

Lokhandwala Kataria Construction Private Limited

CIN - U45200MH1998PTC117468

Consolidated Balance Sheet as at 31 March 2023

(Currency: Indian Rupees in Lakhs)

	Note	31 March 2023	31 March 2022
EQUITY AND LIABILITIES			
Shareholder's funds			
Share capital	3.1	2,521.31	2,521.31
Reserves and surplus	3.2	(75,253.56)	(47,205.15)
		(72,732.25)	(44,683.83)
Minority Interest		135.85	135.91
Non-current liabilities			
Long-term borrowings	3.3	1,40,688.23	1,43,209.06
Long-term provision	3.4	181.02	165.67
		1,40,869.25	1,43,374.73
Current liabilities			
Short-term borrowings	3.5	938.76	936.57
Trade payables	3.6		
- Due to other than micro and small enterprises & Retention		5,517.11	5,834.03
Other current liabilities	3.7	69,345.59	37,019.35
Short-term provision	3.8	30.39	28.31
		75,831.84	43,818.26
TOTAL		1,44,104.70	1,42,645.07
ASSETS			
Non-current assets			
Fixed assets			
(i) Tangible assets	3.9	87.41	97.07
(ii) Intangible assets	3.9	5.99	7.19
		93.40	104.26
Goodwill on Consolidation		2,784.55	2,784.55
Deferred tax assets, net	3.25		
Long-term loans and advances	3.10	469.64	319.87
Investment in Shares	3.11	0.50	0.50
Current assets			
Inventories	3.12	1,13,812.33	1,16,038.83
Trade receivables	3.13	5,349.17	2,963.05
Cash and bank balances	3.14	2,414.53	648.67
Short-term loans and advances	3.15	15,952.14	16,751.42
Other current assets	3.16	3,228.45	3,033.92
		1,40,756.61	1,39,435.89
TOTAL		1,44,104.70	1,42,645.07

Significant accounting policies
Notes to the financial statements

2
3.1 to 3.55

The notes referred to above form an integral part of the financial statement.

As per our report of even date attached.

For Hare K Panda & Co.
Chartered Accountants
Firm's Registration No: 143768W

H. K. Panda
Proprietor
Membership No: 105641
UDIN:

23105641BGZGQX5697



For and on behalf of the Board of Directors of
Lokhandwala Kataria Construction Private Limited
CIN: U45200MH1998PTC117468

M.A. Lokhandwala
Director
DIN: 00219108

Aniket Naresh Prabhu
Company Secretary
Membership no: A55634
Mumbai
Date: 12th August 2023

A.M. Lokhandwala
Director
DIN: 00219135



Mumbai
Date: 12th August 2023

Lokhandwala Kataria Construction Private Limited

CIN - U45200MH1998PTC117468

Consolidated Statement of Profit and Loss

for the year ended 31 March 2023

(Currency: Indian Rupees in Lakhs)

	Note	31 March 2023	31 March 2022
Income			
Revenue from operations	3.17	22,433.83	1,436.19
Other income	3.18	184.85	366.45
		<u>22,618.68</u>	<u>1,802.65</u>
Expenses			
Cost of materials consumed	3.19	25,815.20	14,115.87
Employee benefits expense	3.20	276.62	231.02
Finance costs	3.21	23,410.29	25,848.00
Depreciation and amortisation	3.22	14.06	24.01
Other expenses	3.23	1,150.69	903.20
		<u>50,666.85</u>	<u>41,122.10</u>
Profit / (loss) before tax		(28,048.17)	(39,319.46)
Tax expenses		-	-
- Current tax		-	-
- Deferred tax		-	-
		<u>(28,048.17)</u>	<u>(39,319.46)</u>
Profit / (loss) after tax		(28,048.17)	(39,319.46)
Basic and diluted earnings per share (Rs)	3.23	<u>(19,611.71)</u>	<u>(26,860.01)</u>
(Face value of Rs 10 each)			

Significant accounting policies

Notes to the financial statements

2
3.1 to 3.55

The notes referred to above form an integral part of the financial statement.

As per our report of even date attached.

For Hare K Panda & Co.

Chartered Accountants

Firm's Registration No: 143768W

H. K. Panda

Proprietor

Membership No: 105641

UDIN: 23165641BG7GQX5647



For and on behalf of the Board of Directors of
Lokhandwala Kataria Construction Private Limited
CIN: U45200MH1998PTC117468

M.A. Lokhandwala

Director

DIN: 00219108

Aniket Naresh Prabhu

Company Secretary

Membership no: A55634

Mumbai

Date: 12th August 2023

A.M. Lokhandwala

Director

DIN: 00219135



Mumbai

Date: 12th August 2023

Lokhandwala Kataria Construction Private Limited

CIN - U45200MH1998PTC117468

Consolidated Cash flow statement

for the year ended 31 March 2023

(Currency: Indian Rupees in Lakhs)

	31 March 2023	31 March 2022
Cash flow from operating activities :		
Net (loss) before tax	(28,048.17)	(39,319.46)
Adjusted for :		
Depreciation	14.06	24.01
Depreciation adjustment due to change in accounting policy (refer note 10)		
Interest expenses	23,410.29	25,848.00
Loss/(Profit) on sale of fixed asset		
Interest income on intercorporate deposit	(173.41)	(172.93)
Interest income from fixed deposit	(11.45)	(52.43)
	<u>23,239.50</u>	<u>25,646.65</u>
Operating (loss) before working capital changes	<u>(4,808.68)</u>	<u>(13,672.81)</u>
Changes in working capital		
(Increase) in inventories	2,226.50	(6,114.08)
Decrease in loans and advances	799.29	1,567.08
Increase / (decrease) in trade payables	(317.31)	2,848.85
(Increase) / decrease in trade receivables	(2,386.12)	4,197.17
Increase in other current liabilities	32,326.24	8,298.52
Increase in provisions	17.43	37.61
	<u>32,666.02</u>	<u>10,835.15</u>
Cash (used in) / generated from operations	<u>27,857.34</u>	<u>(2,837.66)</u>
Income tax (paid)	(149.77)	(74.93)
Net cash (used in)/ generated from operating activities	<u>27,707.57</u>	<u>(2,912.59)</u>
Cash flow from investing activities :		
Purchase of fixed assets	(3.20)	(32.36)
Purchase of Shares		
Interest income	(9.68)	151.24
Net cash generated from investing activities	<u>(12.88)</u>	<u>118.88</u>
Cash flow from financing activities :		
Proceeds from borrowings	(2,518.54)	14,562.21
Repayment of borrowings	-	-
Interest paid	(23,410.29)	(20,069.56)
Net cash generated from financing activities	<u>(25,928.83)</u>	<u>(5,507.35)</u>
Net (decrease) / increase in cash and cash equivalents	<u>1,765.86</u>	<u>(8,301.06)</u>
Cash and cash equivalents at the beginning of the year	648.67	8,949.72
Cash and cash equivalents at the end of the year (see below)	<u>2,414.53</u>	<u>648.67</u>



Lokhandwala Kataria Construction Private Limited

Cash flow statement (Continued)

for the year ended 31 March 2023

(Currency: Indian Rupees in Lakhs)

Notes :

1. The Cash flow statement has been prepared under the indirect method as set out in Accounting Standard - 3 ('AS 3') on Cash Flow Statement prescribed in Companies (Accounting Standard) Rules, 2006.
2. Components of cash and cash equivalents

Cash in hand	7.10	23.49
With scheduled banks		
- in current account	2,256.51	474.26
- Fixed deposits (deposits having original maturity of less than 3 m	61.00	61.00
Other bank balances	89.92	89.92
- Fixed deposits with maturity less than 12 months		
	2,414.53	648.67

As per our report of even date attached.

