

Independent Auditor's Report on the Standalone Financial Statements to the members of Lavasa Corporation Limited

We have audited the accompanying standalone financial statements of Lavasa Corporation Limited ("the Company"), comprising the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement, the Statement of changes in equity for the year then ended and a summary of the significant accounting policies and other explanatory information ("the financial statements").

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 4 of the Companies (Indian Accounting Standards) Rules, 2015. 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 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 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 there under.

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 standalone 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 financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone 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 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 financial statements.

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

Basis of qualified opinion:

1. The liability, if any, in respect of the compliance of the terms and conditions laid down by the Ministry of Environment and Forests granting the Environment Clearance for Development of the Hill Station Township vide its Order dated November 9, 2011 cannot be ascertained.
2. The impairment testing carried out by the company during the year 2015-16 did not indicate any impairment and according to the contentions of the company, since there is no change in the business conditions, no impairment testing is carried out during the year 2016-17. In our opinion, the company may not be able to achieve the business plans based on which the impairment testing has been carried out. The consequent impairment losses, if any, cannot be ascertained.
3. Current and Non-Current Borrowings including finance charges, disclosure in respect of defaults and terms of repayment of borrowings, Maturity Analysis of Financial Instruments, trade payables, advances to suppliers and certain balances with banks are subject to confirmation, reconciliation and consequential adjustments, if any.

Qualified Opinion:

In our opinion and to the best of our information and according to the explanations given to us, except for the matters specified in the 'Basis for Qualified Opinion' paragraph, the aforesaid standalone 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 including Ind AS, of the state of affairs of the Company as at March 31, 2017, and its loss, changes in equity and its cash flows for the year ended on that date.

Other Matters:

The comparative financial information of the company for the year ended March 31, 2016 and the transition date opening balance sheet as at April 1, 2015 included in these Standalone financial statements, are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by the predecessor auditor whose report for the year ended March 31, 2016 and March 31, 2015 dated April 26, 2016 and April 27, 2015 respectively expressed modified opinion on those standalone financial statements, as adjusted for the differences in the accounting principles adopted by the company on transition to the Ind AS, which have been audited by us.

The basis for modification for standalone financial statements for year ended 31st March 2016 was as under:



- i. In respect of the matters relating to the order of the Ministry of Environment and Forests according environment clearance (EC) which are subject to compliance of terms and conditions vide order dated November 9, 2011, the liability if any, in respect of conditions set therein, is unascertainable.
- ii. In view of the liquidity constraints being faced and in the event that such constraints continue, the company may not be able to realise the aggressive projections and the equity infusions made by it as per its business plans. These plans also serve as the basis for the expert report obtained on impairment of the carrying value of the company's assets. Given this uncertain situation, the consequential impairment of the carrying value of various assets, if any, is not ascertainable

The basis for modification for standalone financial statements for year ended 31st March 2015 was as under:

In respect of the matters relating to Order of the Ministry of Environment and Forests according environment clearance (EC) which are subject to compliance of terms and conditions vide Order dated November 09, 2011, the liability if any, in respect of conditions set therein, is unascertainable.

Our opinion is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we enclose in the 'Annexure -A', a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss, the Statement of changes in equity and the Cash Flow Statement dealt with in this Report are in agreement with the books of account;
 - (d) In our opinion, except for the impacts of the certain matters specified under the 'Basis for Qualified Opinion,' paragraph, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 4 of the Companies (Indian Accounting Standards) Rules, 2015



- (e) On the basis of written representations received from the directors as on March 31, 2017 taken on record by the Board of directors, none of the directors is disqualified as on March 31, 2017 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 B'.
- (g) With respect to the Other Matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- (i) The Company does not have any pending litigations which would impact its financial position except those disclosed in the standalone financial statements
 - (ii) The provision has been made as required under the applicable accounting standards, for material foreseeable losses on long-term contracts. According to the information and explanations given to us, the company does not have any derivative contracts.
 - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - (iv) The company has disclosed in its financial statements as to holdings as well as dealings in specified bank notes during the period from November 8, 2016 to December 30, 2016 and the same are in accordance with the books of account maintained by the company.

For G. D. Apte & Co
Chartered Accountants
Firm Registration Number: 100515W



U. S. Abhyankar
Partner
Membership No.: 113053
Mumbai, April 24, 2017



ANNEXURE 'A' TO THE AUDITORS' REPORT

(Referred to in paragraph 1 under the heading 'Report on Other Legal and Regulatory Requirements' of our Report of even date to the members of the Company for the period ended March 31, 2017 of Lavasa Corporation Limited)

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets
- (b) All fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations give to us and on the basis of audit procedures conducted by us, involving examination of records on a test basis, we report that the title deeds of immovable properties are held in the name of the company. However, the title deeds of immovable properties in respect of sale deed of certain parcels of land admeasuring 5.68 hectors, transfer of land admeasuring 677.92 hectors consequent to merger of Yashomala Leasing and Finance Private Limited and agreement to purchase land admeasuring 19.02 hectors are yet to be transferred in the name of the company.
- (ii) The inventories have been physically verified by the management in a phased manner/ at the time of acquisition of the land. In our opinion, the frequency of physical verification is reasonable and adequate considering the size of the company and its nature of the business. According to the information and explanation given to us, no material discrepancies were noticed during the year.
- (iii) Based on the audit procedures conducted by us and according to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, provisions of paragraph 3 (iii) of the Order are not applicable.
- (iv) Based on the audit procedures conducted by us and according to the information and explanations given to us, in our opinion, the company has not given any loans, guarantees or securities to any of its directors or to any other persons in whom the director is interested under section 185. The company has complied with the provisions of section 186 of the Act with respect to the investments made.
- (v) The Company has not accepted any deposits from the public to which the provisions of section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under apply.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under 148 (1) of



the Act, related to the construction industry, 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 on the basis of our examination of the records of the Company, in our opinion, the Company is generally regular in depositing the undisputed statutory dues including provident fund, employee's state insurance, income tax, service tax, sales tax, duty of customs, duty of excise, value added tax, cess and other statutory dues as applicable with appropriate authorities except some delays in respect of tax deducted at source, value added tax and service tax.

According to the information and explanation given to us, the undisputed dues in respect of various statutory dues which are outstanding at the yearend for the period of more than six months from the date they became payable are as detailed below:

| Nature of dues | Amount (Rs. in lacs) |
|--|----------------------|
| Income Tax Deducted At Source and interest thereon | 485.02 |
| Works Contract Tax | 10.15 |

Service tax/ Value Added Tax input credit/ liability is subject to reconciliation with the returns due to which we are unable to comment on the regularity of payment and undisputed dues, if any, outstanding for the period of more than six months from the date they became payable.

- (b) Based on the audit procedures conducted by us and according to the information and explanations given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise and value added tax which have not been deposited on account of any dispute except as mentioned below:

| Name of the statute | Nature of dues | Amount (Rs. In lacs) | Years to which the amount relates | Forum where dispute is pending |
|---------------------|------------------------------------|----------------------|-----------------------------------|--------------------------------|
| Finance Act, 1994 | Service tax on Development charges | 28.95 | FY 2010-14 & 2014-15 | CESTAT, Mumbai |

- (viii) According to the information to the extent compiled by the company, the defaults in repayment of loans and borrowings are as below, which are subject to confirmation from the financial institutions, banks and debenture holders:



| Particulars | Principal paid with delay | Interest paid with delay |
|------------------------------|---------------------------|--------------------------|
| Union Bank | | |
| Less than 1 Month | - | 948.79 |
| 1 to 3 Months | 2,241.75 | 2,087.98 |
| 3 to 6 months | 5,047.82 | 2,163.32 |
| Central Bank of India | | |
| Less than 1 Month | - | 538.62 |
| 1 to 3 Months | 1,461.25 | 1,504.57 |
| 3 to 6 months | 3,305.50 | 687.20 |
| IndusInd Bank | | |
| Less than 1 Month | 671.43 | 171.68 |
| 1 to 3 Months | 671.43 | 403.13 |
| 3 to 6 months | 671.43 | 156.85 |
| Axis Bank | | |
| Less than 1 Month | - | 273.05 |
| 1 to 3 Months | 780.00 | 531.16 |
| 3 to 6 months | - | - |
| L&T Infra | | |
| Less than 1 Month | 2,500.00 | 342.20 |
| 1 to 3 Months | - | 707.18 |
| 3 to 6 months | 2,500.00 | 138.98 |
| Karnataka Bank | | |
| Less than 1 Month | 237.19 | 173.99 |
| 1 to 3 Months | 476.46 | 370.00 |
| 3 to 6 months | - | - |
| Allahabad Bank | | |
| Less than 1 Month | 19,999.24 | 267.69 |
| 1 to 3 Months | - | 523.99 |
| 3 to 6 months | - | 523.99 |
| More than 6 months | - | 1,255.78 |

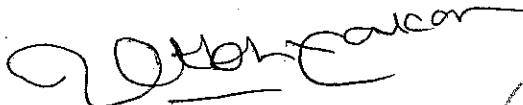
- (ix) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). The term loans have been applied for the purpose for which they were obtained.
- (x) According to the information and explanations given to us and based on our audit procedures, we report that no frauds by the Company or on the Company by any of its officers or employees was noticed or reported during the course of our audit.
- (xi) According to the information and explanations given to us, no managerial remuneration has been paid during the year. Accordingly, provisions of paragraph 3 (xi) of the Order are not applicable to the Company.



G.D. Apte & Co.
Chartered Accountants

- (xii) In our opinion, the Company is not a Nidhi Company. Accordingly, provisions of paragraph 3 (xii) of the Order are not applicable to the Company.
- (xiii) Based on the audit procedures performed for the purpose of the true and fair view of the financial statements and as per the information and explanations given to us, we report that the transactions with the related parties are in compliance with section 188 of Companies Act, 2013 where applicable and the details as required by the applicable accounting standards have been disclosed in the financial Statements. As further informed to us by the company, the Audit Committee formed under section 177 of the Act ceased to exist from April 26, 2016.
- (xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) Based on the audit procedure performed for the purpose of reporting the true and fair view of financial statements and as per the information and explanation given to us, we report that the company has not entered into any non- cash transactions of the nature as described in section 192(1) of the Act.
- (xvi) Based upon the audit procedures performed by us and as per the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For G. D. Apte & Co
Chartered Accountants
Firm Registration Number: 100515W



U. S. Abhyankar
Partner
Membership No.: 113053
Mumbai, April 24, 2017



ANNEXURE B TO THE AUDITORS' REPORT

(Referred to in paragraph 2 (f) under the heading 'Report on other legal and regulatory requirements' of our report on even date on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") to the members of the Company for the period ended March 31, 2017 of Lavasa Corporation Limited)

To the Members of Lavasa Corporation Limited

We have audited the internal financial controls over financial reporting of Lavasa Corporation Limited ("the Company"), as of March 31, 2017 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). 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 Companies Act, 2013.

Auditor's 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 on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the Institute of Chartered Accountants of India. 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

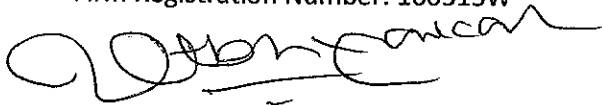
Inherent Limitations of Internal Financial Controls Over Financial Reporting

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, 2017, 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 ICAI.

For G. D. Apte & Co
Chartered Accountants
Firm Registration Number: 100515W



U. S. Abhyankar
Partner
Membership No.: 113053
Mumbai, April 24, 2017



Balance Sheet as at 31st March, 2017

(₹ in Lakhs)

| Particulars | Note No | As at 31st March 2017 | As at 31st March 2016 | As at 1st April, 2015 |
|---|---------|-----------------------|-----------------------|-----------------------|
| ASSETS | | | | |
| Non-current assets | | | | |
| Property, Plant and Equipment | 2.01 | 70,975.47 | 75,937.70 | 81,363.32 |
| Capital work-in- progress | 2.01 | 1,23,338.50 | 1,23,323.84 | 1,15,406.75 |
| Other Intangible Assets | 2.01 | 25.55 | 36.53 | 47.54 |
| Financial Assets | | | | |
| (i) Investments | 2.02 | 2,00,713.02 | 1,91,580.12 | 71,491.96 |
| (ii) Loans | 2.03 | 4,691.14 | 4,086.19 | 12,829.43 |
| (iii) Other Financial assets | 2.04 | 811.99 | 618.81 | 582.01 |
| Other Non current assets | 2.05 | 4,921.52 | 5,707.82 | 6,387.76 |
| Total Non Current Assets | | 4,05,477.19 | 4,01,291.01 | 2,88,108.77 |
| Current assets | | | | |
| Inventories | 2.06 | 1,90,906.12 | 1,88,252.04 | 1,50,715.12 |
| Financial Assets | | | | |
| (i) Trade Receivable | 2.07 | 27,434.26 | 18,306.98 | 34,112.56 |
| (ii) Cash and Cash equivalents | 2.08 | 206.26 | 257.63 | 389.14 |
| (iii) Bank balances other than (ii) above | | | | |
| (iv) Loans | 2.09 | 14,770.08 | 12,965.39 | 12,886.21 |
| (v) Other Financial assets | 2.10 | - | 996.36 | 926.00 |
| Current tax assets (net) | 2.11 | 9,495.24 | 9,830.07 | 9,654.95 |
| Other current assets | 2.12 | 12,960.54 | 15,278.35 | 17,917.78 |
| | | 2,55,772.50 | 2,45,886.82 | 2,26,601.76 |
| Assets Classified as held for sale | 2.55 | 200.18 | 200.18 | 200.18 |
| Total Current Assets | | 2,55,972.68 | 2,46,087.00 | 2,26,801.94 |
| Total Assets | | 6,61,449.87 | 6,47,378.01 | 5,14,910.71 |



(₹ in Lakhs)

| Particulars | Note No | As at 31st March 2017 | As at 31st March 2016 | As at 1st April, 2015 |
|--------------------------------------|---------|-----------------------|-----------------------|-----------------------|
| EQUITY AND LIABILITIES | | | | |
| Equity | | | | |
| Equity Share capital | 2.13 | 79,594.44 | 79,594.44 | 79,594.44 |
| Other Equity | 2.14 | 13,975.64 | 30,603.73 | 3,685.78 |
| Total Equity | | 93,570.08 | 1,10,198.17 | 83,280.22 |
| Liabilities | | | | |
| Non-current liabilities | | | | |
| Financial Liabilities | | | | |
| (i) Borrowings | 2.15 | 76,060.00 | 1,65,653.09 | 1,99,695.48 |
| (ii) Other financial liabilities | 2.16 | 1,38,373.23 | 1,04,735.61 | 38,443.34 |
| Provisions | 2.17 | 32.11 | 165.94 | 230.93 |
| Deferred tax liabilities (net) | 2.18 | 26,047.34 | 34,760.44 | 16,250.48 |
| Total Non current Liabilities | | 2,40,512.68 | 3,05,315.08 | 2,54,620.23 |
| Current liabilities | | | | |
| Financial Liabilities | | | | |
| (i) Borrowings | 2.19 | 31,625.94 | 29,290.94 | 13,594.64 |
| (ii) Trade payables | 2.20 | 19,033.49 | 22,860.92 | 28,413.47 |
| (iii) Other financial liabilities | 2.21 | 2,34,911.23 | 1,43,549.11 | 99,634.14 |
| Other current liabilities | 2.22 | 37,736.47 | 32,358.30 | 31,661.59 |
| Provisions | 2.23 | 4,059.98 | 3,805.49 | 3,706.42 |
| Total Current Liabilities | | 3,27,367.11 | 2,31,864.76 | 1,77,010.26 |
| Total Equity and Liabilities | | 6,61,449.87 | 6,47,378.01 | 5,14,910.71 |


Significant accounting policies and notes to financial statements form an integral part of the Balance Sheet

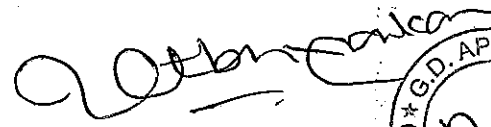
As per our attached report of even date

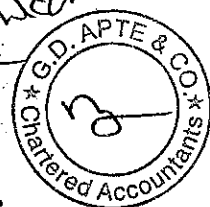
For and on behalf of the Board of Directors


For G. D. Apte & Co.
Chartered Accountants
ICAI Firm Registration No. 100515W


Pratul Singh
Director
DIN : 02874744


Dattatray Mengde
Director
DIN : 02874705


U. S. Abhyankar
Partner
Membership No. 113053




Shrikant Panda
Director
DIN : 05317116

Rajiv Duggal
Chief Executive Officer

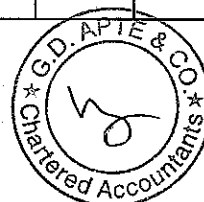
Place: Mumbai
Date : 24th April, 2017

Place: Mumbai
Date : 24th April, 2017

Statement of Profit and Loss account for the period ended March 31, 2017

(₹ in Lakhs)

| Particulars | Note no | For the Year Ended 31st March 2017 | For the Year Ended 31st March 2016 |
|---|---------|------------------------------------|------------------------------------|
| Revenue from Operations | 2.24 | 6,433.47 | 5,920.51 |
| Other Operating Revenue | 2.25 | 0.16 | 187.22 |
| Other Income | 2.26 | 54,515.49 | 93,812.56 |
| Total Income | | 60,949.12 | 99,920.29 |
| EXPENSES | | | |
| Construction expenses | 2.27 | 4,822.99 | 7,787.81 |
| Changes in inventories of finished goods, Stock-in-Trade and Work-in-progress | | (2,807.20) | (39,515.01) |
| Employee Benefits expenses | 2.28 | 907.78 | 1,988.38 |
| Finance Cost | 2.29 | 69,022.38 | 49,181.68 |
| Depreciation and amortization expenses | 2.01 | 4,975.17 | 5,439.34 |
| Impairment loss on financial\ non financial assets | 2.30 | 7,277.30 | 27,263.20 |
| Reversal of impairment on financial / non financial assets | 2.30 | (214.08) | - |
| Other expenses | 2.31 | 2,308.39 | 2,366.97 |
| Total Expenses | | 86,292.73 | 54,512.37 |
| Profit / (Loss) before tax | | (25,343.61) | 45,407.92 |
| Tax Expenses / (Income) | | | |
| (1) Current tax | | - | - |
| (2) Deferred tax | | (8,713.94) | 18,503.04 |
| Profit / (Loss) for the year from continuing operations | | (16,629.68) | 26,904.88 |
| Profit / (Loss) from discontinued operations | | - | - |
| Tax expenses of discontinued operations | | - | - |
| Profit / (Loss) from discontinued operations (after tax) | | - | - |
| Profit / (Loss) for the year | | (16,629.68) | 26,904.88 |
| Other Comprehensive Income items that will not be reclassified to Profit or Loss | | | |
| Remeasurement gains / (losses) on defined benefit plans | | 2.43 | 19.98 |
| Income tax effect | | 0.84 | 6.91 |
| Total Other Comprehensive Income for the year, net off tax | | 1.59 | 13.07 |
| Total Comprehensive Income for the year (Comprising Profit / (Loss) and Other Comprehensive Income for the year) | | (16,628.09) | 26,917.95 |



(₹ in Lakhs)

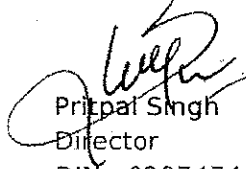
| Particulars | Note no | For the Year Ended 31st March 2017 | For the Year Ended 31st March 2016 |
|--|---------|------------------------------------|------------------------------------|
| Earnings per equity share (For continuing operations): | | | |
| i) Basic (₹ Per Share) | | (2.24) | 2.76 |
| ii) Diluted (₹ Per Share) | | (2.24) | 2.76 |
| Earning per equity share (For discontinued & continuing operations): | | | |
| i) Basic (₹ Per Share) | | (2.24) | 2.76 |
| ii) Diluted (₹ Per Share) | | (2.24) | 2.76 |

Significant accounting policies and notes to financial statements form an integral part of the Statement of Profit and Loss.

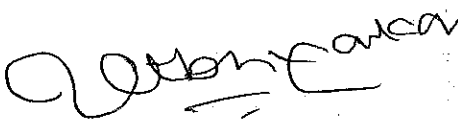
As per our attached report of even date

For and on behalf of the Board of Directors

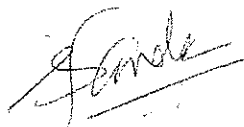
For G. D. Apte & Co.
Chartered Accountants
ICAI Firm Registration No. 100515W


Pritpal Singh
Director
DIN : 02874744


Dattatray Mengde
Director
DIN : 02874705


U. S. Abhyankar
Partner
Membership No. 113053




Shrikant Panda
Director
DIN : 05317116

Rajiv Duggal
Chief Executive Officer

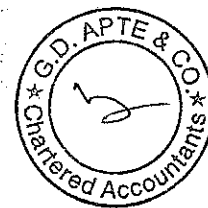
Place: Mumbai
Date : 24th April, 2017

Place: Mumbai
Date : 24th April, 2017

Cash Flow Statement for the Year Ended 31st March 2017

(₹ in Lakhs)

| Particulars | For the Year Ended 31st March 2017 | For the Year Ended 31st March 2016 |
|--|------------------------------------|------------------------------------|
| A. CASH FLOW FROM OPERATING ACTIVITIES | | |
| Net profit / (loss) before tax and Exceptional items | (25,343.61) | 45,407.92 |
| <u>Adjustment for :</u> | | |
| Depreciation | 4,975.17 | 5,439.34 |
| Impairment losses on financial/non financial assets recognised and Reversal | 7,063.22 | 27,263.20 |
| (Profit) / Loss on Sale/Disposal of assets | (0.03) | (0.30) |
| Finance expense | 69,022.38 | 49,181.68 |
| Miscellaneous expenses written off | - | 533.91 |
| Remeasurement gains / (losses) on defined benefit plans | 2.43 | 19.98 |
| Interest income on fixed deposits | (37.60) | (36.49) |
| Dividend Income | (47,283.92) | (69,674.07) |
| Excess provision in earlier years | (724.87) | 1.62 |
| Finance Income | (601.72) | (1,535.28) |
| Gain on fair valuation of borrowings on initial recognition | - | (18,942.89) |
| Income from Financial Guarantees given | (2,754.92) | (837.21) |
| Net gain on foreign currency difference | - | (13.09) |
| Loss on disposal of interest in former associate(Warasgaon Lakeview Hotels Limited) | 76.51 | - |
| Operating Profit before working Capital changes | 4,393.05 | 36,808.35 |
| Changes in Working Capital | | |
| (Increase) / Decrease in Non current assets | 1.41 | 0.82 |
| (Increase) / Decrease in Other Financial Assets (Non-Current) | (159.90) | (2.51) |
| (Increase) / Decrease in loans (Non current) | (0.50) | - |
| (Increase) / Decrease in Trade Receivables | (8,913.20) | 748.76 |
| (Increase) / Decrease in loans (current assets) | (6,606.70) | (866.92) |
| (Increase) / Decrease in Other Financial Assets (Current) | 336.35 | (336.35) |
| (Increase) / Decrease in Other Current Assets | 1,211.87 | 2,052.62 |
| (Increase) / Decrease in Inventories | (2,654.08) | (37,536.91) |
| Increase / (Decrease) in Trade Payables | (3,102.57) | (5,554.17) |
| Increase / (Decrease) in Other Financial Liabilities (Non Current) | 64,945.72 | 32,904.29 |
| Increase / (Decrease) in Other Current Liabilities | 5,378.17 | 696.71 |
| Increase / (Decrease) in Other Financial Liabilities (Current) | 3,332.81 | 215.34 |
| Increase / (Decrease) in Provisions | 120.66 | 34.07 |
| CASH GENERATED FROM OPERATING ACTIVITIES | 58,283.11 | 29,164.10 |



(₹ in Lakhs)

| Particulars | For the Year Ended 31st March 2017 | For the Year Ended 31st March 2016 |
|---|--|--|
| Taxes (Paid)/ Refund | 333.99 | (182.04) |
| A. NET CASH FLOW FROM OPERATING ACTIVITIES | 58,617.10 | 28,982.06 |
| B. CASH FLOW FROM INVESTING ACTIVITIES | | |
| Sale of Property, Plant and Equipment | 0.05 | 0.51 |
| Purchase of Property, Plant and Equipment | (1.98) | (2.92) |
| Addition to Capital work in progress | (14.66) | (7,917.09) |
| Purchase of Investments | (7,056.11) | (57,989.64) |
| Dividend received | 0.00 | 3.67 |
| Investment in fixed deposits | (33.27) | (34.29) |
| Interest received on Fixed deposits | 37.60 | 36.49 |
| B. NET CASH FLOW FROM INVESTING ACTIVITIES | (7,068.37) | (65,903.27) |
| C. CASH FLOW FROM FINANCING ACTIVITIES | | |
| Proceeds from / (Repayment of) Long Term Borrowings | (41,626.66) | (9,715.76) |
| Interest Paid | (12,308.45) | (21,690.84) |
| Inter Corporate deposits accepted | 2,335.00 | 15,696.30 |
| Proceeds from issuance of share capital including share premium | - | 52,500.00 |
| C. NET CASH FLOW FROM FINANCING ACTIVITIES | (51,600.11) | 36,789.70 |
| Increase / (Decrease) in cash and cash equivalents | (51.38) | (131.51) |
| Cash and cash equivalents at beginning of the year | 257.63 | 389.14 |
| Cash and cash equivalents at end of the year | 206.26 | 257.63 |


Notes :


- Details of Cash and bank balances are given in note No. 2.08
- The above cash- flow statement have been prepared under the indirect method setout in Ind AS 7, 'Statement of Cashflows' specified under section 133 of the Act read with rule 4 of the Companies (Indian Accounting Standard) Rules, 2015 and rule 4 of Companies (India Accounting Standard) Amendment Rules 2016.
- Direct Tax paid is treated as arising from operating activities and are not bifurcated between investment and financing activities.
- All figures in brackets indicate outflow.
- Previous year figures have been regrouped/recast wherever necessary.

