page 4
	102-51: Date of most recent report	MLDL's previous sustainability report was released FY 2016-17
	102-52: Reporting cycle	Annual - Page 4
	102-53: Contact point for questions regarding the report	Reported - Page 5
	102-54: Claims of reporting in accordance with the GRI Standards.	Reported - Page 4, 22
	102-55: GRI Content Index	Page 109-114
	102-56: External Assurance	Page 106

Specific Standard Disclosures

Category: ECONOMIC		
Economic Performance - Topic Specific Disclosures		
GRI 103 Management Approach	103-1: Explanation of the material topic and its boundary	Reported - Page 22, 23, 24
	103-2: The management approach and its components	Reported - Page 53
	103-3: Evaluation of management approach	Reported - Page 53
GRI 201 Economic Performance	201-1: Direct economic value generated and distributed	Reported - Page 30, 58
Indirect Economic Impacts		
GRI 103 Management Approach	103-1: Explanation of the material topic and its boundary	Reported - Page 23
	103-2: The management approach and its components	Reported - Page 53
	103-3: Evaluation of management approach	Not Reported
GRI 203 Indirect Economic Impacts	203-1: Infrastructure investments and services supported	Reported - Page 99-104
	203-2 Significant indirect economic impacts	Reported - Page 59, 60
Anti-corruption		
GRI 103 Management Approach		
GRI 205 Anti-Corruption	205-2: Communication and training about anti-corruption policies and procedures	Reported - Page 16
Anti-competitive Behaviour		
GRI 103 Management Approach		
GRI 206 Anti-Competitive Behaviour	206-1: Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	No legal action - Page 17, 52

Category: ENVIRONMENT		
Material		
GRI 103 Management Approach	103-1 Explanation of the material topic and its Boundary	Reported - Page 61, 62
GRI 301 Material	301-1: Materials used by weight or volume	Reported - Page 76

GRI Standard	Disclosure	Reference / Explanation
Energy		
GRI 103 Management Approach	103-1: Explanation of the material topic and its boundary	Reported - Page 22, 23, 24
	103-2: The management approach and its components	Reported - Page 71-72
	103-3: Evaluation of management approach	Not Reported
GRI 302 Energy	302-1: Energy consumption within the organization	Reported - Page 72 We will include tools used for measurement and methodology as part of content from next reporting cycle.
	302-2: Energy consumption outside of the organization	Reported - Page 72 We will include tools used for measurement and methodology as part of content from next reporting cycle.
	302-3: Energy Intensity	Reported - Page 72
Water		
GRI 103 Management Approach	103-1: Explanation of the material topic and its boundary	Reported - Page 22, 23, 24
	103-2: The management approach and its components	Reported - Page 74
	103-3: Evaluation of management approach	Not Reported
GRI 303 Water	303-1: Water withdrawal by source	Reported - Page 75
	303-2: Water sources significantly affected by withdrawal of water	Reported - Page 75
	303-3: Water recycled and reused	Reported - Page 75
	303-5: Water consumption	Reported - Page 75
Biodiversity		
GRI 304 Biodiversity	304-3: Habitats protected or restored	Reported - Page 80
Emissions		
GRI 103 Management Approach	103-1: Explanation of the material topic and its boundary	Reported - Page 22, 23, 24
	103-2: The management approach and its components	Reported - Page 66
	103-3: Evaluation of management approach	Not Reported
GRI 305 Emissions	305-1: Direct (Scope 1) GHG emissions.	Reported - Page 66
	305-2: Energy indirect (Scope 2) GHG emissions	Reported - Page 66
	305-3: Other indirect (Scope 3) GHG emissions	Reported - Page 66
	305-4: GHG emissions intensity	Reported - Page 26, 66
	305-5: Reduction of GHG emissions	Reported - Page 66
	305-7: NOX, SOX, and other significant air emissions	Reported - Page 69, 70
Effluents and Waste		
GRI 103 Management Approach	103-1: Explanation of the material topic and its boundary	Reported - Page 22, 23, 24
	103-2: The management approach and its components	Reported - Page 78
	103-3: Evaluation of management approach	Not Reported

GRI Standard	Disclosure	Reference / Explanation
GRI 306 Effluents and Waste	306-2: Waste by type and disposal method.	Reported - Page 78, 79

