



LOKHANDWALA KATARIA CONSTRUCTION PVT LTD

306A and 306B, Ceejay House,
Dr. Annie Besant Road "F" Block, Shiv Sagar Estate,
Worli, Mumbai – 400018 (India).
Tel: +91 – 22 – 40805555 / 24926317
Email : admin@lokhandwalainfrastructure.com
Website : www.lokhandwalainfrastructure.com
CIN NO. : U45200MH1998PTC117468

Date: 30th May, 2024

To,
The Manager,
Listing Department (Debt Segment),
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai 400 001

Subject: Intimation of the Outcome of the Board Meeting held on 30th May, 2024

Ref: ISINs - INE999H07033, INE999H07058, INE999H07074, INE999H07082,
INE999H07090

Pursuant to the provisions of Regulation 52 and other applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR'), we wish to inform you that the Board of Directors (the 'Board') of LOKHANDWALA KATARIA CONSTRUCTION PVT LTD ('Company') at its meeting held today i.e. Thursday, 30th May, 2024 considered and has approved the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2024.

The meeting commenced at 3.00 PM and concluded at 05.00 PM.

Accordingly, we are herewith enclosing the Audited Standalone Financial Results of the Company for the quarter and year ended 31st March, 2024, for your perusal, together with the Audit Report.

Kindly take the above information on your record.

Thanking you,

Yours faithfully,

For LOKHANDWALA KATARIA CONSTRUCTION PVT. LTD.

ALIASGAR M. LOKHANDWALA

Director

DIN – 00219135

Date – 30-05-2024

Place – 306A and 306B, Ceejay House, Dr. Annie Besant Road "F" Block, Shiv Sagar Estate, Worli Mumbai - 400018

Encl.: As above

Lokhandwala Kataria Construction Private Limited

Statement of Profit and Loss

for the year ended 31 March 2024

(Currency: Indian Rupees in Lakhs)

Note	Unaudited Quarter Ended 31 March 2023	Unaudited Quarter Ended 31 December 2023	Unaudited Quarter Ended 31 March 2023	Audited Year Ended 31 March 2024	Audited Year Ended 31 March 2023
Income					
Revenue from operations	3.17	5,005.96	4,668.06	5,428.53	22,203.39
Other income	3.18	58.94	47.91	46.58	197.83
		5,064.90	4,715.97	5,475.11	22,401.22
Expenses					
Cost of materials consumed	3.19	4,313.63	4,117.16	4,460.10	19,567.54
Employee benefits expense	3.20	53.88	51.23	62.91	220.13
Finance costs / Redemption Premium / Interest on NCD	3.21	6,722.37	7,108.94	5,852.57	27,403.70
Depreciation and amortisation	3.22	3.17	2.83	3.69	11.63
Other expenses	3.23	540.17	624.01	192.10	3,019.60
		11,633.22	11,904.17	10,571.37	50,222.61
Profit / (loss) before tax		(6,568.31)	(7,188.20)	(5,096.26)	(27,821.39)
Tax expenses					
- Current tax					
- Deferred tax					
Profit / (loss) after tax		(6,568.31)	(7,188.20)	(5,096.26)	(27,821.39)
Basic and diluted earnings per share (Rs)	3.23	(4,289.17)	(3,966.79)	(3,327.91)	(19,623.75)
(Face value of Rs 10 each)					

Significant accounting policies
Notes to the financial statements

2
3.1 to 3.53

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: 14708M

H. K. Panda
Proprietor
Membership No: 105041
UDIN: 24105641BKFILR1154

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: 30th May 2024

A.M. Lokhandwala
Director
DIN: 00219135

Mumbai
Date: 30th May 2024



Lokhandwala Kataria Construction Private Limited

Balance Sheet

as at 31 March 2024

(Currency: Indian Rupees in Lakhs)

	Note	31 March 2024	31 March 2023
EQUITY AND LIABILITIES			
Shareholder's funds			
Share capital	3.1	2,521.31	2,521.31
Reserves and surplus	3.2	(1,03,072.97)	(75,251.58)
		(1,00,551.66)	(72,730.27)
Non-current liabilities			
Long-term borrowings	3.3	1,36,462.50	1,40,688.23
Long-term provision	3.4	143.97	181.02
		1,36,606.47	1,40,869.25
Current liabilities			
Short-term borrowings	3.5	207.47	207.47
Trade payables	3.6		
- Due to other than micro and small enterprises & Retention		8,633.10	8,098.14
Other current liabilities	3.7	96,643.13	69,345.59
Short-term provision	3.8	37.38	30.39
		1,05,521.07	77,681.58
TOTAL		1,41,575.88	1,45,820.56
ASSETS			
Non-current assets			
Fixed assets			
(i) Tangible assets	3.9	91.05	87.41
(ii) Intangible assets	3.9	4.99	5.99
		96.04	93.40
Deferred tax assets, net	3.25		
Long-term loans and advances	3.10	506.88	456.40
Investment in Shares	3.11	4,579.44	4,579.44
Current assets			
Inventories	3.12	1,09,080.74	1,13,812.33
Trade receivables	3.13	6,706.66	5,349.17
Cash and bank balances	3.14	1,520.47	2,410.42
Short-term loans and advances	3.15	15,687.74	15,890.96
Other current assets	3.16	3,397.94	3,228.45
		1,36,393.53	1,40,691.32
TOTAL		1,41,575.88	1,45,820.56

Notes to the financial statements

3.1 to 3.53

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

As per our report of even date attached.

For Hare K Panda & Co.

Chartered Accountants

Firm's Registration No: 143768 W

H. K. Panda

Proprietor

Membership No: 105641

UDIN: 24105641BKFILK3154



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

M.A. Lokhandwala

Director

DIN: 00219108

A.M. Lokhandwala

Director

DIN: 00219135

Aniket Naresh Prabhu

Company Secretary

Membership no: A55634

Mumbai

Date: 30th May 2024



Mumbai

Date: 30th May 2024

Lokhandwala Kataria Construction Private Limited

Cash flow statement

for the year ended 31 March 2024

(Currency: Indian Rupees in Lakhs)