For **Hare K Panda & Co.**

Chartered Accountants

Firm's Registration No: 143768W

H. K. Panda

Proprietor

Membership No: 105641

UDIN: 23105641B9ZG9X5647



For and on behalf of the Board of Directors of
Lokhandwala Kataria Construction Private Limited

CIN: U45200MH1998PTC117468

M.A. Lokhandwala

Director

DIN: 00219108

Aniket Naresh Prabhu

Company Secretary

Membership no: A55634

Mumbai

Date: 12th August 2023

A.M. Lokhandwala

Director

DIN: 00219135



Mumbai

Date: 12th August 2023

Lokhandwala Kataria Construction Private Limited

Notes to the consolidated financial statements (Continued)

for the year ended 31 March 2023

(Currency: Indian Rupees)

1 Background

Lokhandwala Kataria Construction Private Limited ('the Company') was incorporated on 15 December 1998 under the Companies Act 1956. The address of the company's registered office is 72 Gandhi Nagar, Dainik Sivner Marg, Worli, Mumbai. The company is engaged in the business of real estate development and construction. The Company is currently developing and constructing "Minerva", a project sanctioned under Slum rehabilitation scheme.

2 Summary of significant accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting in accordance with the accounting principles generally accepted in India ('Indian GAAP') and comply with the Accounting standards prescribed in the Companies (Accounting Standards) Rules, 2006 which continue to apply under Section 133 of the Companies Act, 2013 ('the Act') read with rule 7 of the Companies (Accounts) Rules, 2014 and other relevant provisions of the Companies Act, 2013, to the extent applicable. The financial statements are presented in Indian rupees.

2.2 Going Concern

As at 31 March 2023, the Company's paid up capital was Rs 25,21,31,370 and correspondingly, the Company's accumulated losses aggregated to Rs.799,59,73,949/-. Revenue recognition is recognized for the first time in Financial Year 2017-18 compliance with the 'Guidance Note on Accounting for Real Estate Transactions (Revised 2012)' issued by the Institute of Chartered Accountants of India. Based on the support letters received from the directors and business plan adopted by the Board of Directors, the Company's management believes that the Company will continue to operate as a going concern and meet all its liabilities as they fall due for payment and consequently will be in a position to continue in operation for the foreseeable future, to realise its assets and to discharge its liabilities in the normal course of business.

Accordingly, these financial statements have been prepared on a going concern basis and do not include any adjustments relating to the recoverability and classification of recorded assets, or to amounts and classification of liabilities.

2.3 Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles ('GAAP') in India requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities as of the date of the financial statements, and the reported amounts of revenues and expenses during the reported period. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of the financial statements. Management believes that the assumptions used in these estimates are prudent and reasonable. Actual results may differ from the estimates used in preparing the accompanying financial statements. Any revision to accounting estimates is recognized prospectively in current and future periods.



Lokhandwala Kataria Construction Private Limited

Notes to the consolidated financial statements (*Continued*)

for the year ended 31 March 2023

(Currency: Indian Rupees)

2 Summary of significant accounting policies (*Continued*)

2.4 Current / Non-current classification

The Schedule III to the Act requires assets and liabilities to be classified as either Current or Non-current.

An asset is classified as current when it satisfies any of the following criteria:

- (a) it is expected to be realised in, or is intended for sale or consumption in, the entity's normal operating cycle;
- (b) it is held primarily for the purpose of being traded;
- (c) it is expected to be realised within twelve months after the balance sheet date; or
- (d) it is cash or a cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the balance sheet date.

All other assets are classified as non-current.

A liability is classified as current when it satisfies any of the following criteria:

- (a) it is expected to be settled in, the entity's normal operating cycle;
- (b) it is held primarily for the purpose of being traded;
- (c) it is due to be settled within eighty two months after the balance sheet date; or
- (d) the Company does not have an unconditional right to defer settlement of the liability for at least eighty two months after the balance sheet date.

All other liabilities are classified as non-current.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out above which are in accordance with the Schedule III to the Act.

Operating Cycle:

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

Based on the nature of services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 148 months. The expected time for completion at the inception of the project was 82 months which was revised to 106 months and then revised to 148 months and then revised to 160 months and the current expected completion of the project is December 2023.



Lokhandwala Kataria Construction Private Limited

Notes to the consolidated financial statements (Continued)

for the year ended 31 March 2023

(Currency: Indian Rupees)

2 Significant accounting policies (Continued)

2.5 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Income from real estate sales is recognized on the transfer of all significant risks and rewards of ownership to the buyers and it is not unreasonable to expect ultimate collection and no significant uncertainty exists regarding the amount of consideration. However if, at the time of transfer substantial acts are yet to be performed under the contract, revenue is recognized on proportionate basis as the acts are performed, i.e. on the percentage of completion basis.

Determination of revenues under the percentage of completion method necessarily involves making estimates by the Company, some of which are of a technical nature, concerning, where relevant, the percentages of completion, costs to completion, the expected revenues from the project/activity and the foreseeable losses to completion. The estimates of cost are periodically reviewed by the Management and the effect of changes in estimates is recognised in the period such changes are recognised. When the total project cost is estimated to exceed total revenues from the project, the loss is recognised immediately.

Interest income is recognised on time proportion basis.

2.6 Employee benefits

(a) Short term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. These benefits include compensated absences such as paid annual leave and sickness leave. The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognized during the period.

(b) Long term employee benefits

(i) Defined contribution plans:

The Company's approved provident scheme is a defined contribution plan. The Company's contribution paid / payable under the schemes is recognised as expense in the statement of profit and loss during the year in which the employee renders the related service. The Company makes specified monthly contributions towards employee provident fund. The interest rate payable is being notified by the Government. There are no other obligations other than the contribution payable to the respective fund.



Lokhandwala Kataria Construction Private Limited

Notes to the consolidated financial statements (Continued)

for the year ended 31 March 2023

(Currency: Indian Rupees)

2 Significant accounting policies (Continued)

2.6 Employee benefits (Continued)

(b) Long term employee benefits (Continued)

(ii) Defined benefit plans:

The Company's gratuity benefit scheme is a defined benefit plan. The Company's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any plan assets is deducted.

The present value of the obligation under such defined benefit plan is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. ~~The discount rates used for determining the present value of the obligation are based on the market yields on Government securities as at the balance sheet date.~~

When the calculation results in a benefit to the Company, the recognised asset is limited to the net total of any unrecognised actuarial losses and past service costs and the present value of any future refunds from the plan or reductions in future contributions to the plan.

Actuarial gains and losses are recognized immediately in the statement of profit and loss.

(c) Other long term employee benefits

The Company's net obligation in respect of long-term employment benefits, other than gratuity, is the amount of future benefit towards leave that employees have earned in return for their service in the current and prior periods. The obligation is calculated using the projected unit credit method and is discounted to its present value and the fair value of any related assets is deducted. The discount rates used for determining the present value of the obligation under other long term employee benefits, are based on the market yields on Government securities as at the balance sheet date.



Lokhandwala Kataria Construction Private Limited

Notes to the consolidated financial statements (Continued)

for the year ended 31 March 2023

(Currency: Indian Rupees)

2 Significant accounting policies (Continued)

2.7 Fixed assets and depreciation

Tangible fixed assets:

Fixed assets are stated at cost less accumulated depreciation and impairment loss, if any. Cost comprises of purchase price and any attributable cost such as duties, freight, borrowing costs, erection and commissioning expenses incurred in bringing the asset to its working condition for its intended use.

Depreciation on fixed assets has been provided using the straight-line method in the manner and at the rates prescribed by Schedule II of the Act. Depreciation on addition/deletion of fixed asset made during the year is provided on pro-rata basis from / up to the date of each addition / deletion. The useful lives used are those specified in Schedule II of the Act as under

Assets	Life in no of years
Office equipment's	5 Years
Computers (including servers)	3 Years to 6 Years
Vehicles	8 Years
Furniture and fixtures	10 Years

During the previous year, the Company had revised the method of depreciation from the Written down value (WDV) method to Straight line method (SLM) with effect from 1 April 2014. The retrospective impact on depreciation due to the change in method aggregating Rs 5,140,272 (reversal) has been credited to the Statement of profit and loss in that year.

Pursuant to the Companies Act, 2013 being effective from 1 April 2014, the Company had aligned the useful life of fixed assets as per the useful life specified in Part 'C' of Schedule II of the Act.

Intangible fixed assets:

Intangible fixed assets represent software license purchased by the company and are amortized over an expected benefit period of five years using straight line method.

2.8 Inventories and project work in progress

Direct expenses like site labour cost, material used for project construction, project management consultancy, costs for moving the plant and machinery to the site and general expenses incurred specifically for the respective project like insurance, design and technical assistance and construction overheads are taken as the cost of construction work-in-progress.

