



ANNUAL ACCOUNTS
2016-2017
(Special Purpose)

LODHA DEVELOPERS PRIVATE
LIMITED (CONSOLIDATED)

INDEPENDENT AUDITOR'S REPORT**To the Board of Directors of Lodha Developers Private Limited****Report on the Consolidated Ind AS Special Purpose Financial Statements**

We have audited the accompanying Consolidated Ind AS Special Purpose Financial Statements ('Financial Statements') of Lodha Developers Private Limited ('the Company' or 'the Group'), which comprise the Consolidated Balance Sheet as at March 31, 2017, the Consolidated Statement of Profit and Loss (including the Consolidated Statement of Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended, and Significant Accounting Policies and other explanatory information. The Financial Statements have been prepared by the management in accordance with the Companies (Indian Accounting Standards) Rules, 2015 ('Ind AS') prescribed under Section 133 of the Companies Act, 2013 (the "Act").

Management's Responsibility for the Financial Statements

The management is responsible for the preparation of these Financial Statements that give a true and fair view of the consolidated financial position, consolidated financial performance including Consolidated Statement of Other Comprehensive Income, Consolidated Statement of Cash Flows and Consolidated Statement of Changes in Equity of the Group in accordance with the financial reporting provision of the Companies (Indian Accounting Standards) Rules, 2015 ('Ind AS') prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder. The respective management of the companies included in the Group are responsible for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the 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 Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Financial Statements by the management of the Group.

Auditor's Responsibility

Our responsibility is to express an opinion on these Financial Statements based on our audit. We conducted our audit in accordance with Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI'). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Financial Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Financial Statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers



internal control relevant to the entity's preparation and fair presentation of the Financial Statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the management, as well as evaluating the overall presentation of the Financial Statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Financial Statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, Financial Statements give a true and fair view of the consolidated financial position of the Group as at March 31, 2017, and its consolidated financial performance including Consolidated Statement of Other Comprehensive Income, its Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended in accordance with the financial reporting provision of the Companies (Indian Accounting Standards) Rules, 2015 ('Ind AS') prescribed under Section 133 of the Companies Act, 2013.

Basis of accounting

Without modifying our opinion, we draw attention to Note 1(B)(I) to the Financial Statements, which describes the basis of accounting. These Special Purpose Financial Statements are prepared to assist the Group to meet the requirements of bondholders.

Other Matters

- We did not audit the financial statements of 1 subsidiary and 1 associate as considered in the Consolidated Financial Statements. Aggregate amount of turnover, assets and profit after tax of this subsidiary as at and for the year ended March 31, 2017 are ₹ Nil, ₹ 218,945.08 lakhs and ₹ 1,136.52 lakhs respectively and Group's share of profit/loss in the associate is ₹ Nil. These financial statements have been audited by other auditors whose reports have been furnished to us by the management, and our opinion on the Consolidated Financial Statements in so far as it relates to the amounts and disclosures included in respect of this subsidiary and associate, is based solely on the reports of the other auditors.
- We did not audit the financial information of 2 subsidiaries and 4 associates as considered in the Consolidated Financial Statements. Aggregate amount of turnover, assets and loss after tax of these subsidiaries as at and for the year ended March 31, 2017 are ₹ 20,852.02 lakhs, ₹ 71,769.18 lakhs and ₹ 514.31 lakhs respectively and Group's share of loss in the associates is ₹ 1,589.51 lakhs. These financial information are unaudited and have been furnished to us by the management, and our opinion on the Consolidated Financial Statements in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associates, is based solely on such unaudited financial information.

Our opinion on the Consolidated Financial Statements is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements/ financial information certified by the management.



- The comparative financial information of the Group for the year ended March 31, 2016 included in these Consolidated Financial Statements, are based on the previously issued statutory consolidated financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by the predecessor auditor whose report for the year ended March 31, 2016 dated August 12, 2016 expressed an unmodified audit opinion on those Consolidated Financial Statements, as adjusted for the differences in the accounting principles adopted by the Group on transition to the Ind AS, which have been audited by us.

For MSKA & Associates
(Formerly known as 'MZSK & Associates')
Chartered Accountants
Firm Registration No.105047W





Abuali Darukhanawala
Partner
Membership No.: 108053
Place: Mumbai
Date: 26/3/17

	Notes	As at 31-March-17 ₹ in Lakhs	As at 31-March-16 ₹ in Lakhs	As at 01-April-15 ₹ in Lakhs
ASSETS				
Non-Current Assets				
Property, Plant and Equipment	2	1,12,146.78	54,989.70	58,437.72
Capital Work-in-Progress	2	10,943.05	17,567.06	448.39
Investment Property	3	20,922.41	1,561.14	2,003.01
Goodwill	4	97,854.50	1,32,792.29	1,67,866.36
Intangible Assets	4	358.50	562.73	679.53
Investments accounted for using the Equity Method	5	1,396.11	1,396.19	1,860.46
Financial Assets				
Investments	6	2,70,056.78	1,99,057.20	1,76,422.55
Loans	7	1,31,949.03	80,955.90	16,830.95
Other Financial Assets	8	10,146.51	15,201.24	2,789.37
Deferred Tax Assets	33	5,012.52	4,751.03	5,827.83
Other Non-Current Assets	9	4,342.68	5,185.94	8,226.25
Total Non-Current Assets		6,65,128.87	5,14,020.42	4,41,392.42
Current Assets				
Inventories	10	22,05,234.03	20,96,475.72	19,11,802.48
Financial Assets				
Investments	6	3,540.50	1,787.04	795.51
Loans	7	45,441.61	44,694.14	52,122.25
Trade Receivables	11	60,428.09	68,588.30	1,07,727.37
Cash and Cash Equivalents	12	17,739.15	19,941.72	33,621.01
Bank Balances other than Cash and Cash Equivalents	13	9,497.19	10,526.48	9,870.31
Other Financial Assets	8	2,35,258.22	1,42,606.39	63,578.57
Current Tax Assets (net)	14	-	1,101.66	6,182.15
Other Current Assets	15	2,03,746.76	1,93,196.47	1,60,371.20
Total Current Assets		27,80,885.55	25,78,917.92	23,46,070.85
Total Assets		34,46,014.42	30,92,938.34	27,87,463.27
EQUITY AND LIABILITIES				
Equity				
Equity Share Capital	16	11,310.80	10,810.80	10,810.80
Other Equity				
Optionally Convertible Preference Shares	17	-	50,000.00	50,000.00
Share Premium	18	49,556.47	56.47	56.47
Retained Earnings	19	2,87,421.77	3,14,125.41	2,63,136.98
Other Reserves	20	98,454.20	20,611.28	5,874.52
Equity attributable to Owners of the Company		4,46,743.24	3,95,603.96	3,29,878.77
Non-Controlling Interests		13,441.40	16,578.49	13,506.14
Total Equity		4,60,184.64	4,12,182.45	3,43,384.91
Non-Current Liabilities				
Financial Liabilities				
Borrowings	21	1,46,702.44	1,92,146.27	1,83,959.45
Trade Payables				
Due to Micro and Small Enterprises	22	-	-	-
Due to Others		3,475.64	6,165.19	7,638.68
Other Financial Liabilities	23	13,333.64	13,779.89	12,382.68
Provisions	24	2,265.69	2,137.06	1,783.87
Deferred Tax Liabilities	33	63,182.33	57,020.18	50,485.50
Total Non-Current Liabilities		2,28,959.74	2,71,248.59	2,56,250.18
Current Liabilities				
Financial Liabilities				
Borrowings	21	14,55,387.49	11,81,907.83	9,95,161.67
Trade Payables				
Due to Micro and Small Enterprises	22	5,619.84	913.80	1,122.69
Due to Others		2,29,687.48	2,18,777.16	1,70,148.88
Other Financial Liabilities	23	4,49,846.17	4,35,198.18	3,39,588.51
Provisions	24	916.21	660.81	631.76
Current Tax Liabilities (net)	25	2,212.28	-	-
Other Current Liabilities	26	6,13,200.57	5,72,049.52	6,81,174.67
Total Current Liabilities		27,56,870.04	24,09,507.30	21,87,828.18
Total Liabilities		29,85,829.78	26,80,755.89	24,44,078.36
Total Equity and Liabilities		34,46,014.42	30,92,938.34	27,87,463.27



As per our attached report of even date
For MSKA & Associates
(Formerly known as 'MZSK & Associates')
Chartered Accountants
Firm Registration Number: 105047W

Abulali Darukhanawala

Abulali Darukhanawala
(Partner)
Membership No. 108053



Place : Mumbai
Date : 26th July, 2017

For and on behalf of the Board

Abhishek Lodha

Abhishek Lodha
(Managing Director)
DIN: 00266089

Rajendra Lodha

Rajendra Lodha
(Director)
DIN: 00370053

Arvind Mehrotra

Arvind Mehrotra
(Chief Financial Officer)

Sanjayot Rangnekar

Sanjayot Rangnekar
(Company Secretary)

LODHA DEVELOPERS PRIVATE LIMITED

CIN - U45200MH1995PTC093041

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2017

Particulars	Notes	For the Year ended 31-March-17 ₹ in Lakhs	For the Year ended 31-March-16 ₹ in Lakhs
I INCOME			
Revenue from Operations	27	8,00,796.80	8,31,367.27
Other Income	28	6,656.27	4,856.66
Total Income		8,07,453.07	8,36,223.93
II EXPENSES			
Cost of Projects	29	5,33,623.47	5,18,432.37
Employee Benefits Expense	30	45,695.10	40,690.37
Finance Costs (Net)	31	16,958.25	50,863.80
Depreciation, Amortisation and Impairment Expense	2, 3 & 4	46,007.91	44,984.82
Other Expenses	32	62,251.79	63,068.10
Total Expenses		7,04,536.52	7,18,039.46
III Profit Before Exceptional Item and Tax (I-II)		1,02,916.55	1,18,184.47
Exceptional Items		24.07	52.33
Share of Loss of Associates	5	(1,589.51)	(3,474.81)
IV Profit Before Tax		1,01,351.11	1,14,761.99
V Tax Expense:	33		
Current Tax		(47,692.34)	(39,452.89)
Deferred Tax		6,830.76	(7,177.90)
Total Tax Expense		(40,861.58)	(46,630.79)
VI Profit for the Year		60,489.52	68,131.20
VII Other Comprehensive Income (OCI)			
A Items that will not be reclassified to Statement of Profit and Loss			
(i) Re-measurement of defined benefit plans		(51.51)	8.51
Income Tax effect		17.83	(2.95)
		(33.68)	5.56
(ii) Revaluation of Land		55,947.57	-
Income Tax effect		(12,908.22)	-
		43,039.35	-
B Items that will be reclassified to Statement of Profit and Loss			
Foreign Currency Translation Reserve		1,492.55	494.05
Total Other Comprehensive Income (net of tax) (A+B)		44,498.22	499.61
VIII Total Comprehensive Income for the year (VI+VII)		1,04,987.74	68,630.81
Profit for the Year attributable to:		60,489.52	68,131.20
(i) Owners of the Company		57,663.23	65,058.72
(ii) Non Controlling Interest		2,826.29	3,072.48
		60,489.52	68,131.20
Total Comprehensive Income for the year attributable to:		1,04,987.74	68,630.81
(i) Owners of the Company		1,02,161.45	65,558.33
(ii) Non Controlling Interest		2,826.29	3,072.48
		1,04,987.74	68,630.81
Earnings per Equity Share (in ₹) :			
(Face value of ₹ 5 per Equity Share)			
Basic		27.66	31.51
Diluted		27.66	31.51

Significant Accounting Policies

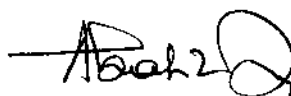
accompanying notes to the Consolidated Financial Statements

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As per our attached report of even date
For MSKA & Associates
(Formerly known as 'MZSK & Associates')
Chartered Accountants
Firm Registration Number: 105047W

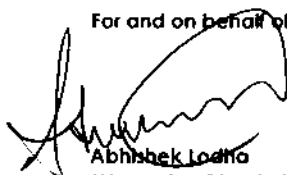


Abulali Darukhanawala
(Partner)
Membership No. 108053

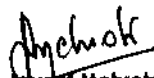


Place : Mumbai
Date : 26th July, 2017

For and on behalf of the Board



Abhishek Lodha
(Managing Director)
DIN: 00266089



Jayant Mehrotra
(Chief Financial Officer)



Rajendra Lodha
(Director)
DIN: 00370053



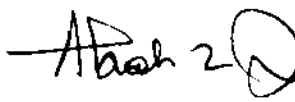
Sanjyot Rangnekar
(Company Secretary)

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	For the Year ended 31-March-17 ₹ in Lakhs	For the Year ended 31-March-16 ₹ in Lakhs
(A) Operating Activities		
Profit before tax	1,01,351.11	1,14,761.99
Adjustments for :		
Depreciation and Amortisation Expenses	46,007.91	44,984.82
Loss on Sale of Property, Plant and Equipment	11.39	391.11
Net Unrealised Foreign Exchange Differences	1,258.16	467.24
Reversal of Leasehold Land and Related Cost	-	44,170.01
Provision for Diminution in Value of Investments	-	2,000.00
Interest Income	(37,811.47)	(33,844.70)
Finance Costs	2,31,299.45	2,39,217.53
Sundry Balances Written Back (Net)	(1,966.33)	(629.61)
Provision for Doubtful Receivables and Advances / Deposits	240.76	2,553.29
Gains arising from derecognition of financial assets	(17.53)	(1,202.74)
Dividend Income	(67.12)	(2,166.47)
Working Capital Adjustments:		
Increase in Trade and Other Receivables	(67,274.41)	(65,143.73)
Increase in Inventories	(2,69,146.51)	(3,20,276.97)
Increase/ (Decrease) in Trade and Other payables	84,849.33	(56,914.34)
Cash Generated from / (used in) Operating Activities	88,734.74	(31,632.57)
Income Tax Paid	(44,378.40)	(34,372.40)
Net Cash Flows from / (used in) Operating Activities	44,356.34	(66,004.97)
(B) Investing Activities		
Sale of Property, Plant and Equipment	93.23	2,999.28
Purchase of Property, Plant and Equipment	(4,359.89)	(14,894.77)
Net Investment in Bank Deposits	1,029.29	(656.17)
Purchase of Non-Current Investments	(1,87,374.74)	(30,457.27)
Purchase of Current Investments	(66,714.66)	(86,515.61)
Sale of Non-Current Investments	16,192.82	8,088.45
Sale of Current Investments	64,844.00	85,205.83
Interest received	16,998.38	16,225.04
Loans Given	(66,592.27)	(75,355.83)
Dividend on Current Investments Received	67.12	2,166.47
Net Cash Flows used in Investing Activities	(2,25,816.72)	(93,194.58)
(C) Financing Activities		
Finance Costs Paid	(1,12,318.07)	(66,684.59)
Proceeds from Borrowings	6,11,071.95	3,75,726.30
Repayment of Borrowings	(3,19,496.07)	(1,63,521.46)
Net Cash Flows from Financing Activities	1,79,257.81	1,45,520.25
(D) Net Decrease in Cash and Cash Equivalents (A+B+C) :	(2,202.57)	(13,679.29)
Cash and Cash Equivalents at the beginning of the year (Note 12)	19,941.72	33,621.01
Cash and Cash Equivalents at year end (Note 12)	17,739.15	19,941.72



As per our attached report of even date
For MSKA & Associates
(Formerly known as 'MZSK & Associates')
Chartered Accountants
Firm Registration Number: 105047W


Abulali Darukhanawala
(Partner)
Membership No. 108053



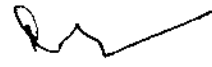
Place : Mumbai
Date : 26th July, 2017

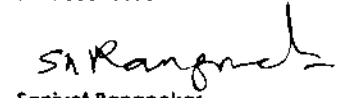
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for and on behalf of the Board


Abhishek Lodha
(Managing Director)
DIN: 00266089


Jyoti Mehrotra
(Chief Financial Officer)


Rajendra Lodha
(Director)
DIN: 00370053


Sanjyot Rangnekar
(Company Secretary)

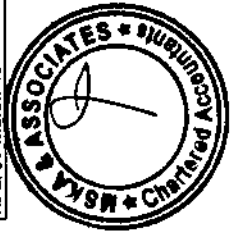
(A) EQUITY SHARE CAPITAL

Particulars	As at 31-March-17	As at 31-March-16
Balance at the beginning of the reporting year	10,810.80	10,810.80
Changes in Equity Share capital during the reporting year	500.00	-
Balance at the end of the reporting year	11,310.80	10,810.80

(B) OTHER EQUITY

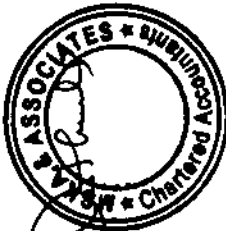
Particulars	Reserves and Surplus						Total
	Optionally Convertible Preference Shares	Capital Redemption Reserve	Share Premium	Debt Redemption Reserve	Statutory Reserve	Retained Earnings	
As at 1-April-16	50,000.00	8.00	56.47	20,250.00	9.82	3,14,125.41	3,84,793.16
Profit for the year	-	-	-	-	-	57,663.23	57,663.23
Other comprehensive income	-	-	-	-	-	(33.68)	44,498.22
Total Comprehensive Income for the year	-	-	-	-	-	57,629.55	1,02,141.45
Issue of Equity Shares at Premium	-	-	49,500.00	-	-	-	49,500.00
Transfer (from) / to retained earnings	-	24.00	-	33,287.02	-	(33,311.02)	-
Non Controlling Interest	-	-	-	-	-	-	-
Dividend Distribution Tax	-	-	-	-	-	(114.67)	(114.67)
Adjustment on acquisition of Compulsory Convertible Debentures	-	-	-	-	-	(50,531.94)	(50,531.94)
Loss on acquisition of subsidiary	-	-	-	-	-	(375.57)	(375.57)
Redemption of Optionally Convertible Preference Shares	(50,000.00)	-	-	-	-	-	(50,000.00)
As at 31-March-17	-	32.00	49,556.47	53,537.02	9.82	2,87,421.77	4,35,432.43

Particulars	Reserves and Surplus						Total
	Optionally Convertible Preference Shares	Capital Redemption Reserve	Share Premium	Debt Redemption Reserve	Statutory Reserve	Retained Earnings	
As at 1-April-15	50,000.00	-	56.47	6,009.47	15.64	2,63,136.98	3,19,067.97
Profit for the year	-	-	-	-	-	65,058.72	65,058.72
Other comprehensive income	-	-	-	-	-	5.56	499.61
Total Comprehensive Income for the year	-	-	-	-	-	65,044.28	65,558.33
Adjustment on account of Disposal of Subsidiaries	-	-	-	-	(5.82)	-	(5.82)
Transfer (from) / to retained earnings	-	8.00	-	14,240.53	-	(14,248.53)	-
Adjustment on account of Amalgamation of Subsidiary	-	-	-	-	-	172.69	172.69
As at 31-March-16	50,000.00	8.00	56.47	20,250.00	9.82	3,14,125.41	3,84,793.16



As per our attached report of even date

For M&A & Associates
(Formerly known as 'M&S & Associates')
Chartered Accountants
Firm Registration Number: 105047W



Abul 2
Abul Darekhanawala
(Partner)
Membership No. 108053

Place : Mumbai
Date : 26th July, 2017

For and on behalf of the Board

Abhishek Lodha
(Managing Director)
DIN: 00266089

Anurag Mehta
(Chief Financial Officer)

Rajendra Lodha
(Director)
DIN: 00370033

Santyot Rangnekar
(Company Secretary)

1 SIGNIFICANT ACCOUNTING POLICIES

A Group's Background

The consolidated financial statements comprise financial statements of Lodha Developers Private Limited (the Parent), its subsidiaries and associates (collectively, the Group) for the year ended 31st March, 2017.

The Parent is a private limited company domiciled and incorporated in India under the Companies Act, 1956. The Company's registered office is located at 412, Floor - 4, 17 G Vardhaman Chamber, Cowasji Patel Road, Horniman Circle East, Mumbai - 400001. The Group is primarily engaged in the business of real estate development.

B Significant Accounting Policies

I Basis of Preparation

These financial statements are the financial statements of the Group (also called financial statements) prepared in accordance with Indian Accounting Standards ('Ind AS') notified under section 133 of the Companies Act 2013, read together with the Companies (Indian Accounting Standards) Rules, 2015.

For all periods up to and including the year ended 31st March, 2016, the Company had prepared its financial statements in accordance with Accounting Standards notified under Section 133 of the Companies Act, 2013, read together with Rule 7 of the Companies (Accounts) Rules, 2014 ('Indian GAAP').

The financial statements are prepared to meet the requirements of bondholders and are not the statutory consolidated Ind AS financial statements of the Company as required under Section 129 of the Companies Act, 2013.

These financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for land as classified under Property, Plant and Equipment and certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below. The accounting policies have been applied consistently over all the periods presented in these financial statements.

The financial statements are presented in Indian Rupees (₹) and all values are rounded to the nearest lakhs except when otherwise indicated.

II Principles of Consolidation and Equity Accounting

(I) Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity, when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect the returns through its power to direct the relevant activities of the entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control. They are deconsolidated from the date that control ceases.

The results and financial position of foreign operations that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities are translated at the closing rate at the date of the balance sheet;
- income and expenses are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- All resulting exchange differences are recognised in other comprehensive income.

The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealized gains on transactions between Group companies are eliminated.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the Consolidated Statement of Profit and Loss, Consolidated Statement of Changes in Equity and Consolidated Balance Sheet respectively.

(ii) Associates

Associates are all entities over which the Group had significant influence but not control or joint control. This is generally the case where the group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting after initially being recognized at cost.

Under the equity method of accounting, the excess of cost of investment over the proportionate share in equity of the associate as at the date of acquisition of stake is identified as goodwill or capital reserve as the case may be and included in the carrying value of the investment in the associate.

The carrying amount of the investment is adjusted thereafter to recognize the Group's share of the post-acquisition profits or losses of the investee in Consolidated Statement of Profit and Loss, and the Group's share of other comprehensive income of the investee in Consolidated Other Comprehensive Income. However, the share of losses is accounted for only to the extent of the cost of investment. Subsequent profits of such associates are not accounted for unless the accumulated losses (not accounted for by the Group) are recouped. Additional losses are provided for to the extent that the Group has incurred obligations or made payments on behalf of the associate to satisfy obligations of the associate that the Group has guaranteed or to which the Group is otherwise committed.

Unrealised gains or losses on transactions between the Group and its associates are eliminated to the extent of the Group's interest in these entities.

III Summary of Significant Accounting Policies

I Current and Non-Current Classification

The Group presents assets and liabilities in the Consolidated Balance Sheet based on current/ non-current classification. An asset is treated as current when it is:

- i) Expected to be realised or intended to be sold or consumed in normal operating cycle.
- ii) Held primarily for the purpose of trading



- ii) Expected to be realised within twelve months after the reporting period, or
- iv) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A Liability is current when:

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

The Group classifies all other liabilities as non-current.

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

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

The operating cycle of the Group's really operations varies from project to project depending on the size of the project, type of development, project complexities and related approvals. Assets and Liabilities are classified into current and non-current based on the operating cycle.

2 Property, Plant and Equipment

i. Recognition and measurement

All property, plant and equipment except freehold land are stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisitions of the items. Cost includes freight, duties, taxes, borrowing cost and incidental expenses related to the acquisition and installation of the asset.

Freehold Land is measured at fair value. Valuations are performed with sufficient frequency to ensure that the carrying value of revalued asset does not defer materially from its fair value.

Revaluation surplus is recorded in Other Comprehensive Income and credited to the asset revaluation surplus in Other Equity.

ii. Subsequent costs

Subsequent expenditure is capitalised only when it is probable that the future economic benefits of the expenditure will flow to the Group. All other repairs and maintenance are charged to Consolidated Statement of Profit and Loss during the reporting period in which they are incurred.

iii. Derecognition

The carrying amount of an item of Property, Plant and Equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an item of Property, Plant and Equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the Consolidated Statement of Profit and Loss when the item is derecognized.

iv. Capital work in progress

Cost of assets not ready for intended use, as on the Balance Sheet date, is shown as capital work in progress.

v. Depreciation

Depreciation is calculated on a written down value basis over the estimated useful lives of the assets as specified in Schedule II of Companies Act, 2013 except for Site/Sales Offices and Sample Flats wherein the estimated useful lives is determined by the management.

Sr. No.	Property, Plant and Equipment	Useful life (Years)
i)	Building	60
ii)	Site/Sales Offices and Sample Flats	8
iii)	Furniture and fixtures	10
iv)	Computers	
	(a) Servers and networks	6
	(b) End user devices, such as, desktops, laptops, etc.	3
v)	Vehicles	
	(a) Motor cycles, scooters and other mopeds	10
	(b) Motor buses, motor lorries, motor cars and motor taxis	6
vi)	Office Equipment	5
vii)	Plant and Equipment	15

Depreciation on assets sold during the year is charged to the Consolidated Statement of Profit and Loss up to the month preceding the month of sale.

3 Investment Properties

The Property that is held for long term rental yield or for capital appreciation or both, and that is not occupied by the Group is classified as an Investment Property.

Investment properties are measured initially at cost, including transaction and borrowing costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

The Group depreciates building component of investment property over the useful life from the date of original purchase as prescribed under Schedule II to the Companies Act, 2013.



4 Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and impairment losses.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. The amortisation expense on intangible assets with finite lives is recognised in the Consolidated Statement of Profit and Loss.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Consolidated Statement of Profit and Loss when the asset is derecognised.

Intangible assets are amortized proportionately over a period of five years or over the useful life of the assets, whichever is lower.

Intangible assets with indefinite life are tested for impairment annually. Impairment losses, if any, are recognised in Consolidated Statement of Profit and Loss.

5 Inventories

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each item of inventory to its present condition are accounted for as follows:

- i) Stock of Building Materials, Traded Goods and Transferable Development Rights is valued at lower of cost and net realizable value. Cost is generally ascertained on weighted average basis.
- ii) Work-in-progress is stated at Cost and Net Realizable Value, whichever is lower. Work-in-progress includes cost of incomplete projects for which the Group has not entered into contracts and the costs incurred on the projects where the revenue is yet to be recognized.
- iii) Completed unsold inventory is valued at lower of Cost and Net Realizable Value.
- iv) Cost for this purpose includes cost of land, shares with occupancy rights, premium for development rights, borrowing costs, construction / development cost and other overheads incidental to the projects undertaken.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated cost of completion and the estimated cost necessary to make the sale.

6 Provisions and Contingencies

The Group recognizes provisions when a present obligation (legal or constructive) as a result of a past event exists and it is probable that an outflow of resources embodying economic benefits will be required to settle such obligation and the amount of such obligation can be reliably estimated.

If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

A disclosure of contingent liability is also made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

7 Impairment of Non-Financial Assets (excluding Inventories, Investment Properties and Deferred Tax Assets)

Non-financial assets are subject to impairment tests whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. Where the carrying value of an asset exceeds its recoverable amount (i.e. the higher of value in use and fair value less costs to sell), the asset is written down accordingly.

Where it is not possible to estimate the recoverable amount of an individual asset, the impairment test is carried out on the smallest group of assets to which it belongs for which there are separately identifiable cash flows; its cash generating units ('CGUs').

8 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets

Initial recognition and measurement

The Group classifies its financial assets in the following measurement categories.

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss)
- those measured at amortised cost

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- i) Debt instruments at amortised cost
- ii) Debt instruments at fair value through other comprehensive income (FVTOCI)
- iii) Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- iv) Equity instruments measured at fair value through other comprehensive income (FVTOCI)



Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit or loss. The losses arising from impairment are recognised in the statement of profit or loss.

Debt instruments at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent Solely payments of principal and interest.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Group does not have any debt instruments which meets the criteria for measuring the debt instrument at FVTOCI.

Debt instrument at FVTPL

Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'Accounting Mismatch'). The Group has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Equity investments

All equity investments, except investments in fellow subsidiaries and associates are measured at fair value. The Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

Derecognition of Financial Assets

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is primarily derecognised (i.e. removed from the Group's Consolidated Balance Sheet) when:

- i) The rights to receive cash flows from the asset have expired, or
- ii) The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of Financial Assets

The Group assess on a forward looking basis the expected credit losses associated with its financial assets carried at amortised cost and FVTOCI debts instruments. The impairment methodology applied depends on whether there has been significant increase in credit risk. For trade receivables, the Group is not exposed to any credit risk as the legal ownership of residential and commercial units are transferred to the buyer only after all the installments are recovered.

For financial assets carried at amortised cost, the carrying amount is reduced and the amount of the loss is recognised in the consolidated statement of profit and loss. Interest income on such financial assets continues to be accrued on the reduced carrying amount and is accrued using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. The interest income is recorded as part of finance income. Financial asset together with the associated allowance are written off when there is no realistic prospect of future recovery and all collateral has been realised or has been transferred to the Group. If, in a subsequent year, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or decreased. If a write-off is later recovered, the recovery is credited to finance costs.



Financial Liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, or payables, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and financial guarantee contracts.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognised in OCI. These gains/ loss are not subsequently transferred to Statement of Profit and loss. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Group has not designated any financial liability as at fair value through profit and loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Consolidated Statement of Profit and Loss.

Financial guarantee contracts

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

Derecognition of Financial Liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Consolidated Statement of Profit and Loss.

Reclassification of Financial Assets and Financial Liabilities

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Group's management determines change in the business model as a result of external or internal changes which are significant to the Group's operations. Such changes are evident to external parties. A change in the business model occurs when the Group either begins or ceases to perform an activity that is significant to its operations. If the Group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Consolidated Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

9 Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- i) In the principal market for the asset or liability, or
- ii) In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.



A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- i) Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- ii) Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- iii) Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

10 Cash and Cash Equivalents

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

11 Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

The specific recognition criteria are described below:

i) Sale of Goods

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

Revenue from Sale of Land, Transfer of Development Rights, Building Materials and Finished Flats/ Units are recognized upon transfer of significant risks and rewards to the buyers / Customers.

ii) Income from Property Development:

Property development involves such activities of real estate development which has the same economic substance as construction contracts. Therefore, percentage completion method is applied for recognising revenue, costs and profits from transactions in property developments.

Income from property development and value of shares representing occupancy rights of units of immovable property is recognized upon transfer of all significant risks and rewards of ownership to the buyers and no significant uncertainty exists regarding the amount of consideration and ultimate collection. The point of time at which all significant risks and rewards of ownership can be considered as transferred, is determined on the basis of the terms and conditions of the agreement for sale.

The Guidance Note on Accounting under Ind AS for Real Estate Transactions requires recognition of revenue under percentage of completion method only when, all critical approvals for project commencement have been obtained, on incurring at least 25% of estimated construction and development cost (excluding land and borrowing cost), at least 25% of the total saleable area is secured by agreement or letter of allotment [containing salient terms of agreement to sell]with buyers and receipt of 10% of the sales consideration per contract. The percentage of completion is worked out based on the total project cost incurred to the total estimated project cost including land and borrowing cost.

As the projects necessarily extend beyond one year, revision in costs and revenues estimated during the course of the contract are reflected in the accounting period in which the said estimates are revised.