As per our attached report of even date

For and on behalf of the Board of Directors

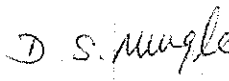
For G. D. Apte & Co.
Chartered Accountants
ICAI Firm Registration No. 100515W



U. S. Abhyankar
Partner
Membership No. 113053



Place: Mumbai
Date : 24th April, 2017


Pritpal Singh
Director
DIN : 02874744


Dattatray Mengde
Director
DIN : 02874705


Shrikant Panda
Director
DIN : 05317116

Rajiv Duggal
Chief Executive Officer

Place: Mumbai
Date : 24th April, 2017

Statement of Changes in Equity

A) Equity Share Capital

| Particulars | No of Shares | ₹ in Lakhs |
|---------------------------------|--------------|------------|
| At 1st April 2015 | 79,59,44,363 | 79,594.44 |
| Changes in Equity share Capital | - | - |
| At 31st March 2016 | 79,59,44,363 | 79,594.44 |
| Changes in Equity share Capital | - | - |
| At 31st March 2017 | 79,59,44,363 | 79,594.44 |

B) Other Equity

(₹ in Lakhs)

| Particulars | Deemed Equity investment by holding company | Reserve and Surplus | | | Revaluation Surplus/ Amalgamation Reserves | Other Comprehensive Income | Total |
|--|---|---------------------|---|-------------------|--|----------------------------|-----------|
| | | Capital Reserve | Other Reserves - Debenture Redemption Reserve | Retained Earnings | | | |
| Balance as at 1st April, 2015 | 6,594.03 | 2,161.14 | 3,046.42 | (10,155.76) | 2,010.73 | 29.24 | 3,685.78 |
| Other Comprehensive Income Profit / (Loss) during the year | - | - | - | 26,904.88 | - | 13.07 | 13.07 |
| Balance as at 31st March 2016 | 6,594.03 | 2,161.14 | 3,046.42 | 16,749.12 | 2,010.73 | 42.30 | 30,603.73 |
| Other Comprehensive Income Profit / (Loss) during the year | - | - | - | (16,629.68) | - | 1.59 | 1.59 |
| Balance as at 31st March 2017 | 6,594.03 | 2,161.14 | 3,046.42 | 119.44 | 2,010.73 | 43.89 | 13,975.64 |

Significant accounting policies and notes to financial statements form an integral part of the Statement of Changes in Equity

As per our attached report of even date

For and on behalf of the Board of Directors

For G. D. Apte & Co.
Chartered Accountants
ICAI Firm Registration No. 100515W

U. S. Abhyankar
Partner
Membership No. 113053

Place: Mumbai
Date : 24th April, 2017



[Signature]
Pratap Singh
Director
DIN : 02874744

[Signature]
Shrikant Panda
Director
DIN : 05317116

Place: Mumbai
Date : 24th April, 2017

[Signature]
Dattatray Mengde
Director
DIN : 02874705

Rajiv Duggal
Chief Executive Officer

Note No.1: SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF ACCOUNTS AS AT 31ST March 2017

A Company Overview

Lavasa Corporation Limited ('the company') is a public limited company incorporated and domiciled in India and having its "Comprehensive Urban Development and Management" at Lavasa, India. The company was incorporated on 11th February 2000 and having its registered office in Mumbai, India. The company operates as a subsidiary of HCC Real Estate Limited.

B Significant accounting policies

1 Statement of compliance

In accordance with the notification issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 with effect from April 1, 2016. Previous period numbers in the financial statements have been restated to Ind AS. In accordance with Ind AS 101, First-time Adoption of Indian Accounting Standard, the Company has presented a reconciliation from the presentation of financial statements under Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 ("Previous GAAP") to Ind AS of Shareholders' equity as at March 31, 2016 and April 1, 2015 and of the comprehensive net income for the financial year ended March 31, 2016 and April 1, 2015.

2 Basis of preparation

These financial statements have been prepared in accordance with Indian Accounting Standard (Ind AS) on the historical cost conversion on accrual basis, except for certain financial instruments which are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

The financial statements of the Company have been prepared to comply in all material respects with the Indian Accounting Standards ("Ind AS") notified under the Companies (Accounting Standards) Rules, 2015.

The financial statements for all periods upto and including year ended 31 March 2016 were prepared in accordance with the Accounting Standards notified under Section 133 of the Companies Act ("the Act"), read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) ("previous GAAP"). The financial statements for the year ended 31 March 2017 are the first financial statements prepared by the Company in accordance with Ind AS. Refer Note D for information on how the Company adopted Ind AS.

The financial statements have been prepared under the historical cost convention with the exception of certain financial assets and liabilities and share based payments which have been measured at fair value, on an accrual basis of accounting.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

All the assets and liabilities have been classified as current or non-current, wherever applicable, as per the operating cycle of the Company as per the guidance set out in Schedule III to the Act. Operating cycle for the business activities of the Company covers the duration of the project/ contract/ service including the defect liability period, wherever applicable, and extends upto the realisation of receivables (including retention monies) within the credit period normally applicable to the respective project.

The Company's financial statements are reported in Indian Rupees, which is also the Company's functional currency. and all values are rounded to the nearest lakhs. except when otherwise



3 Functional and Presentation Currency

Items included in financial statement of the Company are measured using the currency of the primary economic environment in which the Company operates ("the functional currency").

Indian rupee is the functional currency of the Company.

The financial statements are presented in Indian Rupees (₹) which is the Company's presentation currency. All financial information presented in Indian Rupees has been rounded up to the nearest lakhs except where otherwise indicated.

4 Use of estimates and judgments

The preparation of the financial statements, in conformity with the recognition and measurement principles of Ind AS, requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of financial statements and the results of operation during the reported period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates which are recognised in the period in which they are determined.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and future periods are affected.

Key source of estimation of uncertainty at the date of financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of useful lives of property, plant and equipment, valuation of deferred tax assets, provisions and contingent liabilities.

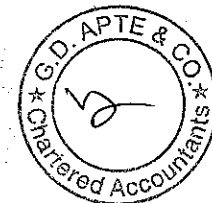
5 Revenue Recognition

i) Sale of Land and FSI

Revenues are recognized in the year in which the agreement to lease is executed. Income from land sales (including on a long term lease basis) is recognized on the transfer of all significant risks and rewards of ownership to the buyers and a reasonable expectation of collection of the sale consideration from the buyers exists. Exchange of parcels of land against other parcels of land is not treated as sale but is adjusted in the land account.

ii) Project Construction Work

The Company follows the percentage completion method, on the basis of physical measurement of work actually completed at the balance sheet date, taking into account the contractual price and revision thereto by estimating total revenue and total cost to the completion of the contract and the profit so determined accounted for proportionate to the percentage of the actual work done. Foreseeable losses are accounted for as and when they are determined. Revenue from sales of constructed units other than under long term construction contracts are recognized on execution of transfer agreements.



iii) Project Management Consultancy Fees

Revenue from Project Management Consultancy Fees is recognized on accrual basis, as per the agreements.

6 Property, Plant and Equipment

Property, Plant and Equipment are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises acquisition price and any attributable cost of bringing the asset to its working condition for its intended use. Borrowing costs related to acquisition of assets which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

Cost of purchase of land to the extent of one percent is accounted as assets and remaining is accounted as stock in trade.

Depreciation on assets is provided on reducing balance method over the estimated useful lives of the assets on pro-rata basis. The estimated useful lives are as below,

Building : 10-60 years

Plant & Machinery : 10-20 years

Computers : 6 years

Office Equipment's : 5-20 years

Furniture & Fixtures : 15 years

For the above classes of assets, based on internal assessment, Management believes that the useful life as given above represents the period over which it expects to use these assets. Hence the useful lives of these assets are different from the useful lives as prescribed under Part C of Schedule II of Companies Act, 2013.

7 Intangible Assets

Costs relating to trademark and design have been treated as intangible assets which also comprise license fees, other implementation costs for software and application software acquired for in-house use.

In respect of intangible assets being computer software relating to Geographical Information System and Enterprise Resource System is amortized over the estimated useful life of ten years under straight line method on pro-rata basis.

In respect of trademark and design costs are amortized equally over a period of ten years.

8 Investment

Investments are classified as long term and current investments. Long term investments are shown at cost or written down value (in case of diminution which is other than temporary diminution) and current investments are shown at cost or fair value whichever is lower.

9 Inventories of Land and Floor Space Index (FSI)

- i) Cost of land accounted in Stock in trade is treated as (a) Cost of FSI - 95%, (b) Land, stock-in-trade - 5%, both being distinct items of inventory. Cost of Land and FSI are on a weighted average basis along with related purchase / acquisition price plus all direct and indirect expenditure incurred in connection with the purchase of land. Borrowing costs and Overhead expenditure on sectoral / nodal / city level infrastructure, in respect of FSI under development are treated as an element of cost in view of substantial period of time for development. Land and FSI are valued at lower of Cost or Net Realizable Value. Land or FSI utilized for own construction is transferred to Fixed Assets at cost.



- ii) Project Work-in-Progress is valued at the contract rates in accordance with Accounting Standards on construction contracts.
- iii) Where construction of any unit is undertaken for which there are no sales, such inventory is valued at lower of cost or net realizable value(NRV) and is not considered under Long-term Construction for accounting purposes.

10 Financial instruments

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

i) Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

ii) Financial assets at amortized cost

Financial assets are subsequently measured at amortized cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

iii) Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Company has made an irrevocable election to present in other comprehensive income subsequent changes in the fair value of equity investments not held for trading.

iv) Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit and loss are immediately recognized in statement of Profit and Loss.

v) Financial liabilities

Financial liabilities are measured at amortized cost using the effective interest method.

a) Borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognized over the term of the borrowings in the statement of profit and loss.



Where the Company issues optionally convertible debenture, the fair value of the liability portion of an such debentures is determined using a market interest rate for an equivalent non-convertible debenture. This value is recorded as a liability on an amortized cost basis until extinguished on conversion or redemption of the debentures. The remainder of the proceeds is attributable to the equity portion of the instrument. This is recognized and included in shareholders' equity (net of income tax) and are not subsequently re-measured.

Where the terms of a financial liability is re-negotiated and the Company issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognized in the Statement of Profit and Loss; measured as a difference between the carrying amount of the financial liability and the fair value of equity instrument issued.

b) 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 recognized 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 recognized less cumulative amortization.

vi) De-recognition of financial instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for DE recognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

vii) Investment in subsidiaries

Investment in subsidiaries is carried at cost in the separate financial statements.

viii) Equity instruments

An equity instrument is a contract that evidences residual interest in the assets of the Company after deducting all of its liabilities.

Equity instruments recognized by the Company are recognized at the proceeds received net off direct issue cost.

11 Impairment

The Company makes assessment of any indicator that may lead to impairment of the Assets on an annual basis. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis. If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss, if any, is recognized in the statement of profit and loss, in the year in which it is identified as impaired.

12 Finance Cost

Borrowing costs relating to acquisition, construction or production of a qualifying asset which takes substantial period of time to get ready for its intended use are added to the cost of such asset to the extent they relate to the period till such assets are ready to be put to use. Other borrowing costs are charged to the Statement of Profit and Loss in the period in which it is accrued. Also, the EIR amortization is included in finance costs.



13 Provisions, Contingent Liabilities and Contingent Assets

A provision is recognized when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions (excluding gratuity and compensated absences) are determined based on management's estimate required to settle the obligation at the Balance Sheet date. When appropriate, the 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. These are reviewed at each Balance Sheet date and adjusted to reflect the current management estimates.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events, whose existence would be confirmed by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company. A contingent liability also arises, in rare cases, where a liability cannot be recognized because it cannot be measured reliably.

Contingent assets are neither recognized nor disclosed in the financial statements.

14 Foreign Currency Transactions

Foreign currency transactions during the year are accounted at the prevailing rate on the date of transaction. All monetary items are translated at the exchange rate prevailing on the last day of the year. Gains or losses arising out of remittance / translations at the year end are charged to the Statement of Profit and Loss for the year.

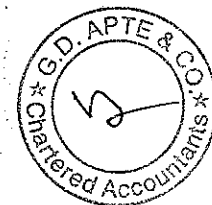
15 Employee Benefits

i) Defined Contribution Plans

Company's contributions paid/payable during the year to Provident Fund, Officer's Superannuation Fund and Labour Welfare Fund are recognized in the statement of profit and loss.

ii) Defined Benefit Plan & other long term benefits

Company's liabilities towards gratuity and leave encashment are determined using the projected unit credit method which considers each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation. Actuarial gain and losses are recognized immediately in the statement of profit and loss as income or expenses. Obligation is measured at the present value of estimated future cash flows using a discounted rate that is determined by reference to market yields at the Balance Sheet date on Government bonds where the currency and terms of the Government bonds are consistent with the currency and estimated terms of the defined benefit obligation.



16 Taxation

i) Current Tax

Provision for current tax is recognized based on the estimated tax liability computed after taking credit for allowances and exemptions in accordance with the Income Tax Act, 1961.

ii) Deferred Tax

Deferred tax is determined by applying the Balance Sheet approach. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to timing differences between the financial statements' carrying amount of existing assets and liabilities and their respective tax basis. Deferred tax assets and liabilities are measured using the enacted tax rates or tax rates that are substantively enacted at the Balance Sheet date. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the period that includes the enactment date. Deferred tax assets are only recognized to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilized. Such assets are reviewed at each Balance Sheet date to reassess realization.

Minimum Alternative Tax ("MAT") credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT Credit Entitlement. The Company reviews the same at each Balance Sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.

Current and deferred tax are recognized as an expense or income in the Statement of Profit and Loss, except when they relate to items credited or debited either in OCI or directly in equity, in which case the tax is also recognized in OCI or directly in equity.

17 Leases

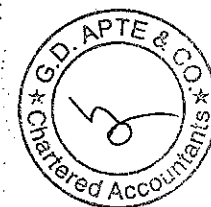
Leases under which the company assumes substantially all the risks and rewards of ownership are classified as finance leases. When acquired, such assets are capitalized at fair value or present value of the minimum lease payments at the inception of the lease, whichever is lower. Lease payments under operating leases are recognized as an expense on a straight line basis in net profit in the statement of profit and loss over the lease term.

18 Earnings Per Share

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

19 Segmental Reporting

The Company is primarily engaged in the business of 'Comprehensive Urban Development and Management' which as per Ind AS 108 on "Segment reporting" is considered to be the only reportable primary business Segment. The Company is primarily operating in India which is considered to be as a single geographical segment.



C Recent accounting pronouncements

1 Standards issued but not yet effective

In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 7, 'Statement of cash flows' and Ind AS 102, 'Share-based payment.' These amendments are in accordance with the recent amendments made by International Accounting Standards Board (IASB) to IAS 7, 'Statement of cash flows' and IFRS 2, 'Share-based payment,' respectively. The amendments are applicable to the Company from 1 April 2017.

2 Amendment to Ind AS 7

The amendment to Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement.

The Company is evaluating the requirements of the amendment and the effect, if any, on the financial statements is being evaluated.

D First Time adoption of Ind AS:

The company has adopted Ind AS with effect from 1 April 2016 with comparatives being restated. Accordingly the impact of transition has been provided in the opening Retained Earnings as at 1 April 2015 and all the periods presented has been restated accordingly.

Exemptions availed on first time adoption of Ind-AS 101

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

- i) Share-based payment transactions: Ind AS 101 encourages, but does not require, first time adopters to apply Ind AS 102 Share based Payment to equity instruments that were vested before the later of the date of transition to Ind AS. The Company has elected not to apply Ind AS 102 to awards that vested prior to 1 April 2015.
- ii) Fair value as deemed cost exemption: The Company has elected to measure any item of Property, Plant and Equipment at its carrying value at the transition date as deemed cost.
- iii) Investments in subsidiaries, joint ventures and associates: The Company has elected to measure investment in subsidiaries, joint venture and associate at cost.
- iv) Designation of previously recognised financial instruments: The Company does not have any financial assets or liabilities as of the transition dates which were required to be designated, and which met the required criteria given in Ind AS 101, as a financial asset or financial liability at fair value through profit or loss.
- v) Fair value measurement of financial assets or liabilities at initial recognition: The Company has not applied the provision of Ind AS 109, Financial Instruments, upon the initial recognition of the financial instruments where there is no active market.

Exceptions from full retrospective application

- i) Estimates exception: Upon an assessment of the estimates made under the previous GAAP, the Company has concluded that there was no necessity to revise the estimates under Ind AS except where estimates were required by Ind AS and not required by the previous GAAP.
- ii) Derecognition of financial assets and liabilities exception: Financial assets and liabilities derecognized before transition date are not re-recognised under Ind AS.



Notes to and Forming Part of the Financial Statements as at and for the Year ended 31st March 2017

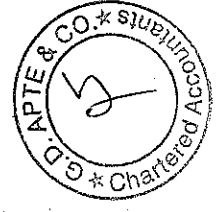
2.01

Property, Plant and Equipments:

| Particulars | Tangible Assets | | | | | | | Total |
|--|-----------------|--------------------|--|------------------------|----------|-----------|------|-------------|
| | Freehold land | Building and sheds | Plant & Machineries, Office Equipments | Furniture and fixtures | Vehicles | Computers | Boat | |
| Gross Carrying Value | | | | | | | | |
| As at 1st April 2015 | 394.67 | 81,977.39 | 18,765.02 | 997.41 | 275.96 | 507.72 | 4.70 | 1,02,922.86 |
| Additions | 0.63 | - | 1.16 | 0.13 | - | 1.00 | - | 2.92 |
| Deductions/ disposals | - | - | - | - | 3.07 | 1.98 | - | 5.05 |
| As at 31st March 2016 | 395.30 | 81,977.39 | 18,766.19 | 997.54 | 272.89 | 506.74 | 4.70 | 1,02,920.73 |
| Additions | 1.52 | - | 0.46 | - | - | - | - | 1.98 |
| Deductions/ disposals | - | - | - | - | 0.75 | - | - | 0.75 |
| As at 31st March 2017 | 396.82 | 81,977.39 | 18,766.65 | 997.54 | 272.13 | 506.74 | 4.70 | 1,02,921.96 |
| Accumulated Depreciation and Impairment | | | | | | | | |
| As at 1st April 2015 | - | 14,299.00 | 5,843.71 | 721.82 | 215.87 | 474.86 | 4.28 | 21,559.54 |
| Depreciation charge for the year | - | 3,547.64 | 1,801.51 | 49.92 | 15.55 | 13.63 | 0.07 | 5,428.32 |
| Accumulated depreciation / amortization on disposals | - | - | - | - | 2.92 | 1.91 | - | 4.84 |
| As at 31st March 2016 | - | 17,846.64 | 7,645.22 | 771.74 | 228.50 | 486.58 | 4.35 | 26,983.03 |
| Depreciation charge for the year | - | 3,353.86 | 1,549.94 | 40.79 | 11.49 | 8.06 | 0.05 | 4,964.20 |
| Accumulated depreciation / amortization on disposals | - | - | - | - | 0.73 | - | - | 0.73 |
| As at 31st March 2017 | - | 21,200.50 | 9,195.16 | 812.53 | 239.26 | 494.64 | 4.40 | 31,946.49 |
| Fixed Asset Net Carrying Value | | | | | | | | |
| As at 31st March 2017 | 396.82 | 60,776.89 | 9,571.49 | 185.00 | 32.88 | 12.09 | 0.30 | 70,975.47 |
| As at 31st March 2016 | 395.30 | 64,130.75 | 11,120.97 | 225.79 | 44.39 | 20.16 | 0.35 | 75,937.70 |
| As at 1st April 2015 | 394.67 | 67,678.39 | 12,921.32 | 275.58 | 60.09 | 32.85 | 0.42 | 81,363.32 |
| Capital Work in Progress | | | | | | | | |
| As at 1st April 2015 | | | | | | | | 1,15,406.75 |
| Add: Addition during the year | | | | | | | | 7,917.09 |
| As at 31st March 2016 | | | | | | | | 1,23,323.83 |
| Add: Addition during the year | | | | | | | | 14.66 |
| As at 31st March 2017 | | | | | | | | 1,23,338.50 |

(₹ in Laki)

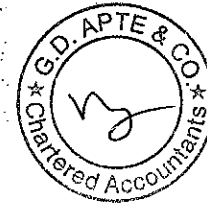
| Particulars | Intangible Assets | | Total |
|--|-------------------|----------------------|-------|
| | Computer software | Trademarks & Designs | |
| Gross Carrying Value | | | |
| As at 1st April 2015 | 251.26 | 73.91 | 325.1 |
| Additions | - | - | - |
| Deductions/ disposals | - | - | - |
| As at 31st March 2016 | 251.26 | 73.91 | 325.1 |
| Additions | - | - | - |
| Deductions/ disposals | - | - | - |
| As at 31st March 2017 | 251.26 | 73.91 | 325.1 |
| Accumulated Depreciation and Impairment | | | |
| As at 1st April 2015 | 205.22 | 72.41 | 277.6 |
| Depreciation charge for the year | 10.48 | 0.54 | 11.0 |
| Accumulated depreciation / amortization on disposals | - | - | - |
| As at 31st March 2016 | 215.70 | 72.94 | 288.6 |
| Depreciation charge for the year | 10.44 | 0.54 | 10.9 |
| Accumulated depreciation / amortization on disposals | - | - | - |
| As at 31st March 2017 | 226.14 | 73.48 | 299.6 |



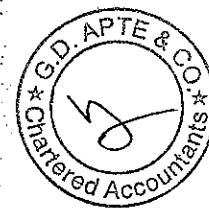
| | As at 31st March 2017 | As at 31st March 2016 | As at 1st April, 2015 |
|--|--------------------------|--------------------------|--------------------------|
| 2.02 Non-current investments (at cost, unless otherwise stated) | | | |
| Trade Investments, Unquoted, Long Term :- | | | |
| (a) Investments in Equity Shares in Subsidiary Companies | | | |
| Dasve Business Hotel Limited | 5.00 | 5.00 | 5.00 |
| 50,000 (Previous year - 50,000) Equity shares of ₹ 10/- each Fully Paid up | | | |
| Less: Impairment in value of Investment | (5.00) | (5.00) | - |
| Dasve Convention Centre Limited | 5.00 | 5.00 | 5.00 |
| 50,000 (Previous year - 50,000) Equity shares of ₹ 10/- each Fully Paid up | | | |
| Less: Impairment in value of Investment | (5.00) | (5.00) | - |
| Dasve Hospitality Institutes Limited | 555.00 | 555.00 | 555.00 |
| 105,000 (Previous year - 105,000) Equity shares of ₹ 10/- each Fully Paid up | | | |
| Lakeshore Watersports Company Limited | 5.00 | 5.00 | 5.00 |
| 50,000 (Previous year - 50,000) Equity shares of ₹ 10/- each Fully Paid up | | | |
| Lakeview Clubs Limited | 5.00 | 5.00 | 5.00 |
| 50,000 (Previous year - 50,000) Equity shares of ₹ 10/- each Fully Paid up | | | |
| Lavasa Hotel Limited | 5.00 | 5.00 | 5.00 |
| 50,000 (Previous year - 50,000) Equity shares of ₹ 10/- each Fully Paid up | | | |
| Dasve Retail Limited | 5.00 | 5.00 | 5.00 |
| 50,000 (Previous year - 50,000) Equity shares of ₹ 10/- each Fully Paid up | | | |
| Full Spectrum Adventure Limited | 5.00 | 5.00 | 5.00 |
| 50,000 (Previous year - 50,000) Equity shares of ₹ 10/- each Fully Paid up | | | |
| Lavasa Bamboocrafts Limited | 5.00 | 5.00 | 5.00 |
| 50,000 (Previous year - 50,000) Equity shares of ₹ 10/- each Fully Paid up | | | |
| My City Technology Limited | 1,493.10 | 1,493.10 | 1,493.10 |
| 180,495 (Previous year - 180,495) Equity shares of ₹ 10/- each Fully Paid up | | | |
| Less: Impairment in value of Investment | (69.81) | - | - |
| Reasonable Housing Limited | 5.00 | 5.00 | 5.00 |
| 50,000 (Previous year - 50,000) Equity shares of ₹ 10/- each Fully Paid up | | | |
| Rhapsody Commercial Spaces Limited | 5.00 | 5.00 | 5.00 |
| 50,000 (Previous year - 50,000) Equity shares of ₹ 10/- each Fully Paid up | | | |
| Verzon Hospitality Limited | 40.54 | 40.54 | 40.54 |
| 54,054 (Previous year - 54,054) Equity shares of ₹ 10/- each Fully Paid up | | | |
| Future City Multiservices SEZ Limited | 5.00 | 5.00 | 5.00 |
| 50,000 (Previous year - 50,000) Equity shares of ₹ 10/- each Fully Paid up | | | |
| Valley View Entertainment Limited | 5.00 | 5.00 | 5.00 |
| 50,000 (Previous year - 50,000) Equity shares of ₹ 10/- each Fully Paid up | | | |
| Sirrah Palace Hotels Limited (Upton 6th November 2015) | - | - | 5.00 |
| Nil (Previous year - Nil) Equity shares of ₹ 10/- each Fully Paid up | | | |
| Warasgaon Tourism Limited | 5.00 | 5.00 | 5.00 |
| 50,000 (Previous year - 50,000) Equity shares of ₹ 10/- each Fully Paid up | | | |
| Our Home Service Apartments Limited | 5.00 | 5.00 | 5.00 |
| 50,000 (Previous year - 50,000) Equity shares of ₹ 10/- each Fully Paid up | | | |
| Warasgaon Power Supply Limited | 505.00 | 505.00 | 505.00 |
| 100,000 (Previous year - 100,000) Equity shares of ₹ 10/- each Fully Paid up | | | |
| Sahyadri City Management Limited | 5.00 | 5.00 | 5.00 |
| 50,000 (Previous year - 50,000) Equity shares of ₹ 10/- each Fully Paid up | | | |
| Less: Impairment in value of Investment | (5.00) | (5.00) | - |
| Kart Racers Limited | 4.50 | 5.00 | 5.00 |
| 45,000 (Previous year - 50,000) Equity shares of ₹ 10/- each Fully Paid up | | | |
| Warasgaon Infrastructure Providers Limited | 5.00 | 5.00 | 5.00 |
| 50,000 (Previous year - 50,000) Equity shares of ₹ 10/- each Fully Paid up | | | |
| Hill City Service Apartments Limited | 5.00 | 5.00 | 5.00 |
| 50,000 (Previous year - 50,000) Equity shares of ₹ 10/- each Fully Paid up | | | |
| Nature Lovers Retail Limited | 5.00 | 5.00 | 5.00 |
| 50,000 (Previous year - 50,000) Equity shares of ₹ 10/- each Fully Paid up | | | |
| Warasgaon Valley Hotels Limited | 5.00 | 5.00 | 5.00 |
| 50,000 (Previous year - 50,000) Equity shares of ₹ 10/- each Fully Paid up | | | |
| Rosebay Hotels Limited | 5.00 | 5.00 | 5.00 |
| 50,000 (Previous year - 50,000) Equity shares of ₹ 10/- each Fully Paid up | | | |
| Mugaon Luxury Hotels Limited | 5.00 | 5.00 | 5.00 |
| 50,000 (Previous year - 50,000) Equity shares of ₹ 10/- each Fully Paid up | | | |
| Warasgaon Assets Maintenance Limited | 66,689.15 | 59,305.27 | 1,005.00 |
| 67,18,415 (Previous year 59,80,027) Equity shares of ₹ 10/- each Fully Paid up | | | |



| | As at 31st March 2017 | As at 31st March 2016 | As at 1st April, 2015 |
|--|--------------------------|--------------------------|--------------------------|
| Hill View Parking Services Limited 50,000 (Previous year 50,000) Equity shares of ₹ 10/- each Fully Paid up | 5.00 | 5.00 | 5.00 |
| Starlit Resort Limited (Upton 13th May, 2015) 49,400 (Previous year - 49,400) Equity shares of ₹ 10/- each Fully Paid up | - | - | 5.00 |
| Osprey Hospitality Limited (upto 8th August 2016) Nil (Previous year - 50,000) Equity shares of ₹ 10/- each Fully Paid up | - | 5.00 | 5.00 |
| Sub Total (a) | 69,312.48 | 62,003.91 | 3,728.64 |