Category: SOCIAL

Employment

GRI Standard	Disclosure	Reference / Explanation
GRI 103 Management Approach	103-1: Explanation of the material topic and its boundary	Reported - Page 22, 23, 24
	103-2: The management approach and its components	Reported - Page 83-86
	103-3: Evaluation of management approach	Reported - Page 83
GRI 401 Employment	401-1: New employee hires and employee turnover	Reported - Page 92, 93, 94

Labour/Management Relations

GRI Standard	Disclosure	Reference / Explanation
GRI 103 Management Approach		
GRI 402 Labour/Management Changes	402-1: Minimum notice periods regarding operational changes	Reported - Page 89

Occupational Health and Safety

GRI Standard	Disclosure	Reference / Explanation
GRI 103 Management Approach	103-1: Explanation of the material topic and its boundary	Reported - Page 22, 23, 24
	103-2: The management approach and its components	Reported - Page 90
	103-3: Evaluation of management approach	Not Reported
GRI 403 Occupational Health & Safety	403-1: Occupational health and safety management system	Reported - Page 90, 91
	403-2: Hazard identification, risk assessment, and incident investigation	Reported - Page 90, 91
	403-4: Worker participation, consultation, and communication on occupational health and safety	Reported - Page 27, 90, 91
	403-5: Worker training on occupational health and safety	Reported - Page 27, 91
	403-8: Workers covered by an occupational health and safety management system	Reported - Page 91
	403-9: Work-related injuries	Reported - Page 83, 90, 91
	403-10: Work-related ill health	Reported - Page 91

Training and Education

GRI Standard	Disclosure	Reference / Explanation
GRI 103 Management Approach		
GRI 404 Training and Education	404-1: Average hours of training per year per employee.	Reported - Page 86, 89, 96
	404-2: Programs for upgrading employee skills and transition assistance programs.	Reported - Page 87

Diversity and Equal Opportunity

GRI Standard	Disclosure	Reference / Explanation
GRI 103 Management Approach		
GRI 405 Diversity and Equal Opportunity	405-1: Diversity of governance bodies and employees.	Reported - Page 83, 84, 85

GRI Standard	Disclosure	Reference / Explanation
Non-discrimination		
GRI 103 Management Approach		
GRI 406 Non-discrimination	406-1: Incidents of discrimination and corrective actions taken	Reported - Page 14, 83, 84, 86
Freedom of Association and Collective Bargaining		
GRI 103 Management Approach		
GRI 407 Freedom of Association and Collective Bargaining	407-1: Operations and suppliers in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk.	NA
Child Labour		
GRI 103 Management Approach		
GRI 408 Child Labour	408-1: Operations and suppliers at significant risk for incidents of child labor.	Reported - Page 84, 86
Forced or Compulsory Labour		
GRI 103 Management Approach		
GRI 409 Forced or Compulsory Labour	409-1: Operations and suppliers at significant risk for incidents of forced or compulsory labour	Reported - Page 84, 86
Human Rights Assessment		
GRI 103 Management Approach		
GRI 412 Human Rights Assessment	412-2: Employee training on human rights policies or procedures	Reported - Page 84
	412-3: Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	Reported - Page 61, 84
Local Communities		
GRI 103 Management Approach		
GRI 413 Local Communities	413-1: Operations with local community engagement, impact assessments, and development programs	Reported - Page 43, 101-105
Customer Health and Safety		
GRI 103 Management Approach	103-1: Explanation of the material topic and its boundary	Reported - Page 22, 23, 24
	103-2: The management approach and its components	Reported - Page 52
	103-3: Evaluation of management approach	Reported - Page 50
GRI 416 Customer Health and Safety	416-1 Assessment of the health and safety impacts of product and service categories	Reported - Page 33
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Nil during the reporting year

Mahindra
LIFESPACES

Mahindra Lifespaces is part of the Mahindra Group and has been at the forefront of transforming urban landscapes by creating sustainable communities.

With sustainability deeply engrained in our culture, green design and healthy living form the foundations of all our projects.

One of the first companies in India to launch the green homes movement, we are also pioneers in voluntarily reporting on our performance metrics with respect to the triple bottom line.

We are actively furthering the cause of sustainable urbanisation, through the development of green residential communities in large urban centres; through the creation of new economic centres of Livelihood-Living-Life and by enabling access to quality housing at affordable prices to a larger section of people.

Mahindra Lifespace Developers Limited, CIN L45200MH1999PLC118949

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