Inventories are valued as lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.



Lokhandwala Kataria Construction Private Limited

Notes to the consolidated financial statements (*Continued*)

for the year ended 31 March 2023

(Currency: Indian Rupees)

2. Significant accounting policies (*Continued*)

2.9 Foreign currency transactions

Foreign exchange transactions are recorded at the spot rates on the date of the respective transactions. Exchange differences arising on foreign exchange transactions settled during the year are recognised in the statement of profit and loss.

Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated at the closing exchange rates on that date; the resultant exchange differences are recognised in the statement of profit and loss.

2.10 Taxation

Income tax expense comprises current income tax (i.e. amount of tax for the period determined in accordance with the income tax law), fringe benefits tax and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period). The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty of realisation of such assets. Deferred tax assets are reviewed at each balance sheet date and written down or written up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realised. No deferred tax assets are created for the current financial year and immediate previous financial year.

2.11 Earnings per share (EPS)

The Basic EPS is computed by dividing the net profit attributable to the equity shareholders for the year by the weighted average number of equity shares outstanding during the reporting period. Diluted EPS is computed by dividing the net profit attributable to the equity shareholders for the year by the weighted average number of equity and dilutive equity equivalent shares outstanding during the year, except where the results would be anti-dilutive.

2.12 Impairment of assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. The recoverable amount is the greater of the net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value based on an appropriate discount factor. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the statement of profit and loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost.



Lokhandwala Kataria Construction Private Limited

Notes to the consolidated financial statements (Continued)

for the year ended 31 March 2023

(Currency: Indian Rupees)

2. Significant accounting policies (Continued)

2.13 Borrowing costs

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are treated as direct cost and are considered as part of the cost of such assets. A qualifying asset is an asset that necessarily requires a substantial period to get ready for its intended use or sale. Capitalisation of borrowing costs is suspended in the period during which the active development is delayed beyond a reasonable time due to other than temporary interruption. All other borrowing costs are charged to the statement of profit and loss as incurred.

2.14 Redemption Premium/Interest on Non-Convertible Debentures (NCD)

Interest/Redemption Premium on the NCD is calculated being equal to 16.07% (sixteen point zero seven per cent) per annum from the Deemed Date of Allotment to that Redemption Date as calculated using the Excel Spreadsheet "XIRR" function and taking into account the principal amount and the amount of Coupon Payments, in each case, already paid in respect of that Debenture on or prior to that redemption date. The said amount is debited to the Profit and Loss Accounts. Further while considering the expected cost for completion of the Project "Minerva", the Interest/Redemption Premium on the NCD is not considered.

2.15 Operating lease

Lease rentals in respect of assets acquired on operating leases are recognised in the statement of profit and loss on straight line basis over the lease term.

2.16 Provisions and contingent liabilities

The Company has created a provision where there is present obligation as a result of a past event that probably requires an outflow of resources, and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible or a present obligation that may, but probably will not require an outflow of resources. When there is a possible obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.



Lokhandwala Kataria Construction Private Limited

Notes to the consolidated financial statements (Continued)

as at 31 March 2023

(Currency: Indian Rupees in Lakhs)

3.1 Share capital

	31 March 2023	31 March 2022
Authorised capital		
150,000 (2015: 150,000) Equity shares (Class A) of Rs 10 each	15.00	15.00
100,000 (2015: 100,000) Equity shares (Class B) of Rs 10 each	10.00	10.00
750,000 (2015: 750,000) Equity shares (Class C) of Rs 10 each	75.00	75.00
25,250,000 (2015: 25,250,000) Preference shares of Rs 10 each	2,525.00	2,525.00
	2,625.00	2,625.00
Issued, subscribed and fully paid-up		
143,137 (2015: 143,137) Equity shares (Class A) of Rs 10 each, fully paid up	14.31	14.31
10,000 (2015: 10,000) Equity shares (Class B) of Rs 10 each, fully paid up	1.00	1.00
25,060,000 (2015: 25,060,000) 12% Optionally convertible cumulative redeemable preference shares of Rs 10 each, fully paid up.	2,506.00	2,506.00
	2,521.31	2,521.31

A Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting year:

	31 March 2023		31 March 2022	
Equity shares	Number	Value	Number	Value
Shares outstanding at the beginning and end of the year -Class A	1.43	14.31	1.43	14.31
Shares outstanding at the beginning and end of the year -Class B	0.10	1.00	0.10	1.00

	31 March 2023		31 March 2022	
12% Optionally convertible cumulative redeemable preference	Number	Value	Number	Value
Shares outstanding at the beginning and end of the year	250.60	2,506	250.60	2,506

B Terms / rights attached to shares

Equity shares

The Company has only three class of equity shares having a par value of Rs 10 per share. Class "A" shareholders have voting rights, Class "B" Shareholders have profit sharing rights and class "C" shares have been authorized but have not yet been issued. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of the Interim dividend.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Preference shares

25,060,000 optionally convertible cumulative preference shares of Rs 10 each.

The Company has one class of preference shares having a par value of Rs 10 per share. The preference shares do not carry any voting rights, even if dividend has remained unpaid for any year or dividend has not been declared by the Company for any year. Preference shares shall, subject to availability of profits during any financial year, be entitled to nominal dividend of 12% per year.

In the event of liquidation of the Company before conversion of the preference shares, the holders of convertible preference shares will have priority over equity shares in the payment of dividend and repayment of capital.



Lokhandwala Kataria Construction Private Limited

Notes to the consolidated financial statements (Continued)

as at 31 March 2023

(Currency: Indian Rupees in Lakhs)

3.1 Share capital (Continued)

C Details of shareholder holding more than 5% shares as at 31 March 2023 is as set out below.

Name of shareholder	31 March 2023		31 March 2022	
	Number	Percentage	Number	Percentage
Equity shares				
Class A				
Mr.Moiz Lokhandwala	29,675	20.73%	29,675	20.73%
Mr.Aliasgar Lokhandwala	29,675	20.73%	29,675	20.73%
Mr. Mohammed A Lokhandwala	13,650	9.54%	13,650	9.54%
Lokhandwala Infrastructure Pvt Ltd	70,137	49.00%	70,137	49.00%
Class B				
Mr. Mohammed A Lokhandwala	2,000	20.00%	2,000	20.00%
Mr.Moiz Lokhandwala	4,000	40.00%	4,000	40.00%
Mr.Aliasgar Lokhandwala	4,000	40.00%	4,000	40.00%
Preference shares				
Lokhandwala Infrastructure Pvt Ltd	250.60	100.00%	250.60	100.00%

The 12% Optionally convertible cumulative redeemable preference shares carry an option to convert all or any of the preference shares at any time prior to redemption into 'Class C' equity shares in the ratio of 1:1 at the option of the shareholders.

Disclosure of Shareholding of Promoters

Promoter Name	Shares Held by promoters at the end of the year		% Change during the year
	No. of Shares	% of Total	
Class A			
Moiz Lokhandwala (Deceased)	29,675	20.73%	NIL
Mr.Aliasgar Lokhandwala	29,675	20.73%	NIL
Mr. Mohammed A Lokhandwala	13,650	9.54%	NIL
Lokhandwala Infrastructure Pvt Ltd	70,137	49.00%	NIL
TOTAL	1,43,137	100.00%	NIL
Class B			
Mr. Mohammed A Lokhandwala	2,000	20.00%	NIL
Moiz Lokhandwala (Deceased)	4,000	40.00%	NIL
Mr.Aliasgar Lokhandwala	4,000	40.00%	NIL
TOTAL	10,000	100.00%	NIL

Note: One of the promotor Late Moiz Lokhandwala expired on 27.09.2021. As no transfer forms received from legal heir, the shares are still in the name of Late Moiz Lokhandwala

3.2 Reserves and surplus

	31-Mar-23	31-Mar-22
Securities premium reserve at the commencement and end of the year	4,705.72	4,705.72
General reserves at the commencement and end of the year	2.44	2.44
(Deficit) as per statement of profit and loss		
At the commencement of the year	(51,913.60)	(12,594.58)
Add: Profit / (loss) for the year	(28,046.14)	(39,319.02)
	(79,959.74)	(51,913.60)
Consolidated Revenue Reserve	(1.98)	0.30
Total reserves and surplus	(75,253.56)	(47,205.15)



Lokhandwala Kataria Construction Private Limited

Notes to the consolidated financial statements (Continued)

as at 31 March 2023

(Currency: Indian Rupees in Lakhs)

3.3 Long-term borrowings

Secured loans

From Debentures

- Non convertible debentures from Shapoorji Pallonji Development Managers Pvt Ltd.