| | As at 31st March 2017 | As at 31st March 2016 | As at 1st April, 2015 |
|--|--------------------------|--------------------------|--------------------------|
| (b) Investment In Equity Shares in Joint Venture | | | |
| Spotless Laundry Services Limited 96,437 (Previous year - 96,437) Equity shares of ₹ 10/- each Fully Paid up | 708.22 | 708.22 | 708.22 |
| Green Hills Residences Limited 53,319 (Previous year - 53,319) Equity shares of ₹ 10/- each Fully Paid up | 236.19 | 236.19 | 236.19 |
| Whistling Thrush Facilities Services Limited 27,540 (Previous year - 27,540) Equity shares of ₹ 10/- each Fully Paid up | 22.95 | 22.95 | 22.95 |
| Bona Sera Hotels Limited 1,22,563 (Previous year - 1,22,563) Equity shares of ₹ 10/- each Fully Paid up | 231.35 | 231.35 | 171.60 |
| Ecomotel Hotel Limited 1,01,32,240 (Previous year - 86,32,300) Equity shares of ₹ 10/- each Fully Paid up | 1,326.79 | 1,176.79 | 578.03 |
| Starlit Resort Limited (effective from 14th may 2015) 49,400 (Previous year - 49,400) Equity shares of ₹ 10/- each Fully Paid up | 365.30 | 365.30 | - |
| Andromeda Hotels Limited 61,470 (Previous year - 61,470) Equity shares of ₹ 10/- each Fully Paid up | 416.70 | 416.70 | 412.70 |
| Apollo Lavasa Health Corporation Limited 6,26,808 (Previous year - 6,26,808) Equity shares of ₹ 10/- each Fully Paid up | 5,880.00 | 5,880.00 | 7,500.00 |
| Sub Total (b) | 9,187.50 | 9,037.50 | 9,629.69 |
| (c) Investment In Equity Shares in Associate Companies | | | |
| Warasgaon Lakeview Hotels Limited (Upton 28th February, 2017) 1,09,646 (Previous year - 1,40,957) Equity shares of ₹ 10/- each Fully Paid up | - | 1,213.44 | 1,213.44 |
| Knowledge Vistas Limited 3,10,481 (Previous year - 3,10,481) Equity shares of ₹ 10/- each Fully Paid up | 2,245.09 | 2,245.09 | 1,687.53 |
| Less: Impairment in value of Investment | (1,414.08) | (1,414.08) | - |
| Sub Total (c) | 831.01 | 2,044.44 | 2,900.97 |
| (d) Investments in Other Equity Shares, Unquoted (FVTOCI) | | | |
| Warasgaon Lakeview Hotels Limited (effective from 1st March, 2017) 1,09,646 (Previous year - 1,40,957) Equity shares of ₹ 10/- each Fully Paid up | 900.33 | - | - |
| These shares were pledged against loan taken by the former Associate from L & T Infrastructure Finance Co. Ltd.(L&T) During the year, 31,311 number of shares valued at ₹ 313.11 Lakhs have been transferred to L& T in part settlement of loan, which is disclosed as Inter Corporate Deposit to Warasgaon Lake View Hotels Limited. The resultant loss of ₹ 76.51 Lakhs has been charged off and consequently the classification of this investment has been changed from Associate to other investment. | | | |
| Space Theme Park India Limited 50,000 (Previous year - 50,000) Equity shares of ₹ 10/- each Fully Paid up | 5.00 | 5.00 | 5.00 |
| Osprey Hospitality Limited (effective from 9th August 2016) 60 (Previous year - 50,000) Equity shares of ₹ 10/- each Fully Paid up | 0.01 | - | - |
| Sub Total (d) | 905.33 | 5.00 | 5.00 |



| | As at 31st March 2017 | As at 31st March 2016 | As at 1st April, 2015 |
|--|--------------------------|--------------------------|--------------------------|
| (e) Investments in Equity Instruments, Quoted | | | |
| at Fair Value through Profit or Loss (FVTOCI) | | | |
| Punjab National Bank Limited | 3.68 | 3.68 | 3.68 |
| 4715 (Previous year - 4715) Equity Shares of ₹ 2/- each | | | |
| Hubtown Limited (Formerly Akruiti City Limited) | 0.08 | 0.08 | 0.08 |
| 10 (Previous year - 10) Equity Shares of ₹ 10/- each | | | |
| Ansal Housing & Construction Limited | 0.02 | 0.02 | 0.02 |
| 30 (Previous year - 30) Equity Shares of ₹ 10/- each | | | |
| Ansal Properties & Infra Limited | 0.03 | 0.03 | 0.03 |
| 10 (Previous year - 10) Equity Shares of ₹ 5/- each | | | |
| Ashiana Housing Limited | 0.03 | 0.03 | 0.03 |
| 175 (Previous year - 175) Equity Shares of ₹ 2/- each | | | |
| DLF Limited | 0.09 | 0.09 | 0.09 |
| 10 (Previous year - 10) Equity Shares of ₹ 2/- each | | | |
| HDIL | 0.08 | 0.08 | 0.08 |
| 12 (Previous year - 12) Equity Shares of ₹ 10/- each | | | |
| Indiabulls Real Estate Limited | 0.07 | 0.07 | 0.07 |
| 10 (Previous year - 10) Equity Shares of ₹ 10/- each | | | |
| Indiabulls Wholesale Services Limited | 0.00 | 0.00 | 0.00 |
| 1 (Previous year - 1) Equity Shares of ₹ 2/- each | | | |
| Mahindra Lifestyle limited (Formerly Mahindra Gesco Limited) | 0.06 | 0.06 | 0.06 |
| 10 (Previous year - 10) Equity Shares of ₹ 10/- each | | | |
| Orbit Corporation Limited | 0.06 | 0.06 | 0.06 |
| 20 (Previous year - 20) Equity Shares of ₹ 10/- each | | | |
| Parshwanath Developers Limited | 0.04 | 0.04 | 0.04 |
| 20 (Previous year - 20) Equity Shares of ₹ 10/- each | | | |
| Peninsula Land Limited | 0.06 | 0.06 | 0.06 |
| 50 (Previous year - 50) Equity Shares of ₹ 2/- each | | | |
| Shoba Developers Limited | 0.09 | 0.09 | 0.09 |
| 10 (Previous year - 10) Equity Shares of ₹ 10/- each | | | |
| Unitech Limited | 0.03 | 0.03 | 0.03 |
| 10 (Previous year - 10) Equity Shares of ₹ 2/- each | | | |
| D S Kulkarni Developers Limited | 0.03 | 0.03 | 0.03 |
| 10 (Previous year - 10) Equity Shares of ₹ 10/- each | | | |
| Sub Total (F) | 4.44 | 4.44 | 4.44 |
| (f) Investment in Other Equity Instruments | | | |
| Subsidiaries | | | |
| Equity Component in Redeemable Preference Shares of Dasve Hospitality Institutes Limited | 998.18 | 998.18 | 998.18 |
| 50,000 (Previous year - 50,000) 0.001% Redeemable Preference shares of ₹ 10/- each Fully Paid up | | | |
| Equity Component in Redeemable Preference Shares of Warasgaon Asset Maintenance Limited | 22.03 | 16.75 | - |
| 5870 (Previous year - 4,725) 0.001% Convertible Preference shares of ₹ 10/- each Fully Paid up | | | |
| Equity Component of Inter Corporate Deposits | 31,984.63 | 31,984.63 | 21,680.39 |
| Corporate Guarantees | 25,815.47 | 23,148.64 | 3,244.02 |
| Other Equity Instruments | 43,025.54 | 43,025.54 | 0.00 |
| Associates | | | |
| Corporate Guarantees | 125.10 | 125.10 | 125.10 |
| Joint Venture | | | |
| Corporate Guarantees | 40.07 | 40.07 | 40.07 |
| Sub Total (d) | 1,02,011.01 | 99,338.91 | 26,087.75 |



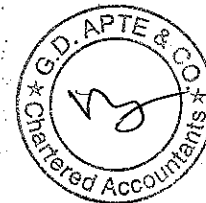
| | As at 31st March 2017 | As at 31st March 2016 | As at 1st April, 2015 |
|---|--------------------------|--------------------------|--------------------------|
| (g) Investments in Preference Shares of Subsidiary Companies | | | |
| Dasve Business Hotels Limited 2,33,976 (Previous year - 2,33,976) 0.001% Convertible Preference shares of ₹ 10/- each Fully Paid up | 2,339.76 | 2,339.76 | 2,339.76 |
| Less: Impairment in value of Investment | (1,837.12) | (1,152.46) | - |
| Dasve Convention Center Limited 5,17,828 (Previous year - 5,17,828) 0.001% Convertible Preference shares of ₹ 10/- each Fully Paid up | 5,178.28 | 5,178.28 | 5,178.28 |
| Less: Impairment in value of Investment | (4,965.74) | (4,965.74) | - |
| Dasve Hospitality Institutes Limited 1,70,564 (Previous year - 1,70,564) 0.001% Convertible Preference shares of ₹ 10/- each Fully Paid up | 1,705.64 | 1,705.64 | 1,705.64 |
| Lakeshore Watersports Company Limited 1,09,796 (Previous year - 1,09,796) 0.001% Convertible Preference shares of ₹ 10/- each Fully Paid up | 1,097.96 | 1,097.96 | 1,097.96 |
| Lakeview Clubs Limited 1,93,580 (Previous year - 1,93,580) 0.001% Convertible Preference shares of ₹ 10/- each Fully Paid up | 1,935.80 | 1,935.80 | 1,935.80 |
| Dasve Retail Limited 7,89,148 (Previous year - 7,89,148) 0.001% Convertible Preference shares of ₹ 10/- each Fully Paid up | 7,891.48 | 7,891.48 | 7,891.48 |
| Lavasa Bamboocrafts Limited 79,024 (Previous year - 79,024) 0.001% Convertible Preference shares of ₹ 10/- each Fully Paid up | 790.24 | 790.24 | 790.24 |
| Reasonable Housing Limited 1,96,572 (Previous year - 1,96,572) 0.001% Convertible Preference shares of ₹ 10/- each Fully Paid up | 1,965.72 | 1,965.72 | 1,965.72 |
| Future City Multiservices SEZ Limited 16,948 (Previous year - 16,948) 0.001% Convertible Preference shares of ₹ 10/- each Fully Paid up | 169.48 | 169.48 | 169.48 |
| Warasgaon Tourism Limited 98,368 (Previous year - 98,368) 0.001% Convertible Preference shares of ₹ 10/- each Fully Paid up | 983.68 | 983.68 | 983.68 |
| Sahyadri City Management Limited 3,87,136 (Previous year - 3,87,136) 0.001% Convertible Preference shares of ₹ 10/- each Fully Paid up | 3,871.36 | 3,871.36 | 3,871.36 |
| Less: Impairment in value of Investment | (3,871.36) | (3,871.36) | - |
| Hill City Service Apartments Limited 1,03,288 (Previous year - 1,03,288) 0.001% Convertible Preference shares of ₹ 10/- each Fully Paid up | 1,032.88 | 1,032.88 | 1,032.88 |
| Nature Lovers Retail Limited 17,320 (Previous year - 17,320) 0.001% Convertible Preference shares of ₹ 10/- each Fully Paid up | 173.20 | 173.20 | 173.20 |
| Sub Total (e) | 18,461.26 | 19,145.92 | 29,135.48 |
| Grand Total (a+b+c+d+e+f+g) | 2,00,713.02 | 1,91,580.12 | 71,491.96 |
| Aggregate amount of quoted investments | | | |
| Carrying Cost | 4.44 | 4.44 | 4.44 |
| Market Value | 7.65 | 4.44 | 7.41 |
| Aggregate amount of unquoted investments | 2,12,881.70 | 2,02,994.32 | 71,487.53 |
| Aggregate amount of impairment in value of investments | 12,173.11 | 11,418.64 | - |
| 2.03 Loans (Unsecured, considered good) | | | |
| Inter Corporate Deposit to Subsidiaries | 4,640.89 | 4,051.76 | 12,826.97 |
| Loans to Subsidiaries | 50.25 | 34.43 | 2.46 |
| | 4,691.14 | 4,086.19 | 12,829.43 |



| | As at 31st March 2017 | As at 31st March 2016 | As at 1st April, 2015 |
|--|--------------------------|--------------------------|--------------------------|
| 2.04 Other Financial Assets | | | |
| Fixed deposits with Bank held as Margin Money (Maturity with more than 12 months) Deposits | 498.87 | 465.59 | 431.30 |
| | <u>313.12</u> | <u>153.22</u> | <u>150.71</u> |
| | <u>811.99</u> | <u>618.81</u> | <u>582.01</u> |
| 2.05 Other Non current assets | | | |
| Prepaid Guarantee Expenses | 4,920.20 | 5,705.09 | 6,384.21 |
| Others | 1.32 | 2.73 | 3.55 |
| | <u>4,921.52</u> | <u>5,707.82</u> | <u>6,387.76</u> |
| 2.06 Inventories | | | |
| Land at cost or NRV whichever is lower: | | | |
| Land | 3,090.64 | 3,108.42 | 3,108.94 |
| Land - FSI | 1,70,710.05 | 1,67,962.01 | 1,29,002.88 |
| Project work in Progress (at cost or NRV whichever is lower) | 15,063.20 | 15,205.17 | 15,904.95 |
| Project work in Progress (at contract rate) (Refer Note 2.58) | 2,042.23 | 1,976.45 | 2,698.35 |
| | <u>1,90,906.12</u> | <u>1,88,252.04</u> | <u>1,50,715.12</u> |
| 2.07 Trade Receivables | | | |
| Unsecured, considered good | 27,434.26 | 18,306.98 | 34,112.56 |
| Unsecured, considered doubtful | 51,602.75 | 51,816.83 | 36,760.01 |
| Allowances for doubtful debts (expected credit loss allowance) (Refer Note No. 2.49) | (51,602.75) | (51,816.83) | (36,760.01) |
| | <u>27,434.26</u> | <u>18,306.98</u> | <u>34,112.56</u> |
| 2.08 Cash and Cash equivalents | | | |
| Balances with Banks | 205.84 | 245.44 | 352.69 |
| Cheques on Hand | - | - | 29.84 |
| Cash on Hand | 0.42 | 12.19 | 6.61 |
| | <u>206.26</u> | <u>257.63</u> | <u>389.14</u> |
| 2.09 Loans | | | |
| Deposits | 166.32 | 23.72 | 21.72 |
| Inter Corporate Deposit to Subsidiaries | 9,326.99 | 5,097.62 | 3,073.86 |
| Inter Corporate Deposit to Joint Ventures | | | |
| Unsecured, considered good | 4,996.19 | 5,176.01 | 5,836.20 |
| Unsecured, considered doubtful | 2,134.04 | - | - |
| Less: Impairment Loss | (2,134.04) | - | - |
| Inter Corporate Deposit to Associates | 0.07 | 0.07 | 498.73 |
| Inter Corporate Deposit to Others | | | |
| Unsecured, considered good | 280.51 | 2,667.97 | 3,455.71 |
| Unsecured, considered doubtful | 4,243.45 | 1,575.49 | 787.74 |
| Less: Impairment Loss | (4,243.45) | (1,575.49) | (787.74) |
| | <u>14,770.08</u> | <u>12,965.39</u> | <u>12,886.21</u> |
| 2.10 Other Financial assets | | | |
| Other Amounts Recoverable | - | 336.35 | - |
| Others | | | |
| Unsecured, considered good | 0.00 | 660.00 | 926.00 |
| Unsecured, considered doubtful | 562.00 | - | - |
| Less: Impairment Loss | (562.00) | - | - |
| | <u>0.00</u> | <u>996.36</u> | <u>926.00</u> |



| | As at 31st March 2017 | As at 31st March 2016 | As at 1st April, 2015 |
|---|--------------------------|--------------------------|--------------------------|
| 2.11 Current Tax Assets (Net) | | | |
| Current Tax Assets | 9,495.24 | 9,830.07 | 9,654.95 |
| Less: Current Tax Liabilities | - | - | - |
| | <u>9,495.24</u> | <u>9,830.07</u> | <u>9,654.95</u> |
| 2.12 Other Current Assets (Unsecured, considered good unless otherwise stated) | | | |
| Advances to Staff | 4.11 | 9.51 | 45.40 |
| Advances to Suppliers | | | |
| Unsecured, considered good | 5,690.20 | 6,765.99 | 7,341.92 |
| Unsecured, considered doubtful | 1,158.83 | - | - |
| Less: Impairment Loss | (1,158.83) | - | - |
| Advances for Land Purchases | 3,679.67 | 3,703.92 | 3,698.72 |
| Other Amounts Recoverable | 1,989.98 | 3,346.47 | 4,906.86 |
| Balances with Government Authorities | 1,386.76 | 1,295.53 | 1,181.15 |
| Prepaid Guarantee Expenses | 209.82 | 156.93 | 209.82 |
| Miscellaneous Expenditure (to the extent not written off) | - | - | 533.91 |
| | <u>12,960.54</u> | <u>15,278.35</u> | <u>17,917.78</u> |



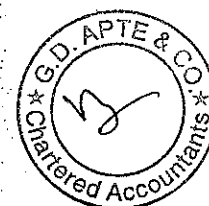
| | (₹ in Lakhs) | | |
|---|--------------------------|--------------------------|--------------------------|
| | As at 31st March 2017 | As at 31st March 2016 | As at 1st April, 2015 |
| 2.13 Share Capital | | | |
| (a) Authorized | | | |
| 2,50,00,00,000 (Previous Year 2,50,00,00,000) Equity Shares of ₹ 10/- each | 2,50,000.00 | 2,50,000.00 | 2,50,000.00 |
| 20,00,00,00,000 (Previous Year 20,00,00,00,000) 6% Cumulative Redeemable Preference Shares of ₹ 10/- each | 20,000.00 | 20,000.00 | 20,000.00 |
| 12,50,00,00,000 (Previous Year 12,50,00,00,000) Preference Shares of ₹ 10/- each | 12,500.00 | 12,500.00 | 12,500.00 |
| 82,50,00,00,000 (Previous Year 82,50,00,00,000) 0.001% Compulsorily Convertible Preference Shares of ₹ 10/- each. | 82,500.00 | 82,500.00 | - |
| | 3,65,000.00 | 3,65,000.00 | 2,82,500.00 |
| (b) ISSUED | | | |
| Equity Share Capital | | | |
| 79,59,44,363 (Previous Year 79,59,44,363) Equity Shares of ₹ 10/- each | 79,594.44 | 79,594.44 | 79,594.44 |
| Cumulative Redeemable Preference Share Capital | | | |
| 3,80,00,00,000 (Previous Year 3,80,00,00,000) 6% Cumulative Redeemable Preference Shares of ₹ 10/- each | 3,800.00 | 3,800.00 | 3,800.00 |
| Compulsorily Convertible Preference Share Capital | | | |
| 52,50,00,00,000 (Previous Year 52,50,00,00,000) 0.001% Compulsorily Convertible Preference Shares of ₹ 10/- each. | 52,500.00 | 52,500.00 | - |
| Total | 1,35,894.44 | 1,35,894.44 | 83,394.44 |
| (c) SUBSCRIBED AND PAID UP | | | |
| Equity Share Capital | | | |
| 79,59,44,363 (Previous Year 79,59,44,363) Equity Shares of ₹ 10/- each fully paid up | 79,594.44 | 79,594.44 | 79,594.44 |
| Of the above 43,86,99,772 Equity Shares were issued as fully paid up Bonus Shares. | | | |
| Total | 79,594.44 | 79,594.44 | 79,594.44 |

A) Reconciliation of shares outstanding at the beginning and at the end of the year

| Equity Shares | As at March 31st, 2017 | | As at March 31st, 2016 | | As at March 31st, 2015 | |
|--|------------------------|------------|------------------------|------------|------------------------|------------|
| | No of shares | ₹ In Lakhs | No of shares | ₹ In Lakhs | No of shares | ₹ In Lakhs |
| At the beginning of the year | 79,59,44,363 | 79,594.44 | 79,59,44,363 | 79,594.44 | 79,59,44,363 | 79,594.44 |
| Shares issued during the year for cash | - | - | - | - | - | - |
| Shares issued during the year pursuant to conversion of CCPS | - | - | - | - | - | - |
| At the end of the year | 79,59,44,363 | 79,594.44 | 79,59,44,363 | 79,594.44 | 79,59,44,363 | 79,594.44 |

B) Details of shareholders holding more than 5% of shares of the Company and shares held by Holding & ultimate Holding Company:

| Particulars | As at March 31st, 2017 | | As at March 31st, 2016 | | As at March 31st, 2015 | |
|--|------------------------|-----------|------------------------|-----------|------------------------|-----------|
| | No of shares | % holding | No of shares | % holding | No of shares | % holding |
| Equity Shares of ₹ 10 each fully paid | | | | | | |
| Holding Company (HREL), HCC Real Estate Company Limited, | 54,68,42,513 | 68.70% | 54,68,42,513 | 68.70% | 54,68,42,513 | 68.70% |
| Avantha Realty Limited | 12,49,33,409 | 15.70% | 12,49,33,409 | 15.70% | 12,49,33,409 | 15.70% |
| Venkateshwara Hatcheries Private Limited | 6,21,42,192 | 7.81% | 6,21,42,192 | 7.81% | 6,21,42,192 | 7.81% |
| Vinay V Maniar | 5,00,33,488 | 6.29% | 5,00,33,488 | 6.29% | 5,00,33,488 | 6.29% |
| Hindustan Construction Company Limited (HCC), the Ultimate Holding Company | 2,387 | 0.00% | 2,387 | 0.00% | 2,387 | 0.00% |



C) Details of Allotment of Shares for consideration other than cash, allotments of Bonus Shares and Shares bought back:

| Particulars | Financial Year (Aggregate No. of Shares) | | | | |
|---|--|---------|---------|---------|---------|
| | 2016-17 | 2015-16 | 2014-15 | 2013-14 | 2012-13 |
| Equity Shares : | | | | | |
| Fully paid up by way of bonus shares | NIL | NIL | NIL | NIL | NIL |
| Allotted pursuant to contract(s) without payment being received in cash | NIL | NIL | NIL | NIL | NIL |
| Shares Bought Back | NIL | NIL | NIL | NIL | NIL |

D) Rights & restriction attached to equity shareholders:

The Company has only one class of equity shares having face value as ₹ 10/- each. Every holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. Any dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting. The Company has issued Non- Convertible Debentures(NCD). As per agreements, the Company is required to obtain prior consent of NCD holders before declaring equity dividend. As per the Common Loan Agreement with Consortium Lenders, the Company has to satisfy the conditions set therein before declaring equity dividend.

E) Employees Stock Option Scheme:

a. Options granted

i) The Company granted 1,54,200 Stock Options on April 21, 2008 (each option carrying entitlement for one equity share of the face value of ₹ 10/- each) at an exercise price of ₹ 534.52 per equity share.

ii) The ESOP Compensation committee at its meeting held on 20th October, 2009 granted 49,000 additional options to existing option holders at an exercise price of ₹ 534.52 per equity share for making an adjustment to the number of options on account of the increase in the equity share capital of the Company, post grant of the initial options.

iii) The ESOP Compensation committee at its meeting held on 11th June, 2010 granted 15,16,560 additional options to existing option holders at an exercise price of ₹ 59.39 per equity share for making an adjustment to the number of options on account of the increase in the equity share capital of the Company, due to bonus issue of equity shares.

iv) The ESOP Compensation committee at its meeting held on 11th June, 2010 also approved the adjustment / modification of exercise price mentioned in (i) and (ii) above to ₹ 59.39 per equity share due to bonus issue of equity shares.

v) The ESOP Compensation Committee at its meeting held on 30th July, 2010 granted 2,43,736 additional options to existing option holders at an exercise price of ₹ 51.97 per equity share for making an adjustment to the number of options on account of the increase in the equity share capital of the Company, due to bonus issue of equity shares.

vi) The ESOP Compensation committee at its meeting held on 30th July, 2010 also approved the adjustment / modification of exercise price mentioned in (i), (ii) and (iii) above to ₹ 51.97 per equity share due to bonus issue of equity shares.

vii) The ESOP Compensation Committee at its meeting held on 23rd April, 2012 approved the change in entitlement in respect of the 17,25,740 Options granted to the eligible employees, from the existing ratio of 1 : 1 i.e. One share for every Option exercised to 49 : 30 i.e. 49 equity shares for every 30 Options exercised (fraction if any, arising in the resultant shares to be ignored). The said adjustment is made on account of the increase in the equity share Capital of the Company, due to various rights issues of equity shares made during the financial year 2011-12. The exercise price per option shall remain unchanged at ₹ 51.97 per option.

b. Settlement : Through Equity Shares

c. Options granted till date : 19,63,496

d. Options lapsed/cancelled till date : 15,33,191

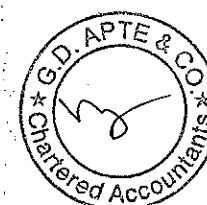
e. Options in force : 4,30,305

f. Options vested : 7,79,942 on 21/04/2011 out of which 1,88,269 Vested options have lapsed on account of Resignation / retirement. 5,91,673 Vested Options got lapsed on 20/04/2015 5,17,724 on 21/04/2012 out of which 80,692 Vested options have lapsed on account of Resignation / retirement. 4,37,032 Vested Options got lapsed on 20/04/2016 5,17,724 on 21/04/2013 out of which 80,692 Vested options have lapsed on account of Resignation / retirement

g. Exercise Period : Four years from the vesting date

| | As at 31st March 2017 | As at 31st March 2016 | As at 1st April, 2015 |
|---|--------------------------|--------------------------|--------------------------|
| h. Outstanding at the beginning of the year | 8,74,064 | 14,79,191 | 17,03,317 |
| i. Granted during the period / year | NIL | NIL | NIL |
| j. Forfeited during the year | NIL | NIL | NIL |
| k. Exercised during the year | NIL | NIL | NIL |
| l. Expired / cancelled / lapsed during the year | 4,43,759 | 6,05,127 | 2,24,126 |
| m. Outstanding at the end of the year | 4,30,305 | 8,74,064 | 14,79,191 |
| n. Exercisable at the end of the year | 4,30,305 | 8,74,064 | 14,79,191 |

o. The company had during earlier years granted above stock options to its employees against which no options have been exercised till March 31, 2017. During the year 2016-17, significant number of employees separated from the company and since there is no probability of vesting and exercise of these options, no accounting in respect of the same is necessary.



