

ANNUAL REPORT FOR THE FINANCIAL YEAR 2017-18

BOARD OF DIRECTORS

Mr. Mukund Chitale	Chairman (Independent Director)
Mr. Abhishek Lodha	Managing Director & CEO
Mr. Rajendra Lodha	Whole time Director
Mr. Rajinder Pal Singh	Non Executive Director
Ms. Shyamala Gopinath	Independent Director
Mr. Berjis Desai	Independent Director

CHIEF FINANCIAL OFFICER

Mr. Jayant Mehrotra

COMPANY SECRETARY

Ms. Sanjyot Rangnekar

BANKERS

Kotak Mahindra Bank
HDFC Bank Limited
ICICI Bank Limited

REGISTRAR AND TRANSFER AGENT

Link Intime India Private Limited
C101, 247 Park, L.B.S. Marg,
Vikhroli (West), Mumbai - 400 083
Tel No: 022- 4918 6000
Email Id: rnt.helpdesk@linkintime.co.in
Website: www.linkintime.co.in

REGISTERED OFFICE

412, 17G Vardhaman Chamber,
Cawasji Patel Road,
Horniman Circle, Fort, Mumbai-400 001
Tel.: +91.22.23024400 Fax: +91.22.23024550
www.lodhagroup.com

DEBENTURE TRUSTEES

IDBI Trusteeship Services Limited
Asian Building, Ground Floor,
17 R.Kamani Marg, Ballard Estate,
Mumbai- 400 001
Tel No. 022-4080 7000
Fax: 022-6631 1776
Email Id: jatin.bhat@idbitrustee.com

LODHA DEVELOPERS LIMITED

Regd. Off.: 412, Floor-4, 17G Vardhaman Chamber, Cawasji Patel Road, Horniman Circle, Fort, Mumbai-400001
Tel.: +91.22.23024400 Fax: +91.22.23024550
CIN U45200MH1995PLC093041

NOTICE is hereby given that the 23rd Annual General Meeting of Lodha Developers Limited will be held on Friday, September 28, 2018 at 11.00 am at 10th Floor, Lodha Excelus, Apollo Mills Compound, Mahalaxmi, Mumbai to transact the following business:-

ORDINARY BUSINESS**1. To adopt audited financial statements for the financial year 2017-18**

To receive, consider and adopt:

- a. the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2018, together with the Reports of the Board of Directors and the Auditors thereon; and
- b. the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2018, together with the Report of the Auditors thereon.

2. To appoint a Director liable to retire by rotation

To appoint a Director in place of Mr. Rajinder Pal Singh (DIN - 02943155) who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS**3. To approve entering into material related party transactions**

To consider, and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 177 & 188 and other applicable provisions of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended from time to time) and subject to such other approvals, consents, permissions and sanctions of the concerned statutory or regulatory authorities from time to time as may be necessary, approval of the shareholders be and is hereby accorded to the Board of Directors (hereinafter referred to as “the Board”, which term shall be deemed to include any Committee of the Board), to enter into the following related party transactions with respective parties and to the extent of maximum amounts as stated against respective nature of transactions herein below, provided however that the contract(s)/ transaction(s) so carried out shall at all times be on arm's length basis and in the ordinary course of the Company's business;

Name of related party	Nature of relationship	Nature of transaction, monetary value	Any other information relevant or important for the Members to take decision on the proposed resolution
Shreeniwas Cotton Mills Limited	Subsidiary	Providing of loans, securities & guarantee for an amount not exceeding Rs. 5000 crore	The transactions are in ordinary course of business and at arm's length. The Audit Committee will review the aforesaid transactions on a periodic basis.
Palava Dwellers Private Limited	Subsidiary	Providing of loans, securities & guarantee for an amount not exceeding Rs. 5000 crore	
Sitaldas Estate Private Limited	Subsidiary	Providing of loans, securities & guarantee for an amount not exceeding Rs. 5000 crore	

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to settle any question, difficulty or doubt that may arise with regard to giving effect to the above Resolution; sign and execute necessary documents and papers on an ongoing basis and to do and perform all such acts, deeds and things as may be necessary or in its absolute discretion deem necessary, proper, desirable and to finalize any documents and writings in this regard;

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers conferred on it by or under this Resolution to any Committee of Directors of the Company or to any one or more Directors of the Company or any other officer(s) or employee(s) of the Company as it may consider appropriate in order to give effect to this Resolution."

4. To ratify Cost Auditor's remuneration

To consider, and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 148(3) of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the remuneration of Rs. 400,000 (Rupees Four lakhs only) plus applicable taxes and re-imbursment of out of pocket expenses, payable to Mr. Dushyant C. Dave, Cost Accountant (Registration No. 100990), appointed by the Board to conduct the audit of the cost records of the Company for the financial year 2018-19 be and is hereby ratified and confirmed;

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

Registered Office:
 412, Floor -4, 17G Vardhaman Chambers,
 Cawasji Patel Road,
 Horniman Circle,
 Fort, Mumbai – 400 001.

By Order of the Board
 For **Lodha Developers Limited**

Sanjyot Rangnekar
Company Secretary
FCS 4154

Place: Mumbai
Date: June 19, 2018

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT PROXY / PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.

A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) AND HOLDING IN AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.

The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form is sent herewith.

2. Members/Proxies should bring the Attendance Slip duly filled in for attending the Meeting and also their copy of the Annual Report.
3. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the Members at the Annual General Meeting of the Company.
4. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, relating to the Special Business to be transacted at the ensuing Annual General Meeting and details of the Director seeking re-appointment under Item No. 2 above as required by under Secretarial Standard - 2 on General Meetings issued by the Institute of Company Secretaries of India, are annexed hereto.
5. Corporate Members intending to send their authorized representatives are requested to send duly certified copy of the Board Resolution authorizing their representatives to attend and vote at the ensuing Annual General Meeting of the Company.
6. A route Map showing the directions to reach the venue of the Annual General Meeting is given at the end of this Notice as per the requirement of the Secretarial Standards – 2 on ‘General Meeting’.

Registered Office:
412, Floor -4, 17G Vardhaman Chambers,
Cawasji Patel Road,
Horniman Circle,
Fort, Mumbai – 400 001.

By Order of the Board
For **Lodha Developers Limited**

Sanjyot Rangnekar
Company Secretary
FCS 4154

Place: Mumbai
Date: June 19, 2018

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 TO THE ACCOMPANYING NOTICE

Item No. 3: Material transactions with related parties:

The Company in the ordinary course of business and/or on arm's length basis provides stopgap funding to its subsidiaries, provides corporate guarantees and / or other security in respect of facilities availed by its subsidiaries which are "related parties" of the Company in terms of the provisions of the Companies Act 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). As per the Listing Regulations and the Related Party Transactions Policy adopted by the Company, a transaction with a related party is considered as "material" if the transaction / transactions to be entered into individually or taken together with previous transactions during a financial year, exceeds 10% of the annual consolidated turnover of the company as per its last audited financial statements. All material related party transactions are required to be approved by the shareholders in case it exceeds the threshold limit as prescribed therein.

The Company envisages that the transaction(s) to be entered into with Shreeniwas Cotton Mills Limited, Palava Dwellers Private Limited and Sitaldas Estate Private Limited (either individually and/or in aggregate) would exceed the stipulated threshold of 10% of the annual consolidated turnover of the Company as per the last audited financial statements of the Company.

Approval of the shareholders is therefore being sought for the transactions mentioned in the resolution from the financial year 2018-19 onwards.

None of the Directors or Key Managerial Personnel or their relatives except Mr. Berjis Desai himself is concerned or interested (financially or otherwise) in the resolution.

The Board recommends the Ordinary Resolution set out at item no. 3 of the notice for approval by the members.

Item No. 4: Ratification of Cost Auditor's remuneration:

The Board has approved appointment of Mr. Dushyant C. Dave, Cost Accountant (Registration No. 100990) to conduct the audit of the cost records of the Company for the financial year 2018-19, on a remuneration aggregating to Rs. 400,000 (Rupees Four lakhs only) plus applicable taxes and re-imbursement of out of pocket expenses incurred by them in connection with the aforesaid audit.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, as amended, the remuneration payable to the Cost Auditor has to be ratified by the members of the Company. Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at item no. 3 of the notice for ratification of the remuneration payable to the Cost Auditor for the F.Y. 2018-19.

None of the Directors or Key Managerial Personnel or their relatives is concerned or interested (financially or otherwise) in the resolution.

The Board recommends the Ordinary Resolution set out at item no. 4 of the notice for approval by the members.

DISCLOSURE RELATING TO DIRECTORS / MANAGER PURSUANT TO LISTING REGULATIONS AND SECRETARIAL STANDARDS

Name of the Director	Mr. Rajinder Pal Singh		
Age	66 years		
Qualification	He holds a post graduate degree in mathematics from Advanced Centre for Pure Mathematics, Punjab University, Chandigarh.		
Experience	He was the chairman of National Highways Authority of India, the chairman and managing director of Punjab & Sind Bank and served as the secretary of Department of Industrial Policy and Promotions,		
Terms & conditions of appointment	Non-executive director, liable to retire by rotation.		
Remuneration last drawn & sought to be paid	No remuneration drawn from the Company.		
Date of first appointment on the Board	January 1, 2016		
Directorships held in other companies	Bharti Infratel Limited IRB Infrastructure Private Limited Maruti Suzuki India Limited		
Memberships of committees across companies (includes only Audit & Stakeholders Relationship Committee)	Lodha Developers Limited	Audit Committee	Member
		Stakeholders' Relationship Committee	Member
	Maruti Suzuki India Limited	Audit Committee	Member
	Bharti Infratel Limited	Audit & Risk Management Committee	Member
Shareholding in the Company (Equity)	Nil		
Relationship with other Directors/ Manager/Key Managerial Personnel	No		
Number of Board meetings attended during the year 2017-18	8		

Lodha Developers Limited

CIN: U45200MH1995PLC093041

Registered Office: 412, Floor-4, 17G Vardhaman Chamber, Cawasji Patel Road, Horniman Circle, Fort, Mumbai-400 001

Tel: +91.22.23024400 Fax: +91.22.23024550 E-mail: shares@lodhagroup.com Website: www.lodhagroup.com

Attendance Slip

Folio No. No of shares.....

DP ID No. Client ID No.....

I hereby record my presence at the **23rd ANNUAL GENERAL MEETING** of the Company held on Friday, September 28, 2018 at 11.00 am at 10th Floor, Lodha Excelus, Apollo Mills Compound, Mahalaxmi, Mumbai.

Name of the Member / Proxy.....

Signature of the Member / Proxy.....

1. Only Member/Proxy holder can attend the Meeting.
2. Member/Proxy holder should bring his/her copy of the Annual Report for reference at the Meeting.

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Lodha Developers Limited

CIN: U45200MH1995PLC093041

Registered Office: 412, Floor-4, 17G Vardhaman Chamber, Cawasji Patel Road, Horniman Circle, Fort, Mumbai-400 001

Tel: +91.22.23024400 Fax: +91.22.23024550 E-mail: shares@lodhagroup.com Website: www.lodhagroup.com

Proxy Form

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the member(s): E-mail ID.....

Registered address.....

Folio No / Client ID..... DP ID.....

I / We, being the member(s) of shares of the above named Company, hereby appoint

1. Name..... E-mail ID.....
 Address.....
Signatureor failing him
2. Name..... E-mail ID.....
 Address.....
Signatureor failing him
3. Name..... E-mail ID.....
 Address.....
Signature

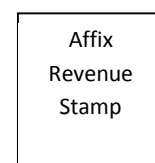
as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 23rd Annual General Meeting of the Company, to be held on Friday, September 28, 2018 at 11.00 a.m. at 10th Floor, Lodha Excelus, Apollo Mills Compound, Mahalaxmi, Mumbai and at any adjournment thereof in respect of such resolutions as are indicated here:

Resolution nos.	Particulars	For	Against
1.	To adopt the Standalone Audited Financial Statements for the year ended March 31, 2018 together with the Reports of the Board of Directors and the Auditors thereon; and To adopt the Consolidated Audited Financial Statements for the year ended March 31, 2018 together with the Reports of the Board of Directors and the Auditors thereon.	☐	☐
2.	To appoint a Director in place of Mr. Rajinder Pal Singh (DIN - 02943155) who retires by rotation and being eligible, offers himself for re-appointment.	☐	☐
3.	To approve entering into material related party transactions.	☐	☐
4.	To ratify Cost Auditor's remuneration for the year 2018-19.	☐	☐

Signed this..... day of 2018

Signature of shareholder.....

Signature of Proxy holder(s).....



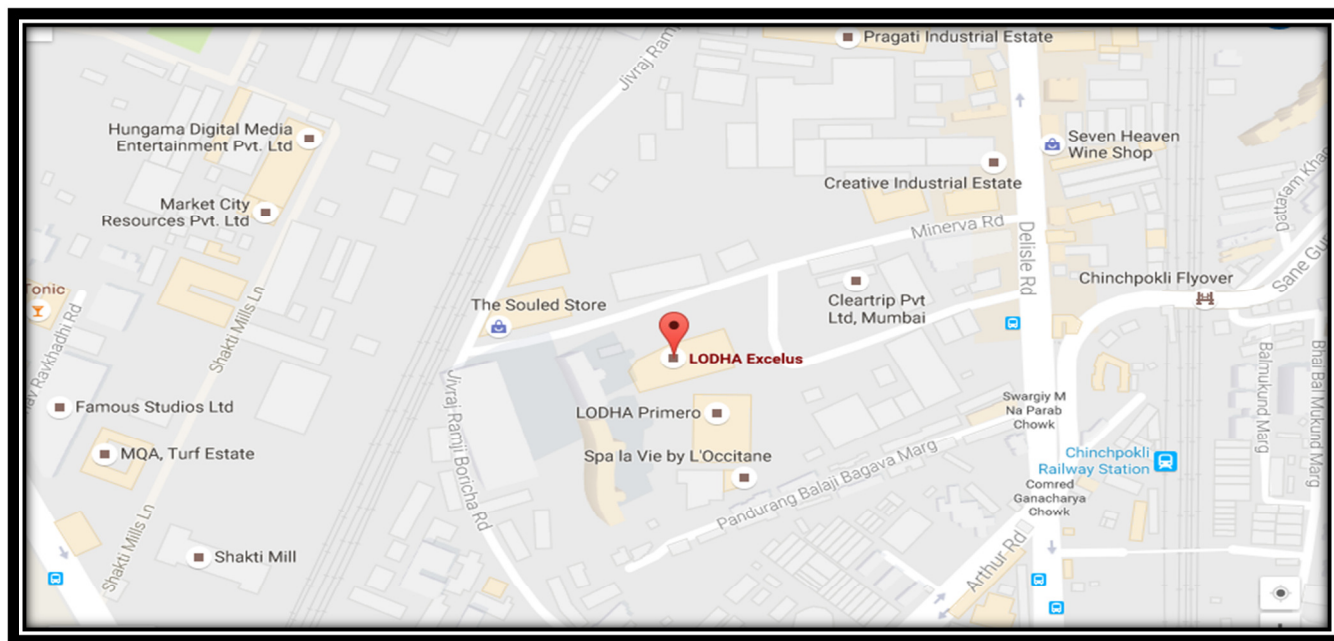
Notes:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company at 412, Floor-4, 17G Vardhaman Chamber, Cawasji Patel Road, Horniman Circle, Fort, Mumbai-400 001 not less than 48 hours before the commencement of the Meeting.
2. Those Members who have multiple folios with different joint holders may use copies of this Attendance slip/Proxy.
3. Kindly affix Re. 1 revenue stamp on the proxy form before depositing at the registered office.

ROUTE MAP TO THE VENUE OF THE ANNUAL GENERAL MEETING

Address : Lodha Excelus, 10th floor, Apollo Mills Compound, N M Joshi Marg, Mahalaxmi, Mumbai 400 011

Landmark : Apollo Mills Compound



DIRECTORS' REPORT

To the Members,

The Directors are pleased to present the 23rd Annual Report along with the Audited financial statements of the Company for the financial year ended March 31, 2018.

1. Financial Results

Rs in crore				
Particulars	Standalone		Consolidated	
	2017-18	2016-17	2017-18	2016-17
Revenue from operations	5,233.08	5,977.97	9,677.27	7,754.45
Other income	23.16	40.47	109.68	66.56
Share of profit / (loss) in partnership firms	8.58	(37.46)	-	-
Total Revenue/Income	5,264.82	5,980.98	9,786.95	7,821.01
Cost of projects	3,539.32	4,243.44	6,629.45	5,164.20
Employee benefits expense	210.89	216.00	493.00	457.10
Finance costs (net)	116.28	139.53	201.80	199.57
Depreciation, impairment & amortization	375.14	418.85	395.05	460.08
Other expenses	454.32	394.31	884.21	551.29
Total Expenditure	4,695.95	5,412.13	8,603.52	6,832.25
Profit Before Tax and Exceptional Items	568.87	568.86	1,183.43	988.76
Share of loss in Associates	-	-	(0.59)	(1.63)
Exceptional Items	-	-	-	0.24
Profit Before Tax	568.86	568.86	1,182.83	987.38
Tax Expenses	217.86	160.52	(387.90)	(408.61)
Net Profit for the year	351.01	408.34	794.93	578.76
Other Comprehensive income	(0.05)	430.07	(20.65)	465.28
Minority Interest	-	-	8.13	29.71
Total Comprehensive Income for the year	350.96	838.41	774.27	1,044.05

Note: Standalone financial numbers for FY 2017-18 are strictly not comparable with the previous financial year on account of slump sale of certain assets into Palava Dwellers Private Limited (Formerly known as Eisa Trading Private Ltd with effect from April 1, 2017).

Revenue & profitability analysis (standalone)

Total revenue reduced by 12.0% to Rs 5,264.82 crore during the financial year 2017-18 from Rs 5,980.98 crore during financial year 2016-17. Finance costs reduced by 16.7% to Rs 116.28 crore during the financial year 2017-18 from Rs 139.53 crore during financial year 2016-17. Profit for the year reduced by 14.0% to Rs 351.01 crore during the financial year 2017-18 from Rs 408.34 crore during financial year 2016-17.

Revenue & profitability analysis (consolidated)

Total revenue increased by 25.1% to Rs 9,786.95 Crore for the year ended March 31, 2018 from Rs 7,821.01 crore for the year ended March 31, 2017, primarily due to increase in revenue from operations.

Total expenditure increased by 25.9% to Rs 8,603.52 crore for the year ended March 31, 2018 from Rs 6,832.25 Crore for the year ended March 31, 2017, primarily due to increase in construction activity, employee benefits expense, finance costs and other expenses. Finance costs increased by 1.1% to Rs 201.80 crore for the year ended March 31, 2018 from Rs 199.57 crore for the year ended March 31, 2017, primarily due to increase in borrowings.

Profit for the year increased by 37.4% to Rs 794.93 crore for the year ended March 31, 2018 from Rs 578.76 crore for the year ended March 31, 2017.

2. Dividend

The Directors do not recommend any dividend for the financial year under review.

3. Reserves

The Company has not drawn any amount from the reserves.

4. Major events during the year

- a. The Company was converted into a public limited company, and consequently, a fresh certificate of incorporation dated March 14, 2018 was issued by the Registrar of Companies consequent upon conversion recording the change of name of the Company to 'Lodha Developers Limited'.
- b. The Company proposes to make an initial public offering of equity shares of Rs.10 each comprising a fresh issue of equity shares by the Company aggregating up to Rs. 3,750 crore and an offer for sale of up to 18,000,000 equity shares by Mangal Prabhat Lodha Family Discretionary Trust. The Company has filed the Draft Red Herring Prospectus with the Securities and Exchange Board of India on April 26, 2018.
- c. **Capital issuances:**
 - i. The Company allotted 1,97,018 6% Redeemable Preference Shares of Rs. 5 each aggregating to Rs 9,85,090 (Rupees Nine Lakhs Eighty Five Thousand and Ninety only) for a tenure of five years to Sambhavnath Infrabuild and Farms Private Limited, pursuant to a scheme of arrangement between the Company and Bellissimo Properties Development Private Limited approved by the NCLT, Mumbai Bench by its order dated September 7, 2017. These Preference Shares have been redeemed pursuant to resolution passed by executive committee of the Board of Directors dated November 28, 2017.
 - ii. The Company consolidated the face value of its equity shares from Rs 5 each to Rs 10 each with effect from December 26, 2017, pursuant to a resolution passed by the shareholders on December 26, 2017. Therefore, the cumulative number of issued, subscribed and paid-up equity shares pursuant to the consolidation is 113,108,000 Equity Shares of face value of Rs 10 each.
 - iii. The Company issued 28,27,70,000 bonus equity shares of Rs. 10 each to its shareholders in a ratio of 5: 2 on December 30, 2017, pursuant to a resolution passed by the shareholders on December 26, 2017. The cumulative number of issued, subscribed and paid-up equity shares pursuant to the issue of bonus shares is 395,878,000 Equity Shares of face value of Rs 10 each.
- d. **Corporate reorganization:**

The following schemes of arrangement were approved by the National Company Law Tribunal ("NCLT") during the financial year 2017-18.

 - i. Amalgamation of Suryakrupa Constructions Private Limited with the Company under Section 230 to 232 of the Companies Act, 2013, approved by the NCLT, Mumbai Bench on April 20, 2017 and effective on June 1, 2017.

- ii. Demerger of Bellissimo Properties Development Private Limited into the Company under Section 230 to 232 of the Companies Act, 2013, approved by the NCLT, Mumbai Bench on September 7, 2017 and effective on October 16, 2017.
- iii. Amalgamation of Kundan Realtors Private Limited, Jawala Real Estate Private Limited, Lodha Aviation Private Limited and Sarvavasa Buildtech & Farms Private Limited with the Company under Section 230 to 232 of the Companies Act, 2013, approved by the NCLT, Mumbai Bench on October 18, 2017 and effective on November 8, 2017.
- iv. Demerger of Lodha Buildcon Private Limited into the Company under Section 230 to 232 of the Companies Act, 2013, approved by the NCLT, Mumbai Bench on December 21, 2017 and effective on January 6, 2018.
- v. Amalgamation of Bellissimo Crown Buildmart Private Limited with the Company under Section 230 to 232 of the Companies Act, 2013, approved by the NCLT, Mumbai Bench on January 4, 2018 and effective on February 2, 2018.
- vi. Amalgamation of Palava Dwellers Private Limited, Microtec Constructions Private Limited, Bellissimo Hi-Rise Builders Private Limited, Lodha Estate Private Limited, Samvara Buildtech Private Limited with the Company, and slump sale into EISA Trading Private Limited under Section 230 to 232 of the Companies Act, 2013, approved by the NCLT, Mumbai Bench on January 9, 2018 and effective on February 16, 2018.
- vii. Demerger of Lodha Impression Real Estate Private Limited, Shree Sainath Enterprises Construction and Developers Private Limited into the Company and amalgamation of Jineshwar Real Estate and Farms Private Limited, Marutinandan Real Estate Developers Private Limited, Odeon Theatres Private Limited with the Company under Section 230 to 232 of the Companies Act, 2013, approved by the NCLT, Mumbai Bench on February 2, 2018 and effective on February 20, 2018.
- viii. Amalgamation of Ajitnath Hi-Tech Builders Private Limited, Shri Kaiilas Properties and Agrofarms Private Limited, Aanant Developers Private Limited and Lodha Elevation Buildcon Private Limited with the Company under Section 230 to 232 of the Companies Act, 2013, approved by the NCLT, Mumbai Bench on March 28, 2018 and effective on May 21, 2018.

Further, the Company has filed the following schemes of arrangements under Section 230 to 232 of the Companies Act, 2013, which are currently pending before the NCLT, Mumbai Bench.

- i. Amalgamation of Hi-Class Buildcon Private Limited with the Company. In accordance with the Scheme, each equity shareholder of the transferor company as on the date determined by the Board may be allotted 5% redeemable Preference Shares of the Company in the ratio of one Preference Share in our Company for every one equity share of Rs 10 each held by such equity shareholder in the Transferor Company.
- ii. Amalgamation of Adinath Builders Private Limited and Bellissimo Vivek Enterprises Dwellers with the Company. No shares of the Company shall be allotted as consideration for the Scheme.
- iii. Amalgamation of Bellissimo Developers Thane Private Limited with the Company. No shares of the Company shall be allotted as consideration for the Scheme.

- iv. Demerger of Bellissimo Mahavir Associates Dwellers Private Limited into the Company. No shares of the Company shall be allotted as consideration for the Scheme

e. Strategic acquisitions

- i. The Company acquired Palava Dwellers Private Limited (formerly known as 'Eisa Trading Private Limited') by purchasing its equity shares in April 2017.
- ii. The Company made an indirect acquisition of Suvidhinath Buildtech Private Limited by purchasing its equity shares through our erstwhile subsidiary, Bellissimo Crown Buildmart Private Limited in September 2017.
- iii. The Company made an indirect acquisition in Muzcovite Constructions Private Limited by purchasing its equity shares through its wholly owned subsidiary, Cowtown Infotech Services Private Limited in February 2018.
- iv. The Company made an indirect acquisition in Sumangla Developers and Farms Private Limited and Suryoday Buildwell and Farms Private Limited by purchasing its equity shares through its wholly owned subsidiary, Muzcovite Constructions Private Limited in February 2018.
- v. The Company increased its economic interest in the international portfolio consisting of two projects, Lincoln Square and 1 Grosvenor Square, in London, from 40.62% to 76.23% in the Lincoln Square project and from 40.62% to 76.23% in the 1 Grosvenor Square project.

f. Bond/Debentures placement

During the year under review, the Company had issued 125 12.50% Secured, Listed, Rated, Taxable, Redeemable, Non-cumulative, Non-convertible Debentures of a face value of Rs. 5,00,00,000 (Five Crore) each aggregating to Rs. 625 crore (Six Hundred and Twenty Five Crore) on private placement basis. The said Debentures were listed on National Stock Exchange of India Limited w.e.f. March 9, 2018.

Lodha Developers International Limited, Mauritius, a wholly owned subsidiary of the Company successfully raised a USD 125 million bond due in 2020. These are listed on the Singapore Stock Exchange.

g. Other corporate milestones

- i. The suspension in trading of securities of Sanathnagar Enterprises Limited ("SEL"), a listed subsidiary of the Company, was revoked by BSE Limited on April 25, 2018 with effect from May 3, 2018. SEL achieved Minimum Public shareholding by way of offer for sale of shares of SEL by the promoters of SEL on May 18, 2018. The vacation order was issued by the SEBI Whole Time Member on June 13, 2018.
- ii. The suspension of securities of National Standard (India) Limited ("NSIL"), a listed subsidiary of the Company was revoked by Calcutta Stock Exchange Limited pursuant to notice dated March 28, 2018. The Board and shareholders of NSIL have approved voluntary delisting of the equity shares of NSIL from BSE Limited and Calcutta Stock Exchange Limited.
- iii. Roselabs Finance Limited, a listed subsidiary of the Company, has applied to RBI for voluntary deregistration from NBFC activities on July 3, 2017.

5. Extract of Annual Return

Pursuant to Section 92(3) of the Companies Act, 2013 ('the Act') and rule 12(1) of the Companies (Management and Administration) Rules, 2014, extract of annual return is annexed as **Annexure I**.

6. Disclosures related to Board, Committees and policies

The Board of Directors is entrusted with the ultimate responsibility of the management, general affairs, direction and performance of the Company and has been vested with requisite powers, authorities and duties. The Executive Committee of the Board looks after the management of the day-to-day affairs of the Company.

a. Board composition

The Board comprises such number of Non-Executive, Executive and Independent Directors as required under applicable legislations. As on date of this Report, the Board consists of six directors comprising a Non-Executive Independent Chairman, three Independent Directors, one non executive Director and two Executive Directors. The composition of the Board represents an optimal mix of professionalism, knowledge and experience and enables the Board to discharge its responsibilities and provide effective leadership to the business. The positions of the Chairman of the Board and the Chief Executive Officer of the Company are held by separate individuals, where the Chairman of the Board is a Non-Executive Director.

Changes in Board composition and Key Managerial Personnel

Mr. Mukund Chitale, Independent Director was appointed as Chairman of the Board and of the Company w.e.f. February 16, 2018. Ms. Shyamala Gopinath was appointed as an Additional Director with effect from February 16, 2018, and holds office up to the date of forthcoming Annual General Meeting.

Mr. Abhishek Lodha was re-appointed as Managing Director & CEO w.e.f. March 1, 2018 for a period of 5 years. Mr. Rajendra Lodha was re-appointed as Whole-time Director w.e.f. March 1, 2018 for a period of 5 years and is liable to retire by rotation.

Mr. Rajinder Pal Singh retires by rotation and being eligible, offers himself for re-appointment. Necessary resolutions are included in the accompanying notice of the Annual General Meeting

The names and categories of the Directors on the Board, the number of directorships and committee positions held by them in other companies as on March 31, 2018:

Name of Director	Category of Directorship	No. of other directorships	No of other committee positions held ^{^^}	
			Audit Committee	Stakeholders Relationship Committee
Mr Mukund Chitale <i>Chairman</i>	Independent Non Executive	10	6	Nil
Ms Shyamala Gopinath [^]		7	4	Nil
Mr Berjis Desai		15	4	2
Mr Rajinder Pal Singh	Non Independent Non Executive	3	2	Nil
Mr Abhishek Lodha <i>Managing Director & CEO</i>	Executive	2	Nil	Nil
Mr Rajendra Lodha <i>Whole time Director</i>		Nil	Nil	Nil

[^] Appointed as Independent Director w.e.f. February 16, 2018

^{^^}Includes memberships/chairmanships of the Audit Committee of Directors and Stakeholders Relationship Committee of Indian public companies.

As per the provisions of the Companies Act, 2013, Independent Directors are required to be appointed for a term of five consecutive years, but shall be eligible for reappointment on passing of a special resolution by the Company and shall not be liable to retire by rotation. All other Directors, except the Managing Director & CEO shall be liable to retire by rotation. The Independent Directors of your Company have given certificates of independence to your Company stating that they meet the criteria of independence as mentioned under Section 149 (6) of the Companies Act, 2013.

There is no other change in Key Managerial personnel during the year. The following persons are key managerial personnel as per Section 203 of the Companies Act 2013:

1. Abhishek Lodha – Managing Director and CEO
2. Rajendra Lodha – Wholetime Director
3. Jayant Mehrotra – Chief Financial Officer
4. Sanjyot Rangnekar – Company Secretary

b. Board meetings

The Board of Directors met 8 times during the financial year and the gap between two meetings did not exceed the period stipulated in the Companies Act 2013. These meetings were held on April 25, 2017, June 16, 2017, July 26, 2017, September 19, 2017, November 14, 2017, December 21, 2017, February 16, 2018 and March 20, 2018.

Attendance of Directors during FY 2017-18:

Sr.	Name of the Director	Category of Directorship	Number of Meetings which the director was entitled to attend	Number of Meetings attended
1.	Mr. Abhishek Lodha	Executive	8	8
2.	Mr. Rajendra Lodha		8	4
3.	Mr. R.P. Singh	Non-Independent, Non-Executive	8	8
4.	Mr. Berjis Desai	Independent, Non-Executive	8	4
5.	Mr. Mukund Chitale		8	8
6.	Ms. Shyamala Gopinath [^]		1	1

[^] Ms. Shyamala Gopinath was appointed as Independent Director w.e.f February 16, 2018.

Information provided to the Board and Board committees

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.

c. Board Committees:

Board Committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas / activities which concern the Company and need a closer review. The Board Committees are set up under the formal approval of the Board to carry out clearly defined roles which are considered to be performed by members of the Board, as a part of good governance practice. The Board supervises the execution of its responsibilities by the Committees and is responsible for their actions. The minutes of the meetings of all Committees are placed before the Board for review.

The Board has currently established the following mandatory committees:

a. Audit Committee

The Audit Committee presently comprises Mr. Mukund Chitale, Chairman & Independent Director, Ms Shyamala Gopinath, Independent Director and Mr Rajinder Pal Singh, Non Executive Director. All the Members of the Committee have relevant experience in financial matters. Senior executives are invited to participate in the meetings of the Committee as and when necessary. Mr. Abhishek Lodha and Mr. Jayant Mehrotra, Chief Financial Officer are permanent invitees and the Company Secretary acts as Secretary to the Committee.

The terms of reference of Audit Committee of the Company are in line with the provisions of Section 177 of the Act and SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015.

The Audit Committee met 6 times during the year; on June 16, 2017, July 26, 2017, September 19, 2017, November 14, 2017, February 16, 2018 and March 20, 2018.

Attendance of Members during FY 2017-18:

Sr. No.	Name of the member	Number of Meetings which the director was entitled to attend	Number of Meetings attended
1.	Mr. Mukund Chitale	6	6
2.	Mr. Berjis Desai [^]	5	2
3.	Mr. Abhishek Lodha [^]	5	5
4.	Mr. Rajinder Pal Singh ^{^^}	1	1
5.	Ms. Shyamala Gopinath ^{^^}	1	1

[^] Ceased to be members w.e.f. 16th February, 2018

^{^^} Appointed as members w.e.f. 16th February, 2018

b. Nomination & Remuneration Committee

The Nomination & Remuneration Committee presently comprises Mr. Berjis Desai (Chairman), Mr. Mukund Chitale and Mr. Rajinder Pal Singh. The Company Secretary acts as the Secretary to the Committee.

The terms of reference of the Nomination & Remuneration Committee of the Company are in line with the provisions of Section 178 of the Act and SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015.

The Nomination & Remuneration Committee met once during the year i.e. on February 16, 2018.

Attendance of Members during FY 2017-18:

Sr. No.	Name of the member	Number of Meetings which the director was entitled to attend	Number of Meetings attended
1.	Mr. Mukund Chitale	1	1
2.	Mr. Berjis Desai	1	1
3.	Mr. Abhishek Lodha [^]	1	1
4.	Mr. Rajinder Pal Singh ^{^^}	N.A.	N.A.

[^] Ceased to be member w.e.f. February 16, 2018

^{^^} Appointed as member w.e.f. February 16, 2018

c. Corporate Social Responsibility Committee

The CSR Committee presently comprises Ms. Shyamala Gopinath (Chairman), Mr. Rajinder Pal Singh and Mr. Berjis Desai. The Company Secretary acts as the Secretary to the Committee.

The terms of reference of the CSR Committee of the Company are in line with the provisions of Section 135 of the Act and SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015.

The CSR Committee met twice during the year i.e. on June 16, 2017 and September 19, 2017.

Attendance of Members during FY 2017-18:

Sr. No.	Name of the member	Number of Meetings which the director was entitled to attend	Number of Meetings attended
1.	Mr. Rajinder Pal Singh	2	2
2.	Mr. Berjis Desai	2	Nil
3.	Mr. Abhishek Lodha [^]	2	2
4.	Ms. Shyamala Gopinath ^{^^}	N.A.	N.A.

[^] Ceased to be member w.e.f. February 16, 2018

^{^^} Appointed as Chairman w.e.f. February 16, 2018

The details required under the Companies (Corporate Social Responsibility Policy) Rules, 2014 are given in CSR Report appended as **Annexure II** to this Report. The CSR Policy of the Company is annexed as **Annexure III** to this Report.

d. Stakeholders' Relationship Committee

As a forerunner to the Initial Public Offering, the Company has constituted a Stakeholders' Relationship Committee comprising Mr. Berjis Desai (Chairman), Mr. Mukund Chitale and Mr. Rajinder Pal Singh. The Company Secretary acts as the Secretary to the Committee.

The terms of reference of the Stakeholders' Relationship Committee of the Company are in line with the provisions of Section 178 of the Act and SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015.

No meeting was held during the year under consideration.

e. Risk Management Committee

As a forerunner to the Initial Public Offering, the Company has constituted a Risk Management Committee. The Committee comprises Mr. Rajinder Pal Singh (Chairman), Mr. Mr Mukund Chitale, Mr Abhishek Lodha, Mr. Jayant Mehrotra, CFO and Mr. Ramakrishnan P, COO. The Company Secretary acts as the Secretary to the Committee.

The terms of reference of the Risk Management Committee are in line with the SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015.

No meeting of the Risk Management Committee was held during the year.

Non mandatory committees:

The Company has constituted certain committees for ease of administration and smooth conduct of business.

a. IPO Committee

The Company has constituted an IPO Committee to review, monitor and execute IPO related activities. This Committee comprises Mr. Berjis Desai (Chairman), Mr. Mukund Chitale and Mr. Abhishek Lodha.

b. Executive Committee

The Executive Committee consists of Mr. Abhishek Lodha, Mr. Rajendra Lodha and Mr. Rajinder Pal Singh. The Company Secretary of the Company acts as the Secretary to the Executive Committee.

7. Remuneration Policy for the Directors, Key Managerial Personnel and other Employees

In terms of the provisions of Section 178(3) of the Act and Regulation 19 read with Part D of Schedule II to the Listing Regulations, the Nomination and Remuneration Committee ("NRC") is responsible for formulating the criteria for determining qualification, positive attributes and independence of a Director. The NRC is also responsible for recommending to the Board a policy relating to the remuneration of the Directors, Key Managerial Personnel and other employees. In line with this requirement, the Board has adopted a Nomination & Remuneration Policy which is reproduced at **Annexure IV** to this Report.

8. Performance evaluation

The Board of Directors carried out an annual evaluation of its own performance, board committees, individual directors and Chairman pursuant to the provisions of the Act.

9. Employee Stock Option Scheme 2018

In order to attract, retain and motivate key talents working with our Company or our subsidiaries and to motivate them to contribute to the overall corporate growth and profitability, the Company has formulated an ESOP Scheme 2018 for issue of options to eligible employees. The stock option scheme is in compliance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014. No options have been granted under the ESOP Scheme 2018 till the date of this report.

10. Particulars of remuneration to employees

In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules are provided in the Annual Report, which forms part of this Report.

The statement containing names of top ten employees in terms of remuneration drawn and the particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in a separate annexure forming part of this report. Further, the report and the accounts are being sent

to the members excluding the aforesaid annexure. In terms of Section 136 of the Act, the said annexure is open for inspection at the Registered Office of the Company. Any shareholder interested in obtaining a copy of the same may write to the Company Secretary.

11. Auditors & Auditors' Report

MSKA & Associates (F.K.A. MZSK & Associates), Chartered Accountants were appointed as Statutory Auditors at the Annual General Meeting held on September 30, 2016 for a term of five consecutive years. As per the provisions of Section 139 of the Companies Act, 2013, the appointment of Auditors is required to be ratified by Members at every Annual General Meeting.

In accordance with the Companies Amendment Act, 2017, enforced on May 7, 2018 by the Ministry of Corporate Affairs, the appointment of Statutory Auditors is not required to be ratified at every Annual General Meeting.

The Auditor's Report does not contain any qualifications, reservations or adverse remarks.

12. Cost Auditor and Cost Audit Report

Mr. Dushyant C. Dave, Cost Accountant was appointed as Cost auditor of your Company for the FY 2017-18. The Cost Audit Report and the Compliance Report of your Company for FY 2016-17, was filed with the Ministry of Corporate Affairs on October 13, 2017.

13. Secretarial Audit Report

The Company has undertaken Secretarial Audit for the financial year 2017-18 which *interalia*, includes audit of compliance with the Companies Act, 2013, and the Rules made under the Act, Listing Regulations and applicable Regulations prescribed by SEBI and Foreign Exchange Management Act, 1999 and Secretarial Standards issued by the Institute of the Company Secretaries of India. The Secretarial Audit Report forms part of this Annual Report as **Annexure VI**.

14. Loans, guarantees and investments

The Company is engaged in the business of providing infrastructural facilities as per Section 186 (ii) read with Schedule VI of the Act. Accordingly, disclosures as applicable to loans and guarantees under Section 186 of the Act, are not applicable to the Company. Details of investments are provided in the notes and schedules to the financial statements.

15. 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.

In terms of the Related Party Transactions Policy approved by the Board, there are no material contracts, arrangements or transactions with related parties referred to in Section 188, entered during the year ended March 31, 2018 which are required to be disclosed in Form AOC-2.

16. Subsidiaries, joint ventures, associates

The Company is a subsidiary of Sambhavnath Infrabuild and Farms Private Limited. The Company has 45 subsidiaries on March 31, 2018. A statement containing the salient features of financial statements of the Company's subsidiaries and associates in **Form AOC-1** is attached to the financial statements of the Company.

During the year, the following changes occurred in your Company's holding structure:

	Name of the Company	Nature of change
1.	Suryakrupa Farms Private Limited	Merged with the Company w.e.f. June 1, 2017
2.	Jawala Real Estate Private Limited	Merged with the Company w.e.f. November 8, 2017
3.	Kundan Realtors Private Limited	
4.	Lodha Aviation Private Limited	
5.	Sarvavasa Buildtech and Farms Private Limited	
6.	Bellissimo Crown Buildmart Private Limited	Merged with the Company w.e.f. February 2, 2018
7.	Bellissimo Hi-Rise Builders Private Limited	Merged with the Company w.e.f. February 16, 2018
8.	Lodha Estate Private Limited	
9.	Microtec Constructions Private Limited	
10.	Palava Dwellers Private Limited	
11.	Samvara Buildtech Private Limited	Merged with the Company w.e.f. February 20, 2018
12.	Jineshwar Real Estate & Farms Private Limited	
13.	Marutinandan Real Estate Developers Private Limited	
14.	Odeon Theatres Private Limited	Acquired during FY 2017-18
15.	Bellissimo Land Dwellers Limited	
16.	Palava Dwellers Pvt Ltd (FKA Eisa Trading Co Private Limited)	
17.	Holland Park Residential Holdings Ltd	
18.	Lodha Developers 1 GSQ Holdings Ltd	
19.	Lodha Developers 1 GSQ Ltd	
20.	Lodha Developers 48 CS Ltd	
21.	Lodha Developers Dorset Close Ltd	
22.	Lodha Developers Netherlands BV	
23.	Lodha Developers US Inc	
24.	Mandip Finserve Private Ltd	
25.	Muscovite Constructions Private Limited	
26.	Suryoday Buildwell Private Limited	
27.	Sumangla Developers & Farms Private Limited	
28.	Suvidhinath Buildtech Private Limited	

In addition to the above, 17 entities were acquired and merged with various subsidiaries of the Company during financial year 2017-18. Changes to the authorized share capital on account of these mergers are disclosed in the notes to the financial statements.

17. Consolidated Financial Statement

The Audited Consolidated Financial Statement for the financial year ended March 31, 2018, incorporating the results of the operations of all subsidiary companies and associate companies, have been prepared in accordance with Indian Accounting Standard (Ind AS) - 110 on 'Consolidated Financial Statement' read with Ind AS-28 on 'Investments in Associates and Joint Ventures', notified under the Act, read with the Accounting Standards Rules as applicable and same is in compliance with the Companies Act, 2013.

18. Risk Management & Internal Controls

Risk Management

Your 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 /Audit Committee from time to time.

Adequacy of Internal Controls

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 audited 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.