	31 March 2024	31 March 2023
Cash flow from operating activities :		
Net (loss) before tax	(27,821.39)	(28,046.14)
Adjusted for :		
Depreciation	11.63	14.06
Depreciation adjustment due to change in accounting policy (refer note 10)		
Interest expenses	27,403.70	23,410.29
Loss/(Profit) on sale of fixed asset	(173.88)	(173.41)
Interest income on intercorporate deposit	(23.95)	(11.39)
Interest income from fixed deposit	27,217.50	23,239.55
Operating (loss) before working capital changes	(603.89)	(4,806.59)
Changes in working capital		
(Increase) in inventories	4,731.60	2,226.50
Decrease in loans and advances	203.22	799.09
Increase / (decrease) in trade payables	534.96	(316.92)
(Increase) / decrease in trade receivables	(1,357.49)	(2,386.12)
Increase in other current liabilities	27,297.54	32,326.24
Increase in provisions	(30.06)	17.43
Cash (used in) / generated from operations	30,775.88	27,859.63
Income tax (paid)	(50.47)	(149.77)
Net cash (used in)/ generated from operating activities	30,725.41	27,709.86
Cash flow from investing activities :		
Purchase of fixed assets	(14.27)	(3.20)
Proceeds from sale of fixed assets		
Purchase of Shares	28.34	(9.73)
Interest income		
Net cash generated from investing activities	14.07	(12.93)
Cash flow from financing activities :		
Proceeds from borrowings	(4,225.73)	(2,520.83)
Repayment of borrowings		
Interest paid	(27,403.70)	(23,410.29)
Net cash generated from financing activities	(31,629.43)	(25,931.12)
Net (decrease) / increase in cash and cash equivalents	(889.95)	1,765.81
Cash and cash equivalents at the beginning of the year	2,410.42	644.61
Cash and cash equivalents at the end of the year (see below)	1,520.47	2,410.42



Lokhandwala Kataria Construction Private Limited

Cash flow statement (Continued)

for the year ended 31 March 2024

(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	3.26	6.99
With scheduled banks	-	-
- in current account	1,342.29	2,253.50
- Fixed deposits (deposits having original maturity of less than 3 months)	174.92	149.92
Other bank balances	-	-
- Fixed deposits with maturity less than 12 months	-	-
	<u>1,520.47</u>	<u>2,410.42</u>

As per our report of even date attached.

For **Hare K Panda & Co.**

Chartered Accountants

Firm's Registration No: 143768W

H. K. Panda

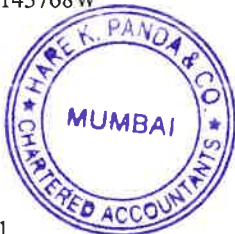
Proprietor

Membership No: 105641

UDIN: 24105641BKFILK3154

Mumbai

Date: 30th May 2024



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

CIN: U45200MH1998PTC117468

M.A. Lokhandwala

Director

DIN: 00219108

A.M. Lokhandwala

Director

DIN: 00219135

Aniket Naresh Prabhu

Company Secretary

Membership no: A55634

Mumbai

Date: 30th May 2024



Annual Accounts and Financial Statements

LOKHANDWALA KATARIA CONSTRUCTION PRIVATE LIMITED

For the Financial Year 2023 - 2024



INDEPENDENT AUDITOR'S REPORT

The Members of Lokhandwala Kataria Construction Private Limited Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of **Lokhandwala Kataria Construction Private Limited** ("the Company"), which comprise the balance sheet as at 31 March 2024, and the statement of Profit and Loss and statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required, except for the matters described in the paragraph "Basis for Opinion" give a true and fair view in conformity with the Indian Accounting Principles generally accepted in India, of the state of affairs of the Company as at 31 March 2024, its Losses for the year and its cash flows for the year ended on that date unless otherwise specifically mentioned in the Report.

Disclaimer of Opinion

During the financial year 2020-21, the Company issued Non-convertible Debentures on private placement basis which are listed in a Stock Exchange. Notification dated 16th February 2015 issued by the Ministry of Corporate Affairs (MCA) in respect of the applicability of Companies Indian Accounting Rule, 2015. The Company need to have implemented Ind AS during the accounting year 31st March 2021. The definition of Listed Company amended vide Notification dated 19th February 2021 by the MCA and as per the said Notification the Company is not a Listed Company under the definition of Listed Company as per Section 2(52) of the Companies Act, 2013 with effect from 1st April 2021. The management has the opinion that as on the date of publishing the Financial Statement, the Company is not a listed company as per the definition of Section 2(52) of the Companies Act, 2013, which is the overriding section and hence the implementation of Ind AS is not applicable to the Company. The financial statement of the Company is prepared without considering the applicability of Ind AS. 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 and other relevant provisions of the Companies Act, 2013, to the extent applicable. Our report on the accounts of the Company is subject to above. We do not express any opinion on the accompanying financial statements of the company on the applicability of Ind AS.

Emphasis of Matters

The Company is having the negative Cash flow from its operating activities during the current year and also in the preceding previous years. Due to the continues negative cash flow of the company from the operating activities, there was major delays/defaults in payment of principal and interest on borrowings, payment of statutory liabilities, payment of salaries to the employees, payment to the creditors and other dues of the Company in the previous years. The management of the Company is of the opinion that no adverse impact is anticipated on future operations of the Company, due to the negative Cash flow from its operating activities during the current year and in the preceding previous years. In view of the continuously cash losses incurred by the Company and looking to the past defaults made by the Company of its payments, we reserve our opinion whether the Company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due.

Key Audit Matters

- i. Various legal cases are filed against the Company including applications by various Financial Creditors before the National Company Law Tribunal (NCLT). In one of the case, the NCLT has admitted the application of one of the Financial Creditor Dalmia Group Holding on 8th August 2019 and the Insolvency Resolution Professional (IRP) was appointed by the NCLT. Subsequently the company entered into the deed of settlement with Dalmia Group Holding which was filed and approved by the NCLT and the IRP was withdrawn. As per the deed of settlement the net settled amount payable by the company to Dalmia Group Holding became the liability of Lokhandwala Infrastructure Private Limited and the outstanding amount in the books of the company is transferred to Lokhandwala Infrastructure Private Limited during the Financial Year 2019-20. Further against this loan the Company has given the Security by way of entering sale agreement of 5 (five) units having 9,524 (Nine thousand five hundred twenty four) square feet carpet area which are registered as sale agreement. The units given to Dalmia Group Holding are not considered as sale in the books of the Company.
- ii. The company availed various Term Loans from Indiabulls Housing Finance Limited (IBHFL). The supporting documents regarding the updated terms and conditions of the said Term Loans from IBHFL including the loan repayment schedule, rate of interest, penal interest, other charges etc. are not available with the company. The Term Loans from IBHFL was fully repaid by the Company during the financial year 2020-21 as per the final demand raised by the IBHFL. **In absence of adequate information, we reserve our opinion to all the disclosure and the impact in the Financial Statements of the matter related to the said Term Loans from IBHFL.**