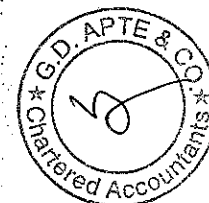
| | As at 31st March 2017 | As at 31st March 2016 | As at 1st April, 2015 |
|--|--------------------------|--------------------------|--------------------------|
| 2.14 Other Equity | | | |
| Deemed Equity investment by holding company | | | |
| Opening Balance | 6,594.03 | 6,594.03 | 6,594.03 |
| Add: During the year | - | - | - |
| Closing Balance | <u>6,594.03</u> | <u>6,594.03</u> | <u>6,594.03</u> |
| Capital Reserve | | | |
| Opening Balance | 2,161.14 | 2,161.14 | 2,161.14 |
| Add: During the year | - | - | - |
| Closing Balance | <u>2,161.14</u> | <u>2,161.14</u> | <u>2,161.14</u> |
| Debenture Redemption Reserve | | | |
| Opening Balance | 3,046.42 | 3,046.42 | 3,046.42 |
| Add: During the year | - | - | - |
| Closing Balance | <u>3,046.42</u> | <u>3,046.42</u> | <u>3,046.42</u> |
| Revaluation Surplus / Amalgamation Reserves | | | |
| Opening Balance | 2,010.73 | 2,010.73 | 2,010.73 |
| Add: During the year | - | - | - |
| Closing Balance | <u>2,010.73</u> | <u>2,010.73</u> | <u>2,010.73</u> |
| Surplus/(Deficit) in the Statement of Profit and Loss | | | |
| Balance brought forward from last year | 16,749.12 | (10,155.76) | (10,155.76) |
| Add: Profit/(Loss) for the year | (16,629.68) | 26,904.88 | - |
| Net Surplus / (deficit) | <u>119.44</u> | <u>16,749.12</u> | <u>(10,155.76)</u> |
| Other Comprehensive Income | | | |
| Balance brought forward from last year | 42.30 | 29.24 | - |
| Add: Profit/ (Loss) for the year | 1.59 | 13.07 | 29.24 |
| Net Surplus / (deficit) | <u>43.89</u> | <u>42.30</u> | <u>29.24</u> |
| Grand Total - Other Equity | <u><u>13,975.64</u></u> | <u><u>30,603.73</u></u> | <u><u>3,685.78</u></u> |



| | As at 31st March 2017 | As at 31st March 2016 | As at 1st April, 2015 |
|--|--------------------------|--------------------------|--------------------------|
| Non-current liabilities | | | |
| Financial Liabilities | | | |
| 2.15 Borrowings | | | |
| Bonds and Debentures | | | |
| A) Fully Convertible Debenture- Unsecured | | | |
| 1 (One) (Previous year 1) 0% Fully Convertible Debenture having face value of ₹ 12,00,00,000 (Previous year ₹ 12,00,00,000). (Note 2.14 (E)(b)) | 1,907.12 | 1,661.74 | 1,447.44 |
| <i>Less: Classified as other current financial liability due to maturity within next 12 months (Note No 2.21)</i> | - | 1,661.74 | - |
| | <u>1,907.12</u> | <u>-</u> | <u>1,447.44</u> |
| B) Non Convertible Debentures - Secured | | | |
| 150 (One Hundred Fifty) (Previous Year 150) 14% Non Convertible Debentures having total face value of ₹ 15,00,00,000 (Previous year 15,00,00,000) | | | |
| Secured By Charge Created by English Mortgage Deed on Land of Lavasa Project admeasuring 30 acres. | 4,489.79 | 3,931.87 | 3,420.07 |
| Corporate guarantee to the extent 100% of outstanding balance have been given by holding company ((Note 2.14 (E) (a) (1)) | | | |
| <i>Less: Classified as other financial liability (Note No 2.21)</i> | <u>4,489.79</u> | <u>-</u> | <u>-</u> |
| | - | 3,931.87 | 3,420.07 |
| 1020 (One Thousand and Twenty) (Previous Year 1020) 14% Non Convertible Debentures having total face value of ₹ 99,45,00,000 (Previous year ₹ 99,45,00,000) | | | |
| Secured by first pari passu Charge created by English Mortgage Deed on Land of Lavasa Project admeasuring 6,806.69 Acres and premises, buildings constructed or to be constructed thereon. All present & future moveable assets. | 9,945.00 | 9,945.00 | 9,945.00 |
| Corporate guarantee to the extent 50% of outstanding balance have been given by promoters and other shareholders. ((Note 2.3 (E) (a) (2)) | | | |
| <i>Less: Classified as other financial liability (Note No 2.21)</i> | <u>9,945.00</u> | <u>2,805.00</u> | <u>765.00</u> |
| | - | 7,140.00 | 9,180.00 |
| 1 (One) (Previous Year 1) 10.75% Non Convertible Debenture having face value of ₹ 1,00,00,00,000 (Previous year ₹ 1,00,00,00,000) | | | |
| Secured By Exclusive Charge Created by English Mortgage Deed on Land situated at village Dhamanhol Taluka Mulshi admeasuring 1 Acre. ((Note 2.3 (E) (a) (3)) | 13,121.35 | 11,633.81 | 10,476.03 |
| Secured by Second Charge on Land of Lavasa Project admeasuring 6,806.69 Acres and premises, buildings constructed or to be constructed thereon. | | | |
| <i>Less: Classified as other financial liability (Note No 2.21)</i> | <u>13,121.35</u> | <u>11,633.81</u> | <u>10,476.03</u> |
| | - | - | - |
| 16% Non Convertible Debentures having total face value of Nil (Previous year ₹ 2,50,00,00,000) | | | |
| Secured By Charge Created by English Mortgage Deed on 747 acres of land of the Company. | 46,730.20 | 38,722.86 | 33,767.20 |
| <i>Less: Classified as other financial liability (Note No 2.21)</i> | <u>46,730.20</u> | <u>38,722.86</u> | <u>33,767.20</u> |
| | - | - | - |



| | As at 31st March 2017 | As at 31st March 2016 | As at 1st April, 2015 |
|---|--------------------------|--------------------------|--------------------------|
| C) Term loans - Secured | | | |
| <i>Consortium Loans from banks</i> | | | |
| Secured By Charge Created by English Mortgage Deed on Land of Lavasa Project admeasuring 6,806.69 acres and premises, buildings constructed or to be constructed thereon. All present & future moveable assets. | 83,740.45 | 99,127.49 | 1,33,433.16 |
| Corporate guarantee to the extent 50% of outstanding balance have been given by promoters and other shareholders to the extent of their equity share in the Company | | | |
| <i>Less: Classified as other financial liability (Note No 2.21)</i> | 15,244.00 | - | - |
| <i>Less: Classified as other financial liability due to maturity within next 12 months (Note No 2.21)</i> | 56,099.79 | 47,287.86 | 37,455.90 |
| | <u>12,396.66</u> | <u>51,839.63</u> | <u>95,977.26</u> |
| Second Charge by way of Mortgage Deed on Land of Lavasa Project admeasuring 6,806.69 acres and premises, buildings constructed or to be constructed thereon. | 22,500.00 | 22,500.00 | 22,500.00 |
| Corporate guarantee to the extent 100% of outstanding balance have been given by promoter. | | | |
| <i>Less: Classified as other financial liability due to maturity within next 12 months (Note No 2.21)</i> | 15,000.00 | 7,500.00 | - |
| | <u>7,500.00</u> | <u>15,000.00</u> | <u>22,500.00</u> |
| Secured by exclusive registered mortgage of Land of Lavasa Project admeasuring 135 acres. | | | |
| Second Charge by way of Mortgage Deed on Land of Lavasa Project admeasuring 6,806.69 acres and premises, buildings constructed or to be constructed thereon. | 9,758.85 | 9,752.24 | 9,037.67 |
| Corporate guarantee to the extent 100% of outstanding balance have been given by promoter. | | | |
| <i>Less: Classified as other financial liability due to maturity within next 12 months (Note No 2.21)</i> | - | - | - |
| | <u>9,758.85</u> | <u>9,752.24</u> | <u>9,037.67</u> |
| Secured by exclusive registered mortgage of Land of Lavasa Project admeasuring 56 acres. | | | |
| Second Charge by way of Mortgage Deed on Land of Lavasa Project admeasuring 6,806.69 acres and premises, buildings constructed or to be constructed thereon. | 6,500.50 | 6,493.31 | 5,646.11 |
| Corporate guarantee to the extent 50% of outstanding balance have been given by shareholders. | | | |
| <i>Less: Classified as other financial liability due to maturity within next 12 months (Note No 2.21)</i> | - | - | - |
| | <u>6,500.50</u> | <u>6,493.31</u> | <u>5,646.11</u> |
| Secured by exclusive registered mortgage of Land of Lavasa Project admeasuring 46 acres. | | | |
| Second Charge by way of Mortgage Deed on Land of Lavasa Project admeasuring 6,806.69 acres and premises, buildings constructed or to be constructed thereon. | 4,400.00 | 4,400.00 | 2,389.03 |
| Corporate guarantee to the extent 100% of outstanding balance have been given by promoters. | | | |
| <i>Less: Classified as other financial liability (Note No 2.21)</i> | 4,400.00 | - | - |
| | <u>-</u> | <u>4,400.00</u> | <u>2,389.03</u> |



Secured by exclusive registered mortgage of Land of Lavasa Project admeasuring 188 acres.

First pari passu charged over 649 acres on pari passu charge basis together with loans taken by its subsidiary.

Second Charge by way of Mortgage Deed on Land of Lavasa Project admeasuring 6,806.69 acres and premises, buildings constructed or to be constructed thereon.

Corporate guarantee to the extent 50% of outstanding balance have been given by promoters and other shareholders to the extent of their equity share in the Company.

Less: Classified as other financial liability due to maturity within next 12 months (Note No 2.21)

14,799.00 14,799.00 -

14,799.00 14,799.00 -

Secured by exclusive registered mortgage of Land of Lavasa Project admeasuring 19 acres.

Second Charge by way of Mortgage Deed on Land of Lavasa Project admeasuring 6,806.69 acres and premises, buildings constructed or to be constructed thereon.

Corporate guarantee to the extent 100% of outstanding balance have been given by promoters.

Less: Classified as other financial liability due to maturity within next 12 months (Note No 2.21)

1,200.00 1,200.00 662.00

1,200.00 1,200.00 662.00

Secured by exclusive registered mortgage of Land of Lavasa Project admeasuring 43 acres.

Second Charge by way of Mortgage Deed on Land of Lavasa Project admeasuring 6,806.69 acres and premises, buildings constructed or to be constructed thereon.

Corporate guarantee to the extent 100% of outstanding balance have been given by promoters.

Less: Classified as other financial liability due to maturity within next 12 months (Note No 2.21)

3,690.00 3,690.00 3,553.52

3,690.00 3,690.00 3,553.52

Secured by exclusive registered mortgage of Land of Lavasa Project admeasuring 99 acres.

Second Charge by way of Mortgage Deed on Land of Lavasa Project admeasuring 6,806.69 acres and premises, buildings constructed or to be constructed thereon.

Corporate guarantee to the extent 100% of outstanding balance have been given by promoters.

Less: Classified as other financial liability due to maturity within next 12 months (Note No 2.21)

5,876.00 5,876.00 4,001.00

5,876.00 5,876.00 4,001.00

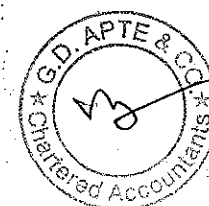
Secured by exclusive registered mortgage of Land of Lavasa Project admeasuring 0.4 Hectare.

Corporate guarantee to the extent 100% of outstanding balance have been given by promoters.

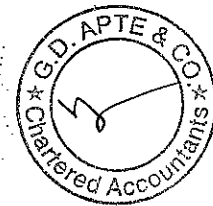
Less: Classified as other financial liability due to maturity within next 12 months (Note No 2.21)

19,999.24 17,958.52

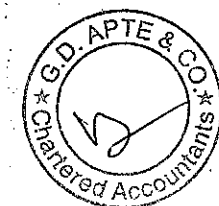
19,999.24 17,958.52



| | As at 31st March 2017 | As at 31st March 2016 | As at 1st April, 2015 |
|---|--------------------------|--------------------------|--------------------------|
| Secured by exclusive registered mortgage of All that piece and parcel of the Land admeasuring 6 acres or thereabout being Lot No. 202 situated on Thicket Street, Survey No. 113, Hissa No. 1, Survey No. 103, Hissa No. 1, of Village Dasve, Talula Mulshi, District Pune, Maharashtra, and the said twenty two (22) Buildings admeasuring not more than 160000 sq ft built up area equivalent to 14869.88 sq mtrs or thereabout to be constructed on the said Land. | 7,506.79 | 9,400.00 | 9,065.82 |
| Second Charge by way of Mortgage Deed on Land of Lavasa Project admeasuring 6,806.69 acres and premises, buildings constructed or to be constructed thereon. Corporate guarantee to the extent 100% of outstanding balance have been given by promoters. | | | |
| <i>Less: Classified as other financial liability due to maturity within next 12 months (Note No 2.21)</i> | 3,357.14 | 2,686.00 | 671.00 |
| | <u>4,149.64</u> | <u>6,714.00</u> | <u>8,394.82</u> |
| Secured by exclusive registered mortgage of Land of Lavasa Project admeasuring 17 acres. Second Charge by way of Mortgage Deed on Land of Lavasa Project admeasuring 6,806.69 acres and premises, buildings constructed or to be constructed thereon. Corporate guarantee to the extent 100% of outstanding balance have been given by promoter. | 1,020.00 | 1,020.00 | - |
| <i>Less: Classified as other financial liability (Note No 2.21)</i> | 1,020.00 | - | - |
| | <u>-</u> | <u>1,020.00</u> | <u>-</u> |
| Secured by exclusive registered mortgage of Land of Lavasa Project admeasuring 5 acres. Second Charge by way of Mortgage Deed on Land of Lavasa Project admeasuring 6,806.69 acres and premises, buildings constructed or to be constructed thereon. Corporate guarantee to the extent 100% of outstanding balance have been given by promoter. | 69.02 | 69.02 | - |
| <i>Less: Classified as other financial liability (Note No 2.21)</i> | 69.02 | - | - |
| | <u>-</u> | <u>69.02</u> | <u>-</u> |



| | As at 31st March 2017 | As at 31st March 2016 | As at 1st April, 2015 |
|--|--|--|--|
| Secured by exclusive registered mortgage of Land of Lavasa Project admeasuring 6 acres. Second Charge by way of Mortgage Deed on Land of Lavasa Project admeasuring 6,806.69 acres and premises, buildings constructed or to be constructed thereon. Corporate guarantee to the extent 50% of outstanding balance have been given by shareholders. <i>Less: Classified as other financial liability (Note No 2.21)</i> | 496.68 <u>496.68</u> - | 496.68 <u>-</u> 496.68 | 245.00 <u>-</u> 245.00 |
| From Financial Institutions | | | |
| Secured by exclusive registered mortgage of Land of Lavasa Project admeasuring 26 acres. Second Charge by way of Mortgage Deed on Land of Lavasa Project admeasuring 6,806.69 acres and premises, buildings constructed or to be constructed thereon. Corporate guarantee to the extent 100% of outstanding balance have been given by shareholders. <i>Less: Classified as other financial liability (Note No 2.21)</i> | 2,045.00 <u>2,045.00</u> - | 2,045.00 <u>-</u> 2,045.00 | 1,120.00 <u>-</u> 1,120.00 |
| First parri passu charged by way of registered mortgage of Land of Lavasa Project admeasuring 26 acres. Corporate guarantee to the extent 100% of outstanding balance have been given by shareholders. <i>Less: Classified as other financial liability (Note No 2.21)</i> | 8,975.38 <u>8,975.38</u> - | 8,975.38 <u>5,975.00</u> 3,000.38 | 9,007.00 <u>3,000.00</u> 6,007.00 |
| Secured by exclusive registered mortgage of Land of Lavasa Project admeasuring 143 acres. Second Charge by way of Mortgage Deed on Land of Lavasa Project admeasuring 6,806.69 acres and premises, buildings constructed or to be constructed thereon. Corporate guarantee to the extent 100% of outstanding balance have been given by shareholders. <i>Less: Classified as other financial liability due to maturity within next 12 months (Note No 2.21)</i> | 7,570.73 <u>7,570.73</u> - | 12,570.73 <u>5,000.00</u> 7,570.73 | 13,150.00 <u>5,000.00</u> 8,150.00 |
| D) Share Warrant | 703.44 <u>703.44</u> 8.06 | 609.02 <u>609.02</u> 6.97 | 703.44 <u>-</u> 6.04 |
| <i>Less: Classified as other financial liability due to maturity within next 12 months (Note No 2.21)</i> | - <u>8.06</u> - | - <u>6.97</u> - | 703.44 <u>-</u> 6.04 |
| <i>Less: Classified as other financial liability due to maturity within next 12 months (Note No 2.21)</i> | - <u>8.06</u> - | - <u>6.97</u> - | - <u>6.04</u> - |
| Total Long Term Borrowing <i>(refer Annexure I)</i> | <u>76,060.00</u> | <u>1,65,653.09</u> | <u>1,99,695.48</u> |



| | As at 31st March 2017 | As at 31st March 2016 | As at 1st April, 2015 |
|--|--------------------------|--------------------------|--------------------------|
|--|--------------------------|--------------------------|--------------------------|

E) Other Information

(a) The Company has issued Non Convertible Debentures (NCD). The particulars, terms of issue as at March 31, 2017 are given below:

- 1) Redkite Limited had subscribed ₹ 15 crores in the form of Non Convertible Debentures ("NCD") on 2nd July 2013 for the tenor of 5 years and 9 months. This NCD carry a coupon rate of 14% per annum, payable quarterly on subscription amount. As on date of this balance sheet, these NCDs are held by India Opportunities II PTE LTD.
- 2) SSG Investment Holding India I Limited had subscribed ₹ 102 crores in the form of Non Convertible Debentures ("NCD") on 2nd July 2013 for the tenor of 5 years and 9 months. This NCD carries a coupon rate of 14% per annum, payable quarterly on subscription amount.
- 3) Jammu & Kashmir Bank Limited had subscribed ₹ 100 crores in the form of Deep Discount Convertible Debentures ("DDCD"). On 3rd September 2010, vide supplementary agreement, bank has converted the existing DDCD into 1 (one) Non Convertible Debenture ("NCD") aggregating ₹ 100 crores for the tenor of 5 years. This NCD with effect from 12th February, 2014 carries a coupon rate of 12.50% per annum, payable quarterly on subscription amount. The investor and HCC have a put/call option respectively to sell/ purchase the NCD at the end of 39th, 48th and 60th month from the closing date 13th May, 2010.
- 4) ICICI Bank has converted ₹ 250 crores of Deep Discount Convertible Debentures ("DDCD") into Non Convertible Debentures ("NCD") with effect from January 6, 2012. These NCD carry a coupon of 9% per annum on the subscription value of NCD with a YTM of 16% per annum and are to be redeemed on January 6, 2015. These NCD carry a put/call option which can be exercisable on January 6, 2013, January 6, 2014 and January 6, 2015. These NCDs were assigned by ICICI Bank to Asset Reconstruction Company (India) Ltd ARCIL and which was appraised to us by ARCIL vide letter no BGIV/HK/FY 16/165 dated April 15th, 2015. and in terms of the assignment agreement between ICICI bank and ARCIL the repayments of amounts due and payable by the company to ICICI BANK is now payable to ARCIL including interest of ₹ 21,730.20 Lakhs till 31st March 2017.

(b) The Company has issued Fully Convertible Debentures (FCD). The particulars, terms of issue as at March 31, 2017 are given below:

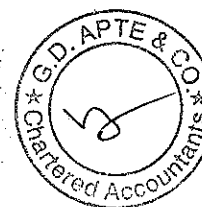
Bennett, Coleman & Company Limited has subscribed ₹ 12 crores in the form of 1 Fully Convertible Debenture ("FCD") of face value of ₹ 12 crore having 0% Coupon rate on September 28, 2012 for a tenor of 2 years. The said debenture is compulsorily convertible into such number of equity shares aggregating to 0.150528% of the subscribed and outstanding equity share capital at the end of 2 years from the date of allotment. Company has an option to redeem the said debenture at redemption value of ₹ 1505.28 Lakhs at the end of 2 years from the date of allotment. The said option to convert has been extended further for a period of 2 years from September 27, 2018

C) Money received against share warrants

- (i) Bennett Coleman & Co. Limited ("BCCL") has subscribed to one warrant on preferential basis. It has paid the warrant subscription price of ₹ 8,12,50,000/- being 10% of the warrant value of ₹ 81,25,00,000/-. This entitles BCCL to subscribe to 2.03125% of the fully diluted equity share capital of the Company as on the date of exercise of the warrant which can be exercised at any time within a further extended period of 2 years over the earlier period of 7 years (warrant exercise period) from the closing date i.e. 30th March, 2009. BCCL can exercise the warrant in part or whole for a maximum 5 times during the above warrant exercise period or at the time of Initial Public Offer (IPO). Any non conversion during the above period or part conversion would lead to forfeiture of the warrant subscription price to the extent of unconverted portion.
- (ii) Redkite Capital Private Limited ("RCPL") has subscribed to one warrant amounting to ₹ 58,50,00,000/- on preferential basis. It has paid the warrant subscription price of ₹ 10,00,00,000/-. This warrant entitles RCPL to subscribe to 1.4625% of the fully diluted equity share capital of the Company as on the date of exercise of the warrant which can be exercised at any time till 30th September, 2018. RCPL can exercise the warrant in part or whole for a maximum 5 times during the warrant exercise period or at the time of Initial Public Offer (IPO). Any non conversion during the period or part conversion would lead to forfeiture of the warrant subscription price to the extent of unconverted portion.

2.16 Other financial liabilities

| | | | |
|---|--------------------|--------------------|------------------|
| Deposits | - | 40.36 | 38.59 |
| Financial guarantee contract | 22,429.92 | 22,476.61 | 3,409.19 |
| Liability Component of Financial Instruments | | | |
| Compulsory Convertible Preference Shares | 40,391.15 | 35,276.12 | - |
| 52,50,00,000 (Previous Year 52,50,00,000) 0.001% | | | |
| Compulsorily Convertible Preference Shares of ₹ 10/- each fully paid up. | | | |
| Cumulative Redeemable Preference Shares | 10,555.90 | 9,220.39 | 8,051.22 |
| 3,72,49,997 (Previous Year 3,72,49,997) 6% Cumulative Redeemable Preference Shares of ₹ 10/- each fully paid up | | | |
| (Refer Notes below) | | | |
| Performance Security Deposit | 64,996.25 | 37,722.15 | 26,944.34 |
| | <u>1,38,373.23</u> | <u>1,04,735.61</u> | <u>38,443.34</u> |



As at 31st
March 2017As at 31st
March 2016As at 1st April,
2015

(i) Notes to Other Financial Liability

Reconciliation of shares outstanding at the beginning and at the end of the year:

| Redeemable Preference Shares | As at 31st March 2017 | | As at 31st March 2016 | | As at 1st April, 2015 | |
|--|-----------------------|------------|-----------------------|------------|-----------------------|------------|
| | No of shares | ₹ In Lakhs | No of shares | ₹ In Lakhs | No of shares | ₹ In Lakhs |
| At the beginning of the year | 37,249,997 | 3,725.00 | 37,249,997 | 3,725.00 | 37,249,997 | 3,725.00 |
| Shares issued during the year for cash | - | - | - | - | - | - |
| Redeemed during the year | - | - | - | - | - | - |
| At the end of the year | 37,249,997 | 3,725.00 | 37,249,997 | 3,725.00 | 37,249,997 | 3,725.00 |

| Compulsorily Convertible Preference Shares | As at 31st March 2017 | | As at 31st March 2016 | |
|--|-----------------------|------------|-----------------------|------------|
| | No of shares | ₹ In Lakhs | No of shares | ₹ In Lakhs |
| At the beginning of the year | 525,000,000 | 52,500.00 | - | - |
| Shares issued during the year for cash | - | - | 525,000,000 | 52,500.00 |
| Redeemed during the year | - | - | - | - |
| Issued during the year | - | - | - | - |
| At the end of the year | 525,000,000 | 52,500.00 | 525,000,000 | 52,500.00 |

Details of shareholders holding more than 5% of shares of the Company and shares held by Holding & Ultimate Holding Company.

| Redeemable Preference Shares of ₹ 10 each | As at 31st March 2017 | | As at 31st March 2016 | |
|---|-----------------------|--------|-----------------------|--------|
| HCC Real Estate Company Limited, Holding | 22,400,097 | 60.13% | 22,400,097 | 60.13% |
| Avantha Realty Limited | 5,600,422 | 15.04% | 5,600,422 | 15.04% |
| Venkateshwara Hatcheries Private Limited | 5,152,697 | 13.83% | 5,152,697 | 13.83% |
| Vinay V Maniar | 4,094,646 | 10.99% | 4,094,646 | 10.99% |
| Hindustan Construction Company Limited(HCC), the Ultimate Holding Company | 28 | 0.00% | 28 | 0.00% |

| Compulsorily Convertible Preference Shares of ₹ 10 each fully paid | As at 31st March 2017 | | As at 31st March 2016 | |
|--|-----------------------|---------|-----------------------|---------|
| Axis Bank Ltd | 525,000,000 | 100.00% | 525,000,000 | 100.00% |

- a) 2,70,00,000 cumulative redeemable preference shares will be redeemed in 3 installments on 30/01/2020, 30/01/2021 and 30/01/2022 (extended w.e.f 25/11/2014 for 5 years from 30/1/2015, 30/1/2016 and 30/1/2017) in proportion of 20%, 40% and 40% of the paid up amount together with premium of `10/- each respectively.
- b) 2,50,000 cumulative redeemable preference shares will be redeemed in 3 installments on 05/06/2021, 05/06/2022 and 05/06/2023 (extended w.e.f 25/11/2014 for 5 years from 05/06/2016, 05/06/2017 and 05/6/2018) in proportion of 20%, 40% and 40% of the paid up amount together with premium of `10/- each respectively.
- c) 99,99,997 cumulative redeemable preference shares allotted on 2nd May 2011, will be redeemed in 3 installments at the end of 7th, 8th and 9th year (i.e. 01/05/2018, 01/05/2019 and 01/05/2020 respectively) from the date of allotment in proportion of 20%, 40% and 40% of the paid up amount together with premium of `90/- each in the same proportion respectively.

ii) Rights & restriction attached to Preference shareholders

Dividend on cumulative redeemable preference shares proposed by Board of Directors is subject to approval of the shareholders in the Annual General Meeting. Each holder of preference share is entitled to one vote per share only on resolutions placed before the Company which directly affects the rights attached to preference shares. Cumulative preference shareholders are entitled to vote on every resolution if preference dividend remains unpaid for 2 years. As per the Common Loan Agreement with Consortium Lenders, the Company has to satisfy the conditions set therein before declaring preference dividend.

iii) Rights & restriction attached to Compulsorily Convertible Preference Shares

(a) In case of equity raising other than IPO – the investor will have an option to convert at 20% discount to the last available price at which such issuance happens.

(b) In case of equity raising by way of IPO – the investor will mandatory convert at 20% discount to the proposed IPO price band.

(c) The CCPS with accrued YTM of 12% p.a. will be mandatorily converted into equity shares at the end of the 20years. The conversion will happen at higher of price at which last equity raised or at book value as per latest audited balance sheet prior to the date of conversion.

(d) The instrument holder has a put option on holding company w.e.f. September 30, 2017 while holding company has a call option on the instrument holder.