Vigil Mechanism

The Company has adopted a Transparency & Ethics Policy for directors and employees. This policy is the Company's statement of values and represents the standard of conduct which all employees are expected to observe in their business endeavours. The Policy reflects the Company's commitment to principles of integrity, transparency and fairness. It forms the benchmark against which the world at large is invited to judge the Company's activities.

The Company has adopted a Whistle Blower Policy, as part of vigil mechanism to provide appropriate avenues to the Directors and employees to bring to the attention of the management any issue which is perceived to be in violation of or in conflict with the Transparency & Ethics Policy of the Company.

The Company has provided a dedicated e-mail address for reporting such concerns. Alternatively, employees can also send written communications to the Company. The Vigil Mechanism provides a mechanism for employees of the Company to approach the Ombudsman /Chairman of the Audit Committee of the Company for redressal.

19. Conservation Of Energy, Technology Absorption, Foreign Exchange Earnings And Outgo

The particulars as required under the provisions of Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 in respect of conservation of energy, technology absorption, foreign exchange earnings and outgo etc. are furnished in below:

A. Conservation of Energy

i. Steps taken or impact on conservation of energy

- Installation of solar water heaters for the residential buildings at our projects.

- Installation of solar powered street lights at township projects.
- Use of variable frequency drives for all elevators and air-conditioning equipment.
- Installation of occupation sensor controlled lighting and air-conditioning through home automation in our projects.
- Use of extensive use of materials like fly ash, GGBS, etc. at all our projects, resulting in saving of cement thus indirectly saving energy consumed in manufacturing of cement.
- Fine tuning of electrical designs at all major projects to contain the voltage drop to less than 5%.
- Use of low voltage PL lamps

ii. Steps taken for utilizing alternate sources of energy

- Use of variable frequency drives for all elevators and air-conditioning equipment.
- Home automation through use of sensor controlled lighting and air-conditioning
- Use of solar water heaters and solar powered street lights

iii. Capital investment on energy conservation equipment

The Company continues to make project level investments for reduction in consumption of energy. The capital investment on energy conservation equipment cannot be quantified.

iv. Impact of measures for reduction of energy consumption

- Reduction in overall maximum demand for the electricity in all projects and consequent energy saving benefits to the residents.
- Measures to achieve eco balance have been taken at the major sites of large developments by providing extensive green cover and creating water bodies by treating waste water and rain harvesting.
- Waste water equipment plants are installed at all major projects for treating waste water and utilising it for air-conditioning, watering of green spaces and flushing.
- Providing dust control systems for the concrete batching plant across projects.
- Complete ban on use of mud bricks in construction and using light weight blocks which helps soil conservation and utilization of material like fly ash which otherwise would cause air pollution
- Use of modern metallic form work instead of timber form work thereby helping conservation of forests
- Prefabricated dwelling units for labour accommodation with bunkers to minimise the areas utilized by the camps and controlling environmental degradation by proper waste disposal facilities.
- Minimise use of paper in its offices across all sites
- Regulated water and power supply to labour camps across all sites.
- Plantation of large number of trees and providing extensive green cover creating water bodies to enhance the ecology and environment.
- Use of fly ash and other minerals in the construction to reduce cement consumption thus indirectly saving the energy used for manufacture of cement.
- State of the art electronic parking management system installed to accommodate and control the movement of large number of vehicles thus helping de-congestion of the roads in the area resulting in smooth and faster passing of traffic thereby reducing fuel consumption and pollution caused due to carbon monoxide by idle running of vehicles.
- Use of crushed sand in the construction instead of natural sand thus helping environmental degradation as natural sand is normally dredged from the river beds.
- Crushing stones obtained from excavation at the construction site itself thus saving the transportation for disposal of stones as well as import of crush aggregate, saving both ways transportation and thus saving fuel.

B. Technology absorption

i. Efforts made towards technology absorption

The Company uses vacuum sewage systems, mechanical car parks, co-generation, solar power, top down construction, dry walls, optimization of water distribution systems for high rise buildings & automatic climbing formwork.

ii. Benefits derived like product improvement, cost reduction, product development or import substitution

The Company derives benefits in the form of cost reduction, fewer customer complaints and better quality of end products. Some measures are directed towards reduction in air pollution and fuel saving. In co-generation plants, heat generated by diesel generators is used to run the air conditioner plant or to create additional energy.

Our “top down construction” approach reduces completion time and consequent costs due to saving of energy on more efficient use of plant and equipment by shorter duration of deployment.

iii. Imported Technology

Nil

C. Foreign Exchange Earnings & Outgo

Details of foreign exchange earnings and outgo provided in the notes to the Standalone Financial Statements for the FY 2017-18.

20. General Disclosures

Your Directors state that for the financial year ended March 31, 2018, no disclosure is required in respect of the following items and accordingly confirm as under:

- i. The Company has neither revised the financial statements nor the report of Board of Directors.
- ii. No cases were filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
- iii. There are no material changes or commitments affecting the financial position of the Company between March 31, 2018 and the date of this report.
- iv. The Company has not accepted any deposits during financial year 2017-18.
- v. No instance of fraud has been reported to Board of Directors of the Company by the Auditors or any other person.
- vi. No significant or material orders were passed by the Regulators/Courts/Tribunals which impact the going concern status and Company's operations in future.

- vii. During the financial year 2017-18, there was no change in the nature of the business of the Company.
- viii. There has been no issue of equity shares with differential rights as to dividend, voting or otherwise during the financial year 2017-18.
- ix. The Company has not issued any shares (including sweat equity shares) to employees of the Company under any scheme during the financial year 2017-18.

21. Directors' Responsibility Statement

Pursuant to the requirement clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, your Directors confirm that:

- a. in the preparation of the annual accounts for the financial year ended March 31, 2018, the applicable accounting standards read with the requirements set out under Schedule III to the Act, have been followed and there are no material departures thereof.
- b. they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2018 and of the profit of the Company for the financial year ended on that date;
- c. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. they have prepared the annual accounts on a going concern basis;
- e. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.
- f. they have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively.

MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis report has been separately furnished in the Annual Report and forms a part of the Annual Report.

ACKNOWLEDGEMENT

Your 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 Limited

Date : June 19, 2018
Place : Mumbai

Mukund Chitale
Chairman
DIN: 00101004

Abhishek Lodha
Managing Director & CEO
DIN: 00266089

Annexure I

Form No. MGT-9

**EXTRACT OF ANNUAL RETURN
as on the financial year ended on March 31, 2018 of**

Lodha Developers Limited

[Pursuant to Section 92(1) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

a.	CIN	:	U45200MH1995PLC093041
b.	Registration Date	:	25 th September, 1995
c.	Name of the Company	:	Lodha Developers Limited
d.	Category of the Company	:	Company limited by shares
	Sub-Category of the Company	:	Indian Non-Government Company
e.	Address of the Registered Office and contact details	:	412, Floor- 4, 17G Vardhaman Chamber, Cawasji Patel Road, Horniman Circle, Fort, Mumbai – 400001 Tel No.: 022 23024400 Fax No. 022 23024550 Email: shares@lodhagroup.com
f.	Whether listed company	:	No. The equity shares of the Company are not listed on any exchange. The debt securities of the Company are listed on the WDM segment of NSE Ltd.
	Name, Address and contact details of Registrar & Transfer Agents (RTA), if any	:	Link Intime India Private Limited C101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai - 400 083 Tel No: 022- 4918 6000 Email: rnt.helpdesk@linkintime.co.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1.	Construction and development of real estate and allied activities	410	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES AS ON MARCH 31, 2018

Sr. No.	Name of the Company	Address of the Company	CIN/GLN/UIN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	Sambhavnath Infrabuild and Farms Private Limited	412, Floor- 4, 17G Vardhaman, Chamber, Cawasji Patel Road, Horniman Circle, Fort, Mumbai - 400001	U45200MH2007P TC173517	Holding	67.52%	2(46)
2.	Adinath Builders Private Limited	---- do ---	U45201MH2006P TC164295	Subsidiary	100%	2(87)(ii)
3.	Aanant Developers Private Limited	---- do ---	U70100MH2003P TC140443	Subsidiary	100%	2(87)(ii)
4.	Anantnath Constructions and Farms Private Limited	---- do ---	U45400MH2007P TC173512	Subsidiary	100%	2(87)(ii)
5.	Ajitnath Hi-Tech Builders Private Limited	---- do ---	U45201MH2006P TC166482	Subsidiary	100%	2(87)(ii)
6.	Arihant Premises Private Limited	---- do ---	U45200MH1988P TC048628	Subsidiary	100%	2(87)(ii)
7.	Bellissimo Developers Thane Private Limited [F.K.A. Ishwer Realty and Technologies Private Limited & Lodha Developers Thane Private Limited]	---- do ---	U45200MH2012P TC235599	Subsidiary	100%	2(87)(ii)
8.	Bellissimo Land Dwellers Limited	---- do ---	U45100MH2016P LC285991	Subsidiary	100%	2(87)(ii)
9.	Bellissimo Mahavir Associates Dwellers Private Limited	---- do ---	U70109MH2017P TC299063	Subsidiary	100%	2(87)(ii)
10.	Bellissimo Vivek Enterprises Dwellers Private Limited	---- do ---	U70109MH2017P TC303136	Subsidiary	100%	2(87)(ii)
11.	Cowtown Infotech Services Private Limited (Formerly known as Cowtown Land Development Private Limited)	---- do ---	U70100MH1985P TC038213	Subsidiary	100%	2(87)(ii)
12.	Dalhousie Leasing and Financial Services Pvt. Ltd.	---- do ---	U65910MH1994P TC249085	Subsidiary	100%	2(87)(ii)
13.	Hi-Class Buildcon Private Limited	---- do ---	U45200MH2007P TC168949	Subsidiary	80%	2(87)(ii)
14.	Hotel Rahat Palace Private Limited	---- do ---	U55200MH1974P TC017810	Subsidiary	100%	2(87)(ii)
15.	Lodha Buildcon Private Limited	---- do ---	U70102MH2007P TC166919	Subsidiary	100%	2(87)(ii)
16.	Lodha Elevation Buildcon Private Limited	---- do ---	U45200MH2007P TC168707	Subsidiary	69.80%	2(87)(ii)
17.	Lodha Fincorp Distribution Services LLP	Lodha Excelus, N.M. Joshi Marg, Mahalaxmi, Mumbai 400011	AAA-5637	Subsidiary	100%	2(87)(ii)
18.	Lodha Impression Real Estate Private Limited	---- do ---	U45200MH2007P TC166830	Subsidiary	100%	2(87)(ii)
19.	Mandip Finserve Private Limited	401, Akshat Complex, Nr. Parshwa Complex Bodakdev, Gandhi	U65910GJ1996PT C031067	Subsidiary	100%	2(87)(ii)

		Nagar, Sarkhej Highway, Ahmedabad Ahmedabad 380015				
20.	Muzcovite Constructions Private Limited	412, Floor- 4, 17G Vardhaman, Chamber, Cawasji Patel Road, Horniman Circle, Fort, Mumbai - 400001	U70100MH2014P TC253325	Subsidiary	100%	2(87)(ii)
21.	Nabhiraja Software Design Private Limited	---- do ---	U72200MH2006P TC160863	Subsidiary	100%	2(87)(ii)
22.	National Standard (India) Limited	---- do ---	L27109WB1962PL C025605	Subsidiary	73.94%	2(87)(ii)
23.	Odeon Theatres and Properties Private Limited	---- do ---	U92110MH1972P TC015915	Subsidiary	100%	2(87)(ii)
24.	Palava City Management Private Limited	---- do ---	U40100MH2008P TC177500	Subsidiary	100%	2(87)(ii)
25.	Palava Dwellers Private Limited (F K A Eisa Trading Private Limited)	---- do ---	U70100MH2005P TC154993	Subsidiary	98%	2(87)(ii)
26.	Roselabs Finance Limited	401, Akshat Complex, Nr. Parshwa Complex Bodakdev, Gandhi Nagar, Sarkhej Highway, Ahmedabad Ahmedabad 380015	L67120GJ1995PLC 024070	Subsidiary	74.25%	2(87)(ii)
27.	Sanathnagar Enterprises Limited	412, Floor- 4, 17G Vardhaman, Chamber, Cawasji Patel Road, Horniman Circle, Fort, Mumbai - 400001	L99999MH1947PL C252768	Subsidiary	90.03%	2(87)(ii)
28.	Shree Sainath Enterprises Construction and Developers Private Limited	---- do ---	U45208MH2013P TC250500	Subsidiary	100%	2(87)(ii)
29.	Shreeniwas Cotton Mills Limited	---- do ---	U70104MH1935P LC002249	Subsidiary	99.76%	2(87)(ii)
30.	Siddhnath Residential Paradise Private Limited	---- do ---	U70109MH2007P TC166867	Subsidiary	100%	2(87)(ii)
31.	Simtools Private Limited	---- do ---	U99999MH1964P TC012859	Subsidiary	76.24%	2(87)(ii)
32.	Sitaldas Estate Private Limited	Sital Baug, 64 Walkeshwar Road, Mumbai - 400006	U70100MH1954P TC009423	Subsidiary	91.18%	2(87)(ii)
33.	Shri Kailas Properties and Agro Farms Private Limited	412, Floor- 4, 17G Vardhaman, Chamber, Cawasji Patel Road, Horniman Circle, Fort, Mumbai - 400001	U45400MH2007P TC173521	Subsidiary	100%	2(87)(ii)
34.	Sumangla Developers and Farms Private Limited	---- do ---	U70102MH2008P TC181242	Subsidiary	100%	2(87)(ii)
35.	Suryoday Buildwell and Farms Private Limited	---- do ---	U70102MH2008P TC183621	Subsidiary	100%	2(87)(ii)
36.	Suvidhinath Buildtech Private Limited	---- do ---	U45202MH2008P TC177498	Subsidiary	100%	2(87)(ii)
37.	Holland Park Residences Holdings Limited (F K A Lodha Group UK Limited)	3rd Floor, 3 St James's Square, London, SW1Y 4JU	N.A.	Subsidiary	74.97%	2(87)(ii)
38.	Lodha Developers 1GSQ Holdings Limited	First Island House, Peter Street, St Helier, Jersey, JE2 4SP	N.A.	Subsidiary	76.23%	2(87)(ii)

39.	Lodha Developers 1GSQ Limited	---- do ---	N.A.	Subsidiary	76.23%	2(87)(ii)
40.	Lodha Developers 48CS Limited	---- do ---	N.A.	Subsidiary	76.23%	2(87)(ii)
41.	Lodha Developers Dorset Close Limited	---- do ---	N.A.	Subsidiary	76.23%	2(87)(ii)
42.	Lodha Developers International (Jersey) III Limited	---- do ---	N.A.	Subsidiary	76.23%	2(87)(ii)
43.	Lodha Developers International Limited	First Island Trust Company Limited, Suite 308, St. James Court, St. Denis Street, Port Louis, Mauritius	BYWAZ20131074	Subsidiary	99.99%	2(87)(ii)
44.	Lodha Developers International (Netherlands) B.V	Herikerbergweg 238, Luna Arena, 1101 CM Amsterdam Zuidoost, The Netherlands	BYWAZ20140224	Subsidiary	100%	2(87)(ii)
45.	Lodha Developers U.S., Inc	2900 Gordon Ave. Suit 100, Santa Clara, California 95051, United States	N.A.	Subsidiary	100%	2(87)(ii)
46.	Lodha Developers UK Limited	3rd Floor, 3 St James's Square, London, SW1Y 4JU. LDUK	BYJAZ20100044	Subsidiary	74.97%	2(87)(ii)
47.	Lodha Developers Jersey 1 Holdings Limited	First Island House, Peter Street, St Helier, Jersey, JE2 4SP		Associate	40.62%	2(6)
48.	Kora Construction Private Limited	C/3 Bharat Nagar, Grant Road, Mumbai - 400007	U45200MH1993P TC071325	Associate	44%	2(6)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Share	Demat	Physical	Total	% of Total Share	
A. Promoters									
(1) Indian									
(a) Individual/HUF	-	-	-	-	200	-	200	0.00	+0.00
(b) Central Govt	-	-	-	-	-	-	-	-	-
(c) State Govt (s)	-	-	-	-	-	-	-	-	-
(d) Bodies Corp.	14,33,71,520	-	14,33,71,520	63.38	26,72,97,320	-	26,72,97,320	67.52	+4.14
(e) Banks / FI	-	-	-	-	-	-	-	-	-
(f) Any Other	-	7,34,74,560	7,34,74,560	32.48	85,80,480	-	12,85,80,480	32.48	-
Sub-total (A) (1):-	14,33,71,520	7,34,74,560	21,68,46,080	95.86	39,58,78,000	-	39,58,78,000	100.00	+4.14
(2) Foreign									
(a) NRIs -									
Individuals	-	-	-	-	-	-	-	-	-
(b) Other –	-	-	-	-	-	-	-	-	-
Individuals	-	-	-	-	-	-	-	-	-
(c) Bodies Corp.	-	-	-	-	-	-	-	-	-
(d) Banks / FI	-	-	-	-	-	-	-	-	-
(e) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):-	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	14,33,71,520	7,34,74,560	21,68,46,080	95.86	39,58,78,000	-	39,58,78,000	100.00	+4.14
B. Public Shareholding									
1. Institutions									
(a) Mutual Funds	-	-	-	-	-	-	-	-	-
(b) Banks / FI	-	-	-	-	-	-	-	-	-
(c) Central Govt	-	-	-	-	-	-	-	-	-
(d) State Govt(s)	-	-	-	-	-	-	-	-	-
(e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
(f) Insurance Companies	-	-	-	-	-	-	-	-	-
(g) FIs	-	-	-	-	-	-	-	-	-
(h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
(i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-									
2. Non-Institutions									
(a) Bodies Corp.	93,69,920	-	93,69,920	4.14	-	-	-	-	-4.14
(i) Indian	-	-	-	-	-	-	-	-	-
(ii) Overseas	-	-	-	-	-	-	-	-	-
(b) Individuals	-	-	-	-	-	-	-	-	-
(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	-	-	-	-	-	-	-	-
(ii) Individual shareholders	-	-	-	-	-	-	-	-	-

holding nominal share capital in excess of Rs. 1 lakh	-	-	-	-	-	-	-	-	-
(c) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	93,69,920		93,69,920	4.14	-	-	-	-	-4.14
Total Public Shareholding (B)=(B)(1)+(B)(2)	93,69,920	-	93,69,920	4.14	-	-	-	-	-4.14
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	15,27,41,440	7,34,74,560	22,62,16,000	100.00	39,58,78,000	-	39,58,78,000	100.00	-

* Mr. Rajendra Lodha, holding 200 shares forms part of Promoter Group.

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year (as on 01.04.2017)			Shareholding at the end of the Year(as on 31.03.2018)			% change In share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Sambhavnath Infrabuild and Farms Pvt. Ltd.	14,33,71,520	63.38	-	267,297,320*	67.52	-	+4.14
2.	Mr. Mangal Prabhat Lodha Mrs. Manjula Lodha Mr. Abhishek Lodha as Trustees of Mangal Prabhat Lodha Family Discretionary Trust	7,34,74,560	32.48	-	12,85,80,480	32.48	-	-
3.	Rajendra Lodha [§]	-	-	-	200	0.00	-	+0.00
	Total	21,68,46,080	95.85	-	39,58,78,000	100.00	-	+4.14

* Holds shares along with its nominees

§ Forms part of the promoter group

(iii) Change in Promoters' Shareholding

Sr. No.	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-17 to 31-03-18)	
		No. of Shares at the beginning (01-04-17) / end of the year (31-03-18)	% of total shares of the Company				No. of Shares	% of total shares of the Company
1.	Sambhavnath Infrabuild and Farms Private Limited	14,33,71,520	63.38%	01.04.17	-	-	14,33,71,520	63.38%
				7.12.2017	+93,69,920	Acquired by merger	15,27,41,440	67.52%
				26.12.17	7,63,70,720	Consolidation	7,63,70,720	67.52%
				30.12.17	+19,09,26,800	Allotment – Bonus issue	26,72,97,520	67.52%
				08.03.18	-200	Transfer	26,72,97,320	67.52%
2	Mr. Mangal Prabhat Lodha	7,34,74,560	32.48%	01.04.17	-	-	7,34,74,560	32.48%

	Mrs. Manjula Lodha Mr. Abhishek Lodha as Trustees of Mangal Prabhat Lodha Family Discretionary Trust							
				26.12.17	3,67,37,280	Consolidation	3,67,37,280	32.48%
				30.12.17	+9,18,43,200	Allotment – Bonus issue	12,85,80,480	32.48%
3	Mr. Rajendra Lodha *	Nil	-	01.04.17	-	-	Nil	-
				08.03.18	+200	Transfer	200	0.00%

* Forms part of the promoter group

(iv) Shareholding pattern of top ten shareholders (other than Directors, promoters and holders of GDRs and ADRs):

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the Company
	At the beginning of the year	N.A.	N.A.	N.A.	N.A.
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	N.A.	N.A.	N.A.	N.A.
	At the End of the year (or on the date of separation, if separated during the year)	N.A.	N.A.	N.A.	N.A.

(v) Shareholding of Directors and Key Managerial Personnel:

Mr. Rajendra Lodha, Whole time Director holds 200 shares in the Company. No other Directors or Key Managerial Personnel of the Company hold shares of the Company.

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(Rs. In Lakh)

Amount in Rs	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	1,053,008.62	223,748.23	-	1,276,756.85
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	2,538.25	40,388.25	-	42,926.50
Total (i+ii+iii)	1,055,546.87	264,136.48	-	1,319,683.35
Change in Indebtedness during the financial year				
• Addition	696,913.43	170,841.98	-	867,755.41
• Reduction	(755,780.76)	-	-	(755,780.76)
Net Change	(58,867.33)	170,841.98	-	111,974.65
Indebtedness at the end of the financial year-				
i) Principal Amount	994,141.29	394,590.21	-	1,388,731.50
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	8,628.79	49,449.03	-	58,077.82
Total (i+ii+iii)	1,002,770.09	444,039.24	-	1,446,809.32

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount (Rs)
		Mr. Abhishek Lodha, Managing Director & CEO	Mr. Rajendra Lodha, Whole-time Director	
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	37,12,49,501	22,53,60,837	59,66,10,338
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	39,600	39,600	79,200
	(c) Profits in lieu of salary			
2.	Stock Option	Nil	Nil	Nil
3.	Sweat Equity	Nil	Nil	Nil
4.	. Commission - as % of profit - others, specify...	Nil	Nil	Nil
5.	Others, please specify	Nil	Nil	Nil
	Total (A)	37,12,89,101	22,54,00,437	59,66,89,538
	Ceiling as per the Act			

B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Mr. Berjis Desai	Mr. Mukund Chitale	Ms. Shyamala Gopinath	Total Amount Rs
	1. Independent Directors				
	• Fee for attending board / committee meetings	142,000	3,36,000	49,000	5,27,000
	• Commission	4,000,000	4,000,000	471,000	8,471,000
	• Others, please specify				
	Total (1)	4,142,000	4,336,000	520,000	89,98,000
		Mr. R P Singh			
	2. Other Non-Executive Directors				
	• Fee for attending board / committee meetings	Nil			Nil
	• Commission				
	• Others, please specify				
	Total (2)	Nil			Nil
	Total (B)=(1+2)	4,142,000	4,336,000	520,000	89,98,000
	Total Managerial Remuneration (A+B)				605,905,538
	Overall Ceiling as per the Act				

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD / MANAGER/WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		Total Amount Rs
		Company Secretary	CFO	
		Sanjyot Rangnekar*	Jayant Mehrotra*	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	463,238	8,206,868	86,70,106
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961			
	(c) Profits in lieu of salary under section 17(3)			

	Income-tax Act, 1961			
2	Stock Option	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil
4	Commission - as % of profit - others, specify.	Nil	Nil	Nil
5	Others, please specify	Nil	Nil	Nil
	Total	463,238	8,206,868	86,70,106

** These employees have been shifted from the payrolls of our subsidiary, namely, Nabhiraja Software Design Private Limited to the payrolls of the Company with effect from March 1, 2018. Hence their remuneration has been reported on payment basis for March 2018.*

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL

For and on behalf of the Board
Lodha Developers Limited

Date : June 19, 2018
Place : Mumbai

Mukund Chitale
Chairman
DIN: 00101004

Abhishek Lodha
Managing Director & CEO
DIN: 00266089

ANNEXURE II

ON CSR ACTIVITIES/ INITIATIVES
[Pursuant to Section 135 of the Act & Rules made thereunder]

Sr. No.	Particulars	Details
1.	A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web- link to the CSR policy and projects and programs	The Policy emphasizes initiatives in specific areas of social development that would include primary and secondary education, skills development, vocational training, health and hygiene, preventive health care and sanitation, women empowerment, environment and ecological protection, character building by providing training opportunities in sports and cultural activities etc. The Company has framed its CSR Policy in compliance with the provisions of the Companies Act, 2013
2.	Composition of the CSR Committee	Ms. Shyamala Gopinath – Chairman Mr. Rajinder Pal Singh - Member Mr. Berjis Desai – Member
3.	Average Net Profit Loss of the Company for last three financial years	Rs. 9,424 lakhs
4.	Prescribed CSR Expenditure (two percent of the amount as per item 3 above)	Rs. 188.48 lakhs
5.	Details of CSR spent during the financial year; a. Total amount spent for the financial year b. Amount unspent, if any c. Manner in which the amount spent during the financial year is detailed below:	Rs 197.27 lakhs Nil Refer Annexure 'A'
6.	In case the Company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board Report.	N.A.

The implementation and monitoring of CSR policy is in compliance with CSR objectives and policy of the Company.

For and on behalf of the Board
Lodha Developers Limited

Date : June 19, 2018
Place : Mumbai

Mukund Chitale
Chairman
DIN: 00101004

Abhishek Lodha
Managing Director & CEO
DIN: 00266089

ANNEXURE A

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S. No.	CSR Project or activity identified	Sector in which the project is covered	Project or programs (1) Local area or other (2) Specify the state and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise Rs lakhs	Amount spent on the projects or programs Rs lakhs	Cumulative expenditure up to the reporting period Rs lakhs	Amount spent Direct or through implementing agency* Rs lakhs
1	Mediclaime and accident insurance	Preventive health care	Mumbai, Maharashtra	197.27	1.Direct Expenditure: Rs. 197.27 lakhs 2.Overheads: Nil	197.27	Implementing Agency
Total				197.27	197.27	197.27	

* Lodha Charitable Trust is a registered Public Charitable Trust with an overall aim of enabling lives, living and livelihood for a stronger India. Lodha Charitable Trust has a track record of more than three years in undertaking such projects and programs. This Trust has merged with Sitaben Shah Memorial Trust on January 24, 2018 which is the implementing agency from that date.

ANNEXURE III

Corporate Social Responsibility Policy

A. Preamble :

Lodha Developers Limited ("the **Company**") has adopted the Policy ("**CSR Policy**") on Corporate Social Responsibility (CSR), applicable to the Company and its subsidiaries.

The Company strives to be a socially responsible company and strongly believes in development which is beneficial for the society at large. The Company shall carry out CSR activities where it has its major business presence.

B. Policy Objectives:

The objective of this Policy is to set out guiding principles for carrying out CSR activities and also to set up process of implementation and monitoring of CSR activities to be undertaken by the Company.

C. Implementation:

All CSR projects/activities will be over and above the normal course of the Company's business and will be implemented by the Company executives or group entities or external implementing agencies or specialized NGOs as permissible under the applicable provisions of the Companies Act.

D. Governance :

CSR implementation shall be periodically reviewed and monitored by the CSR Committee of the Board constituted as per the requirements of Section 135 of the Companies Act, 2013. The CSR committee shall hold at least one CSR Committee meeting in a financial year.

The CSR Committee of the Board shall:

1. Formulate and recommend the CSR Policy to the Board
2. Finalise and approve the amount of expenditure to be incurred on CSR activities and for this purpose approve the annual plans and budgets;
3. Ensure that the Company annually spends the requisite amount towards CSR activities as may be prescribed under the CSR Policy of the Company or as may be stipulated under any legislation;
4. Ensure that the activities as are included in CSR Policy are undertaken by the company;
5. Any other matter as the CSR Committee may deem appropriate after the approval of the Board of Directors or as may be directed by the Board from time to time.

The Board shall:

1. Approve the CSR Policy based on the recommendation of the CSR Committee;
2. Approve the CSR activities and annual CSR plan based on the recommendation of the CSR Committee; and
3. Periodically review the CSR Policy and CSR activities.

E. CSR focus areas:

The Company may undertake the following activities under the ambit of CSR:

1. Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation and making available safe drinking water;
2. Promoting education, hosting events, performances in pure arts including special education and employment enhancing vocational skills especially among children, women and the differently abled and livelihood enhancement projects;
3. Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; day care centers and such other facilities and measures for reducing inequalities faced by socially and economically backward groups;
4. Ensuring environmental sustainability, ecological balance, protection of flora and fauna and conservation of natural resources;
5. Protection of national heritage, art and culture; setting up public libraries; promotion and development of traditional arts and handicrafts;
6. Contributions to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women;
7. Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government;
8. Rural development projects;

The Company may contribute to other areas of interest as permitted under Schedule VII of the Companies Act and update the above list as per Section 135 and Schedule VII of the Companies Act.

F. Budget :

A specific budget shall be allocated for CSR activities alongwith the projected plan on an annual basis. The amount & the projected plan shall be approved by the Board on the recommendation of the CSR Committee. Any surplus arising and/or additional revenue generated out of CSR Activities undertaken by the Company shall not form part of the business profit of the Company and same shall be spent only for undertaking CSR activities.

G. Monitoring :

The Company will set up a monitoring process for implementation of the CSR projects/activities and reporting to the CSR Committee in compliance with the requirements of Section 135 of the Companies Act.

H. Reporting Framework

The Company shall lay down a reporting framework for each and every program / project being undertaken towards CSR activities laying down specifically the sector / location in which the activity has been undertaken, the description of the activities being undertaken, the amount allocated towards the same, the amount spent towards the CSR activities and such other particulars as may be required from time to time depending upon the nature of the CSR activity.

ANNEXURE IV

Nomination & Remuneration Policy

1. Title

This policy shall be called the '**Nomination & Remuneration Policy**'.

The Company considers human resources as its valuable assets. With this objective, this policy on Nomination & Remuneration of Directors, Key Managerial Personnel ("KMP") and Senior Management ("Policy") has been formulated to harmonise the aspirations of human resources with the goals of the Company.

This policy has been prepared pursuant to the statutory provisions of Section 178(3) of the Companies Act, 2013 ("Act") and the SEBI (Listing Obligations & Disclosure Requirements), Regulation 2015 ("LODR").

2. Policy Objectives

- 2.1 To ensure that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
- 2.2 To ensure that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- 2.3 To ensure that remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.
- 2.4 To ensure retention of high performers at all levels`

3. Definitions

- 3.1. "**Act**" means the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time.
- 3.2. "**Board**" means Board of Directors of the Company
- 3.3. "**Committee**" means the Nomination and Remuneration Committee of the Board;
- 3.4. "**Company**" means Lodha Developers Limited
- 3.5. "**Director**" means a director appointed to the Board of the Company
- 3.6. "**Independent Director**" means a Director referred to in Section 149 (6) of the Act

3.7. **“Key Managerial Personnel (KMP)”** means

- i. the Managing Director or the Chief Executive Officer of the Manager and in their absence, a whole time director
- ii. the Company Secretary
- iii. the Chief Financial Officer
- iv. Such other officer as may be prescribed under the Act.

3.8. **“MD”** shall mean the Managing Director and CEO of the Company

3.9. **“Senior Management”** shall mean executives who are members of its core management team excluding board of directors and normally this shall comprise all members of management one level below the executive directors, including all functional heads.

Words and expressions used and not defined in this Policy shall have the meaning ascribed to them in the SEBI Listing Regulations, the Securities and Exchange Board of India Act, 1992, as amended, the Securities Contracts (Regulation) Act, 1956, as amended, the Depositories Act, 1996, as amended, or the Companies Act and rules and regulations made thereunder.

4. The Policy and guiding principles

The Board has constituted a Nomination and Remuneration Committee in line with the provisions of the Companies Act 2013. This Policy sets out guiding principles for the Committee for ensuring Board diversity and recommending to the Board, the appointment and remuneration of Directors, Key Managerial Personnel and Senior Management Personnel of the Company.

4.1. **Board Diversity**

The Company recognises the benefits of having a diverse Board, and sees increasing diversity at Board level as an essential element in maintaining a competitive advantage. The Company believes that a truly diverse Board will leverage differences in thought, perspective, knowledge, skill, regional and industry experience, cultural and geographical background, age, race and gender, which will ensure that the Company retains its competitive advantage. The Company further believes that a diverse Board will contribute towards driving business results, make corporate governance more effective, enhance quality and responsible decision making capability, ensure sustainable development and enhance the reputation of the Company.

4.1.1. The Committee shall ensure that the Board shall have an optimum combination of executive, non-executive and independent directors in accordance with requirements of the Companies Act, SEBI Listing Regulations and other statutory, regulatory and contractual obligations of the Company.

4.1.2. The Committee shall review the profile of the prospective candidates for appointment as director on the Board taking in consideration knowledge, experience, financial literacy / expertise, global market awareness and other relevant factors as may be considered appropriate and the Board shall be so formulated with mix of members to maintain high level of ethical standards. The Committee shall also take into consideration the provisions of the Companies Act, SEBI Listing Regulations and other statutory, regulatory and contractual obligations of the Company.

4.2. **Appointment Key Managerial Personnel and Senior Management**

The Committee shall identify and ascertain the qualifications, positive attributes and area of expertise of the person for appointment as KMP or senior management and recommend to the Board for approval.

4.3. Remuneration to Directors

- 4.3.1. Remuneration to Directors, Managing Directors, whole time directors and managers shall be governed by the provisions of the Act.
- 4.3.2. Non executive directors shall be entitled to sitting fees for attending meetings of the Board and its Committees as approved by the Board from time to time.
- 4.3.3. Independent Directors shall be entitled to a profit linked commission as may be approved by the Board in addition to the sitting fees. The aggregate commission payable shall be recommended by the Committee to the Board based on company performance, profits, return to investors, shareholder value creation and any other significant qualitative parameters as may be decided by the Board.

The Committee shall recommend to the Board the quantum of commission for each director based upon the outcome of the evaluation process, including factors relating to attendance and time spent in the Board and committee meetings, individual contribution at meetings and contributions made by directors other than in meetings.

- 4.3.4. The Company may pay to any director such fair and reasonable expenditure, as may have been incurred by the director while performing his role as a director of the company, in addition to sitting fees and commission.
- 4.3.5. The Board, on the recommendation of the Committee, shall approve the remuneration payable to whole time and executive directors within the limits approved by the shareholders.

4.4. Remuneration to Key Managerial Personnel

The MD shall:

- i. Shortlist and recommend names of candidates for appointment as KMP.
- ii. Recommend to the Board the remuneration payable to KMPs.
- iii. Oversee the goals set up for KMPs with a view to ensure appropriate cascading across the company.
- iv. Oversee the performance of KMPs for the relevant year.

The MD may periodically brief the Committee on the goals and achievements of the KMPs, the progress of cascading, their performance review and methodology of remuneration computation at time of annual appraisal.

4.5. Remuneration to Senior Management

Senior Management shall be assigned grades according to their qualifications, work experience and competencies and their role and responsibility in the organization. Individual remuneration shall be based on various factors such as job profile, skill sets, seniority, experience, performance and other benchmarking parameters.

4.6. Evaluation, Performance linked variable pay and annual increments

- 4.6.1. The Committee shall carry out an annual evaluation of performance of the Board/Committees, key managerial personnel and senior management.
- 4.6.2. Executive Directors, KMPs and Senior Management shall be entitled to a performance linked variable pay which shall be directly linked to individual performance and overall business performance. They shall

also be entitled to annual increments which shall be reviewed and approved by the Committee at an organizational level.

4.7. Retention schemes

The Company may implement reward & retention schemes from time to time as per organizational needs. These shall be subject to approval of the Committee.

5. Modification and amendment

This Policy may be reviewed and amended by the Board as and when any changes are to be incorporated due to changes in the regulations or as thought necessary or appropriate by the Board.

Any changes or modification to this Policy shall be recommended by the Committee to the Board for its approval.

ANNEXURE V
PARTICULARS OF REMUNERATION

[Pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

A. INFORMATION PURSUANT TO RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

- The ratio of the remuneration of each director to the median remuneration of the employees of the Company and percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer and Company Secretary in the financial year:

Name	Ratio to median remuneration	% increase in remuneration in the financial year
Executive Directors ¹		
Mr Abhishek Lodha	18.60	51.9%
Mr Rajendra Lodha	11.29	50.64%
Independent Directors ²		
Mr. Mukund Chitale	0.22	NA
Mr. Berjis Desai	0.21	NA
Ms Shyamala Gopinath ³	0.03	
Chief Financial Officer ⁴		
Mr. Jayant Mehrotra		
Company Secretary ⁴		
Ms Sanjyot Rangnekar		

Notes:

- Remuneration to Executive Directors for FY 2017-18 includes one time incentive.
- Non Executive Directors were paid sitting fees / commission during FY 2017-18 as per the statutory provisions and within the limits approved by the Members.
- Appointed as additional director w.e.f February 16, 2018
- Payroll of the CFO and CS was shifted to the Company w.e.f. March 1, 2018. The ratios and percentages over previous periods cannot be ascertained.

- The percentage increase in the median remuneration of employees in the financial year:

Employees (other than Executive Directors) have been shifted from the payrolls of our subsidiary, namely, Nabhiraja Software Design Private Limited to the payrolls of the Company with effect from March 1, 2018, the percentage increase cannot be ascertained

- The number of permanent employees on the rolls of Company: 18
- Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration

Please refer explanation given in point 2 above.

- Affirmation that the remuneration is as per the remuneration policy of the Company

The Company affirms that the remuneration is as per the remuneration policy of the Company.

For and on behalf of the Board
Lodha Developers Limited

Date : June 19, 2018
Place : Mumbai

Mukund Chitale
Chairman
DIN: 00101004

Abhishek Lodha
Managing Director & CEO
DIN: 00266089

ANNEXURE VI

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2018

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
LODHA DEVELOPERS LIMITED

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **LODHA DEVELOPERS LIMITED** (hereinafter called the “**Company**”). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company and returns filed and other records maintained by the Company and also the information provided by the Company, its officer, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2018 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minutes books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2018 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder - **Not Applicable during the audit period;**
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 (‘FEMA’) and the rules and regulations made thereunder to the extent of Overseas Direct Investment.
Provisions of FEMA w.r.t. Foreign Direct Investment and External Commercial Borrowings - **Not Applicable during the audit period;**
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 - **Not Applicable during the Audit period;**
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 - **Not Applicable during the Audit period;**
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 - **Not Applicable during the Audit period;**
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - **Not Applicable during the Audit period;**
 - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 - **Not Applicable during the Audit period;**
 - i. The Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 (hereinafter “Listing Regulations”).

I have also examined compliance with the Secretarial Standards (SS-1 and SS-2) issued by The Institute of Company Secretaries of India;

During the period under review the Company has generally complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. as mentioned above.

I, based upon the management representation further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with the following pertinent laws, rules, regulations and guidelines as specifically applicable to the Company:

- The Real Estate (Regulation and Development) Act, 2016 and rules of the States where projects were being undertaken;
- The Building and Other Construction workers (Regulation of Employment and Conditions of Service) Act, 1996;
- The Land Acquisition Act, 1984;
- Transfer of Property Act, 1882;
- Indian Easements Act, 1882;
- Registration Act, 1908;
- Maharashtra Regional and Town Planning Act, 1966;
- Mumbai Municipal Corporation Act, 1888;
- Maharashtra Land Revenue Code, 1966;

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Decisions at Board Meetings and Committee Meetings are carried with adequate majority and recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period, the Company has approved following activities:

- Issue of bonus equity shares
- Conversion of Company from private to public
- Approval for raising funds through Initial Public Offer (IPO)
- Listing of Non-Convertible Debentures at National Stock Exchange of India Limited
- Mergers of various group companies with the Company

For Sharatkumar K Shetty
Practicing Company Secretary

Sharatkumar Shetty
Proprietor
ACS No. 31888
CP No.: 18123
Place: Mumbai
Date: June 19, 2018

MANAGEMENT DISCUSSION AND ANALYSIS

Indian Economy

India has emerged as the fastest growing major economy in the world as per the Central Statistics Organisation and International Monetary Fund and it is expected to be one of the top three economic powers of the world over the next 10-15 years, backed by its strong democracy and partnerships. India's GDP is estimated to have increased 6.6% in 2017-18 and is expected to grow 7.3% in 2018-19. The Union Budget for 2018-19 focuses on uplifting the rural economy and strengthening of the agriculture sector, healthcare for the economically less privileged, infrastructure creation and improvement in the quality of education of the country. As per the budget, the government is committed towards doubling the farmers' income by 2022. All-time high allocations have been made to the rail and road sectors. India's unemployment rate is expected to be 3.5 % in 2018, according to the International Labour Organisation.

The Make in India and the Digital India initiatives have been launched with an aim to boost the manufacturing sector of Indian economy, to increase the purchasing power of an average Indian consumer, which would further boost demand, and hence spur development, in addition to benefiting investors. India's gross domestic product is expected to reach US\$ 6 trillion by 2027 and achieve upper-middle income status on the back of digitisation, globalisation, favorable demographics and reforms.

India is expected to be the third largest consumer economy as its consumption may triple to US\$ 4 trillion by 2025, owing to shift in consumer behaviour and expenditure pattern, according to a Boston Consulting Group report; and is estimated to surpass USA to become the second largest economy in terms of purchasing power parity by the year 2040, according to a report by Price Waterhouse Coopers.

The Indian Real Estate Market

The Indian real estate sector, which includes the residential, office, retail, industrial and hospitality segments, is a key contributor to GDP growth, and one of the largest employers in India (*Source: Knight Frank, India Real Estate, Residential and Office, January to June 2017*). The fundamentals for the real estate sector in India are expected to remain strong due to some key drivers:

- » **Stable Economy with Consistent Growth:** In 2015 and 2016, India's GDP grew by 8.0% and 7.1%, respectively, and is expected to grow in 2017 and 2018 by 6.7% and 7.4%, respectively. (*Source: International Monetary Fund, World Economic Outlook Database, October 2017*).
- » **Increased Industrial Activity:** The index of industrial production grew at 3.8% CAGR from financial year 2013 through financial year 2017. In financial year 2017, the index of industrial production increased by 4.4%. (*Source: Reserve Bank of India, Annual Report, 2016-2017*).
- » **Growing Trend of Urbanization:** According to the 2016 Handbook of Urban Statistics, around 377 million Indians comprising 31.14% of the country's population lived in urban areas. The urban population is expected to grow to about 600 million (comprising of 40% of the country's population) by 2031 and 850 million (comprising of 50% of the country's population) by 2051 (*Source: Ministry of Urban Development, Handbook of Urban Statistics, 2016*). The increasing urbanization drives demand for real estate in major cities of India.
- » **Demographic Benefit and Increase in Working Population:** India is also the world's second largest country by population size with an estimated population of 1.28 billion people as of July 2017. (*Source: Central Intelligence Agency, The World Factbook, accessed on January 2, 2018*) To support the increasing population, huge investments are required to meet India's housing needs, and additional investments would be required for commercial and urban infrastructure to support the housing growth.