Determination of revenue under the percentage of completion method necessarily involves making estimates by the Group, some of which are technical in nature, concerning, where relevant, the percentage of completion, costs to completion, the expected revenues from the project and the foreseeable losses to completion. Provision for foreseeable losses, determination of profit from real estate projects and valuation of construction work in progress is based on such estimates.

iii) Rendering of Services

Revenue from the Contract / Support services is recognised by reference to the terms of contract/ agreement. When the contract outcome cannot be measured reliably, revenue is recognised only to the extent that the expenses incurred are eligible to be recovered.

iv) Interest Income

For all debt instruments measured at amortised cost, Interest income is recorded using the effective interest rate (EIR).

v) Rental Income

Rental income arising from operating leases is accounted over the lease terms.



vi) Dividends

Revenue is recognised when the Group's right to receive the payment is established.

12 Foreign Currency Translation

Initial Recognition

Foreign currency transactions during the year are recorded in the reporting currency at the exchange rates prevailing on the date of the transaction.

Conversion

Foreign currencies denominated monetary items are translated into rupees at the closing rates of exchange prevailing at the date of the balance sheet. Non-monetary items, which are carried in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction.

Exchange Differences

Exchange differences arising, on the settlement of monetary items or reporting of monetary items at the end of the year at closing rates, at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

13 Current Income Tax

Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable profit for the period. The tax rates and tax laws used to compute the amount are those that are enacted by the reporting date and applicable for the period.

Deferred Tax

Deferred tax is recognized using the balance sheet approach. Deferred tax assets and liabilities are recognized for all deductible and taxable temporary differences arising between the tax bases of assets and liabilities and their carrying amount in financial statements, except when the deferred tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of transaction.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates that have been enacted or substantively enacted at the reporting date.

Deferred tax asset in respect of carry forward of unused tax credits and unused tax losses are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

The Group recognizes deferred tax liabilities for all taxable temporary differences except those associated with the investments in subsidiaries where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Minimum Alternate Tax (MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the Group will pay normal tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Group will pay normal tax during the specified period.

Presentation of Current and Deferred Tax:

Current and deferred tax are recognized as income or an expense in the Statement of Profit and Loss, except when they relate to items that are recognized in Other Comprehensive Income, in which case, the current and deferred tax income/ expense are recognized in Other Comprehensive Income. The Group offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. In case of deferred tax assets and deferred tax liabilities, the same are offset if the Group has a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Group.

14 Borrowing Costs

Borrowing costs that are directly attributable to long term project development activities are inventorised / capitalized as part of project cost.

Borrowing costs are inventorised / capitalised as part of project cost when the activities that are necessary to prepare the inventory / asset for its intended use or sale are in progress. Borrowing costs are suspended from inventorisation / capitalisation when development work on the project is interrupted for extended periods and there is no imminent certainty of recommencement of work.

All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

15 Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

For arrangements entered into prior to 01-April-15, the Group has determined whether the arrangement contain lease on the basis of facts and circumstances existing on the date of transition.



Group as a lessee

A lease is classified at the inception date as a finance lease or an operating lease.

Lease arrangements where the Group has substantially all the risks and rewards of ownership associated with the leased assets are classified as finance leases. Assets taken on finance lease are recognised as fixed assets. An equivalent liability is created at the inception of the lease. Rentals paid are apportioned between finance charge and principal based on the implicit rate of return in the contract. The finance charge is shown as interest expense and the principal amount is reduced from the liability. The assets acquired under the lease are depreciated over the lease term, which is reflective of the useful life of the leased asset.

Operating lease payments are recognised as an expense in the Consolidated Statement of Profit and Loss on a straight line basis unless payment to the lessor are structured to increase in the line with the expected general inflation to compensate for the lessor's expected inflationary cost increases.

Group as a Lessor

Leases in which the Group does not transfer substantially all the risks and rewards of ownership asset associated with the leased assets are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Group to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

16 Retirement and Other Employee Benefits

Retirement and other Employee benefits are accounted in accordance with Ind AS 19 – Employee Benefits.

a) Defined Contribution Plan

The Group contributes to a recognised provident fund for all its employees. Contributions are recognised as an expense when employees have rendered services entitling them to such benefits.

b) Gratuity (Defined Benefit Scheme)

The Group provides for its gratuity liability based on actuarial valuation as at the balance sheet date which is carried out by an independent actuary using the Projected Unit Credit Method. Actuarial gains and losses are recognised in full in the other comprehensive income for the period in which they occur.

c) Compensated absences (Defined Benefit Scheme)

Liability in respect of earned leave expected to become due or expected to be availed within one year from the balance sheet date is recognized on the basis of undiscounted value of benefit expected to be availed by the employees. Liability in respect of earned leave expected to become due or expected to be availed beyond one year after the balance sheet date is estimated on the basis of actuarial valuation performed by an independent actuary using the projected unit credit method.

17 Business Combinations under Common Control

Business combinations involving entities under common control are accounted for using the pooling of interests method. The net assets of the transferor entity or business are accounted at their carrying amounts on the date of the acquisition subject to necessary adjustments required to harmonise accounting policies. Any excess or shortfall of the consideration paid over the Net Worth of transferor entity or business is recognised as capital reserve under equity.

18 Goodwill

Goodwill is initially measured at cost being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interest over the fair value of net identifiable tangible assets acquired and liabilities assumed. If the consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognised as capital reserve. After initial recognition, goodwill is measured at the cost less any accumulated impairment losses.

Where goodwill forms part of a cash-generating unit and part of the operation within that unit is disposed off, the goodwill associated with the operation disposed off is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed off in this circumstance is measured based on the relative values of the operation disposed off and the portion of the cash-generating unit retained.



2 Property, Plant and Equipment

₹ in Lakhs

	Freehold Land	Site / Sales Office and Sample Plot	Freehold Buildings	Leasehold Improvements	Plant and Equipments	Office Equipments	Computers	Furniture and Fixtures	Vehicles	Total	Capital Work in Progress
Gross Carrying Amount											
Cost as at 1-April-15	-	13,298.08	37,235.09	994.11	12,959.66	1,938.33	2,864.26	3,315.95	932.51	73,537.99	448.39
Additions / Revaluation	-	1,093.35	-	-	4,332.39	316.62	588.24	196.14	172.08	6,638.82	17,112.67
Disposals / Adjustments	-	(7.17)	-	(115.40)	(3,970.64)	-	(0.38)	-	(122.84)	(4,216.42)	-
As at 31-March-16	-	14,384.26	37,235.09	878.71	13,321.41	2,254.95	3,452.12	3,512.09	981.75	76,020.38	17,567.06
Additions	62,890.20	953.21	-	-	2,486.85	590.87	85.95	154.23	88.78	67,236.09	3,443.97
Additions on account of Acquisition of Subsidiaries	-	-	-	-	0.75	1.79	0.55	1.43	-	4.52	-
Disposals / Adjustments	-	-	-	-	(69.72)	-	-	-	(161.27)	(230.99)	(9,247.98)
As at 31-March-17	62,890.20	15,337.47	37,235.09	878.71	15,739.29	2,847.61	3,538.62	3,667.75	909.26	1,43,044.00	10,943.05
Depreciation and Impairment											
As at 1-April-15	-	4,379.15	3,265.37	509.13	2,124.56	983.50	2,095.90	1,294.36	448.30	15,100.27	-
Depreciation charge for the year	-	2,219.38	619.34	474.03	2,064.94	484.63	688.94	396.74	113.85	7,061.85	-
Additions on account of Merger	-	-	-	-	-	-	-	-	-	-	-
Disposals / Adjustments	-	-	-	(115.40)	(911.89)	-	(0.20)	-	(103.95)	(1,131.44)	-
As at 31-March-16	-	6,598.53	3,884.71	867.76	3,277.61	1,468.13	2,784.64	1,691.10	458.20	21,030.68	-
Depreciation charge for the year	-	4,122.18	618.69	1.23	3,549.10	572.90	429.43	521.68	174.05	9,989.76	-
Additions on account of Acquisition of Subsidiaries	-	-	-	-	0.48	1.51	0.53	1.13	-	3.65	-
Disposals / Adjustments	-	-	-	-	-	-	-	-	(126.37)	(126.37)	-
As at 31-March-17	-	10,720.71	4,503.40	868.99	6,827.19	2,042.54	3,214.60	2,213.91	505.88	30,897.22	-
Net Book Value											
As at 31-March-17	62,890.20	4,616.76	32,731.69	9.72	8,912.10	805.07	324.02	1,453.84	403.38	1,12,146.78	10,943.05
As at 31-March-16	-	7,785.73	33,350.38	10.95	10,043.80	786.82	667.48	1,820.99	523.55	54,989.70	17,567.06
As at 1-April-15	-	8,918.93	33,969.72	484.98	10,835.10	954.83	768.36	2,021.59	484.21	58,437.72	448.39

Note:

1 Vehicles with a carrying amount of ₹ 196.03 Lakhs (31-March-2016 ₹ 266.36 Lakhs, 1-April-2015 ₹ 317.08 Lakhs) are hypothecated with Banks against vehicle loans.

2 Buildings with a carrying amount of ₹ 32,731.69 Lakhs (31-March-2016 ₹ 33,350.38 Lakhs, 1-April-2015 ₹ 33,969.72 Lakhs) are hypothecated with Banks against loans.

3 During the current financial year, the Group has identified certain parcel of land which will be used for its own purpose. Accordingly, the said land which was lying in inventory in previous years have been transferred to Property, plant and equipment. Further, the Group has carried this land at revalued amount and surplus arising from the revaluation is recognised under the head 'Revaluation Surplus' through Other Comprehensive Income.

The carrying amount of the land that would have been recognised had the asset being carried under the cost model is as follows:

	Freehold Land	
	31-March-17	31-March-16
Cost	6,942.63	-
Accumulated depreciation	-	-
Net carrying amount	6,942.63	-

₹ in Lakhs



3 Investment Property

₹ in Lakhs

	Freehold Building
Gross Carrying Amount	
Cost as at 1-April-15	2,036.11
Additions	-
Disposals / Adjustments	(321.46)
As at 31-March-16	1,714.65
Additions	20,154.07
As at 31-March-17	21,868.72
Depreciation and Impairment	
As at 1-April-15	33.10
Depreciation charge for the year	136.47
Impairment	-
Disposals	(16.06)
As at 31-March-16	153.51
Depreciation charge for the year	792.80
Impairment	-
Disposals	-
As at 31-March-17	946.31
Net Book Value	
As at 31-March-17	20,922.41
As at 31-March-16	1,561.14
As at 1-April-15	2,003.01

(I) Income and expenditure of Investment Properties

₹ in Lakhs

Particulars	31-March-17	31-March-16
Rental Income	1,101.63	26.97
Less : Direct Operating expenses for property that generate Rental Income	(787.00)	-
Profit from Investment properties before Depreciation	314.63	26.97
Depreciation	792.80	136.47
Loss from Investment Properties	(478.17)	(109.50)

(II) Fair value measurement

The fair value of the properties are Rs. 30,887.82 Lakhs. These valuations are based on valuations performed by an independent valuer with experience of valuing investment properties.

The Group has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.



4 Intangible Assets

₹ in Lakhs

	Goodwill	Software	Total
Gross Carrying Amount			
Cost as at 1-April-15	1,71,676.64	1,740.29	1,73,416.93
Additions	2,453.49	142.14	2,595.63
As at 31-March-16	1,74,130.13	1,882.43	1,76,012.56
Additions	83.83	-	83.83
As at 31-March-17	1,74,213.96	1,882.43	1,76,096.39
Amortisation and Impairment			
As at 1-April-15	3,810.28	1,060.76	4,871.04
Amortisation charge for the year	31,848.18	258.94	32,107.12
Impairment	5,679.38	-	5,679.38
Disposals / Adjustments	-	-	-
As at 31-March-16	41,337.84	1,319.70	42,657.54
Amortisation charge for the year	31,725.70	204.23	31,929.93
Impairment	3,295.92	-	3,295.92
Disposals / Adjustments	-	-	-
As at 31-March-17	76,359.46	1,523.93	77,883.39
Net Book Value			
As at 31-March-17	97,854.50	358.50	98,213.00
As at 31-March-16	1,32,792.29	562.73	1,33,355.02
As at 1-April-15	1,67,866.36	679.53	1,68,545.89

Goodwill arising out of merger prior to the date of transition is amortised based on the accounting treatment in accordance with the respective entities merger scheme, which has been approved by the Honorable High Court of Mumbai.



5 Investments accounted for using the Equity Method

The following entities have been included in the consolidated financial statements using the equity method:

	As at 31-March-17 ₹ in Lakhs	As at 31-March-16 ₹ in Lakhs	As at 01-April-15 ₹ in Lakhs
i) Kora Construction Pvt. Ltd.	1,396.11	1,396.19	1,396.19
ii) Lodha Developers International (Jersey) I Holdings Ltd.	-	-	-
iii) Lodha Developers International (Netherlands) B.V.	-	-	464.25
iv) Lodha Developers International Holdings Ltd.	-	-	-
v) Tropical Adventure Ltd.	-	-	0.02
Total Equity Accounted Investments	1,396.11	1,396.19	1,860.46

Summarised financial information:

i) Kora Construction Pvt. Ltd.

	As at 31-March-17 ₹ in Lakhs	As at 31-March-16 ₹ in Lakhs	As at 01-April-15 ₹ in Lakhs
Current Assets	0.27	0.16	0.37
Non-Current Assets	122.25	122.25	122.25
Current Liabilities	(39.68)	(39.39)	(39.36)
Non-Current Liabilities	(58.81)	(58.81)	(58.81)
Equity	24.03	24.21	24.45
Proportion of the Group's ownership	44.00%	44.00%	44.00%
	For the Year ended 31-March-17 ₹ in Lakhs	For the Year ended 31-March-16 ₹ in Lakhs	
Revenue	0.97	1.58	
Expenses	1.15	1.59	
Profit before Tax	(0.18)	(0.01)	
Tax Expense	-	-	
Profit for the year	(0.18)	(0.01)	
Group's share of profit/(loss) for the year	(0.08)	-	

ii) Lodha Developers International (Jersey) I Holdings Ltd.

	As at 31-March-17 ₹ in Lakhs	As at 31-March-16 ₹ in Lakhs	As at 01-April-15 ₹ in Lakhs
Current Assets	1,75,064.85	1,50,269.39	1,17,191.76
Non-Current Assets	-	-	1.02
Current Liabilities	(80,700.11)	(88,452.25)	(90,064.44)
Non-Current Liabilities	(99,102.44)	(66,946.79)	(29,209.01)
Equity	(4,737.70)	(5,129.65)	(2,080.67)
Proportion of the Group's ownership	40.62%	40.62%	40.00%
	For the Year ended 31-March-17 ₹ in Lakhs	For the Year ended 31-March-16 ₹ in Lakhs	
Revenue	-	0.00	
Expenses	545.98	1,122.98	
Profit before Tax	(545.98)	(1,122.98)	
Tax Expense	-	-	
Profit for the year	(545.98)	(1,122.98)	
Group's share of profit/(loss) for the year	(221.77)	(456.15)	

iii) Lodha Developers International (Netherlands) B.V.

	As at 31-March-17 ₹ in Lakhs	As at 31-March-16 ₹ in Lakhs	As at 01-April-15 ₹ in Lakhs
Current Assets	4,41,582.76	4,30,893.60	3,43,182.07
Non-Current Assets	-	-	0.74
Current Liabilities	(2,33,702.83)	(2,60,591.58)	(2,24,748.83)
Non-Current Liabilities	(2,08,307.17)	(1,70,527.02)	(1,16,537.22)
Equity	(427.24)	(225.00)	1,896.76
Proportion of the Group's ownership	40.62%	40.62%	40.00%



	For the Year ended 31-March-17 ₹ in Lakhs	For the Year ended 31-March-16 ₹ in Lakhs
Revenue	641.15	(0.00)
Expenses	1,817.28	1,343.38
Profit before Tax	(1,176.13)	(1,343.38)
Tax Expense	(120.47)	29.76
Profit for the year	(1,296.60)	(1,313.62)
Group's share of profit/(loss) for the year	(526.68)	(533.59)

iv) Lodha Developers International Holdings Ltd.

	As at 31-March-17 ₹ in Lakhs	As at 31-March-16 ₹ in Lakhs	As at 01-April-15 ₹ in Lakhs
Current Assets	17,154.97	17,101.40	938.70
Non-Current Assets	1,40,299.88	1,25,649.45	1,14,314.50
Current Liabilities	-	-	-
Non-Current Liabilities	(1,64,724.23)	(1,48,667.68)	(20.47)
Equity	(7,269.38)	(5,916.83)	1,15,232.73
Proportion of the Group's ownership	40.00%	40.00%	40.00%

	For the Year ended 31-March-17 ₹ in Lakhs	For the Year ended 31-March-16 ₹ in Lakhs
Revenue	17,985.65	17,192.56
Expenses	19,455.26	23,405.20
Profit before Tax	(1,469.61)	(6,212.64)
Tax Expense	-	(0.01)
Profit for the year	(1,469.61)	(6,212.65)
Group's share of profit/(loss) for the year	(587.84)	(2,485.06)

v) Tropical Adventure Ltd.

	As at 31-March-17 ₹ in Lakhs	As at 31-March-16 ₹ in Lakhs	As at 01-April-15 ₹ in Lakhs
Current Assets	857.74	885.04	130.85
Non-Current Assets	6,115.35	6,313.96	6,026.38
Current Liabilities	(1,062.61)	(939.03)	(37.01)
Non-Current Liabilities	(7,474.11)	(6,688.45)	(6,284.27)
Equity	(1,563.63)	(428.48)	(164.05)
Proportion of the Group's ownership	40.00%	40.00%	40.00%

	For the Year ended 31-March-17 ₹ in Lakhs	For the Year ended 31-March-16 ₹ in Lakhs
Revenue	856.15	881.83
Expenses	2,057.47	1,142.55
Profit before Tax	(1,201.32)	(260.72)
Tax Expense	-	-
Profit for the year	(1,201.32)	(260.72)
Group's share of profit/(loss) for the year*	-	-

*Restricted to the extent of value of investments

Group's share of loss of Associates accounted based on audited financial statements of previous year

	For the Year ended 31-March-17 ₹ in Lakhs	For the Year ended 31-March-16 ₹ in Lakhs
	(253.13)	-



6 Investments	Face Value ₹	As at 31-March-17 ₹ in Lakhs		As at 31-March-16 ₹ in Lakhs		As at 01-April-15 ₹ in Lakhs	
		Numbers	Amount	Numbers	Amount	Numbers	Amount
(A) Unquoted Equity Shares, Fully paid up, at Cost							
Fellow Subsidiary							
PCI Developers (Mauritius) Limited (Current year ₹ 194)	1 GBP	1	0.00	-	-	-	-
Others							
Lodha Healthy Constructions and Developers Pvt. Ltd.	10	3,45,454	455.09	3,45,454	455.09	3,45,454	455.09
Hall and Anderson Ltd.	10	4,56,801	4.57	4,56,801	4.57	4,56,801	4.57
Less: Provision for Diminution in the Value of Investments			(4.57)		(4.57)		(4.57)
Total (A)			455.09		455.09		455.09
(B) Unquoted Preference Shares, Fully paid up, at cost							
Susima Infotech Pvt. Ltd.	1,000	1,00,000	1,000.00	1,00,000	1,000.00	1,00,000	1,000.00
Less: Provision for Diminution in the Value of Investments			(1,000.00)		(1,000.00)		-
Total (B)			-		-		1,000.00
(C) Unquoted Optionally Convertible Debentures, Fully paid up							
Holding Company							
Sambhavna Infrabuild and Farms Pvt. Ltd.	100	1,40,93,000	64,398.26	26,93,000	2,693.00	26,93,000	2,693.00
Others							
Dharmarath Buildtech and Farms Pvt. Ltd.	100	-	-	-	-	46,70,000	4,670.00
Lodha Construction Pvt. Ltd	100	-	-	54,45,000	5,445.00	-	-
Lodha Healthy Constructions and Developers Pvt. Ltd.	10	7,30,00,000	7,300.00	7,30,00,000	7,300.00	7,30,00,000	7,300.00
Lodha Builders Pvt. Ltd.	100	45,10,000	4,510.00	45,10,000	4,510.00	45,10,000	4,510.00
Bellissimo Properties Development Pvt. Ltd.	100	-	-	1,06,00,000	10,600.00	1,06,00,000	10,600.00
Bellissimo Realtors Pvt. Ltd.	100	40,20,000	4,020.00	40,20,000	4,020.00	40,20,000	4,020.00
Suvidhinath Buildtech and Farms Pvt. Ltd.	100	2,228	9,241.65	-	-	-	-
Maruti Finvest and Services Pvt. Ltd.	100	10,00,000	1,000.00	10,00,000	1,000.00	10,00,000	1,000.00
Less: Provision for Diminution in the Value of Investments			(1,000.00)		(1,000.00)		-
Total (C)			89,469.91		34,568.00		34,793.00
(D) Unquoted Bonds, Fully paid up, at Cost							
Associates							
Lodha Developers International (Jersey) I Holdings Ltd.	1 GBP	2,20,00,000	22,423.29	2,20,00,000	22,423.29	2,20,00,000	22,423.29
(E) Unquoted Compulsory Convertible Debentures, Fully paid up							
Associates							
Lodha Developers International Holdings Ltd.	1 USD	24,21,86,300	1,57,030.21	21,33,80,000	1,41,135.51	18,80,00,000	1,17,556.43
Total Unquoted Investments (A+B+C+D+E)			2,69,378.50		1,98,581.89		1,76,227.81



		As at 31-March-17 ₹ in Lakhs		As at 31-March-16 ₹ in Lakhs		As at 01-April-15 ₹ in Lakhs	
	Face Value ₹	Numbers	Amount	Numbers	Amount	Numbers	Amount
(F) Quoted Investments at Fair Value through Profit & Loss							
In Mutual Funds							
SBI EOP Series I	10	1,50,000	21.30	1,50,000	16.84	1,50,000	18.04
Birla Sun Life	10	1,97,64,592	2,332.22	-	-	-	-
ICICI Prudential Flexible Income - Regular Plan - Daily Dividend	10	126	0.13	126	0.13	118	0.12
Reliance Liquid Fund	1000	14,737	225.29	-	-	-	-
Union Kbc Capital Protection Orient	10	-	-	-	-	1,00,000	13.45
L & T Short-term Opportunities Fund- Growth	10	40,45,451	633.10	-	-	-	-
L & T Liquid Fund- Daily Dividend Reinvestment Plan	1,000	-	-	1,30,905	1,324.42	-	-
			3,212.04		1,341.39		31.61
In Equity Shares							
Ackruti City Ltd	10	-	-	-	-	1	-
Bharati Shipyard Ltd	10	-	-	19,466	3.69	19,466	4.40
Clariant Chemicals (India) Ltd	10	-	-	10	0.06	10	0.08
Dhenu Buildcon Infra Ltd.	1	3,02,088	8.46	3,02,088	11.87	3,02,088	9.49
Dishman Pharmaceuticals & Chemicals Ltd.	2	-	-	-	-	25,000	41.74
DLF Ltd	2	-	-	34,087	39.06	34,087	53.95
Godrej Properties Ltd.	5	-	-	-	-	2	0.01
Indiabull Wholesale Services Ltd.	2	-	-	14,314	1.93	14,314	1.77
Indianulls Infrastructure & Power Ltd.	2	-	-	3,98,250	13.94	3,98,250	8.12
Kalyani Investment Company Ltd.	10	-	-	962	16.07	962	20.60
Livewell Home Finance Ltd	10	-	-	-	-	1	0.00
Lok Housing & Construction Ltd.	10	-	-	-	-	1	0.00
Mahindra Lifespace Developers Ltd.	10	-	-	-	-	1	0.00
Oberoi Realty Ltd.	10	-	-	-	-	1	0.00
Orbit Corporation Ltd.	10	-	-	-	-	1	0.00
Peninsula Land Ltd.	2	-	-	-	-	1	0.00
Punjab And Sind Bank	10	-	-	2,279	0.79	2,279	1.04
Sunteck Realty Ltd.	2	-	-	-	-	1	0.00
Unitech Ltd.	2	-	-	-	-	1	0.00
Larsen And Toubro Ltd.	2	-	-	4,200	51.07	-	-
Power Finance Corporation Ltd.	10	-	-	4,000	6.87	-	-
State Bank of India	1	-	-	5,000	9.72	-	-
ICICI Bank	2	-	-	5,000	11.83	-	-
			8.46		166.90		141.20
In Debentures							
IFCI Ltd.	1,000	25,000	320.00	1,000	278.75	59,930	622.70
			320.00		278.75		622.70
Total Quoted Investments (F)			3,540.50		1,787.04		795.51
(G) Others*							
Lodha Healthy Construction and Developers Pvt. Ltd.			194.74		194.74		194.74
Lodha Developers 1GSQ Ltd.			377.28		280.57		-
Lodha Developers 48CS Ltd.			106.26		-		-
Total Others (G)			678.28		475.31		194.74
*Represents investments accounted for Financial Guarantees given by Group.							
Total Investments			2,73,597.28		2,00,844.24		1,77,218.06
Total Current Investments			3,540.50		1,787.04		795.51
Total Non-Current Investments			2,70,056.78		1,99,057.20		1,76,422.55
			2,73,597.28		2,00,844.24		1,77,218.06
Aggregate book value of quoted investments			3,165.23		1,339.41		25.12
Aggregate market value of quoted investments			3,540.50		1,787.04		795.51
Aggregate value of unquoted investments			2,70,056.78		1,99,057.20		1,76,422.55
Aggregate amount of impairment in value of investments			2,004.57		2,004.57		4.57



	As at 31-March-17 ₹ in Lakhs	As at 31-March-16 ₹ in Lakhs	As at 01-April-15 ₹ in Lakhs
7 Loans			
Unsecured considered good unless otherwise stated			
Related Parties			
Associates	1,32,381.24	80,978.70	5,497.97
Others	8,018.84	8,478.59	9,329.95
Employees	133.01	120.14	40.05
Other Loans	31,857.56	36,072.60	54,094.23
Considered Doubtful			
Others	450.41	693.03	-
	1,77,841.06	1,26,343.06	68,953.20
Less: Provision for Doubtful Loans	(450.42)	(693.02)	-
Total	1,77,390.64	1,25,650.04	68,953.20
Total Current Loans	45,441.61	44,694.14	52,122.25
Total Non-Current Loans	1,31,949.03	80,955.90	16,830.95
	1,77,390.64	1,25,650.04	68,953.20
8 Other Financial Assets			
Deposits	26,310.65	27,628.94	10,230.95
Fixed Deposits with original maturity of less than 12 months	2.84	4.76	5.99
Interest Receivables	57,865.35	37,052.26	19,432.60
Accrued Revenue	1,44,888.33	77,814.41	21,805.10
Other Financial Assets	16,337.56	15,307.26	14,893.30
Total	2,45,404.73	1,57,807.63	66,367.94
Total Current Other Financial Assets	2,35,258.22	1,42,606.39	63,578.57
Total Non-Current Other Financial Assets	10,146.51	15,201.24	2,789.37
	2,45,404.73	1,57,807.63	66,367.94

Other Financial Assets include amount receivables from related parties ₹ 15,811.70 Lakhs (31-March-16 ₹ 8,365.00 Lakhs, 01-April-15 ₹ 3,541.61 Lakhs).

9 Other Non-Current Assets			
Unsecured, considered good unless otherwise stated			
Advances to Related Parties	-	-	3,284.16
Deposits	0.75	0.75	0.50
Indirect Tax receivables	199.37	120.96	73.39
Refund Receivable from Local Authority	798.80	798.80	1,733.40
Capital Advances	3,209.50	4,254.34	3,116.32
Other Receivables	119.10	0.25	3.16
Lease Equalisation	15.16	10.84	15.32
Total	4,342.68	5,185.94	8,226.25

10 Inventories			
(at lower of cost and net realisable value)			
Building Materials	18,037.68	13,166.45	9,307.39
Land and Property Development Work-in-Progress	21,49,188.82	20,45,247.73	18,71,202.86
Finished Stock	38,007.53	38,061.54	31,292.23
Total	22,05,234.03	20,96,475.72	19,11,802.48

The carrying amount of Inventories of ₹ 15,44,774.00 Lakhs (31-March-16 ₹ 14,69,137.86 Lakhs, 01-April-2015 ₹ 11,49,270.80 Lakhs) are charged as securities against specific borrowings.

11 Trade Receivables			
Unsecured			
Considered good	60,428.09	68,588.30	1,07,670.20
Considered doubtful	1,701.32	1,767.40	1,268.85
	62,129.41	70,355.70	1,08,939.05
Less: Provision for Doubtful Receivables	(1,701.32)	(1,767.40)	(1,211.68)
Total	60,428.09	68,588.30	1,07,727.37

i) For trade receivables outstanding with related parties, refer to Note 49

ii) Trade Receivables amounting to ₹ 27,105.31 Lakhs (31-March-16 ₹ 40,185.02 Lakhs, 01-April-15 ₹ 63,762.53 Lakhs) are charged as securities against specific borrowings.

12 Cash and Cash Equivalents			
Balances with Banks	17,233.18	16,566.46	15,823.52
Cheques on Hand	-	2,305.12	15,880.59
Fixed Deposits with original maturity of less than 3 months	104.66	794.10	200.44
Cash on Hand	401.31	276.04	1,716.46
Total	17,739.15	19,941.72	33,621.01



	As at 31-March-17 ₹ in Lakhs	As at 31-March-16 ₹ in Lakhs	As at 01-April-15 ₹ in Lakhs
13 Bank Balances other than Cash and Cash Equivalents			
Deposits held on Margin Money	8,947.06	9,418.10	8,614.60
Fixed Deposits with original maturity of more than 3 months	551.14	1,108.38	1,195.71
Total	9,497.19	10,526.48	9,870.31
14 Current Tax Assets (net)			
Advance Income Tax (Net of Provisions)	-	1,101.66	6,182.15
Total	-	1,101.66	6,182.15
15 Other Current Assets			
Unsecured, considered good unless otherwise stated			
Advances / Deposits to:			
Suppliers / Contractors	1,58,384.95	1,52,836.97	1,27,921.50
Employees	351.60	380.69	433.38
Related Parties	3,678.96	9,535.39	2,001.13
Deposits	166.19	548.31	628.53
Prepaid Expenses	13,117.41	14,048.25	13,869.48
Indirect Tax receivables	22,697.77	12,649.74	7,996.97
Other Receivables	4,934.18	2,611.78	5,105.21
Contribution Receivable from Shareholder	1.80	578.18	1,176.49
Investment in Gold	380.19	-	1,237.74
Lease Equalisation	33.71	7.16	0.77
Total	2,03,746.76	1,93,196.47	1,60,371.20

16 Equity Share Capital

	Numbers	₹ in Lakhs
(A) Authorised Share Capital		
Equity Shares of ₹ 5 each		
As at 1-April-15	30,06,40,440	15,032.02
Increase/(decrease) during the year	-	-
As at 31-March-16	30,06,40,440	15,032.02
Increase during the year	80,000	4.00
As at 31-March-17	30,07,20,440	15,036.02
Preference Shares of ₹ 5 each		
As at 1-April-15	2,08,00,000	1,040.00
Increase/(decrease) during the year	-	-
As at 31-March-16	2,08,00,000	1,040.00
Increase during the year	2,40,000	12.00
As at 31-March-17	2,10,40,000	1,052.00

During the year ended 31 March 2017, the authorised equity share capital was increased by ₹ 4.00 lakhs i.e. 80,000 Equity shares of ₹ 5 each.