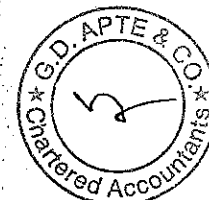
| | As at 31st March 2017 | As at 31st March 2016 | As at 1st April, 2015 |
|---|--------------------------|--------------------------|--------------------------|
| 2.17 Provisions | | | |
| Provision For Employee Benefits | 32.11 | 165.94 | 230.93 |
| | <u>32.11</u> | <u>165.94</u> | <u>230.93</u> |
| 2.18 Deferred tax liabilities (net) | | | |
| A. Deferred Tax Liabilities | | | |
| Property, Plant & Equipment | 11,902.61 | 67,733.46 | 53,876.46 |
| Deemed Equity investment | 35,303.97 | 34,379.21 | 9,028.45 |
| Impacts of Recognition of Financial Instruments measured initially at fair value and subsequently at amortised cost | 1,04,249.80 | 38,219.06 | 25,228.75 |
| | <u>1,51,456.38</u> | <u>1,40,331.73</u> | <u>88,133.66</u> |
| B. Deferred Tax Assets | | | |
| Carry forward losses | 68,965.12 | 51,726.76 | 45,230.44 |
| Impacts of Recognition of Financial Instruments measured initially at fair value and subsequently at amortised cost | 45,183.53 | 42,497.25 | 22,363.12 |
| Others | 11,260.39 | 11,347.29 | 4,289.61 |
| | <u>1,25,409.04</u> | <u>1,05,571.30</u> | <u>71,883.17</u> |
| Net Deferred Tax Liabilities (A-B) (refer note 2.47) | <u>26,047.34</u> | <u>34,760.44</u> | <u>16,250.48</u> |
| 2.19 Borrowings | | | |
| Inter Corporate Deposit from Western Securities Limited | 25.00 | - | - |
| Inter Corporate Deposits from related parties (repayable on demand) | 31,600.94 | 29,290.94 | 13,594.64 |
| | <u>31,625.94</u> | <u>29,290.94</u> | <u>13,594.64</u> |
| 2.20 Trade payables | | | |
| Related Parties | 5,038.52 | 7,767.73 | 17,065.02 |
| Others | 13,994.97 | 15,093.20 | 11,348.46 |
| | <u>19,033.49</u> | <u>22,860.92</u> | <u>28,413.47</u> |
| 2.21 Other Financial Liabilities | | | |
| Deposits | 335.61 | 545.53 | 435.08 |
| Current maturities of Long Term Debts | | | |
| Term Loans from Bank (Secured) | 74,456.93 | 57,473.86 | 38,126.91 |
| Term Loans from other parties (Secured) | - | 5,000.00 | 8,000.00 |
| Share Warrant | - | - | 703.44 |
| Unpaid debentures & loans | | | |
| Bonds and Debentures (Secured) | 74,286.34 | 54,823.41 | 45,008.23 |
| Term Loans from Bank (Secured) | 21,229.70 | - | - |
| Term Loans from other parties (Secured) | 11,020.38 | 5,975.00 | - |
| Performance Security Deposit | 4,132.89 | - | - |
| Interest Accrued And Due On Secured Borrowing | 43,677.78 | 14,669.14 | 4,429.13 |
| Interest Accrued And Due On Unsecured Borrowing | | | |
| Inter Corporate Deposit From Holding And Ultimate Holding Company | 5,771.61 | 5,062.16 | 1,725.09 |
| Other Loans | - | - | 989.69 |
| Interest accrued but not due on secured borrowings | - | - | 160.96 |
| Interest accrued but not due on unsecured borrowings | - | - | 55.62 |
| | <u>2,34,911.23</u> | <u>1,43,549.11</u> | <u>99,634.14</u> |
| 2.22 Other Current Liabilities | | | |
| Booking Advances | 25,216.07 | 19,397.52 | 17,452.68 |
| Retention Deposit Payables | 3,542.44 | 4,008.63 | 4,203.42 |
| Other Payables | | | |
| Statutory & employee dues payable | 1,397.91 | 1,077.47 | 1,305.95 |
| Provision For Other Expenses | 7,580.06 | 7,874.68 | 8,699.53 |
| | <u>37,736.47</u> | <u>32,358.30</u> | <u>31,661.59</u> |



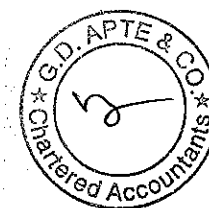
| | As at 31st March 2017 | As at 31st March 2016 | As at 1st April, 2015 |
|---------------------------------------|--------------------------|--------------------------|--------------------------|
| 2.23 Short Term Provisions | | | |
| Provision For Employee Benefits | 32.23 | 116.32 | 147.39 |
| Provisions - Project work In progress | 4,027.76 | 3,689.17 | 3,559.04 |
| | <u>4,059.98</u> | <u>3,805.49</u> | <u>3,706.42</u> |



| | (₹ in Lakhs) | |
|---|--|--|
| | For the Year Ended 31st March 2017 | For the Year Ended 31st March 2016 |
| 2.24 Revenue from Operations | | |
| Land Sales | 4,280.26 | 672.71 |
| <u>Progress Billing</u> | 2,087.42 | 5,969.70 |
| Add : Work in Progress, at close | 2,042.23 | 1,976.44 |
| | <u>4,129.65</u> | <u>7,946.15</u> |
| Less : Work in Progress, at commencement | 1,976.44 | 2,698.35 |
| Net progress billing | 2,153.21 | 5,247.80 |
| | <u><u>6,433.47</u></u> | <u><u>5,920.51</u></u> |
| 2.25 Other Operating Revenue | | |
| Project Management Consultancy | - | 178.91 |
| Others | 0.16 | 8.31 |
| | <u>0.16</u> | <u>187.22</u> |
| 2.26 Other Income | | |
| Interest income | | |
| Interest on Fixed Deposits | 37.60 | 36.49 |
| Interest on Inter Corporate Deposit | 1,846.60 | 1,086.49 |
| Dividend Income | | |
| Dividend on Equity Instruments (Rs.68/- for the year ended March 2017) | 0.00 | 3.67 |
| Dividend from subsidiaries | | |
| On Equity Shares | - | - |
| On Other Instruments | 47,283.92 | 69,670.40 |
| <i>(Represents excess of proceeds, from subsidiaries of financial liability instruments, over its fair value, on initial recognition)</i> | | |
| Other non operating income | | |
| Sale of Scrap | 1.42 | 9.36 |
| Rent Income | 84.72 | 173.05 |
| Miscellaneous Income | 1,904.57 | 1,504.36 |
| Other gains and losses | | |
| Profit on Sale of Asset (Net) | 0.03 | 0.30 |
| Net gain on foreign currency difference | - | 13.09 |
| Gain on fair valuation of borrowings on initial recognition | - | 18,942.89 |
| Finance Income | 601.72 | 1,535.28 |
| Income from Financial Guarantees given | 2,754.92 | 837.21 |
| <i>(Represents amortization of fair value of financial guarantee liability over the tenure)</i> | | |
| | <u><u>54,515.49</u></u> | <u><u>93,812.56</u></u> |



| | For the Year Ended 31st March 2017 | For the Year Ended 31st March 2016 |
|--|--|--|
| 2.27 Land and Construction Expenses | | |
| Land purchased / acquired | 152.06 | 62.86 |
| Civil Work & Contract Charges (net of recoveries) | 4,136.60 | 7,439.28 |
| Power & Fuel | 107.34 | 167.77 |
| Rent | 241.17 | 131.74 |
| Rates & Taxes | 205.59 | 154.95 |
| Repairs & Maintenance | 20.27 | 14.69 |
| | <u>4,863.03</u> | <u>7,971.29</u> |
| Less : Transferred to Fixed Asset / Capital Work in Progress | 40.04 | 183.48 |
| | <u>4,822.99</u> | <u>7,787.81</u> |
| 2.28 Employee Benefit Expenses | | |
| Salaries and wages | 777.39 | 1,659.14 |
| Contribution / provisions to and for provident, Gratuity and other funds | (6.80) | 159.07 |
| Staff welfare expenses | 137.19 | 170.17 |
| | <u>907.78</u> | <u>1,988.38</u> |
| 2.29 Finance Cost | | |
| Interest on Term Loans | 35,249.42 | 36,434.39 |
| Interest on Debentures | 12,156.31 | 8,855.36 |
| Interest on Other Financial Instruments | 16,604.70 | 6,831.79 |
| Interest Paid On Inter Corporate Deposits | 3,944.98 | 3,597.08 |
| Guarantee Expenses Amortized | 732.00 | 732.00 |
| Other borrowing cost | 334.97 | 356.20 |
| | <u>69,022.38</u> | <u>56,806.83</u> |
| Less : Transferred to Fixed Asset / Capital Work in Progress | - | 7,625.14 |
| | <u>69,022.38</u> | <u>49,181.68</u> |



| | For the Year Ended 31st March 2017 | For the Year Ended 31st March 2016 |
|---|--|--|
| 2.30 Impairment losses on financial/non financial assets- Recognition and Reversal | | |
| Impairment Losses | | |
| Financial Asset | | |
| Impairment loss allowance on trade receivables | - | 15,056.82 |
| Impairment loss allowance on other financial assets | | |
| Investment in Subsidiaries | 754.47 | 10,004.56 |
| Investment in Associates | - | 1,414.08 |
| Inter Corporate Deposit | 4,802.00 | 787.74 |
| Others | 562.00 | - |
| Non-Financial Asset | | |
| Advance to Supplier | 1,158.83 | - |
| | 7,277.30 | 27,263.20 |
| Reversal of Impairment | | |
| Impairment loss allowance on trade receivables | 214.08 | - |
| | 214.08 | - |
| | 7,063.22 | 27,263.20 |
| 2.31 Office, Site Establishment and Other Expenses | | |
| Office & Other General Expenses | 1,126.84 | 1,329.78 |
| Professional & Consultation Charges | 971.82 | 315.75 |
| Insurance | 22.03 | 74.46 |
| Selling and Marketing Expenses | 87.72 | 80.51 |
| Miscellaneous Expenses –Written off | - | 533.91 |
| Loss on disposal of interest in former associate(Warasgaon Lakeview Hotels Limited) | 76.51 | - |
| Net loss on foreign currency transactions and translation | 8.96 | - |
| Payment to Auditor | | |
| for Statutory Audit | 12.50 | 28.38 |
| for Other Services | 2.00 | 4.18 |
| | 2,308.39 | 2,366.97 |



2.32 Cost of Land includes:

- a) ₹ 1271.10 Lakhs (previous year ₹ 1271.10 Lakhs) in respect of which sale deed is yet to be executed in the name of Company.
- b) Land amounting to ₹ 10.64 Lakhs (previous year ₹ 10.64 Lakhs) in respect of which irrevocable Power of Attorney is obtained in the name of Company.
- c) Land amounting to ₹ 35.67 Lakhs (previous year ₹ 35.67 Lakhs) not covered by the Master Plan in respect of which sale deed is yet to be executed in the name of Company.
- 2.33 Technical surveys/estimates are involved in respect of physical verification procedures / determination of Project work-in-progress / related costs. These estimates made by the Company and certified to the auditors, have been relied upon by them, as these are of a technical nature.

2.34 Contingent Liability

| | | (₹ In Lakhs) | |
|-------|--|-----------------|-----------------|
| (A) | Particulars | 31st March 2017 | 31st March 2016 |
| (i) | Guarantees given by Banks on behalf of the Company | 183.35 | 279.85 |
| (ii) | Claims not acknowledged as debt: | | |
| | -Claims by customers | 660.07 | 131.68 |
| | -Claims by suppliers | 280.59 | 54.51 |
| | -Land related claims | 1,730.02 | 1,730.02 |
| | -Other claims | 1,816.28 | 1,814.79 |
| (iii) | Bank Guarantee Given on Behalf of Subsidiary companies | 675.05 | 41.25 |
| (iv) | Service tax litigation pending with department. | 28.95 | - |

- 1.1 The management believes that the outcome of any pending litigations will not have a material adverse effect on the Company's financials position and the results of operations.
- 1.2 The company has created security by way of registered mortgage over 259.6622 acres of land (Previous year 259.6622 acres) of land towards term loan taken by its subsidiary viz. Warasgaon Asset Maintenance Limited and Warasgaon Power Supply Limited
- 1.3 The company has created security by way of registered mortgage over 231.6628 acres of land (Previous year 231.6628 acres) of land situated in 5 villages namely Village Admal, Bhode, Gadle, Padalghar and Ugavali in taluka Mulshi, District Pune, Maharashtra, towards Redeemable non convertible debentures of ₹ 12,000 Lakhs issued to Axis Bank Limited by Hindustan Construction Company Limited
- 1.4 The company has created security by way of registered mortgage over 46.90 acres (Previous Year 46.90 acres) of land situated in 3 villages namely village Wadawali, Sakhari and Dhamanhol in Taluka Mulshi, Dist Pune, Maharashtra towards Term Loan of ₹ 2,500 Lakhs taken by HCC Real Estate Limited.

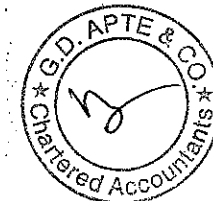
B. Commitments

- i) Estimated amount of contracts remaining to be executed on Capital account and not provided for (net of advances) ₹ 1,44,932.56 Lakhs (Previous year ₹ 1,58,635.50 Lakhs).

2.35 Related Party Disclosure

- i) Particulars of Related Parties, which control or are under common control with the Company :

| |
|---|
| A) Holding Company & Ultimate Holding Company |
| Hindustan Construction Company Limited (HCC) - Ultimate Holding Company |
| HCC Real Estate Limited (HREL)- Holding Company |



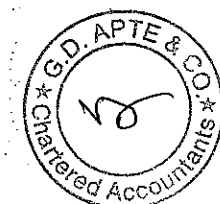
| |
|--|
| B) Subsidiaries |
| Dasve Business Hotel Limited |
| Dasve Hospitality Institutes Limited |
| Dasve Retail Limited |
| Dasve Convention Center Limited |
| Full Spectrum Adventure Limited |
| Future City Multiservices Sez Limited |
| Hill City Service Apartments Limited |
| Hill View Parking Services Limited |
| Kart Racers Limited |
| Lakeview Clubs Limited |
| Lavasa Bamboocrafts Limited |
| Lavasa Hotel Limited |
| Mugaon Luxury Hotels Limited |
| My City Technology Limited |
| Nature Lovers Retail Limited |
| Our Home Service Apartments Limited |
| Reasonable Housing Limited |
| Rhapsody Commercial Space Limited |
| Rosebay Hotels Limited |
| Sahyadri City Management Limited |
| Valley View Entertainment Limited |
| Verzon Hospitality Limited |
| Warasgaon Assets Maintenance Limited |
| Warasgaon Infrastructure Providers Limited |
| Warasgaon Power Supply Limited |
| Warasgaon Tourism Limited |
| Warasgaon Valley Hotels Limited |
| Lakeshore Watersports Company Limited |
| |
| C) Subsidiaries of Holding / Ultimate Holding Company |
| Charosa Wineries Limited |
| HRL (Thane) Real Estate Limited |
| HRL Township Developers Limited |
| Nashik Township Developers Limited |
| Maan Township Developers Limited |
| Powai Real Estate Developers Limited |
| HCC Realty Limited |
| HCC Aviation Limited |
| Panchkutir Developers Limited |
| Steiner India Ltd |
| Western Securities Limited |
| Highbar Technologies Limited |
| HCC Concession Ltd |
| Pune Paud Toll Road Company Limited |
| |
| D) Other Related Parties |
| Associates |
| Knowledge Vistas Limited |
| |
| Joint Ventures: |
| Andromeda Hotels Limited |
| Green Hills Residences Limited |
| Spotless Laundry Services Limited |
| Whistling Thrush Facilities Services Limited |
| Ecomotel Hotel Limited |
| Starlit Resort Limited |
| Bona Sera Hotels Limited |
| Apollo Lavasa Health Corporation Limited |



ii) Transactions with Related Parties during the period :

(₹ In Lakhs)

| Nature of Transactions | Parent Company | | Fellow Subsidiaries | | Other Related Parties | |
|---|-----------------|-----------------|---------------------|-----------------|-----------------------|-----------------|
| | 31st March 2017 | 31st March 2016 | 31st March 2017 | 31st March 2016 | 31st March 2017 | 31st March 2016 |
| Project and Other Services Received | | | | | | |
| Hindustan Construction Company Limited | - | - | - | - | 417.84 | 50.79 |
| Sahyadri City Management Limited | - | - | 67.68 | 98.16 | - | - |
| Whistling Thrush Facilities Services Limited | - | - | - | - | - | 481.10 |
| Starlit Resorts Limited | - | - | - | - | 4.89 | 5.72 |
| Steiner India Limited | - | - | - | - | 4,543.86 | 4,389.29 |
| Highbar Technologies Ltd | - | - | - | - | 16.18 | 69.09 |
| Others | - | - | 130.98 | 165.19 | 14.25 | 21.00 |
| Project and other services given during the year | | | | | | |
| Dasve Retail Limited | - | - | 9.58 | 92.91 | - | - |
| Andromeda Hotels Limited | - | - | - | - | - | 5.45 |
| Lavasa Hotel Limited | - | - | 33.85 | 36.46 | - | - |
| Dasve Hospitality Institutes Limited | - | - | 1.16 | 46.81 | - | - |
| Dasve Convention Center Limited | - | - | 3.83 | 63.03 | - | - |
| Sahyadri City Management Limited | - | - | 565.98 | 516.95 | - | - |
| Lakeview Clubs Limited | - | - | 4.53 | 26.01 | - | - |
| Warasgaon Tourism Limited | - | - | 15.71 | 391.31 | - | - |
| Warasgaon Asset Maintenance Limited | - | - | - | 319.51 | - | - |
| Steiner India Limited | - | - | - | - | 4.86 | 40.76 |
| Bona Sera Hotels Limited | - | - | - | - | 28.12 | 31.78 |
| Others | - | - | 3.52 | 166.86 | 3.97 | 2.22 |
| Inter Corporate Deposit taken during the year | | | | | | |
| HCC Real Estate Limited | 175.00 | 4,675.00 | - | - | - | - |
| Hindustan Construction Company Limited | - | - | - | - | 2,135.00 | 11,021.30 |
| Western Securities Limited | - | - | - | - | 25.00 | - |
| Interest Expenses on Inter corporate Deposit | | | | | | |
| HCC Real Estate Limited | 2,297.45 | 2288.84 | - | - | - | - |
| Hindustan Construction Company Limited | - | - | - | - | 1,644.55 | 1,277.11 |
| Western Securities Limited | - | - | - | - | 2.98 | - |
| Interest Accrued and Due on Intercorporate Deposit Given | | | | | | |
| Ecomotel Hotel Limited | - | - | - | - | 34.08 | 330.11 |
| Andromeda Hotels Limited | - | - | - | - | 3.54 | 3.38 |
| Bona Sera Hotels Limited | - | - | - | - | 148.74 | 89.48 |
| Apollo Lavasa Health Corporation Ltd | - | - | - | - | 208.09 | 622.39 |
| Spotless Laundry Services Limited | - | - | - | - | 275.32 | 693.65 |
| Interest Accrued and due on Inter corporate Deposit received | | | | | | |
| HCC Real Estate Limited | 4,127.66 | 3,785.05 | - | - | - | - |
| Hindustan Construction Company Limited | - | - | - | - | 1,641.26 | 1,277.11 |
| Western Securities Limited | - | - | - | - | 2.68 | - |
| Inter Corporate Deposit given during the year | | | | | | |
| Lavasa Hotel Limited | - | - | 25.14 | 1,482.40 | - | - |
| Spotless Laundry Service Limited | - | - | 693.65 | 28.50 | - | - |
| Dasve Hospitality Institutes Limited | - | - | 2,963.11 | 551.63 | - | - |
| Apollo Lavasa Health Corporation Limited | - | - | - | - | 622.18 | - |
| Dasve Convention Center Limited | - | - | 262.54 | - | - | - |
| Full Spectrum Adventures Limited | - | - | 759.18 | - | - | - |
| Bonasera Hotel Limited | - | - | - | - | 509.96 | - |
| Knowledge Vistas Limited | - | - | - | - | - | 73.90 |
| Others | - | - | 219.90 | - | 271.99 | - |
| Inter Corporate Deposit received back during the year | | | | | | |
| Ecomotel Hotel Limited | - | - | - | - | 270.57 | 497.02 |
| Bona Sera Hotels Limited | - | - | - | - | - | 188.37 |
| Andromeda Hotels Limited | - | - | - | - | - | 3.30 |
| Knowledge Vistas Limited | - | - | - | - | - | 572.56 |
| Dasve Retail Limited | - | - | - | 10.28 | - | - |
| Inter Corporate Deposit paid back during the year | | | | | | |
| Hindustan Construction Company Limited | - | - | - | - | 0.53 | - |
| Interest income on Inter Corporate Deposit given | | | | | | |
| Spotless Laundry Service Limited | - | - | - | - | 305.91 | 225.87 |
| Dasve Convention Center Limited | - | - | 106.12 | 86.50 | - | - |
| Full Spectrum Adventures Limited | - | - | 252.61 | 157.28 | - | - |
| Dasve Hospitality Institutes Limited | - | - | 419.58 | 191.18 | - | - |
| Dasve Business Hotels Limited | - | - | 6.41 | 5.00 | - | - |
| Bona Sera Hotels Limited | - | - | - | - | 165.26 | 111.00 |
| Andromeda Hotels Limited | - | - | - | - | 3.93 | 3.89 |
| Others | - | - | 261.39 | 227.76 | 247.73 | 78.01 |



| | | | | | | |
|--|-------------|-------------|-------------|-----------|-----------|-----------|
| Intercompany Deposit given Outstanding | | | | | | |
| Dasve Retail Limited | - | - | 66.39 | 50.00 | - | - |
| Green Hills Residences Limited | - | - | - | - | 2,134.04 | 2,134.04 |
| Dasve Convention Center Limited | - | - | 803.19 | 540.65 | - | - |
| Warasgaon Asset Maintenance Limited | - | - | 28,554.58 | 28,554.08 | - | - |
| Warasgaon Power Supply Limited | - | - | 5,953.28 | 5,953.28 | - | - |
| Apollo Lavasa Health Corporation Limited | - | - | - | - | 1,594.56 | 972.38 |
| Bona Sera Hotels Limited | - | - | - | - | 1,139.74 | 629.77 |
| Knowledge Vistas Limited | - | - | - | - | 0.07 | 0.07 |
| Ecomotel Hotel Limited | - | - | - | - | 59.54 | - |
| Others | - | - | 8,457.42 | 5,923.04 | 6,599.31 | 23.75 |
| Intercompany Deposit Received Outstanding | | | | | | |
| HCC Real Estate Limited | 18,444.64 | 18,269.64 | - | - | - | - |
| Hindustan Construction Company Limited | - | - | - | - | 13,156.30 | 11,021.30 |
| Western Securities Limited | - | - | - | - | 25.00 | - |
| Interest expense on Inter corporate Deposit received | | | | | | |
| HCC Real Estate Limited | 2,297.45 | 2,288.84 | - | - | - | - |
| Hindustan Construction Company Limited | - | - | - | - | 1,644.55 | 1,308.24 |
| Western Securities Limited | - | - | - | - | 2.98 | - |
| Corporate Guarantees Received on behalf of | | | | | | |
| Hindustan Construction Company Limited | - | - | - | - | 31,373.00 | 35,667.13 |
| HCC Real Estate Limited | 1,08,988.00 | 1,24,895.72 | - | - | - | - |
| Corporate Guarantees and Bank guarantees Given and Outstanding | | | | | | |
| Ecomotel Hotel Limited | - | - | - | - | 938.00 | 1,215.00 |
| Dasve Hospitality Institutes Limited | - | - | - | 2,397.00 | - | - |
| Knowledge Vistas Limited | - | - | - | - | 1,619.00 | 1,400.00 |
| Dasve Retail Limited | - | - | 1,818.00 | 1,604.00 | - | - |
| Warasgaon Power Supply Limited | - | - | 26,693.00 | 26,916.67 | - | - |
| Warasgaon Asset Maintenance Limited | - | - | 1,13,410.00 | 37,912.20 | - | - |
| Advance / Deposit received and outstanding at the end of the year | | | | | | |
| Hindustan Construction Company Limited | - | - | - | - | - | 700.00 |
| My City Technology Limited | - | - | 1,278.46 | 1,278.46 | - | - |
| Warasgaon Asset Maintenance Limited | - | - | 1,71,797.50 | 98,679.92 | - | - |
| Warasgaon Power Supply Limited | - | - | 18,658.80 | 22,657.42 | - | - |
| Future City Multiservices SEZ Limited | - | - | 99.83 | 99.66 | - | - |
| Rhapsody Hospitality Limited | - | - | - | 1.00 | - | - |
| Warasgaon Valley Hotels Limited | - | - | - | 2.48 | - | - |
| Rosebay Hotels Limited | - | - | - | 2.48 | - | - |
| Dasve Retail Limited | - | - | - | 123.13 | - | - |
| Osprey Hospitality Limited | - | - | - | 2.48 | - | - |
| Advance / Deposit given and outstanding at the end of the year | | | | | | |
| Steiner India Limited | - | - | - | - | 579.07 | 590.01 |
| Equity Share Contribution during the year | | | | | | |
| Andromeda Hotels Limited | - | - | - | - | - | 4.00 |
| Starlit Resort Limited | - | - | - | - | - | 360.30 |
| Ecomotel Hotel Limited | - | - | - | - | 150.00 | - |
| Share Application money paid | | | | | | |
| Ecomotel Hotel Limited | - | - | - | - | - | 98.00 |
| Included in Trade Receivables | | | | | | |
| HCC Real Estate Limited | 11,474.95 | 11,474.95 | - | - | - | - |
| Steiner India Limited | - | - | - | - | 105.22 | 402.55 |
| Bonasera Hotel Limited | - | - | - | - | 210.98 | 505.51 |
| Knowledge Vistas Limited | - | - | - | - | 124.98 | 124.30 |
| Andromeda Hotels Limited | - | - | - | - | 292.22 | 290.56 |
| Verzon Hospitality Limited | - | - | 5,744.95 | 5,774.60 | - | - |
| Dasve Convention Center Limited | - | - | 11,678.76 | 11,739.81 | - | - |
| Warasgaon Tourism Limited | - | - | 7,670.61 | 7,648.90 | - | - |
| Lake View Clubs Limited | - | - | 7,853.86 | 7,855.04 | - | - |
| Others | - | - | 17,510.18 | 18,138.96 | 1,496.51 | 663.58 |
| Construction / Land Sale | | | | | | |
| HCC Real Estate Limited | - | 502.25 | - | - | - | - |
| Verzon Hospitality Limited | - | - | - | 351.55 | - | - |
| Rosebay Hospitality Limited | - | - | - | 151.98 | - | - |
| Dasve Retail Limited | - | - | - | 935.90 | - | - |
| Included in Trade Payables | | | | | | |
| HCC Real Estate Limited | 14.93 | 2,074.89 | - | - | - | - |
| Hindustan Construction Company Limited | - | - | - | - | 480.72 | 1,578.05 |
| Sahyadri City Management Limited | - | - | 66.91 | 64.42 | - | - |
| Lavasa Hotel Limited | - | - | 352.53 | 265.47 | - | - |
| My City Technology Limited | - | - | 115.89 | 146.71 | - | - |
| Steiner India Limited | - | - | - | - | 8,494.98 | 2,430.12 |
| HCC Aviation Limited | - | - | - | - | 234.60 | 234.60 |
| Andromeda Hotels Limited | - | - | - | - | 52.85 | 52.85 |
| Starlit Resort Limited | - | - | - | - | 74.39 | 69.10 |
| Whistling Thrush Facilities Services Limited | - | - | 159.13 | 318.19 | - | - |
| Bonasera Hotel Limited | - | - | - | - | 31.78 | 31.63 |
| Others | - | - | 373.99 | 145.31 | 236.12 | 183.41 |



B) Key Management Personnel as per Companies Act, 2013

| | |
|--------------------|-------------------------|
| Mr. Rajiv Duggal | Chief Executive Officer |
| Mr. Vinayak Jadhav | Chief Financial Officer |
| Mr. A. Venkatesan | Company Secretary |
| Mr. Sadanand Lad | Company Secretary |

Details of transactions relating to persons referred to in item (B) above :

(₹ in Lakhs)

| Particulars | 31st March 2017 | 31st March 2016 |
|--|-----------------|-----------------|
| Remuneration paid to Mr. Sundaresan Narayan (From 11th December 2014 to 31st May 2015) President | - | 40.00 |
| Remuneration paid to Mr. Rajiv Duggal (from 1st April, 2016 to 31st December, 2016) | 122.88 | 141.05 |
| Remuneration paid to Mr. A. Venkatesan (upto 24th October, 2016) | 35.00 | 40.24 |
| Remuneration paid to Mr. Sadanand Lad (from 24th October, 2016 to 20th January, 2017) | 11.38 | - |
| Total | 169.26 | 221.29 |

Options granted to Key Management Personnel under Employee Stock Option Scheme

| Name | Number of options granted | |
|-----------------------|---------------------------|------------------------|
| | As at March 31st, 2017 | As at March 31st, 2016 |
| i) Mr. Vinayak Jadhav | 224,126 | 224,126 |
| Total | 224,126 | 224,126 |