- iii. *Attention invited regarding the Non-convertible Debentures issued to Shapoorji Pallonji Development Managers Private Limited by the Company regarding the redemption premium payable by the Company. As there is no certainty/agreed amount regarding the redemption premium payable by the Company, no provisions regarding Debenture Redemption Premium is provided in the books of the Company.*
- iv. *The Company is irregular in payment of various statutory dues and filing of the statutory returns, including the payment of Tax Deduction at Sources (TDS), payment of Provident Fund (PF), Maharashtra Value Added Tax, Municipal Tax and filing of the returns. No provision has made by the company in its books of account towards interest and penalty if any, on account of the delay in filing and payment of various statutory dues. In absence of adequate information, we reserve our opinion of the impact of the same on the financial statements.*
- v. *Various cases / litigations are filed against / by the Company in various forums. In absence of adequate information, we reserve our opinion of the impact of the same on the financial statements.*
- vi. *No provision made in the Books for Debenture Redemption Premium Reserve in absence of adequate profit during the year.*
- vii. *The premium/interest on debenture accrued but not due of the debentures issued are subject to confirmation from the Debenture Trustee / Debenture Holders.*
- viii. *No interest paid or provided by the Company regarding delay in payment made to Micro, Small and Medium Enterprises. In absence of adequate information, the same is not ascertainable.*
- ix. *The company has given advances to various parties in relation to its business. Out of the said advances an amount of Rs.19.12 Crores which is outstanding for a long period. No information is available with the company as regard to the present status of the said advance. In absence of adequate information, we reserve our opinion of the impact of the same on the financial statements.*
- x. *Rs.9.80 Crores appearing in the Traces site as amount payable for default in TDS. The Company has not filled any appeal against TDS demand and also no amount provided in the books of the Company.*
- xi. *The amount appears in the Financial Statements are subject to confirmation from the respective parties.*

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("the ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and



the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises of the Director's Report, Management Discussion and Analysis Report and Corporate Governance Report. These reports are expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors is also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone



financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the

planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

- 1) As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the **Annexure A**, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- 2) As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on 31 March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:



- i) The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements to the extent the Company is having the information about the same, *except as mentioned in this report* to the standalone financial statements;
- ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Hare K. Panda & Co.
Chartered Accountants

Firm Registration No. 143768W

H. K. Panda
Proprietor

Membership No. 105641

UDIN: 24105641BKFILK3154

Mumbai, 30th May 2024



Lokhandwala Kataria Construction Private Limited**“Annexure A” to the Independent Auditors’ Report – 31 March 2024**

(Referred to in paragraph 1 under ‘Report on Other Legal and Regulatory Requirements’ section of the Independent Auditor’s Report of even date to the members of Lokhandwala Kataria Construction Private Limited on the stand alone financial statements as at and for the year ended 31 March 2024)

(i)	<p>Maintaining records of Property, Plant, Equipment and intangible assets</p> <p>(a) (A) whether the company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.</p> <p>(B) whether the company is maintaining proper records showing full particulars of intangible assets;</p>	<p>The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.</p> <p>The Company do not have any intangible assets except of certain Computer Software for which the company maintained the particulars.</p>
	<p>(b) whether these Property, Plant and Equipment have been physically verified by the management at reasonable intervals; whether any material discrepancies were noticed on such verification and if so, whether the same have been properly dealt with in the books of account</p>	<p>The Property, Plant and Equipment were physically verified during the year by the Management in accordance with a regular program of verification which, in our opinion, provides for physical verification of all the Property, Plant and Equipment at reasonable intervals. According to information and explanations given to us, no material discrepancies were noticed on such verification</p>
	<p>(c) whether the title deeds of all the immovable properties. (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the company.</p>	<p>The Company do not own any immovable property.</p>
	<p>(d) whether the Company has revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year and, if so, whether the revaluation is based on the valuation by a Registered Valuer; specify the amount of change, if change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment or intangible assets;</p>	<p>No revaluation was done by the company during the previous year.</p> <p>The Company owns certain fixed assets such as Motor Car, Furniture & Fixture, Computer, Computer Software etc., which only ancillary to the business of the company. The value of these assets are not material to the size of the company.</p>

	(e) whether any proceedings have been initiated or are pending against the company for holding any Benami property under the "Benami Transactions (Prohibition) Act, 1988 and Rules made thereunder; if so, whether the Company has appropriately disclosed the details in its financial statements;	As per the information given by the Management, no proceedings have been initiated or are pending against the company for holding any Benami property under the "Benami Transactions (Prohibition) Act, 1988 and Rules made thereunder
(ii)	Physical verification of inventories (a) whether physical verification of inventory has been conducted at reasonable intervals by the management and whether, in the opinion of the auditor, the coverage and procedure of such verification by the management is appropriate; whether any discrepancies of 10% or more in the aggregate for each class of inventory were noticed and if so, whether they have been properly dealt with in the books of account;	In our opinion and according to the information and explanations given to us, having regard to the nature of inventory, the physical verification by way of verification of title deeds, site visits by the Management and certification of extent of work completion by competent persons, are at reasonable intervals and no material discrepancies were noticed on physical verification
	(b) whether during any point of time of the year, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, from banks or financial institutions on the basis of security of current assets; whether the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company. If not, give details.	The Company has not been sanctioned working capital limits in excess of Rs. 5 Crores, in aggregate, from banks or financial institutions on the basis of security of current assets.
(iii)	Repayment of investments, guarantee, security and loans granted by the Company Whether during the year the company has made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships or any other parties. If so,	During the financial year 2023-24, the company has not made investments in, not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships or any other parties.



	<p>(a) whether during the year the company has provided loans or provided advances in the nature of loans, or stood guarantee, or provided security to any other entity, if so, indicate-</p> <p>A. the aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such loans or advances and guarantees or security to subsidiaries, joint ventures and associates.</p> <p>B. the aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such loans or advances and guarantees or security to parties other than subsidiaries, joint ventures and associates.</p>	<p>Nil during the year.</p> <p>Loan or advances in the nature of loan given to associates companies in the earlier years and outstanding at the end of the year is Rs.127.16 Crores.</p> <p>Corporate Guarantee given in the earlier years on behalf of associates company Rs.72.54 Crores and applicable interest thereon.</p> <p>Nil</p>
	<p>(b) whether the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are not prejudicial to the company's interest;</p>	<p>In absence of inadequate information regarding repayment schedule of the loans and advances, the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided, we are unable to comment whether they are prejudicial to the company's interest or not.</p>
	<p>(c) in respect of loans and advances in the nature of loans whether the schedule of repayment of principal and payment of interest has been stipulated and whether the repayments or receipts are regular;</p>	<p>The schedule of repayment of principal and payment of interest has not been stipulated and in the absence of such schedule, we are unable to comment on the regularity of the repayments or receipts of principal amounts and interest.</p>
	<p>(d) if the amount is overdue, state the total amount overdue for more than ninety days, and whether reasonable steps have been taken by the company for recovery of the principal and interest;</p>	<p>There is no overdue amount remaining outstanding as at the balance sheet date.</p>
	<p>(e) whether any loan or advance in the nature of loan granted which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties; If so, specify the aggregate amount of such dues renewed or extended or settled by fresh loans and</p>	<p>No such cases.</p>

	the percentage of the aggregate to the total loans or advances in the nature of loans granted during the year.	
	(f) whether the Company has granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment; if so, specify the aggregate amount, percentage thereof to the total loans granted, aggregate amount of loans granted to Promoters, related parties as defined in clause (76) of section 2 of the Companies Act, 2013.	Total Loan Rs.127.16 Crores to the associates company, which is 100% of the loan granted by the Company.
(iv)	<p>Compliance of Section 185 & 186</p> <p>In respect of loans, investments, guarantees, and security whether provisions of section 185 and 186 of the Companies Act, 2013 have been complied with. If not, provide the details thereof.</p>	In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities. Further the provisions of Section 186 of the Act is not applicable to the Company, as it is engaged in the Real Estate Development (infrastructure activities).
(v)	<p>Acceptance of deposits</p> <p>in respect of deposits accepted by the Company or amounts which are deemed to be deposits, whether the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder, where applicable, have been complied with? If not, the nature of such contraventions be stated; If an order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal, whether the same has been complied with or not?</p>	No such cases.
(vi)	<p>Cost records</p> <p>whether maintenance of cost records has been specified by the Central Government</p>	The maintenance of cost records has been prescribed by the Central Government under section 148(1) of the Companies Act, 2013 and rules framed there under.