- Non convertible debentures from Real Estate Credit Opportunities Fund III - Listed

- Non convertible debentures from Real Estate Credit Opportunities Fund III - Unlisted

Premium /Interest on debentures accrued but not due (Not

From others

- Term loan from ECL Finance Limited

Provision for employee benefits:

- Gratuity (refer note 3.25)

- Compensated absences (refer note 3.25)

31-Mar-23 31-Mar-22

8,147.42 10,438.00

27,300.00 19,900.00

67,725.00 90,300.00

37,515.81 22,571.06

1,40,688 1,43,209

31-Mar-23 31-Mar-22

123.29 107.75

57.73 57.92

181.02 165.67

3.5 Short-term borrowings

Unsecured loans

From director & Shareholders

(Company has taken an interest free unsecured loan from Director & Shareholders, which is repayable on demand)

From Related Party

From others

31-Mar-23 31-Mar-22

350.57 350.48

402.13 400.04

186.05 186.05

938.76 936.57

3.6 Trade payables

Trade payables towards goods purchased and services received

- Due to Micro, Small and Medium Enterprises (refer note 3.32)

- Due to others

Retention money payable

31-Mar-23 31-Mar-22

70.86 78.30

3,534.83 4,409.55

1,911.42 1,346.17

5,517.11 5,834.03

Note: Trade Payables ageing schedule - Ref Note No.3.44



Lokhandwala Kataria Construction Private Limited

Notes to the consolidated financial statements (Conti.) as at 31 March 2023

<u>Details of Security on Loans and Debentures:</u>	<u>Terms and condition for repayment:</u>
<p><u>A. Non-Convertible Debentures issued to Shapoorji Pallonji Development Managers Private Limited</u></p> <p>As per the supplementary deed of the Debenture Trust Deed, the Debenture issued to SHAPOORJI PALLONJI DEVELOPMENT MANAGERS PRIVATE LIMITED is secured by way of 15 (Fifteen) identified units admeasuring in aggregate to 27,483 (Previous Year 21,192) square feet Carpet Area (collectively referred to as the "Units") forming part of the residential project known as "Minerva" (the "Project") constructed / being constructed on all that piece and parcel of land bearing C.S No.1(pt.) and 2(pt) of Lower Patel Division situated at J.R Boricha Marg, Mahalaxmi, Mumbai, admeasuring around 28,328.79 square meters or there about. As the tenure of the debenture may exceeds more than one year as per the option of the Management, the same is considered as Long term borrowings in the financial statements. In the event the debenture is paid/payable within the period of one year the same may be considered as under the head Other Current liabilities.</p>	<p>The redemption premium payable on the redemption of the Debentures is not ascertainable as the same is based on the future sale price of the units mortgaged to the Debenture Holder. However the aggregate redemption premium shall not exceeds 16% (sixteen percent) Internal Rate of Return in any event. Therefore no provision for Redemption Premium is provided in the Books of Account for the year.</p> <p>The final redemption date is before 30th September 2024 or such extended period after 30th September as may be determined by the Debenture Holders which in any event shall not exceed an additional period of 1 (one) years thereof.</p>
<p><u>B. Non-Convertible Debentures held by Asia Pragati Real Estate Investment Fund (some of the NCD were earlier held by Real Estate Credit Opportunities Fund – III)</u></p> <p>The Non-Convertible Debentures issued both listed and un-listed has been secured against "All that pieces or parcels of land/properties as under together with all the present and/or future structure, buildings, furniture, fixtures, fittings,</p>	<p>Both the listed and un-listed secured Non-convertible Debentures carries internal rate of return on the nominal value of the Debentures being equal to 16.07% (sixteen point zero seven per cent) per</p>



Lokhandwala Kataria Construction Private Limited

Notes to the consolidated financial statements (Conti.) as at 31 March 2023

standing and/or plant and machinery installed and/or constructed/to be constructed thereon and all the present and future rights, title and/or interests of M/S Lokhandwala Kataria Constructions Pvt. Ltd. therein: C.S. No. 1(pt) & 2(pt) of Lower Parel Division situated at J.R. Boricha Marg, Mahalaxmi, Mumbai, admeasuring around 28328.79 square meters owned by Municipal Corporation of Greater Mumbai and also and the Corporate Guarantee of Lokhandwala Infrastructure Private Limited and Personal Guarantee of Mr. Mohammed A Lokhandwala, Late Moiz M Lokhandwala and Mr. Aliasgar Lokhandwala. The Security further more described as under:

- (a) the Project Land together with all rights, interest, benefits, claims and demands whatsoever of the Company in relation to the Project Land including all development rights of the Company in relation to the Project Land under the Development Agreement or otherwise;
- (b) the Unsold Units together with all rights, title, interest, benefits, claims and demands whatsoever of the Company in the Unsold Units and all development rights of the Company pertaining to the Unsold Units;
- (c) all Sold Units in relation to which the sale agreements are cancelled, revoked or terminated together with all rights, title, interest, benefits, claims and demands whatsoever of the Company in such units including development rights of the Company pertaining to such units;
- (d) all rights, title, interest, benefits, claims and demands whatsoever of the Company in, to, under and in respect of the Project Accounts;
- (e) all rights, title, interest, benefits, claims and demands whatsoever of the Company in, to, under and in respect of the

annum from the Deemed Date of Allotment to that Redemption Date as calculated using the Excel Spreadsheet "XIRR" function and taking into account the principal amount and the amount of Coupon Payments, in each case, already paid in respect of that Debenture on or prior to that redemption date.

The redemption dates of the Debentures are as under:

- i. 25% (Twenty Five Percent) – 26th October 2023
- ii. 25% (Twenty Five Percent) – 26th October 2024
- iii. 25% (Twenty Five Percent) – 26th October 2025
- iv. 25% (Twenty Five Percent) – 26th October 2026



Lokhandwala Kataria Construction Private Limited

Notes to the consolidated financial statements (Conti.) as at 31 March 2023

<p>Receivables together with all present and future, operating cash flows, receivables, moneys, securities, instruments, investments and other properties deposited in, credited to or required to be credited or required to be deposited or lying to the credit of the Project Accounts or liable to be credited to the Project Accounts (subject to the provisions of RERA);</p> <p>(f) all present and future moveable and current assets of the Company in relation to the Project and all other buildings, erections, constructions, furniture, fixtures and fittings of every description in relation to the Project on the Project Land and all rights, title, interest, benefits, claims and demands whatsoever of the Company in, to, under and in respect of such assets;</p> <p>(g) all Insurance Policies and Insurance Proceeds in relation to the Project; and</p> <p>(h) all permitted investments in accordance with and pursuant to the terms of the escrow agreement including all investment income and investment proceeds.</p> <p>(i) Pledging of entire Equity i.e Class A and Class B shares of Lokhandwala Kataria Construction Pvt. Ltd. held by Lokhandwala Infrastructure Private Limited., Mr. Mohammed A Lokhandwala, Mr. Moiz M Lokhandwala and Mr. Aliasgar Lokhandwala.</p> <p>(j) Post-dated Cheques issued by the Company in respect of Coupon, Redemption Premiums and Principal Redemption amount of the Debentures.</p>	
---	--



Lokhandwala Kataria Construction Private Limited

Notes to the consolidated financial statements (Continued)

as at 31 March 2023

(Currency: Indian Rupees in Lakhs)

3.7 Other current liabilities

	31-Mar-23	31-Mar-22
Redemption Premium and /or Interest on NCD	8,117.08	3,276.94
NCD redemption amount payable	33,401.28	-
Accruals for expenses	5,696.73	5,637.44
Advance from customers	20,516.35	25,842.95
Payable to customers towards cancellation of flats	1,284.03	1,544.54
- Employee's payable	103.48	95.21
Tax deduction at source payable	75.79	90.44
Value added tax payable	-	459.42
Professional tax payable	1.69	1.70
Provident fund payable	8.56	7.63
GST / Service Tax payable	140.61	63.07
	69,345.59	37,019.35

3.8 Short-term provision

	31-Mar-23	31-Mar-22
Employees benefits		
Gratuity (refer note 3.27)	23.50	20.57
Compensated absences (refer note 3.27)	6.89	7.75
	30.39	28.31

3.10 Long-term loans and advances

(Unsecured, considered good)

	31-Mar-23	31-Mar-22
Advance tax and tax deducted at source	469.64	319.87
	469.64	319.87

3.11 Investment in Shares

Lokhandwala Infrastructure Private Limited - 5,000(Fully paid)Equity shares of Rs.10/- each.