2.36 Earnings Per Share:

(₹ In Lakhs)

| Particulars | 31st March 2017 | 31st March 2016 |
|---|-----------------|-----------------|
| Profit/(Loss) after taxation as per statement of profit and loss (₹ in Lakhs) | (16,628.09) | 26,917.95 |
| Less: Preference Dividend on cumulative preference shares incl distribution tax | (1,182.64) | (984.68) |
| Net Profit / (Loss) after preference dividend | (17,810.73) | 25,933.27 |
| Weighted Average number of Equity Shares (for Basic EPS) | 79,59,44,363 | 79,59,44,363 |
| Earning Per Share (Basic) (in Rupees) | (2.24) | 3.26 |
| Weighted Average number of Equity Shares (for Diluted EPS) | 79,59,44,363 | 79,59,44,363 |
| Earning Per Share (Diluted) (in Rupees) | (2.24) | 2.76 |

2.37 Financial Instruments

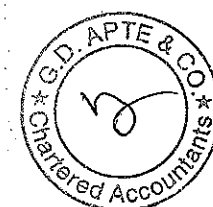
The fair value of the financial assets are included at amount at which the instrument could be exchanged in a current transaction between willing parties other than in a forced or liquidation sale.
The following methods and assumptions were used to estimate the fair value:

A Financial Instruments By Category

The carrying value and the fair value of financial instruments by each category as at March 31, 2017 :

(₹ In Lakhs)

| Particulars | Financial assets / liabilities at amortised costs | Financial assets / liabilities at FVTPL | Financial assets / liabilities at FVTOCI | Total carrying value | Total fair Value |
|---|---|---|--|----------------------|------------------|
| Assets | | | | | |
| Investments | | | | | |
| Investments in preference shares | 18,461.26 | - | - | 18,461.26 | 18,461.26 |
| Investments in equity shares (unquoted) | 79,330.98 | - | 905.33 | 80,236.31 | 80,236.31 |
| Investments in equity shares (quoted) | - | - | 4.44 | 4.44 | 4.44 |
| Investment in Other Equity Instruments | 1,02,011.01 | - | - | 1,02,011.01 | 1,02,011.01 |
| Loans | | | | | |
| Trade receivables | 19,461.22 | - | - | 19,461.22 | 19,461.22 |
| Cash and Cash Equivalents and other bank balances | 27,434.26 | - | - | 27,434.26 | 27,434.26 |
| Other Financial Assets | 206.26 | - | - | 206.26 | 206.26 |
| | 811.99 | - | - | 811.99 | 811.99 |
| Liabilities | | | | | |
| Borrowings from Banks | 1,61,557.28 | - | - | 1,61,557.28 | 1,61,557.28 |
| Borrowings from Financial Institutions/NBFCs | 18,591.11 | - | - | 18,591.11 | 18,591.11 |
| Borrowings from others | 32,337.44 | - | - | 32,337.44 | 32,337.44 |
| Debentures | 76,193.46 | - | - | 76,193.46 | 76,193.46 |
| Trade Payables | 19,033.49 | - | - | 19,033.49 | 19,033.49 |
| Other Financial Liabilities | 1,92,291.12 | - | - | 1,92,291.12 | 1,92,291.12 |



The carrying value and the fair value of financial instruments by category as at March 31, 2016:

(₹ In Lakhs)

| Particulars | Financial assets / liabilities at amortised costs | Financial assets / liabilities at FVTPL | Financial assets/ liabilities at FVTOCI | Total carrying value | Total fair Value |
|---|---|---|---|----------------------|------------------|
| Assets | | | | | |
| Investments | | | | | |
| Investments in preference shares | 19,145.92 | - | - | 19,145.92 | 19,145.92 |
| Investments in equity shares (unquoted) | 73,085.85 | - | 5.00 | 73,090.85 | 73,090.85 |
| Investments in equity shares (quoted) | - | - | 4.44 | 4.44 | 4.44 |
| Investment in Other Equity Instruments | 99,338.91 | - | - | 99,338.91 | 99,338.91 |
| Trade receivables | 18,306.98 | - | - | 18,306.98 | 18,306.98 |
| Loans | 17,051.58 | - | - | 17,051.58 | 17,051.58 |
| Cash and Cash Equivalents and other bank balances | 257.63 | - | - | 257.63 | 257.63 |
| Other Financial Assets | 1,615.17 | - | - | 1,615.17 | 1,615.17 |
| Liabilities | | | | | |
| Borrowings from Banks | 1,98,822.97 | - | - | 1,98,822.97 | 1,98,822.97 |
| Borrowings from Financial Institutions/NBFCs | 23,591.11 | - | - | 23,591.11 | 23,591.11 |
| Debentures | 65,895.29 | - | - | 65,895.29 | 65,895.29 |
| Borrowings from others | 29,906.94 | - | - | 29,906.94 | 29,906.94 |
| Trade Payables | 22,860.92 | - | - | 22,860.92 | 22,860.92 |
| Other Financial Liabilities | 1,25,012.45 | - | - | 1,25,012.45 | 1,25,012.45 |

Financial risk management objectives and policies

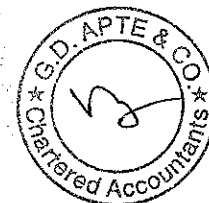
The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

a Foreign currency risk

The Company has several balances in foreign currency and consequently the Company is exposed to foreign exchange risk. The exchange rate between the rupee and foreign currencies has changed substantially in recent years and may fluctuate substantially in the future, which has affected the results of the Company. The Company evaluates exchange rate exposure arising from foreign currency transactions and follows established risk management policies.

The following table analysis foreign currency risk from financial instruments as of 31 March 2017:

| | |
|---------------------------|--|
| Creditors | ₹ 29.75 Lakhs (USD 0.46 Lakhs @ Closing Rate of 1 USD = ₹ 65.18) (Previous Year ₹ 30.41 Lakhs (USD 0.46 Lakhs @ Closing Rate of 1 USD = ₹ 66.62)) |
| Advance to Vendors | ₹ 9.69 Lakhs (GBP 0.119 Lakhs @ Closing rate of 1 GBP = ₹ 80.94) (Previous Year ₹ 11.38 Lakhs (GBP 0.119 Lakhs @ Closing rate of 1 GBP = ₹ 94.97)) |
| | ₹ 96.02 Lakhs (EURO 1.39 Lakhs @ Closing Rate of 1 EURO = ₹ 69.24) (Previous Year ₹ 103.93 Lakhs (EURO 1.39 Lakhs @ Closing Rate of 1 EURO = ₹ 74.94)) |



2.38 Interest Income / (Expenses), Gains / (Losses) recognized on financial assets and liabilities

| Particulars | (₹ In Lakhs) | |
|---|---------------------------------|---------------------------------|
| | Year Ended March 31, 2017 | Year Ended March 31, 2016 |
| Financial Assets at amortised cost | | |
| Interest income on bank deposits | 37.60 | 36.49 |
| Interest income on other financial assets | 1,846.60 | 1,086.49 |
| Dividend on other instruments | 47,283.92 | 69,670.40 |
| Impairment on trade receivables | 214.08 | (15,056.82) |
| Gain/ (losses) on financial assets | 601.72 | 1,535.28 |
| Impairment of other financial assets (Investments) | (6,118.47) | (12,206.39) |
| Financial Assets at Fair Value through Other comprehensive income (FVTOCI) | | |
| Dividend on Quoted Equity Shares/ Mutual Funds/ Other Instruments | 0.00 | 3.67 |
| Loss on disposal of Investments | (76.51) | - |
| Fair Value Gain/(Loss) on Quoted Equity Shares/ Mutual Funds/ Other Instruments | - | - |
| Financial Liabilities at Amortised Cost | | |
| Interest expenses on borrowings, overdrafts and Intercompany deposit | (69,022.38) | (56,806.83) |
| Gain/ losses on financial Liabilities | - | 18,942.89 |
| Total | (25,233.45) | 7,205.18 |

2.39 Exposure to credit risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure of the financial assets are contributed by trade receivables, uncompleted contracts and value of work done, cash and cash equivalents and receivable from group companies.

The Gross carrying amount of financial assets, net of any impairment losses recognised represents the maximum credit exposure. The maximum exposure to credit risk as at March 31, 2017 and 2016 was as follows:

| Particulars | (₹ In Lakhs) | |
|--|-------------------------|-------------------------|
| | As at March 31, 2017 | As at March 31, 2016 |
| Investments | 2,00,713.02 | 1,91,580.12 |
| Trade Receivables (Net of allowance of doubtful debts) | 27,434.26 | 18,306.98 |
| Cash and Cash Equivalents and other bank balances | 206.26 | 257.63 |
| Loans | 19,461.22 | 17,051.58 |
| Other Financial Assets | 811.99 | 1,615.17 |
| Total | 2,48,626.75 | 2,28,811.49 |

2.40 Financial assets that are past due but not impaired:

There is no other class of financial assets that is past due but not impaired other than trade receivables. The age analysis of trade receivables have been considered from the date of invoice. The aging of trade receivables, net of allowances, that are past due, is given below

| Period (in days) | (₹ In Lakhs) | |
|----------------------------|-------------------------|-------------------------|
| | As at March 31, 2017 | As at March 31, 2016 |
| 0-30 days past due | 5,274.36 | 1,876.96 |
| 31 days -1 year past due | 6,177.13 | 549.36 |
| 1 year - 3 years past due | 15,982.77 | 15,880.66 |
| More than 3 years past due | - | - |
| TOTAL | 27,434.26 | 18,306.98 |

Financial assets that are neither past due nor impaired

| Particulars | (₹ In Lakhs) | |
|---|-------------------------|-------------------------|
| | As at March 31, 2017 | As at March 31, 2016 |
| Cash and Cash Equivalents and other bank balances | 206.26 | 257.63 |
| Loans & Advances | 19,461.22 | 17,051.58 |
| Other Financial Assets | 811.99 | 1,615.17 |



2.41 Liquidity Risks

Liquidity risk is the risk that the company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The company's approach for managing liquidity is to ensure as far as possible that it will always have sufficient liquidity to meet its liabilities when due, under normal and stressed conditions, without incurring unacceptable losses or risking damages to the company's reputation. Typically the company ensures that it has sufficient cash on demand to meet expected operational expenses, servicing of financial obligations.

Maturity Analysis of financial instruments

As At March 31, 2017

(₹ In Lakhs)

| Particulars | Carrying amount | Contractual Cash flow | | | | |
|---|-----------------|-----------------------|-----------|-----------|---------------|------------|
| | | 0-12 Months | 1-3 years | 3-5 years | Above 5 years | Total |
| Borrowings from banks | 161,557.28 | 158,182.71 | 60,042.29 | 19,306.30 | - | 237,531.30 |
| Borrowings from Financial Institutions/NBFCs | 18,591.11 | 84,763.47 | 7,221.25 | 2,255.15 | - | 94,239.88 |
| Borrowings from others | 32,337.44 | 32,337.44 | - | - | - | 32,337.44 |
| Debentures | 76,193.46 | 76,193.46 | - | - | - | 76,193.46 |
| Trade payables | 19,033.49 | 19,033.49 | - | - | - | 19,033.49 |
| Other Financial Liabilities including guarantee contracts | 192,291.12 | 192,291.12 | - | - | - | 192,291.12 |
| | 500,003.90 | 562,801.69 | 67,263.54 | 21,561.45 | - | 651,626.68 |

As At March 31, 2016

(₹ In Lakhs)

| Particulars | Carrying amount | Contractual Cash flow | | | | |
|--|-----------------|-----------------------|-----------|-----------|---------------|------------|
| | | 0-12 Months | 1-3 years | 3-5 years | Above 5 years | Total |
| Borrowings from banks | 198,822.97 | 72,098.33 | 49,056.79 | 34,864.25 | 57,425.04 | 213,444.41 |
| Borrowings from Financial Institutions/NBFCs | 23,591.11 | 12,797.79 | 3,000.00 | 1,300.00 | 8,315.73 | 25,413.52 |
| Borrowings from others | 29,906.94 | 29,906.94 | - | - | - | 29,906.94 |
| Debentures | 65,895.29 | 58,287.23 | 6,600.00 | - | 1,200.00 | 66,087.23 |
| Trade payables | 22,860.92 | 22,860.92 | - | - | - | 22,860.92 |
| Other Financial Liabilities | 125,012.45 | 125,012.45 | - | - | - | 125,012.45 |
| | 466,089.68 | 320,963.66 | 58,656.79 | 36,164.25 | 66,940.77 | 482,725.47 |

2.42 Interest Rate Risk:

Interest rate risk is the risk that an upward movement in interest rates would adversely affect the borrowing costs of the Company.

The Interest rate profile of the company's interest bearing financial instruments were as follows:

(₹ In Lakhs)

| Particulars | Carrying amount | |
|--|----------------------|----------------------|
| | As at March 31, 2017 | As at March 31, 2016 |
| Fixed rate instruments | | |
| A. Financial assets | | |
| - Fixed Deposits with Banks | 498.87 | 465.59 |
| - Intercompany Deposit | 4,691.14 | 4,086.19 |
| B. Financial liabilities | | |
| - Borrowings from Others | 32,337.44 | 29,906.94 |
| - Debentures | 76,193.46 | 65,895.29 |
| Variable rate instruments | | |
| Financial liabilities | | |
| - Borrowings from Banks | 161,557.28 | 198,822.97 |
| - Borrowings from Financial Institutions/NBFCs | 18,591.11 | 23,591.11 |

Fair value sensitivity for fixed rate instruments

The company does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore a change in interest rates at the reporting date would not affect profit and loss.

Cash flow sensitivity for variable rate instruments

An increase of 100 basis points in interest rates at the reporting date would have increased/ decreased equity and profit and loss by the amounts shown below. This analysis assumes that all other variables remain constant. The analysis has been performed on the same basis for 2016.

(₹ In Lakhs)

| Year ended | Equity | Profit or (Loss) |
|----------------|--------|------------------|
| March 31, 2017 | - | (477.41) |
| March 31, 2016 | - | (456.46) |



2.43 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The Company strives to safeguard its ability to continue as a going concern so that they can maximise returns for the shareholders and benefits for other stake holders. The aim to maintain an optimal capital structure and minimise cost of capital.

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 return capital to shareholders, issue new shares or adjust the dividend payment to shareholders (if permitted). Consistent with others in the industry, the Company monitors its capital using the gearing ratio which is net debt divided by total capital plus net debt.

The Company's strategy is to maintain gearing ratio at 2:1 times

(₹ In Lakhs)

| Particulars | As at 31 March 2017 | As at 31 March 2016 |
|--|------------------------|------------------------|
| Total debt | 3,39,626.34 | 3,62,712.81 |
| Total equity | 93,570.08 | 1,10,198.17 |
| Net debt to equity ratio (Gearing ratio) | 3.63 | 3.29 |

2.44 A) Reconciliation of Equity as at 1st April 2015

(₹ In Lakhs)

| Particulars | As at 1st April 2015 |
|---|-------------------------|
| Total Equity (Shareholders' Fund) under Indian GAAP | 77,967.24 |
| Allowance for doubtful debts | (36,760.01) |
| Impacts of Recognition of Financial Instruments measured initially at fair value and subsequently at amortised cost | 56,786.28 |
| Adjustments pertaining to property held for sale | (405.14) |
| Deferred Tax Liabilities | (14,308.14) |
| Total Equity (Shareholders' Fund) under IND AS | 83,280.22 |

B) Reconciliation of Equity as at 31st March 2016

(₹ In Lakhs)

| Particulars | As at 31st March 2016 |
|---|--------------------------|
| Total Equity (Shareholders' Fund) under Indian GAAP | 1,08,876.60 |
| Allowance for doubtful debts | (51,816.83) |
| Impacts of Recognition of Financial Instruments measured initially at fair value and subsequently at amortised cost | 88,342.21 |
| Adjustments pertaining to property held for sale | (443.37) |
| Deferred Tax Liabilities | (34,760.44) |
| Total Equity (Shareholders' Fund) under IND AS | 1,10,198.17 |

2.45 Profit Reconciliation

Reconciliation of net profit as previously reported on account of transition from the Indian GAAP to Ind AS for the year ended March 31st, 2016

(₹ In Lakhs)

| Particulars | Year ended 31st March 2016 |
|--|----------------------------------|
| Net Profit / (Loss) for the year under Indian GAAP | (23,532.99) |
| Impact of Recognition of Financial Instruments measured initially at Fair value and subsequently at amortized cost (net) | 84,055.91 |
| Adjustments pertaining to Property Held for Sale | (38.22) |
| Allowance for Doubtful Receivables | (15,056.82) |
| Reclassification of net actuarial gain on employee defined benefit obligation to Other Comprehensive Income | (19.98) |
| Deferred Tax on above adjustments (Net) | (18,503.04) |
| Net Profit / (Loss) for the year under Ind AS | 26,904.88 |



2.46 Reconciliation of material items of Balance Sheet as per IND AS with Indian GAAP As at April 1, 2015

(₹ In Lakhs)

| Particulars | As per IND AS | As per Indian GAAP | Increase/ (Decrease) |
|---|---------------|--------------------|----------------------|
| Assets | | | |
| Property, Plant and Equipment | 81,363.32 | 81,659.93 | (296.61) |
| Capital work-in- progress | 1,15,406.75 | 1,15,730.04 | (323.29) |
| Other Intangible Assets | 47.54 | 47.96 | (0.42) |
| Investments | 71,491.96 | 46,404.21 | 25,087.75 |
| Loans (Non Current) | 12,829.43 | 35,455.11 | (22,625.68) |
| Other Financial assets (Non Current) | 582.01 | - | 582.01 |
| Other Non current assets | 6,387.76 | - | 6,387.76 |
| Inventories | 1,50,715.12 | 1,50,715.12 | 0.00 |
| Trade Receivable | 34,112.56 | 70,863.05 | (36,750.49) |
| Cash and Cash equivalents | 389.14 | 617.44 | (228.30) |
| Loans (Current) | 12,886.21 | 40,873.77 | (27,987.56) |
| Other Financial assets (Current) | 926.00 | - | 926.00 |
| Current tax assets (net) | 9,654.95 | - | 9,654.95 |
| Other current assets | 17,917.78 | 533.91 | 17,383.87 |
| Assets Classified as held for sale | 200.18 | - | 200.18 |
| Liabilities | | | |
| Equity Share capital | 79,594.44 | 83,319.44 | (3,725.00) |
| Other Equity | 3,685.78 | (6,174.69) | 9,860.47 |
| Money received against share warrant | - | 822.50 | (822.50) |
| Borrowings (Non Current) | 1,99,695.48 | 1,94,281.93 | 5,413.55 |
| Other financial liabilities (Non Current) | 38,443.34 | - | 38,443.34 |
| Provisions (Non Current) | 230.93 | 230.93 | - |
| Deferred tax liabilities (net) | 16,250.48 | 1,942.34 | 14,308.14 |
| Other Long Term Liabilities | - | 91,956.87 | (91,956.87) |
| Borrowings (Current) | 13,594.64 | 13,594.64 | 0.00 |
| Trade payables | 28,413.47 | 39,098.90 | (10,685.43) |
| Other financial liabilities (Current) | 99,634.14 | - | 99,634.14 |
| Other current liabilities | 31,661.59 | 1,23,710.58 | (92,048.99) |
| Provisions (Current) | 3,706.42 | 117.13 | 3,589.29 |

Reconciliation of material items of Balance Sheet as per IND AS with Indian GAAP As at March 31, 2016

(₹ In Lakhs)

| Particulars | As per IND AS | As per Indian GAAP | Increase/ (Decrease) |
|---|---------------|--------------------|----------------------|
| Assets | | | |
| Property, Plant and Equipment | 75,937.70 | 76,219.00 | (281.30) |
| Capital work-in- progress | 1,23,323.84 | 1,23,700.88 | (377.04) |
| Other Intangible Assets | 36.53 | 36.74 | (0.21) |
| Investments | 1,91,580.12 | 93,288.45 | 98,291.67 |
| Loans (Non Current) | 4,086.19 | 35,456.69 | (31,370.50) |
| Other Financial assets (Non Current) | 618.81 | - | 618.81 |
| Other Non current assets | 5,707.82 | - | 5,707.82 |
| Inventories | 1,88,252.04 | 1,88,252.04 | (0.00) |
| Trade Receivable | 18,306.98 | 70,121.20 | (51,814.22) |
| Cash and Cash equivalents | 257.63 | 723.23 | (465.60) |
| Loans (Current) | 12,965.39 | 38,936.39 | (25,971.00) |
| Other Financial assets (Current) | 996.36 | - | 996.36 |
| Current tax assets (net) | 9,830.07 | - | 9,830.07 |
| Other current assets | 15,278.35 | - | 15,278.35 |
| Assets Classified as held for sale | 200.18 | - | 200.18 |
| Liabilities | | | |
| Equity Share capital | 79,594.44 | 1,35,819.44 | (56,225.00) |
| Other Equity | 30,603.73 | (27,765.34) | 58,369.07 |
| Money received against share warrant | - | 822.50 | (822.50) |
| Borrowings (Non Current) | 1,65,653.09 | 1,60,565.22 | 5,087.87 |
| Other financial liabilities (Non Current) | 1,04,735.61 | - | 1,04,735.61 |
| Provisions (Non Current) | 165.94 | 165.94 | (0.00) |
| Deferred tax liabilities (net) | 34,760.44 | - | 34,760.44 |
| Other Long Term Liabilities | - | 1,24,362.46 | (1,24,362.46) |
| Borrowings (Current) | 29,290.94 | 29,290.94 | (0.00) |
| Trade payables | 22,860.92 | 27,264.54 | (4,403.62) |
| Other financial liabilities (Current) | 1,43,549.11 | - | 1,43,549.11 |
| Other current liabilities | 32,358.30 | 1,76,121.01 | (1,43,762.71) |
| Provisions (Current) | 3,805.49 | 87.89 | 3,717.60 |



Reconciliation of material items of Statement of Cashflows for the year ended March 31, 2016 as per IND AS with Indian GAAP As at March 31, 2016

| Particulars | (₹ In Lakhs) | | |
|--|---------------|----------------------|----------------------|
| | As per IND AS | As per previous GAAP | Increase/ (Decrease) |
| Cash generated from operations | 28,982.06 | 18,387.23 | 10,594.83 |
| Net cash used in investing activities | (65,903.27) | (53,730.84) | (12,172.43) |
| Net cash used in financing activities | 36,789.70 | 35,415.10 | 1,374.60 |
| Cash and cash equivalents at the beginning of the year | 389.14 | 186.14 | 203.00 |
| Cash and cash equivalents at the end of the year | 257.63 | 257.63 | - |

2.47 Movement in temporary differences during current and previous year

| Particulars | (₹ In Lakhs) | | | | | |
|--------------------------------|-----------------------------|--------------------------|----------------------|---------------------------|-----------|---|
| | Property, plant & Equipment | Deemed Equity investment | Carry forward losses | Funded Interest Term Loan | Others | Impacts of Recognition of Financial Instruments measured initially at fair value and subsequently at amortised cost |
| Balance as at April 1, 2015 | (53,876.46) | (9,028.45) | 45,230.44 | 2,804.38 | 1,485.24 | (2,865.63) |
| Recognised in income statement | (13,857.01) | - | 6,496.33 | (1,768.36) | 9,862.05 | 6,107.80 |
| Recognised in Equity | - | (25,350.76) | - | - | - | - |
| Recognised in OCI | - | - | - | - | - | - |
| Balance as at March 31, 2016 | (67,733.46) | (34,379.21) | 51,726.76 | 1,036.01 | 11,347.29 | 3,242.17 |
| Recognised in income statement | 55,830.85 | - | 17,238.35 | 405.46 | (86.90) | (63,749.92) |
| Recognised in Equity | - | (924.76) | - | - | - | - |
| Recognised in OCI | - | - | - | - | - | - |
| Balance as at March 31, 2017 | (11,902.61) | (35,303.97) | 68,965.12 | 1,441.48 | 11,260.39 | (60,507.74) |

| Unrecognised deferred tax asset | (₹ In Lakhs) | | |
|----------------------------------|-----------------------|-----------------------|----------------------|
| | As at 31st March 2017 | As at 31st March 2016 | As at 1st April 2015 |
| Deductible temporary differences | - | - | - |
| Unrecognised tax losses | - | - | - |
| Total | - | - | - |

Considering the probability of future taxable profits in the period in which tax losses expire, deferred tax assets have not been recognized in respect of tax losses carried forward by the Company. Of the above, some tax losses expire at various dates.

| Income Tax Expenses recognised in P&L | (₹ In Lakhs) | |
|--|-----------------------|-----------------------|
| | As at 31st March 2017 | As at 31st March 2016 |
| Current tax expenses /(Reversal) | - | - |
| Deferred Tax expense /(Reversal) | (8,713.94) | 18,503.04 |
| Origination and reversal of Temporary difference | - | - |
| Reversal of previously recognised losses | - | - |
| Total | (8,713.94) | 18,503.04 |



2.48 Employee Benefits

a Defined Benefit Plans / Long Term Compensated Absences – As per Actuarial Valuation on March 31, 2017

(₹ In Lakhs)

| Particulars | Gratuity | | Leave Encashment & Sick Leave | |
|--|-----------------|-----------------|-------------------------------|-----------------|
| | Unfunded | | Unfunded | |
| | 31st March 2017 | 31st March 2016 | 31st March 2017 | 31st March 2016 |
| Change in benefit obligations | NIL | NIL | NIL | NIL |
| Defined Benefit Obligation at beginning of the period | 132.78 | 160.74 | 121.05 | 187.32 |
| Current Service Cost | 22.36 | 30.62 | 24.36 | 42.45 |
| Interest Expenses | 6.85 | 10.61 | 6.75 | 12.23 |
| Curtailment gain | - | - | - | - |
| Transfer of obligation | (85.71) | - | (75.73) | - |
| Benefits paid | (51.41) | (49.22) | (35.44) | (60.99) |
| Remeasurements - Actuarial (Gains) / Losses | (2.44) | (19.98) | (19.26) | (59.97) |
| Defined Benefit Obligation at the end of the period | 22.43 | 132.78 | 21.73 | 121.05 |

| Recognised in the statement of profit and loss under employee benefit expenses | | | | |
|--|--------------|--------------|--------------|--------------|
| Current Service Cost | 22.36 | 30.62 | 24.36 | 42.45 |
| Net Interest on the net defined benefit liability / asset | 6.85 | 10.61 | 6.75 | 12.23 |
| Curtailment gain | - | - | - | - |
| Net periodic benefit cost recognised in the statement of profit & loss at the end of period | 29.21 | 41.23 | 31.11 | 54.68 |

| Remeasurements of the net defined benefit liability / (asset) | | | | |
|--|--------|---------|---------|---------|
| Actuarial (gains) / losses | (2.44) | (19.98) | (19.26) | (59.97) |
| (Return) / loss on plan assets excluding amounts included in the net interest on the net defined benefit liability / (asset) | - | - | - | - |
| | (2.44) | (19.98) | (19.26) | (59.97) |

| Actuarial Assumptions: | | | | |
|---|-------------|-------------|-------------|-------------|
| Discount Rate | 7.70 % p.a. | 8.00 % p.a. | 7.70 % p.a. | 8.00 % p.a. |
| Rate of increase of compensation levels | 7.50 % p.a. | 7.50 % p.a. | 7.50 % p.a. | 7.50 % p.a. |
| Expected average remaining working lives of employees | 11.29 | 11.34 | 10.94 | 11.28 |

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The attrition rate varies from 2% to 8% (previous year 2% to 8%) for various age groups.