During the year ended 31 March 2017, the authorised preference share capital was increased by ₹ 12.00 lakhs i.e. 2,40,000 Preference shares of ₹ 5 each.

	Numbers	₹ in Lakhs
(B) Issued Equity Capital		
Equity Shares of ₹ 5 each, issued, subscribed and fully paid up		
As at 1-April-15	21,62,16,000	10,810.80
Increase/(decrease) during the year	-	-
As at 31-March-16	21,62,16,000	10,810.80
Increase during the year	1,00,00,000	500.00
As at 31-March-17	22,62,16,000	11,310.80

(C) Terms/ rights attached to equity shares

The company has only one class of equity shares having par value of ₹ 5 per share

Each Shareholder is entitled for one vote per share. The shareholders have the right to receive interim dividends declared by the Board of Directors and final dividend proposed by the Board of Directors and approved by the Shareholders.

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

Terms/ rights attached to preference shares

Each Optionally Convertible Redeemable Preference Shares (OCPS) has a par value of ₹ 5 each. OCPS carry a dividend of Zero % per annum.

Preference Shares have a tenure of 12 years from the date of allotment i.e. 08-August-12.

At the option of the preference shareholders, upon the expiry of 3 years from the date of allotment till 12 years from the date of allotment, each Preference Share can be converted, by giving 1 month advance notice, into one Equity Share. Requirement of minimum 1 month notice period can be waived with the consent of the Company.

Redemption, at the option of the preference shareholders, after expiry of 8 years from the date of allotment, at a price considering 15% redemption premium p.a. on total amount invested. If the holder continues to hold entire preference shares till the said period of 8 years, else the redemption will be at issue price only.

Preference Shares shall have right of priority with respect to repayment of principal over Equity Shares.



	As at 31-March-17		As at 31-March-16		As at 01-April-15	
	Numbers	₹ in Lakhs	Numbers	₹ in Lakhs	Numbers	₹ in Lakhs
(D) Shares held by holding/ ultimate holding company and/ or their subsidiaries/ associates						
(i) Equity Shares						
a) Sambhavna Infrabuild and Farms Pvt. Ltd.	14,33,71,520	7,166.57	13,10,91,520	6,554.57	13,10,91,520	6,554.57
b) Ganeshji Realty and Agro Pvt. Ltd.	28,00,000	140.00	28,00,000	140.00	28,00,000	140.00
c) Bellissimo Realtors Pvt. Ltd.	9,69,920	48.50	9,69,920	48.50	9,69,920	48.50
d) Lodha Leading Builders Pvt. Ltd.	56,00,000	280.00	56,00,000	280.00	56,00,000	280.00
e) Bellissimo Properties Development Pvt. Ltd.	-	-	22,80,000	114.00	22,80,000	114.00
f) Mangal Prabhat Lodha Family Discretionary Trust	7,34,74,560	3,673.73	-	-	-	-
	22,62,16,000	11,310.80	14,27,41,440	7,137.07	14,27,41,440	7,137.07

(ii) Optionally Convertible Redeemable Preference Shares

Bellissimo Properties Development Pvt. Ltd.	-	-	2,00,00,000	1,000.00	2,00,00,000	1,000.00
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(E) Details of shareholders holding more than 5% shares in the company

	Numbers		% of Holding		Numbers		% of Holding	
	Numbers	% of Holding	Numbers	% of Holding	Numbers	% of Holding	Numbers	% of Holding
(i) Equity Shares								
Sambhavna Infrabuild and Farms Pvt. Ltd.	14,33,71,520	63.38%	13,10,91,520	60.63%	13,10,91,520	60.63%		
Mangal Prabhat Lodha	-	-	2,93,59,360	13.58%	2,93,59,360	13.58%		
Manjula Lodha	-	-	4,41,15,200	20.40%	-	-		
Abhishek Lodha	-	-	-	-	2,20,57,600	10.20%		
Abhinandan Lodha	-	-	-	-	2,20,57,600	10.20%		
Mangal Prabhat Lodha Family Discretionary Trust	7,34,74,560	32.48%	-	-	-	-		

(ii) Optionally Convertible Redeemable Preference Shares

Bellissimo Properties Development Pvt. Ltd.	-	-	2,00,00,000	100.00%	2,00,00,000	100.00%
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(F) Employee Stock Option Plan - Terms and conditions

In the Extra Ordinary General Meeting held on 21- September- 09, the members had approved the Employee Stock Option Plan 2009 ("ESOP 2009") for grant of 2,162,160 options to its eligible employees. The Compensation Committee granted below mentioned 6 Grants on 21-September-09, 01-July-10, 01- October 10, 01-January-11, 01-April-11 and 01-July-11.

The Scheme was modified by the Board of Directors at their meeting held on 23-June-10 and which has been approved by shareholders at their meeting held on 30-June-10.

During the financial year ending 31-March-16 all the outstanding ESOPs were surrendered. This was compensated by an incentive scheme, hence fair valuation is not done.

Particulars		Stock Options (Numbers)					
		Grant 1	Grant 2	Grant 3	Grant 4	Grant 5	Grant 6
Date of Granting option		21-Sep-09	01-Jul-10	01-Oct-10	01-Jan-11	01-Apr-11	01-Jul-11
Total Options Granted under each grant		14,22,060	3,60,870	1,29,470	2,49,400	1,70,000	1,96,000
Vesting Schedule *							
Year 1 (30%)		01-Apr-11	01-Jul-11	01-Oct-11	01-Jan-12	01-Apr-12	01-Jul-12
Year 2 (30%)		01-Apr-12	01-Jul-12	01-Oct-12	01-Jan-13	02-Apr-13	01-Jul-13
Year 3 (40%)		01-Apr-13	01-Jul-13	01-Oct-13	01-Jan-14	02-Apr-14	01-Jul-14
Exercise Price (in ₹)		463	500	510	522	533	544
Outstanding as at	31-Mar-17	-	-	-	-	-	-
	31-Mar-16	1,35,060	45,000	40,890	-	-	-
	01-Apr-15	1,35,060	45,000	40,890	-	-	-
Granted during the year	31-Mar-17	-	-	-	-	-	-
	31-Mar-16	-	-	-	-	-	-
	01-Apr-15	-	-	-	-	-	-
Exercised during the year	31-Mar-17	-	-	-	-	-	-
	31-Mar-16	-	-	-	-	-	-
	01-Apr-15	-	-	-	-	-	-
Cancelled / surrendered during the year	31-Mar-17	-	-	-	-	-	-
	31-Mar-16	1,35,060	45,000	40,890	-	-	-
	01-Apr-15	-	-	-	-	-	-
Outstanding at end of the year	31-Mar-17	-	-	-	-	-	-
	31-Mar-16	-	-	-	-	-	-
	01-Apr-15	1,35,060	45,000	40,890	-	-	-

* Options granted under employee stock options scheme-2009 (ESOP Scheme-2009) would vest not prior to one year from the date of grant of such options or listing of the Company on a recognised stock exchange whichever is later.

17 Optionally Convertible Preference Shares of ₹ 5 each, fully paid up

As at 1-April-15
Increase/(decrease) during the year
As at 31-March-16
Decrease during the year
As at 31-March-17

₹ in Lakhs
50,000.00
(0.00)
50,000.00
(50,000.00)
-

18 Share Premium

As at 1-April-15
Increase/(decrease) during the year
As at 31-March-16
Increase during the year
As at 31-March-17

₹ in Lakhs
56.47
-
56.47
49,500.00
49,556.47



19 Retained Earnings	₹ in Lakhs
As at 1-April-15	2,63,136.98
Increase during the year	50,988.43
As at 31-March-16	3,14,125.41
Decrease during the year	(26,703.64)
As at 31-March-17	2,87,421.77

20 Other Reserves

	As at 31-March-17 ₹ in Lakhs	As at 31-March-16 ₹ in Lakhs	As at 01-April-15 ₹ in Lakhs
(i) Capital Redemption Reserve	32.00	8.00	-
(ii) Debenture Redemption Reserve	53,537.02	20,250.00	6,009.47
(iii) Foreign Currency Translation Reserve	1,836.01	343.46	(150.59)
(iv) Revaluation Reserve	43,039.35	-	-
(v) Statutory Reserve	9.82	9.82	15.64
Total	98,454.20	20,611.28	5,874.52

(i) Capital Redemption Reserve	₹ in Lakhs
As at 1-April-15	-
Increase during the year	8.00
As at 31-March-16	8.00
Increase during the year	24.00
As at 31-March-17	32.00

(ii) Debenture Redemption Reserve	₹ in Lakhs
As at 1-April-15	6,009.47
Increase during the year	14,240.53
As at 31-March-16	20,250.00
Increase during the year	33,287.02
As at 31-March-17	53,537.02

(iii) Foreign Currency Translation Reserve	₹ in Lakhs
As at 1-April-15	(150.59)
Increase during the year	494.05
As at 31-March-16	343.46
Increase during the year	1,492.55
As at 31-March-17	1,836.01

(iv) Revaluation Reserve	₹ in Lakhs
As at 1-April-15	-
Increase/(decrease) during the year	-
As at 31-March-16	-
Increase during the year	43,039.35
As at 31-March-17	43,039.35

(v) Statutory Reserve	₹ in Lakhs
As at 1-April-15	15.64
Decrease during the year	(5.82)
As at 31-March-16	9.82
Increase/(decrease) during the year	-
As at 31-March-17	9.82

The nature and purpose of other reserves:

- (i) Capital Redemption Reserve - Amounts transferred from share capital on redemption of issued shares.
- (ii) Debenture Redemption Reserve - Reserve created for an amount which is equal to 25% of the value of debentures issued and restricted to the profit for the year.
- (iii) Foreign Currency Translation Reserve - Gains/losses arising on retranslating the net assets of overseas entities.
- (iv) Revaluation Reserve - Gains arising on the revaluation of certain class of Property, Plant and Equipment.
- (v) Statutory Reserve - Reserve created as per Section 45IC of Reserve Bank of India Act, 1934.

21 Borrowings

Secured

Term Loans

From Banks	8,15,859.22	7,95,940.29	6,62,721.29
From Others	2,18,856.05	2,80,395.40	2,38,570.43
Vehicle Loans	54.51	110.57	150.64
Non Convertible Debentures	4,13,509.02	88,197.88	95,699.68
Cash Credit / Overdraft Facility	21,584.83	23,427.49	651.60

Unsecured

Senior Notes	1,27,031.39	1,28,714.91	1,22,265.01
Loans from Related Parties	2,778.29	4,985.34	5,091.49
Loans from Others	2,416.62	2,294.04	3,982.80
Compulsory Convertible Debentures	-	49,988.18	49,988.18
Total	16,02,089.93	13,74,054.10	11,79,121.12

Aggregate Secured Loans	14,69,863.63	11,88,071.63	9,97,793.64
Aggregate Unsecured Loans	1,32,226.30	1,85,982.47	1,81,327.48
Total	16,02,089.93	13,74,054.10	11,79,121.12

Total Current Borrowings	14,55,387.49	11,81,907.83	9,95,161.67
Total Non-Current Borrowings	1,46,702.44	1,92,146.27	1,83,959.45
	16,02,089.93	13,74,054.10	11,79,121.12



Disclosure of details of security, terms of repayments and rate of interest of borrowings:

	As at 31-March-17 ₹ in Lakhs	As at 31-March-16 ₹ in Lakhs	As at 01-April-15 ₹ in Lakhs
A Term Loan from Banks and Financial Institutions			
1 Secured by :	3,92,811.57	3,89,081.82	3,14,048.39
(i) Charge on land and building situated at Thane.			
(ii) Charge over project receivables.			
(iv) Personal Guarantee of the Director/ Other			
Terms of Repayment :			
Repayment Starting from June-2016 ending on October-2026.			
Effective Rate of Interest :			
Rate of Interest range from 11.25 % to 15.10 % p.a.			
2 Secured by :	5,87,654.12	6,38,815.28	5,69,252.20
(i) Charge on land and building situated at Mumbai			
(ii) Charge over project receivables.			
Terms of Repayment :			
Repayment starting from June -2017 ending on August-2025			
Effective Rate of Interest :			
Rate of Interest range from 11.15 % to 17.50 % p.a.			
3 Secured by :	33,280.60	29,534.01	-
(i) Charge on land and building situated at Pune			
(ii) Charge on Inventory and receivables.			
Terms of Repayment :			
Repayment starting from December-2018 ending on September-2020.			
Effective Rate of Interest :			
Rate of Interest from 12.00% p.a.			
4 Secured by :	27,000.00	27,000.00	22,000.00
Pledge of Debentures issued by the Group			
Personal guarantee of one of the director			
Terms of Repayment :			
Repayment starting from September- 2017 and ending on December-2017			
Effective Rate of Interest :			
Rate of Interest from 15.00% p.a.			
5 Secured by :	596.91	-	-
Secured against residential property situated at Mumbai			
Terms of Repayment :			
139 equal monthly installment by the end of January, 2020.			
Effective Rate of Interest :			
Rate of Interest range from 13.50 % to 14.50 % p.a.			
6 Secured by:	-	-	1,582.01
Exclusive mortgage charge on specific assets			
Terms of repayment :			
28 instalments after a moratorium of 25 months from the date of 1st Drawdown.			
Effective Rate of Interest			
6 month USD Libor + 475 bps p.a.			
7 Secured by :	2,030.58	-	-
Personal guarantee of one of the director			
Terms of Repayment :			
Repayment on or before 45th day of disbursement/ or on Demand			
Rate of Interest :			
Rate of Interest 18.5 % p.a.			
B Vehicle Loans			
Secured by :	54.51	110.57	150.64
Hypothecation of Vehicles			
Terms of Repayment :			
Repayment starting from February- 2014 and ending on August -2018			
Rate of Interest :			
Rate of Interest range from 10.76 % to 11.40 % p.a.			



	As at 31-March-17 ₹ in Lakhs	As at 31-March-16 ₹ in Lakhs	As at 01-April-15 ₹ in Lakhs
C Non Convertible Debentures			
Secured by :	4,08,866.00	85,230.00	95,730.00
(i) Charge on land and building situated at Mumbai and Thane			
(ii) Charge over project receivables.			
Terms of Repayment :			
Repayment at the end of the term upto March-2021			
Rate of Interest range from 13.00 % to 18.00 % XIRR			
D Compulsory Convertible Debentures	-	49,988.18	49,988.18
Terms of Repayment :			
Every 45,450 Compulsorily Convertible Debentures was to be converted into 1 Equity Share on or at any time before 31st December, 2016 as may be mutually agreed between the Parties.			
Effective Rate of Interest :			
Rate of Interest 14.5 % p.a.			
E Cash Credit/ Overdraft Facility			
Secured by :	21,584.83	23,427.49	707.90
Personal guarantee of one of the director			
Terms of Repayment :			
Repayable on demand			
Effective Rate of Interest :			
Rate of Interest range from 12.00 % to 15.75 % p.a.			
F Senior Notes	1,29,677.20	1,32,285.60	1,25,060.03
Secured by :			
The aggregate potential liability of the Parent Guarantor and all Subsidiary Guarantors directly held by the Parent Guarantor under their Note Guarantees will be capped initially at an amount equal to 175.00 % of the aggregate principal amount of the Notes, being US\$350,000,000;			
the aggregate potential liability of all Subsidiary Guarantors indirectly held by the Parent Guarantor under their Note Guarantees will be capped initially at an amount equal to 125.00 % of the total aggregate principal amount of the Notes, being US\$250,000,000;			
Terms of Repayment :			
Redemption upto March 13, 2020			
Effective Rate of Interest :			
Rate of Interest 12 % p.a.			
G Related Parties	2,778.29	4,985.34	5,091.50
Repayable on demand			
Effective Rate of Interest :			
Rate of Interest range from 12.00 % to 14 % p.a.			
H Others	2,416.62	2,294.04	3,982.80
Repayable on demand			
Effective Rate of Interest :			
Rate of Interest range from 12.00 % to 13.5 % p.a.			

* Above note represents outstanding borrowings before netting off loan issue cost.



	As at 31-March-17 ₹ in Lakhs	As at 31-March-16 ₹ in Lakhs	As at 01-April-15 ₹ in Lakhs
22 Trade Payables			
Due to Micro and Small Enterprises	5,619.84	913.80	1,122.69
Due to Others	2,33,163.12	2,24,942.35	1,77,787.56
Total	2,38,782.96	2,25,856.15	1,78,910.25
Total Current Trade Payables	2,35,307.32	2,19,690.96	1,71,271.57
Total Non-Current Trade Payables	3,475.64	6,165.19	7,638.68
	2,38,782.96	2,25,856.15	1,78,910.25
Terms and conditions:			
i) Trade payables are non-interest bearing and are normally settled as per agreed terms.			
ii) For terms and conditions with related parties, refer to Note 49.			
23 Other Financial Liabilities			
Current Maturities of Long Term Debt			
From Banks	1,428.28	2,196.06	1,548.95
From Others	601.82	530.00	464.47
Interest accrued but not due on Borrowings	46,112.83	61,537.46	13,089.90
Payable for Capital Assets	169.15	2,423.55	358.56
Other Payables			
Deposits	5,693.79	5,553.79	5,390.75
Deferred Liability against Purchase of Land	2,37,927.50	2,39,137.71	2,76,043.82
Contribution received under a Financial arrangement	11,735.31	11,735.31	11,735.31
Cancelled Flats	10,747.13	8,200.41	7,160.80
Temporary Book Overdraft	32.70	242.25	300.02
Other Liabilities	1,48,486.40	1,17,063.06	35,722.82
Financial Guarantee Contracts	244.90	358.47	155.79
Total	4,63,179.81	4,48,978.07	3,51,971.19
Total Current Other Financial Liabilities	4,49,846.17	4,35,198.18	3,39,588.51
Total Non-Current Other Financial Liabilities	13,333.64	13,779.89	12,382.68
	4,63,179.81	4,48,978.07	3,51,971.19
24 Provisions			
Employee Benefits			
Gratuity	1,752.44	1,442.85	1,439.71
Leave Obligation	1,422.67	1,349.68	964.27
Others	6.79	5.34	11.65
Total	3,181.90	2,797.87	2,415.63
Total Current Provisions	916.21	660.81	631.76
Total Non-Current Provisions	2,265.69	2,137.06	1,783.87
	3,181.90	2,797.87	2,415.63
25 Current Tax Liabilities (net)			
Provision for Income Tax	2,212.28	-	-
Total	2,212.28	-	-
26 Other Current Liabilities			
Advance received for procurement of land and materials	1,873.79	1,797.79	4,406.16
Advances received from Customers	5,74,516.80	5,24,563.09	6,40,009.43
Other Contractual Payments	1,371.85	1,371.85	1,371.85
Other Payables			
Duties and Taxes	18,696.33	32,998.49	26,428.60
Employee Payables	11,875.43	10,120.92	7,613.69
Other Liabilities	4,866.37	619.20	168.45
Contribution Payable as a Shareholder	-	578.18	1,176.49
Total	6,13,200.57	5,72,049.52	6,81,174.67



	For the Year ended 31-March-17 ₹ in Lakhs	For the Year ended 31-March-16 ₹ in Lakhs
27 Revenue from Operations		
Income from Property Development	7,25,769.86	7,27,128.90
Sale of Land / Development Right's	5,009.59	3,380.33
Sale of Building Materials	34,994.11	60,293.51
Income from Contract / Support Services	29,904.81	35,365.16
Other Operating Revenue (net)	5,118.43	5,199.37
Total	8,00,796.80	8,31,367.27
28 Other Income		
Rent Income	1,163.00	211.01
Gains arising from derecognition of financial assets	17.53	1,202.74
Dividend on Current Investments	67.12	2,166.47
Sundry Balances / Excess Provisions no longer required written back (net)	1,966.33	629.61
Foreign Exchange Gain (net)	1,602.64	-
Miscellaneous Income (net)	1,839.65	646.83
Total	6,656.27	4,856.66
29 Cost of Projects		
Opening Stock		
Land and Property Development Work-in-Progress	20,45,247.73	18,71,202.86
Finished Stock	38,061.54	31,292.23
Add : Expenditure during the year		
Land, Construction and Development Cost	3,22,442.56	3,89,797.66
Building Materials Consumed (net)	1,22,073.08	92,711.81
Purchase of Building Materials	34,941.62	60,203.07
Other Construction Expenses	11,611.55	9,616.71
Overheads Allocated	1,60,930.32	1,60,953.74
Add / (Less) :		
Adjustment on account of Acquisition / Disposal of Subsidiaries	5,159.19	-
Transferred to Capital Work-in-Progress (net)	(19,039.56)	(11,518.35)
Others	(608.21)	(2,518.09)
Less: Closing Stock		
Land and Property Development Work-in-Progress	(21,49,188.82)	(20,45,247.73)
Finished Stock	(38,007.53)	(38,061.54)
Total	5,33,623.47	5,18,432.37
30 Employee Benefits Expense		
Salaries and Wages	66,869.10	63,991.64
Contribution to Provident and Other Funds	2,434.38	2,186.05
Staff Welfare	843.45	1,260.03
	70,146.93	67,437.72
Less: Allocated to Cost of Projects	(24,451.83)	(26,747.35)
Total	45,695.10	40,690.37
31 Finance Costs (Net)		
Interest Expense on Borrowings and Others	2,23,147.49	2,30,100.87
Other Borrowing Costs	8,151.96	9,116.66
	2,31,299.45	2,39,217.53
Less: Interest Income on / from:		
Loans / Advances / Deposits	(52,416.35)	(41,587.48)
Debentures / Bonds - Long-Term Investments	(21,959.27)	(19,734.11)
Customers	(5,339.04)	(2,618.96)
Others	(220.53)	(327.80)
	1,51,364.26	1,74,949.18
Less: Allocated to Cost of Projects	(1,34,406.01)	(1,24,085.38)
Total	16,958.25	50,863.80



	For the Year ended 31-March-17 ₹ in Lakhs	For the Year ended 31-March-16 ₹ in Lakhs
32 Other Expenses		
Rent	1,642.53	1,805.73
Rates and Taxes	3,644.07	2,604.92
Insurance	62.24	77.79
Electricity	409.35	392.39
Postage / Telephone / Internet	680.94	657.72
Printing and Stationery	490.72	742.38
Legal and Professional	6,613.20	7,580.26
Payment to Auditors as:		
Audit Fees	206.12	336.12
Taxation matters	37.60	99.00
Other services	35.96	146.36
Advertising / Consultancy / Exhibitions	13,722.46	14,089.65
Brokerage	7,392.68	7,660.05
Business / Sales Promotion	6,185.62	7,230.63
Travelling and Conveyance	2,413.67	2,259.12
Bank Charges	1,322.97	926.76
Donations	2,611.88	2,820.66
Corporate Social Responsibility Expenses	186.70	1,345.34
Foreign Exchange Loss (net)	-	160.38
Loss on Sale of Property, Plant & Equipment	11.39	391.11
Provision for Diminution in value of Investments	-	2,000.00
Provision for Doubtful Receivables and Advances / Deposits	240.76	2,553.29
Miscellaneous Expenses	16,413.41	17,309.45
	<u>64,324.27</u>	<u>73,189.11</u>
Less: Allocated to Cost of Projects	<u>(2,072.48)</u>	<u>(10,121.01)</u>
Total	<u>62,251.79</u>	<u>63,068.10</u>



33 Tax Expense

a) The major components of Income Tax expense for the years ended 31-March-2017 and 31-March-2016 are as follows:

Consolidated statement of profit and loss:

Profit or loss section:

Income Tax

Current Income Tax:

	For the Year ended 31-March-17 ₹ in Lakhs	For the Year ended 31-March-16 ₹ in Lakhs
Current Income Tax charge	(55,729.86)	(44,017.36)
MAT Credit eligible for set off	1,594.52	828.61
Adjustments in respect of current Income Tax of previous year	6,443.00	3,735.86

Deferred Tax:

Origination and reversal of temporary differences	12,005.11	(5,595.62)
Adjustments in respect of previous year	(5,174.35)	(1,582.28)
Income Tax expense reported in the statement of profit or loss	(40,861.58)	(46,630.79)

OCI section

Deferred Tax related to items recognised in OCI during the year:

Net gain on revaluation of land and buildings	(12,908.22)	-
Net loss/(gain) on remeasurements of defined benefit plans	17.83	(2.95)
Income Tax charged to OCI	(12,890.39)	(2.95)

b) Reconciliation of Tax Expense and the Accounting Profit for the year as under:

	For the Year ended 31-March-17 ₹ in Lakhs	For the Year ended 31-March-16 ₹ in Lakhs
Accounting Profit Before Tax	1,01,351.11	1,14,761.99
Income tax expenses calculated at corporate tax rate	(35,383.04)	(40,783.02)
Adjustments in respect of Income Tax of previous years	6,443.00	3,735.86
Profit / (Loss) from Partnership Firms	(1,294.12)	226.31
Deductible expenses for Tax purposes:		
Income which is exempt	255.76	296.62
Deduction under the Tax Laws	446.50	417.25
Other deductible expenses	677.24	847.84
Income which is taxed at Special Rate	48.20	227.86
Non-deductible expenses for Tax purposes:		
Permanent disallowance of Expenses	(345.22)	(326.41)
Donation / CSR Expenses	(926.00)	(1,417.69)
Other non-deductible expenses	(1,862.35)	(5,187.20)
Capital Loss	(293.46)	(42.91)
Interest on Income Tax	(3,453.74)	(3,043.02)
Adjustments in respect of Deferred Tax of previous year	(5,174.35)	(1,582.28)
Tax expense reported in the Statement of Profit and Loss	(40,861.58)	(46,630.79)

c) The major components of deferred tax (liabilities)/assets arising on account of timing differences are as follows:

	31-March-17 ₹ in Lakhs	31-March-16 ₹ in Lakhs	01-April-15 ₹ in Lakhs
Deferred Tax relates to the following:			
Accelerated depreciation for Tax purposes	(1,452.24)	(13,253.27)	(18,466.74)
Expenses allowable but not charged to Statement of Profit and Loss	(48,076.27)	(49,230.27)	(53,824.23)
Revaluation of Land	(12,908.22)	-	-
Carried Forward Business Loss / Unabsorbed Depreciation	3,207.67	6,144.58	25,985.10
Others	1,059.25	4,069.81	1,648.20
Net Deferred Tax Liabilities	(58,169.81)	(52,269.15)	(44,657.67)
		Profit and Loss	
		31-March-17 ₹ in Lakhs	31-March-16 ₹ in Lakhs
Accelerated depreciation for Tax purposes		(10,009.19)	6,644.69
Expenses allowable but not charged to Statement of Profit and Loss		3,532.82	4,960.38
Carried Forward Business Loss / Unabsorbed Depreciation		(1,222.92)	1,119.08
Others		14,530.05	(19,902.05)
Deferred Tax (Expense)/Income		6,830.76	(7,177.90)

d) Reconciliation of Deferred Tax Liabilities (net) :

	31-March-17 ₹ in Lakhs	31-March-16 ₹ in Lakhs
Opening balance as of 1 April	(52,269.15)	(44,657.67)
Tax income/(expense) during the year recognised in profit or loss	6,830.76	(7,177.90)
Tax income/(expense) during the year recognised in OCI	(12,890.39)	(2.95)
Deferred Taxes acquired in Business combinations	158.97	(430.63)
Closing balance as at 31st March	(58,169.81)	(52,269.15)



34 Category wise classification of financial Instruments

	As at 31-March-17 ₹ in Lakhs	As at 31-March-16 ₹ in Lakhs	As at 01-April-15 ₹ in Lakhs
Financial Assets carried at amortised cost			
Loans (Note 7)	1,77,390.64	1,25,650.04	68,953.20
Other Financial Assets (Note 8)	2,45,401.89	1,57,807.63	66,367.94
Trade Receivable (Note 11)	60,428.09	68,588.30	1,07,727.37
Cash and Cash Equivalents (Note 12)	18,257.08	19,941.72	33,621.01
Bank Balances other than Cash and Cash Equivalents (Note 13)	8,982.10	10,526.48	9,870.31
Total Financial Assets carried at amortised cost	5,10,459.80	3,82,514.17	2,86,539.83

Break up of Financial Liabilities carried at amortised cost

Borrowings (Note 21)	16,02,089.93	13,74,054.10	11,79,121.12
Trade Payables (Note 22)	2,38,782.97	2,25,856.15	1,78,910.24
Other Financial Liabilities (Note 23)	4,63,179.81	4,48,978.07	3,51,971.19
Total Financial Liabilities carried at amortised cost	23,04,052.71	20,48,888.32	17,10,002.55



35 Significant Accounting Judgements, Estimates and Assumptions

The preparation of the Group's Consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Estimates and judgements are continuously evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future period affected.

Judgements, Estimates and Assumptions

The Group makes certain judgement, estimates and assumptions regarding the future. Actual experience may differ from these judgements, estimates and assumptions. The estimates and assumptions that have significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

Operating Lease Commitments – Group as Lessor

The Group has entered into commercial property leases. The Group has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the commercial property and the fair value of the asset, that it retains all the significant risks and rewards of ownership of these properties and accounts for the contracts as operating leases.

Useful Life of Property, Plant and Equipments, Intangible Assets and Investment Properties

The Group determines the estimated useful life of its property, plant and equipments, investment properties and intangible assets for calculating depreciation/ amortisation. The estimate is determined after considering the expected usage of the assets or physical wear and tear. The Group periodically reviews the estimated useful life and the depreciation/ amortisation method to ensure that the method and period of depreciation/ amortisation are consistent with the expected pattern of economic benefits from these assets.

Revaluation of Property, Plant and Equipment

The Group measures Land and buildings classified as property, plant and equipment at revalued amounts with changes in fair value being recognised in Other Comprehensive Income (OCI). The Group has engaged an independent valuer to assess the fair value periodically. Land and Building is valued by reference to market-based evidence, using comparable prices adjusted for specific market factors such as nature, location and condition of the property.

Impairment of Non-Financial Assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. An assessment is carried to determine whether there is any indication of impairment in the carrying amount of the Group's assets. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount.

Income Taxes

Significant judgments are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

Defined Benefit Plans (Gratuity and Leave Encashment Benefits)

The costs of providing pensions and other post-employment benefits are charged to the Consolidated Statement of Profit and Loss in accordance with Ind AS 19 'Employee benefits' over the period during which benefit is derived from the employees' services. The costs are assessed on the basis of assumptions selected by the management. These assumptions include salary escalation rate, discount rates, expected rate of return on assets and mortality rates.

Fair Value Measurement of Financial Instruments

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques, including the discounted cash flow model, which involve various judgements and assumptions.

Revenue Recognition

Determination of revenue under the percentage of completion method necessarily involves making estimates by the Group, some of which are technical in nature, concerning, where relevant, the percentage of completion, costs to completion, the expected revenues from the project and the foreseeable losses to completion. Provision for foreseeable losses, determination of profit from real estate projects and valuation of construction work in progress is based on such estimates.