	under sub-section (1) of section 148 of the Companies Act and whether such accounts and records have been so made and maintained	However at present the Company does not fall under the criteria of which such records are required to be maintained. Hence the said rules are not applicable to the Company.
(vii)	<p>Statutory dues</p> <p>(a) whether the company is regular in depositing undisputed statutory dues including Goods and Service Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities and if not, the extent of the arrears of outstanding statutory dues as on the last day of the financial year concerned for a period of more than six months from the date they became payable, shall be indicated;</p>	<p>The company is not regular depositing with the appropriate authorities of the undisputed statutory dues. There have been significant delays in deposit of the undisputed statutory dues in respect of Tax deducted at Source, Provident Fund, Employees' State Insurance, Sales Tax, Service Tax, Value Added Tax, Goods and Service Tax (GST), Cess and other material statutory dues applicable to it to the appropriate authorities.</p> <p>The undisputed amount payable in respect of statutory dues in the books of the Company, which are outstanding as on the end of the financial year for a period more than six months from the date they became payable are as under:</p> <p>i. Property Tax – 12.03 Crores</p> <p>As there have been significant delays in deposit of the undisputed statutory dues in respect of Tax deducted at Source, Provident Fund, Employees' State Insurance, Sales Tax, Service Tax, Value Added Tax, Goods and Service Tax (GST), Cess and other material statutory dues applicable to it to the appropriate authorities, the Company may liable to pay the interest, penalty etc. No amount is provided in the books of the company of the interest, penalty etc. that may payable if any due to the delay in payments. <i>In absence of adequate information, we are unable to quantify the same.</i></p>
	(b) Whether statutory dues referred to in sub-clause (a) have not been deposited on account of any dispute, then the amounts involved and the forum where dispute is pending shall be mentioned. (A mere representation	<p>i. Income Tax, AY 2017-18, CIT (A) – Dispute Tax - Rs. NIL (Current outstanding Rs. Nil)</p> <p>ii. Income Tax, AY 2018-19, CIT (A) – Dispute Tax Rs.2.38 Crores (Current outstanding Rs. Nil Crores)</p>



	to the concerned Department shall not be treated as a dispute).	<p>iii. Income Tax, AY 2022-23, CIT (A) – Dispute Tax - Rs. NIL (Current outstanding Rs. Nil)</p> <p>iv. Income Tax Penalty AY 10-11, CIT (A) Dispute Penalty – 0.04 Crores (Current outstanding Rs. Nil)</p> <p>v. Income Tax Penalty AY 11-12, CIT (A) Dispute Penalty – 0.34 Crores (Current outstanding Rs. Nil)</p> <p>Apart from the above, Rs.9.80 Crores appearing in the Traces site as amount payable for default in TDS. The Company has not filed any appeal against TDS demand and no amount provided in the books of the Company.</p>
(viii)	<p>Disclosure of transactions not recorded in the books:</p> <p>Whether any transactions not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961; if so, whether the previously unrecorded income has been properly recorded in the books of account during the year?</p>	No such cases.
(ix)	<p>Default in repayment of loans or other borrowings</p> <p>(a) whether the company has defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender? If yes, the period and the amount of default to be reported as per the format below:</p>	<p><u>Default Interest on Unlisted Debentures:</u></p> <p>February 2024 – Rs.5.22 Crores</p> <p>March 2024 – Rs.5.36 Crores</p>
	(b) Whether the company is a declared wilful defaulter by any bank or financial institution or other lender?	No such cases in our knowledge
	(c) Whether term loans were applied for the purpose for which the loans were obtained; if not, the amount of loan so diverted and the purpose for which it is used may be reported	The Company is not availed any term loan during the year.
	(d) whether funds raised on short term basis have been utilised for long term	No Such Cases

	purposes? If yes, the nature and amount to be indicated	
	(e) whether the Company has taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures? If so, details thereof with nature of such transactions and the amount in each case	No such Cases
	(f) whether the Company has raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies? If so, give details thereof and also report if the company has defaulted in repayment of such loans raised.	No such Cases
(x)	Moneys raised by IPO, FPO & preferential allotment/ private placement of shares or convertible debentures (a) whether moneys raised by way of initial public offer or further public offer (including debt instruments) during the year were applied for the purposes for which those are raised. If not, the details together with delays or default and subsequent rectification, if any, as may be applicable, be reported;	The proceeds from the issue of NCD during the FY 2023-24 were utilized by the Company towards its project Minerva only after duly approved by the NCD representatives.
	(b) whether the Company has made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year and if so, whether the requirements of Section 42 and Section 62 of the Companies Act, 2013 have been complied with and the funds raised have been used for the purposes for which the funds were raised. If not, provide details in respect of amount involved and nature of non-compliance	The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year.



(xi)	<p>Fraud reporting</p> <p>(a) whether any fraud by the company or any fraud on the Company has been noticed or reported during the year; If yes, the nature and the amount involved is to be indicated;</p>	To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.
	<p>(b) whether any report under sub-Section (12) of Section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules 2014 with the Central Government?</p>	No
	<p>(c) whether the auditor has considered whistle-blower complaints, if any, received during the year by the Company?</p>	The Company do not have any system of whistle-blower complain, hence no comments
(xii)	<p>Compliances by Nidhi Company</p> <p>(a) whether the Nidhi Company has complied with the Net Owned Funds to Deposits in the ratio of 1:20 to meet out the liability</p>	The Company is not a Nidhi Company and hence reporting under clause (xii) of the CARO 2016 is not applicable
	<p>(b) whether the Nidhi Company is maintaining ten per cent unencumbered term deposits as specified in the Nidhi Rules, 2014 to meet out the liability;</p>	NA
	<p>(c) whether there has been any default in payment of interest on deposits or repayment thereof for any period and if so, the details thereof</p>	NA
(xiii)	<p>Compliance with section 177 and 188 whether all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards;</p>	In our opinion and according to the information and explanations given to us the Company is in compliance with Section 188 and 177 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in financial statements etc. as required by applicable accounting standard.