Residential Real Estate Sector in India

The following table provides a snapshot of the Indian residential real estate market for the top six cities of MMR, NCR, Bengaluru, Chennai, Pune and Hyderabad:

Particulars	Unit of Measurement	FY18	FY17	FY16	FY15
Area Sold	Million Square Feet	198.3	261.3	319.3	329.3
Sales Value	Rs billion	1,267.6	1,611.8	1,957.8	1,928.9
Launched Area	Million Square Feet	119.8	212.3	312.7	397.3
Inventory	Million Square Feet	831.5	910.0	958.9	965.4

Source: PropEquity

From the data above, residential sales value for the top six cities marginally increased in financial year 2016 as compared to financial year 2015, but witnessed a drop in financial year 2017 (Source: PropEquity). Demonetization introduced by the Government in November 2016 was an important factor in the drop of residential sales for financial year 2017 (Source: Knight Frank, India Real Estate, Residential and Office, January to June 2017).

High inventory levels and lower absorption reduced launches. Demonetization and introduction of the Real Estate (Regulation and Development) Act, 2016 (“**RERA**”) and GST also reduced new launches. Reduced new launches has led to reduced inventory levels (Source: Knight Frank, India Real Estate, Residential and Office, July to December 2017 and Knight Frank, India Real Estate, Residential and Office, January to June 2017).

With the advent of RERA, smaller developers with poor corporate governance and financial management are unlikely to thrive in the longer run. Further, the advent of RERA is likely lead to consolidation with larger developers tying up with smaller developers through joint developments, development management or outright sale of land parcels (Source: JLL, Traversing Through the Epic, Predicting the Curve, 2018).

Structural Reforms in the Indian Residential Real Estate Market

Push for affordable housing

According to Knight Frank, the shortage in urban housing is around 19 million units, with 95% of this shortage in the affordable housing segment. To bridge this gap between demand and supply, the Government launched the “Housing for All by 2022” initiative (Source: Knight Frank, India Real Estate, Residential and Office, January to June 2017). Projects having at least 50% of FSI (floor space index) consumed in units having carpet area of less than 60 square meters will qualify as infrastructure projects.

Real Estate (Regulation and Development) Act, 2016

The Indian real estate sector has been historically unregulated and has faced delayed project deliveries and difficulties in dispute resolution. To safeguard consumers’ interests, the Government of India enforced the Real Estate (Regulation and Development) Act, 2016 nationwide on May 1, 2017.

The Maharashtra government’s proactive establishment of a real estate authority and an online portal has put Mumbai and Pune far ahead of other cities in terms of RERA compliance. Recently, Maharashtra also designated the Maharashtra Revenue Tribunal to be the Appellate Tribunal to hear appeals against the rulings of the Maharashtra Real Estate Regulatory Authority (Source: Knight Frank, India Real Estate, Residential and Office, July to December 2017).

The MMR Residential Real Estate Market

Overview of the MMR

Mumbai is the financial hub of the country, generating approximately 5% of India's total GDP and accounting for a significant portion of India's total FDI inflows (approximately 30% of FDI inflows in India over 2000-2016). (Source: Department of Industrial Policy and Promotion, Quarterly Fact Sheet, March 2017)

Mumbai is the largest Indian city in terms of population and is home to approximately 2% of India's population (Source: Population Census, 2011). Its population increased from 11.9 million in 2001 to 12.4 million in 2011 - a decadal growth rate of 3.9%. On the other hand, the population of the Mumbai Metropolitan Region ("MMR"), which is comprised of Mumbai, Thane and Navi Mumbai, grew at 17.8%, taking its population from 19.3 million to 22.8 million during the same period (Source: Knight Frank, Urban Transport – Unlocking the Realty Potential, 2016).

Key Infrastructure Developments in MMR

Planned and ongoing infrastructure developments are growing in the MMR, along with population and industrial growth. Some examples of completed and ongoing infrastructure development are outlined below:

- completion of the Versova-Andheri-Ghatkopar corridor of the MMR's first metro rail, which covers a distance of 11.4 km and which has enhanced the much-needed east-west connectivity;
- completion of the 6.5 km Santacruz Chembur Link Road to enhance the east-west road connectivity;
- completion of the 16.8 km controlled access Eastern Freeway, an elevated road project in Mumbai connecting P D'Mello Road in South Mumbai to the Eastern Express Highway at Ghatkopar, and completion of the 10.6 km Jogeshwari Vikhroli Link Road, a crucial arterial road providing east-west connectivity to Mumbai;
- ongoing implementation of Mumbai Metro Line II (Dahisar West — DN Nagar), which is expected to augment the north-south and east-west connectivity;
- ongoing implementation of Mumbai Metro Line VII (Andheri East — Dahisar East);
- upcoming development of the 35.6 km long coastal road, which will provide high speed connectivity between the western suburbs and south Mumbai;
- upcoming development of the 22.5 km six-lane sea bridge — the Mumbai trans-harbor link connecting Sewri in South Mumbai to Nhava Sheva near the new airport;
- completion of phase I of the Mumbai monorail that connects Chembur to Wadala depot; when completed, the line would connect Chembur to Jacob Circle (11.2 kilometers);
- on-going development of the BKC – Chunabhatti elevated road connector which is expected to cut travel time by 30 minutes and distance by three kilometers; and
- proposed second international airport at Navi Mumbai which is expected to handle 10 million passengers in its first phase of development.

(Sources: Knight Frank, Urban Transport – Unlocking the Realty Potential, 2016 and Knight Frank, Residential Investment Advisory Report, 2016)

Our Business

As of March 31, 2018, we had 39 ongoing projects, of which 37 projects were in India and two were in London. These projects accounted for a Developable Area of 31.77 million square feet, of which 30.32 million square feet represented projects located in the MMR. As of March 31, 2018, we also had 20 planned projects in India with a Developable Area of 62.46 million square feet, of which 60.99 million square feet is located in the MMR.

The table below shows our key financial and operational metrics for our India Operations:

Particulars	Fiscal 2018	Fiscal 2017	Fiscal 2016
Sales (Developable Area in million square feet)	7.4	7.0	6.1
Sales (Number of units)	6,844	6,766	5,209
Sales (Value in Rs million)	81,299	69,664	65,364
Gross Collections (in Rs million)	85,642	76,741	63,047
Completed Developable Area (in million square feet)	13.75	7.76	6.76
Completed units	11,544	5,677	7,426

Our overseas projects currently consist of projects in London, including Lincoln Square on Carey Street and 1 Grosvenor Square in Mayfair. These projects have achieved financial closure with development finance facilities tied up to meet future construction expenses. As of March 31, 2018, we have sold 129 units and achieved total Sales of GBP 398 million.

Our businesses can be broadly classified into the following:

- ii. Residential portfolio, further classified into affordable housing projects and premium projects (consisting of luxury, high-end and aspirational projects).
- iii. Commercial portfolio, consisting of office projects and retail projects

Our office space projects comprise IT campuses, corporate offices and boutique office spaces. As of March 31, 2018, we had completed office spaces covering 3.42 million square feet of Leasable Area. Our office space projects are categorized under three brands: (i) "iThink"; (ii) "Lodha Excelus"; and (iii) "Lodha Supremus".

- iv. International portfolio

Our international portfolio consists of two projects, Lincoln Square and 1 Grosvenor Square, in London. Our Company through its Subsidiaries maintains effective economic interest of 76.25% in the Lincoln Square project and 78.63% in the 1 Grosvenor Square project.

OPPORTUNITIES AND CHALLENGES

Opportunities

We believe that we are well positioned to exploit growth opportunities in the Indian real estate market. With our strong brand, management capability, process-oriented professional approach, track record of project completion, scale of operations, and established product portfolio across multiple price points in residential as well as office and retail space, we are well poised to capitalize on growth opportunities in our home market of the MMR and select other cities.

Challenges

While the management of your Company is confident of creating and exploiting the opportunities, it also finds the following challenges:

- Unanticipated delays in project approvals;
- Availability of accomplished and trained labour force;
- Increased cost of manpower;
- Rising cost of construction;
- Growth in auxiliary infrastructure facilities; and
- Over regulated environment.

For and on behalf of the Board
Lodha Developers Limited

Date : June 19, 2018
Place : Mumbai

Mukund Chitale
Chairman
DIN: 00101004

Abhishek Lodha
Managing Director & CEO
DIN: 00266089



**LODHA DEVELOPERS LIMITED
(STANDALONE)**

**ANNUAL ACCOUNTS
2017-18**

INDEPENDENT AUDITOR'S REPORT

To The Members of Lodha Developers Limited (Formerly known as Lodha Developers Private Limited)

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying Standalone Ind AS financial statements of **Lodha Developers Limited (Formerly known as Lodha Developers Private Limited)** ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Ind AS financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Indian Accounting Standards) Rules, 2015, as amended, and the accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these Standalone Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit of the Standalone Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Standalone Ind AS financial statements that give a true and fair view 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 the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Standalone Ind AS 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 Standalone Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs (financial position) of the Company as at March 31, 2018, and its profit (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, the Statement of Cash Flow and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid Standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Indian Accounting Standards) Rules, 2015, as amended.
 - (e) On the basis of the written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure A'
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Ind AS financial statements - Refer Note 42 to the Standalone Ind AS financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

- 2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of sub-section 11 of section 143 of the Act, we give in the 'Annexure B', a statement on the matters specified in paragraphs 3 and 4 of the Order.

For MSKA & Associates
(Formerly known as 'MZSK & Associates')

Chartered Accountants
ICAI Firm Registration No. 105047W

Abuali Darukhanawala
Partner
Membership No. 108053

Place : Mumbai
Date : May 25, 2018

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF LODHA DEVELOPERS LIMITED (FORMERLY KNOWN AS LODHA DEVELOPERS PRIVATE LIMITED)

[Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report]

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Lodha Developers Limited (Formerly known as Lodha Developers Private Limited) ("the Company") as of March 31, 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

For MSKA & Associates

(Formerly known as MZSK & Associates)

Chartered Accountants

ICAI Firm Registration No. 105047W

Abuali Darukhanawala

Partner

Membership No.108053

Place : Mumbai

Date : May 25, 2018

ANNEXURE B TO INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF LODHA DEVELOPERS LIMITED (FORMERLY KNOWN AS LODHA DEVELOPERS PRIVATE LIMITED) FOR THE YEAR ENDED MARCH 31, 2018

[Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report]

- i.
 - (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - (b) All the fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.
 - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- ii. The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable. No material discrepancies were noticed on verification between the physical stock and the book records.
- iii. The Company has not granted any loans, secured or unsecured to Companies, Firms, Limited Liability Partnerships (LLP) or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act'). Accordingly, the provisions stated in paragraph 3 (iii) (a) to (c) of the Order are not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, the Company has not either directly or indirectly, granted any loan to any of its directors or to any other person in whom the director is interested, in accordance with the provisions of section 185 of the Act and the Company has not made investments through more than two layers of investment companies in accordance with the provisions of section 186 of the Act. Accordingly, provisions stated in paragraph 3(iv) of the Order are not applicable to the Company.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the rules framed there under. Accordingly, provisions stated in paragraph 3(v) of the order are not applicable to Company
- vi. We have broadly reviewed the books of account relating to materials, labour and other items of cost maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under sub-section (1) of section 148 of the Act and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

vii.

- (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and service tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues applicable to it. Further, no undisputed amount amounts payable in respect thereof were outstanding at the year-end for the period of more than six months from the date they become payable.
- (b) According to the information and explanation given to us and examination of records of the Company, the outstanding dues of income-tax, sales-tax, service tax, value added tax and other statutory dues on account of any dispute, are as follows:

Name of the Statue	Name of the Dues	Amount (Rs. in Lakhs)	Amount paid under protest (Rs. In Lakhs)	Period to which amount relates	Forum where dispute is pending
Finance Act, 1994	Service Tax	2.17	-	Financial Year 2016-2017 and Period April 2017 to June 2017	The Deputy Commissioner of Central Goods and Service Tax
Finance Act, 1994	Service Tax	60.55	-	Financial Year 2015-2016, 2016-2017 and Period April 2017 to June 2017	The Joint Commissioner of Central Goods and Service Tax
Finance Act, 1994	Penalty	36.09	-	Financial Year 2011-2012	Commissioner Service Tax (Appeals)
MVAT Act, 2002	Tax, Interest and Penalty	47.64	-	Financial Year 2011-2012	Joint Commissioner Appeals
MVAT Act, 2002	Tax, Interest and Penalty	48.49	10.46	Financial Year 2010-2011	Joint Commissioner Appeals
MVAT Act, 2002	Tax, Interest and Penalty	75.44	-	Financial Year 2012-2013	Joint Commissioner Appeals
MVAT Act, 2002	Tax, Interest and Penalty	9.81	-	Financial Year 2013-2014	Joint Commissioner Appeals
MVAT Act, 2002	Tax (including Interest)	89.65	15.00	Financial Year 2011-2012	Joint Commissioner Appeals
MVAT Act, 2002	Tax (including Interest)	29.02	-	Financial Year 2010-2011	Joint Commissioner Appeals

Name of the Statute	Name of the Dues	Amount (Rs. in Lakhs)	Amount paid under protest (Rs. In Lakhs)	Period to which amount relates	Forum where dispute is pending
MVAT Act, 2002	Tax (including Interest)	-	-	Financial Year 2012-2013	Maharashtra Sales Tax Tribunal
MVAT Act, 2002	Tax (including Interest)	30.85	5.30	Financial Year 2012-2013	Joint Commissioner Appeals
MVAT Act, 2002	Tax (including Interest)	34.92	0.45	Financial Year 2013-2014	Joint Commissioner Appeals
Income Tax Act, 1961	Penalty u/s 271E	91.75	25.27	Assessment Year 2013-2014	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Penalty u/s 271E	434.01	-	Assessment Year 2014-2015	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Penalty u/s 271E	4,283.40	-	Assessment Year 2009-2010	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Penalty u/s 271D	274.81	-	Assessment Year 2013-2014	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Penalty u/s 271D	542.13	-	Assessment Year 2014-2015	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Penalty u/s 271D	4,650.72	-	Assessment Year 2009-2010	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax (including Interest)	22.90	11.45	Assessment Year 2007-2008	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax (including Interest)	0.18	0.04	Assessment Year 2008-2009	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax (including Interest)	-	-	Assessment Year 2009-2010	High Court
Income Tax Act, 1961	Income Tax (including Interest)	268.26	45.98	Assessment Year 2009-2010	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax (including Interest)	6.94	-	Assessment Year 2009-2010	Income Tax Appellate Tribunal

Name of the Statute	Name of the Dues	Amount (Rs. in Lakhs)	Amount paid under protest (Rs. In Lakhs)	Period to which amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax (including Interest)	-	-	Assessment Year 2010-2011	High Court
Income Tax Act, 1961	Income Tax (including Interest)	6.43	-	Assessment Year 2011-2012	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax (including Interest)	8.25	1.65	Assessment Year 2012-2013	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax (including Interest)	1,954.66	379.50	Assessment Year 2013-2014	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax (including Interest)	2,276.66	41.97	Assessment Year 2014-2015	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax (including Interest)	880.81	313.96	Assessment Year 2014-2015	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax (including Interest)	2,434.83	759.69	Assessment Year 2015-2016	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax (including Interest)	387.27	208.39	Assessment Year 2016-2017	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax (including Interest)	664.35	187.56	Assessment Year 2017-2018	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Penalty	7.91	-	Assessment Year 2014-2015	Commissioner of Income Tax (Appeals)
Maharashtra Stamp Act, 1958	Stamp Duty	1,611.80	-	Financial Year 2013-2014	Collector
Maharashtra Stamp Act, 1958	Stamp Duty	1,940.00	-	Financial Year 2013-2014	High Court of Bombay
Maharashtra Stamp Act, 1958	Stamp Duty	2,273.30	-	Financial Year 2013-2014	Joint Sub-Registrar and Collector of Stamps
Maharashtra Stamp Act, 1958	Stamp Duty and Penalty	47,383.80*	20,249.50	Financial Year 2015-2016	High Court of Bombay

* Order pertaining to payment of penalty amounting to Rs. 27,134.30 lakhs has been stayed by High Court of Bombay

- viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to the financial institution, bank or debenture holders.
- ix. The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments). In our opinion, the term loans were applied for the purposes for which the loans were obtained including temporary deployment of surplus funds.
- x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the provisions stated in paragraph 3(xii) of the Order are not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable Indian Accounting Standards.
- xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, the provisions stated in paragraph 3 (xiv) of the Order are not applicable to the Company.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, provisions stated in paragraph 3(xv) of the Order are not applicable to the Company.

- xvi. In our opinion, the Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions stated in paragraph clause 3 (xvi) of the Order are not applicable to the Company.

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

Abuali Darukhanawala
Partner
Membership No. 108053

Place : Mumbai
Date : May 25, 2018

LODHA DEVELOPERS LIMITED
STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2018

	Notes	As at 31-March-18 ₹ in Lakhs	As at 31-March-17 ₹ in Lakhs
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	2	80,530.71	75,248.91
Capital Work In Progress	2	-	9,995.09
Investment Property	3	31,561.37	33,177.08
Goodwill	4	31,371.64	63,377.87
Other Intangible Assets	4	7,780.00	8,837.62
Financial Assets			
Investments	5	1,27,569.02	1,43,814.68
Loans	6	1,38,524.21	1,72,559.23
Other Financial Assets	7	32,492.93	28,973.23
Other Non-Current Assets	8	3,654.73	4,237.12
Total Non-Current Assets		4,53,484.61	5,40,220.83
Current Assets			
Inventories	9	16,74,786.42	18,26,169.89
Financial Assets			
Investments	10	24,883.00	58,256.27
Loans	11	3,78,934.07	2,29,998.75
Trade Receivables	12	59,341.50	31,861.37
Cash and Cash Equivalents	13	10,491.67	14,316.99
Bank Balances other than Cash and Cash Equivalents	14	7,459.40	6,115.77
Other Financial Assets	15	95,442.74	1,45,229.53
Current Tax Assets (net)	16	15,724.92	21,040.47
Other Current Assets	17	64,392.27	80,070.51
Total Current Assets		23,31,455.99	24,13,059.55
Total Assets		27,84,940.60	29,53,280.38
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	18	39,587.80	11,310.80
Other Equity			
Optionally Convertible Preference Shares	19	-	-
Share Premium	20	21,229.02	49,506.03
Retained Earnings	21	2,84,572.31	2,93,794.08
Other Reserves	22	1,22,842.22	77,290.27
Equity attributable to owners of the Company		4,68,231.35	4,31,901.18
Non-Current Liabilities			
Financial Liabilities			
Borrowings	23	15,448.35	16,892.69
Trade Payables	24		
Due to Micro and Small Enterprises		-	0.14
Due to Others		1,602.91	2,014.13
Other Financial Liabilities	25	729.84	877.19
Provisions	26	208.79	63.39
Deferred Tax Liabilities (Net)	39	53,685.72	58,838.29
Total Non-Current Liabilities		71,675.61	78,685.83
Current Liabilities			
Financial Liabilities			
Borrowings	27	13,71,715.69	12,58,438.54
Trade Payables	28		
Due to Micro and Small Enterprises		627.49	1,315.71
Due to Others		1,00,494.32	2,06,822.11
Other Financial Liabilities	29	2,66,809.34	3,43,772.52
Provisions	30	61.42	84.66
Other Current Liabilities	31	5,05,325.38	6,32,259.83
Total Current Liabilities		22,45,033.64	24,42,693.37
Total Liabilities		23,16,709.25	25,21,379.20
Total Equity and Liabilities		27,84,940.60	29,53,280.38

Significant Accounting Policies
See accompanying notes to the Financial Statements

1
1-65

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

For and on behalf of the Board of Directors of Lodha
Developers Limited

Mukund Chitale
(Chairman)
DIN: 00101004

Abhishek Lodha
(Managing Director & CEO)
DIN: 00266089

Abuali Darukhanawala
(Partner)
Membership No. 108053

Jayant Mehrotra
(Chief Financial Officer)

Sanjyot Rangnekar
(Company Secretary)

Place : Mumbai
Date : 25-May-2018

LODHA DEVELOPERS LIMITED
STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2018

Particulars	Notes	For the Year ended 31-March-18 ₹ in Lakhs	For the Year ended 31-March-17 ₹ in Lakhs
I INCOME			
Revenue From Operations	32	5,23,308.03	5,97,797.40
Other Income	33	2,315.99	4,047.19
Share of Profit / (Loss) in Partnership Firms	34	857.70	(3,746.30)
Total Income		5,26,481.72	5,98,098.29
II EXPENSES			
Cost of Projects	35	3,53,931.54	4,24,343.51
Employee Benefits Expense	36	21,088.95	21,599.60
Finance Costs (Net)	37	11,628.34	13,952.82
Depreciation, Impairment and Amortisation Expense	2, 3 & 4	37,514.14	41,885.31
Other Expenses	38	45,432.25	39,431.29
Total Expense		4,69,595.22	5,41,212.53
III Profit Before Tax		56,886.50	56,885.76
IV Tax Expense	39		
Current Tax		(26,612.05)	(20,639.75)
Deferred Tax		4,826.10	4,587.57
Total Tax Expense		(21,785.95)	(16,052.18)
V Profit for the Year		35,100.55	40,833.58
VI Other Comprehensive Income (OCI)			
A Items that will not be reclassified to Statement of Profit and Loss			
Remeasurements of Defined Benefit Plans		(7.57)	(49.57)
Income Tax Effect		2.62	17.15
		(4.95)	(32.42)
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		-	-
Total Other Comprehensive Income (Net of Tax) (A+B)		(4.95)	43,006.93
VII Total Comprehensive Income for the year (V + VI)		35,095.60	83,840.51
VIII Earnings per Equity Share (in `) :			
(Face value of ` 10 per Equity Share)			
Basic		8.87	10.67
Diluted		8.87	10.67

As per our attached Report of even date
For MSKA & Associates
(Formerly known as 'MZSK & Associates')
Chartered Accountants

For and on behalf of the Board of Directors of Lodha
Developers Limited

Mukund Chitale
(Chairman)
DIN: 00101004

Abhishek Lodha
(Managing Director & CEO)
DIN: 00266089

Abuali Darukhanawala
(Partner)
Membership No. 108053

Jayant Mehrotra
(Chief Financial Officer)

Sanjyot Rangnekar
(Company Secretary)

Place : Mumbai
Date : 25-May-2018

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2018

(A) EQUITY SHARE CAPITAL

Particulars	₹ in Lakhs	
	As at 31-Mar-18	As at 31-March-17
Balance at the beginning of the reporting year	11,310.80	10,810.80
Issue of Bonus Shares	28,277.00	-
Issue of equity shares during the year	-	500.00
Balance at the end of the reporting year	39,587.80	11,310.80

(B) OTHER EQUITY

Particulars	Optionally Convertible Preference Shares	Reserves and Surplus					Other Reserve through OCI	Total
		Share Premium	Capital Reserve	Debenture Redemption Reserve	Capital Redemption Reserve	Retained Earnings	Revaluation Reserve	
As at 01-April-17	-	49,506.03	-247.40	34,470.32	28.00	2,93,794.08	43,039.35	4,20,590.38
Profit for the year	-	-	-	-	-	35,100.55	-	35,100.55
Other Comprehensive Income (net of tax)	-	-	-	-	-	(4.95)	-	(4.95)
Total Comprehensive Income for the year	-	-	-	-	-	35,095.60	-	35,095.60
Transfer (from)/ to	-	-	-	45,551.93	-	(45,551.93)	-	-
Issue of Bonus shares	-	(28,277.01)	-	-	-	-	-	(28,277.01)
Deferred Tax on Intangible Assets	-	-	-	-	-	323.85	-	323.85
Effect of Merger	-	-	0.02	-	-	910.71	-	910.73
As at 31-March-18	-	21,229.02	-247.38	80,022.25	28.00	2,84,572.31	43,039.35	4,28,643.55

Particulars	Optionally Convertible Preference Shares	Reserves and Surplus					Other Reserve through OCI	Total
		Share Premium	Capital Reserve	Debenture Redemption Reserve	Capital Redemption Reserve	Retained Earnings	Revaluation Reserve	
As at 1-April-16	50,000.00	6.03	7.33	-	-	45,197.29	-	95,210.65
Effect of business combination under common control	-	-	-247.94	20,250.00	4.00	2,22,757.57	-	2,42,763.63
As at 1-April-16 (as adjusted)	50,000.00	6.03	-240.61	20,250.00	4.00	2,67,954.86	-	3,37,974.28
Profit for the year	-	-	-	-	-	40,833.58	-	40,833.58
Other Comprehensive Income (Net of tax)	-	-	-	-	-	(32.42)	43,039.35	43,006.93
Total Comprehensive Income for the year	50,000.00	6.03	(821.44)	20,250.00	4.00	(934.07)	-	68,504.52
Issue of Equity Shares at Premium	-	49,500.00	-	-	-	-	-	49,500.00
Transfer (from)/ to	-	-	-	14,220.32	24.00	(14,244.32)	-	-
Effect of Merger	-	-	(6.79)	-	-	(934.07)	-	(940.86)
Deferred Tax on Intangible Assets	-	-	-	-	-	216.45	-	216.45
Redemption of Optionally Convertible Preference Shares	(50,000.00)	-	-	-	-	-	-	(50,000.00)
As at 31-March-17	-	49,506.03	-247.40	34,470.32	28.00	2,93,794.08	43,039.35	4,20,590.38

As per our attached Report of even date
For MSKA & Associates
(Formerly known as 'MZSK & Associates')
Chartered Accountants

For and on behalf of the Board of Directors of Lodha Developers Limited

Mukund Chitale
(Chairman)
DIN: 00101004

Abhishek Lodha
(Managing Director & CEO)
DIN: 00266089

Abuali Darukhanawala
(Partner)
Membership No. 108053

Jayant Mehrotra
(Chief Financial Officer)

Sanjyot Rangnekar
(Company Secretary)

Place : Mumbai
Date : 25-May-2018

LODHA DEVELOPERS LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018

	For the Year ended 31-March-18 ₹ in Lakhs	For the Year ended 31-March-17 ₹ in Lakhs
(A) Operating Activities		
Profit Before Tax	56,886.50	56,885.76
Adjustments for :		
Depreciation, impairment and Amortisation Expense	37,514.14	41,885.31
Net Unrealised Foreign Exchange Loss/(Gain)	(3,127.83)	2,306.58
Provision for Doubtful Receivables /Advances	510.35	240.76
Sundry Balances / Excess Provisions Written Back (Net)	(1,446.17)	(1,150.09)
(Profit) / Loss on Sale of Property, Plant and Equipment	6.26	11.40
(Profit) / Loss on Investments	280.94	7.80
Share of Profit / (Loss) in Partnership Firms	(857.70)	3,746.30
Gains arising from the derecognition of financial assets measured at amortised cost	(185.28)	(94.60)
Dividend Income	(83.04)	(714.46)
Interest Income	(51,521.41)	(43,530.09)
Finance Costs	1,76,198.08	1,70,553.15
Operating Profit Before Working Capital Changes	2,14,174.83	2,30,147.82
Working Capital Adjustments:		
Decrease/ (Increase) in Trade and Other Receivables	31,714.37	(30,137.80)
Decrease/ (Increase) in Inventories	(48,649.78)	(1,43,956.97)
Decrease in Trade and Other Payables	(2,05,381.15)	1,47,482.24
Cash Generated From/ (used in) Operating Activities	(8,141.73)	2,03,535.30
Income Tax Paid	(21,299.13)	(29,184.73)
Net Cash Flows From / (used in) Operating Activities	(29,440.86)	1,74,350.57
(B) Investing Activities		
Purchase of Property, Plant And Equipment	(3,081.88)	(4,813.58)
Sale of Property, Plant And Equipment	9.00	24.18
Purchase of Non-Current Investments	(45,065.25)	(46,364.40)
Sale of Non-Current Investments	50,589.71	50,589.71
(Purchase) / Sale of Current Investments	40,271.57	(57,142.08)
Investment in Fixed Deposit with Banks (net)	(1,890.85)	(1,227.17)
Loans Given	(1,42,114.56)	(1,14,866.47)
Interest Received	28,778.45	22,617.40
Dividend Received	83.04	714.46
Share of Loss in Partnership Firms	857.70	(3,746.30)
Net Cash Flows used in Investing Activities	(71,563.08)	(1,54,214.25)
(C) Financing Activities		
Proceeds from Borrowings	8,67,768.65	3,33,878.71
Repayment of Borrowings	(6,06,881.38)	(1,85,761.11)
Finance Costs paid	(1,58,441.93)	(1,68,322.53)
Net cash flow from Financing Activities	1,02,445.33	(20,204.93)
(D) Net decrease in Cash and Cash Equivalents (A+B+C) :	1,441.39	(68.61)
Add: Cash and cash equivalents at the beginning of the year	14,316.99	14,382.37
Add: Cash and cash equivalents taken over as per the scheme of merger / Demerger / Slump Sale	(5,266.71)	3.23
Cash and Cash Equivalents at year end	10,491.67	14,316.99

As per our attached report of even date
For MSKA & Associates
Chartered Accountants
Firm Registration Number: 105047W

For and on behalf of the Board of Directors of
Lodha Developers Limited

Mukund Chitale
(Chairman)
DIN: 00101004

Abhishek Lodha
(Managing Director & CEO)
DIN: 00266089

Abuali Darukhanawala
(Partner)
Membership No. 108053

Jayant Mehrotra
(Chief Financial Officer)

Sanjyot Rangnekar
(Company Secretary)

Place : Mumbai
Date : 25-May-2018

1 SIGNIFICANT ACCOUNTING POLICIES

A Company's Background

Lodha Developers Limited (the Company) is a public limited company domiciled and incorporated in India under the Companies Act, 1956 vide CIN - U45200MH1995PLC093041. The Company's registered office is located at 412 , Floor - 4, 17 G Vardhaman Chamber, Cawasji Patel Road, Horniman Circle, Fort, Mumbai - 400001. The Company is primarily engaged in the business of real estate development.

Company is converted into a public limited company and a fresh certificate of incorporation dated March 14, 2018 was issued by the Registrar of Companies consequent upon conversion, changing the name to 'Lodha Developers Limited'.

On 26 April 2018, the Company has filed draft red herring prospectus with Security Exchange Board of India for initial public offer of its equity shares.

B Significant Accounting Policies

I Basis of Preparation

The Standalone financial statements of the Company have been 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.

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 Summary of Significant Accounting Policies

1 Current and Non-Current Classification

The Company presents assets and liabilities in the Standalone 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.

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 Company classifies all other liabilities as non-current.

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

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 Company's real estate 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 OCI and credited to the Revaluation reserve 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 Company. All other repairs and maintenance are charged to the Standalone Ind AS 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 Standalone 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)	Site/Sales Offices and Sample Flats	8
ii)	Freehold Building	60
iii)	Plant and Equipment	8 to 15
iv)	Office Equipment	5
v)	Computers	
	(a) Servers and networks	6
	(b) End user devices, such as, desktops, laptops, etc.	3
vi)	Furniture and Fixtures	10
vii)	Vehicles	
	(a) Motor cycles, scooters and other mopeds	10
	(b) Motor buses, motor lorries, motor cars and motor taxis	8

Depreciation on assets sold during the year is charged to the Standalone 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 Company 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 Company depreciates investment properties over the useful life of 60 years 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. Currently the company has not identified any Intangible assets to have indefinite life.

Intangible assets with finite lives are amortised over the useful economic life. The useful economic life 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 Standalone 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 Standalone 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 economic life of the assets as determined by the management, whichever is lower.

Intangible assets with indefinite life are tested for impairment annually. Impairment losses, if any, are recognised in Standalone 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:

- Stock of Building Materials and Traded Goods is valued at lower of cost and net realizable value. Cost is generally ascertained on weighted average basis.
- Work-in-progress represents cost incurred in respect of unsold area of the real estate development projects and the costs incurred on the projects where the revenue is yet to be recognized.
- Completed unsold inventory is valued at lower of Cost and Net Realizable Value.
- Cost for this purpose includes cost of land, shares with occupancy rights, Transferrable Development Rights, premium for development rights, borrowing costs, construction / development cost and other overheads incidental to the projects. 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 Company 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 Company 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

Financial Assets

Initial recognition and measurement

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

- those to be measured subsequently at fair value (either through OCI, 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:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- 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:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- 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 if any, 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:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- 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 Company 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 Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, 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 Company has not designated any debt instrument 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 FVTPL. The Company may make an irrevocable election on initial recognition to present in OCI any subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis.

Derecognition of Financial Assets

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

- i) The rights to receive cash flows from the asset have expired, or
- ii) The Company 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 Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company 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 Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company 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 Company 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 Company could be required to repay.

Impairment of Financial Assets

The Company 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 Company is not exposed to any credit risk as the possession of residential and commercial units is handed over 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 Standalone 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 Company. 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 FVTPL, 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 Company'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 measured at FVTPL 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 Company 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 Company 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 Standalone Statement of Profit and Loss.

Financial guarantee contracts

Financial guarantee contracts issued by the Company 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 Standalone Statement of Profit and Loss.

Reclassification of Financial Assets and Financial Liabilities

The Company 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 Company's management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company 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 Company 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 Standalone Ind AS 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 Company.

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 Company 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 Company 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 Standalone 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 Company 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 and Building Materials 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 Company, 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 Company'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 Company 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 Company 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 Company 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 OCI, in which case, the current and deferred tax income/ expense are recognized in OCI. The Company 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 Company 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 Company.

14 Borrowing Costs

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

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 the Company 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.

Company as a Lessee

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

Lease arrangements where the Company 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 Standalone Ind AS 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.

Company as a Lessor

Leases in which the Company 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 Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company'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.

Operating lease receipts are recognised as an income in the Standalone Ind AS Statement of Profit and Loss on a straight line basis unless receipt from the lessee are structured to increase in the line with the expected general inflation to compensate for the lessor's expected inflationary cost increases.

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 Company 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 Company 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 OCI 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 or business under common control are accounted for using the pooling of interest method.

Under pooling of interest method, the assets and liabilities of the combining entities or businesses are reflected at their carrying amounts after making adjustments necessary to harmonise the accounting policies. The financial information in the standalone financial statements in respect of prior periods is restated as if the business combination had occurred from the beginning of the preceding period in the standalone financial statements, irrespective of the actual date of the combination. The identity of the reserves is preserved in the same form in which they appeared in the standalone financial statements of the transferor and the difference, if any, between the amount recorded as share capital issued plus any additional consideration in the form of cash or other assets and amount of share capital of the transferor is transferred to capital reserves.

18 Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the year (after deducting preference dividends and attributable taxes) attributable equity share holders to by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue and consolidation of equity shares. For the purpose of calculating diluted earnings per share, the net profit or loss for the year and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year (after deducting preference dividends and attributable taxes) attributable equity share holders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares

19 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.

LODHA DEVELOPERS LIMITED
NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH 2018

2 Property, Plant and Equipment

₹ in Lakhs

Particulars	Land - Freehold	Site / Sales Offices and Sample Flats	Building / Premises	Leasehold Improvements	Plant and Equipment	Furniture and Fixtures	Office Equipments	Computers	Vehicles	Total	Capital Work in Progress
Gross Carrying Amount											
As at 01-April-16	-	9,976.53	77.35	865.40	10,104.98	2,332.96	1,563.15	2,660.83	887.03	28,468.24	28,866.34
Additions	6,942.63	953.21	-	-	2,257.35	151.43	565.59	68.78	88.78	11,027.77	13,039.88
Revaluation	55,947.57	-	-	-	-	-	-	-	-	55,947.57	-
Disposals / Adjustments	-	-	-	-	-	-	-	-	(161.27)	(161.27)	(31,911.14)
As at 31-March-17	62,890.20	10,929.74	77.35	865.40	12,362.33	2,484.39	2,128.74	2,729.61	814.54	95,282.31	9,995.09
Additions	4,698.87	-	3,022.00	-	4,585.93	142.28	129.28	344.41	26.99	12,949.76	405.31
Adjustment on account of slump sale (Refer Note 61(d))	-	-	-	-	(9,273.25)	(150.49)	(226.94)	(584.59)	(12.08)	(10,247.34)	-
Disposals / Adjustments	-	-	-	-	(14.12)	-	-	(297.85)	(29.60)	(341.57)	(10,400.40)
As at 31-March-18	67,589.07	10,929.74	3,099.35	865.40	7,660.89	2,476.18	2,031.08	2,191.58	799.86	97,643.15	-
Depreciation and Impairment											
As at 01-April-16	-	4,077.30	32.45	865.40	2,447.82	1,180.38	1,000.85	2,104.10	360.53	12,068.82	-
Depreciation charge for the year	-	3,603.90	-	-	3,094.58	361.35	472.47	423.86	133.99	8,090.15	-
Disposals / Adjustments	-	-	-	-	-	-	-	-86.14	(39.54)	(125.69)	-
As at 31-March-17	-	7,681.20	32.45	865.40	5,542.40	1,541.73	1,473.32	2,441.81	454.97	20,033.29	-
Depreciation charge for the year	-	1,011.35	38.48	-	802.80	273.58	299.92	306.40	96.39	2,828.91	-
Adjustment on account of slump sale (Refer Note 61(d))	-	-	-	-	(4,542.27)	(126.57)	(158.68)	(584.42)	(11.50)	(5,423.44)	-
Disposals / Adjustments	-	-	-	-	(14.12)	-	-	(297.85)	(14.35)	(326.32)	-
As at 31-March-18	-	8,692.55	70.92	865.40	1,788.80	1,688.74	1,614.56	1,865.94	525.52	17,112.44	-
Net Carrying Amount											
As at 31-March-18	67,589.07	2,237.19	3,028.43	-	5,872.09	787.43	416.52	325.63	274.34	80,530.71	-
As at 31-March-17	62,890.20	3,248.54	44.90	-	6,819.94	942.66	655.42	287.79	359.57	75,248.91	9,995.09

Notes:

1. Carrying amount of certain vehicles hypothecated with banks against vehicle loans.

As at 31-March-18	As at 31-March-17
61.77	195.90

2. During the Financial year 2016-17, the Company identified certain parcel of land which was used for its own purpose. Accordingly, the said land which was lying in inventory in earlier years had been transferred to Property, plant and equipment. The Company had 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 Freehold land that would have been recognised had the asset being carried under the cost model is as follows:

Cost
Accumulated depreciation
Net carrying amount

As at 31-March-18	As at 31-March-17
6,942.63	6,942.63
-	-
6,942.63	6,942.63

3 Investment Property

		₹ in Lakhs
Particulars		Free hold Building
(A) Gross Carrying Amount		
Cost as at 1-April-16		17,697.79
Additions		20,154.07
As at 31-March-17		37,851.86
Additions		-
As at 31-March-18		37,851.86
(B) Depreciation and Impairment		
As at 01-April-16		3,650.74
Depreciation charge for the year		1,024.02
As at 31-March-17		4,674.76
Depreciation charge for the year		1,615.73
As at 31-March-18		6,290.49
(C) Net Carrying Amount (A-B)		
As at 31-March-18		31,561.37
As at 31-March-17		33,177.08

(i) Income and expenditure of Investment Properties

		₹ in Lakhs
Particulars	For the Year ended 31-March-18	For the Year ended 31-March-17
Rental and Facilities Income	5,827.54	4,421.78
Less : Direct Operating expenses for properties that generate Rental and Facilities Income	(1,412.85)	(885.17)
Profit from Investment properties before Depreciation and Impairment	4,414.68	3,536.61
Depreciation	1,615.73	1,024.02
Profit from Investment Properties	2,798.96	2,512.58

(ii) Fair value measurement

As at 31-March-18, the fair value of the properties are ₹ 64,413.70 Lakhs (31-March-17 ₹ 64,857.52 Lakhs). These valuations are based on valuations performed by an independent valuer with experience of valuing investment properties.

The Company 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.

(iii) Buildings hypothecated with Banks

		₹ in Lakhs
Particulars	31-March-18	31-March-17
Carrying amount of Buildings hypothecated with Banks against loans.	15,440.52	16,838.27

4 Intangible Assets

Particulars	Goodwill	Other Intangible Assets		
		Software	Brand	Total
(A) Gross Carrying Amount				
As at 01-April-16	1,30,547.03	1,340.00	10,306.10	11,646.10
Additions	-	-	-	-
Adjustment on account of slump sale (Refer Note 61(d))	-	-	-	-
As at 31-March-17	1,30,547.03	1,340.00	10,306.10	11,646.10
Additions	-	9.13	-	9.13
Adjustment on account of slump sale (Refer Note 61(d))	-	(71.56)	-	(71.56)
As at 31-March-18	1,30,547.03	1,277.57	10,306.10	11,583.67
(B) Amortisation and Impairment				
As at 01-April-16	35,162.93	896.90	1,146.90	2,043.80
Amortisation charge for the Year	32,006.23	137.50	627.40	764.90
Adjustment on account of slump sale (Refer Note 61(d))	-	-	-	-
As at 31-March-17	67,169.16	1,034.40	1,774.30	2,808.70
Amortisation charge for the Year	32,006.23	131.33	931.94	1,063.27
Adjustment on account of slump sale (Refer Note 61(d))	-	(68.30)	-	(68.30)
As at 31-March-18	99,175.39	1,097.43	2,706.24	3,803.67
(C) Net Carrying Amount (A-B)				
As at 31-March-18	31,371.64	180.14	7,599.86	7,780.00
As at 31-March-17	63,377.87	305.60	8,531.80	8,837.62

Note:

Goodwill arising out of merger is amortised based on the accounting treatment as prescribed by the respective entities merger scheme, which has been approved by the Honorable High Court of Bombay.