	31-Mar-23	31-Mar-22
	0.50	0.50
	0.50	0.50

3.12 Inventories

Project work in progress

Construction work in progress (Refer note 3.19)

	31-Mar-23	31-Mar-22
	1,13,812.33	1,16,038.83
	1,13,812.33	1,16,038.83

3.13 Trade receivables

(Unsecured, considered good)

Outstanding for a period exceeding 6 months from the date they are due for payment
Other debts

	31-Mar-23	31-Mar-22
	5,349.17	2,963.05
	5,349.17	2,963.05

Note: Trade Receivables ageing schedule - Ref Note No.3.45



Notes to the financial statements (Continued)

as at 31 March 2023

(Currency : Indian Rupees)

3.9 Fixed assets

Description of assets	Gross block			As at 31 March 2023	As at 1 April 2022	Accumulated depreciation / amortisation			As at 31 March 2023	As at 31 March 2023
	As at 1 April 2022	Additions	Deductions / adjustments			Adjustments (refer note (a) below)	Charge for the year (refer note (b) below)	Deductions / adjustments		
Intangible assets										
Computer software	17,97,825	-	-	17,97,825	10,79,042	-	1,19,776	-	11,98,818	5,99,007
	10,89,749	7,08,076	-	17,97,825	9,93,121	-	85,921	-	10,79,042	7,18,783
Total intangible assets (A)	17,97,825	-	-	17,97,825	10,79,042	-	1,19,776	-	11,98,818	5,99,007
	10,89,749	7,08,076	-	17,97,825	9,93,121	-	85,921	-	10,79,042	7,18,783
Tangible assets										
Computers	57,51,912	3,20,262	-	60,72,174	30,58,130	-	7,35,896	-	37,94,026	22,78,148
	40,58,938	16,92,974	-	57,51,912	23,09,590	-	7,48,540	-	30,58,130	26,93,782
Furniture and fixtures	31,67,002	-	-	31,67,002	10,26,685	-	2,08,485	-	12,35,170	19,31,832
	31,67,002	-	-	31,67,002	7,95,035	-	2,31,650	-	10,26,685	21,40,317
Office equipment	34,86,005	-	-	34,86,005	14,57,733	-	2,91,258	-	17,48,991	17,37,014
	26,51,171	8,34,834	-	34,86,005	11,54,891	-	3,02,842	-	14,57,733	20,28,272
Vehicles	2,93,14,528	-	-	2,93,14,528	2,54,69,986	-	50,462	-	2,65,20,448	27,94,080
	3,00,98,851	-	7,84,323	2,93,14,528	2,62,27,266	-	10,32,043	7,84,323	2,64,69,986	28,44,542
Total tangible assets (B)	4,17,19,447	3,20,262	-	4,20,39,709	3,30,12,534	-	12,86,101	-	3,32,98,635	87,41,074
	3,99,75,962	25,27,808	7,84,323	4,17,19,447	3,04,81,782	-	23,15,075	7,84,323	3,20,12,534	97,06,913
Total (A) + (B)	4,35,17,272	3,20,262	-	4,38,37,534	3,30,91,576	-	14,05,877	-	3,44,97,453	93,40,081
	4,10,65,711	32,35,884	7,84,323	4,35,17,272	3,14,74,963	-	24,00,996	7,84,323	3,30,91,576	1,04,25,696

Notes

- a. The transactions for the previous year are indicated in italics.



Lokhandwala Kataria Construction Private Limited

Notes to the consolidated financial statements (Continued)

as at 31 March 2023

(Currency: Indian Rupees in Lakhs)

3.14 Cash and bank balances

	31-Mar-23	31-Mar-22
<i>Cash and cash equivalents</i>		
Cash on hand	7.10	23.49
Bank balances with scheduled banks		
- In current accounts	2,256.51	474.26
- Fixed deposits (less than 3 months from the original maturity from deposit date)	61.00	61.00
	<u>2,324.61</u>	<u>558.75</u>
Other bank balances		
'- In deposit accounts with maturity more than 3 months but less than 12 months	89.92	89.92
	<u>2,414.53</u>	<u>648.67</u>
Details of Bank deposits:		
Bank deposits with original maturity of 3 months or less included under 'Cash and cash	60.00	60.00
Bank deposits due to mature within 12 months of the reporting date included under 'Other	89.92	89.92
	<u>149.92</u>	<u>149.92</u>

3.15 Short-term loans and advances

(Unsecured, considered good)

	31-Mar-23	31-Mar-22
To parties other than related parties		
Advances to contractors and suppliers	2,145.20	2,943.40
Loans and advance to others	501.26	493.80
Loans and advance to employees	0.68	2.23
Deposit given	37.77	36.12
GST credit receivable (Net)	426.55	492.11
Prepaid expenses	63.31	6.20
To related parties		
Expenses recoverable *	39.47	39.47
Inter-corporate deposits repayable on demand **	12,737.91	12,738.11
	<u>15,952.14</u>	<u>16,751.42</u>

* Expenses recoverable from Group Companies in which all the directors of Company are

** Inter-corporate deposit given to Lokhandwala Infrastructure Private Limited in which all the directors of Company are director. The maximum amount outstanding during the year is

3.16 Other current assets

	31-Mar-23	31-Mar-22
From related parties		
Interest accrued but not due on inter-corporate deposits	3,143.21	2,958.95
From other than related parties		
Interest receivable on fixed deposit	85.24	74.97
	<u>3,228.45</u>	<u>3,033.92</u>

Interest accrued but not due on inter-corporate deposit given to Lokhandwala Infrastructure Private Limited in which all the directors of Company are director.



Lokhandwala Kataria Construction Private Limited

Notes to the financial statements (Continued)

for the year ended 31 March 2023

(Currency: Indian Rupees in Lakhs)

3.17 Revenue from operations

	31 March 2023	31 March 2022
Sale of flats	21,183.06	1,436.19
Minerva - club membership & other chgs (Refer Note No.3.43)	1,250.77	
	<u>22,433.83</u>	<u>1,436.19</u>

3.18 Other income

	31 March 2023	31 March 2022
Interest income from		
- Inter-corporate deposits	173.41	172.93
- Fixed deposits with banks	11.45	52.43
- Statutory Refunds	-	0.41
Miscellaneous income	-	140.68
	<u>184.85</u>	<u>366.45</u>

3.19 Cost of materials consumed

	31 March 2023	31 March 2022
Expenditure incurred during the year:		
Opening project work in progress	1,16,038.83	1,16,381.20
Additions during the year		
Constructions and contractual payments	17,547.71	14,231.96
Rate and taxes	2,387.64	456.49
Professional fees and technical expenses	1,671.23	2,879.52
Tenants' compensations	64.45	876.79
Finance cost (refer note 3.21)	-	(6,456.45)
Other overheads	1,917.66	1,785.20
Total project expenditure	<u>1,39,627.53</u>	<u>1,30,154.70</u>
Less: transferred to construction work in progress (refer note 3.11)	<u>(1,13,812.33)</u>	<u>(1,16,038.83)</u>
Cost of Material Consumed	<u>25,815.20</u>	<u>14,115.87</u>

3.20 Employee benefits expense

	31 March 2023	31 March 2022
Salaries, wages and bonuses	221.47	172.69
Contribution to provident and other funds (refer note 3.27)	55.15	58.33
	<u>276.62</u>	<u>231.02</u>



Lokhandwala Kataria Construction Private Limited

Notes to the financial statements (Continued)

for the year ended 31 March 2023

(Currency: Indian Rupees in Lakhs)