(xiv)	Internal audit system (a) whether the company has an internal audit system commensurate with the size and nature of its business?	The Company has an internal audit commensurate with the size of its business. However the internal audit may be conducted in quarterly or monthly interval instead at the end of the year.
	(b) Whether the reports of the Internal Auditors for the period under audit were considered by the statutory auditor?	The reports of the Internal Auditors for the period under audit were considered for the purpose of Audit
(xv)	Non-cash transactions with directors whether the company has entered into any non-cash transactions with directors or persons connected with him and if so, whether the provisions of section 192 of Companies Act have been complied with;	In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its subsidiary or associate company or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable
(xvi)	Registration with Reserve Bank of India (a) whether the company is required to be registered under section 45-1A of the Reserve Bank of India Act, 1934 and if so, whether the registration has been obtained.	The Company is not required to be registered under section 45-I of the Reserve Bank of India Act, 1934.
	(b) whether the Company has conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act 1934	No such cases noticed.
	(c) whether the Company is a Core Investment Company (CIC) as defined under the Regulations by the Reserve Bank of India? If so, whether it continues to fulfil the criteria of a CIC and In case the company is an exempted or unregistered CIC, whether it continues to fulfil such criteria	No



	(d) Whether the Group has more than one CIC as part of the Group, If yes, indicate the number of CICs which are part of the Group.	No
(xvii)	<p>Cash losses</p> <p>Whether the Company has incurred cash losses in the Financial Year and in the immediately preceding Financial year? If so, state the amount of cash losses.</p>	<p>Yes. The Company continuously incurring the cash losses in the preceding years and also during financial year. During the financial year 2023-24, the Company incurred the Loss of Rs.278.10 Crores (PY Rs.280.32 Crores) (Net loss in P&L A/c Add Depreciation during the year)</p>
(xviii)	<p>Resignation of the statutory auditors whether there has been any resignation of the statutory auditors during the year? If so, whether the auditor has taken into consideration the issues, objections or concerns raised by the outgoing auditors?</p>	No. NA.
(xix)	<p>Capability of company of meeting its liabilities existing at the date of balance sheet, on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, whether the auditor is of the opinion that no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.</p>	<p>The Company continuously incurring the cash losses in the preceding years and also during financial year. In view of the continuously cash losses incurred by the Company and looking to the past defaults made by the Company of its payments, we reserve our opinion whether the Company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.</p>
(xx)	<p>Transfer of amount remaining unspent under sub-section (5) of section 135 to Fund specified in Schedule VII</p> <p>(a) whether, in respect of other than ongoing projects, the company has transferred unspent amount to a Fund specified in Schedule VII to the Companies Act within a period of six months of the expiry of the financial year in compliance with second proviso to sub-section (5) of section 135 of the said Act.</p>	No such cases

	(b) whether any amount remaining unspent under sub-section (5) of section 135 of the Companies Act, pursuant to any ongoing project, has been transferred to special account in compliance with the provision of subsection (6) of section 135 of the said Act;	No such cases
(xxi)	Reasons to be stated for unfavourable or qualified answers whether there have been any qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order (CARO) reports of the companies included in the consolidated financial statements? If yes, indicate the details of the companies and the paragraph numbers of the CARO report containing the qualifications or adverse remarks	Not Applicable

For Hare K. Panda & Co.

Chartered Accountants

Firm Registration No: 143768W

H. K. Panda

Proprietor

Membership No. 105641

UDIN: 24105641BKFILK3154

Mumbai, 30th May 2023



Lokhandwala Kataria Construction Private Limited
“Annexure – B” to the Independent Auditors’ Report – 31 March 2024
(Referred to in our report of even date)

Report on the Internal Financial Controls under Section 143(3)(i) of the Act

We were engaged to audit the internal financial controls over financial reporting of Lokhandwala Kataria Construction Private Limited (“the Company”) as at 31 March 2024 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit conducted in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing to the extent applicable to an audit of internal financial controls, both issued by the ICAI.

Because of the matter described in Disclaimer of Opinion paragraph below, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on internal financial controls system over financial reporting of the Company.

Meaning of Internal Financial Controls over Financial Reporting

A Company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company’s internal financial control over financial reporting includes those policies and procedures that:

Meaning of Internal Financial Controls over Financial Reporting (continued)

- (a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (b) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the company; and
- (c) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Disclaimer of Opinion

According to the information and explanation given to us, the Company has not established its internal financial control over financial reporting on criteria based on or considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the ICAI. Because of this reason, we are unable to obtain sufficient appropriate audit evidence to provide a basis for our opinion on whether the Company had adequate internal financial controls over financial reporting and whether such internal financial controls were operating effectively as at 31 March 2024.

We have considered the disclaimer reported above in determining the nature, timing, and extent of audit tests applied in our audit of the financial statements of the Company, and the disclaimer does not affect our opinion on the financial statements of the Company.

For Hare K. Panda & Co.

Chartered Accountants

Firm Registration No: 143768W

H. K. Panda

Proprietor

Membership No. 105641

UDIN: 24105641BKFILK3154

Mumbai, 30th May 2023





Lokhandwala Kataria Construction Pvt. Ltd.
Mumbai

Sub: Information under Regulation 52(4) of SEBI (LODR) Regulations, 2015

As per requirement of Regulation 52(4) of SEBI (LODR) Regulations 2015, we give below the following information in respect of the Listed Secured, Non- Convertible Debentures issued by the company as on March 31, 2024.

Sr. No.	Particulars	NCD - Tranche I (Scrip Code: 960212)	NCD - Tranche II (Scrip Code: 960281)	NCD - Tranche III (Scrip Code: 973921)	NCD - Tranche III (Scrip Code: 974380)	NCD - Tranche III (Scrip Code: 975138)
1	NCD aggregating amount in Cr.	50	149	75	90	75
2	Outstanding Amount in Cr.	50	149	75	90	75
3	Credit Rating	Acuite C	Acuite C	Acuite C	Acuite C	Acuite C
4	Asset Cover available	2.67 times for Principal amount of the listed NCD excluding the Redemption Premium / Interest payable and outstanding as on 31.03.2024.				
5	Debt — Equity Ratio (no. of times)	The Net worth of the Company as on 31 st March 2024 is having the Negative balance and hence Debt Equity Ratio is not ascertainable.				
6	Previous due dates for payment of Interest /Principal & whether the same has been paid or not (pertaining to current reporting period):	Yes	Yes	Yes	Yes	Yes
7	Next due date for payment of interest / Principal.	The due date for Coupon payment on debenture is monthly and started from November 2022 and next partial redemption of Debenture is starting from 30 th September 2024 as per the revised payment schedule.				
8	Debt Service Coverage Ratio (no. of times)	For the period ending 31 st March 2024, the Company incurred losses; hence Debt Service Coverage Ratio is not ascertainable.				
9	Interest Service Coverage Ratio (no. of times)	For the period ending 31 st March 2024, the Company incurred losses; hence Interest Service Coverage Ratio is not ascertainable.				
10	Outstanding redeemable Preference Shares (Quantity & Valued)	Nil				