LODHA DEVELOPERS LIMITED
NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH 2018

		As at 31-March-18 ₹ in Lakhs	As at 31-March-17 ₹ in Lakhs
5 Non-Current Investments			
(i) Unquoted Equity Shares, Fully paid up, at cost	Face Value		
Subsidiaries			
Adinath Builders Pvt. Ltd.			
Numbers		2,19,326	2,19,326
Amount	10	21.98	21.98
Anantnath Constructions and Farms Pvt. Ltd.			
Numbers		3,64,44,000	3,64,44,000
Amount	10	3,644.40	3,644.40
Arihant Premises Pvt. Ltd.			
Numbers		7,05,000	7,05,000
Amount	100	705.00	705.00
Cowtown Infotech Services Pvt. Ltd.			
Numbers		2,230	2,230
Amount	1,000	40.84	40.84
Dalhousie Leasing and Finance Services Pvt. Ltd.			
Numbers		7,85,000	3,66,420
Amount	100	760.72	342.14
Palava Dwellers Pvt. Ltd.			
Numbers		9,800	-
Amount	10	0.98	-
Hi-Class Buildcon Pvt. Ltd.			
Numbers		8,000	8,000
Amount	10	0.80	0.80
Lodha Buildcon Pvt. Ltd.			
Numbers		1,00,000	1,00,000
Amount	10	10.65	10.65
Lodha Developers International Ltd.			
Numbers		9,000	9,000
Amount	1 USD	5.60	5.60
Lodha Developers International (Netherlands) B.V			
Numbers		20,21,000	-
Amount	1 EUR	1,661.34	-
Bellissimo Developers Thane Pvt. Ltd.			
Numbers		7,10,000	7,10,000
Amount	10	35,001.00	35,001.00
Lodha Developers UK Ltd.			
Numbers		7,750	250
Amount	1 GBP	6.78	0.19
Nabhiraja Software Design Pvt. Ltd.			
Numbers		10,000	10,000
Amount	10	1.00	1.00
Odeon Theatres and Properties Pvt. Ltd.			
Numbers		1,140	1,140
Amount	100	0.02	0.02
Palava City Management Pvt. Ltd.			
Numbers		50,000	50,000
Amount	10	5.01	5.01
Lodha Developers International (Jersey) III Holdings Ltd.			
Numbers		500	-
Amount	1 GBP	0.13	-

LODHA DEVELOPERS LIMITED
NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH 2018

		As at 31-March-18 ₹ in Lakhs	As at 31-March-17 ₹ in Lakhs
Shree Sainath Enterprises Construction and Developers Pvt. Ltd.			
Numbers		86,325	86,325
Amount	10	8.64	8.64
Shreeniwas Cotton Mills Ltd.			
Numbers		2	2
Amount	100	0.06	0.06
Siddhnath Residential Paradise Pvt. Ltd.			
Numbers		60,00,000	60,00,000
Amount	10	600.66	600.66
Bellissimo Vivek Enterprises Dwellers Pvt Ltd			
Numbers		10,000	-
Amount	10	1.00	-
Bellissimo Mahavir Associates Dwellers Pvt.Ltd			
Numbers		10,000	-
Amount	10	1.00	-
Suvidhinath Buildtech and Farms Pvt. Ltd.			
Numbers		90,000	-
Amount	10	4,878.47	-
Lodha Impression Real Estate Pvt Ltd			
Numbers		1,00,000	1,00,000
Amount	10	10.73	10.73
Simtools Pvt. Ltd.			
Numbers		19,357	19,357
Amount	10	1.94	1.94
Lodha Developers 1GSQ Holding Ltd			
Numbers		500	-
Amount	1 GBP	0.47	-
Associates			
Lodha Developers International Holding Ltd.			
Numbers		-	4,000
Amount	1 USD	-	2.49
Lodha Developers International (Netherlands) B.V			
Numbers		-	8,21,000
Amount	1 EUR	-	699.38
Lodha Developers International (Jersey) I Holdings Ltd.			
Numbers		41,050	41,050
Amount	1 GBP	42.41	42.41
Others			
PCL Developers (Mauritius) Limited			
Numbers		2	2
Amount (` 194)	1 GBP	0.00	0.00
Bellissimo Healthy Construction and Developers Pvt. Ltd.			
Numbers		3,45,454	3,45,454
Amount	10	455.09	455.09
(ii) Quoted Equity Shares, Fully paid up, at cost			
Subsidiary			
Sanathnagar Enterprises Ltd.			
Numbers		426	426
Amount	10	0.14	0.14

LODHA DEVELOPERS LIMITED
NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH 2018

		As at 31-March-18 ₹ in Lakhs	As at 31-March-17 ₹ in Lakhs
(iii) Unquoted Preference Shares, Fully paid up, at cost			
Subsidiaries			
Lodha Developers UK Ltd.			
Numbers		13,08,000	12,90,000
Amount	1 GBP	1,205.38	1,043.35
Hi-Class Buildcon Pvt. Ltd.			
Numbers		40,000	40,000
Amount	10	4.00	4.00
Others			
Susima Infotech Pvt. Ltd.			
Numbers		1,00,000.00	1,00,000.00
Amount	1,000	1,000.00	1,000.00
Less: Provision for Diminution in the Value of Investments		(1,000.00)	(1,000.00)
(iv) Unquoted Non Convertible Redeemable Debentures, Fully paid up, at amortised cost			
Subsidiary			
Lodha Developers UK Ltd.			
Numbers		5,41,000	47,71,000
Amount	1 GBP	499.26	3,858.77
(v) Unquoted Optionally Convertible Redeemable Debentures, Fully paid up, at cost / Fair Value			
Holding Company			
Samabhavnath Infrabuild and Farms Pvt. Ltd.			
Numbers		-	26,93,000
Amount	100	-	2,693.00
Subsidiary			
Adinath Builders Pvt. Ltd.			
Numbers		-	4,79,40,500
Amount	100	-	47,940.50
Others			
Lodha Builders Pvt. Ltd.			
Numbers		45,10,000	45,10,000
Amount	100	4,208.00	4,510.00
Bellissimo Healthy Construction and Developers Pvt. Ltd.			
Numbers		2,50,00,000	7,30,00,000
Amount	10	2,500.00	7,300.00
Bellissimo Realtors Pvt. Ltd.			
Numbers		-	40,20,000
Amount	100	-	4,020.00
Maruti Finvest and Services Pvt. Ltd.			
Numbers		10,00,000	10,00,000
Amount	100	1,000.00	1,000.00
Less: Provision for Diminution in the Value of Investments		(1,000.00)	(1,000.00)
(vi) Unquoted Compulsory Convertible Redeemable Debentures Fully paid up, at cost			
Subsidiary			
Suvidhinath Buildtech and Farms Pvt. Ltd.			
Numbers		11,731	2,228
Amount	100000	48,667.47	9,242
(vii) Unquoted Bonds, fully paid up, at amortised cost			
Associates			
Lodha Developers International (Jersey) I Holdings Ltd.			
Numbers		2,20,00,000	2,20,00,000
Amount	1 GBP	22,423.29	22,423.29

LODHA DEVELOPERS LIMITED
NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH 2018

	As at 31-March-18 ₹ in Lakhs	As at 31-March-17 ₹ in Lakhs
(viii) Investment in Partnership Firms (Trade), at cost *		
Capital in Vivek Enterprises	-	(3,780.67)
Total Capital: (Previous year ₹ (3,795.30) Lakhs)		
Capital in Mahavir Associates	-	2,282.33
Total Capital: (Previous year ₹ 2,282.33 Lakhs)		
(ix) Investment in Limited Liability Partnership (LLPs) (Trade), at cost		
Lodha Fincorp Distribution Services LLP (indicates ₹ 1,000)	-	0.01
(x) Others**		
Bellissimo Healthy Construction and Developers Pvt. Ltd.	194.74	194.74
Lodha Developers IGSQ Ltd.	-	377.29
Lodha Developers 48CS Ltd.	-	106.26
**Represents Financial Guarantees given by Group accounted as Investments.		
Total (i To x)	1,27,569.02	1,43,814.68
Aggregate cost of quoted investments	0.14	0.14
Aggregate market value of quoted investments	0.14	0.14
Aggregate value of unquoted investments	1,27,568.88	1,43,814.54
Aggregate amount of impairment in value of investments	2,000.00	2,000.00
* Partners and their Share in Firm	% of Holding	% of Holding
(i) Vivek Enterprises		
Lodha Developers Ltd.	-	99.60%
Adinath Builders Pvt. Ltd.	-	0.10%
Ananthnath Construction and Farms Pvt. Ltd.	-	0.10%
Nabhiraja Software Design Pvt. Ltd.	-	0.10%
Siddhnath Residential Paradise Pvt. Ltd.	-	0.10%
(ii) Mahavir Associates		
Mangal Prabhat Lodha	-	60.00%
Lodha Developers Ltd.	-	40.00%
6 Non-Current Loans		
Unsecured considered good unless otherwise stated		
Related Parties :		
Subsidiaries	99,036.20	79,571.43
Associates	39,488.01	92,987.80
Total	1,38,524.21	1,72,559.23
7 Other Non-Current Financial Assets		
Interest Receivables	32,289.97	28,970.39
Fixed Deposits with maturity of more than 12 months	202.96	2.84
Total	32,492.93	28,973.23
8 Other Non-Current Assets		
Capital Advances	3,209.50	3,209.50
Deposits	-	0.50
Indirect Tax Receivable	159.26	194.74
Other Receivables	285.97	832.38
Total	3,654.73	4,237.12

LODHA DEVELOPERS LIMITED
NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH 2018

		As at 31-March-18 ₹ in Lakhs	As at 31-March-17 ₹ in Lakhs
9 Inventories			
Building Materials		7,032.03	12,503.81
Land and Property Development Work-in-Progress		14,99,558.38	17,81,311.28
Finished Stock		1,68,196.01	32,354.80
Total		16,74,786.42	18,26,169.89
The carrying amount of Inventories charged as securities against specific borrowings.		11,05,178.38	12,60,395.32
10 Current Investments			
(i) Unquoted Equity Shares, Fully paid up, at cost	Face Value		
Subsidiary			
Hotel Rahat Palace Pvt. Ltd.:			
Numbers		5,000	5,000
Amount	100	1,002.75	1,002.75
(ii) Unquoted Optionally Convertible Redeemable Debentures, Fully paid up			
Holding Company			
Sambhavnath Infrabuild and Farms Pvt. Ltd. (Refer Note 62)			
Numbers		1,81,13,000	1,14,00,000
Amount	100	18,113.00	11,400.00
Subsidiary			
Adinath Builders Pvt. Ltd.			
Numbers		-	3,50,00,000
Amount	100	-	35,000.00
Sitaldas Estate Pvt. Ltd.			
Numbers		-	20,00,000
Amount	100	-	2,000.00
Hi Class Buildcon Pvt. Ltd.			
Numbers		-	65,00,000
Amount	100	-	6,500.00
(iii) Quoted Investment at fair value through Profit and Loss			
Equity Shares			
Dhenu Buildcon Infra Ltd			
Numbers		3,02,088	-
Amount	10	8.43	-
Non Convertible Debentures			
IFCI Limited			
Numbers		25,000	-
Amount	1,000	305.50	-
Mutual Fund:			
SBI EOF Series 1			
Numbers		-	1,50,000
Amount	10	-	21.30
Reliance Liquid Fund			
Numbers		39,117	-
Amount	1000	598.33	-
L & T Opportunities Fund-Dividend			
Numbers		1,72,94,238	-
Amount	10	1,883.90	-
Birla Sun Life			
Numbers		2,55,54,216	1,97,64,592
Amount	10	2,971.09	2,332.22
		24,883.00	58,256.27

LODHA DEVELOPERS LIMITED
NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH 2018

	As at 31-March-18 ₹ in Lakhs	As at 31-March-17 ₹ in Lakhs
Aggregate cost of quoted investments	5,527.00	2,307.00
Aggregate market value of quoted investments	5,767.25	2,353.52
Aggregate value of unquoted investments	19,115.75	55,902.75
Aggregate amount of impairment in value of investments	-	-
11 Current Loans		
Unsecured considered good unless otherwise stated		
Considered Good		
Related Parties :		
Holding Company	-	25.00
Subsidiaries	3,68,676.08	1,92,987.01
Partnership Firm	-	12,154.88
Others	-	1,889.65
Other Loans	10,257.99	22,942.21
Considered Doubtful	3,280.24	2,769.92
	3,82,214.31	2,32,768.67
Less: Provision for expected credit losses	(3,280.24)	(2,769.92)
Total	3,78,934.07	2,29,998.75
12 Trade Receivables		
Unsecured		
Considered Good	59,341.50	31,861.37
Considered Doubtful	1,579.97	1,579.97
	60,921.47	33,441.34
Less : Provision for Doubtful Receivables	(1,579.97)	(1,579.97)
Total	59,341.50	31,861.37
(i) Trade Receivables includes due from Directors	-	-
(ii) Trade Receivables charged as securities against specific borrowings	44,339.39	19,698.90
13 Cash and Cash Equivalents		
Cash on Hand	52.24	244.05
Balances with Banks	10,439.43	14,062.18
Fixed Deposits with original maturity of less than 3 months	-	10.76
Total	10,491.67	14,316.99
14 Bank Balances other than Cash and Cash Equivalents		
Fixed Deposits held as Margin Money	7,174.89	5,342.32
Fixed Deposits with maturity more than 3 months and less than 12 Months	284.51	773.45
Total	7,459.40	6,115.77
15 Other Current Financial Assets		
Interest Receivables	20,993.76	18,630.76
Deposits	32.07	10,294.59
Accrued Revenue	73,875.05	1,12,634.53
Others Advances	541.86	3,669.65
Total	95,442.74	1,45,229.53
16 Current Tax Assets (net)		
Advance Income Tax (Net of Provision)	15,724.92	21,040.47
Total	15,724.92	21,040.47
17 Other Current Assets		
Advances/ Deposits to / for :		
Suppliers and Contractors	39,038.72	54,244.61
Employees	963.97	65.51
Others	-	1,037.58
Lease Equalisation	18.51	16.95
Prepaid Expenses	5,469.43	6,537.48
Indirect Tax Receivables	18,901.64	18,168.38
Total	64,392.27	80,070.51

	As at 31-March-18 ₹ in Lakhs	As at 31-March-17 ₹ in Lakhs
18 Share Capital		
(A) Authorised Share Capital:		
(i) Equity Shares		
Face Value per share (₹)	10.00	5.00
Numbers		
Balance at the beginning of the year	30,07,20,440	30,06,40,440
Increase during the year	1,12,24,23,430	80,000
Adjustment for Consolidation of Shares	(40,20,92,620)	-
Balance at the end of the year	1,02,10,51,250	30,07,20,440
Amount		
Balance at the beginning of the year	15,036.02	15,032.02
Increase during the year	87,069.11	4.00
Balance at the end of the year	1,02,105.13	15,036.02
(ii) Preference Shares		
Face Value per share (₹)	10.00	5.00
Numbers		
Balance at the beginning of the year	2,10,40,000	2,08,00,000
Increase during the year	4,21,250	2,40,000
Adjustment for Consolidation of Shares	(1,05,70,000)	-
Balance at the end of the year	1,08,91,250	2,10,40,000
Amount		
Balance at the beginning of the year	1,052.00	1,040.00
Increase during the year	37.13	12.00
Balance at the end of the year	1,089.13	1,052.00
(B) Issued Equity Capital Subscribed and fully paid up		
Face Value per share (₹)	10.00	5.00
Numbers		
Balance at the beginning of the year	22,62,16,000	21,62,16,000
Adjustment for consolidation of Shares	(11,31,08,000)	-
Issue of bonus shares	28,27,70,000	-
Increase during the year	-	1,00,00,000
Balance at the end of the year	39,58,78,000	22,62,16,000
Amount		
Balance at the beginning of the year	11,310.80	10,810.80
Increase during the year	28,277.00	500.00
Balance at the end of the year	39,587.80	11,310.80
(D) Shares held by holding/ ultimate holding company and/ or their subsidiaries/ associates		
Equity Shares :	As at 31-March-18	As at 31-March-17
a) Sambhavnath Infrabuild and Farms Pvt. Ltd.		
Numbers	26,72,97,320	14,33,71,520
Amount	26,729.73	7,168.57
b) Mangal Prabhat Lodha Family Discretionary Trust		
Numbers	12,85,80,480	7,34,74,560
Amount	12,858.05	3,673.73
c) Ganeshji Reality and Agro Pvt. Ltd.		
Numbers	-	28,00,000
Amount	-	140.00
d) Bellissimo Realtors Pvt. Ltd.		
Numbers	-	9,69,920
Amount	-	48.50

LODHA DEVELOPERS LIMITED
NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH 2018

	As at 31-March-18 ₹ in Lakhs	As at 31-March-17 ₹ in Lakhs
e) Lodha Leading Builders Pvt. Ltd.		
Numbers	-	56,00,000
Amount	-	280.00
Total Numbers	39,58,78,000	22,62,16,000
Total Amount	39,587.78	11,310.80

(E) Details of shareholders holding more than 5% shares in the company

Equity Shares :

(a) Sambhavnath Infrabuild and Farms Pvt. Ltd.		
Numbers	26,72,97,320	14,33,71,520
% of Holding	67.52%	63.38%
(b) Mangal Prabhat Lodha Family Discretionary Trust		
Numbers	12,85,80,480	7,34,74,560
% of Holding	32.48%	32.48%

(F) (i) During the current year, the shareholders of the Company have approved consolidation of equity shares of the Company from two (2) equity share of face value ₹ 5 each fully paid up to one (1) equity share of face value ₹ 10 each fully paid up.

(ii) Pursuant to the approval of the shareholders of the Company, the Company has allotted 282,770,000 fully paid up Bonus Equity Shares of face value of ₹ 10 each. Accordingly, Earnings Per Share of previous year has been recasted.

(G) ESOP Scheme 2018

Pursuant to the resolution passed by Board on February 16, 2018, the Company had instituted the ESOP Scheme 2018 for issue of options to eligible employees. As on 31-March-18, no options have been granted under the ESOP Scheme 2018.

(C) Terms/ rights attached to equity shares

The Company has only one class of equity shares having par value of ₹ 10 (Previous Year ₹ 5)per share

Each shareholder is entitled for one vote per share. The shareholders have the right to receive interim dividend 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 (OCRPS) has a par value of ₹ 5 each. OCRPS carry a dividend of Zero % per annum.

OCRPS 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.

19 Optionally Convertible Preference Shares of ₹ 10 each, fully paid up

As at the beginning of the year	-	50,000.00
Increase/(decrease) during the year	-	(50,000.00)
As at the end of the year	-	-

20 Share Premium

As at the beginning of the year	49,506.03	6.03
Increase/(decrease) during the year	(28,277.01)	49,500.00
As at the end of the year	21,229.02	49,506.03

21 Retained Earnings

As at the beginning of the year	2,93,794.08	2,67,954.86
Increase /(decrease) during the year	(9,221.77)	25,839.22
As at the end of the year	2,84,572.31	2,93,794.08

	As at 31-March-18 ₹ in Lakhs	As at 31-March-17 ₹ in Lakhs
22 Other Reserves		
(i) Capital Reserve		
As at the beginning of the year	(247.40)	(240.61)
Increase/(decrease) during the year	0.02	(6.79)
As at the end of the year	(247.38)	(247.40)
(ii) Debenture Redemption Reserve		
As at the beginning of the year	34,470.32	20,250.00
Increase/(decrease) during the year	45,551.93	14,220.32
As at the end of the year	80,022.25	34,470.32
(iii) Capital Redemption Reserve		
As at the beginning of the year	28.00	4.00
Increase/(decrease) during the year	-	24.00
As at the end of the year	28.00	28.00
(iv) Revaluation Reserve		
As at the beginning of the year	43,039.35	-
Increase/(decrease) during the year	-	43,039.35
As at the end of the year	43,039.35	43,039.35
Total Other Reserves (i) to (iv)	1,22,842.22	77,290.27
The nature and purpose of other reserves:		
(i) Capital Reserve - Amount of Share capital issued on merger.		
(ii) Revaluation Reserve - Gains arising on the revaluation of certain class of Property, Plant and Equipment.		
(iii) Capital Redemption Reserve - Amount transferred from share capital on redemption of issued shares.		
(iv) Debenture Redemption Reserve - Reserve created for an amount which is equal to 25% of the value of debentures outstanding .		
23 Non-Current Borrowings		
Secured		
(i) Term Loans		
From Banks	15,440.52	16,838.27
(ii) Vehicle Loans	7.83	54.42
Total	15,448.35	16,892.69
24 Non-Current Trade Payables		
Dues to Micro and Small Enterprises*	-	0.14
Due to Others	1,602.91	2,014.13
Total	1,602.91	2,014.27
* The information has been determined to the extent such parties have been identified on the basis of information available with the Company.		
Terms and conditions:		
Trade payables are normally settled as per agreed terms.		
25 Other Non-Current Financial Liabilities		
Deposits	729.84	632.29
Financial Guarantee contracts	-	244.90
Total	729.84	877.19
26 Non-Current Provisions		
Employee Benefits:		
Gratuity	126.10	36.35
Leave Entitlements	82.69	27.04
Total	208.79	63.39

LODHA DEVELOPERS LIMITED
NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH 2018

	As at 31-March-18 ₹ in Lakhs	As at 31-March-17 ₹ in Lakhs
27 Current Borrowings		
A Secured :		
i) Non Convertible Debentures	3,25,358.94	2,35,860.08
ii) Optionally Convertible Debentures	-	37,500.00
iii) Term Loans :		
Banks	1,98,024.24	5,38,678.66
Others	4,14,999.80	2,01,066.75
iv) Cash Credit	38,742.50	21,584.83
	9,77,125.48	10,34,690.31
B Unsecured :		
Related Parties	3,94,590.21	2,23,748.23
	3,94,590.21	2,23,748.23
Total	13,71,715.69	12,58,438.54
A Term Loan from banks and others*		
1 Secured by :	76,580.56	1,73,554.94
(i) Charge on certain land and building situated at Thane.		
(ii) Charge over project receivables.		
(iii) Personal Guarantee of a Director		
Terms of Repayment :		
Repayment Started from June-2016 ending on October-2026.		
Effective Rate of Interest :		
Rate of Interest range from 10.00 % to 14.50 %		
2 Secured by :	5,65,917.03	5,25,115.70
(i) Charge on certain land and building situated at Mumbai		
(ii) Charge over project receivables.		
Terms of Repayment :		
Repayment started from June -2017 ending on August-2025		
Effective Rate of Interest :		
Rate of Interest range from 10.40 % to 14.50 %		
3 Secured by :	-	58,217.12
(i) Charge on certain land and building situated at Pune		
(ii) Charge on Inventory and receivables.		
Terms of Repayment :		
Loan has been repaid		
Effective Rate of Interest :		
Rate of Interest 12.00%		
4 Secured by :	-	27,000.00
Pledge of Debentures issued		
Personal Guarantee of a Director		
Terms of Repayment :		
Loan has been repaid		
Effective Rate of Interest :		
Rate of Interest 15.00%		

	As at 31-March-18 ₹ in Lakhs	As at 31-March-17 ₹ in Lakhs
5 Secured by :	-	2,030.58
Personal Guarantee of a Director		
Terms of Repayment :		
Loan has been repaid		
Effective Rate of Interest :		
Rate of Interest 18.5%		
B Vehicle Loans	7.83	54.42
Secured by :		
Hypothecation of Vehicles		
Terms of Repayment :		
Repayment started from February- 2014 and ending on August -2018		
Effective Rate of Interest :		
Rate of Interest range from 10.76% to 11.40%		
C Non Convertible Debentures*	3,21,616.85	2,37,704.44
Secured by :		
(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		
Effective Rate of Interest :		
Rate of Interest range from 12.00% to 16.50%		
D Optionally Convertible Debentures	-	37,500.00
Secured by :		
(i) Charge on land and building situated at Thane		
Terms of Repayment :		
Repaid on 13-December-2017		
Effective Rate of Interest :		
Rate of Interest 0.001% p.a		
E Cash Credit/ Overdraft Facility	38,742.50	21,584.83
Secured by :		
(i) Charge on land and building situated at Mumbai and Thane		
(ii) Charge over project receivables.		
(iii) Personal Guarantee of a Director		
Terms of Repayment :		
Repayable on demand		
Effective Rate of Interest :		
Rate of Interest range from 10.50% to 12.00%		
F Related Parties		
Repayable on demand	3,94,590.21	2,23,748.23
Effective Rate of Interest :		
Rate of Interest range from 8% to 18%		
* Above figures represent outstanding borrowings before adjusting loan issue cost and premium on debentures.		
28 Current Trade Payables		
Due to Micro and Small Enterprises*	627.49	1,315.71
Due to Related Parties	40,402.85	32,389.62
Due to Others	60,091.47	1,74,432.49
Total	1,01,121.81	2,08,137.82

* The information has been determined to the extent such parties have been identified on the basis of information available with the Company.

For terms and conditions with related parties, refer to Note 51

LODHA DEVELOPERS LIMITED
NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH 2018

	As at 31-March-18 ₹ in Lakhs	As at 31-March-17 ₹ in Lakhs
29 Other Financial Liabilities		
Current maturities of long-term debt- Banks	1,567.46	1,425.62
Interest accrued but not due	58,077.82	42,926.50
Other Payables :		
Deposits	5,416.20	5,268.81
Employee Payables	3,153.60	447.78
Temporary Book Overdraft	0.00	31.05
Payable on Cancellation of allotted units	8,384.82	9,265.22
Payable for Capital Assets	-	126.91
Related Parties	-	4,672.92
Deferred Liability against Purchase of Land	1,74,081.48	2,37,927.50
Other Liabilities	16,127.96	41,680.21
Total	<u>2,66,809.34</u>	<u>3,43,772.52</u>
30 Provisions		
Employee Benefits		
Gratuity	25.87	67.92
Leave Entitlements	35.55	16.74
Total	<u>61.42</u>	<u>84.66</u>
31 Other Current Liabilities		
Advances Received from Customers	2,37,642.13	4,51,489.99
Duties and Taxes	7,035.70	11,043.53
Other Liabilities	2,60,647.55	1,69,726.31
Total	<u>5,05,325.38</u>	<u>6,32,259.83</u>

	For the Year ended 31-March-18 ` in Lakhs	For the Year ended 31-March-17 ` in Lakhs
32 Revenue From Operations		
Income From Property Development	4,92,829.07	5,40,253.18
Sale of Building Materials	6,442.01	40,474.13
Sale of Land / Development Rights	2,645.40	10,349.45
Other Operating Revenue	21,391.55	6,720.64
Total	5,23,308.03	5,97,797.40
33 Other Income		
Gains arising from fair valuation of financial Instruments	185.28	94.60
Sundry Balances / Excess Provisions Written Back (Net)	1,446.17	1,150.09
Rent Income	2.10	19.20
Dividend Income on Current Investments	83.04	714.46
Miscellaneous Income	599.40	2,068.84
Total	2,315.99	4,047.19
34 Share of Profit / (Loss) in Partnership Firms		
Vivek Enterprises	857.78	(3,746.20)
Mahavir Associates	(0.08)	(0.10)
Total	857.70	(3,746.30)
35 Cost of Projects		
Opening Stock		
Land and Property Development - Work-in-Progress	17,81,311.28	16,56,561.61
Finished Stock	32,354.80	24,410.70
Less : On account of slump sale (Refer Note 61 (d))		
Land and Property Development - Work-in-Progress	(1,97,651.90)	5,109.48
Add: Expenditure during the year :		
Land, Construction and Development Cost	1,80,847.17	2,89,031.29
Consumption of Building Materials	56,534.33	96,791.31
Purchase of Building Material	6,348.23	40,263.53
Other Construction Expenses	7,581.08	9,974.93
Overheads Allocated	1,54,965.38	1,35,412.01
	20,22,290.37	22,57,554.86
Less: Transfers and Others	(604.44)	(19,545.27)
	20,21,685.93	22,38,009.59
Less: Closing Stock		
Land and Property Development - Work-in-Progress	(14,99,558.38)	(17,81,311.28)
Finished Stock	(1,68,196.01)	(32,354.80)
	(16,67,754.39)	(18,13,666.08)
Total	3,53,931.54	4,24,343.51

	For the Year ended 31-March-18 ` in Lakhs	For the Year ended 31-March-17 ` in Lakhs
36 Employee Benefits Expense		
(Net of Recovery)		
Salaries and Wages*	43,332.98	39,613.90
Contribution to Provident and Other Funds	7.64	76.20
Staff Welfare	145.40	211.30
	43,486.02	39,901.40
Less: Allocated to Cost of Projects	(22,397.07)	(18,301.80)
Total	21,088.95	21,599.60
 * Salaries & Wages includes reimbursable to subsidiaries.	26,724.11	17,811.37
37 Finance Costs (Net)		
Interest Expense on:		
Interest Expense on Borrowings and others	1,88,085.43	1,71,048.49
Other Borrowing Costs	4,500.72	3,828.60
	1,92,586.15	1,74,877.09
Less : Interest Income on:		
Loans / Advances/ Deposits	(50,526.17)	(43,128.71)
Customers' Overdues	(1,625.48)	(2,365.55)
Unwinding of financial guarantee obligation	-	(316.50)
Others	(995.24)	(401.38)
	(53,146.89)	(46,212.14)
Less: Allocated to Cost of Projects	(1,27,810.92)	(1,14,712.13)
Total	11,628.34	13,952.82
38 Other Expenses		
Rent	210.78	299.20
Rates and Taxes	3,175.24	1,535.23
Insurance	50.73	36.23
Postage / Telephone / Internet	255.58	186.00
Printing and Stationery	564.46	264.71
Legal and Professional	2,926.70	2,941.82
Payment to Auditors as:		
Audit Fees	108.50	124.10
Taxation Matters	26.25	26.90
Other Services	48.25	24.10
Advertising expenses	6,623.01	9,208.70
Brokerage and Commission	6,642.96	5,511.10
Business Promotion	4,888.65	3,004.69
Travelling and Conveyance	536.69	482.80
Infrastructure and Facility Expenses	13,767.36	10,496.40
Bank Charges	255.92	290.60
Donation	3,567.22	1,125.70
Corporate Social Responsibility Expenses	197.27	50.50
Foreign Exchange (Gain)/ Loss (net)	(3,127.83)	2,032.40
Loss on Sale of Property, Plant and Equipment (net)	6.26	11.40
Loss on Sale of Investments (net)	280.94	7.80
Stamp Duty and Registration Charges	7,222.68	1,315.00
Provision for Doubtful Receivables /Advances	510.35	240.76
Miscellaneous Expenses	1,451.67	2,613.23
	50,189.64	41,829.37
Less: Allocated to Cost of Projects	(4,757.39)	(2,398.08)
Total	45,432.25	39,431.29

39 Tax Expense:

a. The major components of income tax expense are as follows:

(i) Income tax recognised in statement of profit and loss

Current Income Tax (expense) / benefit :

Current Income Tax

Total

Deferred Tax (expense) / benefit :

Origination and reversal of temporary differences

Total

Income Tax (expense) / benefit reported in the Statement of Profit or Loss

(ii) Income tax expenses recognised in OCI section

Deferred tax expenses on Revaluation of Land

Deferred Tax benefit on remeasurements of defined benefit plans

Income tax charged to OCI

	For the Year ended 31-March-18 ₹ in Lakhs	For the Year ended 31-March-17 ₹ in Lakhs
Current Income Tax (expense) / benefit :		
Current Income Tax	(26,612.05)	(20,639.75)
Total	(26,612.05)	(20,639.75)
Deferred Tax (expense) / benefit :		
Origination and reversal of temporary differences	4,826.10	4,587.57
Total	4,826.10	4,587.57
Income Tax (expense) / benefit reported in the Statement of Profit or Loss	(21,785.95)	(16,052.18)
(ii) Income tax expenses recognised in OCI section		
Deferred tax expenses on Revaluation of Land	-	(12,908.22)
Deferred Tax benefit on remeasurements of defined benefit plans	2.62	17.15
Income tax charged to OCI	2.62	(12,891.07)

b. Reconciliation of tax expense and the accounting profit multiplied by India's tax rates :

Accounting Profit Before Tax

Income tax expense calculated at corporate tax rate

Tax effect of adjustment to reconcile expected income tax expense to reported

Profit / (Loss) from Partnership Firms

Income tax expense:

Deductible expenses for tax purposes:

Other deductible expenses

Non-deductible expenses for tax purposes:

Permanent disallowance of Expenses

Donation /CSR Expenses

Other non-deductible expenses

Interest on tax

Adjustments in respect of Deferred Tax of previous year

Total

	For the Year ended 31-March-18 ₹ in Lakhs	For the Year ended 31-March-17 ₹ in Lakhs
Accounting Profit Before Tax	56,886.50	56,885.76
Income tax expense calculated at corporate tax rate		
Tax effect of adjustment to reconcile expected income tax expense to reported	(19,687.28)	(19,687.02)
Profit / (Loss) from Partnership Firms	296.83	(1,296.52)
Income tax expense:		
Deductible expenses for tax purposes:		
Other deductible expenses	218.80	6,581.00
Non-deductible expenses for tax purposes:		
Permanent disallowance of Expenses		(69.80)
Donation /CSR Expenses	(617.27)	(407.03)
Other non-deductible expenses	(1,781.19)	(724.96)
Interest on tax	(215.84)	(447.86)
Adjustments in respect of Deferred Tax of previous year	-	-
Total	(21,785.95)	(16,052.18)

c. The major components of Deferred Tax (Liabilities)/Assets arising on account of temporary differences are as follows:

Deferred tax relates to the following:

Accelerated depreciation and amortisation for Tax purposes

Expenses allowable but not charged to Statement of Profit and Loss

Deferred Tax on Revaluation of Land

Others

Net Deferred Tax Liabilities

	Balance sheet 31-March-18 ₹ in Lakhs	31-March-17 ₹ in Lakhs
Accelerated depreciation and amortisation for Tax purposes	2,412.01	(2,285.12)
Expenses allowable but not charged to Statement of Profit and Loss	(44,819.15)	(47,365.17)
Deferred Tax on Revaluation of Land	(12,908.23)	(12,908.23)
Others	1,629.65	3,720.23
Net Deferred Tax Liabilities	(53,685.72)	(58,838.29)

	Profit & loss	
	For the Year ended	For the Year ended
	31-March-18	31-March-17
	₹ in Lakhs	₹ in Lakhs
Accelerated depreciation and amortisation for Tax purposes	4,373.28	10,909.80
Expenses allowable but not charged to Statement of Profit and Loss	2,546.02	(11.46)
Carried Forward Business Loss / Unabsorbed Depreciation	-	(326.93)
Others	(2,093.20)	(5,983.84)
Deferred Tax Benefit/ (Expense)	4,826.10	4,587.57

d. Reconciliation of Deferred Tax Liabilities (Net) :

Opening balance

Tax income/(expense) during the year recognised in Statement of Profit and Loss

Tax income/(expense) during the year recognised in OCI

Deferred Tax on Intangible Assets - Brand

Closing balance

	Balance sheet	
	31-March-18	31-March-17
	₹ in Lakhs	₹ in Lakhs
	(58,838.29)	(50,751.24)
	4,826.10	4,587.57
	2.62	(12,891.07)
	323.85	216.45
	(53,685.72)	(58,838.29)

40 Category wise classification of Financial Instruments

	As at 31-March-18 ₹ in Lakhs	As at 31-March-17 ₹ in Lakhs
Financial Assets carried at amortised cost		
Investments	22,922.55	26,282.06
Loans	5,17,458.28	4,02,557.98
Trade Receivables	59,341.50	31,861.37
Cash and Cash Equivalents	10,491.67	14,316.99
Bank Balances other than Cash and Cash Equivalents	7,459.40	6,115.77
Other Financial Assets	1,27,935.67	1,74,202.76
Total Financial Assets carried at amortised cost	7,45,609.07	6,55,336.93
Financial Liabilities carried at amortised cost		
Borrowings	13,87,164.04	12,75,331.23
Trade Payables	1,02,724.72	2,10,152.09
Other Financial Liabilities	2,67,539.18	3,44,649.71
Total Financial Liabilities carried at amortised cost	17,57,427.94	18,30,133.03

41 Significant Accounting Judgements, Estimates And Assumptions

The preparation of the Company's standalone 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 Company 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.

(i) Operating lease commitments – Company as lessor

The Company has entered into commercial property leases. The Company 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.

(ii) Classification of property

Investment property comprises land and buildings that are not occupied substantially for use by, or in the operations of, the Company, nor for sale in the ordinary course of business, but are held primarily to earn rental income and capital appreciation.

(iii) Useful Life Of Property, Plant And Equipments, Intangible Assets And Investment Properties

The Company 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 company 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.

(iv) 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 Company'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.

(v) 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.

(vi) Defined Benefit Plans (Gratuity And Leave Encashment Benefits)

The costs of providing pensions and other post-employment benefits are charged to the 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.

(vii) 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.

(viii) Revenue Recognition

Determination of revenue under the percentage of completion method necessarily involves making estimates by the Company, 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.

(ix) Revaluation of Property, Plant and Equipment

The Company measures Land classified as property, plant and equipment at revalued amounts with changes in fair value being recognised in Other Comprehensive Income (OCI). The Company 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.

42 Commitments and contingencies

a. Leases

Operating lease commitments — Company as lessee

The Company 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 Company has paid following towards minimum lease payment during the year

	31-March-18 ₹ in Lakhs	31-March-17 ₹ in Lakhs
Cancellable operating lease	148.09	207.90
Non-Cancellable operating lease	83.02	91.40
	231.10	299.30

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

	31-March-18 ₹ in Lakhs	31-March-17 ₹ in Lakhs
Within one year	112.79	125.60
After one year but not more than five years	577.97	484.30
More than five years	-	204.50
	690.76	814.40

Operating lease commitments — Company as lessor

The Company 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.

	31-March-18 ₹ in Lakhs	31-March-17 ₹ in Lakhs
Cancellable operating lease	20.32	26.30
Non-Cancellable operating lease	1,811.78	632.00
	1,832.10	658.30

	31-March-18 ₹ in Lakhs	31-March-17 ₹ in Lakhs
Within one year	416.74	382.10
After one year but not more than five years	1,461.55	2,015.50
More than five years	-	5.80
	1,878.29	2,403.40

b. Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for:

	31-March-18 ₹ in Lakhs	31-March-17 ₹ in Lakhs
(i) Obligation to pay lease rentals to MMRDA over the 65 years of lease period	1,269.39	1,269.90
(ii) Estimated amount of contracts remaining to be executed on capital account is and not provided for (net of advances).	1,607.89	2,846.70
	2,877.28	4,116.60

c. Contingent liabilities

Claims against the company not acknowledged as debts

	31-March-18 ₹ in Lakhs	31-March-17 ₹ in Lakhs
(i) Disputed Demands of Customers excluding amounts not ascertainable.	4,188.92	1,754.20
(ii) Corporate Guarantees Given	8,19,140.10	7,86,808.97
(iii) Disputed Taxation Matters	9,345.29	15,567.17
(iv) Others	414.31	1,394.99
	8,33,088.62	8,05,525.33

(1) The Contingent Liabilities exclude undeterminable outcome of pending litigations.

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

43 Penalties under section 271D and 271E of the Income Tax Act, 1961 have been levied by the Income Tax Department for various Assessment years. Penalties levied by the department on similar facts have been deleted by the Appellate authorities on the basis of 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. Now, in similar cases in Group entities, the Hon'ble Bombay High Court has rendered a judgement holding that levy of penalty in similar circumstances is not sustainable. Consequently provision for the same is not considered necessary by the management.

44 In case of pending appeals filed by the Income Tax Department against the favourable orders, the management is confident that the outcome would be favourable and no further liability is likely to accrue

45 Land and Property Development Work-in-Progress and finished goods includes :

	31-March-18 ₹ in Lakhs	31-March-17 ₹ in Lakhs
Land for which conveyance is pending.	41,779.32	39,363.54
Land held in the name of Promoters and / or ex-partners of Partnership Firms , on behalf of the Company pending execution of conveyance.	43,242.73	56,462.17
Land already acquired for which Memorandum of Understanding / consent letters are pending	22,780.87	23,982.17
Litigation is pending in respect of claims made by some persons for certain parcels of land belonging to the Company. The Company has contested these claims and is confident of retaining its title to all such parcels of land.	891.34	1,466.27
Balance cost and contribution towards construction and development cost in Odeon Theatres and Properties Private Ltd.	1,418.20	1,418.20
	1,10,112.46	1,22,692.36

46 Gratuity and Leave Obligation

	31-March-18 ₹ in Lakhs	31-March-17 ₹ in Lakhs
Gratuity	151.97	104.27
Leave Obligation	118.24	43.78
Total	270.21	148.05

The Company has a funded defined benefit gratuity plan and 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 employee'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

	31-March-18 ₹ in Lakhs	31-March-17 ₹ in Lakhs
Changes in the present value of the defined benefit obligation	43.78	29.53
Defined benefit obligation as at beginning of the year	2.60	2.26
Interest cost	13.79	7.40
Current service cost	97.33	1.33
Transfer in/(out) obligation	(2.85)	1.70
Actuarial gain and losses	2.44	4.48
Experience adjustments	(38.80)	(2.92)
Benefits paid	118.29	43.78
Defined benefit obligation as at end of the year		

Gratuity Benefits

	Obligation ₹ in Lakhs	Fund ₹ in Lakhs	Total ₹ in Lakhs
Changes in the present value of the defined benefit obligation	40.90	(3.70)	37.20
Defined benefit obligation as at 01-April-16			
Current service cost	3.73	-	3.73
Interest cost	2.79	0.29	3.08
Transfer in/(out) obligation	(10.00)	1.08	(8.92)
Remeasurement of the net defined benefit liability/ asset	-	-	-
Return on plan assets	-	(3.04)	(3.04)
Actuarial gain and losses arising from changes in demographic assumptions	-	-	-
Actuarial gain and losses	43.39	0.04	43.43
Benefits paid	29.42	(0.63)	28.79
Defined benefit obligation as at 31-March-17	110.23	(5.96)	104.27
Current service cost	2.53	-	2.53
Interest cost	7.29	(0.79)	6.50
Transfer in/(out) obligation	65.05	(1.21)	63.84
Remeasurement of the net defined benefit liability/ asset	-	-	-
Return on plan assets	-	-	-
Actuarial gain and losses arising from changes in demographic assumptions	(3.82)	-	(3.82)
Actuarial gain and losses due to Experience adjustments	11.85	-	11.85
Past Service Cost	62.40	-	62.40
Benefits paid	(90.82)	(4.78)	(95.60)
Defined benefit obligation as at 31-March-18	164.72	(12.75)	151.98

The major categories of plan assets of the fair value of the total plan assets are as follows:

	As at 31-March-18 ₹ in Lakhs	As at 31-March-17 ₹ in Lakhs
Unquoted investments:		
Policy of insurance	(12.75)	(5.96)
Total	(12.75)	(5.96)

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

	As at 31-March-18 %	As at 31-March-17 %
Discount rate:		
Gratuity	7.70%	7.35%
Leave Obligation	7.70%	7.35%
Future salary increases:		
Gratuity	5.00%	5.00%
Leave Obligation	5.00%	5.00%

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

Gratuity:

Assumptions Sensitivity Level	As at 31-March-18		As at 31-March-17	
	Increase	Decrease	Increase	Decrease
	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs
Impact on defined benefit obligation				
Discount rate @ 0.5%	159.56	170.22	114.15	118.00
Future Salary @ 0.5%	165.35	164.08	116.61	115.51

Leave Obligation :

Assumptions Sensitivity Level	As at 31-March-18		As at 31-March-17	
	Increase	Decrease	Increase	Decrease
	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs
Impact on defined benefit obligation				
Discount rate @ 0.5%	114.39	122.36	42.00	45.00
Future Salary @ 0.5%	122.45	114.28	45.00	42.00

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

	As at 31-March-18 ₹ in Lakhs	As at 31-March-17 ₹ in Lakhs
Within the next 12 months (next annual reporting period)	61.74	17.89
Between 2 and 5 years	102.58	22.49
Between 5 and 10 years	109.09	16.72
Total expected payments	273.42	57.10

The average duration of the defined benefit plan obligation w.r.t. gratuity at the end of the reporting year is 8.81 years (31-March-17: 5.08 years).