3.21 Finance costs

	31 March 2023	31 March 2022
Interest		
-On term loans	-	319.63
Redemption Premium / Interest on NCD	23,410.29	25,848.00
Premium on debentures	-	(6,776.08)
	<u>23,410.29</u>	<u>19,391.55</u>
Less: finance cost transferred to construction work in progress	-	6,456.45
	<u>23,410.29</u>	<u>25,848.00</u>

3.23 Other expenses

	31 March 2023	31 March 2022
Insurance	0.48	0.76
Travelling and conveyance	10.94	32.29
Rates and taxes	128.23	88.01
Legal, professional and other fees	127.89	133.60
Payment to auditors (refer note (a) below)	15.35	15.35
Advertisement and selling cost	528.78	280.82
Bank charges and commission	0.17	1.77
Printing and stationery	6.40	6.63
Recruitment expenses	-	5.90
Donation	-	-
Prior Period Expenses	15.40	19.81
Miscellaneous expenses	317.04	318.25
	<u>1,150.69</u>	<u>903.20</u>

(a) Payment to auditors

As auditor		
Statutory Audit Fees	15.35	15.35
	<u>15.35</u>	<u>15.35</u>

3.24 Segment reporting

The Company is engaged in the business of development of real estate in India which is the primary business segment. The Company has only one reportable business and geographical segment. Accordingly, these financial statements are reflective of the information required by the Accounting Standard 17, for the property development segment.

3.25 Deferred tax asset, net

As per the Accounting Standard 22, "Accounting for taxes on income", the Company would have a net deferred tax asset, primarily on account of unabsorbed depreciation and unabsorbed loss. Deferred tax assets are recognised only to the extent they are considered to be virtually certain of realisation. The deferred tax assets that may arise due to unabsorbed carried forward losses and depreciation are not recognized as it is not considered to be virtually certain of realisation. The Company does not foresee any adjustment of the current losses and carry forward losses in near future and hence no deferred tax assets created.



Lokhandwala Kataria Construction Private Limited

Notes to the financial statements (Continued)

for the year ended 31 March 2023

(Currency: Indian Rupees in Lakhs)

3.26 Earnings per share

	31 March 2023	31 March 2022
Net profit/(loss) attributable to equity shareholders (A)	(28,048.17)	(39,319.46)
Less : Preference dividend (Notional)	(1,696.32)	(1,549.77)
Dividend distribution tax (Notional)	(288.29)	(263.38)
Net (loss) attributable to equity shareholders	(30,032.78)	(41,132.61)
Number of equity shares at the beginning and end of the year	1.53	1.53
Basic and diluted earnings per equity share (Face value of Re 1 per share) (A / B)	(19,611.71)	(26,860.01)

Potential equity shares in form of 12% optionally convertible cumulative redeemable preference shares are ignored in the calculation of diluted earnings per share, as on their conversion to equity shares, the results on the earnings per share from continuing ordinary activities would be anti-dilutive. Also refer schedule 3.30 (a).

3.27 Disclosure pursuant to Accounting standard 15 - 'Employee benefits'

Short-term employee benefits:

a) Provident fund:

Retirement benefits in the form of provident fund are defined contribution schemes and the contributions are charged to the statement of profit and loss in the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the provident fund. The amount debited to the statement of profit and loss for the year ended 31 March 2023 is Rs.55.15 (2022: 45.05)

Post-employment benefits:

a) Compensated absences:

The leave wages are payable to all eligible employees at the rate of daily salary for each day of accumulated leave on death or on resignation or upon retirement on attaining superannuation age. The liability towards compensated absences for the year ended 31 March 2023 based on actuarial valuation using the projected accrued benefit method amounting to Rs 12.61 (2022: Rs.12.41) has been recognized in the profit and loss account.

b) Gratuity:

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on death or resignation or retirement at 15 days salary (last drawn salary) for each completed year of service. Amount of Rs 34.80 (2021: Rs.31.14) has been recognised in the statement of profit and loss on account of provision for gratuity.



Lokhandwala Kataria Construction Private Limited

Notes to the consolidated financial statements (Continued) for the year ended 31 March 2022

(Currency: Indian Rupees in Lakhs)

3.28 Related party transactions (Continued)

Disclosure of transactions between the Company and related parties and the status of outstanding balances as at 31 March 2022

Details of transactions	Late Moiz Lokhandwala	Aliasgar Lokhandwala	Mohammed A Lokhandwala	Lokhandwala Infrastructure	Lokhandwala Shelters India	Sakrwan Builders & developers Pvt	Ratan Infrastructure Pvt	Ratan Real Estate Services Pvt Ltd	Solo Commodities Pvt Ltd	Vista Homes Pvt Ltd	Ratan Builders & developers	Lokhandwala Housing &	Others	Total
Project management fees (WIP)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Advertisement and selling cost	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest income	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reimbursement of expenses paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reimbursement of expenses received	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loan received from director	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividend receivable recovered from director	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Royalty paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Remuneration Paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loan taken	-	-	37.47	2,390.75	-	-	-	-	-	-	-	-	-	2,390.75
Rent Paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loan given	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Premium for buyback of flats	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Advance/paid for Purchase of shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Advance/paid for Purchase of Material	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Receivables					38.50									
Inter corporate deposits	-	-	-	12,676.73	-	-	-	-	-	0.77	-	-	172.45	211.72
Interest accrued and not due on deposits	-	-	-	2,958.95	-	-	-	-	-	-	-	-	-	2,958.95
Payables			107.47	1,788.40	-	50.00	659.69	1,263.01	659.69	-	0.75	0.25	-	4,528.77

Corporate guarantee given on behalf of company against term loans (refer note 3.3)

- Lokhandwala Infrastructure Private Limited

Guarantee given on behalf of company against term loans (refer note 3.3)

- Late Moiz M Lokhandwala
- Mr. Aliasgar M Lokhandwala
- Mr. Mohammed A Lokhandwala



Lokhandwala Kataria Construction Private Limited

Notes to the consolidated financial statements (Continued)

for the year ended 31 March 2022

(Currency: Indian Rupees in Lakhs)

3.28 Related party transactions (Continued)

Disclosure of transactions between the Company and related parties and the status of outstanding balances as at 31 March 2022

Details of transactions	Late Moiz Lokhandwala	Aliasgar Lokhandwala	Mohammed A Lokhandwala	Lokhandwala Infrastructure	Lokhandwala Shelters India	Sakrups Builders & developers Pvt	Ratan Infrastructure Pvt	Ratan Real Estate Services Pvt Ltd	Solo Commodities Pvt Ltd	Vista Homes Pvt Ltd	Ratan Builders & developers	Lokhandwala Housing &	Others	Total
Project management fees (WIP)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Advertisement and selling cost	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest income	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reimbursement of expenses paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reimbursement of expenses received	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loan received from director	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividend receivable recovered from director	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Royalty paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Remuneration Paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loan taken	-	-	37.47	2,390.75	-	-	-	-	-	-	-	-	-	-
Rent Paid	-	-	-	-	-	-	-	-	-	-	-	-	-	2,328.21
Loan given	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Premium for buyback of flats	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Advance/paid for Purchase of shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Advance/paid for Purchase of Material	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Receivables	-	-	-	-	38.50	-	-	-	-	0.7*	-	-	172.45	211.72
Inter corporate deposits	-	-	-	12,676.73	-	-	-	-	-	-	-	-	-	12,676.73
Interest accrued and not due on deposits	-	-	-	2,958.95	-	-	-	-	-	-	-	-	-	2,958.95
Payables	-	-	107.47	1,788.40	-	50.00	659.69	1,263.01	659.69	-	0.25	0.25	-	4,528.77

Corporate guarantee given on behalf of company against term loans (refer note 3.3)

- Lokhandwala Infrastructure Private Limited

Guarantee given on behalf of company against term loans (refer note 3.3)

- Late Moiz M Lokhandwala
- Mr. Aliasgar M Lokhandwala
- Mr. Mohammed A Lokhandwala



Lokhandwala Kataria Construction Private Limited

Notes to the consolidated financial statements (Continued) for the year ended 31 March 2023

(Currency: Indian Rupees in Lakhs)

3.28 Related party transactions (Continued)

Disclosure of transactions between the Company and related parties and the status of outstanding balances as at 31 March 2023