Remeasurement of the net defined benefit liability recognised in other comprehensive income

(₹ In Lakhs)

| Particulars | March 31, 2017 | March 31, 2016 |
|---|----------------|----------------|
| Amount recognised in other comprehensive income for the year ending March 31, 2017 and March 31, 2016 | Nil | Nil |
| Remeasurement (gain)/loss arising from | | |
| - Change in demographic assumptions | - | - |
| - Change in financial assumptions | 0.59 | (2.39) |
| - Experience variance | (3.03) | (17.59) |
| - Return on plan assets, excluding amount recognised in net interest expense / income | - | - |
| | (2.44) | (19.98) |



Sensitivity Analysis of significant actuarial assumption

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase

The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis is given below:

| Gratuity | (₹ In Lakhs) | | | |
|--|--------------|----------|----------|----------|
| | Decrease | Increase | Decrease | Increase |
| Discount rate (-/+ 1%) | 24.59 | 20.54 | 145.22 | 121.95 |
| (% change compared to base due to sensitivity) | 9.65% | -8.41% | 9.37% | -8.15% |
| Salary Growth Rate (-/+1%) | 21.04 | 23.99 | 126.11 | 140.01 |
| (% change compared to base due to sensitivity) | -6.18% | 6.97% | -5.02% | 5.45% |
| Withdrawal Rate (-/+1%) | 22.26 | 22.60 | 131.37 | 134.17 |
| (% change compared to base due to sensitivity) | -0.74% | 0.78% | -1.06% | 1.05% |

b Defined Contribution Plans-

Accounts recognized as an expense and included in the Note No. 2.28 contribution to Provident and other funds of Profit and Loss accounts ₹ 49.70 Lakhs (Previous Year 117.83 Lakhs)

2.49 Trade Receivables

The company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information. The expected credit loss allowance is based on the ageing of the days the receivables are due, the rates as given in the provision matrix and qualitative management review on case to case basis. The provision matrix at the end of the reporting period is as follows:

| Age of Receivables | Expected Credit loss % |
|----------------------------|------------------------|
| 0-30 days past due | - |
| 31 days -1 year past due | - |
| 1 year - 3 years past due | - |
| More than 3 years past due | 100% |

| Age of Receivables | As at March 31, 2017 | As at March 31, 2016 | As at April 1, 2015 |
|----------------------------|----------------------|----------------------|---------------------|
| 0-30 days past due | 5,274.36 | 1,876.96 | 4,081.57 |
| 31-1 year past due | 6,177.13 | 549.36 | 7,259.40 |
| 1-3 year past due | 15,982.77 | 15,880.66 | 4,096.03 |
| More than 3 years past due | - | - | 18,675.56 |
| TOTAL | 27,434.26 | 18,306.98 | 34,112.56 |

| Movement in Expected Credit loss allowance | As at March 31, 2017 | As at March 31, 2016 |
|---|----------------------|----------------------|
| Balance at the beginning of the year | 51,816.83 | 36,760.01 |
| Movement in expected credit loss allowance on trade receivables calculated at lifetime expected credit losses | (214.08) | 15,056.82 |
| Balance at the end of the year | 51,602.75 | 51,816.83 |



2.50 Summary of borrowing arrangements:
(Refer Annexure - I)

2.51 Particulars of unhedged foreign currency exposure as at balance sheet date -

| | |
|--------------------|--|
| Creditors | ₹ 29.75 Lakhs (USD 0.46 Lakhs @ Closing Rate of 1 USD = ₹ 65.18) (Previous Year ₹ 30.41 Lakhs (USD 0.46 Lakhs @ Closing Rate of 1 USD = ₹ 66.62)) |
| Advance to Vendors | ₹ 9.69 Lakhs (GBP 0.119 Lakhs @ Closing rate of 1 GBP = ₹ 80.94) (Previous Year ₹ 11.38 Lakhs (GBP 0.119 Lakhs @ Closing rate of 1 GBP = ₹ 94.97)) |
| | ₹ 96.02 Lakhs (EURO 1.39 Lakhs @ Closing Rate of 1 EURO = ₹ 69.24) (Previous Year ₹ 103.93 Lakhs (EURO 1.39 Lakhs @ Closing Rate of 1 EURO = ₹ 74.94)) |

2.52 Disclosure required by Micro, Small and Medium Enterprises (Development) Act, 2006.

As per requirement of Section 22 Micro, Small & Medium Enterprises Development Act, 2006 following information is disclosed:

| Particulars | As at March 31, 2017 | As at March 31, 2016 |
|--|----------------------|----------------------|
| i) Principal amount remaining unpaid to any supplier as at the end of each accounting year. | Nil | Nil |
| ii) Interest due on (i) above remaining unpaid | Nil | Nil |
| iii) Amounts paid beyond the appointed day during the accounting year | Nil | Nil |
| iv) Interest paid on (iii) above | Nil | Nil |
| v) Interest due and payable on (iii) above | Nil | Nil |
| vi) Interest accrued and remaining unpaid at the end of the accounting year | Nil | Nil |
| vii) Interest remaining unpaid of the previous years for the purpose of disallowance under the Income Tax Act, 1961 | Nil | Nil |
| The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors. | | |

2.53 Details of Foreign Currency Expenditure

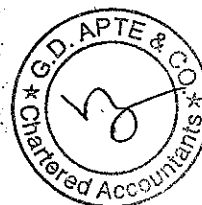
(₹ In Lakhs)

| Particulars | As at March 31, 2017 | As at March 31, 2016 |
|-----------------------------|----------------------|----------------------|
| Travelling & Other Expenses | 3.80 | 2.18 |
| Consultancy Charges | - | 17.75 |

2.54 Operating Lease

(₹ In Lakhs)

| Particulars | As at March 31, 2017 | As at March 31, 2016 |
|---|----------------------|----------------------|
| A. Future Lease Rental payments | | |
| - Not later than one year | 207.26 | 309.02 |
| - Later than one year and not later than five years | 283.69 | 683.42 |
| - Later than five years | 11.01 | 10.07 |
| B. Lease payment recognised during the year | 239.44 | 312.46 |
| C. General description of the leasing arrangement: | | |
| - Leased Assets : Employee Accommodation, Office Premises | | |
| - Future lease rental payments are determined on the basis of lease payable as per the agreement. | | |



2.55 Asset classified as held for sale

| Particulars | ₹ in Lakhs) | | |
|-------------------|----------------------|----------------------|-----------------------|
| | As at March 31, 2017 | As at March 31, 2016 | As at April 1st, 2015 |
| Building and CWIP | 200.00 | 200.00 | 200.00 |
| Land | 0.18 | 0.18 | 0.18 |
| | 200.18 | 200.18 | 200.18 |

The Company, intends to dispose of a parcel of Land along with the Building and CWIP constructed on it, since it does not intend to utilize it in future. Building has been depreciated till 31st March 2015 and thereafter classified as Property Held for Sale with no depreciation charged from 1st April 2015. Some component of the building which was under construction (CWIP) has also been earmarked as held for sale in "as is where is" basis. Buyer for these assets has been identified with the terms of sale being under negotiation. Loss to the tune of ₹ 502.90 Lakhs has been recognized on reclassification of Building and CWIP assets held for sale as at 31st March, 2017, as the Directors of the Company expect to close the deal with above buyer at fair value, which is lower than the carrying amount.

2.56 Disclosures as per Notification GSR 308 (E) dated March 30th, 2017 of Ministry of Corporate Affairs in respect of details of Specified Bank Notes (SBN) held and transacted during the period November 08, 2016 to December 30, 2016.

| Particulars | ₹ | | |
|---------------------------------------|--------------|--------------------------|--------------|
| | SBNs | Other Denomination Notes | Total |
| Closing cash in hand as on 08.11.2016 | 1,10,500.00 | 20,581.00 | 1,31,081.00 |
| Advances with employees 08.11.2016 | 10,16,500.00 | 98.00 | 10,16,598.00 |
| (+) Permitted receipts | - | 2,57,636.00 | 2,57,636.00 |
| (-) Permitted Payments | - | 2,26,818.00 | 2,26,818.00 |
| (-) Amount deposited in Banks | 11,27,000.00 | 7,995.00 | 11,34,995.00 |
| Closing cash in hand as on 30.12.2016 | - | 43,502.00 | 43,502.00 |

2.57 Service concession arrangement:

The company has entered into two separate service concession agreements with Warasgaon Asset Maintenance Limited (WAML) and Warasgaon Power Supply Limited (WPSL). According to the agreements, a) WAML has been granted exclusive right to design, develop, operate and maintain infrastructure facilities and b) WPSL has been granted exclusive right to design, develop, engineer, procure, construct, operate and maintain the Power/Electricity Infrastructure Facilities, in LAVASA hill station township. These agreements are towards a consideration of annuity payable by the company for ₹ 14,768.35 crores with respect to WAML (from year 2018 to 2041) & ₹ 3331 crores with respect to WPSL (from year 2017 to 2029), towards usage charges from the resident/users. The arrangement provides that the infrastructure facilities shall vest in and be handed over to the company upon the expiry of the concession period by WAML and WPSL. The company/ WAML/ and WPSL shall be entitled to terminate the said arrangement upon occurrence of certain events of defaults as specified in the respective agreements. No significant work/ services have been commenced till March 31, 2017.

2.58 In view of the nature of the industry, the amount of inventories expected to realize after a period of twelve months cannot be ascertained.

2.59 In the opinion of the Board, any of the assets other than fixed assets and non-current investments do not have a value on realization in the ordinary course of business lower than at least equal to the amount at which they are stated

2.60 Company has not made provision for cumulative dividend payable excluding dividend distribution tax, towards 0.001% cumulative redeemable preference shares amounting to ₹ 1342.22 Lakhs (previous year ₹ 1,117.50 Lakhs), in absence of distributable profits.

2.61 Previous year's figures have been regrouped/recasted where necessary.

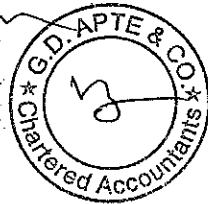
As per our Report of even date

For G. D. Apte & Co.
Chartered Accountants
ICAI Firm Registration No. 100515W



U. S. Abhyankar
Partner
Membership No. 113053


Place: Mumbai
Date : 24th April, 2017



For and on behalf of the Board of Directors


Pritpal Singh
Director
DIN : 02874744


Dattatray Mengde
Director
DIN : 02874705


Shrikant Panda
Director
DIN : 05317116

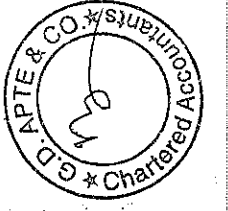
Rajiv Duggal
Chief Executive Officer

Place: Mumbai
Date : 24th April, 2017

Terms of repayment of Loans and Details of Defaults

| Particulars | Principal Repayment Outstanding as on March 31, 2017 | 2017-18 | 2018-19 | 2019-20 | 2020-21 Onwards | Total | Overdue Principal as on 31st March 17 >= 1 Month | Overdue Principal as on 31st March 17 1 to 3 Months | Overdue Principal as on 31st March 17 3 to 6 Months | Overdue Principal as on 31st March 17 more than 6 Months | Overdue Interest as on 31st March 17 >= 1 Month | Overdue Interest as on 31st March 17 to 3 Months | Overdue Interest as on 31st March 17 3 to 6 Months | Overdue Interest as on 31st March 17 more than 6 Months |
|---|--|------------------|------------------|------------------|-----------------|--------------------|--|---|---|--|---|--|--|---|
| Term Loans from Banks | | | | | | | | | | | | | | |
| Union Bank of India | 17,218.66 | 11,194.00 | 3,700.00 | - | - | 14,894.00 | 2,241.75 | - | - | - | 234.75 | 213.19 | - | - |
| Union Bank of India - new-OD | 9,758.85 | - | 1,000.00 | 8,752.24 | - | 9,752.24 | - | - | - | - | 123.93 | 31.95 | - | - |
| The Karnataka Bank Ltd. | 1,422.88 | 1,185.94 | - | - | - | 1,185.94 | 237.19 | - | - | - | 18.12 | 19.32 | - | - |
| The Karnataka Bank Ltd.- New-OD | 1,200.00 | - | 120.00 | 1,080.00 | - | 1,200.00 | - | - | - | - | 15.23 | 13.23 | - | - |
| Axis Bank Limited | 7,865.00 | 2,650.00 | 2,650.00 | - | - | 5,300.00 | 530.00 | 530.00 | 1,505.00 | 115.08 | 210.97 | 214.26 | 324.69 | 66.66 |
| Axis Bank Limited(New) | 14,799.00 | - | 1,500.00 | 13,299.00 | - | 14,799.00 | - | - | - | - | 40.25 | 392.94 | 595.96 | 26.26 |
| Corporation Bank | 970.20 | 392.00 | - | - | - | 392.00 | 80.00 | 80.00 | 417.29 | 21.63 | 2.61 | 60.38 | - | - |
| Corporation Bank-New | 69.02 | 20.00 | 20.00 | 49.02 | - | 69.02 | - | - | - | 1.40 | 3.92 | - | - | - |
| Punjab National Bank | 21,276.00 | 7,679.00 | 2,653.00 | - | - | 10,332.00 | 1,535.75 | 1,535.75 | 7,871.50 | 363.99 | 679.96 | 1,026.89 | 471.71 | 134.13 |
| Punjab National Bank- New | 5,876.00 | 600.00 | 600.00 | 5,276.00 | - | 5,876.00 | - | - | - | 104.43 | 194.98 | 294.17 | - | - |
| Oriental Bank of Commerce | 981.00 | 474.00 | - | - | - | 474.00 | 95.00 | 95.00 | 318.00 | 17.13 | 31.95 | 48.13 | 22.01 | - |
| Oriental Bank of Commerce- new | 496.68 | 1,848.25 | 66.50 | 430.18 | - | 496.68 | - | - | - | 7.80 | 14.57 | 246.63 | 1.05 | - |
| Bank of Baroda | 4,861.47 | 1,848.25 | 662.00 | - | - | 2,510.25 | 369.65 | 369.65 | 1,611.10 | 88.41 | 164.97 | 246.63 | 20.20 | - |
| Bank of Baroda-New | 1,020.00 | 870.00 | 150.00 | - | - | 1,020.00 | - | - | - | 18.31 | 34.16 | 51.48 | - | - |
| Bank of India | 5,193.50 | 1,810.00 | 650.00 | 870.00 | - | 2,460.00 | 362.50 | 362.50 | 2,007.50 | 102.45 | 191.13 | 291.01 | 1.62 | - |
| Bank of India - New | 3,690.00 | 7,500.00 | 500.00 | 3,190.00 | - | 7,500.00 | 7,500.00 | 7,500.00 | - | 69.77 | 130.19 | 198.29 | 97.97 | - |
| Bank of India-Corp Loan | 22,500.00 | 7,500.00 | 7,500.00 | - | - | 15,000.00 | - | - | - | 439.62 | 820.33 | 1,249.60 | 6.95 | - |
| Central Bank of India | 14,217.50 | 8,263.00 | 2,650.00 | - | - | 10,913.00 | 1,652.75 | 1,652.75 | - | 186.88 | 352.72 | 221.35 | - | - |
| Central Bank of India- New | 6,500.50 | 650.00 | 650.00 | 5,843.31 | - | 6,493.31 | - | - | - | 77.52 | 144.15 | 77.52 | - | - |
| State Bank of Hyderabad | 7,425.00 | 3,375.00 | 440.00 | 3,960.00 | - | 3,375.00 | 675.00 | 675.00 | 2,700.00 | 137.32 | 256.06 | 385.50 | 1.44 | - |
| State Bank of Hyderabad- new | 4,400.00 | - | - | - | - | 4,400.00 | - | - | - | 72.95 | 136.27 | 205.76 | 78.78 | - |
| Total - (A) | 1,51,741.26 | 46,371.19 | 25,511.50 | 42,749.75 | - | 1,14,632.44 | 15,279.59 | 5,300.65 | 16,430.39 | 2,427.79 | 4,079.17 | 5,305.30 | 20,742.72 | 20,742.72 |
| Funded Interest Term Loan | | | | | | | | | | | | | | |
| Corporation Bank | 92.34 | - | - | - | - | 92.34 | - | - | - | - | 1.92 | 3.73 | 5.36 | - |
| Punjab National Bank | 949.00 | - | - | - | - | 949.00 | - | - | - | 17.19 | 32.09 | 48.40 | - | - |
| Oriental Bank of Commerce | 205.00 | - | - | - | - | 205.00 | - | - | - | 0.96 | 1.79 | 2.70 | - | - |
| Bank of Baroda | 353.90 | - | - | - | - | 353.90 | - | - | - | 3.77 | 7.03 | 10.59 | - | - |
| Bank of India | 653.00 | - | - | - | - | 653.00 | - | - | - | 7.65 | 14.26 | 21.66 | - | - |
| Central Bank of India | 2,309.24 | - | - | - | - | 2,309.24 | - | - | - | 43.60 | 81.48 | 122.72 | - | - |
| State Bank of Hyderabad | 7,506.79 | - | - | - | - | 7,506.79 | - | - | - | 67.33 | - | - | - | - |
| Edelweiss Asset Reconstruction Co. Ltd | 7,570.73 | - | - | - | - | 7,570.73 | - | - | - | 84.97 | 57.23 | - | - | - |
| L & T Infrastructure Finance Company-WCTL | 8,975.38 | - | - | - | - | 8,975.38 | - | - | - | 198.12 | 366.56 | 536.64 | 2.43 | - |
| IFCI Ltd. | 2,045.00 | - | - | - | - | 2,045.00 | - | - | - | 32.68 | 61.01 | 92.03 | 46.46 | - |
| IFCI Ltd.- WCTL | 26,097.89 | - | - | - | - | 26,097.89 | - | - | - | 383.09 | 484.80 | 628.67 | 2.89 | - |
| Total - (B) | 653.00 | - | - | - | - | 653.00 | - | - | 2,301.03 | 43.60 | 81.48 | 122.72 | 562.52 | 562.52 |
| Secured Loan | | | | | | | | | | | | | | |
| Edelweiss Asset Reconstruction Co. Ltd | 7,506.79 | - | - | - | - | 7,506.79 | - | - | - | - | - | - | - | - |
| L & T Infrastructure Finance Company-WCTL | 8,975.38 | - | - | - | - | 8,975.38 | - | - | - | - | - | - | - | - |
| IFCI Ltd. | 2,045.00 | - | - | - | - | 2,045.00 | - | - | - | - | - | - | - | - |
| IFCI Ltd.- WCTL | 26,097.89 | - | - | - | - | 26,097.89 | - | - | - | - | - | - | - | - |
| Total - (C) | 26,097.89 | - | - | - | - | 26,097.89 | - | - | 4,475.38 | 383.09 | 484.80 | 628.67 | 2.89 | 2.89 |
| Non Convertible Debentures | | | | | | | | | | | | | | |
| Jammu & Kashmir Bank | 9,639.00 | - | - | - | - | 9,639.00 | - | - | - | - | - | - | - | - |
| SSS Investment Holding India Limited | 9,945.00 | - | - | - | - | 9,945.00 | - | - | - | - | - | - | - | - |
| Redkite | 1,500.00 | - | - | - | - | 1,500.00 | - | - | - | - | - | - | - | - |
| ICICI (ARCL) | 25,000.00 | - | - | - | - | 25,000.00 | - | - | - | - | - | - | - | - |
| Total - (D) | 46,084.00 | - | - | - | - | 46,084.00 | 510.00 | 510.00 | 38,464.00 | 1,173.95 | 1,813.94 | 2,984.36 | 24,387.45 | 24,387.45 |
| FCD | 1,200.00 | - | - | - | - | 1,200.00 | - | - | - | - | - | - | - | - |
| BCCL | 1,200.00 | - | - | - | - | 1,200.00 | - | - | - | - | - | - | - | - |
| Total - (E) | 1,200.00 | - | - | - | - | 1,200.00 | 1,200.00 | 1,200.00 | - | - | - | - | - | - |
| Grand Total - (A+B+C+D+E) | 2,27,432.39 | 46,371.19 | 25,511.50 | 42,749.75 | 1,200.00 | 1,15,632.44 | 15,789.59 | 6,560.65 | 61,670.79 | 4,028.43 | 6,459.39 | 9,041.05 | 48,590.50 | 48,590.50 |

* The loans bear interest rate ranging from approximately 13.00% to 16.00% and calculated based on WACC 14.5%



Independent Auditor's Report on the Consolidated Financial Statements to the members of Lavasa Corporation Limited

We have audited the accompanying Consolidated Financial Statements of Lavasa Corporation Limited ("the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its joint venture entities and associate comprising the Consolidated Balance Sheet as at March 31, 2017, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Cash Flow Statement, the Consolidated Statement of changes in equity for the year then ended and a summary of the significant accounting policies and other explanatory information ("the consolidated financial statements").

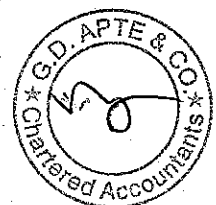
Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these Consolidated Financial Statements in terms of the requirements of the Companies Act, 2013 ("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 of equity of the Group including its joint venture entities and associate in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with Rule 4 of the Companies (Indian Accounting Standards) Rules, 2015. The respective Board of Directors of the companies included in the Group and of its joint venture entities and associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its joint venture entities and associate 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 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 Financial Statements by the directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these Consolidated 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 there under.

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 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 Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Consolidated 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 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 Financial Statements.

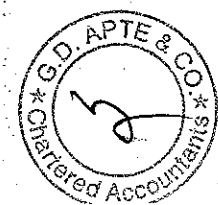
We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our qualified audit opinion on the consolidated financial statements.

Basis for qualified opinion:

1. The liability, if any, in respect of the compliance of the terms and conditions laid down by the Ministry of Environment and Forests granting the Environment Clearance for Development of the Hill Station Township vide its Order dated November 9, 2011 cannot be ascertained.
2. The impairment testing carried out by the company during the year 2015-16 did not indicate any impairment and according to the contentions of the company, since there is no change in the business conditions, no impairment testing is carried out during the year 2016-17. In our opinion, the company may not be able to achieve the business plans based on which the impairment testing has been carried out. The consequent impairment losses, if any, cannot be ascertained.
3. Current and Non-Current Borrowings including finance charges, disclosure in respect of defaults and terms of repayment of borrowings, Maturity Analysis of Financial Instruments, trade payables, trade receivables, advances to suppliers and certain balances with banks are subject to confirmation, reconciliation and consequential adjustments, if any.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph, the Consolidated 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 state of affairs (financial position) of the Group, its associate and Joint venture entities as at March 31, 2017, and their consolidated loss (financial performance including other comprehensive income), consolidated Statement of changes in equity and their consolidated cash flows for the year ended on that date.



Other Matters

1. The comparative financial information of the group for the year ended March 31, 2016 and the transition date opening balance sheet as at April 1, 2015 included in these Consolidated Financial Statements, are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by the predecessor auditor whose report for the year ended March 31, 2016 and March 31, 2015 dated April 26, 2016 and April 27, 2015 respectively expressed modified opinion on those Consolidated Financial Statements, as adjusted for the differences in the accounting principles adopted by the company on transition to the Ind AS, which have been audited by us.

The basis for modification for financial statements for year ended 31st March 2016 was as under:

- i. In respect of the matters relating to the order of the Ministry of Environment and Forests according environment clearance (EC) which are subject to compliance of terms and conditions vide order dated November 9, 2011, the liability if any, in respect of conditions set therein, is unascertainable.
- ii. In view of the liquidity constraints being faced and in the event that such constraints continue, the holding company may not be able to realise the aggressive projections made by it per its business plans. These plans also serve as the basis for the expert report obtained on impairment of the carrying value of the group's assets. Given this uncertain situation, the consequential impairment of the carrying value of various assets, if any, is not ascertainable.

The basis for modification for financial statements for year ended 31st March 2015 was as under:

- i. In respect of the matters relating to Order of the Ministry of Environment and Forests according environment clearance (EC) which are subject to compliance of terms and conditions vide Order dated November 09, 2011, the liability if any, in respect of conditions set therein, is unascertainable.
2. We did not audit the financial statements of a subsidiary and four joint venture entities as at and for the year ended on March 31, 2017, whose financial statements reflect groups share in total assets of Rs. 5,279.22 lacs, total revenue of Rs. 85.01 lacs and investments of Rs. 3,161.18 lacs. These financial statements are unaudited and have been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these companies, is based solely on such unaudited financial statements.
 3. The Consolidated Financial Statements includes estimated share of loss of Rs. 104.99 lacs in an associate whose financial statements for the year ended March 31, 2017 are not available. We are informed by the management that the consequential impacts of the same is not expected to be material.



Our opinion on the Consolidated Financial Statements is not modified in respect of the above matters.

Report on Other Legal and Regulatory Requirements

As required by section 143 (3) of the Act, based on our audit, as noted in the "Other Matter" paragraph, we report, to the extent applicable, that:

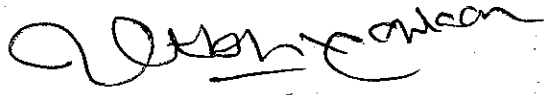
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid Consolidated Financial Statements;
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books;
- (c) The Consolidated Balance Sheet, Consolidated Statement of Profit and Loss, and Consolidated Cash Flow Statement 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 Financial Statements;
- (d) In our opinion, except for the impacts of the certain matters specified under the 'Basis for Qualified Opinion,' paragraph, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 4 of the Companies (Indian Accounting Standards) Rules, 2015
- (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2017 taken on record by the Board of Directors of the Holding Company and the report of the statutory auditor of its subsidiary companies and joint venture entities none of the directors of the Group companies and joint venture entities is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting of the Holding Company, its subsidiaries, associate and joint ventures, refer to our separate report in "Annexure 1" to this report;
- (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 Consolidated Financial Statements disclose the impact of pending litigations on its consolidated financial position of the Group, its associate and joint venture entities Refer Note 2.33 to the consolidated financial statements;



G.D. Apte & Co.
Chartered Accountants

- ii. The provision has been made as required under the applicable accounting standards, for material foreseeable losses on long-term contracts. According to the information and explanations given to us, the Group does not have any derivative contracts.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies, associate and joint venture entities during the year ended March 31, 2017.
- iv. These consolidated financial statements have made requisite disclosures as to holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 by the group. Based on the audit procedures performed and taking into consideration the information and explanations given to us, these are in accordance with the books of account maintained by the respective companies.

For G. D. Apte & Co
Chartered Accountants
Firm Registration Number: 100515W



U. S. Abhyankar
Partner
Membership No.: 113053
Mumbai, April 24, 2017



'Annexure 1' to the Independent Auditor's Report of Even Date on the Consolidated Financial Statements of Lavasa Corporation Limited

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

To the Members of Lavasa Corporation Limited

In conjunction with our audit of the Consolidated Financial Statements of Lavasa Corporation Limited as of and for the year ended March 31, 2017, we have audited the internal financial controls over financial reporting of Lavasa Corporation Limited (hereinafter referred to as the "Holding Company") and its subsidiaries, associate and joint venture entities as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its subsidiaries, associate and joint venture entities are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established 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. 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 Company's internal financial controls over financial reporting 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") and the Standards on Auditing, both, issued by Institute of Chartered Accountants of India, 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 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 authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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 Holding Company and its subsidiaries, associates and joint ventures have maintained 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, 2017, based on the internal control over financial reporting criteria established 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.

Other Matters

We did not audit the financial statements of a subsidiary and four joint venture entities as at and for the year ended on March 31, 2017. These financial statements are unaudited and have been

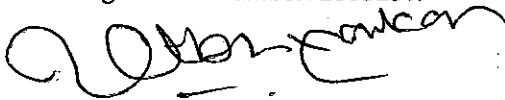


G.D. Apte & Co.
Chartered Accountants

furnished to us by the Management. The consolidated financial statements include a provision for estimated share of loss of an associate whose financial statements for the year ended March 31, 2017 are unavailable. The above companies have not been covered in this report.