47 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 Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

48 Fair value measurement

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

	Fair value measurement using			
	Total	Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
		(Level 1)	(Level 2)	(Level 3)
	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs
Financial Assets measured at fair value through profit and loss				
As at 31-March-18				
Investment in Mutual Funds	5,453.32	5,453.32	-	-
Investment in Equity Shares	8.43	8.43	-	-
Investment in Debentures	305.50	305.50	-	-
As at 31-March-17 :				
Investment in Mutual Funds	2,353.52	2,353.52	-	-

49 Financial risk management objectives and policies

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

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

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

The Company has evolved a risk mitigation framework to identify, assess and mitigate financial risk in order to minimize potential adverse effects on the company's financial performance. There have been no substantive changes in the company'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 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.

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 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.

b) 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 installment basis. The installments are specified in the contracts. The Company is exposed to credit risk in respect of installments due. However, the possession of residential and commercial units is handed over to the buyer only after all the installments are recovered. In addition, installment 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.

c) 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.

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

	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
As at 31-March-18						
Borrowings *	3,89,555.30	38,780.00	89,248.00	8,14,202.80	67,655.15	13,99,441.25
Trade payables	40,402.85	60,718.96		1,602.91	-	1,02,724.72
Other financial liabilities **	76,864.69	11,122.36	3,134.07	1,76,708.18	160.90	2,67,990.20
Financial guarantee contracts	-	-	-	-	-	-
	5,06,822.83	1,10,621.32	92,382.07	9,92,513.89	67,816.05	17,70,156.17
As at 31-March-17						
Borrowings *	2,82,963.00	73,316.64	2,92,737.43	6,24,772.17	24,898.81	12,98,688.05
Trade payables	32,389.62	1,75,748.20	-	2,014.27	-	2,10,152.09
Other financial liabilities **	95,154.17	4,765.17	4,840.09	2,41,359.26	336.71	3,46,455.41
Financial guarantee contracts	-	-	69.32	175.58	-	244.90
	4,10,506.79	2,53,830.01	2,97,646.84	8,68,321.28	25,235.52	18,55,540.44

* Borrowings are stated before adjusting loan issue cost and premium on debentures.

** Payable on Cancellation of allotted units liabilities included in Other financial liabilities are stated at nominal value.

50 Capital management

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

The Company 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 Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings less cash and cash equivalents and bank balances other than cash and cash equivalents.

	31-March-18 ₹ in Lakhs	31-March-17 ₹ in Lakhs
Borrowings (including current maturities of long term debt)	13,88,731.50	12,76,756.85
Less: Cash and Cash Equivalents	(10,491.67)	(14,316.99)
Less: Bank balances other than Cash and Cash Equivalents	(7,459.40)	(6,115.77)
Net Debt	13,70,780.43	12,56,324.09
Equity Share Capital	39,587.80	11,310.80
Other Reserves	4,28,643.55	4,20,590.38
Total capital	4,68,231.35	4,31,901.18
Capital and net debt	18,39,011.78	16,88,225.28
Gearing ratio	74.5%	74.4%

In order to achieve this overall objective, the Company'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.

LODHA DEVELOPERS LIMITED
NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH 2018

51 Information on Related Party Transactions as required by Ind As 24 " Related Party Disclosures".

A. List of other related parties:

(As identified by the management), unless otherwise stated

I Person having Control or joint control or significant influence

- | | |
|-------------------------------|-----|
| a. Mangal Prabhat Lodha (MPL) | |
| b. Abhishek Lodha | Son |

II Close family members of person having Control

- | | |
|---------------|-------------|
| Manjula Lodha | Wife |
| Vinti Lodha | Son's wife. |

III Holding Company

Sambhavnath Infrabuild and Farms Pvt Ltd

IV Subsidiaries of Holding Company

- 1 Bellissimo Properties Development Pvt. Ltd. (Formerly known as Lodha Properties Development Pvt. Ltd.)
- 2 Holland Park Residences Holdings Ltd. (Formerly known as Lodha Group UK Ltd.) (Upto 3-September-2017)
- 3 New Court Developers Ltd.
- 4 New Court Holdings Ltd.
- 5 PCL Developers (Mauritius) Ltd. (W.e.f. 07-April-2016)

V Entities controlled by person having control or joint control (with whom the company had transactions)

- 1 Bellissimo Healthy Constructions and Developers Pvt. Ltd.
- 2 Bellissimo Facilities Management Ltd. (Formerly Known as Lodha Facilities Management Ltd.) (upto 01-September-16)
- 3 Bellissimo Realtors Pvt. Ltd. (Merged with Sambhavnath Infrabuild And Farms Pvt. Ltd. w.e.f. 7-December-17).
Dormous Development and Technology Pvt. Ltd. (Formerly Known as Bellissimo Development and Technology Pvt. Ltd.) (upto 29-March-17)
- 4 Laxmiben Chedda Charitable Trust (Merged with Sitaben Shah Memorial Trust w.e.f. 24-January-18).
- 6 Lodha and Shah Builders (Converted to Lodha and Shah Builders Pvt. Ltd. w.e.f 27-November-17).
- 7 Lodha Builders Pvt. Ltd.
- 8 Lodha Charitable Trust (Merged with Sitaben Shah Memorial Trust w.e.f. 24-January-18).
- 9 Lodha Construction Pvt. Ltd.
- 10 Marutidev Facilities Management pvt. Ltd. (upto 29-March-17)
- 11 Pangea Holdings Ltd.
- 12 Sitaben Shah Memorial Trust
- 13 Eirian Consulting Pvt. Ltd (From 29-March-17)

VI Subsidiaries

- 1 Adinath Builders Pvt. Ltd.
- 2 Alpana Infracon Pvt. Ltd. *
- 3 Anantnath Constructions And Farms Pvt. Ltd.
- 4 Arihant Premises Pvt. Ltd.
- 5 Bellissimo Facilities Management Ltd. (from 1-September-2016) (Merged with Cowtown Infotech Services Pvt. Ltd. w.e.f 14-Dec-17)
- 6 Bellissimo Developers Thane Pvt. Ltd. (Formerly known as Ishwer Realty And Technologies Pvt. Ltd. w.e.f 5-Dec-17)
- 7 Bellissimo Land Dwellers Ltd. (Formerly known as Patel Land Developers Ltd.)
- 8 Bellissimo Mahavir Associates Dwellers Pvt.Ltd.
- 9 Bellissimo Vivek Enterprises Dwellers Pvt.Ltd.
- 10 Brightgold Construction Pvt. Ltd *
- 11 Bonafide Builders Pvt. Ltd *
- 12 Chandrakrupa Developers And Farms Pvt. Ltd. *
- 13 Cowtown Infotech Services Pvt. Ltd. (Formerly known as Cowtown Land Development Pvt. Ltd.)
- 14 Dalhousie Leasing And Financial Services Pvt. Ltd.
- 15 Palava Dwellers Pvt. Ltd. (Formerly known as Eisa Trading Pvt. Ltd.)
- 16 Flying Constructions Pvt. Ltd.*
- 17 Holland Park Residences Holdings Ltd. (Formerly known as Lodha Group UK Ltd.) (from 15-January-2018)
- 18 Hi-Class Buildcon Pvt. Ltd.
- 19 Hotel Rahat Palace Pvt. Ltd.
- 20 Kesarinandan Township Pvt. Ltd. *
- 21 Kidderpore Holdings Ltd. (upto 26-March-17)
- 22 Lodha Buildcon Pvt. Ltd.
- 23 Lodha Developers 1GSQ Holdings Ltd. (from 15-January-18)

LODHA DEVELOPERS LIMITED**NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH 2018**

- 24 Lodha Developers 1GSQ Ltd. (from 9-March-18)
- 25 Lodha Developers 48 CS Ltd (from 14-February-18)
- 26 Lodha Developers Dorset Close Ltd.(from 09-March-18)
- 27 Lodha Developers International Ltd.(Formerly known as Lodha Developers International (Mauritius) Ltd.)
- 28 Lodha Developers International (Jersey) III Ltd.
- 29 Lodha Developers International (Netherlands) B. V. (from 09-March-18)
- 30 Lodha Developers UK Ltd. (upto 03-September-2017 and from 15-January-18)
- 31 Lodha Developers U.S., Inc. (from 3-October-17)
- 32 Lodha Impression Real Estate Pvt. Ltd.
- 33 Loknath Infracon Pvt. Ltd. *
- 34 Maheshvilla Developers & Farms Pvt. Ltd. *
- 35 Mandip Finserve Pvt. Ltd. (w.e.f 30-December-2017)
- 36 Muscovite Constructions Pvt. Ltd. (w.e.f 30-December-2017)
- 37 Nabhiraja Software Design Pvt. Ltd.
- 38 National Standard (India) Ltd.
- 39 Nutech Realtors Pvt. Ltd. *
- 40 Odeon Theatres And Properties Pvt. Ltd.
- 41 Palava City Management Pvt. Ltd.(Formerly known As Palava Utilities Pvt. Ltd.)
- 42 Roselabs Finance Ltd.
- 43 Sanathnagar Enterprises Ltd.
- 44 Shankeshwar Paraswanath Builders Pvt. Ltd. *
- 45 Shrivasti Developers and Agro Pvt. Ltd. *
- 46 Shreeniwas Cotton Mills Ltd.
- 47 Shree Sainath Enterprises Construction And Developers Pvt. Ltd.
- 48 Siddhnath Residential Paradise Pvt. Ltd.
- 49 Simtools Pvt. Ltd.
- 50 Sitaldas Estate Pvt. Ltd.
- 51 Sumangla Developers & Farms Pvt. Ltd.(w.e.f 30-December-2017)
- 52 Sumtinath Realty & Agro Pvt.Ltd. *
- 53 Suryoday Buildwell and Farms Pvt. Ltd.(w.e.f 30-December-2017)
- 54 Suvidhinath Quality Construction Pvt. Ltd. *
- 55 Suvrata Infrabuild And Farms Pvt. Ltd. *
- 56 Suvrata Software Development Pvt. Ltd. *
- 57 Suvidhinath Buildtech Pvt.Ltd. (w.e.f. 20-September- 2017)
- 58 Vardhavinayak Township Development Pvt. Ltd. *

* (Acquired on 01-September-2017 and merged with a Subsidiary Lodha Impression Real Estate Pvt. Ltd. W.e.f. 02-February-2018)

VII Partnership Firms and LLP

- 1 Vivek Enterprises (got converted into Bellissimo Vivek Enterprises Dwellers Pvt.Ltd. w.e.f. 28-December-2017)
- 2 Mahavir Associates (got converted into Bellissimo Mahavir Associates Dwellers Pvt. Ltd w.e.f. 25-August-2017)
- 3 Lodha Fincorp Distribution Services LLP

VIII Associates

- 1 Kora Construction Pvt. Ltd.
- 2 Lodha Developers International (Netherlands) B. V (upto 08-March-18)
- 3 Lodha Developers International (Jersey) I Holdings Ltd.
- 4 Lodha Developers 48 CS Ltd (Subsidiary of 3 above) (upto 13-February-18)
- 5 Lodha Developers 1 GSQ Ltd (Subsidiary of 2 above) (upto 08-March-18)
- 6 Lodha Developers Dorset Close Ltd (Subsidiary of 5 above) (upto 08-March-18)
- 7 Lodha Developers UK Ltd. (From 4-September-17 to 14-January-18)
- 8 Holland Park Residences Holdings Ltd. (Formerly known as Lodha Group UK Limited) (From 4-September-17 to 14-January-18) (Subsidiary of 7 above)
- 9 Lodha Developers 1 GSQ Holdings Ltd. (From 30-November-17 to 14-January-18) (Subsidiary of 7 above)
- 10 Tropical Adventures Ltd. (Merged with a Subsidiary, Lodha Developers International Ltd. w.e.f. 30-November-17).
- 11 Lodha Developers International Holding Ltd. (Merged with a Subsidiary, Lodha Developers International Ltd. w.e.f. 30-November-17).

IX Key Management Person (KMP)

- 1 Abhishek Lodha (Managing Director and CEO) - (w.e.f. 01-March-18)
- 2 Rajendra Lodha (Whole Time Director) (w.e.f. 01-March-18)
- 3 Mukund M. Chitale (Independent Director and Chairman)
- 4 Berjis Minoo Desai (Independent Director w.e.f. 24-February-17)
- 5 Shyamala Gopinath (Independent Director w.e.f. 16-February-18)
- 6 Rajinder Pal Singh (Non Executive Director)

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

₹ in Lakhs				
Sr. No.	Nature of Transactions	Relationship	As at 31-March-18	As at 31-March-17
1	Loans taken	Holding / Subsidiaries	3,77,859.02	2,09,567.08
		Associates / Others	16,731.18	14,181.15
2	Loans given	Subsidiaries	4,67,712.28	3,38,685.87
		Partnership Firms / LLP	-	12,154.88
		Associates / Others	39,488.01	28,775.03
3	Other Financial Assets	Subsidiaries	44,636.59	25,566.78
		Partnership Firms / LLP	-	2,138.85
		Associates / Others	8,578.93	19,347.16
4	Deposits Received	Subsidiaries	281.90	272.60
5	Investments	Holding / Subsidiaries	97,745.35	1,46,688.45
		Partnership Firms / LLP	-	-1,498.33
		Associates / Others	48,939.29	54,527.32
6	Guarantee given	Subsidiaries	7,52,990.10	7,46,673.30
		Associates / Others	-	69,950.70
7	Trade Payables	Subsidiaries	40,402.85	31,824.42
		Associates / Others	-	565.20
8	Other Liabilities	Subsidiaries	1,73,494.19	4,087.00
9	Interest accrued but not due on borrowings	Subsidiaries	47,695.99	40,388.25
		Associates / Others	1,753.04	-
10	Other Current Assets	Subsidiaries	23,123.25	6,707.30
11	Security Cum Corporate Guarantee Taken	Subsidiaries	1,83,500.00	-

(ii) Disclosure in respect of transactions with parties:

₹ in Lakhs				
Sr No	Nature of Transactions	Relationship	For the year ended 31-March-18	For the year ended 31-March-17
1	Sale of Building Materials *			
	Hi-Class Buildcon Pvt. Ltd.	Subsidiary	-	11,534.86
	Palava Dwellers Pvt. Ltd.	Subsidiary	43.97	-
	National Standard (India) Ltd.	Subsidiary	0.03	19.20
	Bellissimo Mahavir Associates Dwellers Pvt. Ltd.	Subsidiary	0.80	-
	Lodha Buildcon Pvt.Ltd.	Subsidiary	5,177.55	-
	Palava City Management Pvt. Ltd.	Subsidiary	1.76	-
	Bellissimo Land Dwellers Ltd.	Subsidiary	0.45	-
	Shreeniwas Cotton Mills Ltd.	Subsidiary	186.90	1,224.60
	Bellissimo Developers Thane Pvt. Ltd.	Subsidiary	630.77	583.20
	Bellissimo Realtors Pvt. Ltd.	Others	-	556.80
	Cowtown Infotech Services Pvt. Ltd.	Subsidiary	-	1,362.40
	Bellissimo Properties Development Pvt. Ltd.	Subsidiary of Holding Company	-	698.20
	Adinath Builders Pvt. Ltd.	Subsidiary	563.38	3,528.20

LODHA DEVELOPERS LIMITED
NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH 2018

Sr No	Nature of Transactions	Relationship	For the year ended 31-March-18	For the year ended 31-March-17
2	Interest Income			
	Adinath Builders Pvt. Ltd.	Subsidiary	11,124.49	3,951.30
	Lodha Buildcon Pvt. Ltd.	Subsidiary	-	156.00
	Lodha Builders Pvt. Ltd.	Others	4.51	4.50
	Anantnath Constructions and Farms Pvt. Ltd.	Subsidiary	-	1.80
	Siddhnath Residential Paradise Pvt. Ltd.	Subsidiary	-	0.30
	Dalhousie Leasing and Financial Services Pvt. Ltd.	Subsidiary	29.22	31.00
	Bellissimo Developers Thane Pvt. Ltd.	Subsidiary	6,955.11	12,337.60
	Cowtown Infotech Services Pvt. Ltd.	Subsidiary	322.99	-
	Lodha Developers UK Ltd.	Associate/ Subsidiary	1,361.35	808.50
	Bellissimo Facilities Management Ltd.	Others	-	6.70
	Hi-Class Buildcon Pvt. Ltd.	Subsidiary	-	44.26
	Nabhiraja Software Design Pvt. Ltd.	Subsidiary	1,152.80	168.00
	Lodha Impression Real Estate Pvt. Ltd.	Subsidiary	165.44	-
	Simtools Pvt. Ltd.	Subsidiary	501.32	2,107.95
	Roselabs Finance Ltd.	Subsidiary	164.78	193.70
	Lodha Developers International Ltd.	Subsidiary	8,036.20	7,885.60
	Lodha Developers International (Jersey) I Holdings Ltd.	Associate	8,578.93	5,370.50
	Bellissimo Properties Development Pvt. Ltd.	Subsidiary of Holding Company	-	142.70
	Vivek Enterprises	Partnership Firm	-	2,098.46
	Lodha Fincorp Distribution Services LLP	LLP	18.01	40.40
	Lodha Developers International (Netherlands) B. V.	Associate / Subsidiary	10,925.36	6,118.70
	Shree Sainath Enterprises Construction and Developers Pvt. Ltd.	Subsidiary	1,180.85	-
	Sambhavnath Infrabuild and Farms Pvt Ltd	Holding Company	0.32	0.60
3	Sale of Land / Development Rights *			
	Bellissimo Properties Development Pvt. Ltd.	Subsidiary of Holding Company	-	212.00
	Hi-Class Buildcon Pvt. Ltd.	Subsidiary	-	12,103.19
	Shreeniwas Cotton Mills Ltd.	Subsidiary	-	4.61
	Bellissimo Developers Thane Pvt. Ltd.	Subsidiary	1,685.62	0.19
4	Salary and Wages Recovered *			
	Nabhiraja Software Design Pvt. Ltd.	Subsidiary	-	16,661.30
	Bellissimo Developers Thane Pvt. Ltd.	Subsidiary	1,162.04	921.20
	Laxmiben Chedda Charitable Trust	Others	-	12.80
	Bellissimo Mahavir Associates Dwellers Pvt.Ltd	Subsidiary	118.54	-
	National Standard (India) Ltd.	Subsidiary	-	64.40
	Sitaben Shah Memorial Trust	Others	-	15.10
	Shreeniwas Cotton Mills Ltd.	Subsidiary	1,304.45	421.30
	Lodha Fincorp Distribution Services LLP	LLP	-	25.20
	Palava Dwellers Pvt. Ltd.	Subsidiary	1,574.41	-
5	Sale of Flat *			
	Lodha Buildcon Pvt.Ltd.	Subsidiary	45.99	-
	Palava City Management Pvt. Ltd.	Subsidiary	183.45	-
	National Standard (India) Ltd.	Subsidiary	1,301.52	-
6	Other Operating Income (Rent Income) *			
	Nabhiraja Software Design Pvt. Ltd.	Subsidiary	3,382.52	3,422.94
	Sitaben Shah Memorial Trust	Others	-	2.49

LODHA DEVELOPERS LIMITED
NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH 2018

Sr No	Nature of Transactions	Relationship	For the year ended 31-March-18	For the year ended 31-March-17
7	Share of Profit / (Loss) in Partnership Firms (Net)			
	Vivek Enterprises	Partnership Firm	857.78	(3,746.20)
	Mahavir Associates	Partnership Firm	(0.08)	(0.10)
8	Land, Construction and Development Cost			
	Muscovite Constructions Pvt. Ltd.	Subsidiary	38,581.64	-
9	Purchase of Land / Development Rights *			
	Adinath Builders Pvt. Ltd.	Subsidiary	113.70	-
	Shreeniwas Cotton Mills Ltd.	Subsidiary	-	3,677.60
10	Purchase of Trading and Building Materials *			
	National Standard (India) Ltd.	Subsidiary	3.01	5.51
	Kidderpore Holdings Ltd.	Others	-	0.03
	Bellissimo Developers Thane Pvt. Ltd.	Subsidiary	49.05	1,303.12
	Cowtown Infotech Services Pvt. Ltd.	Subsidiary	24,879.56	53,334.72
	Shreeniwas Cotton Mills Ltd.	Subsidiary	13.60	1,515.68
	Bellissimo Healthy Constructions & Developers Pvt. Ltd.	Others	0.39	-
	Palava Dwellers Pvt. Ltd.	Subsidiary	53.41	-
	Adinath Builders Pvt Ltd	Subsidiary	-	3,670.35
	Hi-Class Buildcon Pvt. Ltd.	Subsidiary	-	1,358.34
	Simtools Pvt. Ltd.	Subsidiary	0.79	-
	Bellissimo Mahavir Associates Dwellers Private Ltd.	Subsidiary	2.39	-
	Lodha Buildcon Pvt. Ltd.	Subsidiary	1.54	-
	Sanathnagar Enterprises Ltd.	Subsidiary	-	1.44
	Sitaben Shah Memorial Trust	Others	-	2.49
	Sambhavnath Infrabuild and Farms Pvt Ltd	Holding Company	953.22	542.60
11	Construction Contracts			
	Cowtown Infotech Services Pvt. Ltd.	Subsidiary	4,783.10	303.81
12	Salaries and Wages Paid *			
	Nabhiraja Software Design Pvt. Ltd.	Subsidiary	26,693.47	17,426.88
	Bellissimo Developers Thane Pvt. Ltd.	Subsidiary	-	274.75
	National Standard (India) Ltd.	Subsidiary	-	19.41
	Lodha Developers UK Ltd.	Subsidiary	30.64	-
	Shreeniwas Cotton Mills Ltd.	Subsidiary	-	90.33
13	Interest expenses			
	Palava Dwellers Pvt. Ltd.	Subsidiary	6,401.22	-
	Shreeniwas Cotton Mills Ltd.	Subsidiary	25,596.67	22,682.60
	Muscovite Constructions Pvt. Ltd.	Subsidiary	3,145.67	-
	Bellissimo Mahavir Associates Dwellers Pvt. Ltd.	Subsidiary	17.71	-
	Cowtown Infotech Services Pvt. Ltd.	Subsidiary	-	1,523.65
	Shree Sainath Enterprises Construction and Developers Pvt. Ltd.	Subsidiary	-	9,544.48
	National Standard (India) Ltd.	Subsidiary	1,116.93	1,616.81
	Simtools Pvt. Ltd.	Subsidiary	-	1,283.27
	Bellissimo Healthy Constructions & Developers Pvt. Ltd.	Others	1,947.82	916.73
	Lodha Buildcon Pvt. Ltd.	Subsidiary	9,135.57	-
	Hi-Class Buildcon Pvt. Ltd.	Subsidiary	2,084.69	7,679.36
14	Infrastructure and Facility *			
	Nabhiraja Software Design Pvt. Ltd.	Subsidiary	13,767.36	8,730.48
	Bellissimo Facilities Management Ltd.	Others	-	620.43
15	Donation/ Corporate Social Responsibility Expenses			
	Lodha Charitable Trust	Others	2300.00	1,000.00
	Sitabenshah Memorial Trust		120.00	

LODHA DEVELOPERS LIMITED
NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH 2018

Sr No	Nature of Transactions	Relationship	For the year ended 31-March-18	For the year ended 31-March-17
16	Investments			
	Palava Dwellers Pvt. Ltd.	Subsidiary	0.98	-
	Anantnath Constructions And Farms Pvt. Ltd.	Subsidiary	-	3,635.00
	Siddhnath Residential Paradise Pvt. Ltd.	Subsidiary	-	590.00
	Adinath Builders Pvt. Ltd.	Subsidiary	-	55,000.00
	Dalhousie Leasing and Financial Services Pvt. Ltd.	Subsidiary	418.58	-
	Bellissimo Vivek Enterprises Dwellers Pvt.Ltd.	Subsidiary	1.00	-
	Bellissimo Mahavir Associates Dwellers Pvt.Ltd	Subsidiary	1.00	-
	Bellissimo Properties Development Pvt. Ltd.	Subsidiary of Holding Company	961.96	-
	Hi-Class Buildcon Pvt. Ltd.	Subsidiary	-	6,500.00
	Lodha Developers International (Jersey) III Holdings Ltd.	Subsidiary	0.13	-
	Sambhavnath Infrabuild and Farms Pvt Ltd	Holding Company	-	11,400.00
	Lodha Developers 1GSQ Holding Ltd	Subsidiary	0.47	-
	Lodha Developers UK Ltd.	Associate/ Subsidiary	168.63	-
	Sitaldas Estate Pvt. Ltd.	Subsidiary	-	2,000.00
17	Divestments			
	Adinath Builders Pvt. Ltd.	Subsidiary	82,940.50	-
	Hi Class Buildcon Pvt. Ltd.	Subsidiary	6,500.00	-
	Sitaldas Estate Pvt. Ltd.	Subsidiary	2,000.00	-
	Lodha Developers UK Ltd.	Subsidiary/ Associate	3,620.64	-
	Bellissimo Healthy Construction and Developers Pvt. Ltd.	Others	4,800.00	-
	Lodha Developers International Holding Ltd.	Associate	2.49	-
18	Loan Given/ (Returned)			
	Adinath Builders Pvt. Ltd.	Subsidiary	86,219.95	54,540.18
	Anantnath Constructions And Farms Pvt. Ltd.	Subsidiary	292.13	352.14
	Arihant Premises Pvt. Ltd.	Subsidiary	5.28	(609.72)
	Roselabs Finance Ltd.	Subsidiary	(2,114.12)	775.94
	Cowtown Infotech Services Pvt. Ltd.	Subsidiary	19,055.60	5,891.14
	Dalhousie Leasing And Financial Services Pvt. Ltd.	Subsidiary	(1,257.14)	1,182.77
	Bellissimo Developers Thane Pvt. Ltd.	Subsidiary	41,815.55	(20,504.25)
	Hi-Class Buildcon Pvt. Ltd.	Subsidiary	6,590.15	-
	Lodha Developers UK Ltd.	Associate/ Subsidiary	42,160.81	1,365.62
	Lodha Impression Real Estate Pvt. Ltd.	Subsidiary	13,210.94	1,060.24
	Palava City Management Pvt. Ltd.	Subsidiary	(185.96)	164.81
	Sanathnagar Enterprises Ltd.	Subsidiary	(1,957.79)	(5,245.38)
	Siddhnath Residential Paradise Pvt. Ltd.	Subsidiary	10.88	(15.54)
	Simtools Pvt. Ltd.	Subsidiary	300.13	137.26
	Sitaldas Estate Pvt. Ltd.	Subsidiary	1,864.53	(1,719.77)
	Shree Sainath Enterprises Construction And Developers Pvt. Ltd.	Subsidiary	5,209.86	1,965.41
	Lodha Developers International Ltd.	Subsidiary	(74,029.49)	(9,032.72)
	Odeon Theatres and Properties Pvt. Ltd.	Subsidiary	2.36	(15.30)
	Lodha Fincorp Distribution Services LLP	Subsidiary	(212.96)	212.96
	Bellissimo Vivek Enterprises Dwellers Pvt.Ltd.	Subsidiary	(10,018.93)	3,435.50
	Sambhavnath Infrabuild and Farms Pvt. Ltd.	Holding Company	(25.00)	25.00
	Lodha Developers International (Jersey) I Holdings Ltd.	Associate	12,590.48	24,849.09
	Lodha Developers International (Netherlands) B. V.	Associate / Subsidiary	(19,246.84)	63,064.31
	Bellissimo Properties Development Pvt. Ltd.	Subsidiary of Holding Company	(124.00)	124.00
	Lodha Builders Pvt. Ltd.	Others	(43.24)	43.24
	Lodha Constructions Pvt. Ltd.	Others	(1,692.90)	1,692.90
	Hotel Rahat Palace Pvt. Ltd.	Subsidiary	0.58	(0.99)
	Lodha Buildcon Pvt. Ltd.	Subsidiary	9,194.53	-

LODHA DEVELOPERS LIMITED
NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH 2018

Sr No	Nature of Transactions	Relationship	For the year ended 31-March-18	For the year ended 31-March-17
19	Advances to Suppliers and Contractors			
	Muscovite Constructions Pvt. Ltd.	Subsidiary	23,123.25	-
20	Reimbursement Given			
	Bellissimo Facilities Management Ltd.	Others	-	0.38
	Shreeniwas Cotton Mills Ltd.	Subsidiary	-	11.14
	Nabhiraja Software Design Pvt. Ltd.	Subsidiary	642.56	2,582.65
	Bellissimo Developers Thane Pvt. Ltd.	Subsidiary	-	47.20
	National Standard (India) Ltd.	Subsidiary	-	21.91
21	Amount paid on behalf of			
	National Standard (India) Ltd.	Subsidiary	-	59.50
	Muscovite Constructions Pvt. Ltd.	Subsidiary	127.87	-
	Sanathnagar Enterprises Ltd.	Subsidiary	-	53.90
	Bellissimo Land Dwellers Ltd. (Formerly known as Patel Land Developers Ltd.)	Subsidiary	70.11	-
	Suvidhinath Buildtech and Farms Pvt. Ltd.	Subsidiary	0.01	-
	Nabhiraja Software Design Pvt. Ltd.	Subsidiary	1,580.98	582.40
	Eirian Consulting Pvt. Ltd.	Others	0.02	-
	Simtools Pvt. Ltd.	Subsidiary	-	0.10
	Palava City Management Pvt. Ltd.	Subsidiary	-	247.70
	Vivek Enterprises	Partnership Firm	-	0.57
	Cowtown Infotech Services Pvt. Ltd.	Subsidiary	-	118.90
	Lodha Charitable Trust	Others	-	23.20
22	Loan Taken / (Returned)			
	Lodha Impression Real Estate Pvt. Ltd.	Subsidiary	-	-
	Nabhiraja Software Design Pvt. Ltd.	Subsidiary	-	(7,354.85)
	National Standard (India) Ltd.	Subsidiary	(8,119.84)	(2,898.52)
	Simtools Pvt. Ltd.	Subsidiary	-	(459.01)
	Sitaldas Estate Pvt. Ltd.	Subsidiary	(29.53)	29.53
	Lodha Fincorp Distribution Services LLP	LLP	584.57	-
	Sambhavnath Infrabuild and Farms Pvt. Ltd.	Holding Company	1,183.54	-
	Bellissimo Healthy Constructions & Developers Pvt. Ltd.	Others	1,594.57	7,483.08
	Shreeniwas Cotton Mills Ltd.	Subsidiary	1,74,790.75	42,627.04
	Lodha Buildcon Pvt. Ltd.	Subsidiary	(47,962.06)	1,725.03
	Lodha Constructions Pvt. Ltd	Others	-	-
	Hi-Class Buildcon Pvt. Ltd.	Subsidiary	(394.77)	(75,940.84)
	Shree Sainath Enterprises Construction And Developers Pvt. Ltd.	Subsidiary	-	-
	Palava Dwellers Pvt. Ltd. (Formerly known as Eisa Trading Pvt. Ltd.)	Subsidiary	46,164.42	-
	Palava City Management Pvt. Ltd.	Subsidiary	81.30	-
	Bellissimo Mahavir Associates Dwellers Pvt. Ltd.	Subsidiary	1,827.72	-
	Bellissimo Land Dwellers Ltd. (Formerly known as Patel Land Developers Ltd.)	Subsidiary	281.68	-
	Bellissimo Properties Development Pvt. Ltd.	Subsidiary of Holding Company	953.70	-
	Lodha Developers 1GSQ Holdings Ltd.	Subsidiary	0.45	-
	Bellissimo Facilities Management Ltd.	Subsidiary	(101.30)	101.30
23	Reimbursement taken			
	Cowtown Infotech Services Pvt. Ltd.	Subsidiary	21.71	-
	Lodha Developers UK Ltd.	Subsidiary	-	251.80
	Shreeniwas Cotton Mills Ltd.	Subsidiary	-	353.10
	Bellissimo Facilities Management Ltd.	Others	-	190.30
	Nabhiraja Software Design Pvt. Ltd.	Subsidiary	-	350.00

LODHA DEVELOPERS LIMITED
NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH 2018

Sr No	Nature of Transactions	Relationship	For the year ended 31-March-18	For the year ended 31-March-17
24	Amount paid on behalf by			
	Cowtown Infotech Services Pvt. Ltd.	Subsidiary	-	255.00
	Bellissimo Land Dwellers Ltd. (Formerly known as Patel Land Developers	Subsidiary	67.98	-
	Hi-Class Buildcon Pvt. Ltd.	Subsidiary	-	12.50
	National Standard (India) Ltd.	Subsidiary	-	870.10
	Muscovite Constructions Pvt. Ltd.	Subsidiary	2.72	-
	Palava City Management Pvt. Ltd.	Subsidiary	-	1,617.90
	Bellissimo Facilities Management Ltd.	Others	-	1.00
	Bellissimo Developers Thane Pvt. Ltd.	Subsidiary	-	677.80
	Nabhiraja Software Design Pvt. Ltd.	Subsidiary	-	18.30
	Odeon Theatres and Properties Pvt. Ltd.	Subsidiary	-	0.30
	Shreeniwas Cotton Mills Ltd.	Subsidiary	-	4.40
	Simtools Pvt. Ltd.	Subsidiary	-	0.10
25	Other Liabilities			
	Muscovite Constructions Pvt. Ltd.	Subsidiary	67,615.65	-
26	Purchase of Tenancy Rights			
	Lodha Impression Real Estate Pvt. Ltd.	Subsidiary	876.00	-
27	Advance received against Flat			
	Dormous Development and Technology Pvt. Ltd.	Others	-	14,620.61
28	Partners' Fund Introduced			
	Vivek Enterprises	Partnership Firm	-	135.55
	Mahavir Associates	Partnership Firm	-	8,235.00
29	Partners' Fund Withdrawn			
	Vivek Enterprises	Partnership Firm	-	400.00
	Mahavir Associates	Partnership Firm	-	4,312.73
30	Dividend Income			
	Simtools Pvt. Ltd.	Subsidiary	-	693.16
31	Redemption of Preference Shares			
	Bellissimo Properties Development Pvt. Ltd.	Subsidiary of Holding Company	-	50,000.00
32	Redemption of Debentures			
	Shreeniwas Cotton Mills Ltd.	Subsidiary	37,500.00	-
33	Security cum Corporate Guarantee Given			
	Bellissimo Developers Thane Pvt. Ltd.	Subsidiary	94,500.00	-
	Palava Dwellers Pvt. Ltd.	Subsidiary	85,000.00	-
	Shree Sainath Enterprises Construction And Developers Pvt. Ltd.	Subsidiary	11,000.00	-
	Lodha Developers 1GSQ Ltd.	Subsidiary	17,062.24	28,307.90
	Lodha Developers International Ltd	Subsidiary	46,982.54	-
	Lodha Developers 48CS Ltd	Subsidiary	30,702.20	10,514.36
	Bellissimo Land Dwellers Ltd.	Subsidiary	32,500.00	-
	Shreeniwas Cotton Mills Ltd.	Subsidiary	-	2,32,000.00
34	Security cum Corporate Guarantee Taken			
	Bellissimo Developers Thane Pvt. Ltd.	Subsidiary	1,83,500.00	-

* including taxes as applicable

C. KMP, Controlling Shareholder and his Relatives:

(i) Outstanding Balances :

₹ in Lakhs

Sr. No.	Particulars	As at 31-March-18	As at 31-March-17
1	Other Current Liabilities	2,541.37	3,236.04
2	Guarantee/ Security Taken	8,78,424.74	6,54,210.88
3	Salary and wages Payable	-	79.68
4	Trade Receivables	653.74	559.88

(ii) Disclosure in respect of transactions :

₹ in Lakhs

Sr. No.	Nature of Transactions	For the year ended 31-March-18	For the year ended 31-March-17
1	Income from Property Development		
	Mangal Prabhat Lodha	1,205.97	8,145.57
	Abhishek Lodha	778.65	5,195.90
	Rajendra Lodha	2,153.29	-
	Vinti Lodha	559.57	4,627.56
2	Commission and Sifting Fees		
	Mukund Chitale	43.36	-
	Berjis Desai	41.42	-
	Shyamala Gopinath	5.20	-
3	Remuneration paid		
	Mangal Prabhat Lodha	5,414.04	2,914.54
	Manjula Lodha	912.66	372.11
	Abhishek Lodha	3,712.89	2,444.20
	Rajendra Lodha	2,254.00	1,496.60
4	Guarantee/ Security Taken		
	Abhishek Lodha	9,21,000.00	3,77,155.74

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. The receivables are unsecured in nature and interest is charged on over due receivables. 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. The interest is charged on over due payables.

c) Loans to related party

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.

52 Segment information

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

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

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

₹ in Lakhs		
Particulars	31-March-18	31-March-17
Donations given to Political Parties	485.16	-

54 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. Based on the facts of the case, the management is confident that the outcome of these cases would have no bearing on the progress of the project.

55 Details of Corporate Social Responsibility Expenditure (CSR)

₹ in Lakhs		
Particulars	31-March-18	31-March-17
Gross Amount required to be spent for CSR Activity	188.48	42.50
Amount Spent during the year	197.27	50.50

56 Unhedged Foreign Currency exposures / Balances

Disclosure in accordance with announcement dated 02-December-05 issued by the Council of the Institute of Chartered Accountants of India (ICAI) with respect to foreign currency balances not hedged:

Particulars	Currency	31-March-18		31-March-17	
		₹ in Lakhs	Foreign Currency in Lakhs	₹ in Lakhs	Foreign Currency in Lakhs
Assets					
Advances to Suppliers / Vendors	USD	757.89	11.65	4,470.92	68.95
	AED	19.97	1.13	208.00	11.80
	CNY	81.81	7.92	67.22	7.15
	GBP	41.62	0.45	1,258.17	15.56
	EUR	62.94	0.78	867.49	12.52
	AUD	7.32	0.15	7.28	0.15
	SGD	14.10	0.28	5.27	0.11
Investments	GBP	24,134.71	255.32	22,695.65	280.61
Interest Receivables	GBP	32,289.98	347.69	29,244.53	361.58
Loans Given	GBP	1,38,524.21	1,490.91	1,71,970.11	1,900.47
Bank Balance	CNY	-	-	58.24	6.20
Total Assets		1,95,934.55		2,30,852.86	
Liabilities					
Trade Payables	SGD	68.23	1.38	51.21	1.10
	GBP	26.96	0.29	25.70	0.32
	EUR	188.70	2.34	1,218.89	17.61
	AED	19.15	1.08	13.01	0.74
	CNY	3.75	0.36	-	-
	CAD	6.18	0.12	4.86	0.10
	USD	2,169.88	33.36	2,996.17	46.22
Total Liabilities		2,482.86		4,309.84	

57 A Company was granted lease of land parcel at Wadala by Mumbai Metropolitan Regional Development Authority (MMRDA) vide 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 discussions and representations made by the Company, MMRDA has agreed to reduce the liability and the company has accordingly provided for the revised liability.

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 Details of dues to Micro, Small and Medium Enterprises :

The information has been determined to the extend such parties have been identified on the basis of information available with the Company. The amount of principal and interest outstanding is given below :

Particulars	₹ in Lakhs	
	As at 31-March-18	As at 31-March-17
Amount unpaid as at year end - Principal	627.49	1,315.85
Amount unpaid as at year end - Interest	Nil	Nil
The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 (the 'Act') along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	Nil	Nil
The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Act.	Nil	Nil
The amount of interest accrued and remaining unpaid at the end of each accounting year.	Nil	Nil
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Act.	Nil	Nil

60 Basic and Diluted Earnings Per Share

Particulars	For the year ended	
	31-March-18	31-March-17
Basic earnings per share:		
Net Profit for the Year (₹ in Lakhs)	35,100.55	40,833.58
No. of Equity Shares as at beginning of the year	22,62,16,000	21,62,16,000
Add: Shares Allotted	-	1,00,00,000
Less: Adjustment for consolidation of Shares	(11,31,08,000)	(11,31,08,000)
Add: Issue of Bonus Shares	28,27,70,000	28,27,70,000
No. of Equity Shares as at end of the year	39,58,78,000	39,58,78,000
Weighted average no. of Equity Shares outstanding during the year	39,58,78,000	38,27,53,000
Face Value per Equity Share (Refer Note 18 (F))	10.00	5.00
Basic earnings per share (in ₹)	8.87	10.67
Diluted earnings per share:		
Net Profit for the Year (₹ in Lakhs)	35,100.55	40,833.58
No. of Equity Shares as at beginning of the year	22,62,16,000	21,62,16,000
Add: Shares allotted	-	1,00,00,000
Less: Adjustment for consolidation of Shares	(11,31,08,000)	(11,31,08,000)
Add: Issue of Bonus Shares	28,27,70,000	28,27,70,000
No. of Equity Shares as at end of the year	39,58,78,000	39,58,78,000
Weighted average no. of Equity Shares outstanding during the year	39,58,78,000	38,27,53,000
Diluted Earnings Per Share (in ₹)	8.87	10.67

61 a) The members 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-July-16) with the Company and their respective shareholders and creditors, with an above mentioned Appointed dates and became effective from 08-November-2017, under section 391 to 394 of the Companies Act, 1956 and any corresponding provisions of the Companies Act, 2013. The Amalgamation has been accounted for under the "pooling of interest" method as prescribed under Ind AS 103 - "Business combination" for common control transactions. In accordance with the requirements of Para 9(iii) of Appendix C of Ind AS 103 'Business Combination, the Standalone Financial Statements of the Company in respect of prior periods have been restated as if the amalgamation had occurred from the beginning of the preceding period, irrespective of the actual date of combination.

b) The scheme of demerger of the real estate business (Demerged Undertaking) from Bellissimo Properties Development Private Limited ("Demerged Company" or "BPDPL") into the Company has been approved by National Company Law Tribunal vide its order dated 07-September, 2017 and became effective from 16-October-2017. As per Clause 13 (Consideration/ Issue of shares) of the Scheme, the Company has allotted 1,97,018 (one lakh ninety seven thousand eighteen) 6% Redeemable Preference Shares of ₹ 5 each to the shareholder of BPDPL on 17-October-2017, which are redeemable on the expiry of 60 months from the date of allotment. With the consent of 100% preference shareholders, the Company can redeem them at an earlier date at par. The merger has been accounted for under the "pooling of interest" method as prescribed under Ind AS 103 - "Business combination" for common control transactions. Accordingly, the Standalone Financial Statements of the Company in respect of previous periods have been restated as if the merger had occurred from the beginning of the preceding period, irrespective of the actual date of combination.

c) The members of the Board of Directors at their meeting held on 06-July-17 has approved the Scheme of Amalgamation and Arrangement between the Company and Bellissimo Crown Buildmart Private Limited (Appointed Date: 01-April-17) and became effective from 02-February-2018 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. In accordance with the requirements of Para 9(iii) of Appendix C of Ind AS 103 'Business Combination, the Standalone Financial Statements of the Company in respect of prior periods have been restated as if the amalgamation had occurred from the beginning of the preceding period, irrespective of the actual date of combination. The details of Assets and Liabilities as on 01-April-16 for respective Companies are given below in table.