Details of transactions	Late Moiz Lokhandwala	Allasgar Lokhandwala	Mohammed A Lokhandwala	Lokhandwala Infrastructure Private Limited	Lokhandwala Shelters India Private Limited	Saikrupa Builders & developers Pvt Ltd	Ratan Infrastructure Pvt Ltd	Ratan Real Estate Services Pvt Ltd	Solo Commodities Pvt Ltd.	Vista Homes Pvt Ltd	Ratan Builders & Developers Pvt Ltd	Lokhandwala Housing & Infrastructure Pvt Ltd	Others	Total
Project management fees (WIP)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Advertisement and selling cost	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest income	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reimbursement of expenses paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reimbursement of expenses received	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loan received from director	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividend receivable recovered from director	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Royalty paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Remuneration Paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loan taken	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rent Paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loan given	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Premium for buyback of flats	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Advance/paid for Purchase of shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Advance paid for Purchase of Materials	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Receivables					38.50					0.77			171.31	210.57
Inter corporate deposits	-	-	-	12,676.71	-	-	-	-	-	-	-	-	-	12,676.73
Interest accrued and not due on deposits	-	-	-	3,143.21	-	-	-	-	-	-	-	-	-	3,143.21
Payables			107.47	1,788.41	-	50.00	659.69	1,263.01	659.69	-	0.25	0.25	-	4,528.77



Lokhandwala Kataria Construction Private Limited

Notes to the financial statements (Continued)

for the year ended 31 March 2023

(Currency: Indian Rupees in Lakhs)

3.28 Related party transactions

Parties where control exist :

A. Shareholders with substantial interest in voting power	Late Moiz Lokhandwala Mr. Aliasgar Lokhandwala
---	---

Other related parties with whom transactions have taken place during the year :

B. Enterprises over which persons covered in (A) exercise significant influence	Lokhandwala Infrastructure Private Limited Lokhandwala Shelters India Private Limited Vista Homes Private Limited. Saikrupa Builders & developers Pvt Ltd Ratan Infrastructure Pvt Ltd Ratan Real Estate Services Pvt Ltd Solo Commodities Pvt Ltd. Ratan Builders & Developers Pvt Ltd Lokhandwala Housing & Infrastructure Pvt Ltd A. Rajabali
C. Relatives of persons mentioned in (A) above	Late Moiz Lokhandwala Mr. Aliasgar Lokhandwala Mr. Mohammed A Lokhandwala



Lokhandwala Kataria Construction Private Limited

Notes to the financial statements (Continued)

for the year ended 31 March 2023

(Currency: Indian Rupees in Lakhs)

3.28 Related party transactions (Continued)

3.29 Commitment

	31 March 2023	31 March 2022
a) Estimated amount of contracts remaining to be	22,013.09	29,018.35
b) The Company is required to provide constructed accommodation free of costs to the original slum dwellers as per the Slum Rehabilitation Authority (SRA) scheme.		

3.30 Expenditure incurred in foreign currency (on payment basis)

	31 March 2023 Amount in INR	31 March 2022 Amount in INR
Purchase of Material	-	127.94
Consultancy Services	1.78	39.18
Total	1.78	167.11

3.31 Unhedged foreign currency exposure

The un-hedged foreign currency exposure as on 31 March 2022 is given below:

Details	31 March 2023 Amount in INR	31 March 2022 Amount in INR
Payables	NIL	NIL

3.32 Due to Micro, Small and Medium enterprises

Under the Micro, Small and Medium

Under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED) which came into force from 2 October 2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises. On the basis of the information and records available the management, **there are no information available regarding the dues to the Micro and Small enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006.**

	31 March 2023	31 March 2022
Principal amount remaining unpaid to any supplier as at the year end	70.86	78.30
Interest due thereon		
Amount of interest paid by the Company in terms of Section 16 of the MSMED, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year.		
Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED		
Amount of interest accrued and remaining unpaid at the end of the accounting year		
Further Interest remaining due & payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise.		

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the management. This has been relied upon by the auditor. No interest is paid or provided regarding delay in payments of principal made or to be made.



Lokhandwala Kataria Construction Private Limited

Notes to the financial statements (Continued)

for the year ended 31 March 2023

(Currency: Indian Rupees in Lakhs)

3.33 Contingent liabilities

- a) In absence of profit for the year, the Company has not provided for the dividend on Cumulative preference shares of Rs 1,696.32 (2022: Rs1,549.77) and tax on such dividend of Rs 288.29 (2022: Rs 263.38). The unpaid cumulative preference dividend and tax on such dividend payable as at 31 March 2023 is Rs. 13,654.87 (2022: Rs 11,958.55).
- b) Bank guarantees given to Maharashtra Pollution Control Board of Rs. 50.00 (2022: Rs 25.00)
- c) Amount that may payable for delay in completion of the project - Amount not ascertainable
- d) Amount that may payable for delay in payment of Statutory Dues - Amount not ascertainable
- e) Amount that may payable for the corporate guarantee given - Amount not ascertainable
- f) Amount that may payable due to various legal cases/ Suits filed against the Company - Amount not ascertainable
- g) Amount that may payable and / or not receivable from the flat buyers due to delay in completion of project
- h) Corporate guarantees on behalf of associates company Rs.72.54 Cr. (previous year 72.54 Cr.) & Applicable interest thereon.
- i) Erroneous property tax demand by BMC Rs. 35.85 Crores.

3.34 Domestic transfer pricing

The Company's domestic transactions with associated enterprises are at arm's length for the year ended 31 March 2023. Management believes that the Company's domestic transactions with associated enterprises post 31 March 2022 continue to be at arm's length and transfer pricing legislation will not have an impact on the financial statements particularly on the amount of tax expense for the year and the amount of provision for tax at the year end.

- 3.35 The rebate given to various customer for GST, delay in project, deficiency/cancellation of amenities etc. amounting to Rs 649.79 (2022:Rs.517.84)is debited to Work in Progress Account as in the view management this expenses/rebate are directly related to the project

- 3.36 The company following the Percentage Completion Method while recognising the revenue from the sale of flats.During the year, the company has complied with the requirementsas prescribed and started Recognition of Revenue in compliance with the Guidance Notes on Accounting for Real Estate Transactions (Revised 2012) issued by the Institute of Chartered Accountants of India.

- 3.37 The company has availed Financial Assistance (Term Loan) from Indiabulls Housing Finance Limited (IHFL). As per the documents executed between the company and IHFL, the rate of interest on the said loan is 17% p.a. (Revised to 18% p.a.) payable monthly. However, there is material variation on the interest debited by IHFL in the loan statement. The company has provided the interest equal to the interest debited by IHFL in the loan statement. No information is available with the company regarding the working of interest as debited by IHFL in the loan statement.

3.38 Disclosure under Section 186 of the Companies Act 2013

The operations of the Company are classified as 'infrastructure facilities' as defined under Schedule VI to the Act. Accordingly, the disclosure requirements specified in sub-section (4) of Section 186 of the Act in respect of loans given, investment made or guarantee given or security provided and the related disclosures on purposes/ utilization by recipient companies, are not applicable to the Company.

3.39 Inter Corporate Deposit (ICD)

The company has given ICD to one of its group concern to Lokhandwala Infrastructure Pvt Ltd totaling to Rs 12,676.72 as on 31st March, 2023 (2022: 12,676.72). Out of the said amount Rs 10,750.00 was given by the company to purchase its own shares as part of the business strategy.

3.40 Matter related to NCLT - Dalmia Group Holdings

One of the Financial Creditor Dalmia group Holdings filed a legal case against the company before the NCLT. The NCLT admitted the application of Dalmia Group Holdings and appointed Insolvency Resolution Professional (IRP).Subsequently the company entered into a deed of settlement with Dalmia Group Holdings which was filed and accepted by the NCLT and the IRP was withdrawn. As per the deed of settlement the net amount payable the Company to Dalmia Group Holdings is become the liability of Lokhandwala Infrastructure Private Limited and the outstanding amount in the books of the Company is transferred to Lokhandwala Infrastructure Private Limited.Further the Company has given 5 Flats of Minerva as security against the amount payable by Lokhandwala Infrastructure Private Limited.