11	Debenture Redemption Reserve (in Rs. Cr)	No provision made in the books for Debentures Redemption Reserve in absence of adequate profit during the year
12	Net Worth	Negative (-) Rs.1005.63/- Crores
13	Net profit / (Loss) after tax	Negative (-) Rs.278.33/- Crores
14	Earnings / (Loss) Per Share	Negative Earning due to Loss during the year
15	Current Ratio	1.29(1363.93 / 1055.21)
16	Long Term Debt to Working Capital	4.42 (1364.62 / 308.72)
17	Bad Debts to Account Receivable	Nil / N.A.
18	Current Liability Ratio	0.75 (1055.21/1415.76)
19	Total Debts to Total Assets	1.46 ((1364.62 + 79.36 + 616.47) / 1415.76)
20	Debtors Turnover	3.31 (222.03 / 67.07)
21	Inventories Turnover	0.20 (222.03 / 1090.80)
22	Operating Margins (%)	N.A. due to loss
23	Net Profit Margins (%)	N.A. due to loss
24	Sector Specific Equivalent Ratio	N.A.

For Hare K Panda & Co.
Chartered Accountants
Firm Reg. No. 143768W

H. K. Panda
Proprietor
Membership No. 105641
UDIN – 24105641BKFILL9425
Place – Mumbai
Date - 30th May 2024



LOKHANDWALA KATARIA CONSTRUCTION PVT LTD

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Website : www.lokhandwalainfrastructure.com
CIN NO. : U45200MH1998PTC117468

ANNEXURE I

Statement on Impact of Audit Qualifications (for audit report with modified opinion)
submitted along-with Audited Financial Results for year ended on 31st March 2024 and
Year-to-date financial results - (Standalone) as per Regulation 33 / 52 of the SEBI
(LODR) (Amendment) Regulations, 2016]

Rs. in Lakhs

I.	Sr. No.	Particulars	Audited Figures for period ended on 31.03.2024 (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	1.	Total Income	22,400.58	Not ascertainable
	2.	Total Expenditure	50,233.45	
	3.	Net Profit / (Loss)	(27,832.87)	
	4.	Earnings Per Share (Amount in Rs.)	(19,631.24)	
	5.	Total Assets	1,41,575.21	
	6.	Total Liabilities	1,41,575.21	
	7.	Net Worth	(1,00,563.14)	NA
	8.	Any other financial item(s) (as felt appropriate by the management)	NA	

Audit Qualification (Each qualification separately)

II	a.	During the financial year 2020-21, the Company issued Non-convertible Debentures on private placement basis which are listed in a Stock Exchange. Notification dated 16th February 2015 issued by the Ministry of Corporate Affairs (MCA) in respect of the applicability of Companies Indian Accounting Rule, 2015. The Company need to have implemented Ind AS during the accounting year 31st March 2021. The definition of Listed Company amended vide Notification dated 19th February 2021 by the MCA and as per the said Notification the Company is not a Listed Company under the definition of Listed Company as per Section 2(52) of the Companies Act, 2013 with effect from 1st April 2021. The management has the opinion that as on the date of publishing the Financial Statement, the Company is not a listed company as per the definition of Section 2(52) of the Companies Act, 2013, which is the overriding section and hence the implementation of Ind AS is not applicable to the Company. The financial statement of the Company is prepared without considering the applicability of Ind AS. 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 and other relevant provisions of the Companies Act, 2013, to the extent applicable. Our report on the accounts of the Company is subject to above. We do not express any opinion on the accompanying financial statements of the company on the applicability of Ind AS.		
	b.	Type of Audit Qualification : Disclaimer Opinion		
	c.	Frequency of qualification: Repeated		
	d.	For Audit Qualification(s) where the impact is quantified by the auditor,		



Rise Above

LOKHANDWALA KATARIA CONSTRUCTION PVT LTD

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CIN NO. : U45200MH1998PTC117468

		Management's Views: NA
	e.	For Audit Qualification(s) where the impact is not quantified by the auditor:
		(i) Management's estimation on the impact of audit qualification: Due to the amendment in the definition of Listed Company Ind. AS is not applicable to the Company.
		(ii) If management is unable to estimate the impact, reasons for the same: N.A
		(iii) Auditors' Comments on (i) or (ii) above: Included in the Auditor's Report
III	a.	The Company is having the negative Cash flow from its operating activities during the current year and also in the preceding previous years. Due to the continues negative cash flow of the company from the operating activities, there was major delays/defaults in payment of principal and interest on borrowings, payment of statutory liabilities, payment of salaries to the employees, payment to the creditors and other dues of the Company in the previous years. The management of the Company is of the opinion that no adverse impact is anticipated on future operations of the Company, due to the negative Cash flow from its operating activities during the current year and in the preceding previous years. In view of the continuously cash losses incurred by the Company and looking to the past defaults made by the Company of its payments, we reserve our opinion whether the Company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due.
	b.	Type of Audit Qualification : Informative statement
	c.	Frequency of qualification: Repeated
	d.	For Audit Qualification(s) where the impact is quantified by the auditor,
		Management's Views: NA
	e.	For Audit Qualification(s) where the impact is not quantified by the auditor:
		(i) Management's estimation on the impact of audit qualification: The management hopes that the Company will have profit soon and it will not have any adverse impact on future operations of the Company.
		(ii) If management is unable to estimate the impact, reasons for the same: N.A
		(iii) Auditors' Comments on (i) or (ii) above: Included in the Auditor's Report
IV	a.	Various legal cases are filed against the Company including applications by various Financial Creditors before the National Company Law Tribunal (NCLT). In one of the case, the NCLT has admitted the application of one of the Financial Creditor Dalmia Group Holding on 8th August 2019 and the Insolvency Resolution Professional (IRP) was appointed by the NCLT. Subsequently the company entered into the deed of settlement with Dalmia Group Holding which was filed and approved by the NCLT and the IRP was withdrawn. As per the deed of settlement the net settled amount payable by the company to Dalmia Group Holding became the liability of Lokhandwala Infrastructure Private Limited and the outstanding amount in the books of the company is transferred to Lokhandwala Infrastructure Private Limited during the Financial Year 2019-20. Further against this loan the Company has given the Security by way of entering sale agreement of 5 (five) units having 9,524 (Nine thousand five hundred twenty four) square feet carpet area which are registered as sale agreement. The units given to Dalmia Group Holding are not considered as sale in the books of the Company.
	b.	Type of Audit Qualification : Qualified Opinion
	c.	Frequency of qualification: Repeated
	d.	For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: NA