In the Financial year 2013-14, in terms of the scheme of amalgamation between Bellissimo Crown Buildmart Private Limited (BCBPL) and Chetna Infracon Private Limited, sanctioned by the Honorable Bombay High Court, BCBPL had capitalised expenses of ₹ 10,306.08 lakhs (till the date of revenueue recognition) relating to New Cuffe Parade Brand under Intangible Assets. Consequent to the merger of BCBPL with the Company, this is carried in the books of the Company as an Intangible asset.

d) The members 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: 31-March-17)and the Company and Elsa Trading Private Limited (Appointed date: 01-April-17) and their respective shareholders and creditors ('Scheme'), with an above mentioned Appointed dates and became effective from 16-February-2018, under Sections 232 read with section 230 of the Companies Act, 2013. The Amalgamation has been accounted for under the "pooling of interest" method as prescribed under Ind AS 103 - "Business combination" for common control transactions. In view of the same, the Company has restated financials for the year ended 31 March 17 to give effect to the scheme and accordingly all assets and liabilities, income and expense of the merged undertaking have been included retrospectively in the Standalone Financial Statements of the Company.

Subsequently, the Company has transferred the "Identified Business Undertaking" through Slump sale to Palava Dwellers Pvt. Ltd. The financials statements of the Company for the period ended March 31, 2018, do not include the operations of the Palava Dwellers Pvt. Ltd. and are therefore strictly not comparable with the figures of the previous year ended March 31, 2017.

e) The members 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 Jineshwer Real Estate And Farms Pvt. Ltd. (Appointed date: 01-October-16) and Marutinandan 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 Company ('Amalgamated Company' or 'Resulting Company') and their respective shareholders ('the Scheme'), with an above mentioned Appointed dates and became effective from 20-February-2018, under section 391 to 394 of the Companies Act, 1956 and any corresponding provisions of the Companies Act, 2013. In accordance with the requirements of Para 9(iii) of Appendix C of Ind AS 103 'Business Combination, the Standalone Financial Statements of the Company in respect of prior periods have been restated as if the amalgamation had occurred from the beginning of the preceding period, irrespective of the actual date of combination.

f) The members of the Board of Directors at their meeting held on 1-August-17 has approved the Scheme of Amalgamation and Arrangement between the Ajitnath Hi-Tech Builders Private Limited (Appointed Date: 01-April-17) and Lodha Elevation Buildcon Private Limited (Appointed Date: 01-Oct-17) and Aanant Developers Private Limited (Appointed Date: 01-Oct-17)and Shri Kaillas Properties & Agrofarms Private Limited (Appointed Date: 01-April-17) and became effective from 21-May-2018 under Sections 232 read with section 230 of the Companies Act, 2013. In accordance with the requirements of Para 9(iii) of Appendix C of Ind AS 103 'Business Combination, the Standalone Financial Statements of the Company in respect of prior periods have been restated as if the amalgamation had occurred from the beginning of the preceding period, irrespective of the actual date of combination.

g) The members of the Board of Directors at their meeting held on 14-November-16 has approved the Composite Scheme of Arrangement and Amalgamation between Lodha Buildcon 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 Company ('Transferee Company') and their respective shareholders and partners ('the Scheme'), with an above mentioned Appointed dates, Further, the members of the Board of Directors at their meeting held on 1-August-2017 has approved the modified and amended Scheme of Arrangement between Lodha Buildcon Private Limited ("Demerged Company") and the Company ("Resulting Company") and Their respective shareholders ('the Modified Scheme') with an Appointed date: 01-April-16 and became effective from 06-January-2018 under section 391 to 394 of the Companies Act, 1956 and any corresponding provisions of the Companies Act, 2013. In accordance with the requirements of Para 9(iii) of Appendix C of Ind AS 103 'Business Combination, the Standalone Financial Statements of the Company in respect of prior periods have been restated as if the amalgamation had occurred from the beginning of the preceding period, irrespective of the actual date of combination.

h) The Company has filed the scheme of demerger of identified business undertaking (Demerged Company) into IMSA Computer Education Pvt. Ltd. (Resulting Company) before the NCLT, Mumbai bench. The Standalone financial statements have, however, been prepared without giving impact of the same pending approval from NCLT, Mumbai bench.

i) The members of the Board of Directors at their meeting held on 15-September-17 has approved Scheme of Arrangement between Bellissimo Mahavir Associates Dwellers Private Limited and the Company and their respective shareholders and creditors ('Scheme') with an Appointed date i.e. 1-October-2017, under Sections 232 read with section 230 of the Companies Act, 2013. The Standalone Financial Statements have, however, been prepared without giving impact of the same, as scheme is pending for approval before the National Company Law Tribunal.

j) The members of the Board of Directors at their meeting held on 19-March-18 have approved the Scheme of Merger of Adinath Builders Private Limited (Appointed Date: 01-April-17) and Bellissimo Vivek Enterprises Dwellers Private Limited (Appointed Date: 01-Jan-18) and Suvindhinath Buildtech Private Limited (Appointed Date: 01-Jan-18) with the Company and their respective shareholders ('Scheme'), with an above mentioned Appointed date, under Sections 232 read with section 230 of the Companies Act, 2013. The Standalone Financial Statements have, however, been prepared without giving impact of the same, as scheme is pending for approval before the National Company Law Tribunal.

k) The members of the Board of Directors at their meeting held on 05-Jan-18 have approved the scheme of Merger of Hi-Class Buildcon Private Limited (Appointed Date: 01-April-17) with the Company and their respective shareholders ('Scheme'), with an above mentioned Appointed date, under Sections 232 read with section 230 of the Companies Act, 2013. The Standalone Financial Statements have, however, been prepared without giving impact of the same, as scheme is pending for approval before the National Company Law Tribunal.

l) The members of the Board of Directors at their meeting held on 19-March-18 have approved the Scheme of Merger of Bellissimo Developers Thane Private Limited (Appointed Date: 01-April-17) with the Company and their respective shareholders ('Scheme'), with an above mentioned Appointed date, under Sections 232 read with section 230 of the Companies Act, 2013. The Standalone Financial Statements have, however, been prepared without giving impact of the same, as scheme is pending for approval before the National Company Law Tribunal.

62 The Company has invested in 0.01% Optionally Convertible Debentures (OPCDs) of ₹ 18,113.00 lakhs issued by Sambhavnath Infrabuild and Farms Private Limited (SIFPL). In December-2017, SIFPL and the Company has entered into an agreement to redeem OPCDs at carrying value and hence the fair value of OPCDs approximates its carrying value.

63 Standard issued but not yet effective

On March 28, 2018, the Ministry of Corporate Affairs (MCA) has notified Ind AS 115, Revenue from Contracts with Customers, to be applicable from financial years beginning on or after 01-April-2018.

This Standard specifies the accounting for an individual contract with a customer. This involves identifying a contract & performance obligation and measuring progress towards complete satisfaction of a performance obligation. The Standard requires an entity to disclose the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with a customer.

Ind AS 115 supersedes the current revenue recognition guidance available under Ind AS with respect to revenue recognition i.e. Ind AS 18 on "Revenue" and Ind AS 11 on "Construction Contracts. Currently Company recognizes revenue on percentage of completion method as prescribed in the 'Guidance Note on Accounting for Real Estate Transactions' issued by ICAI.

Company will adopt the new standard effective 01-April-2018. Management is evaluating the requirements of the Standard and the effect if any, on the financial statements.

64 On 26 April 2018, the Company has filed draft red herring prospectus with Security Exchange Board of India for initial public offer of its equity shares.

65 Previous year figures have been regrouped / rearranged wherever necessary.

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

For and on behalf of the Board of Directors of Lodha Developers Limited

Mukund Chitale
(Chairman)
DIN: 00101004

Abhishek Lodha
(Managing Director & CEO)
DIN: 00266089

Abuali Darukhanawala
(Partner)
Membership No. 108053

Jayant Mehrotra
(Chief Financial Officer)

Sanjyot Rangnekar
(Company Secretary)

Place : Mumbai
Date : 25-May-2018



**LODHA DEVELOPERS LIMITED
(CONSOLIDATED)**

**ANNUAL ACCOUNTS
2017-18**

INDEPENDENT AUDITOR'S REPORT

To the Members of Lodha Developers Limited (Formerly known as Lodha Developers Private Limited)

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of Lodha Developers Limited (Formerly known as Lodha Developers Private Limited) (hereinafter referred to as “the Holding Company”), its subsidiaries (including limited liability partnership) (the Holding Company and its subsidiaries together referred to as “the Group”) and its associates comprising the Consolidated Balance Sheet as at March 31, 2018, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows, the Consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as “the consolidated Ind AS financial statements”).

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as “the Act”) that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group including its associates in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Indian Accounting Standards) Rules, 2015, as amended, and the accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and of its associates and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments 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 consolidated Ind AS 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 consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated Ind AS financial statements that give a true and fair view 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 the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated financial position of the Group and its associates as at March 31, 2018, and its consolidated financial performance including other comprehensive income, their

consolidated cash flows and consolidated statement of changes in equity for the year ended on that date.

Other Matters

- a. We did not audit the Ind AS financial information of 9 subsidiaries and 1 associate as considered in the consolidated Ind AS financial statements. The consolidated Ind AS financial statements include total assets of Rs. 887,631.56 Lakhs as at March 31, 2018, total revenues of Rs. 110,788.36 Lakhs and net cash inflows amounting to Rs. 5,917.44 Lakhs for the year ended on that date, in respect of the subsidiaries. The Consolidated Ind AS financial statements also include the Group's share of net loss of Rs. 59.55 Lakhs for the year ended March 31, 2018 in respect of the associate. These Ind AS financial information have been audited by the other auditors whose reports have been furnished to us by the management, and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associates, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and associate, is based solely on the report of other auditors.

- b. We did not audit the Ind AS financial information of 1 subsidiary and 1 associate as considered in the consolidated Ind AS financial statements. The consolidated Ind AS financial statements include total assets of Rs. 112.09 Lakhs as at March 31, 2018, total revenues of Rs. Nil and net cash outflows amounting to Rs. 4.47 Lakhs for the year ended on that date, in respect of the subsidiary. The Consolidated Ind AS financial statements also include the Group's share of net loss of Rs. Nil for the year ended March 31, 2018 in respect of the associate. These Ind AS financial information are unaudited and have been furnished to us by the Management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary and associate, and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiary and associate, is based solely on such unaudited Ind AS financial information. In our opinion and according to the information and explanations given to us by the Management, these Ind AS financial information are not material to the Group.

Our opinion on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, 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 Ind AS financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and other financial information of subsidiaries and associates, as noted in the 'Other Matter' paragraph above, we report, to the extent applicable that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements.
 - (b) In our opinion proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.
 - (d) In our opinion the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Indian Accounting Standards) Rules, 2015, as amended.
 - (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2018 taken on record by the respective Board of Directors of the Holding Company, its subsidiaries and an associate, incorporated in India, none of the directors of the Group companies and its associate, incorporated in India, is disqualified as on March 31, 2018 from being appointed as a director of that Company in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and its associates incorporated in India and the operating effectiveness of such controls, refer to our separate report in 'Annexure A'
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of

our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries and associates, as noted in the 'Other matter' paragraph:

- i. The consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its associates - Refer Note 44 and 45 to the consolidated Ind AS financial statements.
- ii. The Group and its associates did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended March 31, 2018.
- iii. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Holding Company, its subsidiaries and associates, incorporated in India, during the year ended March 31, 2018.

For MSKA & Associates

(Formerly known as 'MZSK & Associates')

Chartered Accountants

ICAI Firm Registration No. 105047W

Abuali Darukhanawala

Partner

Membership No.: 108053

Place : Mumbai

Date : June 19, 2018

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF LODHA DEVELOPERS LIMITED (FORMERLY KNOWN AS LODHA DEVELOPERS PRIVATE LIMITED)

[Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report]

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of the Lodha Developers Limited (Formerly known as Lodha Developers Private Limited) (hereinafter referred to as "the Holding Company") its subsidiaries and its associates as of and for the year ended March 31, 2018, we have audited the internal financial controls over financial reporting of the Holding Company, its subsidiaries and its associates, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Holding company, its subsidiaries and its associate, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal

financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Holding company, its subsidiaries and its associate, which are companies incorporated in India.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal

financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, and to the best of our information and according to the explanations given to us, the Holding Company, its subsidiaries and its associates, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For MSKA & Associates (Formerly known as MZSK & Associates)

Chartered Accountants

ICAI Firm Registration No. 105047W

Abuali Darukhanawala

Membership No.: 108053

Place : Mumbai

Date : June 19, 2018sw

LODHA DEVELOPERS LIMITED
CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2018

	Notes	As at 31-March-18 ₹ in Lakhs	As at 31-March-17 ₹ in Lakhs
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	2	124,745.08	112,146.85
Capital Work-in-Progress	2	591.56	10,943.05
Investment Property	3	19,903.49	20,922.41
Goodwill	4	74,814.76	97,854.50
Other Intangible Assets	4	236.62	358.50
Investments accounted for using the Equity Method	5	1,396.09	1,396.11
Financial Assets			
Investments	6	34,581.12	50,837.77
Loans	7	51,026.36	32,403.56
Other Financial Assets	8	9,497.59	10,513.49
Deferred Tax Assets	40	4,497.19	5,039.20
Other Non-Current Assets	9	5,402.98	4,342.69
Total Non-Current Assets		326,692.84	346,758.13
Current Assets			
Inventories	10	3,143,435.04	2,824,853.36
Financial Assets			
Investments	11	124,857.80	65,245.76
Loans	12	56,321.77	44,588.03
Trade Receivables	13	75,865.74	48,140.34
Cash and Cash Equivalents	14	25,520.09	18,582.20
Bank Balances other than Cash and Cash Equivalents	15	11,617.04	10,359.81
Other Financial Assets	16	189,694.41	204,345.59
Current Tax Assets	17	19,707.36	16,428.44
Other Current Assets	18	138,111.20	212,730.89
Total Current Assets		3,785,130.45	3,445,274.42
Total Assets		4,111,823.29	3,792,032.55
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	19	39,587.80	11,310.80
Other Equity			
Optionally Convertible Preference Shares	20	-	-
Share Premium	21	21,279.47	49,556.47
Retained Earnings	22	278,640.52	274,494.73
Other Reserves	23	175,956.44	100,743.13
Equity attributable to Owners of the Company		515,464.23	436,105.13
Non-Controlling Interests		4,272.58	11,992.95
Total Equity		519,736.81	448,098.08
Non-Current Liabilities			
Financial Liabilities			
Borrowings	24	229,351.35	146,702.44
Trade Payables	25		
Due to Micro and Small Enterprises		1,488.03	-
Due to Others		21,756.69	3,475.63
Other Financial Liabilities	26	729.84	12,605.95
Provisions	27	2,476.60	2,265.69
Deferred Tax Liabilities	40	57,039.68	68,883.57
Total Non-Current Liabilities		312,842.19	233,933.28
Current Liabilities			
Financial Liabilities			
Borrowings	28	2,107,949.19	1,780,767.73
Trade Payables	29		
Due to Micro and Small Enterprises		6,724.18	5,622.58
Due to Others		185,710.00	232,436.30
Other Financial Liabilities	30	249,383.27	322,027.75
Provisions	31	923.12	916.21
Current Tax Liabilities	32	8,842.62	12,896.09
Other Current Liabilities	33	719,711.91	755,334.53
Total Current Liabilities		3,279,244.29	3,110,001.19
Total Liabilities		3,592,086.48	3,343,934.47
Total Equity and Liabilities		4,111,823.29	3,792,032.55

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

For and on behalf of the Board of Directors of Lodha Developers Limited

Mukund Chitale
(Chairman)
DIN: 00101004

Abhishek Lodha
(Managing Director and CEO)
DIN: 00266089

Abuali Darukhanawala
(Partner)
Membership No. 108053

Jayant Mehrotra
(Chief Financial Officer)

Sanjyot Rangnekar
(Company Secretary)

Place : Mumbai
Date : 19-June-18

LODHA DEVELOPERS LIMITED
CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2018

Particulars	Notes	For the Year ended 31-March-18 ₹ in Lakhs	For the Year ended 31-March-17 ₹ in Lakhs
I INCOME			
Revenue from Operations	34	967,727.02	775,444.66
Other Income	35	10,967.57	6,656.26
Total Income		978,694.59	782,100.92
II EXPENSES			
Cost of Projects	36	662,945.27	516,420.50
Employee Benefits Expense	37	49,300.39	45,710.12
Finance Costs (Net)	38	20,180.12	19,957.30
Depreciation, Amortisation and Impairment Expense	2, 3 & 4	39,505.30	46,008.04
Other Expenses	39	88,420.84	55,128.72
Total Expenses		860,351.92	683,224.68
III Profit Before Exceptional Item and Tax (I-II)		118,342.67	98,876.24
Exceptional Items	49	-	24.07
Share of Loss of Associates	5	(59.55)	(162.59)
IV Profit Before Tax		118,283.12	98,737.72
V Tax Expense:	40		
Current Tax		(49,939.21)	(47,692.81)
Deferred Tax		11,148.86	6,831.36
Total Tax Expense		(38,790.35)	(40,861.45)
VI Profit for the Year		79,492.77	57,876.27
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		414.21	(51.51)
Income Tax effect		(143.30)	17.83
		270.91	(33.68)
(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		(2,336.31)	3,522.64
Total Other Comprehensive Income/(Loss) (net of tax) (A+B)		(2,065.40)	46,528.31
VIII Total Comprehensive Income for the Year (VI+VII)		77,427.37	104,404.58
Profit for the Year attributable to:		79,492.77	57,876.27
(i) Owners of the Company		78,421.98	55,169.87
(ii) Non Controlling Interest		1,070.79	2,706.40
		79,492.77	57,876.27
Other Comprehensive Income for the Year attributable to:		(2,065.40)	46,528.31
(i) Owners of the Company		(1,807.46)	46,264.10
(ii) Non Controlling Interest		(257.94)	264.21
		(2,065.40)	46,528.31
Total Comprehensive Income for the Year attributable to:		77,427.37	104,404.58
(i) Owners of the Company		76,614.52	101,433.97
(ii) Non Controlling Interest		812.85	2,970.61
		77,427.37	104,404.58
Earnings per Equity Share (in ₹):	68		
(Face value of ₹ 10 per Equity Share)			
Basic		20.08	15.12
Diluted		20.08	15.12

As per our attached report of even date

For MSKA & Associates
(Formerly known as 'MZSK & Associates')
Chartered Accountants
Firm Registration Number: 105047W

For and on behalf of the Board of Directors of Lodha
Developers Limited

Mukund Chitale
(Chairman)
DIN: 00101004

Abhishek Lodha
(Managing Director and CEO)
DIN: 00266089

Abuali Darukhanawala
(Partner)
Membership No. 108053

Jayant Mehrotra
(Chief Financial Officer)

Sanjyot Rangnekar
(Company Secretary)

Place : Mumbai
Date : 19-June-18

LODHA DEVELOPERS LIMITED
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2018

(A) EQUITY SHARE CAPITAL

Particulars	₹ in Lakhs	
	As at 31-March-18	As at 31-March-17
Balance at the beginning of the reporting year	11,310.80	10,810.80
Issue of Equity Shares during the year	-	500.00
Issue of Bonus Equity Shares during the year	28,277.00	-
Balance at the end of the reporting year	39,587.80	11,310.80

(B) OTHER EQUITY

Particulars	Optionally Convertible Preference Shares	Reserves and Surplus						Other Reserves through OCI		Total Equity attributable to Shareholders of the Group	Non Controlling Interest	Total
		Capital Redemption Reserve	Capital Reserve on Merger	Share Premium	Debenture Redemption Reserve	Statutory Reserve	Retained Earnings	Revaluation Reserve	Foreign Currency Translation Reserve			
As at 1-April-17	-	32.00	(9.85)	49,556.47	53,537.02	9.82	274,494.73	43,039.35	4,134.79	424,794.33	11,992.95	436,787.28
Profit for the year	-	-	-	-	-	-	78,421.98	-	-	78,421.98	1,070.79	79,492.77
Other comprehensive income/(loss)	-	-	-	-	-	-	270.91	-	(2,078.37)	(1,807.46)	(257.94)	(2,065.40)
Total Comprehensive Income for the year	-	-	-	-	-	-	78,692.89	-	(2,078.37)	76,614.52	812.85	77,427.37
Utilised for Issue of Bonus Shares	-	-	-	(28,277.00)	-	-	-	-	-	(28,277.00)	-	(28,277.00)
Transfer (from) / to	-	9.85	-	-	77,269.82	12.01	(77,291.68)	-	-	-	-	-
Profit / (Loss) on acquisition / disposal of subsidiary	-	-	-	-	-	-	2,744.58	-	-	2,744.58	(8,533.22)	(5,788.64)
As at 31-March-18	-	41.85	(9.85)	21,279.47	130,806.84	21.83	278,640.52	43,039.35	2,056.42	475,876.43	4,272.58	480,149.01

Particulars	Optionally Convertible Preference Shares	Reserves and Surplus						Other Reserves through OCI		Total Equity attributable to Shareholders of the Group	Non Controlling Interest	Total
		Capital Redemption Reserve	Capital Reserve on Merger	Share Premium	Debenture Redemption Reserve	Statutory Reserve	Retained Earnings	Revaluation Reserve	Foreign Currency Translation Reserve			
As at 1-April-16	50,000.00	8.00	-	56.47	20,250.00	9.82	314,125.41	-	343.46	384,793.16	16,578.49	401,371.65
Effect of acquisition	-	-	(9.85)	-	-	-	(10,433.67)	-	532.90	(9,910.62)	(1,592.77)	(11,503.39)
As at 1-April-16 (as restated)	50,000.00	8.00	(9.85)	56.47	20,250.00	9.82	303,691.74	-	876.36	374,882.54	14,985.72	389,868.26
Profit for the year	-	-	-	-	-	-	55,169.87	-	-	55,169.87	2,706.40	57,876.27
Other comprehensive income/(loss)	-	-	-	-	-	-	(33.68)	43,039.35	3,258.43	46,264.10	264.21	46,528.31
Total Comprehensive Income for the year	-	-	-	-	-	-	55,136.19	43,039.35	3,258.43	101,433.97	2,970.61	104,404.58
Issue of Equity Shares at Premium	-	-	-	49,500.00	-	-	-	-	-	49,500.00	-	49,500.00
Transfer (from) / to	-	24.00	-	-	33,287.02	-	(33,311.02)	-	-	-	-	-
Non Controlling Interest	-	-	-	-	-	-	-	-	-	-	(5,963.38)	(5,963.38)
Dividend Distribution Tax	-	-	-	-	-	-	(114.67)	-	-	(114.67)	-	(114.67)
Adjustment on acquisition of Compulsory Convertible Debentures	-	-	-	-	-	-	(50,531.94)	-	-	(50,531.94)	-	(50,531.94)
Loss on acquisition of subsidiary	-	-	-	-	-	-	(375.57)	-	-	(375.57)	-	(375.57)
Redemption of Optionally Convertible Preference Shares	(50,000.00)	-	-	-	-	-	-	-	-	(50,000.00)	-	(50,000.00)
As at 31-March-17	-	32.00	(9.85)	49,556.47	53,537.02	9.82	274,494.73	43,039.35	4,134.79	424,794.33	11,992.95	436,787.28

Significant Accounting Policies

See accompanying notes to the Consolidated Financial Statements

As per our attached report of even date

For MSKA & Associates
(Formerly known as 'MZSK & Associates')
Chartered Accountants
Firm Registration Number: 105047W

Abuali Darukhanawala
(Partner)
Membership No. 108053

Place : Mumbai
Date : 19-June-18

For and on behalf of the Board of Directors of Lodha Developers Limited

Mukund Chitale
(Chairman)
DIN: 00101004

Abhishek Lodha
(Managing Director and CEO)
DIN: 00266089

Jayant Mehrotra
(Chief Financial Officer)

Sanjyot Rangnekar
(Company Secretary)

LODHA DEVELOPERS LIMITED
CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018

	For the Year ended 31-March-18 ₹ in Lakhs	For the Year ended 31-March-17 ₹ in Lakhs
(A) Operating Activities		
Profit before tax	118,283.12	98,737.72
Adjustments for :		
Depreciation, Amortisation and Impairment Expense	39,505.30	46,008.04
Loss on Sale of Property, Plant and Equipment	6.26	11.39
Net Unrealised Foreign Exchange Differences	3,582.66	3,291.15
Interest Income	(27,087.96)	(9,042.71)
Finance Costs	316,043.38	244,501.18
Share of Loss in Associates	59.55	162.59
Sundry Balances / Excess Provisions written back (net)	(1,780.48)	(1,966.33)
Provision for Doubtful Receivables and Advances / Deposits	1,099.88	240.76
Gains arising from fair valuation of financial instruments	(115.28)	(17.53)
Dividend on Current Investments	(336.14)	(67.12)
Working Capital Adjustments:		
(Increase) / Decrease in Trade and Other Receivables	38,831.68	(76,271.84)
Increase in Inventories	(189,324.48)	(285,723.16)
Increase / (Decrease) in Trade and Other payables	(145,118.13)	94,220.81
Cash Generated from Operating Activities	153,649.36	114,084.95
Income Tax Paid	(56,467.27)	(44,497.80)
Net Cash Flows from Operating Activities	97,182.09	69,587.15
(B) Investing Activities		
Sale of Property, Plant and Equipment	9.00	93.23
Purchase of Property, Plant and Equipment	(4,167.15)	(6,568.85)
Net Investment in Bank Deposits	(1,257.23)	1,758.85
Purchase of Non-Current Investments	(44,529.29)	(9,051.69)
Purchase of Current Investments (net)	(2,863.47)	(63,575.91)
Sale of Non-Current Investments	-	16,192.82
Interest received	9,785.06	9,554.81
Loans Given	(38,578.88)	(33,906.47)
Dividend on Current Investments Received	336.14	67.12
Net Cash Flows used in Investing Activities	(81,265.82)	(85,436.09)
(C) Financing Activities		
Finance Costs Paid	(324,696.30)	(266,651.08)
Proceeds from Borrowings	1,297,240.58	618,554.44
Repayment of Borrowings	(981,988.69)	(350,464.31)
Net Cash Flows (used in) / from Financing Activities	(9,444.41)	1,439.05
(D) Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C) :	6,471.86	(14,409.89)
Cash and Cash Equivalents at the beginning of the year	18,582.20	19,941.72
Exchange difference on translation of foreign currency cash and cash equivalent	(1,265.29)	(1,267.78)
Cash and Cash Equivalents acquired on account of Acquisition	1,731.32	14,318.15
Cash and Cash Equivalents at year end (Note 14)	25,520.09	18,582.20

Significant Accounting Policies 1
See accompanying notes to the Consolidated Financial Statements 1 - 70

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

For and on behalf of the Board of Directors of Lodha Developers
Limited

Mukund Chitale
(Chairman)
DIN: 00101004

Abhishek Lodha
(Managing Director and CEO)
DIN: 00266089

Abuali Darukhanawala
(Partner)
Membership No. 108053

Jayant Mehrotra
(Chief Financial Officer)

Sanjyot Rangnekar
(Company Secretary)

Place : Mumbai
Date : 19-June-18

1 SIGNIFICANT ACCOUNTING POLICIES

A Group's Background

The Consolidated financial statements comprise financial statements of Lodha Developers Limited (the Company), its subsidiaries and associates (collectively, the Group) for the year ended 31st March, 2018.

The Company has been converted into a public limited company from a private limited company and a fresh certificate of incorporation was issued by the Registrar of Companies, Mumbai on 14-March-2018. Consequent to conversion, the name of the Company has been changed from 'Lodha Developers Private Limited' to 'Lodha Developers Limited'.

The Company is a public limited company domiciled and incorporated in India under the Companies Act, 1956 vide CIN - U45200MH1995PLC093041. The Company's registered office is located at 412 , Floor - 4, 17 G Vardhaman Chamber, Cawasji Patel Road, Horniman Circle, Fort, Mumbai - 400001. The Group is primarily engaged in the business of real estate development.

On 26 April 2018, the Company has filed draft red herring prospectus with Security Exchange Board of India for initial public offer of its equity shares.

B Significant Accounting Policies

I Basis of Preparation

The Consolidated financial statements of the Group have been 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.

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 year, as stated in the accounting policies set out below. The accounting policies have been applied consistently over all the years 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 Company and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealized gains or losses 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 has 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 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
- 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.

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 respectively.

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 real estate 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 (OCI) and credited to the Revaluation reserve 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 the Consolidated Ind AS 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)	Site/Sales Offices and Sample Flats	8
ii)	Freehold Building	60
iii)	Plant and Equipment	8 to 15
iv)	Office Equipment	5
v)	Computers	
	(a) Servers and networks	6
	(b) End user devices, such as, desktops, laptops, etc.	3
vi)	Furniture and Fixtures	10
vii)	Vehicles	
	(a) Motor cycles, scooters and other mopeds	10
	(b) Motor buses, motor lorries, motor cars and motor taxis	8

LODHA DEVELOPERS LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2018

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 investment properties over the useful life of 60 years 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. Currently the company has not identified any Intangible assets other than Goodwill to have indefinite life.

Intangible assets with finite lives are amortised over the useful economic life. The useful economic life 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 economic life of the assets as determined by the management, 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 and Traded Goods is valued at lower of cost and net realizable value. Cost is generally ascertained on weighted average basis.
- ii) Work-in-progress represents cost incurred in respect of unsold area of the real estate development projects 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, Transferrable Development 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 if any, 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, 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 at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes in fair value recognized in the Statement of Profit and Loss.

Equity investments

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

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.

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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 FVTPL, loans and borrowings, or payables, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of financial liability not recorded at fair value through Profit or Loss, 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 Ind AS 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 and Building Materials 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 the group 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.

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 Ind AS 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

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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 or business under common control are accounted for using the pooling of interest method.

Under pooling of interest method, the assets and liabilities of the combining entities or businesses are reflected at their carrying amounts after making adjustments necessary to harmonise the accounting policies. The financial information in the consolidated financial statements in respect of prior periods is restated as if the business combination had occurred from the beginning of the preceding period in the consolidated financial statements, irrespective of the actual date of the combination. The identity of the reserves is preserved in the same form in which they appeared in the standalone financial statements of the transferor and the difference, if any, between the amount recorded as share capital issued plus any additional consideration in the form of cash or other assets and amount of share capital of the transferor is transferred to capital reserves.

18 Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the year (after deducting preference dividends and attributable taxes) attributable equity share holders to by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue and consolidation of equity shares. For the purpose of calculating diluted earnings per share, the net profit or loss for the year and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year (after deducting preference dividends and attributable taxes) attributable equity share holders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

19 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.

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2 Property, Plant and Equipment

₹ in Lakhs

	Freehold Land	Site / Sales Office and Sample Flat	Freehold Buildings	Leasehold Improvements	Plant and Equipments	Office Equipments	Computers	Furniture and Fixtures	Vehicles	Total	Capital Work in Progress
(A) Gross Carrying Amount											
Cost as at 1-April-16	-	14,384.26	37,235.09	878.71	13,321.41	2,255.13	3,452.12	3,512.09	981.75	76,020.56	17,567.06
Additions	6,942.63	953.21	-	-	2,486.87	590.87	85.95	154.23	88.78	11,302.54	13,223.97
Revaluation	55,947.57	-	-	-	-	-	-	-	-	55,947.57	-
Additions on account of Acquisition	-	-	-	-	0.75	1.79	0.55	1.43	-	4.52	-
Disposals / Adjustments	-	-	-	-	(69.72)	-	-	-	(161.27)	(230.99)	(19,847.98)
As at 31-March-17	62,890.20	15,337.47	37,235.09	878.71	15,739.31	2,847.79	3,538.62	3,667.75	909.26	143,044.20	10,943.05
Additions	4,698.87	70.11	3,146.65	-	5,548.73	203.35	406.26	151.28	27.11	14,252.36	497.30
Additions on account of Acquisition	-	-	-	-	7,869.25	2.29	41.88	1.43	8.99	7,923.84	-
Disposals / Adjustments	-	-	-	-	(68.52)	(1.55)	(674.46)	(0.34)	(50.68)	(795.55)	(10,848.79)
As at 31-March-18	67,589.07	15,407.58	40,381.74	878.71	29,088.77	3,051.88	3,312.30	3,820.12	894.68	164,424.85	591.56
(B) Depreciation and Impairment											
As at 1-April-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	3,549.23	572.90	429.43	521.68	174.05	9,989.39	-
Additions on account of Acquisition	-	-	-	-	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	6,827.32	2,042.54	3,214.60	2,213.91	505.88	30,897.35	-
Depreciation charge for the year	-	1,543.82	916.21	1.41	3,304.28	409.16	347.00	404.81	103.94	7,030.63	-
Additions on account of Acquisition	-	-	-	-	2,481.72	1.90	21.43	1.20	8.82	2,515.07	-
Disposals / Adjustments	-	-	-	-	(58.58)	(0.83)	(674.86)	(0.26)	(28.75)	(763.28)	-
As at 31-March-18	-	12,264.53	5,419.61	870.40	12,554.74	2,452.77	2,908.17	2,619.66	589.89	39,679.77	-
(C) Net Carrying Amount (A-B)											
As at 31-March-18	67,589.07	3,143.05	34,962.13	8.31	16,534.03	599.11	404.13	1,200.46	304.79	124,745.08	591.56
As at 31-March-17	62,890.20	4,616.76	32,731.69	9.72	8,911.99	805.25	324.02	1,453.84	403.38	112,146.85	10,943.05

Note:

1 During the Financial year 2016-17, the Group identified certain parcel of land which was used for its own purpose. Accordingly, the said land which was lying in inventory in earlier years had been transferred to Property, plant and equipment. The Group had carried this land at revalued amount and surplus arising from the revaluation is recognised under the head 'Revaluation Surplus' through OCI. The carrying amount of the Land that would have been recognised had the asset being carried under the cost model is ₹ 6,942.63 Lakhs.

2 Carrying amount of Buildings hypothecated with Banks against loans.

3 Carrying amount of Vehicles hypothecated with Banks against vehicle loans.

As at 31-March-18	As at 31-March-17
31,747.41	32,731.69
61.77	196.03

3 Investment Property

₹ in Lakhs

	Freehold Building
(A) Gross Carrying Amount	
Cost as at 1-April-16	1,714.65
Additions	20,154.07
As at 31-March-17	21,868.72
Additions	-
As at 31-March-18	21,868.72
(B) Depreciation and Impairment	
As at 1-April-16	153.51
Depreciation charge for the year	792.80
As at 31-March-17	946.31
Depreciation charge for the year	1,018.92
As at 31-March-18	1,965.23
(C) Net Carrying Amount (A-B)	
As at 31-March-18	19,903.49
As at 31-March-17	20,922.41

(i) Income and expenditure of Investment Properties

₹ in Lakhs

Particulars	31-March-18	31-March-17
Rental and Facilities Income	2,445.26	1,127.97
Less : Direct Operating expenses for property that generate Rental Income	(1,318.22)	(787.00)
Profit from Investment properties before Depreciation	1,127.04	340.97
Depreciation	1,018.92	792.80
Profit / (Loss) from Investment Properties	108.12	(451.83)

(ii) Fair value measurement

The fair value of the properties are ₹ 30,444.08 Lakhs as at 31-March-18 and ₹ 30,887.82 Lakhs as at 31-March-17 . 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.

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4 Intangible Assets

	₹ in Lakhs	
	Goodwill	Other Intangible Assets (Software)
(A) Gross Carrying Amount		
Cost as at 1-April-16	174,130.13	1,882.43
Additions	83.83	-
As at 31-March-17	174,213.96	1,882.43
Additions	8,162.79	111.65
Additions on account of Acquisition of Subsidiaries	-	46.86
As at 31-March-18	182,376.75	2,040.94
(B) Amortisation and Impairment		
As at 1-April-16	41,337.84	1,319.70
Amortisation charge for the year	31,725.70	204.23
Impairment	3,295.92	-
As at 31-March-17	76,359.46	1,523.93
Amortisation charge for the year	31,202.53	253.22
Additions on account of Acquisition of Subsidiaries	-	27.17
As at 31-March-18	107,561.99	1,804.32
(C) Net Book Value (A-B)		
As at 31-March-18	74,814.76	236.62
As at 31-March-17	97,854.50	358.50

Note:

Goodwill arising out of merger is amortised based on the accounting treatment as prescribed by the respective entities merger scheme, which has been approved by the Honorable High Court of Bombay.

5 Investments accounted for using the Equity Method

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

- i) Kora Construction Pvt. Ltd.
- ii) Lodha Developers International (Jersey) I Holdings Ltd.

Total Equity Accounted Investments

Summarised financial information of associates:

Current Assets
Non-Current Assets
Current Liabilities
Non-Current Liabilities

Equity

Revenue

Expenses

Loss before Tax

Tax Expense

Loss for the Year

Group's share of Loss for the Year

	As at 31-March-18 ₹ in Lakhs	As at 31-March-17 ₹ in Lakhs
	1,396.09	1,396.11
	-	-
	1,396.09	1,396.11
	1.39	0.96
	77,380.92	66,672.06
	(55.34)	(57.51)
	(77,933.84)	(66,988.83)
	(606.87)	(373.32)
	For the Year ended 31-March-18 ₹ in Lakhs	For the Year ended 31-March-17 ₹ in Lakhs
	9,355.14	7,156.69
	9,501.73	7,556.94
	(146.59)	(400.25)
	(146.59)	(400.25)
	(59.55)	(162.59)
	As at 31-March-18 ₹ in Lakhs	As at 31-March-17 ₹ in Lakhs

6 Non-Current Investments

Face Value in ₹
(unless otherwise stated)

(A) Unquoted Equity Shares, Fully paid up, at Cost

Fellow Subsidiary

PCL Developers (Mauritius) Limited (₹ 194)

Numbers

Amount

1 GBP

2

0.00

2

0.00

Others

Bellissimo Healthy Constructions and Developers Pvt. Ltd.

Numbers

Amount

10

345,454

455.09

345,454

455.09

Hall and Anderson Ltd.

Numbers

Amount

10

456,801

4.57

456,801

4.57

Less: Provision for Diminution in the Value of Investments

(4.57)

(4.57)

Total (A)

455.09

455.09

(B) Unquoted Preference Shares, Fully paid up, at cost

Susima Infotech Pvt. Ltd.

Numbers

Amount

1,000

100,000

1,000.00

100,000

1,000.00

Less: Provision for Diminution in the Value of Investments

(1,000.00)

(1,000.00)

Total (B)

-

-

(C) Unquoted Optionally Convertible Debentures, Fully paid up at Fair Value

Holding Company

Sambhavnath Infrabuild and Farms Pvt. Ltd.

Numbers

Amount

100

-

-

2,693,000

2,693.00

Others

Bellissimo Healthy Constructions and Developers Pvt. Ltd.

Numbers

Amount

10

73,000,000

7,300.00

73,000,000

7,300.00

LODHA DEVELOPERS LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2018

		As at 31-March-18 ₹ in Lakhs	As at 31-March-17 ₹ in Lakhs
Lodha Builders Pvt. Ltd.			
Numbers		4,510,000	4,510,000
Amount	100	4,208.00	4,510.00
Bellissimo Realtors Pvt. Ltd.			
Numbers		-	4,020,000
Amount	100	-	4,020.00
Maruti Finvest and Services Pvt. Ltd.			
Numbers		1,000,000	1,000,000
Amount	100	1,000.00	1,000.00
Less: Provision for Diminution in the Value of Investments		(1,000.00)	(1,000.00)
Total (C)		11,508.00	18,523.00
(D) Unquoted Bonds, Fully paid up, at Amortised Cost Associates			
Lodha Developers International (Jersey) I Holdings Ltd.			
Numbers		22,000,000	22,000,000
Amount	1 GBP	22,423.29	22,423.29
Total (D)		22,423.29	22,423.29
(E) Unquoted Compulsory Convertible Debentures, Fully paid up			
Suvidhinath Buildtech Pvt. Ltd.			
Numbers		-	2,228
Amount	100	-	9,241.65
Total (E)		-	9,241.65
Total Unquoted Investments (A+B+C+D+E)		34,386.38	50,643.03
(F) Others*			
Bellissimo Healthy Constructions and Developers Pvt. Ltd.		194.74	194.74
Total (F)		194.74	194.74
* Represents Financial Guarantees given by Group accounted as Investments.			
Total Investments		34,581.12	50,837.77
Aggregate value of unquoted investments		34,386.38	50,643.03
Aggregate amount of impairment in value of investments		2,004.57	2,004.57
7 Non-Current Loans			
Unsecured considered good unless otherwise stated			
Related Parties			
Associates		46,480.40	31,235.46
Employees		-	21.29
Other Loans		4,545.96	1,146.81
Total		51,026.36	32,403.56
8 Other Non-Current Financial Assets			
Unsecured considered good unless otherwise stated			
Deposits		712.70	572.83
Fixed Deposits with maturity of more than 12 months		205.97	2.84
Interest Receivables		8,578.92	9,937.82
Total		9,497.59	10,513.49
9 Other Non-Current Assets			
Unsecured, considered good unless otherwise stated			
Deposits		-	0.75
Indirect Tax receivables		1,907.51	199.37
Capital Advances		3,209.50	3,209.50
Lease Equalisation		-	15.16
Other Receivables		285.97	917.91
Total		5,402.98	4,342.69

LODHA DEVELOPERS LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2018

	As at 31-March-18 ₹ in Lakhs	As at 31-March-17 ₹ in Lakhs
10 Inventories		
Building Materials	15,670.11	18,037.68
Land and Property Development Work-in-Progress	2,947,544.38	2,768,808.15
Finished Stock	180,220.55	38,007.53
Total	3,143,435.04	2,824,853.36

The carrying amount of Inventories of ₹ 2,531,659.29 Lakhs (31-March-17 ₹ 2,144,266.15 Lakhs) are charged as securities against specific borrowings.