Lokhandwala Kataria Construction Private Limited

Notes to the financial statements (Continued)

for the year ended 31 March 2023

(Currency: Indian Rupees in Lakhs)

3.41 Investment in Shares

The Company invested a sum of Rs.4,579.44 (previous year Rs.4579.44) to acquire the shares of Ratan Infrastructure Private Limited, Ratan Real Estate Services Private Limited and Solo commodities Private Limited from Lokhandwala Infrastructure Private Limited. These three companies where the Company acquired the shares, are in possession of three properties in the project Omkar 1973. All these three properties are used as security against the loan availed by the Company from Indiabulls Housing Finance Limited. Being the securities of these three companies used for the purpose of loan of the Company, as a strategic decision the Company acquire the shares of these three companies.

3.42 Tenants Compensation

As the Company is executing Slum Rehabilitation Project (SRA) the company is paying / providing rent to the slum dwellers. During F.Y.2021 -2022 the company completed all the buildings to be given to the slum dwellers as part of the project & intimated to Slum Rehabilitation Authority (SRA) for allotment of the same to the slum dwellers. However due to certain litigations initiated by slum dwellers regarding the allotment of the units to the slum dwellers, the allotment by SRA is yet to be completed. The Company believe as it has already completed the project for slum dwellers and also informed to the SRA for allotment, it is no longer liable to pay any further rent. Therefore no provision was made in the books towards rent payable for the F.Y. 2022-2023. The rent paid with respect from F.Y.2022-2023 are accounted as expenses on actual payment basis.

3.43 During F.Y.2022-2023 the company has received part occupation certificate upto 39th level (51st floor) of the sale building. The Company also has given possession of certain apartments upto 39th level. Therefore the amount collected in respect of Club Membership and other charges from flat owners upto 39th level are booked as income under the head sale from operation.

3.44 Debenture Redemption Reserve

The Company issued various debentures as on the date of this Balance Sheet. In absence of adequate profit by the Company during the year and also no debenture is matured/ to be redeemed during the next financial year, no Debenture Redemption Reserve is created for the year.

3.45 Trade Payables ageing schedule as on 31.03.2023

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	Total
(i) MSME	39.20	6.50	-	25.16	70.86
(ii) Others	1,961.82	2,290.91	291.63	901.89	5,446.25
(iii) Disputed dues - MSME					
(iv) Disputed dues - Others					

Trade Payable ageing as on 31.03.2022

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	Total
(i) MSME	40.07	11.01	1.28	25.93	78.30
(ii) Others	4,492.60	288.63	439.38	535.12	5,755.72
(iii) Disputed dues - MSME					
(iv) Disputed dues - Others					

3.46 Trade Receivables ageing schedule As on 31.03.2023

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	Total
(i) Undisputed Trade Receivables-considered good	710.80	2,173.79	415.15	73.82	1,932.48	5,306.04
(ii) Undisputed Trade Receivables-considered doubtful						
(iii) Disputed Trade Receivables-considered good						
(iv) Disputed Trade Receivables-considered doubtful						

Trade Receivable ageing as on 31.03.2022

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	Total
(i) Undisputed Trade Receivables-considered good	2,309.98	-	-	54.63	598.44	2,963.05
(ii) Undisputed Trade Receivables-considered doubtful						
(iii) Disputed Trade Receivables-considered good						
(iv) Disputed Trade Receivables-considered doubtful						



Lokhandwala Kataria Construction Private Limited

Notes to the financial statements (Continued)

for the year ended 31 March 2023

(Currency: Indian Rupees in Lakhs)

3.47 Loans or Advances in the nature of loans - Additional disclosures

Type of Borrower	Amount of loan or	Percentage to the
Promoters (Lokhandwala Infrastructure	0.13	99.69%
Directors	-	-
KMPs	-	-
Related Parties	0.00	0.31%
Total	0.13	100%

3.48 Relationship with struck off Companies

Nature of transactions with struck off	Name of the struck	Balance Outstanding	Relationship with
Investment in Securities	NIL	NIL	NIL
Receivables			
Payables			
Shares held by struck off company	NIL	NIL	NIL
Other outstanding balances (to be specified)			

3.49	Analytical Ratios	2022 - 2023	2021 - 2022	Reason for
1	Current Ratio = Current Assets / Current Liabilities	1.86	3.18	Note No.3.49.1
2	Debt Equity Ratio = Total Debt / Shareholders equity	Not applicable due to negative capital	Not applicable due to negative capital	NA
3	Debt service Coverage Ratio	Not applicable due to loss	Not applicable due to loss	NA
4	Return of Equity = Net Profit after Tax / Average Shareholders Equity	Nil due to loss	Nil due to loss	NA
5	Inventory Turnover Ratio = Cost of goods sold / Average Inventory	NA	NA	NA
6	Trade Receivable Turnover Ratio = Net Credit sales / Average Account Receivable	NA	NA	NA
7	Trade Payable Turnover Ratio = Net Credit Purchase / Average Trade Payable	7.00	4.79	Note No.3.49.2
8	Net Capital Turnover Ratio = Net Sales / Working Capital	0.33	0.02	Note No 3.49.3
9	Net Profit Ratio = Net Profit after Tax / Net Sales	Nil due to loss	Nil due to loss	NA
10	Return on Capital Employed = Earning before interest & Tax / Capital Employed	Nil due to loss	Nil due to loss	NA
11	Return on Investment = Net Return on Investment / Cost of Investment x 100	Nil due to loss	Nil due to loss	NA

3.49.1 25% of the NCD are to be redeemed during October 2023 and the Principal NCD amount payable in October 2023 are shown under the head Current Liability, being payable within 1 year. Due to the same the current ratio has decreased from 3.05 in the F.Y.2021-22 to 1.83 in the F.Y.2022-23

3.49.2 As the finishing work of the project is in progress, most of the material are purchased by way of advances given. Therefore the Trade Payable turnover ratio was decreased from 4.04 in F.Y.2021-22 to 3.02 in the F.Y.2022-23.

3.49.3 25% of the NCD are to be redeemed during October 2023 and the Principal NCD amount payable in October 2023 are shown under the head Current Liability, being payable within 1 year. Due to the same the working capital has been reduced substantially and the net Capital turnover ratio has decreased from 0.34 in the F.Y.2021-22 to 0.02 in the F.Y.2022-23.



Lokhandwala Kataria Construction Private Limited

Notes to the financial statements (Continued)

for the year ended 31 March 2023

(Currency: Indian Rupees in Lakhs)

- 3.50** The estimated total projected cost of the project of the company was increased from Rs.2.64 as on 31.03.2021 to Rs.3.06 as on 31.03.2022 due to delay in completion of the project, increase in input cost etc. Due to the same the percentage completion of the project has reduced from 81.26% as on 31.03.2021 to 74.84% as on 31.03.2022.
- 3.51** During the F.Y. 2020-2021, the Redemption Premium / Interest payable on the NCD till 31.03.2021 calculated @16.07% p.a IRR amounting to Rs.6,776.00 debited erroneously to the project work in progress instead of to the Profit & Loss account, the same was rectified during the year by crediting to the project work in progress account and debiting to the Profit & Loss account. The Redemption Premium / Interest on the NCD for the F.Y. 2021 -2022 was debited to the Profit & Loss account.
- 3.52** The amount receivable / payable from the flat buyers are accounted as per the percentage completion method followed by the Company in the books of accounts.
- 3.53** The GST liability is accounted on the actual amount received from the flat buyers instead of the demand raised to the flat buyers as per the individual sale agreement with the flat buyers.
- 3.54 Other matters**
Information with regard to other matters specified in Schedule III of the Act, is either nil or not applicable to the Company for the year.
- 3.55 Previous year comparatives**
Previous year's figures have been regrouped / reclassified where ever applicable.

As per our report of even date attached.

For Hare K Panda & Co.
Chartered Accountants
Firm's Registration No: 143768W

H. K. Panda

Proprietor

Membership No: 105641

UDIN:

23105641BQZGQX5647



For and on behalf of the Board of Directors of
Lokhandwala Kataria Construction Private Limited
CIN: U45200MH1998PTC117468

M.A. Lokhandwala

Director

DIN: 00219108

Aniket Naresh Prabhu

Company Secretary

Membership no: A55634

Date: 12th August 2023

A.M. Lokhandwala

Director

DIN: 00219135



Mumbai

Date: 12th August 2023