36 Company Information

The Subsidiaries, Associates, Partnership Firm and Limited Liability Partnership considered in the Consolidated Financial Statement are :

a) Subsidiaries

Sr. No.	Name of the Company	Principal activities	Country of Incorporation	Percentage of Holding as on		
				31-March-17	31-March-16	01-April-15
1	Adinath Builders Pvt. Ltd.	Real Estate	India	100.00%	100.00%	100.00%
2	Ajitnath Hi-Tech Builders Pvt. Ltd. ¹	Real Estate	India	100.00%	100.00%	100.00%
3	Aanant Developers Pvt. Ltd.	Real Estate	India	99.00%	99.00%	82.10%
4	Anantnath Constructions and Farms Pvt. Ltd.	Real Estate	India	100.00%	100.00%	100.00%
5	Arihant Premises Pvt. Ltd. ²	Real Estate	India	100.00%	100.00%	100.00%
6	Beilissimo Hi-Rise Builders Pvt. Ltd.	Real Estate	India	100.00%	100.00%	100.00%
7	Cowtown Infotech Services Pvt. Ltd. (Formerly known as Cowtown Land Development Pvt. Ltd.)	Real Estate	India	100.00%	100.00%	100.00%
8	Dalhousie Leasing and Financial Services Pvt. Ltd.	NBFC	India	100.00%	100.00%	100.00%
9	Hi-Class Buildcon Pvt. Ltd.	Real Estate	India	80.00%	80.00%	80.00%
10	Hotel Rahat Palace Pvt. Ltd.	Real Estate	India	100.00%	100.00%	100.00%
11	Lodha Developers Thane Pvt. Ltd. (Formerly known as Ishwer Realty and Technologies Pvt. Ltd.)	Real Estate	India	100.00%	100.00%	100.00%
12	Jawala Real Estate Pvt. Ltd.	Real Estate	India	100.00%	100.00%	100.00%
13	Kidderpore Holdings Ltd.	Real Estate	India	-	100.00%	100.00%
14	Krona Realities Pvt. Ltd. ³	Real Estate	India	-	-	100.00%
15	Kundan Realtors Pvt. Ltd.	Real Estate	India	100.00%	100.00%	100.00%
16	Lodha Aviation Pvt. Ltd.	Real Estate	India	100.00%	100.00%	100.00%
17	Lodha Buildcon Pvt. Ltd.	Real Estate	India	100.00%	100.00%	100.00%



Sr. No.	Name of the Company	Principal activities	Country of Incorporation	Percentage of Holding as on		
				31-March-17	31-March-16	01-April-15
18	Lodha Building and Construction Pvt. Ltd. ⁴	Real Estate	India	-	-	100.00%
19	Belissimo Crown Buildmart Pvt. Ltd. (formerly known as Lodha Crown Buildmart Pvt. Ltd.)	Real Estate	India	100.00%	100.00%	100.00%
20	Lodha Designer Construction Pvt. Ltd. ⁵	Real Estate	India	-	-	100.00%
21	Lodha Developers International (Jersey) III Ltd.	Project	Jersey Island	99.95%	99.95%	99.95%
22	Lodha Developers International Ltd.	Marketing and	Mauritius	99.95%	99.95%	99.95%
23	Lodha Developers UK Ltd.	Support service activities	United Kingdom	99.95%	99.95%	99.95%
24	Lodha Elevation Buildcon Pvt. Ltd.	Real Estate	India	69.80%	25.00%	25.00%
25	Lodha Estate Pvt. Ltd.	Real Estate	India	100.00%	100.00%	100.00%
26	Lodha Home Developers Pvt. Ltd. ⁶	Real Estate	India	-	-	100.00%
27	Lodha Ideal Buildcon Pvt. Ltd. ⁶	Real Estate	India	-	-	100.00%
28	Lodha Impression Real Estate Pvt. Ltd.	Real Estate	India	100.00%	100.00%	100.00%
29	Lodha Land Developers Pvt. Ltd. ⁷	Real Estate	India	-	-	100.00%
30	Mahavir Premises Pvt. Ltd. ⁷	Real Estate	India	-	-	100.00%
31	Microtec Constructions Pvt. Ltd.	Real Estate	India	100.00%	100.00%	100.00%
32	Nabhiraja Software Design Pvt. Ltd.	Real Estate	India	100.00%	100.00%	100.00%
33	National Standard (India) Ltd.	Real Estate	India	73.94%	73.94%	73.94%
34	Odeon Theatres and Properties Pvt. Ltd.	Real Estate	India	100.00%	100.00%	100.00%
35	Odeon Theatres Pvt. Ltd.	Real Estate	India	100.00%	100.00%	100.00%
36	Palava City Management Pvt. Ltd.	Real Estate	India	100.00%	100.00%	100.00%
37	Palava Dwellers Pvt. Ltd.	Real Estate	India	100.00%	100.00%	100.00%
38	Roselabs Finance Ltd.	NBFC	India	74.25%	74.25%	74.25%
39	Saravara Buildtech Pvt. Ltd.	Real Estate	India	100.00%	100.00%	100.00%
40	Sanathnagar Enterprises Ltd.	Real Estate	India	90.03%	90.03%	90.03%
41	Saravasa Buildtech and Farms Pvt. Ltd.	Real Estate	India	100.00%	100.00%	100.00%
42	Shree Sainath Enterprises Construction and Developers Pvt. Ltd.	Real Estate	India	100.00%	100.00%	100.00%
43	Shreenivas Cotton Mills Ltd.	Real Estate	India	95.30%	95.30%	95.30%
44	Siddhant Residential Paradise Pvt. Ltd.	Real Estate	India	100.00%	100.00%	100.00%
45	Simtools Pvt. Ltd.	Real Estate	India	65.74%	25.00%	25.00%
46	Silaldas Estate Pvt. Ltd.	Real Estate	India	91.18%	91.18%	91.18%
47	Shri Kailas Properties and Agro Farms Pvt. Ltd. ⁸	Real Estate	India	100.00%	100.00%	-
48	Manan Finserve Pvt. Ltd. ⁹	NBFC	India	-	-	100.00%
49	Lodha Finserve Pvt. Ltd. (formerly known as Sai Ishwer Finvest Pvt. Ltd.) ⁹	NBFC	India	-	-	100.00%
50	Shreenivas Abode and House Pvt. Ltd. ⁹	Real Estate	India	-	-	95.30%
51	Suryakrupa Constructions Pvt. Ltd. ¹⁰	Real Estate	India	-	100.00%	100.00%
52	Belissimo Facilities Management Ltd. (formerly known as Lodha Facilities Management Ltd.)	Real Estate	India	99.99%	-	-
53	Jineshwer Real Estate And Farms Pvt. Ltd.	Real Estate	India	99.99%	-	-
54	Marutinandan Real Estate Developers Pvt. Ltd.	Real Estate	India	99.99%	-	-

Notes:

- 1 Demerged with Shri Kailas Properties and Agrofarms Pvt. Ltd. w.e.f. 02-April-16, Appointed date being 01-April-15.
- 2 Demerged w.e.f. 30-June-16 Appointed date being 01-April-15 with the Company, the resultant Company.
- 3 Merged with Saravasa Buildtech and Farms Pvt. Ltd. w.e.f. 08-April-16, Appointed date being 01-November-14.
- 4 Merged with the Lodha Developers Pvt Ltd, the Holding Company w.e.f. 20-June-16, Appointed date being 1-April-15.
- 5 Merged with Shree Sainath Enterprises Construction and Developers Pvt. Ltd. w.e.f. 25-May-16, Appointed date being 01-November-15.
- 6 Merged with Suryakrupa Construction Pvt. Ltd. w.e.f. 08-June-16, Appointed date being 15-March-15.
- 7 Merged with the Lodha Developers Pvt Ltd, the Holding Company w.e.f. 20-June-16, Appointed date being 1-April-15.
- 8 Acquired by Belissimo Hi-Rise Builders Pvt. Ltd. (the company's subsidiary) from 16-August-15.
- 9 Loss of control over these entities during March 2016.
- 10 Merged with the Lodha Developers Pvt Ltd, the Holding Company w.e.f. 1-June-17, Appointed date being 1-April-15.

b) Associates

Sr. No.	Name of the Company	Country of Incorporation	Percentage of Holding as on		
			31-March-17	31-March-16	01-April-15
1	Kora Constructions Pvt. Ltd.	India	44.00%	44.00%	44.00%
2	Lodha Developers International (Netherlands) B. V.	Netherlands	40.62%	40.62%	40.00%
3	Lodha Developers International (Jersey) I Holdings Ltd.	Jersey	40.62%	40.62%	40.00%
4	Lodha Developers TGSQ Ltd. (Subsidiary of 2 above)	Jersey	40.62%	40.62%	40.00%
5	Lodha Developers 48CS Ltd. (Subsidiary of 3 above)	Jersey	40.62%	40.62%	40.00%
6	Lodha Developers International Holdings Ltd.	Mauritius	40.00%	40.00%	40.00%
7	Tropical Adventure Ltd.	Mauritius	40.00%	40.00%	40.00%
8	Lodha Developers Dorset Close Ltd. (Subsidiary of 4 above)	Jersey	40.62%	40.62%	40.00%

c) Limited Liability Partnerships

Sr. No.	Name of the Limited Liability Partnerships	Country of Registration	Percentage of Holding as on		
			31-March-17	31-March-16	01-April-15
1	Lodha Fincorp Distribution Services LLP	India	100.00%	100.00%	100.00%

d) Partnership Firms

Sr. No.	Name of the Partnership Firm	Country of Registration	Percentage of Holding as on		
			31-March-17	31-March-16	01-April-15
1	Mahavir Associates	India	40.00%	40.00%	40.00%
2	Vivek Enterprises	India	100.00%	100.00%	100.00%



e) Under Indian GAAP, following Companies were not Consolidated as the control was intended to be temporary in nature.

Sr. No.	Name of the company
1	Kidderpore Holdings Ltd.
2	Odeon Theatres and Properties Pvt. Ltd.
3	Hotel Rahat Palace Pvt. Ltd.

Under IND AS, these companies have been consolidated from the date of transition i.e. 01-April-15 as per IND AS 110 - Consolidated Financial Statements.

37 Commitments and Contingencies

a. Leases

Operating Lease Commitments — Company as Lessee

The Group has entered into cancellable and non-cancellable operating leases on commercial premises, with the terms between three and ten years. The Lease Agreement is usually renewable by mutual consent on mutually agreeable terms.

The Group has paid ₹ 207.88 lakhs (31- March-16: ₹ 216.45 lakhs) during the year towards minimum lease payment in respect of cancellable operating lease.

The Group has paid ₹ 1,434.66 lakhs (31- March-16: ₹ 1,376.11 lakhs) during the year towards minimum lease payment in respect of non-cancellable operating lease.

Future minimum rentals payable under non-cancellable operating leases are, as follows:

	31-March-17 ₹ in lakhs	31-March-16 ₹ in lakhs	01-April-15 ₹ in lakhs
Within one year	617.17	645.48	541.37
After one year but not more than five years	2,085.33	3,065.67	2,212.31
More than five years	1,020.84	1,122.57	1,626.02
	3,723.34	4,833.72	4,379.70

Operating Lease Commitments — Company as Lessor

The Group has entered into cancellable and non-cancellable operating leases on its commercial premises. These leases have terms of between five and 20 years. All leases include a clause to enable upward revision of the rental charge on an annual basis according to prevailing market conditions.

The Group has received ₹ 26.34 lakhs (31- March-16: ₹ 26.11 lakhs) during the year towards minimum lease payment in respect of cancellable operating lease.

The Group has received ₹ 835.11 lakhs (31- March-16: ₹ 721.16 lakhs) during the year towards minimum lease payment in respect of non-cancellable operating lease.

Future minimum rentals receivable under non-cancellable operating leases are, as follows:

	31-March-17 ₹ in lakhs	31-March-16 ₹ in lakhs	01-April-15 ₹ in lakhs
Within one year	382.07	95.85	85.19
After one year but not more than five years	2,015.48	379.54	286.84
More than five years	5.82	4.57	6.70
	2,403.37	479.96	378.73

b. Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for:	31-March-17 ₹ in lakhs	31-March-16 ₹ in lakhs	01-April-15 ₹ in lakhs
(i) The Group has outstanding commitment of USD Nil as at 31 March-17, USD 5.00 lakhs as at 31-March-16, USD 5.00 lakhs as at 01- April-15 in the event of cancellation of licence and Design and Service agreement entered into with Yoo Designers Limited.	-	330.70	312.65
(ii) Obligation to pay lease rentals to MMRDA over the 65 years of lease period.	1,269.90	-	-
(iii) Estimated amount of contracts remaining to be executed on capital account is and not provided for (net of advances).	5,466.26	3,160.92	1,903.46

c. Contingent Liabilities

Claims against the company not acknowledged as debts	31-March-17 ₹ in lakhs	31-March-16 ₹ in lakhs	01-April-15 ₹ in lakhs
(i) Disputed Demands of Customers excluding amounts not ascertainable.	3,009.54	5,759.52	1,702.80
(ii) Corporate Guarantees Given	69,175.05	48,671.04	22,556.75
(iii) Disputed Taxation Matters	22,759.88	13,780.84	5,916.36
(iv) Others	916.09	2,452.00	4,044.49

The Group has assessed that it is only possible, but not probable, that outflow of economic resources will be required.

38 Penalties under section 271D and 271E of the Income Tax Act, 1961 have been levied by the Income Tax Department for the various Assessment years. Penalties levied by the department on similar facts have been deleted by the Appellate authorities. This is also supported by the decision of Hon'ble Delhi High Court in the case of CIT vs Worldwide Township Projects Ltd and by Hon'ble Supreme Court in the case of CIT vs Dinesh Jain. Further, on the basis of expert legal opinion obtained by the management the levy of penalty is not sustainable and consequently provision for the same is not considered necessary by the management.

39 In case of pending appeals filed by the Income Tax Department against the favourable orders, the management, based on legal opinion obtained, is confident that the outcome would be favourable and no further liability is likely to accrue.

40 An amalgamated Subsidiary had filed a legal case against certain persons Inter alia for restraining the said Defendants from claiming any right, title and interest in respect of the Property which is being developed by Plaintiff in terms of the Grant of Development Rights entered into with Defendant. In the opinion of the management, outcome of these cases would have no bearing on the progress of the project.

41 Consequent to Order dated 04-June-13 of SEBI served to a Subsidiary, it is in the process of complying with the requirements of Rule 19(2)(b) of Securities Contracts (Regulation) (Amendment) Rules 2010, with regard to achieving public shareholding at the prescribed minimum level of 25% of the total equity shares issued by the said subsidiary, impact whereof is presently not ascertainable.

42 Disposal of Subsidiaries has resulted in increase of Networth in current year by ₹ 24.07 lakhs (As on 31-March-16 (Decrease): ₹ 226.75 lakhs, As on 01-April-15 (Decrease): ₹ 265.74 lakhs) and increase in profit for the year by ₹ 24.07 lakhs (As on 31-March-16 : ₹ 38.99 lakhs, As on 01-April-15 (Decrease) : ₹ 4.44 lakhs).



43. Land and Property Development: Work-in-Progress and Finished Goods include:

- Land of ₹ 40,383.16 lakhs as at 31-March-17; ₹ 55,528.33 lakhs as at 31-March-16; ₹ 60,185.56 lakhs as at 01-April-15 for which conveyance is pending.
- Land of ₹ 55,560.89 lakhs as at 31-March-17; ₹ 82,071.53 lakhs as at 31-March-16; ₹ 82,462 lakhs as at 01-April-15 are held in the name of Promoters and / or ex-partner, on behalf of the Group pending execution of conveyance.
- ₹ 24,125.65 lakhs as at 31-March-17; ₹ 23,994.71 lakhs 31-March-16; ₹ 25,038.98 lakhs 01-April-15 representing Memorandum of Understanding / consent letters for purchase of land. In the opinion of the Management, final agreements in respect of the same would be executed in due course.
- Litigation is pending in respect of claims made by some persons for certain parcels of land belonging to the Group amounting to ₹ 1,493.21 lakhs as at 31-March-17; ₹ 1,493.21 lakhs as at 31-March-16. The Group has contested these claims and is confident of retaining its title to all such parcels of land.

44. In respect of Shreenivas Cotton Mills Ltd., a Subsidiary:

- In absence of records and information of the "Receipt and Payment Account" of the official liquidator for the intervening period from 25-July-84 to 03-August-09; no income / expenses could be accounted for the said period.
- The statement of discharge of liabilities (reflected in Other Current Liabilities) with reference to the Deposit of Nil as at 31-March-17; ₹ 354.46 lakhs 31-March-16; ₹ 354.46 lakhs 01-April-15 is awaited.
- Necessary accounting would be carried out on receipt of the statement / records / information from the Official Liquidator.

45. The details of Donation given to political parties is as under:

Particulars	(₹ in Lakhs)	
	For the year ended 31-March-17	For the year ended 31-March-16
Bharatiya Janata Party	-	25.00

46. As per the Notification issued by the Ministry of Corporate Affairs on 30-March-17, the details of Specified Bank Notes (SBN) held and transacted during the period from 08-November-16 to 30-December-16 as provided in the table below:

Particulars	(₹ in Lakhs)		
	SBNs	Other denomination notes	Total
Closing cash in hand as on 08-November-16	27.19	3.63	30.82
(+) Permitted receipts	0.09	173.09	173.18
(-) Permitted payments	(27.19)	(33.19)	(60.38)
(-) Amount deposited in Banks	(0.09)	-	(0.09)
Closing cash in hand as on 30-December-16	-	143.53	143.53

47. Deferred tax liability is not required to be recognised on the temporary differences associated with undistributed earnings of Subsidiaries and Associates aggregating to ₹ 2,26,363 lakhs as at 31-March-17 (31-March-16: ₹ 2,02,343 lakhs, 01-April-15: ₹ 2,05,882 lakhs), since the earnings are continually reinvested by the Subsidiaries and Associates. These entities do not intend to pay dividends, and hence no tax is expected to be paid in the foreseeable future.

48. Gratuity and Leave Obligation

Particulars	31-March-17	31-March-16	01-April-15
	₹ in lakhs	₹ in lakhs	₹ in lakhs
Gratuity	1,752.44	1,442.85	1,439.71
Leave Obligation	1,422.67	1,349.68	964.27
Total	3,175.11	2,792.53	2,403.98

The Group has a funded defined benefit gratuity plan, which is a final salary plan for its employees. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the Act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age.

The following tables summarise the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet for the respective plans:

Leave Obligation		₹ in lakhs
Changes in the present value of the defined benefit obligation		964.27
Defined benefit obligation at 01-April-15		148.84
Interest cost		472.78
Current service cost		816.65
Transfer in/(out) obligation		(94.04)
Return on plan assets		(34.14)
Actuarial gain and losses		168.49
Experience adjustments		(1,093.17)
Benefits paid		1,349.68
Defined benefit obligation at 31-March-16		101.48
Interest cost		571.91
Current service cost		(4.85)
Transfer in/(out) obligation		0.31
Actuarial gain and losses		24.73
Experience adjustments		(620.59)
Benefits paid		1,422.67
Defined benefit obligation At 31-March-17		-

Gratuity Benefits		Obligation ₹ in lakhs	Fund ₹ in lakhs	Total ₹ in lakhs
Changes in the present value of the defined benefit obligation		1,831.02	(391.31)	1,439.71
Defined benefit obligation at 01-April-15		284.96	-	284.96
Current service cost		174.65	(40.61)	134.04
Interest cost		(651.12)	115.89	(535.23)
Transfer in/(out) obligation		-	13.94	13.94
Return on plan assets		(29.29)	-	(29.29)
Actuarial gain and losses		(170.64)	-	(170.64)
Experience adjustments		419.50	(114.14)	305.36
Benefits paid		-	-	-
Exchange differences		-	-	-
Defined benefit obligation at 31-March-16		1,859.08	(416.23)	1,442.85



Gratuity Benefits	Obligation ₹ in lakhs	Fund ₹ in lakhs	Total ₹ in lakhs
Changes in the present value of the defined benefit obligation	530.44		530.44
Current service cost	141.95	(47.45)	94.50
Interest cost	(22.14)	3.47	(18.67)
Transfer in/(out) obligation	0.00	11.38	11.38
Return on plan assets	28.89	0.05	28.93
Actuarial gain and losses	3.70		3.70
Experience adjustments	(340.07)	(0.63)	(340.70)
Benefits paid	2,201.85	(449.41)	1,752.44
Defined benefit obligation At 31-March-17			

The principal assumptions used in determining gratuity and leave encashment obligations for the Group's plans are shown below:

	31-March-17	31-March-16	01-April-15
	%	%	%
Discount rate:			
Gratuity	7.35%	7.90%	7.80%
Leave Obligation	7.35%	7.90%	7.80%
Future salary increases:			
Gratuity	5.00%	5.00%	5.00%
Leave Obligation	5.00%	5.00%	5.00%

Mortality Rate : Indian Assured Lives Mortality (2006-08) Table

Gratuity:	31-March-17	31-March-16	31-March-17	31-March-16
Assumptions	Discount rate	Discount rate	Future salary increases	Future salary increases
Sensitivity Level	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
	₹ in lakhs	₹ in lakhs	₹ in lakhs	₹ in lakhs
Impact on defined benefit obligation	2,325.62	2,037.04	2,299.93	2,009.34
Leave Obligation :	31-March-17	31-March-16	31-March-17	31-March-16
Assumptions	Discount rate	Discount rate	Future salary increases	Future salary increases
Sensitivity Level	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
	₹ in lakhs	₹ in lakhs	₹ in lakhs	₹ in lakhs
Impact on defined benefit obligations	1,506.42	1,447.97	1,511.77	13,924.95

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

The following payments are expected contributions to the defined benefit plan in future years:

	31-March-17	31-March-16
	₹ in lakhs	₹ in lakhs
Within the next 12 months (next annual reporting period)	157.68	167.08
Between 2 and 5 years	565.57	690.47
Between 5 and 10 years	775.32	1,031.44
Beyond 10 years	-	-
Total expected payments	1,498.57	1,888.99

The average duration of the defined benefit plan obligation w.r.t. gratuity at the end of the reporting year is 5.08 years (31-March-16: 5.56 years).

49 Related Party Transactions

Note 36 provides the information about the Group's structure including the details of the Subsidiaries, Associates, Partnership Firms and LLPs. Given below are the other related Parties and the amount of transactions that have been entered into with related parties for the relevant financial year.

A. List of Other Related Parties:

(As identified by the management), unless otherwise stated

As on 31-March-17

I Person having Control or Joint Control or Significant Influence

- | | |
|--------------------------------|-------------------|
| a. Mangal Prabhat Lodha (MPL) | Person in control |
| b. Close members of MPL family | |
| Manjula Lodha | Wife |
| Abhishek Lodha | Son |
| Vinti Lodha | Son's wife. |

II Ultimate Holding Company

Sambharnath Infrabuild and Farms Pvt. Ltd.

III Fellow Subsidiary

- 1 Bellissimo Properties Development Pvt. Ltd. (Formerly known as Lodha Properties Development Pvt. Ltd.)
- 2 Lodha Group UK Limited
- 3 New Court Developers Limited
- 4 New Court Holdings Limited
- 5 PCL Developers (Mauritius) Ltd. (w.e.f 7-April-16)

IV Entities controlled by person having control or joint control

- 1 Bellissimo Realtors Pvt. Ltd. (Formerly Known as Lodha Finstock Pvt. Ltd.)
- 2 Bellissimo Facilities Management Ltd. (Formerly Known as Lodha Facilities Management Ltd.) (upto 01-September-16)
- 3 Domaus Development and Technology Pvt. Ltd. (Formerly Known as Bellissimo Development and Technology Pvt. Ltd.) (upto 29-March-17)
- 4 Jinshwar Real Estate and Farms Pvt. Ltd. (upto 14-September-16)
- 5 Laxmiben Chedda Charitable Trust
- 6 Lodha and Shah Builders
- 7 Lodha Builders Pvt. Ltd.



8. Lodha Charitable Trust
9. Lodha Construction Pvt. Ltd.
10. Lodha Family Discretionary Trust (w.e.f 20-January-17)
11. Lodha Global Ltd.
12. Lodha Healthy Constructions and Developers Pvt. Ltd.
13. Mumbai Mile Regeneration Association
14. Pangea Holdings Ltd.
15. Piramal Chaturbhuj Trust
16. Sitaben Shah Memorial Trust
17. Carabuncle Development Private Limited (w.e.f 22-December-16 to 24-March-17)
18. Maruldev Facilities Management Private Limited (upto 29-March-17)

V Associates

1. Kora Construction Pvt. Ltd.
2. Lodha Developers International (Netherlands) B. V.
3. Lodha Developers International (Jersey) Holdings Ltd.
4. Lodha Developers 48 CS Ltd (Subsidiary of 3 above)
5. Lodha Developers 1 GSQ Ltd (Subsidiary of 2 above)
6. Lodha Developers International Holding Ltd.
7. Lodha Developers Dorset Close Ltd (Subsidiary of 5 above)
8. Tropical Adventures Ltd.

III A person who is a member of the KMP or a parent

1. Mangal Prabhat Lodha
2. Abhishek Lodha (Managing Director)
3. Rajendra Lodha (Whole Time Director)

As on 31-March-16

I Person having Control or joint control or significant influence

- | | |
|--------------------------------|-------------------|
| a. Mangal Prabhat Lodha (MPL) | Person in control |
| b. Close members of MPL family | |
| Abhishek Lodha | Son |
| Abhinandan Lodha | Son |
| Manjula Lodha | Wife |
| Vinli Lodha | Son's wife. |
| Sheetal Lodha | Son's wife. |

II Ultimate Holding Company

Sambhavnath Infrabuild and Farms Pvt. Ltd.

III Fellow Subsidiary

Lodha Properties Development Pvt. Ltd.

IV Entities controlled by person having control or joint control

1. Arthant Corporation
2. Arthant Premises
3. Akshat Developers
4. Costeria Nepean Sea Road Pvt. Ltd.
5. Dharamanath Buildtech and Farms Pvt. Ltd. (merged with Lodha Construction Pvt. Ltd. w.e.f. 25-May-16.
6. ITC Thane Facilities Management Pvt. Ltd.
7. Jineshwer Real Estate and Farms Pvt. Ltd.
8. Jay Ma Durga Buildtech Pvt. Ltd. (merged with Lodha Construction Pvt. Ltd. w.e.f. 25-May-16.
9. JVPD One Pvt. Ltd.
10. Lodha and Shah Builders
11. Lodha Antique Buildtech and Farms Pvt. Ltd. (merged with Lodha Construction Pvt. Ltd. w.e.f. 25-May-16.
12. Lodha Attractive Constructions and Farms Pvt. Ltd. (merged with Lodha Construction Pvt. Ltd. w.e.f. 25-May-16.
13. Lodha Builders Pvt. Ltd.
14. Lodha Charitable Trust
15. Lodha Construction Pvt. Ltd.
16. Lodha Development Management Pvt. Ltd.
17. Lodha Facilities Management Ltd.
18. Lodha Family Discretionary Trust
19. Lodha Finserve Pvt. Ltd. (formerly known as Sai Ishwer Finvest Pvt. Ltd.) (from 28-March-16)
20. Lodha Foundation
21. Lodha Finstock Pvt. Ltd.
22. Lodha Global Ltd.
23. Lodha Healthy Constructions and Developers Pvt. Ltd.
24. Lodha Knowledge Foundation
25. Lodha Land Scapes Pvt. Ltd. (merged with Lodha Construction Pvt. Ltd. w.e.f. 25-May-16.
26. Lodha Venture Pvt. Ltd.
27. Ma Padmavati Software and Infocom Pvt. Ltd.
28. Manuvinandan Real Estate Developers Pvt. Ltd.
29. Marudevi Software and Infocom Pvt. Ltd.
30. Mumbai Mile Regeneration Association
31. Pangea Holdings Pvt. Ltd.
32. Piramal Chaturbhuj Trust
33. Sitaben Shah Memorial Trust
34. Vatsal Hospitality Services Pvt. Ltd.
35. Mangalprabhat Lodha HUF
36. Ajeethnath Hi-Tech Buildtech LLP (From 31-December-14)
37. Lodha Dwellierz LLP (From 31-December-14)



V Associates

- 1 Kora Construction Pvt. Ltd.
- 2 Lodha Developers International (Netherlands) B.V.
- 3 Lodha Developers International (Jersey) I Holdings Ltd
- 4 Lodha Developers 48 CS Ltd (Subsidiary of 3 above)
- 5 Lodha Developers i GSQ Ltd (Subsidiary of 2 above)
- 6 Lodha Developers International Holdings Ltd
- 7 Lodha Developers Dorset Close Ltd (Subsidiary of 5 above)
- 8 Tropical Adventures Ltd

VI A person who is a member of the KMP or a parent

- 1 Mangal Prabhat Lodha (w.e.f. 01-April-16)
- 2 Abhishek Lodha (w.e.f. 09-March-16)
- 3 Anurag Singhvi

As on 01-April-15

I Person having Control or joint control or significant influence

- | | |
|--------------------------------|-------------------|
| a. Mangal Prabhat Lodha | Person in control |
| b. Close members of MPL family | |
| Abhishek Lodha | Son |
| Abhinandan Lodha | Son |
| Manjula Lodha | Wife |
| Vinti Lodha | Son's wife. |
| Sheetal Lodha | Son's wife. |

II Ultimate Holding Company

- Sambhavnath Infrabuild and Farms Pvt. Ltd.