11 Current Investments	Face Value		
Quoted Investments at Fair Value through Profit & Loss	₹		
(A) In Mutual Funds			
SBI EOF Series I			
Numbers		-	150,000
Amount	10	-	21.30
Birla Sun Life			
Numbers		25,554,216	19,764,592
Amount	10	2,971.09	2,332.22
ICICI Prudential Flexible Income - Regular Plan - Daily Dividend			
Numbers		138	126
Amount	10	0.13	0.13
Reliance Liquid Fund			
Numbers		39,117	14,737
Amount	1,000	598.33	225.29
L & T Short-term Opportunities Fund- Growth			
Numbers		4,045,451	4,045,451
Amount	10	672.16	633.10
L & T Income Opportunies Fund - Dividend			
Numbers		17,294,238	-
Amount	10	1,883.90	-
		6,125.61	3,212.04
(B) In Equity Shares			
Dhenu Buildcon Infra Ltd.			
Numbers		302,088	302,088
Amount	1	8.43	8.46
		8.43	8.46
(C) In Debentures			
Others			
IFCI Ltd.			
Numbers		25,000	25,000
Amount	1,000	305.50	320.00
		305.50	320.00
Unquoted Optionally Convertible Debentures, Fully paid up Holding Company			
Sambhavnath Infrabuild and Farms Pvt. Ltd. (Refer Note 61)			
Numbers		118,418,260	61,705,260
Amount	100	118,418.26	61,705.26
		118,418.26	61,705.26
Total Current Investments		124,857.80	65,245.76
Aggregate cost of quoted investments		6,178.73	3,165.23
Aggregate value of unquoted investments		118,418.26	61,705.26
Aggregate market value of quoted investments		6,439.54	3,540.50

LODHA DEVELOPERS LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2018

	As at 31-March-18 ₹ in Lakhs	As at 31-March-17 ₹ in Lakhs
12 Current Loans		
Unsecured considered good unless otherwise stated		
Related Parties (includes due from Directors ₹ Nil (31-March-17 ₹ 7,904.51 Lakhs))	5,400.09	13,765.56
Employees	-	111.72
Other Loans	50,921.68	30,710.75
Considered Doubtful		
Others	3,450.22	2,867.39
	59,771.99	47,455.42
Less: Provision for expected credit losses	(3,450.22)	(2,867.39)
Total	56,321.77	44,588.03
13 Trade Receivables		
Unsecured		
Considered good	75,865.74	48,140.34
Considered doubtful	1,682.11	1,701.32
	77,547.85	49,841.66
Less: Provision for Doubtful Receivables	(1,682.11)	(1,701.32)
Total	75,865.74	48,140.34
(i) Trade receivables includes due from Directors.	-	235.24
(ii) Trade Receivables charged as securities against specific borrowings.	74,210.12	27,105.31
(iii) For trade receivables outstanding with other related parties, Refer to Note 54.		
14 Cash and Cash Equivalents		
Balances with Banks	25,451.79	18,076.23
Fixed Deposits with original maturity of less than 3 months	-	104.66
Cash on Hand	68.30	401.31
Total	25,520.09	18,582.20
15 Bank Balances other than Cash and Cash Equivalents		
Fixed Deposits held as Margin Money	11,216.50	9,808.67
Fixed Deposits with original maturity of more than 3 months but less than 12 months	400.54	551.14
Total	11,617.04	10,359.81
16 Other Current Financial Assets		
Deposits	33.67	25,738.07
Interest Receivables	6,241.44	17,651.23
Accrued Revenue	181,631.24	144,888.33
Other Financial Assets	1,788.06	16,067.96
Total	189,694.41	204,345.59
17 Current Tax Assets		
Advance Income Tax (Net of Provisions)	19,707.36	16,428.44
Total	19,707.36	16,428.44
18 Other Current Assets		
Unsecured, considered good unless otherwise stated		
Advances / Deposits to:		
Suppliers / Contractors	71,578.34	161,924.70
Employees	1,324.88	351.60
Related Parties	190.64	3,948.56
Deposits	-	247.07
Prepaid Expenses	20,361.16	13,903.53
Indirect Tax receivables	36,104.02	23,286.65
Contribution Receivable from Shareholder	-	1.80
Lease Equalisation	105.35	33.71
Other Receivables	8,446.81	9,033.27
Total	138,111.20	212,730.89

	As at 31-March-18 ₹ in Lakhs	As at 31-March-17 ₹ in Lakhs
19 Equity Share Capital		
(A) Authorised Share Capital		
Equity Shares of ₹ 10 each (Previous Year ₹ 5 each)		
Numbers		
Balance at the beginning of the year	300,720,440	300,640,440
Increase during the year	1,122,423,430	80,000
Adjustment for Consolidation of Shares	(402,092,620)	-
Balance at the end of the year	1,021,051,250	300,720,440
Amount		
Balance at the beginning of the year	15,036.02	15,032.02
Increase during the year	87,069.11	4.00
Balance at the end of the year	102,105.13	15,036.02
Preference Shares of ₹ 10 each (Previous Year ₹ 5 each)		
Numbers		
Balance at the beginning of the year	21,040,000	20,800,000
Increase during the year	421,250	240,000
Adjustment for Consolidation of Shares	(10,570,000)	-
Balance at the end of the year	10,891,250	21,040,000
Amount		
Balance at the beginning of the year	1,052.00	1,040.00
Increase during the year	37.13	12.00
Balance at the end of the year	1,089.13	1,052.00
(B) Issued Equity Capital		
Equity Shares of ₹ 10 each (Previous Year ₹ 5 each), issued, subscribed and fully paid up		
Numbers		
Balance at the beginning of the year	226,216,000	216,216,000
Adjustment for Consolidation of Shares	(113,108,000)	-
Issue of Bonus Shares	282,770,000	-
Increase during the year	-	10,000,000
Balance at the end of the year	395,878,000	226,216,000
Amount		
Balance at the beginning of the year	11,310.80	10,810.80
Issue of Bonus Shares	28,277.00	-
Increase during the year	-	500.00
Balance at the end of the year	39,587.80	11,310.80

(C) Terms/ rights attached to equity shares

The Company has only one class of equity shares having par value of ₹ 10 (Previous Year: ₹ 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.

(D) (i) During the year, the shareholders of the Company have approved consolidation of equity shares of the Company from two (2) equity share of face value ₹ 5 each fully paid up to one (1) equity shares of face value ₹ 10 each fully paid up.

(ii) Pursuant to the approval of the shareholders of the Company, the Company has allotted 282,770,000 fully paid up Equity Shares of face value of ₹ 10 each. Accordingly, Earnings Per Share of previous year has been recasted.

LODHA DEVELOPERS LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2018

	As at 31-March-18 ₹ in Lakhs	As at 31-March-17 ₹ in Lakhs
(E) Shares held by holding company and / or their subsidiaries / associates		
Equity Shares		
a) Sambhavnath Infrabuild and Farms Pvt. Ltd. (alongwith nominees)		
Numbers	267,297,320	143,371,520
Amount	26,729.73	7,168.57
b) Ganeshji Reality and Agro Pvt. Ltd.		
Numbers	-	2,800,000
Amount	-	140.00
c) Bellissimo Realtors Pvt. Ltd.		
Numbers	-	969,920
Amount	-	48.50
d) Lodha Leading Builders Pvt. Ltd.		
Numbers	-	5,600,000
Amount	-	280.00
e) Mangal Prabhat Lodha Family Discretionary Trust		
Numbers	128,580,480	73,474,560
Amount	12,858.05	3,673.73
Total		
Numbers	395,877,800	226,216,000
Amount	39,587.78	11,310.80
(F) Details of shareholders holding more than 5% shares in the Company		
Equity Shares		
Sambhavnath Infrabuild and Farms Pvt. Ltd. (alongwith Nominees)		
Numbers	267,297,320	143,371,520
% of Holding	67.52%	63.38%
Mangal Prabhat Lodha Family Discretionary Trust		
Numbers	128,580,480	73,474,560
% of Holding	32.48%	32.48%
(G) ESOP Scheme 2018		
Pursuant to the resolution passed by Board on February 16, 2018, the Company had instituted the ESOP Scheme 2018 for issue of options to eligible employees. As on 31-March-18, no options have been granted under the ESOP Scheme 2018.		
20 Optionally Convertible Preference Shares of ₹ 5 each, fully paid up		
Balance at the beginning of the year	-	50,000.00
Increase / (Decrease) during the year	-	(50,000.00)
Balance at the end of the year	-	-
21 Share Premium		
Balance at the beginning of the year	49,556.47	56.47
Increase / (Decrease) during the year	-	49,500.00
Utilised for Issue of Bonus Shares	(28,277.00)	-
Balance at the end of the year	21,279.47	49,556.47
22 Retained Earnings		
Balance at the beginning of the year	274,494.73	303,691.74
Increase / (Decrease) during the year	4,145.79	(29,197.01)
Balance at the end of the year	278,640.52	274,494.73
23 Other Reserves		
(i) Capital Redemption Reserve	41.85	32.00
(ii) Capital Reserve	(9.85)	(9.85)
(iii) Debenture Redemption Reserve	130,806.84	53,537.02
(iv) Foreign Currency Translation Reserve	2,056.42	4,134.79
(v) Revaluation Reserve	43,039.35	43,039.35
(vi) Statutory Reserve	21.83	9.82
Total	175,956.44	100,743.13

LODHA DEVELOPERS LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2018

	As at 31-March-18 ₹ in Lakhs	As at 31-March-17 ₹ in Lakhs
(i) Capital Redemption Reserve		
Balance at the beginning of the year	32.00	8.00
Increase / (Decrease) during the year	9.85	24.00
Balance at the end of the year	41.85	32.00
(ii) Capital Reserve		
Balance at the beginning of the year	(9.85)	(9.85)
Increase / (Decrease) during the year	-	-
Balance at the end of the year	(9.85)	(9.85)
(iii) Debenture Redemption Reserve		
Balance at the beginning of the year	53,537.02	20,250.00
Increase / (Decrease) during the year	77,269.82	33,287.02
Balance at the end of the year	130,806.84	53,537.02
(iv) Foreign Currency Translation Reserve		
Balance at the beginning of the year	4,134.79	876.36
Increase / (Decrease) during the year	(2,078.37)	3,258.43
Balance at the end of the year	2,056.42	4,134.79
(v) Revaluation Reserve		
Balance at the beginning of the year	43,039.35	-
Increase / (Decrease) during the year	-	43,039.35
Balance at the end of the year	43,039.35	43,039.35
(vi) Statutory Reserve		
Balance at the beginning of the year	9.82	9.82
Increase / (Decrease) during the year	12.01	-
Balance at the end of the year	21.83	9.82

The nature and purpose of other reserves:

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

24 Non-Current Borrowings *

Secured

Term Loans from Banks	15,440.52	16,838.25
Vehicle Loans	7.83	54.51

Unsecured

Senior Notes	213,903.00	127,031.39
Loans from Related Parties	-	2,778.29
Total	229,351.35	146,702.44

* For terms refer note disclosure below Current Borrowings.

25 Non-Current Trade Payables

Due to Micro and Small Enterprises *	1,488.03	-
Due to Others	21,756.69	3,475.63
Total	23,244.72	3,475.63

* The information has been determined to the extent such parties have been identified on the basis of information available with the Group.

Terms and conditions:

Trade payables are normally settled as per agreed terms.

26 Other Non-Current Financial Liabilities

Other Payables		
Deposits	729.84	625.74
Contribution received under a Financial arrangement	-	11,735.31
Financial Guarantee Contracts	-	244.90
Total	729.84	12,605.95

LODHA DEVELOPERS LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2018

	As at 31-March-18 ₹ in Lakhs	As at 31-March-17 ₹ in Lakhs
27 Non-Current Provisions		
Employee Benefits		
Gratuity	1,394.37	1,165.87
Leave Obligation	1,080.25	1,093.03
Others	1.98	6.79
Total	2,476.60	2,265.69
28 Current Borrowings		
Secured		
Term Loans		
From Banks	479,305.75	1,040,042.49
From Others	969,244.43	218,856.05
Non Convertible Debentures	525,083.63	413,509.02
Cash Credit / Overdraft Facility	38,742.50	21,584.83
Unsecured		
Redeemable Preference Shares	-	9.85
Loans from Related Parties	95,272.88	84,348.71
Loans from Others	300.00	2,416.78
Total	2,107,949.19	1,780,767.73

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

A Term Loan from Banks and Financial Institutions

- | | | |
|--|------------|------------|
| <p>1 Secured by :</p> <p>(i) Charge on certain land and building situated at Thane.
 (ii) Charge over project receivables.
 (iii) Personal Guarantee of the Director / Other</p> <p>Terms of Repayment :
 Repayment from June-2016 and ending on October-2026.</p> <p>Effective Rate of Interest :
 Rate of Interest range from 10.00% to 14.50% p.a.</p> | 357,411.56 | 392,811.57 |
| <p>2 Secured by :</p> <p>(i) Charge on certain land and building situated at Mumbai
 (ii) Charge over project receivables.</p> <p>Terms of Repayment :
 Repayment from June -2017 and ending on August-2025</p> <p>Effective Rate of Interest :
 Rate of Interest range from 11.15 % to 14.50 % p.a.</p> | 693,384.68 | 587,654.12 |
| <p>3 Secured by :</p> <p>Charge on land and building situated at London</p> <p>Terms of Repayment :
 Repayment starting from August -2019 ending on March-2021</p> <p>Effective Rate of Interest :
 Rate of Interest range from 7.50% to 8.50% p.a.</p> | 425,208.35 | 241,021.51 |
| <p>4 Secured by :</p> <p>(i) Charge on certain land and building situated at Pune
 (ii) Charge on Inventory and receivables.</p> <p>Terms of Repayment :
 The Loan has been repaid.</p> <p>Effective Rate of Interest :
 Rate of Interest 15.00 % p.a.</p> | - | 33,280.60 |
| <p>5 Secured by :</p> <p>Pledge of Debentures issued by the Group
 Personal guarantee of one of the director</p> <p>Terms of Repayment :
 The Loan has been repaid.</p> <p>Effective Rate of Interest :
 Rate of Interest 15.00% p.a.</p> | - | 27,000.00 |
| <p>6 Secured by :</p> <p>Secured against certain residential property situated at Mumbai</p> <p>Terms of Repayment :
 The Loan has been repaid.</p> <p>Effective Rate of Interest :
 Rate of Interest range from 13.50 % to 14.50 % p.a.</p> | - | 596.91 |

LODHA DEVELOPERS LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2018

	As at 31-March-18 ₹ in Lakhs	As at 31-March-17 ₹ in Lakhs
7 Secured by : Personal guarantee of one of the director Terms of Repayment : The Loan has been repaid. Rate of Interest : Rate of Interest 18.50 % p.a.	-	2,030.58
B Vehicle Loans Secured by : Hypothecation of Vehicles Terms of Repayment : Repayment from February- 2014 and ending on August -2018 Rate of Interest : Rate of Interest range from 10.76 % to 11.40 % p.a.	7.83	54.51
C Non Convertible Debentures Secured by : (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	522,074.37	408,866.00
D Cash Credit/ Overdraft Facility Secured by : 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.	38,742.50	21,584.83
E Senior Notes 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\$ 568,750,000; 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\$ 406,250,000; Terms of Repayment : Redemption upto March 13, 2020 Effective Rate of Interest : Rate of Interest 12 % p.a.	211,393.33	129,677.20
F Related Parties Repayable on demand Effective Rate of Interest : Rate of Interest range from 12 % to 14 % p.a.	95,272.88	87,127.00
G Others Repayable on demand Effective Rate of Interest : Rate of Interest range from 12.00 % to 13.50 % p.a.	300.00	2,416.78
* Above note represents outstanding borrowings before adjusting loan issue cost and premium on debentures.		
29 Current Trade Payables Due to Micro and Small Enterprises * Due to Others Total	6,724.18 185,710.00 192,434.18	5,622.58 232,436.30 238,058.88

* The information has been determined to the extent such parties have been identified on the basis of information available with the Group.

LODHA DEVELOPERS LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2018

	As at 31-March-18 ₹ in Lakhs	As at 31-March-17 ₹ in Lakhs
30 Other Current Financial Liabilities		
Current Maturities of Long Term Debt	1,567.46	2,030.10
Interest accrued but not due	15,292.30	23,945.22
Payable for Capital Assets	-	169.15
Other Payables		
Deposits	5,427.92	5,068.05
Employee Payables	13,262.64	11,875.43
Deferred Liability against Purchase of Land	174,081.48	237,927.50
Payable on Cancellation of Allotted Units	11,979.52	10,747.13
Temporary Book Overdraft	-	32.70
Other Liabilities	27,771.95	30,232.47
Total	249,383.27	322,027.75
31 Current Provisions		
Employee Benefits		
Gratuity	568.89	586.57
Leave Obligation	354.23	329.64
Total	923.12	916.21
32 Current Tax Liabilities		
Provision for Income Tax (Net of Advance Tax)	8,842.62	12,896.09
Total	8,842.62	12,896.09
33 Other Current Liabilities		
Advance received for procurement of land and materials	-	151.00
Advances received from Customers	545,448.16	581,911.47
Other Contractual Payments	1,371.85	1,371.85
Other Payables		
Duties and Taxes	17,904.04	18,720.74
Other Liabilities	154,987.86	153,179.47
Total	719,711.91	755,334.53

LODHA DEVELOPERS LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2018

	For the Year ended 31-March-18 ₹ in Lakhs	For the Year ended 31-March-17 ₹ in Lakhs
34 Revenue from Operations		
Income from Property Development	900,151.19	717,618.78
Sale of Land / Development Rights	3,530.43	5,009.59
Sale of Building Materials	22,278.97	34,994.11
Other Operating Revenue	41,766.43	17,822.18
Total	967,727.02	775,444.66
35 Other Income		
Rent Income	215.70	1,163.00
Gains arising from fair valuation of financial instruments	115.28	17.53
Dividend on Current Investments	336.14	67.12
Sundry Balances / Excess Provisions written back (net)	1,780.48	1,966.33
Foreign Exchange Gain (net)	7,074.27	1,602.64
Miscellaneous Income	1,445.70	1,839.64
Total	10,967.57	6,656.26
36 Cost of Projects		
Opening Stock		
Land and Property Development Work-in-Progress	2,768,808.15	2,607,706.13
Finished Stock	38,007.53	38,061.54
Add : Expenditure during the year		
Land, Construction and Development Cost	431,894.20	377,797.99
Consumption of Building Materials	112,151.17	122,688.19
Purchase of Building Materials	21,833.39	34,324.67
Other Construction Expenses	20,249.26	11,851.74
Overheads Allocated	298,087.37	227,864.40
Add / (Less) :		
Adjustment on account of Acquisition of Subsidiaries	10,002.49	5,159.19
Foreign Currency translation	90,307.46	(82,288.48)
Transfers and Others	(630.82)	(19,929.19)
Less: Closing Stock		
Land and Property Development Work-in-Progress	(2,947,544.38)	(2,768,808.15)
Finished Stock	(180,220.55)	(38,007.53)
Total	662,945.27	516,420.50
37 Employee Benefits Expense		
Salaries and Wages	77,576.41	66,884.12
Contribution to Provident and Other Funds	2,470.33	2,434.38
Staff Welfare	862.66	843.45
	80,909.40	70,161.95
Less: Allocated to Cost of Projects	(31,609.01)	(24,451.83)
Total	49,300.39	45,710.12
38 Finance Costs (Net)		
Interest Expense on Borrowings and Others	297,227.46	228,272.16
Other Borrowing Costs	18,815.92	16,229.02
	316,043.38	244,501.18
Less: Interest Income on / from:		
Loans / Advances / Deposits	(37,301.76)	(20,461.38)
Customers	(3,129.22)	(5,339.04)
Others	(102.39)	(859.08)
	275,510.01	217,841.68
Less: Allocated to Cost of Projects	(255,329.89)	(197,884.38)
Total	20,180.12	19,957.30

LODHA DEVELOPERS LIMITED
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	For the Year ended 31-March-18 ₹ in Lakhs	For the Year ended 31-March-17 ₹ in Lakhs
39 Other Expenses		
Rent	1,659.68	2,262.21
Rates and Taxes	5,757.42	3,661.22
Insurance	1,074.63	115.18
Electricity	1,220.72	409.35
Postage / Telephone / Internet	759.73	680.94
Printing and Stationery	1,050.17	490.72
Legal and Professional	11,310.56	8,658.90
Payment to Auditors as:		
Audit Fees	290.63	257.96
Taxation matters	45.70	37.60
Other services	63.25	36.06
Advertising / Consultancy / Exhibitions	13,133.37	13,722.46
Brokerage	11,799.93	7,400.29
Business / Sales Promotion	11,709.30	6,269.17
Stamp Duty and Registration Fees	11,170.54	1,321.73
Travelling and Conveyance	2,296.31	2,413.67
Bank Charges	908.45	1,334.52
Donations	6,941.20	2,611.88
Corporate Social Responsibility	393.22	186.70
Office Expenses	9,680.51	2,896.31
Loss on Sale of Investments (net)	275.63	-
Loss on Sale of Property, Plant & Equipment	6.26	11.39
Provision for Doubtful Receivables and Advances / Deposits	1,099.88	240.76
Miscellaneous Expenses	6,922.22	5,637.89
	99,569.31	60,656.91
Less: Allocated to Cost of Projects	(11,148.47)	(5,528.19)
Total	88,420.84	55,128.72

40 Tax Expense

a) The major components of Income Tax expense for the year ended 31-March-2018 and 31-March-2017 are as Follows:

Profit or loss section

(i) Income tax recognised in statement of profit and loss:

Current Income Tax (expense) / benefit :

Current Income Tax	(50,124.95)	(55,730.33)
MAT Credit eligible for set off	-	1,594.52
Adjustments in respect of current Income Tax of previous year	185.74	6,443.00
Total	(49,939.21)	(47,692.81)

Deferred Tax (expense) / benefit :

Origination and reversal of temporary differences	11,204.99	12,005.71
Adjustments in respect of previous year	(56.13)	(5,174.35)
Total	11,148.86	6,831.36

Income Tax (expense) / benefit reported in the Statement of Profit or Loss

(38,790.35)	(40,861.45)
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(ii) Income tax expenses recognised in OCI section

Deferred Tax expenses on revaluation of land	-	(12,908.22)
Deferred Tax (expense)/ benefit on remeasurements of defined benefit plans	(143.30)	17.83
Income Tax charged to OCI	(143.30)	(12,890.39)

LODHA DEVELOPERS LIMITED
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b) Reconciliation of Tax Expense and the Accounting Profit multiplied by applicable tax rate:

	For the Year ended 31-March-18 ₹ in Lakhs	For the Year ended 31-March-17 ₹ in Lakhs
Accounting Profit Before Tax	118,283.12	98,737.72
Income tax expenses calculated at corporate tax rate		
Tax effect of adjustment to reconcile expected income tax expense to reported income tax expense	(40,130.48)	(35,383.04)
Adjustments in respect of Current Income Tax of previous years	185.74	6,443.00
Profit / (Loss) from Partnership Firms	-	(1,294.12)
Deductible expenses for Tax purposes:		
Income which is exempt	-	255.76
Deduction under the Tax Laws	-	446.63
Other deductible expenses	5,686.22	677.24
Income which is taxed at Special Rate	-	48.20
Non-deductible expenses for Tax purposes:		
Permanent disallowance of Expenses	(2,336.75)	(345.22)
Donation / CSR Expenses	(1,909.48)	(926.00)
Other non-deductible expenses	-	(1,862.35)
Capital Loss	-	(293.46)
Interest on Income Tax	(229.47)	(3,453.74)
Adjustments in respect of Deferred Tax of previous year	(56.13)	(5,174.35)
Tax expense reported in the Statement of Profit and Loss	(38,790.35)	(40,861.45)

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

Deferred Tax relates to the following:

	As at 31-March-18 ₹ in Lakhs	As at 31-March-17 ₹ in Lakhs
Accelerated depreciation and amortisation for tax purposes	2,861.96	(1,452.24)
Expenses allowable but not charged to Statement of Profit and Loss	(44,650.83)	(53,750.83)
Deferred Tax on revaluation of land	(12,908.22)	(12,908.22)
Carried Forward Business Loss / Unabsorbed Depreciation	218.27	3,207.67
Others	1,936.33	1,059.25
Net Deferred Tax Liabilities	(52,542.49)	(63,844.37)

	For the Year ended 31-March-18 ₹ in Lakhs	For the Year ended 31-March-17 ₹ in Lakhs
Accelerated depreciation and amortisation for tax purposes	4,314.20	(10,009.19)
Expenses allowable but not charged to Statement of Profit and Loss	9,100.00	3,532.82
Carried Forward Business Loss / Unabsorbed Depreciation	(2,989.40)	(1,222.62)
Others	724.06	14,530.35
Deferred Tax (Expense) / Benefits	11,148.86	6,831.36

d) Reconciliation of Deferred Tax Liabilities (net) :

	As at 31-March-18 ₹ in Lakhs	As at 31-March-17 ₹ in Lakhs
Balance at the beginning of the year	(63,844.37)	(57,944.35)
Tax income/(expense) during the year recognised in profit or loss	11,148.86	6,831.36
Tax income/(expense) during the year recognised in OCI	(143.30)	(12,890.39)
Deferred Taxes acquired in Business combinations	296.32	159.01
Balance at the end of the year	(52,542.49)	(63,844.37)

41 Category wise classification of Financial Instruments

	As at 31-March-18 ₹ in Lakhs	As at 31-March-17 ₹ in Lakhs
Financial Assets carried at amortised cost		
Investments	22,423.29	22,423.29
Loans	107,348.13	76,991.59
Trade Receivables	75,865.74	48,140.34
Cash and Cash Equivalents	25,520.09	18,582.20
Bank Balances other than Cash and Cash Equivalents	11,617.04	10,359.81
Other Financial Assets	199,192.00	214,859.08
Total Financial Assets carried at amortised cost	441,966.29	391,356.31
Financial Liabilities carried at amortised cost		
Borrowings	2,337,300.54	1,927,470.17
Trade Payables	215,678.90	241,534.51
Other Financial Liabilities	250,113.11	334,633.70
Total Financial Liabilities carried at amortised cost	2,803,092.55	2,503,638.38

42 **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.

Classification of Property

Investment property comprises land and buildings that are not occupied substantially for use by, or in the operations of, the Group, nor for sale in the ordinary course of business, but are held primarily to earn rental income and capital appreciation.

Inventory property comprises property that is held for sale in the ordinary course of business. Principally, this is residential property that the Group develops and intends to sell before or on completion of construction.

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 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 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.

43 **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-18	31-March-17
1	Adinath Builders Pvt. Ltd.	Real Estate	India	100.00%	100.00%
2	Ajitnath Hi-Tech Builders Pvt. Ltd. ¹⁷	Real Estate	India	-	100.00%
3	Anant Developers Pvt. Ltd. ¹⁷	Real Estate	India	-	99.00%
4	Anantnath Constructions and Farms Pvt. Ltd.	Real Estate	India	100.00%	100.00%
5	Arihant Premises Pvt. Ltd.	Real Estate	India	100.00%	100.00%
6	Bellissimo Hi-Rise Builders Pvt. Ltd. ³	Real Estate	India	-	100.00%
7	Cowtown Infotech Services Pvt. Ltd. (Formerly known as Cowtown Land Development Pvt. Ltd.)	Real Estate	India	100.00%	100.00%
8	Dalhousie Leasing and Financial Services Pvt. Ltd.	NBFC	India	100.00%	100.00%
9	Hi-class Buildcon Pvt. Ltd.	Real Estate	India	80.00%	80.00%
10	Hotel Rahat Palace Pvt. Ltd.	Real Estate	India	100.00%	100.00%
11	Bellissimo Developers Thane Pvt. Ltd. (Formerly known as Lodha Developers Thane Pvt. Ltd.)	Real Estate	India	100.00%	100.00%
12	Jawala Real Estate Pvt. Ltd. ²	Real Estate	India	-	100.00%
13	Kundan Realtors Pvt. Ltd. ²	Real Estate	India	-	100.00%
14	Lodha Aviation Pvt. Ltd. ²	Real Estate	India	-	100.00%
15	Lodha Buildcon Pvt. Ltd.	Real Estate	India	100.00%	100.00%

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Sr. No.	Name of the Company	Principal activities	Country of Incorporation	Percentage of Holding as on	
				31-March-18	31-March-17
16	Bellissimo Crown Buildmart Pvt. Ltd. (Formerly known as Lodha Crown Buildmart Pvt. Ltd.) ⁵	Real Estate	India	-	100.00%
17	Lodha Developers International (Jersey) III Ltd.	Project Management	Jersey Island	76.25%	99.95%
18	Lodha Developers International Ltd.	Marketing and Sales activities	Mauritius	99.99%	99.95%
19	Lodha Developers UK Ltd. ⁹	Support service activities	United Kingdom	75.00%	99.95%
20	Lodha Elevation Buildcon Pvt. Ltd. ¹⁷	Real Estate	India	-	69.80%
21	Lodha Estate Pvt. Ltd. ³	Real Estate	India	-	100.00%
22	Lodha Impression Real Estate Pvt. Ltd.	Real Estate	India	100.00%	100.00%
23	Microtec Constructions Pvt. Ltd. ³	Real Estate	India	-	100.00%
24	Nabhiraja Software Design Pvt. Ltd.	Real Estate	India	100.00%	100.00%
25	National Standard (India) Ltd.	Real Estate	India	73.94%	73.94%
26	Odeon Theatres and Properties Pvt. Ltd.	Real Estate	India	100.00%	100.00%
27	Odeon Theatres Pvt. Ltd. ⁶	Real Estate	India	-	100.00%
28	Palava City Management Pvt. Ltd.	Real Estate	India	100.00%	100.00%
29	Palava Dwellers Pvt. Ltd. ³	Real Estate	India	-	100.00%
30	Roselabs Finance Ltd.	NBFC	India	74.25%	74.25%
31	Samvara Buildtech Pvt. Ltd. ³	Real Estate	India	-	100.00%
32	Sarvasa Buildtech and Farms Pvt. Ltd. ²	Real Estate	India	-	100.00%
33	Sanathnagar Enterprises Ltd.	Real Estate	India	90.03%	90.03%
34	Shree Sainath Enterprises Construction and Developers Pvt. Ltd.	Real Estate	India	100.00%	100.00%
35	Shreenivas Cotton Mills Ltd.	Real Estate	India	99.76%	95.30%
36	Siddhnath Residential Paradise Pvt. Ltd.	Real Estate	India	100.00%	100.00%
37	Simtools Pvt. Ltd.	Real Estate	India	76.24%	65.74%
38	Sifaldas Estate Pvt. Ltd.	Real Estate	India	91.18%	91.18%
39	Shri Kaillas Properties and Agro Farms Pvt. Ltd. ¹⁷	Real Estate	India	-	100.00%
40	Bellissimo Facilities Management Ltd. ⁸	Real Estate	India	-	99.99%
41	Jineshwer Real Estate And Farms Pvt. Ltd. ⁶	Real Estate	India	-	99.99%
42	Marutinandan Real Estate Developers Pvt. Ltd. ⁶	Real Estate	India	-	99.99%
43	Palava Dwellers Pvt. Ltd. (Formerly known as Elsa Trading Pvt. Ltd.)	Real Estate	India	98.00%	-
44	Brightgold Construction Pvt. Ltd. ¹	Real Estate	India	-	-
45	Bonafide Builders Pvt. Ltd. ¹	Real Estate	India	-	-
46	Suvrata Software Development Pvt. Ltd. ¹	Real Estate	India	-	-
47	Vardhavinayak Township Development Pvt. Ltd. ¹	Real Estate	India	-	-
48	Suvrata Infrabuild And Farms Pvt. Ltd. ¹	Real Estate	India	-	-
49	Alpana Infracon Pvt. Ltd. ¹	Real Estate	India	-	-
50	Loknath Infracon Pvt. Ltd. ¹	Real Estate	India	-	-
51	Nutech Realfors Pvt. Ltd. ¹	Real Estate	India	-	-
52	Chandrakrupa Developers And Farms Pvt. Ltd. ¹	Real Estate	India	-	-
53	Shankeshwar Paraswanath Builders Pvt. Ltd. ¹	Real Estate	India	-	-
54	Suvidhinath Quality Construction Pvt. Ltd. ¹	Real Estate	India	-	-
55	Maheshvilla Developers & Farms Pvt. Ltd. ¹	Real Estate	India	-	-
56	Kesarinandan Township Pvt. Ltd. ¹	Real Estate	India	-	-
57	Flying Constructions Pvt. Ltd. ¹⁰	Real Estate	India	-	-
58	Shravasti Developers and Agro Pvt. Ltd. ¹⁰	Real Estate	India	-	-
59	Sumtinath Realty & Agro Pvt. Ltd. ¹⁰	Real Estate	India	-	-
60	Suvidhinath Buildtech Pvt. Ltd. ¹¹	Real Estate	India	100.00%	-
61	Bellissimo Mahavir Associates Dwellers Pvt. Ltd. ⁴	Real Estate	India	100.00%	-
62	Bellissimo Land Dwellers Ltd. (Formerly known as Patel Land Developers Ltd.) ¹²	Real Estate	India	100.00%	-
63	Lodha Developers U.S., Inc. ¹³	Marketing and Sales activities	United States	100.00%	-
64	Mandip Finserve Pvt. Ltd. ¹⁴	NBFC	India	100.00%	-
65	Muzcovite Constructions Pvt. Ltd. ¹⁴	Real Estate	India	100.00%	-
66	Sumangla Developers & Farms Pvt. Ltd. ¹⁴	Real Estate	India	100.00%	-
67	Bellissimo Vivek Enterprises Dwellers Pvt. Ltd. ⁷	Real Estate	India	100.00%	-
68	Suryoday Buildwell and Farms Pvt. Ltd. ¹⁴	Real Estate	India	100.00%	-
69	Lodha Developers International (Netherlands) B. V. ¹⁶	Real Estate	Netherlands	100.00%	-
70	Lodha Developers 1GSQ Ltd. ¹⁶	Real Estate	Jersey Island	76.25%	-
71	Lodha Developers 48CS Ltd. ¹⁶	Real Estate	Jersey Island	76.25%	-
72	Lodha Developers Dorset Close Ltd. ¹⁶	Real Estate	Jersey Island	76.25%	-
73	Holland Park Residences Holdings Ltd. (Formerly known as Lodha Group UK Limited) ¹⁶	Real Estate	United Kingdom	75.00%	-
74	Lodha Developers 1GSQ Holdings Ltd. ¹⁶	Real Estate	Jersey Island	76.25%	-

1 Acquired on 1-April-17 and merged with a Subsidiary Lodha Impression Real Estate Pvt. Ltd., w.e.f. 2-February-18,

2 Merged with Lodha Developers Ltd., the Holding Company w.e.f. 8-November-17,

3 Merged with Lodha Developers Ltd., the Holding Company w.e.f. 16-February-18

4 Mahavir Associates got converted into Bellissimo Mahavir Associates Dwellers Pvt. Ltd. w.e.f. 25-August-17.

5 Merged with Lodha Developers Ltd., the Holding Company w.e.f. 2-February-18,

6 Merged with Lodha Developers Ltd., the Holding Company w.e.f. 20-February-18,

7 Vivek Enterprises got converted into Bellissimo Vivek Enterprises Dwellers Pvt. Ltd., w.e.f. 28-December-17.

8 Merged with a Subsidiary Cowtown Infotech Services Pvt. Ltd., w.e.f. 14-December-17,

9 Associate from 4-September-17 to 14-January-18 and Subsidiary Upto 3-September-17 and from 15-January-18.

10 Acquired on 1-April-17 and merged with a Subsidiary Lodha Impression Real Estate Pvt. Ltd., w.e.f. 23-February-18,

11 Acquired on 28-September-17.

12 Acquired on 5-December-17.

13 Acquired on 3-October-17.

14 Acquired on 30-December-17.

15 Merged with a Subsidiary Lodha Developers International Ltd w.e.f. 30-November-17,

16 Refer Note 64(c)

17 Merged with Lodha Developers Ltd., the Holding Company w.e.f. 21-May-18

b) Associates

Sr. No.	Name of the Company	Country of Incorporation	Percentage of Holding as on	
			31-March-18	31-March-17
1	Kora Constructions Pvt. Ltd.	India	44.00%	44.00%
2	Lodha Developers International (Netherlands) B. V. ³	Netherlands	-	40.62%
3	Lodha Developers International (Jersey) I Holdings Ltd.	Jersey Island	40.62%	40.62%
4	Lodha Developers 1GSQ Ltd. ³ (Subsidiary of 2 above)	Jersey Island	-	40.62%
5	Lodha Developers 48CS Ltd. ⁴ (Subsidiary of 3 above)	Jersey Island	-	40.62%
6	Lodha Developers International Holdings Ltd. ¹	Mauritius	-	40.00%
7	Tropical Adventure Ltd. ¹	Mauritius	-	40.00%
8	Lodha Developers Dorset Close Ltd. ³ (Subsidiary of 4 above)	Jersey Island	-	40.62%
9	Lodha Developers UK Ltd. ²	United Kingdom	-	-
10	Holland Park Residences Holdings Ltd. (Formerly known as Lodha Group UK Limited) ² (Subsidiary of 9 above)	United Kingdom	-	-
11	Lodha Developers 1GSQ Holdings Ltd. ⁵ (Subsidiary of 9 above)	Jersey Island	-	-

- 1 Merged with a Subsidiary Lodha Developers International Ltd. w.e.f. 30-November-17.
2 Associate from 4-September-17 to 14-January-18.
3 Associate upto 8-March-18.
4 Associate upto 13-February-18.
5 Associate from 29-November-17 to 14-January-18.

c) Limited Liability Partnerships

Sr. No.	Name of the Limited Liability Partnerships	Country of Registration	Percentage of Holding as on	
			31-March-18	31-March-17
1	Lodha Fincorp Distribution Services LLP	India	100.00%	100.00%

d) Partnership Firms

Sr. No.	Name of the Partnership Firm	Country of Registration	Percentage of Holding as on	
			31-March-18	31-March-17
1	Mahavir Associates *	India	-	40.00%
2	Vivek Enterprises #	India	-	100.00%

* Mahavir Associates got converted into Bellissimo Mahavir Associates Dwellers Pvt.Ltd. wef 25-August-2017.

Vivek Enterprises got converted into Bellissimo Vivek Enterprises Dwellers Pvt.Ltd. wef 28-December-2017.

44 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 3 and 10 years. The Lease Agreement is usually renewable by mutual consent on mutually agreeable terms.

The Group has paid ₹ 156.24 lakhs (31- March-17: ₹ 207.88 lakhs) during the year towards minimum lease payment in respect of cancellable operating lease.

The Group has paid ₹ 1,523.76 lakhs (31- March-17: ₹ 1,434.66 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-18	31-March-17
	₹ in lakhs	₹ in lakhs
Within one year	112.79	617.17
After one year but not more than five years	577.97	2,085.33
More than five years	-	1,020.84
	690.76	3,723.34

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 5 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 ₹ 27.47 lakhs (31- March-17: ₹ 26.34 lakhs) during the year towards minimum lease payment in respect of cancellable operating lease.

The Group has received ₹ 2,020.33 lakhs (31- March-17: ₹ 835.11 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-18	31-March-17
	₹ in lakhs	₹ in lakhs
Within one year	572.30	382.07
After one year but not more than five years	2,404.12	2,015.48
More than five years	636.45	5.82
	3,612.87	2,403.37

b. Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for:	31-March-18	31-March-17
	₹ in lakhs	₹ in lakhs
(i) Obligation to pay lease rentals to MMRDA over the 65 years of lease period.	1,269.39	1,269.90
(ii) Estimated amount of contracts remaining to be executed on capital account is and not provided for (net of advances).	1,634.43	5,466.28

c. Contingent Liabilities

Claims against the company not acknowledged as debts	31-March-18	31-March-17
	₹ in lakhs	₹ in lakhs
(i) Disputed Demands of Customers excluding amounts not ascertainable.	4,536.60	3,009.54
(ii) Corporate Guarantees Given	66,150.00	67,950.00
(iii) Disputed Taxation Matters	24,567.19	21,862.44
(iv) Others	614.31	916.09

The Contingent Liabilities exclude undeterminable outcome of pending litigations.

The Group has assessed that it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

45 Penalties under section 271D and 271E of the Income Tax Act, 1961 have been levied by the Income Tax Department for various Assessment years. Penalties levied by the department on similar facts have been deleted by the Appellate authorities on the basis of 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. Now, in similar cases in Group entities, the Hon'ble Bombay High Court has rendered a judgement holding that levy of penalty in similar circumstances is not sustainable. Consequently provision for the same is not considered necessary by the management.

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

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- 47 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. Based on the facts of the case, the management is confident that the outcome of these cases would have no bearing on the progress of the project.
- 48 On June 4, 2013, the whole time member of SEBI passed an order in relation to non-compliance with the Minimum Public Shareholding requirement by one of the listed subsidiaries ("MPS requirement"). The MPS requirement stipulated under the SEBI order has been complied with pursuant to an Offer for Sale made by the subsidiary's promoter, reducing the promoters' shareholding in the said subsidiary to the required level.
- 49 Exceptional Item represents gains arising on disposal of Subsidiaries aggregating to NIL as at 31-March-18 (₹ 24.07 lakhs as at 31-March-17).
- 50 Land and Property Development Work-in-Progress and Finished Goods includes:
- a Land of ₹ 48,196.45 lakhs as at 31-March-18; ₹ 40,383.16 lakhs as at 31- March-17 for which conveyance is pending.
 - b Land of ₹ 46,663.38 lakhs as at 31-March-18; ₹ 56,679.07 lakhs as at 31- March-17 are held in the name of Promoters and / or ex-partners of partnership firms, on behalf of the Group pending execution of conveyance.
 - c ₹ 27,262.85 lakhs as at 31-March-18; ₹ 24,125.65 lakhs as at 31- March- 17, Land already acquired for which the Memorandum of Understanding / consent letters are pending.
 - d Litigation is pending in respect of claims made by some persons for certain parcels of land belonging to the Group amounting to ₹ 1,583.32 lakhs as at 31-March-18 (₹ 1,493.21 lakhs as at 31- March-17). The Group has contested these claims and is confident of retaining its title to all such parcels of land.
- 51 In respect of Shreeniwas Cotton Mills Ltd., a Subsidiary:
- a) 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.
 - b) Necessary accounting would be carried out on receipt of the statement / records / information from the Official Liquidator.