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	e.	For Audit Qualification(s) where the impact is not quantified by the auditor:
		(i) Management's estimation on the impact of audit qualification: The cases filed against the Company in various forums will not have any impact on the operations/revenue of the Company since many of the cases are being settled with the parties.
		(ii) If management is unable to estimate the impact, reasons for the same: N.A
		(iii) Auditors' Comments on (i) or (ii) above: Included in the Auditor's Report
V	a.	The company availed various Term Loans from Indiabulls Housing Finance Limited (IBHFL). The supporting documents regarding the updated terms and conditions of the said Term Loans from IBHFL including the loan repayment schedule, rate of interest, penal interest, other charges etc. are not available with the company. The Term Loans from IBHFL was fully repaid by the Company during the financial year 2020-21 as per the final demand raised by the IBHFL. In absence of adequate information, we reserve our opinion to all the disclosure and the impact in the Financial Statements of the matter related to the said Term Loans from IBHFL.
	b.	Type of Audit Qualification : Qualified Opinion
	c.	Frequency of qualification: Repeated
	d.	For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: NA
	e.	For Audit Qualification(s) where the impact is not quantified by the auditor:
		(i) Management's estimation on the impact of audit qualification: Company did not receive proper documentation/statements from IndiaBulls. In absence of same, it could not be provided for audit.
		(ii) If management is unable to estimate the impact, reasons for the same: N.A
		(iii) Auditors' Comments on (i) or (ii) above: Included in the Auditor's Report
VI	a.	Attention invited regarding the Non-convertible Debentures issued to Shapoorji Pallonji Development Managers Private Limited by the Company regarding the redemption premium payable by the Company. As there is no certainty/agreed amount regarding the redemption premium payable by the Company, no provisions regarding Debenture Redemption Premium is provided in the books of the Company.
	b.	Type of Audit Qualification : Qualified Opinion
	c.	Frequency of qualification: Repeated
	d.	For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: NA
	e.	For Audit Qualification(s) where the impact is not quantified by the auditor:
		(i) Management's estimation on the impact of audit qualification: The redemption premium amount will be ascertainable once the secured flats will be sold and the debentures are redeemed and hence the Company has not made any provision in the books of account.
		(ii) If management is unable to estimate the impact, reasons for the same: N.A
		(iii) Auditors' Comments on (i) or (ii) above: Included in the Auditor's Report
VII	a.	The Company is irregular in payment of various statutory dues and filing of the statutory returns, including the payment of Tax Deduction at Sources (TDS), payment of Provident Fund (PF), Maharashtra Value Added Tax and filing of the returns. No provision has made by the company in



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		its books of account towards interest and penalty if any, on account of the delay in filing and payment of various statutory dues. In absence of adequate information, we reserve our opinion of the impact of the same on the financial statements.
	b.	Type of Audit Qualification : Qualified Opinion
	c.	Frequency of qualification: Repeated
	d.	For Audit Qualification(s) where the impact is quantified by the auditor,
		Management's Views: NA
	e.	For Audit Qualification(s) where the impact is not quantified by the auditor:
		(i) Management's estimation on the impact of audit qualification: Due to the uncertainty regarding the time required to pay the statutory dues, the Company could not do provision towards the amount of interest and penalty
		(ii) If management is unable to estimate the impact, reasons for the same: N.A
		(iii) Auditors' Comments on (i) or (ii) above: Included in the Auditor's Report
VIII	a.	Various cases / litigations are filed against / by the Company in various forums. In absence of adequate information, we reserve our opinion of the impact of the same on the financial statements.
	b.	Type of Audit Qualification : Qualified Opinion
	c.	Frequency of qualification: Repeated
	d.	For Audit Qualification(s) where the impact is quantified by the auditor,
		Management's Views: NA
	e.	For Audit Qualification(s) where the impact is not quantified by the auditor:
		(i) Management's estimation on the impact of audit qualification: As per management's view, the cases filed against the Company will not have any impact on the operations of the Company.
		(ii) If management is unable to estimate the impact, reasons for the same: N.A
		(iii) Auditors' Comments on (i) or (ii) above: Included in the Auditor's Report
IX	a.	No provision made in the Books for Debenture Redemption Premium Reserve in absence of adequate profit during the year.
	b.	Type of Audit Qualification : Qualified Opinion
	c.	Frequency of qualification: First time
	d.	For Audit Qualification(s) where the impact is quantified by the auditor,
		Management's Views: NA
	e.	For Audit Qualification(s) where the impact is not quantified by the auditor:
		(i) Management's estimation on the impact of audit qualification: Due to absence of adequate profit, no provision could be made. Provision will be made once there is adequate profit.
		(ii) If management is unable to estimate the impact, reasons for the same: N.A
		(iii) Auditors' Comments on (i) or (ii) above: Included in the Auditor's Report
X	a.	The premium/interest on debenture accrued but not due of the debentures issued to Real Estate Credit Opportunities Funds are subject to confirmation from the Debenture Trustee / Debenture Holders.



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	b.	Type of Audit Qualification : Qualified Opinion
	c.	Frequency of qualification: Repeated
	d.	For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: NA
	e.	For Audit Qualification(s) where the impact is not quantified by the auditor: (i) Management's estimation on the impact of audit qualification: Upon receiving confirmation from the debentureholders, the premium/interest will be confirmed. (ii) If management is unable to estimate the impact, reasons for the same: N.A (iii) Auditors' Comments on (i) or (ii) above: Included in the Auditor's Report
XI	a.	No interest paid or provided by the Company regarding delay in payment made to Micro, Small and Medium Enterprises. In absence of adequate information, the same is not ascertainable.
	b.	Type of Audit Qualification : Qualified Opinion
	c.	Frequency of qualification: Repeated
	d.	For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: NA
	e.	For Audit Qualification(s) where the impact is not quantified by the auditor: (i) Management's estimation on the impact of audit qualification: The management hopes that all the payments will be done within prescribed timelines in future and there will be no delay. (ii) If management is unable to estimate the impact, reasons for the same: N.A (iii) Auditors' Comments on (i) or (ii) above: Included in the Auditor's Report
XII	a.	The company has given advances to various parties in relation to its business. Out of the said advances an amount of Rs.19.12 Crores which is outstanding for a long period. No information is available with the company as regard to the present status of the said advance. In absence of adequate information, we reserve our opinion of the impact of the same on the financial statements.
	b.	Type of Audit Qualification : Informative statement
	c.	Frequency of qualification: NA
	d.	For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: NA
	e.	For Audit Qualification(s) where the impact is not quantified by the auditor: (i) Management's estimation on the impact of audit qualification: The Company is taking all the necessary steps to recover the amount/and/or obtain the invoices of the service rendered. (ii) If management is unable to estimate the impact, reasons for the same: N.A (iii) Auditors' Comments on (i) or (ii) above: Included in the Auditor's Report
XIII	a.	Rs.9.80 Crores appearing in the Traces site as amount payable for default in TDS. The Company has not filled any appeal against TDS demand and also no amount provided in the books of the Company
	b.	Type of Audit Qualification : Qualified Opinion
	c.	Frequency of qualification: First time