III Fellow Subsidiaries

- 1 Lodha Properties Development Pvt. Ltd.
- 2 Lodha Ideal Buildcon Pvt. Ltd. (Upto 14-June-14)

IV Entities controlled by person having control or joint control

- 1 Arihant Corporation
- 2 Arihant Premises
- 3 Dharmanath Buildtech and Farms Pvt. Ltd.
- 4 Dharmanath Infra and Agro Pvt. Ltd.
- 5 Jineshwer Real Estate and Farms Pvt. Ltd.
- 6 Jay Ma Durga Buildtech Pvt. Ltd.
- 7 JVPD One Pvt. Ltd.
- 8 Kundan Realtors Pvt. Ltd. (Upto 28-May-13)
- 9 Lodha Builders Pvt. Ltd.
- 10 Lodha Buildtech Pvt. Ltd. (Upto 30-June-13)
- 11 Lodha Charitable Trust
- 12 Lodha Constructions Pvt. Ltd.
- 13 Lodha Facilities Management Ltd.
- 14 Lodha Family Discretionary Trust
- 15 Lodha Firstock Pvt. Ltd.
- 16 Lodha Global Ltd.
- 17 Lodha Healthy Constructions and Developers Pvt. Ltd.
- 18 Lodha Pranik Landmark Developers Pvt. Ltd. (Upto 30-June-13)
- 19 Lodha Ruling Realtors Pvt. Ltd.
- 20 Ma Padmavati Software and Infocom Pvt. Ltd.
- 21 Marudevi Software and Infocom Pvt. Ltd.
- 22 Pangea Holdings Pvt. Ltd.
- 23 Piramal Chaturbhuj Trust
- 24 Sitaben Shah Memorial Trust
- 25 Valsal Hospitality Services Pvt. Ltd.
- 26 Mangalprabhat Lodha HUF
- 27 Lodha Knowledge Foundation
- 28 Lodha Foundation
- 29 Ajeethnath Hi-Tech Buildtech LLP (From 31-December-14)
- 30 Lodha Dwellers LLP (From 31-December-14)

V Associates

- 1 Kora Construction Pvt. Ltd.
- 2 Lodha Developers International (Netherlands) B.V.
- 3 Lodha Developers International (Jersey) I Holdings Ltd.
- 4 Lodha Developers 48 CS Ltd (Subsidiary of 3 above)



6. Lodha Developers 13th Floor (Subsidiary of 2 above)
7. Arabian Developers Pvt. Ltd. (from 21-August-14 to 9-December-14)
8. Lodha Developers International Holdings Ltd.
9. Tropical Adventure Ltd.
10. Lodha Developers Dorset Close Ltd. (Subsidiary of 8 above)

VI A person who is a member of the KMP or a parent

Anurag Singhvi

B. Transactions during the year ended and Balances Outstanding with related parties are as follows:

(i) Outstanding Balances

(₹ in Lakhs)				
Sr. No.	Nature of Transactions	As on	Holding Company, KMP, Controlling Shareholder and his relatives	Associate and Others
1	Loans taken	31-March-17 31-March-16 01-April-15	- - 5,091.49	2,778.29 4,985.34 -
2	Loans given	31-March-17 31-March-16 01-April-15	8,018.84 8,478.59 9,320.95	1,37,381.24 80,978.70 5,497.97
3	Guarantees taken	31-March-17 31-March-16 01-April-15	7,98,676.32 3,87,377.77 5,04,534.43	1,87,030.21 1,74,585.51 33,450.00
4	Guarantees given	31-March-17 31-March-16 01-April-15	- - -	69,175.05 48,671.04 22,556.75
5	Investments	31-March-17 31-March-16 01-April-15	64,398.26 2,693.00 2,693.00	1,97,882.86 1,94,128.92 1,73,395.25
6	Deposits Given	31-March-17 31-March-16 01-April-15	- - 15.84	- - 1.00
7	Advances given	31-March-17 31-March-16 01-April-15	1,790.00 5,200.00 -	5,430.57 12,700.39 17,812.83
8	Advances received	31-March-17 31-March-16 01-April-15	9,849.85 6,972.93 3,799.82	23.26 1.14 3.56
9	Trade Receivables	31-March-17 31-March-16 01-April-15	324.64 46.51 46.51	14,021.88 6,180.19 2,814.47
10	Trade Payables	31-March-17 31-March-16 01-April-15	- - -	1,158.66 667.10 388.42
11	Other Current Liabilities	31-March-17 31-March-16 01-April-15	- - -	1,118.32 732.07 3,017.20
12	Other Receivables	31-March-17 31-March-16 01-April-15	- - -	9.47 2.66 25.14
13	Interest Receivables	31-March-17 31-March-16 01-April-15	- - -	19,846.20 9,126.84 4,479.52

(ii) Disclosure in respect of transactions with Related Parties:

(II) Disclosure in respect of transactions with Related Parties:				(₹ in Lakhs)	
Sr No	Nature of Transactions	Name of Related Party	Relationship	For the Year ended	
				31-March-17	31-March-16
1	Income from Property Development	Mangal Prabhat Lodha	KMP	6,769.96	-
		Abhishek Lodha	KMP	5,233.06	4,958.25
		Abhinandan Lodha	KMP	-	668.69
		Rajendra Lodha	KMP	1,576.27	-
		Vinti Lodha	Other	6,899.16	-
		Lodha Family Discretionary Trust	Other	-	(235.54)
2	Sale of Development Rights	Bellissimo Properties Development Pvt. Ltd.	Fellow Subsidiary	2,112.00	-
3	Sale of Building Materials	Lodha Charitable Trust	Other	-	3.91
		Lodha Healthy Constructions and Developers Pvt. Ltd.	Other	119.65	214.91
		Lodha Construction Pvt. Ltd.	Other	-	56.38
		Bellissimo Properties Development Pvt. Ltd.	Fellow Subsidiary	698.15	551.49
		Bellissimo Realtors Pvt. Ltd.	Other	556.78	-
		Sitaben Shah Memorial Trust	Other	-	1.09
		Sambhavnath Infrabuild and Farms Pvt. Ltd.	Holding Company	1,104.47	-
4	Income from Contract/ Support Services	Lodha Developers IGSQ Ltd.	Associate	4,118.95	3,413.50
		Lodha Developers 48CS Ltd.	Associate	13,076.86	17,421.02
		Lodha Developers Dorset Close Ltd.	Associate	5.24	5.91



Sr No	Nature of Transactions	Name of Related Party	Relationship	For the Year ended	
				31-March-17	31-March-16
5	Interest Income	Mangal Prabhat Lodha	KMP	-	216.74
		Abhishek Lodha	KMP	-	468.84
		Abhinandan Lodha	KMP	-	573.51
		Lodha Builders Pvt. Ltd.	Other	-	4.51
		Lodha Developers International Netherlands BV	Associate	6,118.67	1,713.96
		Lodha Developers 48CS Ltd.	Associate	2,886.70	1,847.72
		Lodha Developers Dorset Close Ltd.	Associate	90.24	95.48
		Lodha Construction Pvt. Ltd.	Other	-	2.67
		Belissimo Properties Development Pvt. Ltd.	Fellow Subsidiary	142.71	125.72
		Lodha Developers IGSQ Ltd.	Associate	859.22	607.28
		Lodha Developers International Jersey I Holdings Ltd.	Associate	5,992.63	4,205.45
		Belissimo Realtors Pvt. Ltd.	Other	-	1.12
		Lodha Constructions Pvt. Ltd.	Other	65.87	-
		Lodha Healthy Constructions and Developers Pvt. Ltd.	Other	65.50	26.91
		Lodha Builders Pvt. Ltd.	Other	4.51	4.51
		Marutidev Facilities Management Pvt. Ltd.	Other	1.83	-
		Lodha Developers International Holding Ltd.	Associate	19,309.78	17,143.06
6	Purchase of Construction Materials	Sambhavnath Infrabuild and Farms Pvt. Ltd.	Holding Company	5.72	2.69
		Lodha Finstock Pvt. Ltd.	Other	558.45	48.30
		Belissimo Realtors Pvt. Ltd.	Other	-	-
		Lodha Healthy Constructions and Developers Pvt. Ltd.	Other	44.03	0.12
		Belissimo Properties Development Pvt. Ltd.	Fellow Subsidiary	700.24	-
		Sambhavnath Infrabuild and Farms Pvt. Ltd.	Holding Company	1,107.78	-
		Lodha Construction Pvt. Ltd.	Other	-	56.67
7	Remuneration paid	Sitaben Shah Memorial Trust	Other	0.41	0.17
		Mangal Prabhat Lodha	KMP	2,920.08	3,024.00
		Abhishek Lodha	KMP	2,629.67	2,518.00
		Abhinandan Lodha	KMP	-	2,493.33
		Rajendra Lodha	KMP	1,672.17	-
		Manjula Lodha	Other	372.00	503.00
		Vinti Lodha	Other	1,061.66	379.50
8	Reimbursement Given	Sheetal Lodha	Other	-	253.00
		Belissimo Facilities Management Ltd.	Other	254.41	413.40
		Lodha Healthy Constructions and Developers Pvt. Ltd.	Other	-	19.95
9	Reimbursement Taken	Lodha Developers International Holding Ltd.	Associate	37.02	-
		Lodha Developers IGSQ Ltd.	Associate	2,717.14	1,451.03
		Belissimo Facilities Management Ltd.	Other	57.28	614.85
		Lodha Healthy Constructions and Developers Pvt. Ltd.	Other	-	19.53
		Sitaben Shah Memorial Trust	Other	-	-
		Vinti Lodha	Other	-	7.92
		Belissimo Properties Development Pvt. Ltd.	Fellow Subsidiary	-	4.77
10	Interest Expenses	Lodha Healthy Constructions and Developers Pvt. Ltd.	Other	354.98	502.77
		Lodha Developers International Holding Ltd.	Associate	157.61	162.62
		Pangea Holdings Pvt. Ltd.	Associate	157.60	138.19
		Belissimo Properties Development Pvt. Ltd.	Fellow Subsidiary	-	47.36
11	Rent Expenses	Abhishek Lodha	KMP	-	54.00
		Abhinandan Lodha	KMP	-	27.00
		Vinti Lodha	Other	-	29.85
		Sheetal Lodha	Other	-	32.85
		Sitaben Shah Memorial Trust	Other	2.49	1.02
		Pangea Holdings Pvt. Ltd.	Associate	455.76	525.68
		Belissimo Facilities Management Ltd.	Other	-	67.76
12	Facility Management Expenses	Lodha Charitable Trust	Other	-	22.29
		Abhishek Lodha	KMP	-	2.27
		Abhinandan Lodha	KMP	-	1.51
		Vinti Lodha	Other	-	9.36
		Sheetal Lodha	Other	-	1.44
		Lodha Global Ltd.	Other	-	157.75
13	Brokerage and Commission	Lodha Charitable Trust	Other	2,500.00	2,660.00
		Lodha Foundation	Other	103.06	-
		Sitaben Shah Memorial Trust	Other	-	265.00
14	Donation / Corporate Social Responsibility	Lodha Construction Pvt. Ltd.	Other	-	775.00
		Lodha Developers International Jersey I Holdings Ltd.	Associate	-	1.05
		Lodha Developers International Holding Ltd.	Associate	18,677.60	16,787.04
		Lodha Developers International Netherlands BV	Associate	-	19.24
		Sambhavnath Infrabuild and Farms Pvt. Ltd.	Holding Company	61,705.26	-
15	Sale of Investments	Lodha Venture Pvt. Ltd.	Other	-	270.50
		Lodha Developers International Holding Ltd.	Other	41,751.90	12,250.00
16	Advance Received against sale of flat	Marutidev Facilities Management Pvt. Ltd.	Other	6,277.30	-
		Rajendra Lodha	KMP	1,406.21	-
		Lodha Ventures Holdings Pvt. Ltd.	Other	-	18,000.00
		Belissimo Properties Development Pvt. Ltd.	Fellow Subsidiary	10,600.00	-
17	Redemption of Optionally Convertible Debenture (OCD)	Lodha Construction Pvt. Ltd.	Other	5,445.00	-
		Belissimo Properties Development Pvt. Ltd.	Fellow Subsidiary	50,000.00	-
18	Redemption of Preference Shares	Belissimo Properties Development Pvt. Ltd.	Fellow Subsidiary	-	-



Sr No	Nature of Transactions	Name of Related Party	Relationship	For the Year ended (₹ in Lakhs)	
				31-March-17	31-March-16
20	Amount paid on behalf of	Bellissimo Facilities Management Ltd.	Other	0.01	11.30
		Lodha Builders Pvt. Ltd.	Other	-	1.06
		Lodha Healthy Constructions and Developers Pvt. Ltd.	Other	110.29	274.83
		Lodha Construction Pvt. Ltd.	Other	0.01	0.81
		Bellissimo Properties Development Pvt. Ltd.	Fellow Subsidiary	18.16	-
		Lodha Charitable Trust	Other	23.16	4.54
		Sitaben Shah Memorial Trust	Other	0.38	1.09
		Marutidev Facilities Management Pvt. Ltd.	Other	29.26	-
		Piramal Chaturbhuj Trust	Other	-	0.71
21	Amount paid on behalf by	Bellissimo Facilities Management Ltd.	Other	-	271.51
		Lodha Healthy Constructions and Developers Pvt. Ltd.	Other	46.76	17.02
		Bellissimo Properties Development Pvt. Ltd.	Fellow Subsidiary	0.57	-
		Sitaben Shah Memorial Trust	Other	8.24	0.10
		Lodha Construction Pvt. Ltd.	Other	-	0.05
		Costeria Nepean Sea Road Pvt. Ltd.	Other	-	0.21
		ITC Thane Facilities Management Pvt. Ltd.	Other	-	0.12
		Shreenivas Abode and House Ltd	Other	-	1.00
		Lodha Builders Pvt. Ltd.	Other	-	0.50
22	Transfer of Debt through Assignment	Lodha Charitable Trust	Other	12.58	1.25
		Bellissimo Properties Development Pvt. Ltd.	Fellow Subsidiary	-	1,749.87
23	Acquisition of Debt through Assignment	Lodha Healthy Constructions and Developers Pvt. Ltd.	Other	-	130.28
24	Loans / Advances taken	Lodha Finserve Pvt. Ltd.	Other	-	820.43
25	Loans / Advances given	Lodha Healthy Constructions and Developers Pvt. Ltd.	Other	14,425.01	15,613.28
		Lodha Builders Pvt. Ltd.	Other	-	-
		Bellissimo Properties Development Pvt. Ltd.	Fellow Subsidiary	167.80	-
		Lodha Constructions Pvt. Ltd.	Other	289.24	-
		Piramal Chaturbhuj Trust	Other	-	-
		Pangea Holdings Pvt. Ltd.	Associate	-	3,340.91
		Lodha Construction Pvt. Ltd.	Other	-	153.00
		Lodha Developers International Holding Ltd.	Associate	-	40.15
		Lodha Developers Dorset Close Ltd.	Associate	-	3.42
		Lodha Charitable Trust	Other	0.29	-
		Bellissimo Realtors Pvt. Ltd.	Other	196.43	-
		Sitaben Shah Memorial Trust	Other	0.22	1.14
		Mangal Prabhat Lodha	KMP	3,512.90	21,450.00
		Abhishek Lodha	KMP	3,272.37	4,563.15
		Abhinandan Lodha	KMP	-	851.06
		Rajendra Lodha	Other	871.85	-
		Lodha Healthy Constructions and Developers Pvt. Ltd.	Other	6,787.58	13,634.67
		Lodha Constructions Pvt. Ltd.	Other	1,436.78	254.79
		Lodha Land Scapes Pvt. Ltd.	Other	-	10.80
		Shreenivas Abode and House Pvt. Ltd.	Other	-	7.04
		Lodha Developers International Jersey I Holdings Ltd.	Associate	22,299.23	8,277.13
		Lodha Developers International Netherlands BV	Associate	29,953.86	41,136.74
		Lodha Builders Pvt. Ltd.	Other	43.24	-
		Lodha Developers Dorset Close Ltd.	Associate	26.08	48.95
		Lodha Developers 48CS Ltd.	Associate	226.46	23,165.91
		Lodha Developers International Holding Ltd.	Associate	3,576.10	5,739.45
		Lodha Ventures Holdings Pvt Ltd	Other	-	0.50
		Lodha Finserve Pvt. Ltd.	Other	-	1,982.02
		Carbuncle Development Pvt. Ltd.	Other	0.10	-
		Bellissimo Properties Development Pvt. Ltd.	Fellow Subsidiary	1,938.75	568.40
		Bellissimo Realtors Pvt. Ltd.	Other	-	17.01
		Lodha Attractive Constructions and Farms Pvt. Ltd.	Other	-	0.50
		Marutidev Facilities Management Pvt. Ltd.	Other	-	3.00
		Marutidev Facilities Management Pvt. Ltd.	Other	48.29	0.10
		Vatsal Hospitality Services Pvt. Ltd.	Other	-	0.38
		Alshat Developers	Other	0.13	7.00
		Lodha Foundation	Other	-	0.25
		Lodha Charitable Trust	Other	0.94	374.99
		Piramal Chaturbhuj Trust	Other	-	5.00
		PCL Developers Mauritius Ltd	Associate	6.23	-
		Pangea Holdings Pvt. Ltd.	Associate	57.31	115.74
		Bellissimo Facilities Management Ltd.	Other	-	1,216.69
		Sambhavnath Infrabuild and Farms Pvt. Ltd.	Holding Company	-	-
		Tropical Adventures Ltd.	Associate	10.45	-
		Sitaben Shah Memorial Trust	Other	21.74	6.77
26	Guarantees taken	Abhishek Lodha	KMP	4,85,202.94	71,000.00
		Abhinandan Lodha	KMP	-	-
		Abhinandan Lodha	KMP	-	1,20,000.00
27	Guarantees given	Lodha Developers IGSQ Ltd.	Associate	28,307.90	33,280.87
		Lodha Developers 48CS Ltd.	Associate	10,514.36	-



i) **Terms and conditions of outstanding balances with Related Parties**

a) **Receivables from Related parties**

The receivables from related parties arise mainly from sale transactions and services rendered and are received as per agreed terms. No provisions are held against receivables from related parties.

b) **Payable to Related Parties**

The payables to related parties arise mainly from purchase transactions and services received and are paid as per agreed terms.

c) **Loans to Related Parties**

The loans to related parties are unsecured and receivable on demand bearing effective interest rate.

ii) **Terms and conditions of transaction with Related Parties**

The management is of the opinion that the transactions with related parties are done at arm's length.

50 **Segment Information**

For management purposes, the Group is into one reportable segment ie Real Estate development.

The Managing Director is the Chief Operating Decision Maker of the group who monitors the operating results of its Company for the purpose of making decisions about resource allocation and performance assessment. Group's performance as single segment is evaluated and measured consistently with profit or loss in the consolidated financial statements. Also, the Group's financing (including finance costs and finance income) and income taxes are managed on a Company basis.

51 **Financial Instrument measured at Amortised Cost**

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Group does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

52 **Fair Value Measurement**

The following table provides the fair value measurement hierarchy of the Group's financial assets and financial liabilities.

Particulars	Fair value measurement using			
	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant Unobservable inputs (Level 3)
	₹ in lakhs	₹ in lakhs	₹ in lakhs	₹ in lakhs
As at 31-March-17:				
Financial Assets measured at fair value through profit and loss				
Investment in Mutual Funds	3,212.04	3,212.04	-	-
Investment in Equity Shares	8.46	8.46	-	-
Investment in Debentures	320.00	320.00	-	-
	3,540.50	3,540.50	-	-
As at 31-March-16				
Financial Assets measured at fair value through profit and loss				
Investment in Mutual Funds	1,341.39	1,341.39	-	-
Investment in Equity Shares	166.90	166.90	-	-
Investment in Debentures	278.75	278.75	-	-
	1,787.04	1,787.04	-	-
As at 01-April-15:				
Financial Assets measured at fair value through profit and loss				
Investment in Mutual Funds	31.61	31.61	-	-
Investment in Equity Shares	141.20	141.20	-	-
Investment in Debentures	622.70	622.70	-	-
	795.51	795.51	-	-

There have been no transfers between Level 2 and Level 3 during the financial year ended 31-March-17; 31-March-16; 01-April-15

53 **Financial Risk Management Objectives and Policies**

The Group's principal financial liabilities comprise mainly of borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include loans and advances, trade and other receivables, cash and cash equivalents and Other balances with Bank.

The Group is exposed through its operations to the following financial risks:

- Market risk
- Credit risk, and
- Liquidity risk.

The Group has evolved a risk mitigation framework to identify, assess and mitigate financial risk in order to minimize potential adverse effects on the Group's financial performance. There have been no substantive changes in the Group's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated herein.

(a) **Market Risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risks: interest rate risk, currency risk and other price risk. Financial instruments affected by market risk includes borrowings, investments, trade payables, trade receivables, loans and derivative financial instruments.

(i) **Interest Rate Risk**

The Group is exposed to cash flow interest rate risk from long-term borrowings at variable rate. Currently the Group has external borrowings (excluding short-term overdraft facilities) which are fixed and floating rate borrowings. The Group achieves the optimum interest rate profile by refinancing when the interest rates go down. However this does not protect Group entirely from the risk of paying rates in excess of current market rates nor eliminates fully cash flow risk associated with variability in interest payments. It considers that it achieves an appropriate balance of exposure to these risks.

(ii) **Foreign Currency Risk**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate due to changes in foreign exchange rates. Since the Group has insignificant assets or liabilities denominated in foreign currency, the exposure to risk due to changes in foreign exchange rates is minimal. The Group does not enter into any derivative instruments for trading or speculative purposes.



b) Credit Risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the Group's customer base, including the default risk of the industry and a country, in which customers operate, has less influence on the credit risk.

The Group has entered into contracts for the sale of residential and commercial units on an instalment basis. The instalments are specified in the contracts. The Group is exposed to credit risk in respect of instalments due. However, the legal ownership of residential and commercial units are transferred to the buyer only after all the instalments are received. In addition, instalment dues are monitored on an ongoing basis with the result that the Group's exposure to credit risk is not significant. The Group evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

Credit risk from balances with banks and financial institutions is managed by Group's treasury in accordance with the Group's policy. The Group limits its exposure to credit risk by only placing balances with local banks and international banks of good repute. Given the profile of its bankers, management does not expect any counterparty to fail in meeting its obligations.

c) Liquidity Risk

Liquidity risk is the risk that the Group will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value. The Group has an established liquidity risk management framework for managing its short term, medium term and long term funding and liquidity management requirements. The Group's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group manages the liquidity risk by maintaining adequate funds in cash and cash equivalents. The Group also has adequate credit facilities agreed with banks to ensure that there is sufficient cash to meet all its normal operating commitments in a timely and cost-effective manner.

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments.

Particulars	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
	₹ in lakhs	₹ in lakhs	₹ in lakhs	₹ in lakhs	₹ in lakhs	₹ in lakhs
Year ended 31-March-17						
Borrowings *	70,858.03	88,682.73	3,13,568.04	11,14,947.67	20,694.23	16,08,750.70
Trade Payables	2,36,310.82	9.36	1.06	2,459.94	1.78	2,38,782.96
Other financial liabilities **	2,11,682.18	3,721.39	7,163.46	2,41,146.24	336.71	4,64,049.98
Financial guarantee contracts	-	-	69.32	175.58	-	244.90
	5,18,851.03	92,413.48	3,20,801.88	13,58,729.43	21,032.72	23,11,828.54
Year ended 31-March-16						
Borrowings other than Compulsory Convertible Debentures*	50,344.68	30,114.21	2,08,885.77	10,39,768.71	3,651.02	13,32,764.39
Compulsory Convertible Debentures	49,988.18	-	-	-	-	49,988.18
Trade Payables	2,21,628.74	2.74	1.42	4,197.36	25.89	2,25,856.15
Other financial liabilities **	1,95,602.79	3,082.39	4,951.87	2,42,207.82	206.81	4,46,051.68
Financial guarantee contracts	-	-	-	358.47	-	358.47
	5,17,564.39	33,199.34	2,13,839.06	12,86,532.36	3,883.72	20,55,018.87
As at 1 April 15						
Borrowings other than Compulsory Convertible Debentures*	51,378.55	48,738.77	1,60,207.34	8,74,636.49	2,644.32	11,37,605.47
Compulsory Convertible Debentures	49,988.18	-	-	-	-	49,988.18
Trade Payables	1,73,199.68	5.59	0.41	5,704.57	-	1,78,910.25
Other financial liabilities **	67,578.63	2,730.57	5,308.86	2,77,275.21	-	3,52,893.27
Financial guarantee contracts	-	-	-	155.79	-	155.79
	3,42,145.04	51,474.93	1,65,516.61	11,57,772.06	2,644.32	17,19,552.96

* Borrowings are stated net off loan issue cost.

** Cancelled flats liabilities included in Other financial liabilities are stated at nominal value.

54 Capital Management

For the purpose of the Group's capital management, capital includes issued equity share capital and other equity reserves attributable to the owners of the company. The primary objective of the Group's capital management is to maximise the shareholder value.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group includes within net debt, interest bearing loans and borrowings less cash and cash equivalents.

	31-March-17	31-March-16	01-April-15
	₹ in lakhs	₹ in lakhs	₹ in lakhs
Borrowings (Note 21)	16,02,089.94	13,74,054.10	11,79,121.12
Less: Cash and Cash Equivalents (Note 12)	(17,739.15)	(19,941.72)	(33,621.01)
Less: Bank balances other than cash and cash equivalents (Note 13)	(9,497.19)	(10,526.48)	(9,870.31)
Net debt	15,74,853.60	13,43,585.90	11,35,629.80
Equity Share Capital	11,310.80	10,810.80	10,810.80
Other Equity	-	50,000.00	50,000.00
Optionally Convertible Preference Shares (Note 17)	4,35,432.52	3,34,793.16	2,69,067.97
Others Reserves	4,46,743.32	3,95,603.96	3,29,878.77
Total Capital	20,21,596.92	17,39,189.86	14,45,508.57
Capital and net debt	77.90%	77.25%	77.49%
Gearing ratio			

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the year ended 31 March 2017 and 31 March 2016.



55. a) Disclosure in accordance with announcement dated December 2, 2005 issued by the Council of The Institute of Chartered Accountants of India (ICAI) with respect to details of 'foreign currency balances not hedged':

details of foreign currency balances not hedged:

(₹ in Lakhs)							
Particulars	Currency	As at 31-March-17		As at 31-March-16		As at 01-April-15	
		in ₹	In Foreign Currency	in ₹	In Foreign Currency	in ₹	In Foreign Currency
ASSETS							
Advances to Suppliers / Contractors / Expenses	USD	6,050.36	93.34	9,859.39	148.71	4,250.45	67.97
	Euro	2,179.21	31.41	779.03	10.38	1,251.14	15.10
	AED	221.75	12.48	63.50	3.53	24.71	1.46
	GBP	196.04	2.42	3,696.97	34.86	26.90	0.28
	SGD	5.98	0.13	5.37	0.11	5.00	0.11
	AUD	12.35	0.25	12.53	0.25	2.35	0.05
	CNY	67.22	7.15	89.86	8.79	65.81	6.72
Investments*	USD	-	-	-	-	1,17,556.43	1,880.00
	GBP	8,837.83	109.27	22,423.29	220.00	22,423.29	220.00
Loans Given*	GBP	99,589.31	1,118.05	58,765.05	603.36	3,462.99	37.25
Interest Receivable	GBP	11,012.02	124.66	9,046.49	95.77	2,679.61	28.89
Bank Balance	CNY	55.92	5.51	52.49	5.13	54.07	5.33
	GBP	-	-	3.49	0.04	-	-
TOTAL ASSETS		1,28,227.99		1,04,797.46		1,51,802.75	
Particulars	Currency	As at 31-March-17		As at 31-March-16		As at 01-April-15	
		in ₹	In Foreign Currency	in ₹	In Foreign Currency	in ₹	In Foreign Currency
LIABILITIES							
Loans Payables	USD	271.69	4.19	557.31	8.43	1,27,739.16	2,045.80
	GBP	2,506.59	30.99	3,336.82	35.05	-	-
Trade Payables	USD	5,773.97	89.10	3,717.39	56.06	281.25	4.46
	Euro	2,496.82	36.06	2,833.65	37.83	19.14	0.28
	AED	16.25	0.92	65.83	3.66	5.68	0.34
	GBP	29.49	0.36	57.37	0.61	34.01	0.36
	SGD	53.60	1.16	68.75	1.21	9.05	0.20
	CAD	156.95	3.24	159.27	3.14	-	-
	CNY	-	-	36.33	3.55	22.59	2.31
	JPY	-	-	-	-	0.09	0.17
Interest Payable	GBP	157.60	1.95	-	-	-	-
TOTAL LIABILITIES		11,462.96		10,832.72		1,28,110.97	

*However, in case of investment of GBP 220.00 Lakhs (as at 01 April 2015 GBP 220.00 Lakhs) and Loans Given of GBP 825.00 Lakhs (as at 01 April 2015 GBP 22.00 Lakhs), loss if any, suffered by the Group would be reimbursed by the Issuer.

b) Derivative Instrument:

Particulars of Derivative Instrument	No. of Instruments	Value in Lakhs	
		USD	in ₹
Foreign Currency Interest Swap	31-March-17	-	-
	31-March-16	6	175.65
	01-April-15	2	89.63

In respect of Foreign Currency Interest swap transactions which are linked with exchange rate during the period of contract, gains / losses, if any, are recognised on the settlement day or the reporting day, whichever is earlier, at the rate prevailing on respective day.

c) Details of Open Interest in Equity Stock / Equity Index Futures Contracts :

Name of Equity Index Futures	As at 31-March-17		As at 31-March-16		As at 01-April-15	
	No of Units		No of Units		No of Units	
	Long	Short	Long	Short	Long	Short
FUTIDX-BANKNIFTY	-	3,120	-	1,200	-	2,700
FUTIDX-NIFTY	-	-	-	5,550	-	1,000
OPTIDX-NIFTY-PE	-	-	-	-	-	7,000
OPTIDX-BANKNIFTY-PE	-	-	-	-	-	6,000
OPTIDX-BANKNIFTY-CE	-	-	-	600	-	-

56 Details of CSR Expenditure

The gross amount required to be spent for CSR activity by the company during the year was ₹ 1940.27 lakhs (31-March-16 ₹ 1,730.68 Lakhs). Amount spent during the year was ₹ 186.70 lakhs (31-March-16 ₹ 1,345.34 lakhs).

- 57 A subsidiary was granted lease of land parcel at Wadala by Mumbai Metropolitan Regional Development Authority (MMRDA) by agreement dated 01-August-11 as amended. However, pending approval from Airport Authority of India through Ministry of Civil Aviation, the subsidiary could not fully develop the property as originally planned and envisaged in the agreement. Pursuant to various discussion and representations made by the subsidiary, MMRDA has agreed to reduce the liability, pending decision by the Civil Aviation Authority. The reduction of liability on account of the same works out to ₹ 140,737.60 Lakhs. The subsidiary has accordingly revised and provided entire liability payable in instalments towards lease premium.

- 58 The order of Collector of Stamps levying stamp duty and penalty in respect of an Agreement entered into with Mumbai Metropolitan Regional Development Authority (MMRDA) for Wadala Truck Terminal (WTT) Plot has been stayed by the Bombay High Court, subject to the Company depositing stamp duty amount by the stipulated period of time and the collector's order is being challenged before the Appellate Authority.