- 52 The details of Donation given to political parties is as under:

(₹ in lakhs)		
Particulars	For the year ended 31-March-18	For the year ended 31-March-17
Donations given	985.16	-

- 53 **Gratuity and Leave Obligation**

Particulars	31-March-18	31-March-17
	₹ in lakhs	₹ in lakhs
Leave Obligation	1,434.48	1,422.67
Gratuity	1,963.26	1,752.44
Total	3,397.74	3,175.11

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 summarises 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:

(A) Leave Obligation		₹ in lakhs
Changes in the present value of the defined benefit obligation are, as follows:		
Defined benefit obligation at 01-April-16		1,349.68
Interest cost		101.48
Current service cost		571.91
Transfer in / (out) obligation		(4.85)
Actuarial gain and losses		0.31
Experience adjustments		18.56
Benefits paid		(614.42)
Defined benefit obligation at 31-March-17		1,422.67
Interest cost		92.88
Current service cost		627.54
Transfer in/(out) obligation		19.90
Actuarial gain and losses		(45.43)
Experience adjustments		(167.56)
Benefits paid		(515.52)
Defined benefit obligation at 31-March-18		1,434.48

(B) Gratuity Benefits		Obligation ₹ in lakhs	Fund ₹ in lakhs	Total ₹ in lakhs
Changes in the present value of the defined benefit obligation are, as follows:				
Defined benefit obligation / fund at 01-April-16		1,859.08	(416.23)	1,442.85
Current service cost		530.44	-	530.44
Interest cost		141.95	(47.45)	94.50
Transfer in/(out) obligation		(22.14)	3.47	(18.67)
Return on plan assets		-	11.38	11.38
Actuarial gain and losses		28.89	0.05	28.94
Experience adjustments		3.70	-	3.70
Benefits paid		(340.07)	(0.63)	(340.70)
Defined benefit obligation / fund at 31-March-17		2,201.85	(449.41)	1,752.44

Gratuity Benefits	Obligation ₹ in lakhs	Fund ₹ in lakhs	Total ₹ in lakhs
Changes in the present value of the defined benefit obligation are, as follows			
Current service cost	522.67	-	522.67
Past Service Cost	170.07	-	170.07
Interest cost	160.80	(32.85)	127.95
Transfer in/(out) obligation	40.87	(13.50)	27.37
Return on plan assets	-	1.46	1.46
Actuarial gain and losses	(96.56)	-	(96.56)
Experience adjustments	(104.66)	-	(104.66)
Benefits paid	(432.78)	(4.70)	(437.48)
Defined benefit obligation / fund at 31-March-18	2,462.26	(499.00)	1,963.26

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

	31-March-18	31-March-17
	%	%
Discount rate:		
Gratuity	7.70%	7.35%
Leave Obligation	7.70%	7.35%
Future salary increases:		
Gratuity	5.00%	5.00%
Leave Obligation	5.00%	5.00%
Mortality Rate : Indian Assured Lives Mortality (2006-08) Table		

(D) Impact on defined benefit obligation

Sensitivity Level		₹ in lakhs
	31-March-18	31-March-17
Impact of 0.5% Increase of Discount Rate		
Gratuity	2,318.13	2,096.89
Leave Obligation	1,374.08	1,368.25
Impact of 0.5% Decrease of Discount Rate		
Gratuity	2,587.58	2,324.98
Leave Obligation	1,500.24	1,499.59
		₹ in lakhs
	31-March-18	31-March-17
Sensitivity Level		
Impact of 0.5% Increase of Future Salaries		
Gratuity	2,538.96	2,292.62
Leave Obligation	1,501.67	1,500.81
Impact of 0.5% Decrease of Future Salaries		
Gratuity	2,355.97	2,118.17
Leave Obligation	1,372.31	1,366.66

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.

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

	31-March-18 ₹ in lakhs	31-March-17 ₹ in lakhs
Within the next 12 months (next annual reporting period)	525.25	157.68
Between 2 and 5 years	872.95	565.57
Between 5 and 10 years	1,427.18	775.32
Beyond 10 years	-	-
Total expected payments	2,825.38	1,498.57

The average duration of the defined benefit plan obligation w.r.t. gratuity at the end of the reporting year is 11.33 years (31- March-17: 5.08 years).

54 Related Party Transactions

Information on Related Party Transactions as required by Ind AS 24 - 'Related Party Disclosures'

A. List of Other Related Parties:

(As identified by the management), unless otherwise stated

I Person having Control or Joint Control or Significant Influence

Mangal Prabhat Lodha (MPL)

Abhishek Lodha Son

II. Close family members of person having control

Maniula Lodha

Wife

Vinti Lodha

Son's wife.

III Holding Company

Sambhavnath Infrabuild and Farms Pvt. Ltd.

IV Subsidiaries of Holding Company

- 1 Bellissimo Properties Development Pvt. Ltd. (Formerly known as Lodha Properties Development Pvt. Ltd.)
2 Holland Park Residences Holdings Ltd. (Formerly known as Lodha Group UK Limited) (Upto 3-September-17)
3 New Court Developers Limited
4 New Court Holdings Limited
5 PCL Developers (Mauritius) Ltd. (w.e.f 7-April-16)

V Entities controlled by person having control or joint control (Others)

- 1 Bellissimo Realtors Pvt. Ltd. (Merged with Sambhavnath Infrabuild And Farms Pvt. Ltd. w.e.f. 7-December-17).
- 2 Bellissimo Facilities Management Ltd. (Formerly Known as Lodha Facilities Management Ltd.) (upto 1-September-16)
- 3 Dormous Development and Technology Pvt. Ltd. (Formerly Known as Bellissimo Development and Technology Pvt. Ltd.) (upto 29-March-17)
- 4 Jineshwar Real Estate and Farms Pvt. Ltd. (upto 14-September-16)
- 5 Laxmiben Chedda Charitable Trust (Merged with Sitaben Shah Memorial Trust w.e.f. 24-January-18).
- 6 Lodha and Shah Builders (Converted to Lodha and Shah Builders Pvt. Ltd. w.e.f 27-November-17).
- 7 Lodha Builders Pvt. Ltd.
- 8 Lodha Charitable Trust (Merged with Sitaben Shah Memorial Trust w.e.f. 24-January-18).
- 9 Lodha Construction Pvt. Ltd.
- 10 Lodha Family Discretionary Trust (w.e.f 20-January-17)

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- 11 Lodha Foundation
- 12 Bellissimo Healthy Constructions and Developers Pvt. Ltd.
- 13 Pangea Holdings Ltd.
- 14 Piramal Chaturbhuj Trust (Private Trust)
- 15 Sitaben Shah Memorial Trust
- 16 Carbuncle Development Private Limited (from 22-December-16 to 24-March-17)
- 17 Marutidev Facilities Management Private Limited (upto 29-March-17)
- 18 Eirian Consulting Pvt. Ltd. (From 29-March-17)
- 19 Akshat Developers
- 20 Lodha Global Ltd.
- 21 45 Chester Square Investment Ltd.(upto 30-March-18)

VI Associates

- 1 Kora Construction Pvt. Ltd.
- 2 Lodha Developers International (Netherlands) B. V (upto 08-March-18)
- 3 Lodha Developers International (Jersey) I Holdings Ltd.
- 4 Lodha Developers 48 CS Ltd (Subsidiary of 3 above) (upto 13-February-18)
- 5 Lodha Developers 1 GSQ Ltd (Subsidiary of 2 above) (upto 08-March-18)
- 6 Lodha Developers Dorset Close Ltd (Subsidiary of 5 above) (upto 08-March-18)
- 7 Lodha Developers UK Ltd. (From 4-September-17 to 14-January-18)
- 8 Holland Park Residences Holdings Ltd. (Formerly known as Lodha Group UK Limited) (From 4-September-17 to 14-January-18) (Subsidiary of 7 above)
- 9 Lodha Developers 1 GSQ Holdings Ltd. (From 30-November-17 to 14-January-18) (Subsidiary of 7 above)
- 10 Tropical Adventures Ltd. (Merged with a Subsidiary, Lodha Developers International Ltd. w.e.f. 30-November-17).
- 11 Lodha Developers International Holding Ltd. (Merged with a Subsidiary, Lodha Developers International Ltd. w.e.f. 30-November-17).

VII Key Management Person (KMP)

- 1 Abhishek Lodha (Managing Director and CEO) - (w.e.f. 01-March-2018)
- 2 Rajendra Lodha (Whole Time Director) - (w.e.f. 01-March-2018)
- 3 Mukund M. Chitale (Independent Director and Chairman)
- 4 Berjis Minoos Desai (Independent Director w.e.f. 24-February-17)
- 5 Shyamala Gopinath (Independent Director w.e.f. 16-February-18)
- 6 Rajinder Pal Singh (Non Executive Director)

B. Transactions during the period / 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	Investments	31-March-18	118,418.26	35,977.21
		31-March-17	64,398.26	40,299.23
2	Loans given	31-March-18	5,400.09	46,480.40
		31-March-17	8,018.84	36,982.18
3	Advances given	31-March-18	-	190.64
		31-March-17	1,790.00	2,169.56
4	Trade Receivables	31-March-18	653.74	36.58
		31-March-17	559.89	1,673.33
5	Interest Receivables	31-March-18	-	8,604.11
		31-March-17	-	12,715.59
6	Other Financial Assets	31-March-18	-	14.67
		31-March-17	-	3,261.01
7	Other Receivables	31-March-18	-	-
		31-March-17	-	9.47
8	Loans taken	31-March-18	1,183.54	94,089.34
		31-March-17	-	87,127.00
9	Trade Payables	31-March-18	-	-
		31-March-17	-	1,158.66
10	Advances received	31-March-18	-	-
		31-March-17	-	23.26
11	Other Financial Liabilities	31-March-18	-	1,754.18
		31-March-17	-	1,118.32
12	Other Current Liabilities	31-March-18	2,886.01	-
		31-March-17	9,849.85	-
13	Guarantees taken	31-March-18	1,273,896.84	-
		31-March-17	798,676.32	187,030.21
14	Guarantees given	31-March-18	-	-
		31-March-17	-	1,800.00

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

(₹ in Lakhs)

Sr No	Particulars	Relationship	For the Year ended	
			31-March-18	31-March-17
1	Income from Property Development			
	Mangal Prabhat Lodha	Person having control	1,274.27	6,769.96
	Abhishek Lodha	KMP	2,882.48	5,233.06
	Rajendra Lodha	KMP	5,903.44	1,576.27
	Vinti Lodha	Others	1,430.77	6,899.16
2	Sale of Development Rights			
	Bellissimo Properties Development Pvt. Ltd.	Subsidiary of Holding Company	-	2,112.00
3	Sale of Building Materials #			
	Bellissimo Healthy Constructions and Developers Pvt. Ltd.	Others	-	119.65
	Bellissimo Properties Development Pvt. Ltd.	Subsidiary of Holding Company	15.73	698.15
	Lodha Charitable Trust	Others	0.05	-
	Bellissimo Realtors Pvt. Ltd.	Others	-	556.78
	Sambhavnath Infrabuild and Farms Pvt. Ltd. *	Holding Company	3,573.96	1,104.47
4	Interest Income			
	Lodha Builders Pvt. Ltd.	Others	4.51	4.51
	Lodha Construction Pvt. Ltd.	Others	-	65.87
	Bellissimo Properties Development Pvt. Ltd.	Subsidiary of Holding Company	-	142.71
	45 Chester Square Investment Ltd.	Others	218.73	-
	Lodha Developers International Jersey I Holdings Ltd.	Associate	9,469.89	5,992.63
	Bellissimo Healthy Constructions and Developers Pvt. Ltd.	Others	-	65.50
	Marutidev Facilities Management Pvt. Ltd.	Others	-	1.83
	Sambhavnath Infrabuild and Farms Pvt. Ltd.	Holding Company	27.81	5.72
5	Purchase of Construction materials #			
	Bellissimo Healthy Constructions and Developers Pvt. Ltd.	Others	-	-
	Bellissimo Properties Development Pvt. Ltd.	Others	0.39	44.03
	Bellissimo Realtors Pvt. Ltd.	Subsidiary of Holding Company	-	700.24
	Sambhavnath Infrabuild and Farms Pvt. Ltd. *	Others	-	558.45
	Sitaben Shah Memorial Trust	Holding Company	3,502.87	1,107.78
		Others	-	0.41
6	Purchase of flats			
	Bellissimo Healthy Constructions and Developers Pvt. Ltd.	Others	281.93	-
7	Remuneration paid			
	Mangal Prabhat Lodha	Person having control	5,414.04	2,914.50
	Abhishek Lodha	KMP	3,712.89	2,629.80
	Rajendra Lodha	KMP	2,254.00	1,672.20
	Rajinder Pal Singh	KMP	180.40	180.00
	Manjula Lodha	Others	912.66	372.00
	Vinti Lodha	Others	1,591.05	1,057.30
8	Commission and Sifting Fees			
	Mukund Chitale	KMP	43.36	-
	Berjis Desai	KMP	41.42	-
	Shyamala Gopinath	KMP	5.20	-
9	Interest Expenses			
	Lodha Developers International Jersey I Holdings Ltd.	Associate	9,354.51	-
	Bellissimo Properties Development Pvt. Ltd.	Subsidiary of Holding Company	250.94	-
	Lodha Construction Pvt. Ltd.	Others	65.87	-
	Bellissimo Healthy Constructions and Developers Pvt. Ltd.	Others	1,947.82	1,335.98
	Pangea Holdings Pvt. Ltd.	Others	222.71	157.60
10	Rent Expenses			
	Sitaben Shah Memorial Trust	Others	-	2.49
	Pangea Holdings Pvt. Ltd.	Others	168.02	455.76
11	Donation / Corporate Social Responsibility			
	Sitaben Shah Memorial Trust	Others	120.00	-
	Lodha Charitable Trust	Others	4,625.00	2,500.00
	Lodha Foundation	Others	-	103.06
12	Investments made			
	Sambhavnath Infrabuild and Farms Pvt. Ltd.	Holding Company	-	61,705.26
13	Purchase of Shares			
	Lodha Developers International Jersey I Holdings Ltd.	Associate	9.23	-
	Bellissimo Properties Development Pvt. Ltd.	Subsidiary of Holding Company	961.96	-
14	Reversal of income due to flat cancellation			
	Mangal Prabhat Lodha	Person having control	-	4,050.00
15	Redemption of Optionally Convertible Debenture (OCD)			
	Bellissimo Properties Development Pvt. Ltd.	Subsidiary of Holding Company	-	10,600.00
	Lodha Construction Pvt. Ltd.	Others	-	5,445.00
16	Loans / Advances given / (returned)			
	Mangal Prabhat Lodha	Person having control	(1,904.33)	(3,308.26)
	Abhishek Lodha	KMP	(7,032.66)	2,898.49
	Rajendra Lodha	Others	(871.85)	871.85
	Bellissimo Healthy Constructions and Developers Pvt. Ltd.	Others	(3,526.74)	3,272.70
	Lodha Constructions Pvt. Ltd.	Others	(701.21)	774.43
	Lodha Developers International Jersey I Holdings Ltd.	Associate	14,978.19	21,270.44
	Lodha Builders Pvt. Ltd.	Others	(43.24)	39.18
	Pangea Holdings Pvt. Ltd.	Others	(1,790.43)	(433.84)
	Akshat Developers	Others	-	(0.03)
	Bellissimo Properties Development Pvt. Ltd.	Subsidiary of Holding Company	(1,002.52)	(17.20)
	Bellissimo Facilities Management Ltd.	Others	-	(243.08)
	Bellissimo Realtors Pvt. Ltd.	Others	-	(678.01)
	Lodha Charitable Trust	Others	-	(27.06)
	Piramal Chaturbhuj Trust (Private Trust)	Others	(294.60)	294.60
	New Court Holdings Ltd.	Subsidiary of Holding Company	1.85	-
	Sambhavnath Infrabuild and Farms Pvt. Ltd.	Holding Company	5,400.00	(2.32)
	Lodha Global Ltd.	Others	30.92	(32.76)
	Sitaben Shah Memorial Trust	Others	-	(0.23)
17	Loans / Advances taken / (returned)			
	Bellissimo Healthy Constructions and Developers Pvt. Ltd.	Others	1,702.15	6,583.15
	Bellissimo Properties Development Pvt. Ltd.	Subsidiary of Holding Company	(782.44)	(47.36)
	Lodha Constructions Pvt. Ltd.	Others	-	(258.29)
	Pangea Holdings Pvt. Ltd.	Others	(4,792.63)	(830.23)
	Lodha Developers International Jersey I Holdings Ltd.	Associate	10,821.00	-
	Sambhavnath Infrabuild and Farms Pvt. Ltd.	Holding Company	1,183.54	-
	Sitaben Shah Memorial Trust	Others	-	(1.14)

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Sr No	Particulars	Relationship	For the Year ended	
			31-March-18	31-March-17
18	Redemption of Preference Shares			
	Bellissimo Properties Development Pvt. Ltd.	Subsidiary of Holding Company	-	50,000.00
19	Advance Received against sale of flat			
	Dormous Development and Technology Pvt. Ltd.	Others	-	41,751.90
	Marutidev Facilities Management Pvt. Ltd.	Others	-	6,277.30
	Rajendra Lodha	KMP	-	1,406.21
20	Reimbursement Given			
	New Court Developers Limited	Others	1.72	-
	Bellissimo Facilities Management Ltd.	Others	-	254.41
21	Reimbursement Taken			
	Bellissimo Healthy Constructions and Developers Pvt. Ltd.	Others	20.97	-
	Bellissimo Facilities Management Ltd.	Others	-	57.28
22	Amount paid on behalf of			
	Bellissimo Healthy Constructions and Developers Pvt. Ltd.	Others	31.52	110.29
	Lodha Construction Pvt. Ltd.	Others	-	0.01
	Marutidev Facilities Management Pvt. Ltd.	Others	-	29.26
	Lodha Charitable Trust	Others	-	23.16
	Sitaben Shah Memorial Trust	Others	-	0.38
	Bellissimo Properties Development Pvt. Ltd.	Subsidiary of Holding Company	2.16	18.16
	Eirian Consulting Pvt.Ltd.	Others	0.02	-
	Bellissimo Facilities Management Ltd.	Others	-	0.01
23	Amount paid on behalf by			
	Bellissimo Healthy Constructions and Developers Pvt. Ltd.	Others	-	46.76
	Bellissimo Properties Development Pvt. Ltd.	Subsidiary of Holding Company	-	0.57
	Sitaben Shah Memorial Trust	Others	-	8.24
	Lodha Charitable Trust	Others	-	12.58
24	Guarantees taken			
	Abhishek Lodha	KMP	1,180,000.00	485,202.94

* Includes transaction made on behalf of Eirian Consulting Pvt. Ltd. pursuant to merger order w.e.f 2-December-17.

inclusive of applicable taxes

iii) **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.

iv) **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.

55 **Standard issued but not yet effective**

On March 28, 2018, the Ministry of Corporate Affairs (MCA) has notified Ind AS 115, Revenue from Contracts with Customers, to be applicable from financial years beginning on or after 1st April, 2018.

The new revenue standard will supersede all current revenue recognition requirements under Ind AS and the guidance note of real estate issued by Institute of Chartered Accountants of India (ICAI) and accordingly, ICAI has announced the withdrawal of the 'The Guidance Note on Accounting for Real Estate Transactions (for entities to whom Ind AS is applicable)'.

Company will adopt the new standard effective 1st April, 2018. Management is evaluating the requirements of the Standard and the effect if any, on the financial statements.

56 **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.

57 **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)
As at 31-March-18 :	₹ in lakhs	₹ in lakhs	₹ in lakhs	₹ in lakhs
Financial Assets measured at fair value through profit and loss				
Investment in Mutual Funds	6,125.61	6,125.61	-	-
Investment in Equity Shares	8.43	8.43	-	-
Investment in Debentures	305.50	305.50	-	-
	6,439.54	6,439.54	-	-
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	-	-

58 **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.

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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 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 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 installment basis. The installments are specified in the contracts. The Group is exposed to credit risk in respect of installments due. However, the legal ownership of residential and commercial units are transferred to the buyer only after all the installments are recovered. In addition, installment 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-18						
Borrowings *	89,408.27	30,780.00	161,873.58	1,946,650.19	115,843.02	2,344,555.06
Trade Payables	-	180,986.67	-	34,692.23	-	215,678.90
Other financial liabilities **	55,646.32	11,539.36	3,385.29	179,711.70	160.90	250,443.57
Financial guarantee contracts	-	-	-	-	-	-
	145,054.59	223,306.03	165,258.87	2,161,054.12	116,003.92	2,810,677.53
Year ended 31-March-17						
Borrowings *	146,880.86	88,682.73	313,568.04	1,355,969.18	20,694.23	1,925,795.04
Trade Payables	1,158.66	236,900.22	-	3,475.63	-	241,534.51
Other financial liabilities **	83,174.54	3,721.39	7,163.46	241,146.24	336.71	335,542.34
Financial guarantee contracts	-	-	69.32	175.58	-	244.90
	231,214.06	329,304.34	320,800.82	1,600,766.63	21,030.94	2,503,116.79

* Borrowings are stated before adjusting loan issue cost and premium on debentures.

** Payable on Cancellation of Allotted Units included in Other financial liabilities are stated at nominal value .

59 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 Group. 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-18	31-March-17
	₹ in lakhs	₹ in lakhs
Borrowings (including current maturities of long-term debt)	2,338,868.00	1,929,500.27
Less: Cash and Cash Equivalents	(25,520.09)	(18,582.20)
Less: Bank balances other than cash and cash equivalents	(11,617.04)	(10,359.81)
Net debt	2,301,730.87	1,900,558.26
Equity Share Capital	39,587.80	11,310.80
Other Equity		
Others Reserves	432,837.08	381,754.98
Total Capital	472,424.88	393,065.78
Capital and net debt	2,774,155.75	2,293,624.04
Gearing ratio	82.97%	82.86%

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.

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No changes were made in the objectives, policies or processes for managing capital during the year ended 31 March 2018 and 31 March 2017.

- 60 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:

(₹ in Lakhs)

₹ in Lakhs

Particulars	Currency	As at 31-March-18		As at 31-March-17	
		in ₹	in Foreign Currency	in ₹	in Foreign Currency
ASSETS					
Advances to Suppliers / Contractors / Expenses	USD	2,003.68	30.96	6,050.36	93.34
	Euro	403.77	5.03	2,179.21	31.41
	AED	31.12	1.74	221.75	12.48
	GBP	54.08	0.59	196.04	2.42
	SGD	101.91	2.09	5.98	0.13
	AUD	12.66	0.25	12.35	0.25
	CNY	81.81	7.92	67.22	7.15
Investments	GBP	22,423.29	242.98	8,837.83	109.27
Loans Given	GBP	44,798.83	485.44	36,431.78	421.28
Interest Receivable	GBP	4,586.67	49.70	5,358.44	54.76
Bank Balance	CNY	-	-	55.92	5.51
	Euro	0.21	0.00	-	-
	GBP	11.29	0.12	-	-
TOTAL ASSETS		74,509.32		59,416.88	
Particulars	Currency	As at 31-March-18		As at 31-March-17	
		in ₹	in Foreign Currency	in ₹	in Foreign Currency
LIABILITIES					
Loans Payables	USD	-	-	271.69	4.19
	GBP	-	-	2,506.59	30.99
Trade Payables	USD	4,312.22	67.42	5,773.97	89.10
	Euro	1,113.92	13.88	2,496.82	36.06
	AED	26.10	1.47	16.25	0.92
	GBP	158.11	2.91	29.49	0.36
	SGD	80.03	0.53	53.60	1.16
	CAD	41.90	0.85	156.95	3.24
	THB	6.00	2.54	-	-
	CNY	3.75	0.36	-	-
Interest Payable	GBP	-	-	157.60	1.95
TOTAL LIABILITIES		5,742.03		11,462.96	

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

Name of Equity Index Futures	As at 31-March-18		As at 31-March-17	
	No of Units		No of Units	
	Long	Short	Long	Short
FUTIDX-BANKNIFTY	-	-	-	3,120

- 61 The Group has invested in 0.01% Optionally Convertible Debentures (OPCDs) of ₹ 118,418.26 Lakhs issued by Sambhavnath Infrabuild and Farms Pvt. Ltd. (SIFPL). In Dec-17 SIFPL and the Group has entered into an agreement to redeem OPCDs at carrying value and hence the fair value of OPCDs approximates its carrying value.
- 62 An amalgamated subsidiary was granted lease of land parcel at Wadala by Mumbai Metropolitan Regional Development Authority (MMRDA) vide 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 and the subsidiary has accordingly provided the revised liability.
- 63 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 Group depositing stamp duty amount by the stipulated period of time and the collector's order is being challenged before the Appellate Authority.
- 64 a) The scheme of demerger of the real estate business (Demerged Undertaking) from Bellissimo Properties Development Pvt. Ltd. ("Demerged Company" or "BPDPL") into Lodha Developers Ltd. ("Resulting Company" or "LDL") has been approved by National Company Law Tribunal vide its order dated 7th September, 2017 and became effective from 16th October, 2017. As per Clause 13 (Consideration / Issue of shares) of the Scheme, LDL has allotted 1,97,018 (one lakh ninety seven thousand eighteen) 6% Redeemable Preference Shares of ₹ 5 each to the shareholder of BPDPL on 17th October, 2017, which have been redeemed on 28-November-17.

b) Pursuant to Scheme of Amalgamation entered between Lodha Developers International Holdings Limited (LDIHL) and Tropical Adventure Limited (TAL) (amalgamating Companies) with Lodha Developers International Limited (LDIL) (amalgamated Company), LDIHL and TAL got merged with LDIL w.e.f 30-November-17.

- c) The Group acquired following companies which have become subsidiaries from the date of their respective acquisitions.

Sr No	Holding company	Date of Acquisition by the Group
1	Lodha Developers UK Ltd.	15-January-18
2	Holland Park Residences Holdings Ltd.	15-January-18
3	Lodha Developers 1GSQ Holdings Ltd.	15-January-18
4	Lodha Developers International (Jersey) III Ltd.	14-February-18
5	Lodha Developers 48CS Ltd.	14-February-18
6	Lodha Developers International (Netherlands) B. V.	09-March-18
7	Lodha Developers 1GSQ Ltd.	09-March-18
8	Lodha Developers Dorset Close Ltd.	09-March-18

The amalgamation / acquisitions referred in points (a), (b) and (c) above being common control transactions, have been accounted for using the 'Pooling of Interest' method as prescribed under Ind AS 103 – "Business Combination" for common control transactions. In accordance with the requirements of para 9 (iii) of Appendix C to Ind AS 103, the Consolidated Financial Statements of the Company in respect of the prior periods have been restated as if amalgamation had occurred from the beginning of the preceding period (i.e. 1-April-2016), irrespective of the actual date of the combination.

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d) The Company has filed the scheme of demerger of identified business undertaking (Demerged Company) into IMSA Computer Education Pvt. Ltd. (Resulting Company) before the NCLT, Mumbai bench. The Financial Statements have, however, been prepared without giving impact of the same pending approval from NCLT, Mumbai bench.

65 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.

66 On December 30, 2017 ("Acquisition Date"), the Group acquired all outstanding equity shares of Muzcovite Constructions Pvt. Ltd. ("Muzcovite") a General Construction Company, for a total consideration of ₹ 12.00 Lakhs.
All identifiable assets acquired and liabilities assumed have been measured initially at their fair value as on acquisition date. The purchase price has been allocated, as set out below, to the assets acquired and liabilities assumed in the business combination.

	(₹ in Lakhs)
	Balance as at 30-December-17
Assets Acquired	
Property, plant and Equipment	5,407.98
Investments	50,035.57
Cash and Cash Equivalents	1,731.32
Other Assets	150,001.92
Total Assets	207,176.79
Liabilities	
Trade Payables	63,049.36
Other Liabilities	150,228.15
Total Liabilities	213,277.51
Purchase Consideration	12.00
Add: Pre-existing relationship	2,050.07
Total Purchase consideration	2,062.07
Goodwill on acquisition	8,162.79

Goodwill is attributable mainly to benefits from expected synergies and will not be deductible for tax purposes. Impact of acquisition on the results of the Group for the year ended March 31, 2018 is not material.

Had this acquisition occurred on April 1, 2017, impact on Group's revenue and profit for the year ended March 31, 2018 would not have been material.

67 Segment Information

(a) 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 the group 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.

(b) The Group is engaged in the business of real estate property development in India and United Kingdom. The Group's Revenue from External Customers and Non-Current Assets by geographical areas are as follows:

				(₹ in Lakhs)
Particulars	As at	India	United Kingdom	Total
Revenues *	31-Mar-18	857,140.87	110,586.15	967,727.02
	31-Mar-17	775,444.66	-	775,444.66
Non - Current Assets	31-Mar-18	274,979.07	12,635.46	287,614.53
	31-Mar-17	290,881.16	916.55	291,797.71
* Revenues are attributed to countries on the basis of location where the sale occurred.				

68 Basic and Diluted Earnings Per Share

Particulars	For the year ended 31-March-18	For the year ended 31-March-17
Basic earnings per share:		
a) Profit for the Year (₹ in Lakhs)	79,492.77	57,876.27
b) No. of Equity Shares as at beginning of the year	226,216,000	216,216,000
Add: No of Shares issued during the year	-	10,000,000
Less: Adjustment for consolidation of Shares	(113,108,000)	(113,108,000)
Add: Issue of Bonus Shares (Refer Note 19 (D))	282,770,000	282,770,000
No. of Equity Shares as at end of the year	395,878,000	395,878,000
Weighted average no. of Equity Shares outstanding during the year	395,878,000	382,753,000
c) Face Value per Equity Share (₹) Refer Note 19 (D)	10	5
d) Basic earnings per share (₹)	20.08	15.12
Diluted earnings per share:		
a) Profit for the Year (₹ in Lakhs)	79,492.77	57,876.27
b) No. of Equity Shares as at beginning of the year	226,216,000	216,216,000
Add: No. of Optionally Convertible Preference Shares	-	10,000,000
Add: No of Shares issued during the year	-	10,000,000
Less: Adjustment for consolidation of Shares	(113,108,000)	(113,108,000)
Add: Issue of Bonus Shares (Refer Note 19 (D))	282,770,000	282,770,000
Weighted average no. of Equity Shares outstanding during the year	395,878,000	382,753,000
c) Diluted earnings per share (₹)	20.08	15.12

69 The Non-controlling Interest of the Group both in value and percentage terms is not material, therefore not being disclosed.

70 Previous year figures have been regrouped/rearranged wherever necessary.

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

For and on behalf of the Board of Directors of Lodha Developers Limited

Abuali Darukhanawala
(Partner)
Membership No. 108053

Mukund Chitale
(Chairman)
DIN: 00101004

Abhishek Lodha
(Managing Director and CEO)
DIN: 00266089

Place : Mumbai
Date : 19-June-18

Jayant Mehrotra
(Chief Financial Officer)

Sanjyot Rangnekar
(Company Secretary)

FORM AOC - 1															in Lakhs
(Pursuant to first proviso to sub-section (3) of section 129 read with rule of Companies (Accounts) Rules, 2014)															
Statement containing salient features of the financial statement of subsidiaries / associate companies:															
PART "A" : SUBSIDIARIES															
Sr. No.	Name of Subsidiary Company	Reporting Currency	Date of Investment	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Turnover / Total Income	Profit Before Taxation	Provision for Taxation/ Prior period Taxation	Profit After Taxation	Proposed Dividend	% of Shareholding	
1	Adinath Builders Pvt. Ltd.	INR	19-Sep-09		21.93	(7,753.29)	1,73,940.70	1,81,672.06	1,65,061.03	3,044.13	(3,467.90)	1,211.82	(2,256.08)	-	100.00%
2	Ananthnath Constructions and Farms Pvt. Ltd.	INR	22-Nov-10		3,644.40	(823.35)	3,631.59	810.54	2,888.40	(0.07)	(3.35)	(3.35)	-	-	100.00%
3	Arihant Premises Pvt. Ltd.	INR	24-Jan-09		705.00	(119.72)	643.28	58.00	641.29	-	(0.57)	-	(0.57)	-	100.00%
4	Lodha Developers 1GSQ Limited	GBP			91.89	(2,857.46)	5,88,559.51	5,91,325.08	-	-	(837.41)	165.68	(671.73)	-	76.25%
5	Lodha Developers U.S., Inc.	USD			26.20	(153.21)	30.83	157.84	-	0.07	(151.14)	(0.67)	(151.81)	-	100.00%
6	Lodha Developers 48CS Limited	GBP			10.14	353.47	2,83,356.18	2,82,992.57	-	1,10,586.15	6,802.24	(1,326.69)	5,475.55	-	76.25%
7	Cowtown Infotech Services Pvt. Ltd.	INR	14-May-07		22.30	3,488.89	70,728.62	67,217.43	12.00	71,292.96	1,975.31	(800.48)	1,174.83	-	100.00%
8	Dalhousie Leasing & Financial Services Pvt. Ltd.	INR			785.00	(572.05)	243.47	30.52	-	(304.75)	(315.70)	-	(315.70)	-	100.00%
9	Hi-Class Buildcon Pvt. Ltd.	INR	Not Applicable (Subsidiary of Palava Dwellers Pvt. Ltd.)		1.00	(3,235.34)	5,461.21	8,695.55	-	15,199.87	(3,962.29)	1,384.58	(2,577.70)	-	80.00%
10	Hotel Rahat Palace Pvt. Ltd.	INR			5.00	(16.47)	0.01	11.49	-	-	(0.60)	-	(0.60)	-	100.00%
11	Lodha Developers Dorset Close Limited	GBP			0.00	(198.77)	9,400.77	9,599.54	-	-	(56.14)	-	(56.14)	-	76.25%
12	Lodha Developers 1GSQ Holdings Limited	GBP			8.68	(17.65)	90.97	99.94	81.74	-	(16.30)	-	(16.30)	-	76.25%
13	Holland Park Residences Holdings Limited	GBP			0.01	(6.92)	0.09	7.00	-	-	(5.30)	-	(5.30)	-	75.00%
14	Bellissimo Land Dwellers Pvt. Ltd.	INR			1.00	(382.27)	49,192.54	49,573.81	-	-	(587.59)	205.32	(382.27)	-	100.00%
15	Lodha Buildcon Pvt. Ltd.	INR	05-Oct-07		10.00	(28.72)	9,176.94	9,195.66	-	12,225.50	14.32	(4.74)	9.58	-	100.00%
16	Lodha Developers International (Jersey) III Ltd.	GBP	Not Applicable (Subsidiary of Lodha Developers)		10.27	(7.96)	39,522.00	39,519.69	9.23	11,134.34	206.08	0.18	206.26	-	76.25%
17	Lodha Developers International Ltd.	USD	16-Dec-13		6.28	(5,819.57)	2,22,390.27	2,28,203.56	-	-	2,086.53	-	2,086.53	-	99.99%
18	Lodha Developers International (Netherlands) B. V.	GBP			1,713.72	289.01	2,77,557.61	2,75,554.87	0.00	-	901.17	(41.40)	859.77	-	100.00%
19	Bellissimo Developers Thane Pvt. Ltd.	INR			71.00	58,682.07	5,13,169.46	4,54,416.39	27.20	1,25,643.05	30,233.08	(11,084.60)	19,148.49	-	100.00%
20	Lodha Developers UK Ltd.	GBP	Not Applicable (Subsidiary of Lodha Developers)		11.09	102.11	59,520.69	59,407.49	10.37	7,030.00	(883.85)	(48.65)	(932.50)	-	75.00%
21	Lodha Fincorp Distribution Services LLP	INR			0.01	502.04	622.10	120.05	-	494.88	95.17	(43.67)	51.50	-	100.00%
22	Lodha Impression Real Estate Pvt. Ltd.	INR	Not Applicable (Subsidiary of Lodha Crown Builders Pvt. Ltd.)		10.00	(1,725.88)	16,073.92	17,789.80	0.63	1,370.31	6.97	237.33	244.30	-	100.00%
23	Bellissimo Mahavir Associates Dwellers Pvt. Ltd., ¹	INR			1.00	(143.21)	7,595.22	7,737.43	-	966.01	(220.27)	77.06	(143.21)	-	100.00%
24	Mahavir Associates ¹	INR			-	-	-	-	-	-	(0.08)	-	(0.08)	-	-
25	Nabhiraja Software Design Pvt. Ltd.	INR	01-Apr-11		1.00	1,332.65	20,382.36	19,048.71	-	23,385.39	102.07	(98.70)	3.37	-	100.00%
26	National Standard (India) Ltd.	INR	Not Applicable (Subsidiary of Ananthnath Constructions Pvt. Ltd.)		2,000.00	16,920.45	20,513.89	1,593.44	-	3,548.61	1,718.93	(606.56)	1,112.37	-	73.94%
27	Odeon Theatres and Properties Pvt. Ltd.	INR	10-Dec-07		1.14	(33.59)	9.05	41.50	-	(0.13)	(0.99)	-	(0.99)	-	100.00%
28	Palava City Management Pvt. Ltd.	INR	Not Applicable (Subsidiary of Palava Dwellers Pvt. Ltd.)		5.00	148.01	675.18	522.17	-	5,461.43	209.33	(53.99)	155.34	-	100.00%
29	Palava Dwellers Pvt. Ltd. (Formerly known as Eisa Trading Pvt. Ltd.)	INR			1.00	12,917.46	4,04,954.50	3,92,036.04	8,300.00	98,587.92	20,547.46	(7,630.00)	12,917.46	-	98.00%
30	Roselabs Finance Ltd.	INR	10-Jun-13		1,000.00	(1,278.61)	712.52	991.13	0.13	24.57	(65.67)	22.49	(43.18)	-	74.25%
31	Sanathnagar Enterprises Ltd.	INR	Not Applicable (Subsidiary of Siddhnath Resident Welfare Society Pvt. Ltd.)		315.00	(1,415.34)	829.59	1,929.93	-	615.83	(147.23)	(24.96)	(172.20)	-	90.03%
32	Shree Sainath Enterprises Construction and Developers Pvt. Ltd.	INR	28-Nov-13		1.00	(508.48)	18,190.90	18,698.38	5,587.75	5.88	(485.06)	148.83	(336.23)	-	100.00%
33	Shreeniwas Cotton Mills Ltd.	INR	Not Applicable (Subsidiary of Adinath Builders Pvt. Ltd.)		19,861.67	1,77,415.27	6,89,560.50	4,92,283.57	66,143.54	82,904.07	5,413.67	(2,016.61)	3,397.06	-	99.76%
34	Siddhnath Residential Paradise Pvt. Ltd.	INR	26-Sep-07		600.00	(579.91)	74.83	54.74	68.44	1.20	(4.51)	-	(4.51)	-	100.00%
35	Simtools Pvt. Ltd.	INR	Not Applicable (Subsidiary of Lodha Elevation Builders Pvt. Ltd.)		29.50	(27.59)	26,340.41	26,338.49	-	53.13	(29.16)	-	(29.16)	-	76.24%
36	Sitaldas Estate Pvt. Ltd.	INR	04-Dec-07		2,006.80	(80.26)	3,841.57	1,915.03	-	0.45	(0.70)	-	(0.70)	-	91.18%
37	Suvidhinath Buildtech Pvt. Ltd.	INR			10.00	54.58	11,797.15	11,732.57	-	208.75	(118.87)	-	(118.87)	-	100.00%
38	Mandip Finserve Pvt. Ltd.	INR			180.00	27.94	221.74	13.79	-	(0.80)	(6.67)	0.67	(6.01)	-	100.00%
39	Muscovite Constructions Pvt. Ltd.	INR			1.52	4,105.31	2,08,071.21	2,03,944.39	50,002.00	77,208.96	1,003.98	(707.78)	296.21	-	100.00%
40	Sumangla Developers & Farms Pvt. Ltd.	INR			1.00	(2,917.57)	2,951.25	5,867.82	-	(3.33)	18.97	-	18.97	-	100.00%
41	Suryoday Buildwell Pvt. Ltd.	INR			1.00	(788.76)	7,142.89	7,930.65	186.57	-	(150.83)	-	(150.83)	-	100.00%
42	Bellissimo Vivek Enterprises Dwellers Pvt. Ltd., ²	INR			1.00	(92.03)	2,393.25	2,484.29	-	24.35	(92.03)	-	(92.03)	-	100.00%
43	Vivek Enterprises ²	INR			-	-	-	-	-	3,500.00	2,105.38	(1,247.00)	858.38	-	-

* Partnership Firm under control

1 Mahavir Associates got converted into Bellissimo Mahavir Associates Dwellers Pvt. Ltd. w.e.f 25-August-17.

2 Vivek Enterprises got converted into Bellissimo Vivek Enterprises Dwellers Pvt. Ltd., w.e.f 28-December-17.

In case of foreign subsidiaries / associates being non-integral operations all assets and liabilities are converted at the closing exchange rate as on 31st March, 2018: 1 GBP = ₹ 92.2846, 1 USD = 65.0441 and revenue items are consolidated at the exchange rate prevailing as on the date of transaction.

Notes:

1 There are no subsidiaries which are yet to commence operations.

2 No Subsidiaries have been sold or liquidated during the year.

Name of Subsidiaries which have been merged during the year	
Sr.No.	Name of the Companies
1	Aanant Developers Private Limited
2	Ajitnath Hi-Tech Builders Private Limited
3	Belissimo Crown Buildmart Private Limited (Formerly known as Lodha Crown Buildmart Private Limited)
4	Belissimo Facilities Management Limited
5	Belissimo Hi-Rise Builders Private Limited (Formerly known as Lodha Hi-Rise Builders Private Limited)
6	Jawala Real Estate Private Limited
7	Jineshwer Real Estate and Farms Private Limited
8	Lodha Aviation Private Limited
9	Lodha Elevation Buildcon Private Limited
10	Lodha Estate Private Limited
11	Marutinandan Real Estate Developers Private Limited
12	Microtec Constructions Private Limited
13	Odeon Theatres Private Limited
14	Palava Dwellers Private Limited
15	Samvara Buildtech Private Limited
16	Sarvasa Buildtech and Farms Private Limited
17	Shri Kaailas Properties & Agro Farms Private Limited

Name of Subsidiaries which have been acquired and merged during the year	
Sr.No.	Name of the Companies
1	Loknath Infracon Private limited
2	Maheshvilla Developers & Farms Private Limited
3	Nutech Realtors Private Limited
4	Shankeshwar Paraswanath Builders Private Limited
5	Shravasti Developers and Agro Private Limited
6	Sumlinath Realty & Agro Private Limited
7	Suvidhinath Quality Construction Private Limited
8	Suvrata Infrabuild And Farms Private Limited
9	Suvrata Software Development Private Limited
10	Vardhavinayak Township Development Private Limited
11	Alpana Infracon Private Limited
12	Bonafide Builders Private Limited
13	Brightgold Construction Private Limited
14	Chandrakrupa Developers and Farms Private Limited
15	Flying Constructions Private Limited
16	Kesarinandan Township Private Limited

PART "B" : ASSOCIATES
Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies

Sr.No.	Name of Associates	Latest audited Balance Sheet Date	Date on which the Associate was associated or acquired	Shares of Associate held by the company as at the year end			Profit / (Loss) for the year			Description of how there is significant influence	Reason why the associate is not consolidated
				No.	Amount of Investment in Associates (₹ in Lakhs)	Extend of Holding %	Networth attributable to Shareholding (₹ in Lakhs)	Considered in Consolidation (₹ in Lakhs)	Not Considered in Consolidation		
1	Kora Constructions Pvt. Ltd.	01-September-17		110,000 Shares of ₹ 10 each	1,396.09	44.00%	10.64	-	0.01	Note - A	NA
2	Lodha Developers International (Jersey) I Holdings Ltd.	06-June-18		41,050 Shares of 1 GBP each	-	40.62%	(256.34)	(59.55)	(87.05)	Note - A	NA

Note:
1. There are no subsidiaries which are yet to commence operations.
2. No Associates have been sold or liquidated during the year.

A. There is significant influence due to percentage(%) of Share Capital.
The above statement also indicates performance and financial position of each of the associates.

For and on behalf of the Board

Mukund Chitale
(Chairman)
DIN No. 00101004

Abhishek Lodha
(Managing Director and CEO)
DIN No. 00266089

Jayant Mehrotra
(Chief Financial Officer)

Sanjayal Rangnekar
(Company Secretary)

Place : Mumbai
Date : 25-May-18