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	d.	For Audit Qualification(s) where the impact is quantified by the auditor,
	e.	Management's Views: NA
		(i) Management's estimation on the impact of audit qualification: The Company is taking necessary steps to apply to the appropriate authority for waiving of the interest and late filing fees
		(ii) If management is unable to estimate the impact, reasons for the same: N.A
		(iii) Auditors' Comments on (i) or (ii) above: Included in the Auditor's Report
XIII	a.	The amount appears in the Financial Statements are subject to confirmation from the respective parties.
	b.	Type of Audit Qualification : Qualified Opinion
	c.	Frequency of qualification: First time
	d.	For Audit Qualification(s) where the impact is quantified by the auditor,
	e.	Management's Views: NA
		(i) Management's estimation on the impact of audit qualification: The Company is taking necessary steps to get the confirmations from the respective parties
		(ii) If management is unable to estimate the impact, reasons for the same: N.A
		(iii) Auditors' Comments on (i) or (ii) above: Included in the Auditor's Report

As per our report of even date

For Hare K Panda & Co.
Chartered Accountants

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

Hare K. Panda
Date: 30.05.2024
Place: Mumbai

A. M. Lokhandwala, Director (DIN – 00219135)
Date: 30.05.2024
Place: Mumbai



To
The Board of Directors
Lokhandwala Kataria Construction Private Limited
306, Ceejay House, Dr. Annie Besant Road,
Worli, Mumbai – 400 018

1. This certificate is issued in accordance with the terms of our engagement letter with reference no. SRS/EL/2022-23/8 dated September 28, 2022.
2. We, Hare K. Panda & Co., Chartered Accountants, the statutory auditor of The Lokhandwala Kataria Construction Private Limited (“the Company”), have been requested by the Management of the Company to certify book value of assets of the Company contained in Columns A to J of the Statement, and whether the Company has complied with financial covenants with respect to the listed secured non-convertible debentures issued and outstanding as at March 31, 2024 as given in note 4 of the Statement (“the debentures”).

The Statement is prepared by the Company from the audited books of accounts and other relevant records and documents maintained by the Company as at March 31, 2024 pursuant to requirements of Circular no. SEBI / HO / MIRSD / MIRSD – CRADT / CIR / P / 2022 / 67 dated May 19, 2022 issued by Securities and Exchange Board of India in terms of regulation 54 read with regulation 56(1)(d) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Regulation 15(1)(t) of Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993 (hereinafter referred together as “the SEBI Regulations”), as amended, for the purpose of submission to Vistra ITCL (India) Limited, Debenture Trustee of the Non-Convertible debentures (hereinafter referred to as “the Debenture Trustee”) issued by the Company and outstanding as at March 31, 2024.

Management’s Responsibility

3. The preparation of the Statement is the responsibility of the Management of the Company, including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.
4. The management of the Company is also responsible for ensuring that the Company complies with all the relevant requirements of the SEBI Regulations and for providing all relevant information to the Debenture Trustees and for complying with all the covenants as prescribed in the terms of Offer Document / Information Memorandum / Debenture Trust Deed.

Auditor's Responsibility

5. Pursuant to the requirements of Circular no. SEBI / HO / MIRSD / MIRSD _ CRADT / CIR / P / 2022 / 67 dated May 19, 2022 issued by Securities and Exchange Board of India, our responsibility for the purpose of this certificate is to provide a limited assurance on whether the book values of the assets of the Company contained in Columns A to J of the Statement have been accurately extracted and ascertained from the unaudited books of accounts of the Company and other relevant records and documents maintained by the Company, and whether the Company has complied with financial covenants of the debentures.
6. A limited assurance engagement involves making inquiries, primarily of the Company's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. The procedures performed vary in nature and timing from a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Accordingly, we have performed the following procedures in relation to the statement:

- a) Obtained the Statement from the management.
 - b) Verified that the information contained in the Statement have been accurately extracted and ascertained from the unaudited books of accounts of the Company as at and for the period ended March 31, 2024 and other relevant records and documents maintained by the Company, in the normal course of its business.
 - c) Verified and examined the arithmetical and clerical accuracy of the information included in the Statement.
 - d) Reviewed the terms of Offer Document / Information Memorandum / Debenture Trust Deed to understand the nature of charge (viz. exclusive charge or pari-passu charge) on assets of the Company.
 - e) Obtained Register of Charges kept by the Company as per the requirements of the Companies Act, 2013 to understand the composition of charges already created on assets of the company.
 - f) Read the terms relating to financial covenants of the debentures and recomputed the financial covenants.
 - g) Performed necessary inquiries with the management and obtained necessary representations.
7. We conducted our examination and obtained the explanations in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India (ICAI). This Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
8. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Review



Historical Financial Information, and Other Assurance and Related Services Engagements.

Conclusion

9. Based on the procedures performed as referred to in paragraph 6 above and according to the information and explanations provided to us by the Management of the Company, nothing has come to our attention that causes us to believe that the book values of the assets of the Company contained in Columns A to J of the Statement have not been accurately extracted and ascertained from unaudited books of accounts of the Company for the period ended and as at March 31, 2024 and other relevant records and documents maintained by the Company and that the Company has not complied with financial covenants of the debentures.

Restriction on Use

10. This certificate is addressed to and provided to the Board of Directors of the Company solely for the purpose of submission to the Debenture Trustee and should not be used by any other person or for any other purposes without our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For Hare K. Panda & Co.

Chartered Accountants

(Firm's Registration No. 143768W)

H. K. Panda

Partner

(Membership No. 105641)

Mumbai, 30th May, 2024

(UDIN: 24105641BKFILM8321)

Date: 30-05-2024

To,

Stock Exchange (s)

Based on examination of books of accounts and other relevant records/documents, we hereby certify that:

a) **The listed entity has vide its Board Resolution and information memorandum/ offer document and under various Debenture Trust Deeds, has issued the following listed debt securities:**

[illegible]

Trade Receivable s		67,06,65,536					0							
Cash and Cash Equivalents		0					3,25,739							
Bank Balances other than Cash and Cash Equivalents		15,17,21,043					0							
Others		0					33,97,93,641							
Total		11,73,04,60,108					2,42,71,28,115							
LIABILITIE S														
Debt securities to which this certificate pertains		439,00,00,000												
Other debt sharing pari-passu charge with above debt		not to be filled												
Other Debt														
Subordinated debt														
Borrowings														
Bank														
Debt Securities														
Others														
Trade payables														
Lease Liabilities		0												
Provisions														
Others														
Total		439,00,00,000												
Cover on Book Value		2.67												
Cover on Market Value		NA												
		Exclusive Security Cover Ratio			Pari - Passu Security Cover Ratio									

b) Compliance of all the covenants/terms of the issue in respect of listed debt securities of the listed entity

We have examined the compliances made by the listed entity in respect of the all the covenants/terms of the issue of the listed debt securities (NCD’s) and certify that the company has complied with all the covenants/terms of the issue by the listed entity except as stated below: **-NA**

Note: The Company is in real estate business and the project is offered for security. For the purpose of security coverage the company carried out the valuation of the project from independent Valuer. As per the valuation derived by the independent Valuer, the asset coverage is worked out to 3.46 times