- 59 a) The members of the Executive Committee of the Board of Directors at their meeting held on 14-October-16 has approved the Composite Scheme of Arrangement and Amalgamation between Lodha Impression Real Estate Private Limited (Appointed date: 01-April-16) and Shree Sainath Enterprises Construction and Developers Private Limited (Appointed date: 01-April-16) (collectively known as 'Demerged Companies') and Jineshwar Real Estate And Farms Pvt. Ltd. (Appointed date: 01-October-16) and Maruthinandan Real Estate Developers Pvt. Ltd. (Appointed date: 01-October-16) and Odeon Theatres Private Limited (Appointed date: 01-April-16) (collectively known as 'Amalgamating Companies') and the Parent Company ('Amalgamated Company' or 'Resulting Company') and their respective shareholders ('the Scheme'), with an above mentioned Appointed date, under section 391 to 394 of the Companies Act, 1956 and any corresponding provisions of the Companies Act, 2013. The accounts have, however, been prepared without giving impact of the same, as scheme is pending before the National Company Law Tribunal.



k.) The members of the Executive Committee of the Board of Directors at their meeting held on 14-November-16 has approved the Composite Scheme of Arrangement and Amalgamation between Lodha Builders Private Limited ("Transferor Company 1") (Appointed date: 01-April-16) and M/s Vivek Enterprises ("Transferor Company 2") (Appointed date: 01-April-15) and the Parent Company ("Transferee Company") and their respective shareholders and partners ("the Scheme"), with an above mentioned Appointed date, under section 391 to 394 of the Companies Act, 1956 and any corresponding provisions of the Companies Act, 2013. The accounts have, however, been prepared without giving impact of the same, as scheme is pending before the National Company Law Tribunal.

c.) The members of the Executive Committee of the Board of Directors at their meeting held on 14-November-16 has approved the Scheme of Amalgamation ("Scheme") of Kundan Realtors Private Limited (Appointed date: 01-April-16) and Jawala Real Estate Private Limited (Appointed date: 01-April-16) and Lodha Aviation Private Limited (Appointed date: 01-April-16) and Saravasa Buildtech & Farms Private Limited (Appointed date: 01-October-16) with the Parent Company and their respective shareholders and creditors, with an above mentioned Appointed date, under section 391 to 394 of the Companies Act, 1956 and any corresponding provisions of the Companies Act, 2013. The accounts have, however, been prepared without giving impact of the same, as scheme is pending before the National Company Law Tribunal.

d.) The members of the Executive Committee of the Board of Directors at their meeting held on 2nd February, 2017 has approved the Scheme of Arrangement between Bellissimo Properties Development Private Limited and the Parent Company and their respective shareholders and creditors ("Scheme"), with an Appointed date 1st January, 2017, under Sections 232 read with section 230 of the Companies Act, 2013. The accounts have, however, been prepared without giving impact of the same, as scheme is pending before the National Company Law Tribunal.

e.) The members of the Executive Committee of the Board of Directors at their meeting held on 27-April-17 has approved the Composite Scheme of Amalgamation and Arrangement between Palava Dwellers Private Limited (Appointed date: 01-April-16) and Microtec Constructions Private Limited (Appointed date: 01-April-16) and Bellissimo Hi-Rise Builders Private Limited (Appointed date: 01-April-16) and Lodha Estate Private Limited (Appointed date: 01-October-16) and Samvara Buildtech Private Limited (Appointed date: 01-April-17) and the Parent Company and Eiso Trading Private Limited (Appointed date: 1st April, 2017) and their respective shareholders and creditors ("Scheme"), with an above mentioned Appointed date, under Sections 232 read with section 230 of the Companies Act, 2013. The accounts have, however, been prepared without giving impact of the same, as scheme is pending before the National Company Law Tribunal.

f.) The members of the Executive Committee of the Board of Directors at their meeting held on 15-May-17 has approved Scheme of Arrangement between the Parent Company ("Demerged Company") and IMSA Computer Education Private Limited ("Resulting Company") and Their respective shareholders ("the Scheme"), with an Appointed date 31-March-17, under Sections 232 read with section 230 of the Companies Act, 2013. The accounts have, however, been prepared without giving impact of the same, as scheme is pending before the National Company Law Tribunal.

60 Goodwill on consolidation is tested for impairment annually or if there are indications that it might be impaired. The Group uses cash flow projections based on the recent financial forecast approved by the management for the purpose of impairment testing.

61 Basic and Diluted Earnings Per Share

	For the year ended 31-March-17	For the year ended 31-March-16
Basic earnings per share:		
a) Net Profit for the Year (₹ in Lakhs)	60,489.52	68,131.20
b) No. of Equity Shares as at beginning of the year	21,62,16,000	21,62,16,000
Add: No of Shares allotted	1,00,00,000	-
No. of Equity Shares as at end of the year	22,62,16,000	21,62,16,000
Weighted average no. of Equity Shares outstanding during the year	21,87,16,000	21,62,16,000
c) Face Value per Equity Share (₹)	5	5
d) Basic earnings per share (₹)	27.66	31.51
	For the year ended 31-March-17	For the year ended 31-March-16
Diluted earnings per share:		
a) Net Profit for the Year (₹ in Lakhs)	60,489.52	68,131.20
Add: Interest Expenses on Compulsory Convertible Debentures	-	5,098.12
Less: Deferred Tax Assets	-	(1,770.86)
Total adjusted Profit for calculation of diluted EPS	60,489.52	71,458.45
b) No. of Equity Shares as on April 1	21,62,16,000	21,62,16,000
Add: No. of Optionally Convertible Preference Shares	-	2,00,00,000
Add: No. of Optionally Convertible Debentures	-	1,09,985
Add: Shares allotted	1,00,00,000	-
Weighted average no. of Equity Shares outstanding during the year	21,87,16,000	21,62,16,000
c) Diluted earnings per share (₹) *	27.66	31.51

* The effects of anti-dilutive potential equity shares are ignored in calculating diluted earnings per share.

62 Additional Information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary / Associates / Partnership Firm and LLP :

(i) For the Financial Year 2016-17

(D) For the Financial Year 2016-17									
Sr. No		Net Assets (Total Assets minus Total Liabilities)		Share in profit or loss		Other Comprehensive Income (OCI)		Total Comprehensive Income (TCI)	
		2016-17		2016-17		2016-17		2016-17	
		As % of consolidated net assets	Net Assets (₹ in Lakhs)	As % of consolidated Profit or Loss	Profit / (Loss) (₹ in Lakhs)	As % of consolidated OCI	OCI (₹ in Lakhs)	As % of consolidated TCI	TCI (₹ in Lakhs)
	Parent								
1	Lodha Developers Pvt. Ltd.	24.85%	1,14,356.07	13.84%	8,373.44	-0.09%	(38.83)	7.94%	8,334.61
	Subsidiaries								
	Indian								
1	Adinath Builders Pvt. Ltd.	-1.19%	(5,475.28)	-0.02%	(13.51)	0.00%	-	-0.01%	(13.51)
2	Ajitnath Hi-Tech Builders Pvt. Ltd.	-0.19%	(870.80)	2.20%	1,332.19	0.00%	-	1.27%	1,332.19
3	Anant Developers Pvt. Ltd.	0.00%	(9.93)	0.00%	(1.68)	0.00%	-	0.00%	(1.68)
4	Anantnath Constructions and Farms Pvt. Ltd.	0.61%	2,824.39	-0.07%	(43.21)	0.00%	-	-0.04%	(43.21)
5	Anant Premises Pvt. Ltd.	0.13%	585.85	-0.01%	(8.26)	0.00%	-	-0.01%	(8.26)
6	Roselabs Finance Ltd.	-0.05%	(235.44)	-0.20%	(122.97)	0.00%	-	-0.12%	(122.97)



Sr. No.		Net Assets (Total Assets minus Total Liabilities)		Share in profit or loss		Other Comprehensive Income (OCI)		Total Comprehensive Income (TCI)	
		2016-17		2016-17		2016-17		2016-17	
		As % of consolidated net assets	Net Assets (₹ in Lakhs)	As % of consolidated Profit or Loss	Profit / (Loss) (₹ in Lakhs)	As % of consolidated OCI	OCI (₹ in Lakhs)	As % of consolidated TCI	TCI (₹ in Lakhs)
7	Cowltown Infotech Services Pvt. Ltd.	0.57%	2,608.94	0.49%	297.23	0.00%	-	0.28%	297.23
8	Dalhousie Leasing & Financial Services Pvt. Ltd.	0.02%	110.05	-0.04%	(22.57)	0.00%	-	-0.02%	(22.57)
9	Lodha Developers Thane Pvt. Ltd.	8.61%	39,604.57	10.33%	6,249.68	0.00%	-	5.95%	6,249.68
10	Hi-Class Buildcon Pvt. Ltd.	-0.14%	(656.64)	0.60%	365.75	0.00%	-	0.35%	365.75
11	Lodha Aviation Pvt. Ltd.	0.02%	87.08	-0.78%	(474.16)	0.00%	-	-0.45%	(474.16)
12	Jawala Real Estate Pvt. Ltd.	14.77%	67,980.56	-17.36%	(10,500.57)	0.01%	2.62	-10.00%	(10,497.95)
13	Kundan Realtors Pvt. Ltd.	0.00%	(13.51)	-0.01%	(6.49)	0.00%	-	-0.01%	(6.49)
14	Lodha Buildcon Pvt. Ltd.	-1.00%	(4,594.92)	-3.81%	(2,307.20)	0.00%	-	-2.20%	(2,307.20)
15	Belissimo Crown Buildmart Pvt. Ltd.	12.10%	55,672.88	10.01%	6,056.98	0.00%	-	5.77%	6,056.98
16	Palava Dwellers Pvt. Ltd.	32.24%	1,48,373.67	4.55%	2,752.60	96.73%	43,043.87	43.62%	45,796.47
17	Lodha Elevation Buildcon Pvt. Ltd.	3.25%	14,947.65	4.23%	2,556.92	0.00%	-	2.44%	2,556.92
18	Lodha Estate Pvt. Ltd.	2.46%	11,315.33	8.15%	4,932.33	0.00%	(0.73)	4.70%	4,931.60
19	Belissimo Hi-Rise Builders Pvt. Ltd.	9.13%	42,006.38	22.57%	13,652.34	0.00%	-	13.00%	13,652.34
20	Lodha Impression Real Estate Pvt. Ltd.	0.08%	359.45	-0.29%	(177.68)	0.00%	-	-0.17%	(177.68)
21	Nabhira Software Design Pvt. Ltd.	0.23%	1,052.10	0.74%	447.73	-0.01%	(2.50)	0.42%	445.23
22	Samvara Buildtech Pvt. Ltd.	0.16%	720.12	1.35%	815.76	0.00%	-	0.78%	815.76
23	Microtec Constructions Pvt. Ltd.	1.54%	7,099.20	0.63%	382.14	0.00%	-	0.36%	382.14
24	National Standard (India) Ltd.	3.87%	17,808.16	6.85%	4,141.90	0.00%	-	3.95%	4,141.90
25	Sanvava Buildtech and Farms Pvt. Ltd.	-0.77%	(3,543.88)	9.73%	5,885.73	0.00%	-	5.61%	5,885.73
26	Palava City Management Pvt. Ltd.	0.00%	(2.32)	0.00%	(2.53)	0.00%	-	0.00%	(2.53)
27	Sanathnagar Enterprises Ltd.	-0.20%	(928.99)	0.72%	433.27	0.00%	0.94	0.41%	434.21
28	Shreenwas Cotton Mills Ltd.	28.96%	1,33,260.62	31.52%	19,066.37	0.00%	0.28	18.16%	19,066.66
29	Shree Sainath Enterprises Construction and Developers Pvt. Ltd.	0.40%	1,830.21	2.09%	1,267.10	0.00%	-	1.21%	1,267.10
30	Shri Kailas Properties and Agrofams Pvt. Ltd.	-0.01%	(39.24)	-0.02%	(12.55)	0.00%	-	-0.01%	(12.55)
31	Odeon Theatres Pvt. Ltd.	0.00%	(13.01)	0.00%	(0.77)	0.00%	-	0.00%	(0.77)
32	Siddhant Residential Paradise Pvt. Ltd.	0.01%	24.60	-0.02%	(11.29)	0.00%	-	-0.01%	(11.29)
33	Smitools Pvt. Ltd.	5.62%	25,858.73	0.33%	198.85	0.00%	-	0.19%	198.85
34	Sitaldas Estate Pvt. Ltd.	-0.02%	(72.76)	0.00%	(2.00)	0.00%	-	0.00%	(2.00)
35	Lodha Fincorp Distribution Services LLP	0.10%	450.55	0.46%	277.28	0.00%	-	0.26%	277.28
36	Jineshwar Real Estate and Farms Pvt. Ltd.	0.00%	(16.59)	0.00%	(0.06)	0.00%	-	0.00%	(0.06)
37	Belissimo Facilities Management Ltd.	-0.06%	(266.80)	0.07%	42.46	0.00%	-	0.04%	42.46
		-0.01%	(42.77)	0.00%	(0.00)	0.00%	-	0.00%	(0.00)
38	Marulinandan Real Estate Developers Pvt. Ltd.								
39	Hotel Rahat Palace Pvt. Ltd.	0.00%	(10.88)	0.00%	(0.61)	0.00%	-	0.00%	(0.61)
40	Odeon Theatres and Properties Pvt. Ltd.	-0.01%	(31.47)	0.00%	(1.16)	0.00%	-	0.00%	(1.16)
41	Kidderpore Holdings Ltd.	0.00%	-	0.00%	-	0.00%	-	0.00%	-
42	Mahavir Associates *	0.50%	2,282.37	0.00%	(0.20)	0.00%	-	0.00%	(0.20)
43	Vivek Enterprises *	-0.82%	(3,795.33)	-6.22%	(3,761.23)	0.00%	-	-3.58%	(3,761.23)
	* Partnership Firm								
	Foreign								
1	Lodha Developers International Ltd.	0.28%	1,297.36	1.88%	1,136.52	0.00%	-	1.08%	1,136.52
2	Lodha Developers UK Ltd.	0.24%	1,096.18	-0.36%	(219.38)	0.00%	-	-0.21%	(219.38)
3	Lodha Developers International (Jersey) III Ltd.	0.00%	1.86	-0.49%	(294.93)	0.00%	-	-0.28%	(294.93)

(B) For the Financial Year 2015-16

(B) For the Financial Year 2015-16									
Sr. No		Net Assets (Total Assets minus Total Liabilities)		Share in profit or loss		Other Comprehensive Income (OCI)		Total Comprehensive Income (TCI)	
		2015-16		2015-16		2015-16		2015-16	
		As % of consolidated net assets	Net Assets (₹ In Lakhs)	As % of consolidated Profit or Loss	Profit / (Loss) (₹ In Lakhs)	As % of consolidated OCI	OCI (₹ In Lakhs)	As % of consolidated TCI	TCI (₹ In Lakhs)
	Parent								
1	Lodha Developers Pvt. Ltd.	25.72%	1,06,021.47	1.17%	800.42	-2.57%	(12.85)	1.15%	787.57
	Subsidiaries								
	Indian								
1	Adinath Builders Pvt. Ltd.	-1.33%	(5,461.77)	0.00%	(1.07)	0.00%	-	0.00%	(1.07)
2	Ajlinath Hi-Tech Builders Pvt. Ltd.	-0.53%	(2,202.99)	-0.89%	(604.55)	0.00%	-	-0.88%	(604.55)
3	Anant Developers Pvt. Ltd.	0.00%	(8.25)	0.00%	(1.65)	0.00%	-	0.00%	(1.65)
4	Anantnath Constructions and Farms Pvt. Ltd.	-0.19%	(767.40)	-0.01%	(4.39)	0.00%	-	-0.01%	(4.39)
5	Arthant Premises Pvt. Ltd.	-0.03%	(105.89)	-0.14%	(93.47)	0.00%	-	-0.14%	(93.47)
6	Roselabs Finance Ltd.	-0.03%	(112.47)	-0.39%	(268.87)	0.00%	-	-0.39%	(268.87)
7	Cowtown Land Development Pvt. Ltd.	0.56%	2,311.71	0.59%	399.12	0.00%	-	0.58%	399.12
8	Dalhousie Leasing & Financial Services Pvt. Ltd.	0.03%	132.62	-0.07%	(48.82)	0.00%	-	-0.07%	(48.82)
9	Ishwer Realty and Technologies Pvt. Ltd.	8.09%	33,354.88	-2.40%	(1,637.35)	0.00%	-	-2.39%	(1,637.35)
10	Hi-Class Buildcon Pvt. Ltd.	-0.25%	(1,022.39)	-0.15%	(105.08)	0.00%	-	-0.15%	(105.08)
11	Lodha Aviation Pvt. Ltd.	0.14%	561.24	-0.35%	(236.92)	0.00%	-	-0.35%	(236.92)
12	Jawala Real Estate Pvt. Ltd.	19.04%	78,478.51	65.59%	44,686.01	1.40%	7.00	65.12%	44,693.01
13	Kundan Realtors Pvt. Ltd.	0.00%	(7.01)	0.00%	(2.69)	0.00%	-	0.00%	(2.69)
14	Lodha Buildcon Pvt. Ltd.	-0.56%	(2,287.72)	-1.98%	(1,352.39)	0.00%	-	-1.97%	(1,352.39)
15	Lodha Crown Buildmart Pvt. Ltd.	11.98%	49,399.44	2.99%	2,037.85	0.00%	-	2.97%	2,037.85
16	Palava Dwellers Pvt. Ltd.	24.89%	1,02,577.21	0.80%	546.71	-0.56%	(2.82)	0.79%	543.89
17	Lodha Elevation Buildcon Pvt. Ltd.	3.01%	12,390.72	2.48%	1,686.55	0.00%	-	2.46%	1,686.55
18	Lodha Estate Pvt. Ltd.	1.55%	6,383.72	-0.84%	(569.06)	0.03%	0.15	-0.83%	(568.91)



Sr. No.		Net Assets (Total Assets minus Total Liabilities)		Share in profit or loss		Other Comprehensive Income (OCI)		Total Comprehensive Income (TCI)	
		2015-16		2015-16		2015-16		2015-16	
		As % of consolidated net assets	Net Assets (₹ in Lakhs)	As % of consolidated Profit or Loss	Profit / (Loss) (₹ in Lakhs)	As % of consolidated OCI	OCI (₹ in Lakhs)	As % of consolidated TCI	TCI (₹ in Lakhs)
19	Bellissimo Hi-Rise Builders Pvt. Ltd. (Formerly known as Lodha Hi-Rise Builders Pvt. Ltd.)	6.88%	28,354.04	21.34%	14,540.32	0.00%	-	21.19%	14,540.32
20	Lodha Impression Real Estate Pvt. Ltd.	0.13%	536.80	0.33%	222.10	0.00%	-	0.32%	222.10
21	Nabhira Software Design Pvt. Ltd.	0.15%	606.87	0.61%	417.87	3.44%	17.18	0.63%	435.06
22	Samvara Buildtech Pvt. Ltd.	-0.02%	(95.63)	-0.95%	(646.46)	0.00%	-	-0.94%	(646.46)
23	Microtec Constructions Pvt. Ltd.	1.63%	6,717.06	2.33%	1,588.71	0.00%	-	2.31%	1,588.71
24	National Standard (India) Ltd.	3.32%	13,666.27	8.92%	6,074.86	0.00%	-	8.85%	6,074.86
25	Saravasa Buildtech and Farms Pvt. Ltd.	-2.29%	(9,429.61)	-2.72%	(1,851.23)	0.00%	-	-2.70%	(1,851.23)
26	Palava City Management Pvt. Ltd.	0.00%	0.21	0.01%	3.67	0.00%	-	0.01%	3.67
27	Sanathnagar Enterprises Ltd.	-0.33%	(1,363.20)	3.08%	2,095.48	-0.29%	(1.43)	3.05%	2,094.05
28	Shreenivas Cotton Mills Ltd.	15.58%	64,205.78	2.79%	1,899.08	-0.34%	(1.67)	2.76%	1,897.40
29	Shree Sainath Enterprises Construction and Devel	0.14%	563.11	0.91%	619.08	0.00%	-	0.90%	619.08
30	Shri Kailas Properties and Agrofarm Pvt. Ltd.	-0.01%	(26.69)	-0.04%	(24.99)	0.00%	-	-0.04%	(24.99)
31	Odeon Theatres Pvt. Ltd.	0.00%	(12.24)	0.00%	(0.57)	0.00%	-	0.00%	(0.57)
32	Siddhant Residential Paradise Pvt. Ltd.	-0.13%	(554.11)	0.00%	(1.04)	0.00%	-	0.00%	(1.04)
33	Simtools Pvt. Ltd.	6.42%	26,467.60	0.33%	223.54	0.00%	-	0.33%	223.54
34	Sitaldas Estate Pvt. Ltd.	-0.02%	(70.76)	-0.01%	(9.48)	0.00%	-	-0.01%	(9.48)
35	Suryakrupa Constructions Pvt. Ltd.	0.00%	-	0.00%	-	0.00%	-	0.00%	-
36	Lodha Fincorp Distribution Services LLP	0.04%	173.27	0.08%	53.67	0.00%	-	0.08%	53.67
37	Mahavir Associates *	1.40%	5,779.85	0.00%	(0.05)	0.00%	-	0.00%	(0.05)
38	Vivek Enterprises *	0.16%	676.99	-1.00%	(681.17)	0.00%	-	-0.99%	(681.17)
	* Partnership Firm under control								
	Foreign								
1	Lodha Developers International Ltd.	-0.20%	(812.87)	-0.42%	(284.30)	0.00%	-	-0.41%	(284.30)
2	Lodha Developers UK Ltd.	0.31%	1,276.02	-0.11%	(72.06)	0.00%	-	-0.10%	(72.06)
3	Lodha Developers International (Jersey) III Ltd.	0.00%	2.19	-0.31%	(209.59)	0.00%	-	-0.31%	(209.59)
	Minority interests in all subsidiaries	-4.01%	(16,515.33)	-4.51%	(3,076.10)				
	Associates (Investments as per the equity method)								
	Indian								
1	Kora Construction Pvt. Ltd.	-	1,396.48						
	Foreign								
1	Lodha Developers International (Jersey) I Holdings	-	42.41	-	(456.15)				
2	Lodha Developers International (Netherlands) B.V.	-	699.38	-	(533.60)				
3	Lodha Developers International Holdings Ltd.	-	2.49	-	(2,485.06)				
4	Tropical Adventure Ltd.	-	0.02	-	(169.54)				
5	Lodha Developers IGSL Ltd.			NA, considered in 2 above as it is wholly owned subsidiary.					
6	Lodha Developers 48CS Ltd.			NA, considered in 1 above as it is wholly owned subsidiary.					
7	Lodha Developers Dorset Close Ltd.			NA, considered in 5 above as it is wholly owned subsidiary.					

63 Standard issued but not yet effective

In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards)(Amendments) Rules, 2017, notifying amendment to Ind AS 7, 'Statement of cash flows'. This amendment is in accordance with the recent amendments made by International Accounting Standards Board (IASB) to IAS 7, 'Statement of cash flows'. The amendment is applicable to the Company from April 1, 2017.

Amendments to Ind AS 7

The amendments to Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activities, to meet the disclosure requirement. The Company is evaluating the requirements of the amendment and the effect on the financial statements is being evaluated



64 First-time adoption of Ind AS

For all periods upto and including the year ended 31st March, 2016, the Group had prepared its financial statements in accordance with the accounting standards notified under Section 133 of the Companies Act 2013, read together with Rule 7 of the Companies (Accounts) Rules, 2014 ('Indian GAAP'). This note explains the principal adjustments made by the Group in restating its financial statements prepared under Indian GAAP for the following:

- a) Balance Sheet as at 1st April, 2015 ('transition date')
- b) Balance Sheet as at 31st March, 2016 and
- c) Statement of Profit and Loss for the year ended 31st March, 2016

Exemptions applied

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Group has applied the following exemptions:

- ▶ The Group has elected to apply Ind AS 103 prospectively to business combinations occurring after its transition date.
- ▶ Group has elected to measure the commercial buildings classified as property, plant and equipment at the date of transition to Ind AS at its fair value and use that fair value as its deemed cost at that date.
- ▶ The Group has elected to continue with the carrying value for all of its investment property as recognised in its Indian GAAP financial as deemed cost at the transition date

Footnotes to the reconciliation of equity as at 1 April 2015 and 31 March 2016 and profit or loss for the year ended 31 March 2016

1 Accounting for Optionally Convertible Redeemable Preference Shares

The Group has issued Optionally Convertible Redeemable Preference Shares (OCPS) at a premium which were classified as Equity under Indian GAAP. As per the arrangement with the investor, these OCPS were required to be converted into Equity shares in due course and hence the same are classified as Other Equity under IND AS.

2 Borrowings carried at amortized cost

Ind AS 109 requires transactions costs incurred towards origination of borrowings to be deducted from carrying amount borrowings on initial recognition. These costs are recognised in the statement of profit or loss over the tenure of the borrowing as part of the interest expense by applying effective interest rate method. Under Indian GAAP, these transaction costs were charged to statement of profit or loss on straight line basis over the tenure of the loan.

The above transition has resulted in increase in equity by ₹ 1057.7 lakhs as at the date of transition to Ind AS and by ₹ 877.6 lakhs as at 31-March-16.

3 Corporate Guarantee Liability

Under Indian GAAP, corporate guarantee given by the Group to banks on behalf of the associates are shown as a part of the contingent liability footnote. Under Ind AS, such corporate guarantees are recorded as a financial liability on balance sheet with a corresponding effect given to investment. Subsequent to initial recognition, corporate guarantee is measured at an amount initially recognised less cumulative amortization.

The above transition has resulted in increase in equity by ₹ 38.95 lakhs as at the date of transition to Ind AS and by ₹ 116.85 lakhs as at 31-March-16.

4 Financial assets

In the financial statements prepared under Indian GAAP, investments in quoted mutual funds of the Group were measured at lower of cost or fair value. Under Ind AS, these investments have been classified as FVTPL on the date of transition. The fair value changes are recognised in the Statement of Profit and Loss. Other Financial assets are carried at amortised cost.

The Group has invested in the financial instruments issued by Associates and Others, which are carried at cost because of following reasons:

- 1) Insufficient more recent information is available to measure fair value
- 2) There is a wide range of possible fair value measurements and cost represents the best estimate of fair value within that range.

Further, most of these instruments have been repaid/redeemed/cancelled during the year. As a result, Group has carried these financial instruments at cost.

The above transition has resulted in increase in equity by ₹ 94.02 lakhs as at the date of transition to Ind AS and decrease by ₹ 163.89 lakhs as at 31-March-16.



5 Other Financial Liability (other than borrowings and corporate guarantee)

In the financial statements prepared under Indian GAAP, the carrying value of non-interest bearing financial liabilities having maturity date beyond twelve months from the year end were recognised at the nominal amounts payable by the Group. Under Ind AS, such financial liabilities are required to be recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

The above transition has resulted in increase in equity by ₹ 457.22 lakhs as at the date of transition to Ind AS and by ₹ 669.72 lakhs as at 31-March-16.

6 Prepaid Expenses

Under Ind AS, incremental costs of securing a contract with a customer is recognised as an asset provided the Group expects to recover those costs and can be separately identified and measured reliably. Such deferred cost is subsequently amortised and charged to profit or loss on a percentage of completion basis.

The above transition has resulted in increase in equity by ₹ 3853.39 lakhs as at the date of transition to Ind AS and by ₹ 6582.65 lakhs as at 31-March-16.

7 Remeasurement of defined benefit plan

In the financial statements prepared under Indian GAAP, remeasurement costs of defined benefit plans, arising primarily due to change in actuarial assumptions was recognised as Employee benefits expense in the Statement of Profit and Loss. Under Ind AS, such remeasurement costs relating to defined benefit plans is recognised in Other Comprehensive Income as per the requirements of Ind AS 19, Employee benefits. Consequently, the related tax effect of the same has also been recognised in Other Comprehensive Income.

The above changes do not affect Equity as at date of transition to Ind AS and as at 31st March, 2016. However, Profit for the year decreased by ₹ 8.58 Lakhs.

8 Expected Credit Loss (ECL)

Under Indian GAAP, the Group has created provision for impairment of financial assets based on losses incurred. However, under Ind AS impairment allowance has been determined based on expected credit loss model (ECL), which considers the probable non recovery of amount and delayed expected receipts. Considering these aspects, the Company has impaired its financial assets by ₹ 2,754.25 lakhs as on the transition date which has been recognised in retained earnings.

9 Deferred tax

The above transitional adjustments lead to temporary differences. According to the accounting policies, the Company has to account for such differences. Deferred tax adjustments are recognised in correlation to the underlying transaction either in retained earnings or as a separate component of equity.

The above transition has resulted in decrease in equity by ₹ 1287.81 lakhs as at the date of transition to Ind AS and by ₹ 2210.89 lakhs as at 31-March-16

10 Property, plant and equipment

The Group has elected to measure building under property, plant and equipment at fair value at the date of transition to Ind AS.

The above transition has resulted in increase in equity by ₹ 21251.95 lakhs as at the date of transition to Ind AS and by ₹ 21251.95 lakhs as at 31-March-16

11 Impact of entities classified as subsidiaries and consolidated under IND AS

Under Indian GAAP, 3 Companies were not Consolidated as the control was intended to be temporary in nature. Under IND AS, these companies have been consolidated from the date of transition i.e. 01-April-15 as per IND AS 110 - Consolidated Financial Statement. Consolidation of these companies has resulted into change in the Balance Sheet, Statement of Profit and Loss, which is reflected line by line in the Financial statements.

The above transition has resulted in decrease in equity by ₹ 3.32 lakhs as at the date of transition to Ind AS and by ₹ 70.79 lakhs as at 31-March-16

12 Other comprehensive income

Under Indian GAAP, there was no concept of Other comprehensive income. Under IND AS, specified item of income, expenses, gains or losses are required to be presented in Other Comprehensive income.

13 Statement of cash flows

The transition from Indian GAAP to Ind AS has not had a material impact on the statement of cash flows.



LODHA DEVELOPERS PRIVATE LIMITED
CONSOLIDATED BALANCE SHEET
Effect of Ind AS adoption on the Balance Sheet as at 1st April 2015

	Indian GAAP	Effect of transition to Ind AS	Ind AS
	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	39,186.44	19,251.28	58,437.72
Capital Work-in-Progress	448.39	-	448.39
Investment Property	-	2,003.01	2,003.01
Goodwill	1,66,897.04	969.32	1,67,866.36
Intangible Assets	10,177.49	(9,497.96)	679.53
Investments accounted for using the Equity Method	1,860.46	-	1,860.46
Financial Assets			
Investments	1,77,197.13	(774.58)	1,76,422.55
Loans	16,830.95	-	16,830.95
Other Financial Assets	2,804.22	(14.85)	2,789.37
Deferred Tax Assets	5,585.36	242.46	5,827.83
Other Non-Current Assets	8,226.25	-	8,226.25
Total Non-Current Assets	4,29,213.73	12,178.68	4,41,392.42
Current Assets			
Inventories	19,11,738.62	63.86	19,11,802.48
Financial Assets			
Investments	709.08	86.43	795.51
Loans	54,539.21	(2,416.96)	52,122.25
Trade Receivables	1,08,064.65	(337.28)	1,07,727.37
Cash and Cash Equivalents	33,579.89	41.12	33,621.01
Bank Balances other than Cash and Cash Equivalents	9,870.31	-	9,870.31
Other Financial Assets	63,578.32	0.25	63,578.57
Current Tax Assets (net)	6,182.15	-	6,182.15
Other Current Assets	1,57,017.40	3,353.80	1,60,371.20
Total Current Assets	23,45,279.63	791.22	23,46,070.85
Total Assets	27,74,493.36	12,969.90	27,87,463.27
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	10,810.80	-	10,810.80
Other Equity			
Optionally Convertible Preference Shares	1,000.00	49,000.00	50,000.00
Share Premium	49,056.47	(49,000.00)	56.47
Retained Earnings	2,49,993.87	13,143.11	2,63,136.98
Other Reserves	5,563.11	311.41	5,874.52
Equity attributable to Owners of the Company	3,16,424.25	13,454.52	3,29,878.77
Non-Controlling Interests	13,439.36	66.78	13,506.14
Total Equity	3,29,863.61	13,521.30	3,43,384.91
Non-Current Liabilities			
Financial Liabilities			
Borrowings	1,83,704.44	255.01	1,83,959.45
Trade Payables	-	-	-
Due to Micro and Small Enterprises	-	-	-
Due to Others	7,416.34	222.34	7,638.68
Other Financial Liabilities	12,431.22	(48.54)	12,382.68
Provisions	1,783.87	-	1,783.87
Deferred Tax Liabilities	49,211.23	1,274.27	50,485.50
Total Non-Current Liabilities	2,54,547.09	1,703.07	2,56,250.18
Current Liabilities			
Financial Liabilities			
Borrowings	9,96,914.22	(1,752.55)	9,95,161.67
Trade Payables	-	-	-
Due to Micro and Small Enterprises	1,122.69	-	1,122.69
Due to Others	1,69,195.91	952.97	1,70,148.88
Other Financial Liabilities	3,39,753.04	(164.53)	3,39,588.51
Provisions	631.76	-	631.76
Current Tax Liabilities (net)	-	-	-
Other Current Liabilities	6,82,465.04	(1,290.36)	6,81,174.67
Total Current Liabilities	21,90,082.66	(2,254.47)	21,87,828.18
Total Liabilities	24,44,629.75	(551.40)	24,44,078.36
Total Equity and Liabilities	27,74,493.36	12,969.90	27,87,463.27



The IGAAP figures have been reclassified to conform to IND AS presentation requirements for the purpose of this note.

LODHA DEVELOPERS PRIVATE LIMITED
CONSOLIDATED BALANCE SHEET
Effect of Ind AS adoption on the Balance Sheet as at 31st March 2016

	Indian GAAP ₹ in Lakhs	Effect of transition to Ind AS ₹ in Lakhs	Ind AS ₹ in Lakhs
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	35,686.36	19,303.34	54,989.70
Capital Work-in-Progress	17,567.06	-	17,567.06
Investment Property	-	1,561.14	1,561.14
Goodwill	1,32,792.29	-	1,32,792.29
Intangible Assets	9,639.41	(9,076.69)	562.73
Investments accounted for using the Equity Method	(1,759.97)	3,156.16	1,396.19
Financial Assets			
Investments	1,98,581.89	475.31	1,99,057.20
Loans	83,942.36	(2,986.46)	80,955.90
Other Financial Assets	15,264.83	(63.59)	15,201.24
Deferred Tax Assets	4,767.24	(16.21)	4,751.03
Other Non-Current Assets	5,185.62	0.32	5,185.94
Total Non-Current Assets	5,01,667.09	12,353.32	5,14,020.42
Current Assets			
Inventories	20,96,459.49	16.23	20,96,475.72
Financial Assets			
Investments	1,745.68	41.36	1,787.04
Loans	47,111.10	(2,416.96)	44,694.14
Trade Receivables	68,925.58	(337.28)	68,588.30
Cash and Cash Equivalents	19,894.21	47.51	19,941.72
Bank Balances other than Cash and Cash Equivalents	10,526.48	-	10,526.48
Other Financial Assets	1,42,606.14	0.25	1,42,606.39
Current Tax Assets (net)	1,101.66	-	1,101.66
Other Current Assets	1,88,384.55	4,811.92	1,93,196.47
Total Current Assets	25,76,754.89	2,163.03	25,78,917.92
Total Assets	30,78,421.98	14,516.35	30,92,938.34
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	10,810.80	-	10,810.80
Other Equity			
Optionally Convertible Preference Shares	1,000.00	49,000.00	50,000.00
Share Premium	49,056.47	(49,000.00)	56.47
Retained Earnings	2,99,187.26	14,938.15	3,14,125.41
Other Reserves	20,057.99	553.29	20,611.28
Equity attributable to Owners of the Company	3,80,112.52	15,491.44	3,95,603.96
Non-Controlling Interests	16,515.32	63.17	16,578.49
Total Equity	3,96,627.84	15,554.61	4,12,182.45
Non-Current Liabilities			
Financial Liabilities			
Borrowings	1,91,886.53	259.74	1,92,146.27
Trade Payables	-	-	-
Due to Micro and Small Enterprises	-	-	-
Due to Others	6,142.19	23.00	6,165.19
Other Financial Liabilities	13,837.34	(57.45)	13,779.89
Provisions	2,136.98	0.08	2,137.06
Deferred Tax Liabilities	55,078.54	1,941.63	57,020.18
Total Non-Current Liabilities	2,69,081.58	2,167.00	2,71,248.59
Current Liabilities			
Financial Liabilities			
Borrowings	11,81,789.62	118.21	11,81,907.83
Trade Payables	-	-	-
Due to Micro and Small Enterprises	913.80	-	913.80
Due to Others	2,18,111.11	666.05	2,18,777.16
Other Financial Liabilities	4,35,454.30	(256.13)	4,35,198.18
Provisions	660.82	(0.01)	660.81
Current Tax Liabilities (net)	5,75,782.91	(3,733.39)	5,72,049.52
Other Current Liabilities	24,12,712.56	(3,205.26)	24,09,507.30
Total Current Liabilities	26,81,794.14	(1,038.26)	26,80,755.89
Total Liabilities	30,78,421.98	14,516.35	30,92,938.34
Total Equity and Liabilities	30,78,421.98	14,516.35	30,92,938.34



The IGAAP figures have been reclassified to conform to IND AS presentation requirements for the purpose of this note.

LODHA DEVELOPERS PRIVATE LIMITED
CONSOLIDATED STATEMENT OF PROFIT AND LOSS
Effect of Ind AS adoption on the Statement of Profit and Loss for the year ended 31st March 2016

	Indian GAAP	Effect of transition to Ind AS	Ind AS
	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs
I INCOME			
Revenue from Operations	8,31,366.95	0.32	8,31,367.27
Other Income	4,876.95	(20.28)	4,856.66
Total Income	8,36,243.90	(19.96)	8,36,223.93
II EXPENSES			
Cost of Projects	5,18,432.37	-	5,18,432.37
Purchases of Building Materials	-	-	-
Employee Benefits Expense	40,681.79	8.58	40,690.37
Finance Costs (Net)	50,973.23	(109.42)	50,863.80
Depreciation, Amortisation and Impairment Expense	45,016.28	(31.46)	44,984.82
Other Expenses	65,495.17	(2,427.07)	63,068.10
Total Expenses	7,20,598.83	(2,559.37)	7,18,039.46
III Profit Before Exceptional Item and Tax (I-II)	1,15,645.07	2,539.40	1,18,184.47
Exceptional Items	52.33	-	52.33
Share of Loss of Associates	(3,644.35)	169.54	(3,474.81)
IV Profit Before Tax	1,12,053.05	2,708.94	1,14,761.99
V Tax Expense:			
Current Tax	(39,452.89)	-	(39,452.89)
Deferred Tax	(6,344.63)	(833.27)	(7,177.90)
Total Tax Expense	(45,797.52)	(833.27)	(46,630.79)
VI Profit for the Year	66,255.53	1,875.68	68,131.20
VII Other Comprehensive Income (OCI)			
A Items that will not be reclassified to Statement of Profit and Loss			
(i) Re-measurement of defined benefit plans	-	8.51	8.51
Income Tax effect	-	(2.95)	(2.95)
	-	5.56	5.56
B Items that will be reclassified to Statement of Profit and Loss			
Foreign Currency Translation Reserve	-	494.05	494.05
	-	494.05	494.05
Total Other Comprehensive Income (net of tax) (A+B)	-	499.61	499.61
VIII Total Comprehensive Income for the year (VI+VII)	66,255.53	2,375.29	68,630.81

The IGAAP figures have been reclassified to conform to IND AS presentation requirements for the purpose of this note.



A. Reconciliation of total comprehensive income for the year ended 31-March-2016

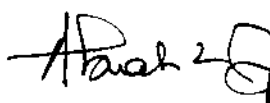
₹ in Lakhs		
Nature of Adjustments (excluding reclassification adjustments)	Footnotes	For the Year ended 31-Mar-16
Net Profit as per Indian GAAP		66,255.53
Borrowings carried at amortised cost	2	(180.10)
Corporate Guarantee	3	77.90
Financial assets carried at fair value	4	(45.05)
Financial assets carried at amortised cost	4	(2,286)
Financial liabilities carried at amortised cost	5	212.50
Prepaid expenses	6	2,729.25
Remeasurement of defined benefit plan	7	(8.58)
Deferred taxes	9	(833.27)
Impact of entities classified as subsidiaries and consolidated under IND AS	11	(67.47)
Others		203.35
Net Profit as per Ind AS		1,875.67
Other Comprehensive Income (net of tax)		499.61
Total Comprehensive Income as per Ind AS		68,630.81

B. Reconciliation of equity as at 31-March-16 and 01-April-15

₹ in Lakhs			
Nature of Adjustments (excluding reclassification adjustments)	Footnotes	As at	As at
		31-Mar-16	01-Apr-15
Equity as Per Indian GAAP		3,96,627.84	3,29,863.61
Borrowings carried at amortised cost	2	877.60	1,057.70
Corporate Guarantee	3	116.85	38.95
Financial assets carried at fair value	4	41.38	86.43
Financial assets carried at amortised cost	4	(205.27)	7.59
Financial liabilities carried at amortised cost	5	669.72	457.22
Prepaid Expenses	6	6,582.65	3,853.39
Expected Credit Loss (ECL)	8	(2,754.26)	(2,754.26)
Deferred taxes	9	(2,210.89)	(1,287.81)
Derecognition of Intangible assets		(9,497.96)	(9,497.96)
Fair valuation of property, plant and equipment	10	21,251.95	21,251.95
Impact of entities classified as subsidiaries and consolidated under IND AS	11	(70.79)	(3.32)
Foreign Currency Translation Reserve		553.30	311.42
Others		200.33	-
Total effect of transition to Ind AS		15,554.61	13,521.30
Equity as Per Ind AS		4,12,182.45	3,43,384.91



As per our attached report of even date
For MSKA & Associates
(Formerly known as 'MZSK & Associates')
Chartered Accountants
Firm Registration Number: 105047W

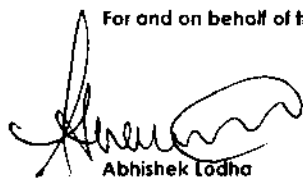

Abul Darukhanawala
(Partner)
Membership No. 108053



Place : Mumbai
Date : 26th July, 2017

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For and on behalf of the Board



Abhishek Lodha
(Managing Director)
DIN: 00266089



Rajendra Lodha
(Director)
DIN: 00370053



Ajay Mehrotra
(Chief Financial Officer)



Sanjay Rangnekar
(Company Secretary)

Management's discussion and analysis of financial condition and results of operations

Our Financial Statements are prepared in accordance with Indian GAAP, which differs in certain material respects with IFRS. Our financial year ends on March 31 of each year. Accordingly, all references to a particular financial year are to the 12 month period ended March 31 of that year. This discussion contains forward-looking statements that involve risks and uncertainties and reflects our current view with respect to future events and financial performance.

Overview

We believe that we are one of the largest real estate developers in India by deliveries, delivering 7.76 million square feet and 6.47 million square feet in the financial years 2017 and 2016 respectively. Our primary focus is on residential real estate development in the Mumbai Metropolitan Region (the "MMR"). We believe the MMR has significant depth of demand for real estate developments across customer segments and prices.

As at March 31, 2017, we had 22 ongoing projects, of which 21 projects were in the MMR. These projects accounted for an estimated Saleable Area of approximately 35.7 million square feet, of which approximately 33.1 million square feet represented projects located in the MMR. As at March 31, 2017, we also had 19 planned projects with an estimated Saleable Area of approximately 48.4 million square feet, which are entirely in the MMR. As at March 31, 2017, our ongoing and planned projects account for approximately 84.1 million square feet of Saleable Area. In addition, we have land reserves of approximately 4,692.66 acres with an estimated Saleable Area of 390.70 million square feet for future development in the MMR.

We believe that, while we are recognized as a premium developer in the residential real estate markets we serve, we are able to satisfy customer needs and provide lifestyle solutions across price ranges. Further, based on our past experience, our strategy is to focus primarily in the MMR. We believe this focus has contributed to our high sales numbers. We also focus on acquiring large parcels of land with clean titles so that we can leverage our strong execution capabilities to create projects which are largely self-sufficient and can cater to a majority of our customers' needs. This enables us to capture value on an ongoing basis as our projects are developed. We believe our ability to attract and retain superior talent and a professionally run management team for each of our divisions contributes to our reputation for maintaining strong execution capability.

In our residential segment we cater to diverse customer needs across a wide spectrum of income segments, from luxury residences in South Mumbai to large integrated townships in the Mumbai suburbs. Our portfolio of residential projects includes apartments with a wide price range. In the financial year 2017, we sold apartments ranging from ₹ 3.14 million to ₹ 575 million.

We categorize our residential developments into luxury, high-end, aspirational and affordable segments. In the luxury segment we are presently developing several luxury apartments such as World Towers at Upper Worli, Mumbai and Trump® Tower Mumbai at Worli, Mumbai and Lodha Altamount at Altamount Road, one of the most sought after addresses in Mumbai. In our high-end residential segment, we are presently developing projects such as The Park at Worli, Mumbai, Lodha Venezia at Parel and New Cuffe Parade at Wadala, Mumbai. In our aspirational residential segment, we are presently developing several projects, including Lodha Luxuria Priva at Thane, Lodha Fiorenza at Goregaon, Mumbai, Lodha Belmondo in Pune and Lodha Amara at Thane.

We also offer the 'CASA by Lodha' brand which targets the mid-income housing segment of the real estate market in the MMR. We are currently developing several residential projects under this brand, including Lakeshore Greens and Casa Rio at Palava, Dombivali.

As part of our ongoing and planned projects as well as future development, we are currently developing a township called Palava City, which will have the infrastructure and supporting social amenities such as medical facilities, schools, commercial space and recreational areas, required to be a self-sustained city. Since its launch, over 26,744 apartments have been sold at Palava City and the development is already home to over 6,500 families and has an operational Indian Certificate of Secondary education school, golf course, Fédération Internationale de Football Association affiliated football ground, cricket ground and other sports and recreational facilities.

FY 2016-17

Our operations span different aspects of real estate development, from the identification and acquisition of land, research, planning and designing through to sales, marketing and project management of our projects.

We undertake detailed comprehensive research and analysis of our proposed projects to analyze demand trends, competitive factors, customer needs, market prices and product gaps. As at March 31, 2017, we had a total of 3,703 employees who oversee and execute many of the key aspects of our business. We work with leading international and domestic firms for the planning, development and maintenance of our projects. We also work with leading designers and product manufacturers to offer premium projects to our customers.

Our Group was founded by our promoter, Mangal Prabhat Lodha, in 1980. In the years following its inception, Our Group concentrated on developing affordable housing in the suburbs of Mumbai. From 2002 onwards, Our Group diversified into other segments and regions in the MMR. As at March 31, 2017 we had completed projects spread over approximately 42.2 million square feet of Saleable Area. We have also received awards and recognition including: (i) 'Special Recognition Award' at the ET Best Realty Brands Awards 2016 (ii) Global Leadership in Real Estate' Award at the NDTV Property Awards 2014 (iii) India's Most Admired Builders' Award (2014); (iv) India's Most Trusted Brand (Real Estate Developer Category - 2014); (v) Top 100 Best Companies to work for (2014) by Great Places to Work, for four years in a row, the last one awarded in 2014 (vi) Deal of the Year (2014) at the RESI Awards for our acquisition of the Canadian High Commission; and (vii) International Property Awards (2012-2013) under several categories for Lodha Fiorenza, The World Towers, New Cuffe Parade, Lodha Excelus and Palava City.

Significant Factors Affecting Our Results of Operations and Financial Condition

Our results of operations and financial condition have been affected and will continue to be affected by a number of significant factors, including the following:

General Economic Condition and the Condition and Performance of the Real Estate Market in India

We derive substantially all of our revenue from our real estate activities in India. Accordingly, we are heavily dependent on the state of the Indian real estate sector, the Mumbai Metropolitan Region real estate sector in particular and the Indian economy in general. As demand for new residential and commercial properties is driven by increased employment and increasing disposable income, any slowdown or perceived slowdown in the Indian economy, or in specific sectors of the Indian economy, could adversely impact our business and financial performance.

Supply of Land and Cost of Acquisition of Development Rights

The profitability of our business is dependent on our land acquisition costs and the availability of land for our projects. Our growth is linked to the availability of land in areas where we intend to develop projects. Suitable land parcels are severely limited in the city of Mumbai, our primary market. Occasionally areas of land become available, such as the lands belonging to the erstwhile textile mills, but these tend to be expensive and are often sold through an auction process. We believe that we have been successful in obtaining some of the land belonging to such mills at reasonable cost, but we are not able to predict whether we will be able to do so in the future.

The cost of acquiring land, which includes the amounts paid for freehold rights, leasehold rights, the cost of registration and stamp duty, represents a substantial part of our project cost. We acquire land from the Government and other private parties. The lands we acquire from governmental authorities are generally acquired through a tender process, wherein the highest bidder is selected for allotment of land, which are in some cases subject to qualification under technical or financial parameters. In certain cases, the governmental authorities fix a reserve price for the land and all bids below this price are rejected. We are required to enter into a deed of conveyance or a lease deed transferring title or leasehold rights in our favour. The registration charges and stamp duty are also payable by us. Additional costs include those incurred in complying with regulatory formalities, such as fees paid for change of land use, Infrastructure and Development charges and Premium.

We also acquire the right to develop properties through collaboration with other entities, which own the land. The other party is given the option, as consideration, to either share the sale proceeds in a pre-determined

proportion depending on the nature of the project and the location of the land or to receive a pre-determined percentage of the developed area which the party can market at its own expense.

Cost of Construction and Development

Our cost of construction includes the cost of raw materials such as steel, cement, wood, flooring and other building materials and construction contracts for labour. Raw material prices, particularly those of steel and cement, may be affected by price volatility caused by various factors that affect the Indian and international commodity markets. If there are extraordinary price increases in construction materials due to increases in demand for cement and steel, or shortages in supply, the contractors we hire for construction or development work may be unable to fulfil their contractual obligations and may therefore be compelled to increase their contract prices. As a result, increases in costs for any construction materials may impact our construction costs and consequently, the sales prices or rental income for our projects.

In addition, the timing and quality of construction of the projects we develop depends on the availability and skill of our contractors and consultants, as well as contingencies affecting them, including labour and industrial actions, such as strikes and lockouts. Such labour and industrial actions may cause significant delays to the construction timetables for our projects and we may therefore be required to find replacement contractors and consultants at higher cost. As a result, any increase in prices resulting from higher construction costs could adversely affect demand for our projects and the relative affordability of our projects as compared to our competitors' products.

Cost of Financing; Changes in Interest Rates

There are numerous costs associated with the acquisition of land and the development of real estate projects. Accordingly, our ability to obtain financing, as well as the cost of such financing, affects our business. For example, we fund our property development activities through a significant level of medium and long-term debt and by pre-selling projects.

Though we believe we are able to obtain funding at relatively low interest rates, cost of financing is material for us, as we require significant capital to develop our projects. Our total outstanding indebtedness, on a consolidated basis, was ₹ 1,60,412 million and ₹ 1,37,678.02 million as at March 31, 2017 and 2016 respectively, and our total net interest and finance charges before allocating to cost of projects were ₹ 15,136.43 million and ₹ 17,494.92 million, for the financial years 2017 and 2016 respectively.

One of the major drivers behind the growth of demand for housing units is rising disposable income and availability of housing loans at affordable interest rates. Changes in interest rates also affect the ability and willingness of our prospective real estate customers, particularly customers for our residential properties, to obtain financing for their purchase of our developments. The interest rate at which our real estate customers may borrow funds for the purchase of our properties affects the affordability and purchasing power of, and hence the market demand for, our residential real estate developments.

Competition

We face significant competition in the Indian real estate market. In particular, we compete with other developers in the Mumbai Metropolitan Region in identifying and acquiring parcels of land of suitable size and location at attractive prices for the development of our real estate projects. Our continued growth also depends in large part on our ability to acquire high quality land at attractive prices and under terms that can yield reasonable returns. If the Indian economy continues to grow, we expect that competition among developers for land reserves that are suitable for property development will intensify and that land acquisition costs will increase as a result. Competition from other developers in the Mumbai Metropolitan Region may adversely affect our ability to develop and sell or lease our projects, and continued development by other market participants could result in saturation of the real estate market.

Our Significant Accounting Policies

The Consolidated Financial Statements comprise the financial statements of Lodha Developers Private Limited ('the Company') and all of its Subsidiaries, Associates, Limited Liability Partnerships and Partnership Firms under control (hereinafter collectively referred to as the "Group"). Our Audited Consolidated Financial Statements have been prepared on the following basis:

A. Significant Accounting Policies

I. Basis of preparation

These financial statements are the financial statements of the Group (also called financial statements) prepared in accordance with Indian Accounting Standards ('Ind AS') notified under section 133 of the Companies Act 2013, read together with the Companies (Indian Accounting Standards) Rules, 2015.

For all periods up to and including the year ended 31st March, 2016, the Company had prepared its financial statements in accordance with Accounting Standards notified under Section 133 of the Companies Act, 2013, read together with Rule 7 of the Companies (Accounts) Rules, 2014 ('Previous GAAP').

The financial statements are prepared to meet the requirements of bondholders and are not the statutory consolidated Ind AS financial statements of the Company as required under Section 129 of the Companies Act, 2013.

These financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for land as classified under Property, Plant and Equipment and certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below. The accounting policies have been applied consistently over all the periods presented in these financial statements.

The financial statements are presented in Indian Rupees (₹) and all values are rounded to the nearest lakhs except when otherwise indicated.

II. Principles of Consolidation and Equity Accounting

i) Subsidiaries

Subsidiaries are all entities over which the group has control. The Group controls an entity, when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect the returns through its power to direct the relevant activities of the entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the group. Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control. They are deconsolidated from the date that control ceases.

The results and financial position of foreign operations that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities are translated at the closing rate at the date of the balance sheet;
- income and expenses are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
- All resulting exchange differences are recognised in other comprehensive income.

The group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealized gains on transactions between group companies are eliminated.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

ii) Associates

Associates are all entities over which the Group had significant influence but not control or joint control. This is generally the case where the group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting after initially being recognized at cost.

Under the equity method of accounting, the excess of cost of investment over the proportionate share in equity of the associate as at the date of acquisition of stake is identified as goodwill or capital reserve as the case may be and included in the carrying value of the investment in the associate.

The carrying amount of the investment is adjusted thereafter to recognize the Group's share of the post-acquisition profits or losses of the investee in Consolidated Statement of Profit and Loss, and the Group's share of other comprehensive income of the investee in Consolidated Other Comprehensive Income. However, the share of losses is accounted for only to the extent of the cost of investment. Subsequent profits of such associates are not accounted for unless the accumulated losses (not accounted for by the Group) are recouped. Additional losses are provided for to the extent that the Group has incurred obligations or made payments on behalf of the associate to satisfy obligations of the associate that the Group has guaranteed or to which the Group is otherwise committed.

Unrealised gains or losses on transactions between the Group and its associates are eliminated to the extent of the Group's interest in these entities.

III. Summary of Significant Accounting Policies

1. Current and Non-Current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- i. Expected to be realised or intended to be sold or consumed in normal operating cycle.
- ii. Held primarily for the purpose of trading
- iii. Expected to be realised within twelve months after the reporting period, or
- iv. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.
- v. All other assets are classified as non-current.

A liability is current when:

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

The Group classifies all other liabilities as non-current.

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

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

The operating cycle of the Group's realty operations varies from project to project depending on the size of the project, type of development, project complexities and related approvals. Assets and liabilities are classified into current and non-current based on the operating cycle.

2. Property, Plant and Equipment

i. Recognition and measurement

All property, plant and equipment except freehold land are stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisitions of the items. Cost includes freight, duties, taxes, borrowing cost and incidental expenses related to the acquisition and installation of the asset.

Freehold Land is measured at fair value. Valuations are performed with sufficient frequency to ensure that the carrying value of revalued asset does not defer materially from its fair value.

Revaluation surplus is recorded in Other Comprehensive Income and credited to the asset revaluation surplus in Other Equity.

ii. Subsequent costs

Subsequent expenditure is capitalised only when it is probable that the future economic benefits of the expenditure will flow to the Group. All other repairs and maintenance are charged to statement of profit or loss during the reporting period in which they are incurred.

iii. Derecognition

The carrying amount of an item of Property, Plant and Equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an item of Property, Plant and Equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the Consolidated Statement of Profit and Loss when the item is derecognized.

iv. Capital work in progress

Cost of assets not ready for intended use, as on the Balance Sheet date, is shown as capital work in progress.

v. Depreciation

Depreciation is calculated on a written down value basis over the estimated useful lives of the assets as specified in Schedule II of Companies Act, 2013 except for Site/Sales Offices and Sample Flats wherein the estimated useful lives is determined by the management.

Sr. No.	Property, Plant and Equipment	Useful life (Years)
i.	Building	60
ii.	Site/Sales Offices and Sample Flats	8
iii.	Furniture and Fixtures	10
iv.	Computers	
	(a) Servers and networks	6
	(b) End user devices, such as, desktops, laptops, etc.	3
v.	Vehicles	
	(a) Motor cycles, scooters and other mopeds	10
	(b) Motor buses, motor lorries, motor cars and motor taxis	6
vi.	Office Equipment	5
vii.	Plant and Equipment	15

Depreciation on assets sold during the year is charged to the Statement of Profit and Loss up to the month preceding the month of sale.

3. Investment properties

The Property that is held for long term rental yield or for capital appreciation or both, and that is not occupied by the Group is classified as an Investment Property.

Investment properties are measured initially at cost, including transaction and borrowing costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

The Group depreciates building component of investment property over the useful life from the date of original purchase as prescribed under Schedule II to the Companies Act, 2013.

4. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and impairment losses.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. The amortisation expense on intangible assets with finite lives is recognised in the Consolidated Statement of Profit and Loss.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Consolidated Statement of Profit and Loss when the asset is derecognised.

Intangible assets are amortized proportionately over a period of five years or over the useful life of the assets, whichever is lower.

Intangible assets with indefinite life are tested for impairment annually. Impairment losses, if any, are recognised in Consolidated Statement of Profit and Loss.

5. Inventories

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each item of inventory to its present condition are accounted for as follows:

- i. Stock of Building Materials, Traded Goods and Transferrable Development Rights is valued at lower of cost and net realizable value. Cost is generally ascertained on weighted average basis.
- ii. Work-in-progress is stated at Cost and Net Realizable Value, whichever is lower. Work-in-progress includes cost of incomplete projects for which the Group has not entered into contracts and the costs incurred on the projects where the revenue is yet to be recognized.
- iii. Completed unsold inventory is valued at lower of Cost and Net Realizable Value.
- iv. Cost for this purpose includes cost of land, shares with occupancy rights, premium for development rights, borrowing costs, construction / development cost and other overheads incidental to the

projects undertaken.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated cost of completion and the estimated cost necessary to make the sale.

6. Provisions and Contingencies

The Group recognizes provisions when a present obligation (legal or constructive) as a result of a past event exists and it is probable that an outflow of resources embodying economic benefits will be required to settle such obligation and the amount of such obligation can be reliably estimated.

If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

A disclosure of contingent liability is also made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

7. Impairment of non-financial assets (excluding Inventories, Investment Properties and Deferred Tax Assets)

Non-financial assets are subject to impairment tests whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. Where the carrying value of an asset exceeds its recoverable amount (i.e. the higher of value in use and fair value less costs to sell), the asset is written down accordingly.

Where it is not possible to estimate the recoverable amount of an individual asset, the impairment test is carried out on the smallest group of assets to which it belongs for which there are separately identifiable cash flows; its cash generating units ('CGUs').

8. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets

Initial recognition and measurement

The Group classifies its financial assets in the following measurement categories.

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss)
- those measured at amortised cost

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- i) Debt instruments at amortised cost
- ii) Debt instruments at fair value through other comprehensive income (FVTOCI)
- iii) Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- iv) Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit or loss. The losses arising from impairment are recognised in the statement of profit or loss.

Debt instruments at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent Solely payments of principal and interest.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Group does not have any debt instruments which meets the criteria for measuring the debt instrument at FVTOCI.

Debt instrument at FVTPL

Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'Accounting Mismatch'). The Group has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Equity investments

All equity investments, except investments in fellow subsidiaries and associates are measured at fair value. The Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

Derecognition of Financial Assets

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is primarily derecognised (i.e. removed from the Group's Consolidated Balance Sheet) when:

- i) The rights to receive cash flows from the asset have expired, or
- ii) The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated

liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of Financial Assets

The Group assess on a forward looking basis the expected credit losses associated with its financial assets carried at amortised cost and FVTOCI debts instruments. The impairment methodology applied depends on whether there has been significant increase in credit risk. For trade receivables, the Group is not exposed to any credit risk as the legal ownership of residential and commercial units are transferred to the buyer only after all the installments are recovered.

For financial assets carried at amortised cost, the carrying amount is reduced and the amount of the loss is recognised in the consolidated statement of profit and loss. Interest income on such financial assets continues to be accrued on the reduced carrying amount and is accrued using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. The interest income is recorded as part of finance income. Financial asset together with the associated allowance are written off when there is no realistic prospect of future recovery and all collateral has been realised or has been transferred to the Group. If, in a subsequent year, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or decreased. If a write-off is later recovered, the recovery is credited to finance costs.

Financial Liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, or payables, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and financial guarantee contracts.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to Statement of Profit and loss. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Group has not designated any financial liability as at fair value through profit and loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Consolidated Statement of Profit and Loss.

Financial guarantee contracts

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

Derecognition of Financial Liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Consolidated Statement of Profit and Loss.

Reclassification of Financial Assets and Financial Liabilities

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Group's management determines change in the business model as a result of external or internal changes which are significant to the Group's operations. Such changes are evident to external parties. A change in the business model occurs when the Group either begins or ceases to perform an activity that is significant to its operations. If the Group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Consolidated Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

9. Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- i) In the principal market for the asset or liability, or-
 - ii) In the absence of a principal market, in the most advantageous market for the asset or liability
- The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- i) Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- ii) Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- iii) Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

10. Cash and Cash Equivalents

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

11. Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

The specific recognition criteria are described below:

i) Sale of Goods

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

Revenue from Sale of Land, Transfer of Development Rights, Building Materials and Finished Flats/ Units are recognized upon transfer of significant risks and rewards to the buyers / Customers.

ii) Income from Property Development:

Property development involves such activities of real estate development which has the same economic substance as construction contracts. Therefore, percentage completion method is applied for recognising revenue, costs and profits from transactions in property developments.

Income from property development and value of shares representing occupancy rights of units of immovable property is recognized upon transfer of all significant risks and rewards of ownership to the buyers and no significant uncertainty exists regarding the amount of consideration and ultimate

collection. The point of time at which all significant risks and rewards of ownership can be considered as transferred, is determined on the basis of the terms and conditions of the agreement for sale.

The Guidance Note on Accounting under Ind AS for Real Estate Transactions requires recognition of revenue under percentage of completion method only when, all critical approvals for project commencement have been obtained, on incurring at least 25% of estimated construction and development cost (excluding land and borrowing cost), at least 25% of the total saleable area is secured by agreement or letter of allotment (containing salient terms of agreement to sell) with buyers and receipt of 10% of the sales consideration per contract. The percentage of completion is worked out based on the total project cost incurred to the total estimated project cost including land and borrowing cost.

As the projects necessarily extend beyond one year, revision in costs and revenues estimated during the course of the contract are reflected in the accounting period in which the said estimates are revised.

Determination of revenue under the percentage of completion method necessarily involves making estimates by the Group, some of which are technical in nature, concerning, where relevant, the percentage of completion, costs to completion, the expected revenues from the project and the foreseeable losses to completion. Provision for foreseeable losses, determination of profit from real estate projects and valuation of construction work in progress is based on such estimates.

iii) Rendering of Services

Revenue from the Contract / Support services is recognised by reference to the terms of contract/agreement. When the contract outcome cannot be measured reliably, revenue is recognised only to the extent that the expenses incurred are eligible to be recovered.

iv) Interest Income

For all debt instruments measured at amortised cost. Interest income is recorded using the effective interest rate (EIR).

v) Rental Income

Rental income arising from operating leases is accounted over the lease terms.

vi) Dividends

Revenue is recognised when the Group's right to receive the payment is established.

12. Foreign Currency Translation

Initial Recognition

Foreign currency transactions during the year are recorded in the reporting currency at the exchange rates prevailing on the date of the transaction.

Conversion

Foreign currencies denominated monetary items are translated into rupees at the closing rates of exchange prevailing at the date of the balance sheet. Non-monetary items, which are carried in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction.

Exchange Differences

Exchange differences arising, on the settlement of monetary items or reporting of monetary items at the end of the year at closing rates, at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

13. Current Income Tax

Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable profit for the period. The tax

rates and tax laws used to compute the amount are those that are enacted by the reporting date and applicable for the period

Deferred Tax

Deferred tax is recognized using the balance sheet approach. Deferred tax assets and liabilities are recognized for all deductible and taxable temporary differences arising between the tax bases of assets and liabilities and their carrying amount in financial statements, except when the deferred tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of transaction.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates that have been enacted or substantively enacted at the reporting date.

Deferred tax asset in respect of carry forward of unused tax credits and unused tax losses are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

The Group recognizes deferred tax liabilities for all taxable temporary differences except those associated with the investments in subsidiaries where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Minimum Alternate Tax (MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the Group will pay normal tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Group will pay normal tax during the specified period.

Presentation of Current and Deferred Tax:

Current and deferred tax are recognized as income or an expense in the Statement of Profit and Loss, except when they relate to items that are recognized in Other Comprehensive Income, in which case, the current and deferred tax income/ expense are recognized in Other Comprehensive Income. The Group offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. In case of deferred tax assets and deferred tax liabilities, the same are offset if the Group has a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Group.

14. Borrowing Costs

Borrowing costs that are directly attributable to long term project development activities are inventorised / capitalized as part of project cost.

Borrowing costs are inventorised / capitalised as part of project cost when the activities that are necessary to prepare the inventory / asset for its intended use or sale are in progress. Borrowing costs are suspended from inventorisation / capitalisation when development work on the project is interrupted for extended periods and there is no imminent certainty of recommencement of work.

All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

15. Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

For arrangements entered into prior to 01-April-15, the Group has determined whether the arrangement contain lease on the basis of facts and circumstances existing on the date of transition.

Group as a Lessee

A lease is classified at the inception date as a finance lease or an operating lease.

Lease arrangements where the Group has substantially all the risks and rewards of ownership associated with the leased assets are classified as finance leases. Assets taken on finance lease are recognised as fixed assets. An equivalent liability is created at the inception of the lease. Rentals paid are apportioned between finance charge and principal based on the implicit rate of return in the contract. The finance charge is shown as interest expense and the principal amount is reduced from the liability. The assets acquired under the lease are depreciated over the lease term, which is reflective of the useful life of the leased asset.

Operating lease payments are recognised as an expense in the Consolidated Statement of Profit and Loss on a straight line basis unless payment to the lessor are structured to increase in the line with the expected general inflation to compensate for the lessor's expected inflationary cost increases.

Group as a Lessor

Leases in which the Group does not transfer substantially all the risks and rewards of ownership asset associated with the leased assets are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Group to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

16. Retirement and Other Employee Benefits

Retirement and other Employee benefits are accounted in accordance with Ind AS 19 – Employee Benefits.

a) Defined Contribution Plan

The Group contributes to a recognised provident fund for all its employees. Contributions are recognised as an expense when employees have rendered services entitling them to such benefits.

b) Gratuity (Defined Benefit Scheme)

The Group provides for its gratuity liability based on actuarial valuation as at the balance sheet date which is carried out by an independent actuary using the Projected Unit Credit Method. Actuarial gains and losses are recognised in full in the other comprehensive income for the period in which they occur.

c) Compensated absences (Defined Benefit Scheme)

Liability in respect of earned leave expected to become due or expected to be availed within one year from the balance sheet date is recognized on the basis of undiscounted value of benefit expected to be

availed by the employees. Liability in respect of earned leave expected to become due or expected to be availed beyond one year after the balance sheet date is estimated on the basis of actuarial valuation performed by an independent actuary using the projected unit credit method.

17. Business Combinations under Common Control

Business combinations involving entities under common control are accounted for using the pooling of interests method. The net assets of the transferor entity or business are accounted at their carrying amounts on the date of the acquisition subject to necessary adjustments required to harmonise accounting policies. Any excess or shortfall of the consideration paid over the Net Worth of transferor entity or business is recognised as capital reserve under equity.

18. Goodwill

Goodwill is initially measured at cost being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interest over the fair value of net identifiable tangible assets acquired and liabilities assumed. If the consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognised as capital reserve. After initial recognition, goodwill is measured at the cost less any accumulated impairment losses.

Where goodwill forms part of a cash-generating unit and part of the operation within that unit is disposed off, the goodwill associated with the operation disposed off is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed off in this circumstance is measured based on the relative values of the operation disposed off and the portion of the cash-generating unit retained.

Our Results of Operations

The following table sets out select financial data from our Special purpose consolidated statements of profit and loss for the financial years ended March 31, 2017 and 2016, the components of which are also expressed as a percentage of total revenue for such periods:

Particulars	For the Financial year ended 31st March			
	2017		2016	
	(₹ in millions)	(% of Total revenue)	(₹ in millions)	(% of Total revenue)
REVENUES				
Revenue from Operations	80,079.68	99.2%	83,136.73	99.4%
Other Income	665.63	0.8%	485.67	0.6%
Total	80,745.31	100.0%	83,622.39	100.0%
EXPENSES				
Cost of Projects	53,362.35	66.1%	51,843.24	62.0%
Employee Benefits Expense	4,569.51	5.7%	4,069.04	4.9%
Finance Costs (Net)	1,695.83	2.1%	5,086.38	6.1%
Depreciation	4,600.79	5.7%	4,498.48	5.4%
Other Expenses	6,225.18	7.7%	6,306.81	7.5%
Total	70,453.65	87.3%	71,803.95	85.9%
Profit Before Exceptional Item and Tax	10,291.66	12.7%	11,818.44	14.1%
Share of Loss in Associates	(158.94)	(0.2%)	(347.48)	(0.4%)
Exceptional Item	2.41	0.0%	5.23	0.0%

FY 2016-17

Profit Before Tax	10,135.12	12.6%	11,476.20	13.7%
Tax Expense	(4,086.16)	(5.1%)	(4,663.08)	(5.6%)
Net Profit for the Year	6,048.96	7.5%	6,813.12	8.4%
Other comprehensive Income (OCI)	4,449.82	5.5%	49.96	0.1%
Total Comprehensive Income for the year	10,498.78	13.0%	6,863.08	8.5%
Minority Interest	(282.63)	(0.4%)	(307.25)	(0.4%)
Net total Comprehensive Income for the year	10,216.15	12.7%	6,555.83	8.1%

Revenue and Expenses

Our revenue and expenses are reported in the following manner:

Revenue

Total revenue consists of revenue from operations and other income.

Revenue from Operations. Revenue from operations include:

- Income from property development constituted 89.9% and 87.0% of our total revenue for the financial years 2017 and 2016;
- Sale of land and development rights, which is comprised of income from sale of land and development rights which are not used by us for the development of our projects. Sale of land and development rights constituted 0.6% and 0.4% of our total revenue for the financial years 2017 and 2016;
- Income from contract / support services which is comprised of revenue from contractual services rendered by one of our subsidiaries to an associate and project related manpower services provided by one of our subsidiaries; constituted 3.7% and 4.2% of our total revenue for the financial years 2017 and 2016;
- Sale of Building Materials constituted 4.3% and 7.2% of our total revenue for the financial years 2017 and 2016.
- Income from rent which is comprised of rental income from real estate properties held by us; and
- Other operating income which is comprised of cancellation income. Other operating income constituted 0.6% and 0.6% of our total revenue for the financial years 2017 and 2016.

Other Income. Other income comprises income from rent, net profit on the sale of long term investments and fixed assets and net miscellaneous income. Other income constituted 0.8% and 0.6% of our total revenue for the financial years 2017 and 2016.

Expenses

Our expenses consist of cost of projects, consumption of raw material, purchase of building materials, employee benefits expense, finance costs, depreciation and amortization expenses and other expenses.

Cost of Project: Cost of project primarily includes expenses such as costs of Land, Construction and Development Cost, Building Materials consumed, Purchase of Building Materials, Other Construction Expenses and Overheads. Cost of project constituted 66.1% and 62.0% of our total revenue for the financial years 2017 and 2016.

Employee Benefits Expenses: Employee benefits expenses include Salaries, Bonus and Allowances, Contributions to the provident fund and other employee related funds and Staff welfare expenses. Our employee benefits costs constituted 5.7% and 4.9% of our total revenue for the financial years 2017 and 2016.

FY 2016-17

Finance Costs: Finance costs include interest and finance charges paid by us for short-term borrowings, including working capital loans and long-term loans. Finance costs constituted 2.1% and 6.1% of our total revenue for the financial years 2017 and 2016.

Depreciation and Amortization Expenses: Our depreciation and amortization expenses constituted 5.7% and 5.4% of our total revenue for the financial years 2017 and 2016.

Other Expenses. Other expenses consist of legal and professional expenses, advertising, consultancy and exhibition fees, brokerage fees and business and sales promotion expenses, among others. Other expenses constituted 7.7% and 7.5% of our total revenue for the financial years 2017 and 2016.

Other Comprehensive Income: Other Comprehensive Income consist of Re-measurement of Gains / (Losses) on defined benefit plans, Revaluation of Land and Foreign Currency Translation Reserve. Other comprehensive income constituted 5.5% and 0.1% of our total revenue for the financial years 2017 and 2016.

Financial Year 2017 Compared to Financial Year 2016

Total Revenue: Total revenue decreased by 3.4% to ₹ 80,745.31 million for the financial year 2017 from ₹ 83,622.39 million for the financial year 2016, primarily due to decrease in trading revenues.

Revenue from Operations: Revenue from operations decreased by 3.7% to ₹ 80,079.68 million for the financial year 2017 from ₹ 83,136.73 million for the financial year 2016 primarily due to decrease in trading revenues.

Other Income: Other income increased by 37.1% to ₹ 665.63 million for the financial year 2017 from ₹ 485.67 million for the financial year 2016, primarily due to foreign exchange gain and write back excess provisions the financial year 2017.

Total Expenses: Total expenses decreased by 1.9% to ₹ 70,453.65 million for the financial year 2017 from ₹ 71,803.95 million for the financial year 2016, primarily due to change in revenue mix, increased allocation of administration overheads and higher finance cost in 2016 due to interest on CCDs etc.

Cost of Projects: The cost of projects increased by 2.9% to ₹ 53,362.35 million for the financial year 2017 from ₹ 51,843.24 million for the financial year 2016, primarily due to change in revenue mix and impact of changes in budget estimates.

Employee Benefits Expense: Employee benefits expense increased by 12.3% to ₹ 4,569.51 million for the financial year 2017 from ₹ 4,069.04 million for the financial year 2016, primarily as a result of an increase in the number of employees and annual increase in compensation of employees.

Finance Costs: Finance costs decreased by 66.7% to ₹ 1,695.83 million for the financial year 2017 from ₹ 5,086.38 million for the financial year 2016 primarily on account of higher finance cost in 2016 due to interest on CCDs etc.

Depreciation and Amortization Expenses: Depreciation and amortization expenses increased by 2.3% to ₹ 4,600.79 million for the financial year 2017 from ₹ 4,498.48 million for the financial year 2016, primarily due to addition in Property, Plant & Equipment.

Other Expenses. Other expenses decreased by 1.3% to ₹ 6,225.18 million for the financial year 2017 from ₹ 6,306.81 million for the financial year 2016 primarily due to provision for diminution in value of investments of ₹ 200 million in previous year.

Profitability: Profit Before Tax margin decreased from 14.1% for the financial year 2016 to 12.7% for the financial year 2017, Profit After Tax marginally reduced from 8.4% for the financial year 2016 to 7.5% for the financial year 2017.

FY 2016-17

Other Comprehensive Income: Other Comprehensive Income increased to ₹ 4,449.82 million for the financial year 2017 from ₹ 49.96 million for the financial year 2016, primarily due to revaluation of land (net of provision of deferred tax) ₹ 4,303.93 million and Foreign Currency Translation Reserve ₹ 149.26 million.

First-time adoption of Ind AS

For all periods upto and including the year ended 31st March, 2016, The Group had prepared its financial statements in accordance with the accounting standards notified under Section 133 of the Companies Act 2013, read together with Rule 7 of the Companies (Accounts) Rules, 2014 ('previous GAAP'). The reconciliation given below explains the principal adjustments made by the Group in restating its Statement of Profit and Loss for the year ended 31st March, 2016 prepared under previous GAAP.

Reconciliation of total comprehensive income for the year ended 31-March-2016

Nature of Adjustments (excluding reclassification adjustments)	₹ in Millions
	For the Year ended 31-Mar-16
Net Profit as per Indian GAAP	6,625.55
Borrowings carried at amortised cost	(18.01)
Corporate Guarantee	7.79
Financial assets carried at fair value	(4.50)
Financial assets carried at amortised cost	(21.29)
Financial liabilities carried at amortised cost	21.25
Prepaid expenses	272.92
Remeasurement of defined benefit plan	(0.86)
Deferred taxes	(83.33)
Impact of entities classified as subsidiaries and consolidated under IND AS	(6.75)
Others	20.34
Net Profit as per Ind AS	187.57
Other Comprehensive Income (net of tax)	49.96
Total Comprehensive Income as per Ind AS	6,863.08

Financial Condition, Liquidity and Capital Resources

Cash Flows

The table below summarises our Consolidated cash flows for the financial years 2017 and 2016:

Particulars	For the Year Ended March 31	
	2017	2016
Net cash generated from / (used in) operating activities	4,435.93	-6,600.50
Net cash generated from / (used in) investing activities	-22,530.18	-9,319.46
Net cash generated from / (used in) financing activities	17,925.78	14,552.03
Net increase / (decrease) in cash and cash equivalents	-168.46	-1,367.93

Operating Activities

FY 2016-17

Net cash generated from operating activities was ₹ 4,435.93 million for the financial year 2017, while in 2016 the net cash used in operating activities was ₹ 6,600.50 million.

Investing Activities

Net cash used in investing activities was ₹ 22,530.18 million for the financial year 2017, representing loans granted of ₹ 6,659.23 million and incremental investments of ₹ 18,924.55 million.

Net cash used in investing activities was ₹ 9,319.46 million for the financial year 2016, representing loans granted of ₹ 7,535.58 million and incremental investments of ₹ 3,176.71 million.

Financing Activities

Net cash from financing activities was ₹ 17,925.78 million for the financial year 2017, consisting of net proceeds from borrowings and finance costs paid.

Net cash generated from financing activities was ₹ 14,552.03 million for the financial year 2016, consisting of net proceeds from borrowings and finance costs paid.

Consolidated Indebtedness

As at March 31, 2017, our indebtedness was as set out below:	
	(₹ in millions)
Particulars	As at March 31, 2017
Short-term Borrowings	
Secured	1,45,296.95
Unsecured	241.66
Total Short-Term Borrowings	1,45,538.61
Long-Term Borrowings	
Secured	1,689.41
Unsecured	12,980.97
Total Long-Term Borrowings	14,670.38
Current Portion of Long-Term Borrowings	203.01
Total	1,60,412.00

Debt maturity profile:

Repayable (₹ in millions)						
Particulars	Total outstanding	On demand	Within one year	Within one to two years	Within two to five years	After five years
	as at March 31, 2017					
Secured loans						

FY 2016-17

	1,47,590.92	26.17	34,500.03	81,916.35	30,854.87	293.50
Unsecured loans	13,487.21	519.49	-	-	12,967.72	
	1,61,078.13	545.66	34,500.03	81,916.35	43,822.59	293.50

Borrowings are stated before netting off loan issue cost.

Consolidated Capital Expenditure

Our capital payouts for the financial years 2017 and 2016 were ₹ 435.99 million and ₹ 1,489.47 million, respectively.

Our fixed assets primarily constitute premises, site and sales offices and sample flats, computers and furniture and fixtures. Since for most of our projects, expenses on the sample flats have already been incurred and we have the requisite office space, we do not envisage major capital expenses in the next three years.

Consolidated Contingent Liabilities

Our contingent liabilities as at March 31, 2017 were as set out below:

₹ in Million

Claims against the company not acknowledged as debts		31-March-17
(i)	Disputed Demands of Customers excluding amounts not ascertainable.	300.95
(ii)	Corporate Guarantees Given	6,917.50
(iii)	Disputed Taxation Matters	2,275.99
(iv)	Others	91.61

The estimated amounts of contracts remaining to be executed on capital account and not provided for are shown in the table below:

₹ in Millions

	Particulars	31-March-17
(i)	Obligation to pay lease rentals to MMRDA over the 65 years of lease period.	126.99
(ii)	Estimated amount of contracts remaining to be executed on capital account is and not provided for (net of advances).	546.62

Related Party Transactions

FY 2016-17

We have in the past engaged, and in the future may engage, in transactions with related parties, including with our affiliates. Such transactions could be for, among other things, purchase and sale of services, rent or lease of certain properties and sale and purchase of land and fixed assets.

As at March 31, 2017, our related party transactions in the consolidated financial statements amounted to ₹ 90,498.50 million, which included loans to related parties of ₹ 8,916.94 million.

For additional details of our related party transactions in accordance with the requirements under IND AS 24 issued by the ICAI, see our Consolidated Financial Statements.

Off-Balance Sheet Commitments and Arrangements

Our off-balance sheet commitments and arrangements consist primarily of bank and corporate guarantees issued in respect of debt incurred by our Company and our subsidiaries, claims against our Company not acknowledged as debt and outstanding litigation and tax claims. Except for the financial guarantees set forth above in “— Contingent Liabilities,” we have not entered into any off-balance sheet commitments or arrangements to guarantee the payment obligations of our Company or our subsidiaries, as at March 31, 2017.

Financial risk management objectives and policies

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risks: interest rate risk, currency risk and other price risk. Financial instruments affected by market risk include borrowings, investments, trade payables, trade receivables, loans and derivative financial instruments.

a. Interest rate risk

The Company is exposed to cash flow interest rate risk from long-term borrowings at variable rate. Currently the company has external borrowings (excluding short-term overdraft facilities) which are fixed and floating rate borrowings. The Company achieves the optimum interest rate profile by refinancing when the interest rates go down. However this does not protect Company entirely from the risk of paying rates in excess of current market rates nor eliminates fully cash flow risk associated with variability in interest payments, it considers that it achieves an appropriate balance of exposure to these risks.

b. Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate due to changes in foreign exchange rates. Since the Company has insignificant assets or liabilities denominated in foreign currency, the exposure to risk due to changes in foreign exchange rates is minimal. The Company does not enter into any derivative instruments for trading or speculative purposes.

Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value. The Company has an established liquidity risk management framework for managing its short term, medium term and long term funding and liquidity management requirements. The Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Company manages the liquidity risk by maintaining adequate funds in cash and cash equivalents. The Company also has adequate credit facilities agreed with banks to ensure that there is sufficient cash to meet all its normal operating commitments in a timely and cost-effective manner.

Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the Company's customer base, including the default risk of the industry and country, in which customers operate, has less influence on the credit risk.

The Company has entered into contracts for the sale of residential and commercial units on an instalment basis. The instalments are specified in the contracts. The Company is exposed to credit risk in respect of instalments due. However, the legal ownership of residential and commercial units are transferred to the buyer only after all the instalments are recovered. In addition, instalment dues are monitored on an ongoing basis with the result that the Company's exposure to credit risk is not significant. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

Credit risk from balances with banks and financial institutions is managed by Company's treasury in accordance with the company's policy. The company limits its exposure to credit risk by only placing balances with local banks and international banks of good repute. Given the profile of its bankers, management does not expect any counterparty to fail in meeting its obligations.

Commodity Price Risk

As a property developer, we are exposed to the risk that prices for construction materials used to build our properties (including timber, cement and steel) will increase. These materials are global commodities and their prices are cyclical in nature and fluctuate in accordance with global market conditions. We are exposed to the risk that we may not be able pass increased commodities costs to our customers, which would lower our margins.

Impact of Inflation

Although India has experienced an increase in inflation rates in recent years, inflation has not had a material impact on our business and results of operations.

Seasonality of Business

Our operations may be adversely affected by difficult working conditions during monsoons that restrict our ability to carry on construction activities and fully utilize our resources. Otherwise, we generally do not believe that our business is seasonal.

Business Overview

The Directors' are pleased to present the Business overview and statement on the Consolidated IND AS Special Purpose Financial Statements for the financial year 2016-17

1. Consolidated Financial Performance

Particulars Amounts in Rs in million	2016-2017	2015-2016
Revenue from operations	80,079.68	83,136.73
Other income	665.63	485.67
Total Revenue/Income	80,745.31	83,622.39
Less Total Expenditure	70,453.65	71,803.95
Profit Before Tax and Exceptional Items	10,291.66	11,818.44
Add: Exceptional Items	2.41	5.23
Profit Before Tax	10,135.12	11,476.20
Less: Tax Expenses	(4,086.16)	(4,663.08)
Profit After Tax	6,048.96	6,863.12
Share of Loss in Associates	(158.94)	(347.48)
Net Profit for the year	6,048.96	6,813.12
Other Comprehensive income	4,449.82	49.96
Less: Minority Interest	(282.63)	(307.25)
Profit for the year	10,216.15	6,555.83

The Ministry of Corporate Affairs (MCA), vide its notification in the official gazette dated 16th February 2015, notified the Indian Accounting Standards (Ind AS) applicable to certain classes of companies. Ind AS has replaced the existing Indian GAAP prescribed under Section 133 of the Companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules, 2014. For the Company, Ind AS is applicable from April 1, 2016, with a transition date of April 1, 2015 and IGAAP as the previous GAAP.

Revenue & profitability analysis

Total revenue decreased by approx 2.88% to ₹ 80,745.31 million for the financial year 2017 from ₹ 83,136.73 million for the financial year 2016, primarily due to decrease in trading revenues. Total expenditure decreased by 1.88% to ₹ 70,453.65 million for the financial year 2017 from ₹ 71,803.95 million for the financial year 2016, primarily due to change in revenue mix, increased allocation of administration overheads and higher finance cost in 2016.

Other Comprehensive Income comprising remeasurement of gains / (losses) on defined benefit plans, revaluation of land and foreign currency translation reserve constituted 5.5% and 0.1% of our total revenue for the financial years 2017 and 2016 respectively.

Profit Before Tax margin decreased from 14.1% for the financial year 2016 to 12.7% for the financial year 2017, Profit After Tax marginally reduced from 8.4% for the financial year 2016 to 7.5% for the financial year 2017.

2. Dividend

The Directors do not recommend any dividend for the financial year under review in order to conserve resources for future years and plough back profits into the business.

3. Directors and Key Managerial Personnel

Mr. Mangal Prabhat Lodha, was appointed as the Executive Chairman effective 21st June 2016 and resigned effective 15th September 2016. Mr. Lodha is presently designated as "Founder and Chief Mentor" of the Lodha Group.

Mr. Rajendra Lodha was appointed as Whole-time Director effective 21st June 2016 for a period of 5 years.

Mr. Berjis Desai who was appointed as Non-Executive Director effective 1st January 2016 has been appointed as Independent Director effective 24th February 2017. Mr. Mukund Chitale was appointed as Independent Additional Director effective 23rd November 2016, in accordance with Section 161 of the Act. The Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under the Act.

Ms. Sanjyot Rangnekar was appointed as the Secretary effective 21st June 2016 in place of Ms. Anshu Agarwal who ceased to be the Secretary effective 20th June 2016.

4. Board and Committees of the Board

4.1. Board meetings

Four Board meetings were held during the year and the gap between two meetings did not exceed the period stipulated in the Companies Act 2013. These were held on 21st June 2016, 21st August 2016, 23rd November 2016 and 24th February 2017.

Attendance of Directors during FY 2017:

Sr.	Name of the Director	Category of Directorship	Number of Meetings which the director was entitled to attend	Number of Meetings attended
1.	Mr. Mangal Prabhat Lodha [®]	Executive	2	2
2.	Mr. Abhishek Lodha		4	4
3.	Mr. Rajendra Lodha [*]		3	0
4.	Mr. R.P. Singh	Non-Independent, Non-Executive	4	4
5.	Mr. Berjis Desai [%]	Independent, Non-Executive	4	2
6.	Mr. Mukund Chitale [%]	Independent, Non-Executive	2	2

[®] Mr. Mangal Prabhat Lodha resigned as Executive Chairman of the Company w.e.f September 15 2016.

^{*} Mr. Rajendra Lodha was appointed as Whole-time Director of the Company w.e.f. June 21, 2016.

[%] Mr. Berjis Desai and Mr Mukund Chitale were appointed as Independent Directors w.e.f February 24, 2017 and November 23, 2016 respectively

Information provided to the Board or the Executive Committee of the Board

The Board has unrestricted access to all Company-related information. At Board / Committee meetings, department heads and representatives who can provide additional insights into the items being discussed are invited. Important decisions taken at Board / Committee meetings are communicated to the concerned departments / divisions promptly. An action taken/status report on the decisions of the previous meeting(s) is placed at the next meeting of the Board for information and further recommended action(s), if any.

4.2. Audit Committee

The Company has constituted an Audit Committee of Directors although this is not mandatory as per the provisions of the Companies Act 2013. The Committee comprises Mr Mukund Chitale, Chairman, Mr Berjis Desai and Mr Abhishek Lodha. All members are financially literate and bring in expertise in the fields of finance, economics, development, strategy and management. The Committee was constituted on November 23, 2016 and met once during the year on February 24, 2017. All the Committee members attended the meeting.

4.3. Nomination & Remuneration Committee

The Company has constituted a Nomination & Remuneration Committee of Directors although this is not mandatory as per the provisions of the Companies Act 2013. Mr. Berjis Desai and Mr. Abhishek Lodha are members of the Committee. During the financial year, the Committee met on June 21, 2016 and February 24, 2017.

4.4. Corporate Social Responsibility Committee

The Company has constituted a Corporate Social Responsibility (CSR) Committee in accordance with Section 135 of the Companies Act, 2013. Presently Mr R P Singh and Mr Abhishek Lodha are members of this Committee. During the year, the Committee met twice on June 21, 2016 and August 12, 2016. The attendance details of these meetings are as follows:

Sr. No.	Name of the member	Number of Meetings which the director was entitled to attend	Number of Meetings attended
1.	Mr. Mangal Prabhat Lodha ¹	2	2
2.	Mr. Abhishek Lodha	2	2
3.	Mr. R.P. Singh	2	2

¹ Mr. Mangal Prabhat Lodha resigned as Director w.e.f 15th September 2016.

5. Auditors & Audit report

MSKA Associates (F.K.A. MZSK Associates), Chartered Accountants were appointed as Statutory Auditors at the Annual General Meeting held on 30th September 2016 for a term of five consecutive years.

There is no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report to the Special Purpose Financial Statements.

6. Related party transactions

The transactions/contracts/arrangements, falling within the purview of provisions of Section 188(1) of the Companies Act, 2013, entered by the Company with related parties as defined under the provisions of Section 2(76) of the Companies Act, 2013, during the financial year under review, were in the ordinary course of business and have been transacted at arm's length basis.

7. Subsidiaries/joint venture/associates

The Company is a subsidiary of Sambhavnath Infrabuild and Farms Private Limited. The Company has 45 subsidiaries on March 31, 2017.

During the year, the following changes were made to the corporate structure:

Name of the Company	Category	Added / ceased	w.e.f.
Kidderpore Holdings Private Limited	Subsidiary	Ceased	11 th March, 2017
Jineshwer Real Estate And Farms Pvt. Ltd.	Subsidiary	Added	14 th September, 2016
Marutinandan Real Estate Developers Pvt. Ltd.	Subsidiary	Added	14 th September, 2016
Bellissimo Facilities Management Ltd.	Subsidiary	Added	31 st March, 2017

In addition, the following companies ceased on account of merger:

Name of the Company	Merged With	Merged w.e.f.
Lodha Designer Construction Pvt. Ltd.	Shree Sainath Enterprises & Construction Pvt Ltd	25-May-16*
Lodha Home Developers Pvt. Ltd.		
Lodha Building And Construction Pvt. Ltd.	Lodha Developers Private Ltd	20-Jun-16*
Mahavir Premises Pvt. Ltd.		
Lodha Land Developers Pvt. Ltd.		
Lodha Ideal Buildcon Pvt. Ltd.	Suryakrupa Constructions Pvt. Ltd.	08-Jun-16*
Krona Realities Pvt. Ltd.	Sarvavasa Buildtech and Farms Pvt Ltd.	08-Apr-16*
Suryakrupa Constructions Pvt. Ltd.	Lodha Developers Private Ltd	

* The companies have ceased to be subsidiaries after March 31, 2016, but appointed date of merger was prior to March 31, 2016 and hence have been disclosed.

8. Risk Management and Internal Controls

8.1. Risk Management

The Company has adopted a Risk Management policy which is based on three pillars: Business Risk Assessment, Operational Controls Assessment and Policy Compliance processes. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. The key risks and mitigating actions are also placed before the Board of Directors of the Company.

8.2. Adequacy of Internal Controls and thei

The Company's internal control systems are commensurate with the nature of its business and the size and complexity of operations. These systems are routinely tested and certified by Statutory as well as Internal Auditor and cover all offices, sites and key business areas. Significant audit observations and follow up actions thereon are reported to the Board/ Audit Committee. The Board / Audit Committee reviews adequacy and effectiveness of the Company's internal control environment and monitors the implementation of audit recommendations, including those relating to strengthening of the Company's risk management policies and systems. These systems provide a reasonable assurance in respect of financial and operational information, complying with applicable statutes, safeguarding of assets of the Company, prevention & detection of frauds, accuracy & completeness of accounting records and ensuring compliance with corporate policies.

8.3. Vigil Mechanism

The Company has established a Vigil Mechanism process by adopting a Transparency & Ethics Policy for directors and employees. This policy outlines the procedures for reporting, handling, investigating and deciding on the course of action to be taken in case inappropriate conduct / behaviour is/are noticed, reported or suspected. The Policy provides for adequate safeguards against victimization of persons who use the mechanism and has a process for providing direct access to the Ombudsman in appropriate or exceptional cases.

9. General Disclosures

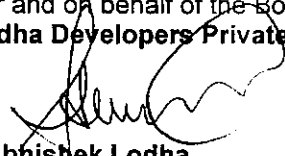
The Directors state that for the financial year ended March 31, 2017 no disclosure is required in respect of the following items and accordingly confirm as under:

- a. No cases were filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
- b. There are no material changes or commitments affecting the financial position of the Company between March 31, 2017 and the date of this report.
- c. The Company has not accepted any deposits during financial year 2016-17.
- d. No instance of fraud has been reported to Board of Directors of the Company by the Auditors or any other person.
- e. No significant or material orders were passed by the Regulators/Courts/Tribunals which impact the going concern status and Company's operations in future.
- f. During the financial year 2016-17, there was no change in the nature of the business of the Company.

10. Acknowledgement

The Directors would like to express their grateful appreciation for the assistance and support extended by all stakeholders.

For and on behalf of the Board
Lodha Developers Private Limited



Abhishek Lodha
Managing Director
DIN: 00266089

Date : 26/07/2017
Place : Mumbai