Our report is not modified for the above matter.

For G. D. Apte & Co
Chartered Accountants
Firm Registration Number: 100515W



U. S. Abhyankar
Partner
Membership No.: 113053
Mumbai, April 24, 2017



Lavasa Corporation Limited

CIN :- U55101MH2000PLC187834

Consolidated Balance Sheet as at 31st March, 2017

(₹ in Lakhs)

| Particulars | Note No | As at March 31st, 2017 | As at March 31st, 2016 | As at April 1st, 2015 |
|------------------------------------|---------|------------------------|------------------------|-----------------------|
| ASSETS | | | | |
| Non-current assets | | | | |
| Property, Plant and Equipment | 2.01 | 86,357.99 | 90,106.47 | 100,572.93 |
| Capital work-in- progress | 2.01 | 169,249.64 | 169,106.05 | 152,954.78 |
| Other Intangible Assets | 2.01 | 51.34 | 52.96 | 73.26 |
| Financial Assets | | | | |
| Investments | 2.02 | 6,402.46 | 7,137.39 | 8,729.00 |
| Other Financial assets | 2.03 | 1,113.36 | 841.06 | 781.87 |
| Other Non Current Assets | 2.04 | 8,218.44 | 9,129.40 | 6,393.69 |
| Total Non Current Assets | | 271,393.23 | 276,373.33 | 269,505.53 |
| Current assets | | | | |
| Inventories | 2.05 | 190,956.81 | 188,325.26 | 150,808.68 |
| Financial Assets | | | | |
| Trade Receivable | 2.06 | 13,293.04 | 4,335.91 | 6,259.61 |
| Cash and Cash equivalents | 2.07 | 559.17 | 516.72 | 719.14 |
| Loans | 2.08 | 5,659.21 | 8,065.98 | 10,012.73 |
| Other Financial assets | 2.09 | 6.75 | 1,010.84 | 592.12 |
| Current tax assets (net) | 2.10 | 9,685.82 | 9,999.67 | 9,830.11 |
| Other current assets | 2.11 | 18,264.79 | 17,022.13 | 19,245.45 |
| | | 238,425.59 | 229,276.51 | 197,467.84 |
| Assets Classified as held for sale | 2.53 | 200.18 | 200.18 | 200.18 |
| Total Current Assets | | 238,625.77 | 229,476.69 | 197,668.02 |
| Total Assets | | 510,019.00 | 505,850.02 | 467,173.55 |



(₹ in Lakhs)

| Particulars | Note No | As at March 31st, 2017 | As at March 31st, 2016 | As at April 1st, 2015 |
|--|---------|------------------------|------------------------|-----------------------|
| EQUITY AND LIABILITIES | | | | |
| Equity | | | | |
| Equity Share capital | 2.12 | 79,594.44 | 79,594.44 | 79,594.44 |
| Other Equity | 2.13 | (192,790.73) | (121,345.62) | (97,794.14) |
| Equity attributable to owners of the Company | | (113,196.29) | (41,751.18) | (18,199.70) |
| Non Controlling Interest | | 275.84 | 373.16 | 662.99 |
| Total Equity | | (112,920.46) | (41,378.02) | (17,536.72) |
| Non-current liabilities | | | | |
| Financial Liabilities | | | | |
| Borrowings | 2.14 | 212,411.55 | 231,602.96 | 278,537.16 |
| Other financial liabilities | 2.15 | 50,947.05 | 44,536.87 | 8,091.40 |
| Provisions | 2.16 | 86.18 | 224.94 | 317.56 |
| Deferred tax liabilities (net) | 2.17 | 26,047.34 | 34,760.03 | 16,249.91 |
| Total Non current Liabilities | | 289,492.12 | 311,124.80 | 303,196.03 |
| Current liabilities | | | | |
| Financial Liabilities | | | | |
| Borrowings | 2.18 | 32,734.47 | 30,399.47 | 14,658.89 |
| Trade payables | 2.19 | 20,362.26 | 25,942.93 | 26,146.03 |
| Other financial liabilities | 2.20 | 235,731.85 | 145,015.84 | 103,153.80 |
| Other current liabilities | 2.21 | 44,548.05 | 34,575.88 | 37,341.45 |
| Provisions | 2.22 | 70.71 | 169.11 | 214.07 |
| Total Current Liabilities | | 333,447.34 | 236,103.23 | 181,514.24 |
| Total Equity and Liabilities | | 510,019.00 | 505,850.02 | 467,173.55 |

Significant accounting policies and notes to financial statements form an integral part of the Balance Sheet

As per our attached report of even date

For and on behalf of the Board of Directors

For G. D. Apte & Co.
Chartered Accountants
ICAI Firm Registration No. 100515W

[Handwritten Signature]

U. S. Abhyankar
Partner
Membership No. 113053



Place: Mumbai
Date : 24th April, 2017

Pritpal Singh
Director
DIN : 02874744

[Handwritten Signature]

Shrikant Panda
Director
DIN : 05317116

Place: Mumbai
Date : 24th April, 2017

Dattatray Mengde
Director
DIN : 02874705

[Handwritten Signature]

Rajiv Duggal
Chief Executive Officer

[Handwritten Signature]



[Handwritten Signatures]

Consolidated Statement of Profit and Loss for the year ended March 31, 2017

(₹ in Lakhs)

| Particulars | Note no | For the year ended 31st March,2017 | For the year ended 31st March,2016 |
|---|---------|------------------------------------|------------------------------------|
| Revenue from Operations | 2.23 | 10,208.63 | 8,291.85 |
| Other Operating Income | 2.24 | - | 186.91 |
| Other Income | 2.25 | 2,401.48 | 21,832.93 |
| Total Income | | 12,610.11 | 30,311.69 |
| EXPENSES | | | |
| Construction expenses | 2.26 | 6,006.62 | 9,065.45 |
| Changes in inventories of finished goods, Stock-in-Trade and Work-in-progress | | (2,807.20) | (39,515.01) |
| Employee Benefit expenses | 2.27 | 1,873.16 | 3,530.48 |
| Finance Cost | 2.28 | 74,454.02 | 48,271.18 |
| Depreciation and amortization expenses | 2.01 | 6,285.02 | 7,326.35 |
| Impairment loss on financial / non financial assets | 2.29 | 6,582.55 | 5,053.73 |
| Reversal of impairment on financial / non financial assets | 2.29 | (1,802.18) | - |
| Other expenses | 2.30 | 3,937.28 | 5,177.86 |
| Total Expenses | | 94,529.27 | 38,910.04 |
| Profit/(Loss) before exceptional items and tax | | (81,919.16) | (8,598.35) |
| Exceptional Items | | - | - |
| Profit/(Loss) after exceptional items and before tax | | (81,919.16) | (8,598.35) |
| Share in Profit / (Loss) of Associates & Joint Venture | | | |
| From Continuing operations | | (252.07) | (283.57) |
| From Discontinued operations | | (32.27) | - |
| Profit/(Loss) before tax | | (82,203.49) | (8,881.92) |
| Tax Expenses / (Income) | | | |
| (1) Current tax | | - | 4.74 |
| (2) Deferred tax charge | | (10,655.12) | 18,494.63 |
| Profit / (Loss) for the year from continuing operations | | (71,516.11) | (27,381.29) |
| Profit / (Loss) from discontinued operations before tax | | (32.27) | - |
| Tax expenses of discontinued operations | | - | - |
| Profit / (Loss) from discontinued operations (after tax) | | (32.27) | - |
| Profit / (Loss) for the year | | (71,548.37) | (27,381.29) |
| Other Comprehensive Income | | | |
| Items that will not be reclassified to profit or loss | | | |
| Remeasurement gains / (losses) on defined benefit plans | | 11.83 | 41.68 |
| Equity Instruments through other comprehensive Income | | (1.20) | (2.97) |
| Income tax relating to items that will not be reclassified to profit or loss | | (3.68) | (13.40) |
| Total Other Comprehensive Income for the year, net off tax | | 6.95 | 25.31 |
| Total Comprehensive Income for the year (Comprising Profit / (Loss) and Other Comprehensive Income for the year) | | (71,541.42) | (27,355.98) |



(₹ in Lakhs)

| Particulars | Note no | For the year ended 31st March,2017 | For the year ended 31st March,2016 |
|---|---------|------------------------------------|------------------------------------|
| Profit / (Loss) for the year attributable to | | | |
| Owners of the company | | (71,452.99) | (27,090.12) |
| Non Controlling Interest | | (95.39) | (291.18) |
| Other comprehensive income for the year attributable to | | | |
| Owners of the company | | 6.66 | 23.96 |
| Non Controlling Interest | | 0.29 | 1.35 |
| Total comprehensive income | | | |
| Owners of the company | | (71,446.33) | (27,066.16) |
| Non Controlling Interest | | (95.09) | (289.82) |
| Earnings per equity share (For continuing operations): | | | |
| i) Basic (₹ Per Share) | | (9.18) | (3.57) |
| ii) Diluted (₹ Per Share) | | (9.18) | (3.57) |
| Earnings per equity share (For discontinued operations): | | | |
| i) Basic (₹ Per Share) | | (0.00) | (0.00) |
| ii) Diluted (₹ Per Share) | | (0.00) | (0.00) |
| Earning per equity share (For discontinued & continuing operations): | | | |
| i) Basic (₹ Per Share) | | (9.18) | (3.57) |
| ii) Diluted (₹ Per Share) | | (9.18) | (3.57) |

Significant accounting policies and notes to financial statements form an integral part of the Statement of Profit and Loss.

As per our attached report of even date

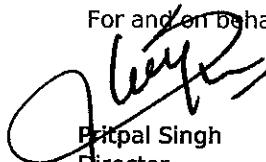
For G. D. Apte & Co.
Chartered Accountants
ICAI Firm Registration No. 100515W



U. S. Abhyankar
Partner
Membership No. 113053

Place: Mumbai
Date : 24th April, 2017

For and on behalf of the Board of Directors

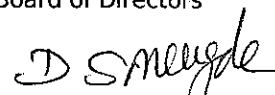


Prithpal Singh
Director
DIN : 02874744



Shrikant Panda
Director
DIN : 05317116

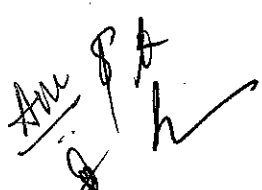
Place: Mumbai
Date : 24th April, 2017



Dattatray Mengde
Director
DIN : 02874705



Rajiv Duggal
Chief Executive Officer

Cash Flow Statement for the Year Ended 31st March 2017

(₹ in Lakhs)

| Particulars | For the Year Ended 31st March 2017 | For the Year Ended 31st March 2016 |
|--|---------------------------------------|---------------------------------------|
| A CASH FLOW FROM OPERATING ACTIVITIES | | |
| Net profit / (loss) before tax and Exceptional items | (81,919.16) | (8,598.35) |
| Share in Profit(Loss) from discontinued operations Discontinued operations | (32.27) | - |
| Share in Profit(Loss) from discontinued operations Continuing operations | (252.07) | (283.57) |
| <u>Adjustments for:</u> | | |
| Depreciation | 6,285.02 | 7,326.35 |
| Other Comprehensive Income | 10.63 | 38.71 |
| Impairment loss on financial / non financial assets and reversal | 4,780.37 | 5,053.73 |
| (Profit) / Loss on Sale of investment | - | (8.21) |
| Finance income | (4.85) | (18,947.66) |
| (Profit) / Loss on Sale of assets | (120.55) | (0.22) |
| Loss on disposal of interest in former associate (Warasgaon Lakeview Hotels Ltd) | 130.96 | - |
| Provision for Doubtful Debts | 3.35 | - |
| Interest Expenses | 74,454.02 | 48,271.18 |
| Miscellaneous Expenses – Written off | - | 533.91 |
| Foreign Exchange (Gain) / Loss | 2.85 | 0.24 |
| Gains Recognised on disposal of Stakes | (2.93) | (1,067.83) |
| Interest & Dividend Income (shown separately as investing activity) | (53.78) | (54.93) |
| Guarantee Income | (27.86) | (34.12) |
| Operating Profit / (Loss) before Working Capital | 3,253.74 | 32,229.23 |
| Changes in Working Capital | | |
| <u>Adjustments for Current Assets:</u> | | |
| (Increase) / Decrease in Inventories | (2,631.55) | (37,516.58) |
| (Increase) / Decrease in Trade Receivables | (7,368.04) | 960.96 |
| (Increase) / Decrease in Loans | (2,395.23) | 1,158.95 |
| (Increase) / Decrease in Other Financial Assets | 442.09 | (418.72) |
| (Increase) / Decrease in Other Current Assets | (2,461.21) | 1,689.41 |
| <u>Adjustments for Current Liabilities:</u> | | |
| Increase / (Decrease) in Trade Payables | (5,580.67) | (203.10) |
| Increase / (Decrease) in Other Financial Liabilities | 893.73 | (4,068.08) |
| Increase / (Decrease) in Other Current Liabilities | 9,969.32 | (2,765.81) |
| Increase / (Decrease) in Provisions | (237.16) | (137.58) |
| CASH GENERATED FROM OPERATING ACTIVITIES | (6,114.98) | (9,071.32) |
| Taxes Paid | 313.85 | (169.56) |
| NET CASH FLOW FROM OPERATING ACTIVITIES | (5,801.13) | (9,240.88) |



| Particulars | For the Year Ended 31st March 2017 | For the Year Ended 31st March 2016 |
|--|---------------------------------------|---------------------------------------|
| B CASH FLOW FROM INVESTING ACTIVITIES | | |
| Sale of fixed assets | 215.59 | 378.29 |
| Purchase of fixed assets | (2,236.32) | (298.19) |
| Addition to Capital WIP | (117.00) | (347.22) |
| Purchase of Other intangible assets | (14.42) | (76.59) |
| (Increase) / Decrease in Investments | 606.90 | 2,667.65 |
| (Increase) / Decrease in other financial assets | (272.30) | (59.19) |
| (Increase) / Decrease in other non current Interest and Dividend received | 5.67 | (2.88) |
| | 53.78 | 54.94 |
| NET CASH FLOW FROM INVESTING ACTIVITIES | (1,758.10) | 2,316.82 |
| C CASH FLOW FROM FINANCING ACTIVITIES | | |
| Proceeds from issuance of share capital | - | 52,500.00 |
| Proceeds from share application money | (1.00) | 1.00 |
| Interest Paid | (23,355.07) | (40,516.98) |
| Proceeds from / (Repayment of) Borrowings | 28,622.75 | (21,002.96) |
| Increase / (Decrease) in ICD | 2,335.00 | 15,740.58 |
| NET CASH FLOW FROM FINANCING ACTIVITIES | 7,601.68 | 6,721.64 |
| Increase / (Decrease) in cash and cash equivalents | 42.45 | (202.42) |
| Cash and cash equivalents at beginning of the year | 516.72 | 719.14 |
| Cash and cash equivalents at end of the year | 559.17 | 516.72 |

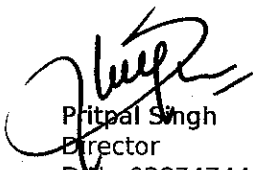
Notes :

- Details of Cash and bank balances are given in Note No. 2.07
- Previous year figures have been regrouped/recast

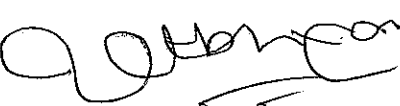
As per our attached report of even date

For and on behalf of the Board of Directors


For G. D. Apte & Co.
Chartered Accountants
ICAI Firm Registration No. 100515W


Pritpal Singh
Director
DIN : 02874744


Dattatray Mengde
Director
DIN : 02874705


U. S. Abhyankar
Partner
Membership No. 113053




Shrikant Panda
Director
DIN : 05317116

Rajiv Duggal
Chief Executive Officer

Place: Mumbai
Date : 24th April, 2017

Place: Mumbai
Date : 24th April, 2017

Statement of Changes in Equity

A) Equity Share Capital

| Particulars | No of Shares | ₹ in Lakhs |
|---------------------------------|--------------|------------|
| At 1st April 2015 | 795,944,363 | 79,594.44 |
| Changes in Equity share Capital | - | - |
| At 31st March 2016 | 795,944,363 | 79,594.44 |
| Changes in Equity share Capital | - | - |
| At 31st March 2017 | 795,944,363 | 79,594.44 |

B) Other Equity

| Particulars | Share application money pending allotment | Equity investment by holding company | Reserve and Surplus | | | | Total | Non Controlling interest | | |
|--|---|--------------------------------------|---------------------|-------------------------------|-------------------------------|-------------------|----------|--------------------------|--------------|----------|
| | | | Capital Reserve | Capital Reserve Consolidation | Debtenture Redemption Reserve | Retained Earnings | | | | |
| Balance as at 1st April 2015 | - | 6,651.52 | 2,161.14 | 3.16 | 3,046.42 | (111,671.95) | 2,010.73 | 4.84 | (97,794.14) | 662.99 |
| Addition during the year | 1.00 | 3,513.68 | - | - | - | - | - | - | 3,514.68 | - |
| Remeasurement of defined benefits obligations | - | - | - | - | - | - | - | 26.93 | 26.93 | 1.35 |
| Fair value of Investments through OCI | - | - | - | - | - | - | - | (2.97) | (2.97) | - |
| Profit / (Loss) for the year | - | - | - | - | - | (27,090.12) | - | - | (27,090.12) | (291.18) |
| Balance as at 31st March 2016 | 1.00 | 10,165.20 | 2,161.14 | 3.16 | 3,046.42 | (138,762.07) | 2,010.73 | 28.80 | (121,345.62) | 373.16 |
| Disposal of partial interest in Subsidiary (kart Racers Limited) | - | - | - | - | - | 2.23 | - | - | 2.23 | (2.23) |
| Addition / (Deletion) during the year | (1.00) | - | - | - | - | - | - | - | (1.00) | - |
| Remeasurement of defined benefits obligations | - | - | - | - | - | - | - | 7.85 | 7.85 | 0.29 |
| Fair value of Investments through OCI | - | - | - | - | - | - | - | (1.20) | (1.20) | - |
| Profit / (Loss) for the year | - | - | - | - | - | (71,452.99) | - | - | (71,452.99) | (95.39) |
| Balance as at 31st March 2017 | - | 10,165.20 | 2,161.14 | 3.16 | 3,046.42 | (210,212.83) | 2,010.73 | 35.45 | (192,790.73) | 275.83 |

Significant accounting policies and notes to financial statements form an integral part of the Statement of Profit and Loss.

As per our attached report of even date

For G. D. Apte & Co.
Chartered Accountants
ICAI Firm Registration No. 100515W

U. S. Abhyankar
Partner
Membership No. 113053

Place: Mumbai
Date : 24th April, 2017

For and on behalf of the Board of Directors

[Signature]
Prithal Singh
Director
DIN : 02874744

[Signature]
Dattatray Mengde
Director
DIN : 02874705

[Signature]
Shrikant Panda
Chief Executive Officer
DIN : 05317116

Place: Mumbai
Date : 24th April, 2017



[Handwritten signatures]

LAVASA CORPORATION LIMITED AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS ON 31ST MARCH, 2017

A Corporate information

Lavasa Corporation Limited ("the Company") and its subsidiaries (collectively referred to as "the Group") engaged in the business of 'Comprehensive Urban Development and Management'.

The Company is a public limited company incorporated and domiciled in India. The address of its corporate office is Hincan House, Lal Bahadur Shastri Marg, Vikhroli West Mumbai 400083. As of March 31, 2017, HCC Real Estate Limited, the holding company owned 68.70% of the Company's equity share capital.

The consolidated financial statements for the financial year ended 31st March 2017 were approved by the Board of Directors and authorised for issue on dated 24th April, 2017.

B Significant accounting policies

1 Statement of compliance

In accordance with the notification issued by the Ministry of Corporate Affairs, the Group has adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 with effect from April 1, 2016. Previous period numbers in the financial statements have been restated to Ind AS. In accordance with Ind AS 101, First-time Adoption of Indian Accounting Standard, the Group has presented a reconciliation from the presentation of financial statements under Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 ("Previous GAAP") to Ind AS of Shareholders' equity as at March 31, 2016 and April 1, 2015 and of the comprehensive profit or loss for the financial year ended March 31, 2016.

2 Basis of preparation

The financial statements of the Group have been prepared to comply in all material respects with the Indian Accounting Standards ("Ind AS") notified under the Companies (Accounting Standards) Rules, 2015 in respect of Section 133 of the Companies Act, 2013 ("the Act") and other relevant provisions of the Act.

The financial statements for all periods upto and including year ended 31 March 2016 were prepared in accordance with the Accounting Standards notified under Section 133 of the Act, read with rule 7 to the Companies (Accounts) Rules, 2014 (as amended) ("previous GAAP"). The financial statements for the year ended 31 March 2017 are the first financial statements prepared by the Group in accordance with Ind AS. Refer Note D for information on how the Group adopted Ind AS.

The financial statements have been prepared under the historical cost convention with the exception of certain financial assets and liabilities at fair value, on an accrual basis of accounting. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

All the assets and liabilities have been classified as current or non-current, wherever applicable, as per the operating cycle of the Group as per the guidance set out in Schedule III to the Act. Operating cycle for the business activities of the Group covers the duration of the project/ contract/ service including the defect liability period, wherever applicable, and extends upto the realisation of receivables (including retention monies) within the credit period normally applicable to the respective project.

These financial statements are reported in Indian Rupees, which is also the Group's functional currency, and all values are rounded to the nearest lakhs except when otherwise indicated.

3 Functional and Presentation Currency

Items included in financial statement of the Company are measured using the currency of the primary economic environment in which the Company operates ("the functional currency").

Indian rupee is the functional currency of the Company.

The financial statements are presented in Indian Rupees (₹) which is the Company's presentation currency. All financial information presented in Indian Rupees has been rounded up to the nearest lakhs except where otherwise indicated.



4 Principles of Consolidation

The financial statements have been prepared on the following basis:

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 those 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. They are deconsolidated from the date the control ceases.

The acquisition method of accounting is used to account for business combination by the Group.

The Group combines the separate financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary and practicable to ensure consistency with the policies adopted by the Group.

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

ii) Associates

An Associate is an entity over which the Investor has significant influence.

Significant influence is the power to participate in the financial and operating policy decision of the Investee but is not control or joint control of those policies.

iii) Joint arrangements

Under Ind AS 111 Joint Arrangements, investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement.

Joint ventures

Interests in joint ventures are accounted for using the equity method (see (iv) below), after initially being recognised at cost in the consolidated balance sheet.

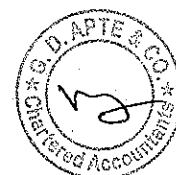
iv) Equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit and loss, and the Group's share of other comprehensive income of the investee in other comprehensive income ("OCI"). Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

When the Group's share of losses is an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary and practicable to ensure consistency with the policies adopted by the Group.

The carrying amount of the equity accounted investments are tested for impairment.



v) **Change in ownership interests**

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests or reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit and loss. The fair value becomes the initial carrying amount for the purposes of subsequent accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in OCI in respect of that entity are reclassified to profit or loss as if the Group had directly disposed of the related assets and liabilities.

If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in OCI are reclassified to profit or loss where appropriate.

- vi) The financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's separate financial statements in preparing the financial statements to ensure conformity with the Group's accounting policies, wherever necessary and practicable.
- vii) Notes to the financial statements represent notes involving items which are considered material and are accordingly disclosed. Materiality for the purpose is assessed in relation to the information contained in the financial statements. Further, additional statutory information disclosed in separate financial statements of the subsidiary and/or a parent having no bearing on the true and fair view of the financial statements has not been disclosed in these financial statements.

5 Business Combinations

The Company accounts for its business combinations under acquisition method of accounting. Acquisition related costs are recognised in profit or loss as incurred. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the condition for recognition are recognised at their fair values at the acquisition date.

Purchase consideration paid in excess of the fair value of net assets acquired is recognised as goodwill. Where the fair value of identifiable assets and liabilities exceed the cost of acquisition, after reassessing the fair values of the net assets and contingent liabilities, the excess is recognised as capital reserve.

The interest of non-controlling shareholders is initially measured either at fair value or at the non-controlling interests' proportionate share of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity of subsidiaries.

Business combinations arising from transfers of interests in entities that are under the common control are accounted at historical cost. The difference between any consideration given and the aggregate historical carrying amounts of assets and liabilities of the acquired entity are recorded in shareholders' equity.



6 Use of estimates and judgments

Key source of estimation of uncertainty at the date of financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of useful lives of property, plant and equipment, valuation of deferred tax assets, provisions and contingent liabilities. The preparation of the Group's consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. 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

The following are the critical judgments that the directors have been made in the process of applying the group's accounting policies that have significant effect on the amounts recognized in the Consolidated Financial Statements.

Joint Control over certain companies:

Though the Company's investments in certain entities exceed 50% of the total share capital, these entities have been classified as Joint Ventures. The directors of the company assessed whether or not the group has control over these entities based on whether the group has practical ability to direct the relevant activities unilaterally. In these cases, based on specific shareholders agreement, the directors concluded that the group does not have practical ability to direct the relevant activities unilaterally but has such ability along with the other shareholders. The details in respect of these entities are as under:

| Sr. No | Name of the Company | % of Share holding as at March 31 2017 |
|--------|--|--|
| 1 | Spotless Laundry Services Ltd | 76.02% |
| 2 | Green Hills Residences Ltd | 60.00% |
| 3 | Whistling Thrush Facilities Services Ltd | 51.00% |
| 4 | Ecomotel Hotel Ltd | 51.00% |

7 Revenue Recognition

Sale of Land and FSI

Revenues are recognized in the year in which the agreement to lease is executed. Income from land sales (including on a long term lease basis) is recognized on the transfer of all significant risks and rewards of ownership to the buyers and a reasonable expectation of collection of the sale consideration from the buyers exists. Exchange of parcels of land against other parcels of land is not treated as sale but is adjusted in the land account.

Project Construction Work

The Company follows the percentage completion method, on the basis of physical measurement of work actually completed at the balance sheet date, taking into account the contractual price and revision thereto by estimating total revenue and total cost to the completion of the contract and the profit so determined accounted for proportionate to the percentage of the actual work done. Foreseeable losses are accounted for as and when they are determined. Revenue from sales of constructed units other than under long term construction contracts are recognized on execution of transfer agreements.

Project Management Consultancy Fees

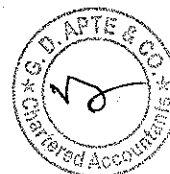
Revenue from Project Management Consultancy Fees is recognized on accrual basis, as per the agreements.

Sales comprise of revenue from room, allied services relating to hotel operation and other services. Revenue is recognized upon rendering of services.

The revenue from sale of goods is recognized on delivery of the materials to the customers in accordance with the terms of the contract. Revenue from installation and other services is recognized as and when the service is rendered.

Income from tuition/training activities and other services is recognized over the course period.

Rent is recognized on time proportionate basis.



8 Property, Plant and Equipment

Property, Plant and Equipment are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises acquisition price and any attributable cost of bringing the asset to its working condition for its intended use. Borrowing costs related to acquisition of assets which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

Cost of purchase of land to the extent of one percent is accounted as assets and remaining is accounted as stock in trade.

Depreciation on assets is provided on reducing balance method over the estimated useful lives of the assets on pro-rata basis. The estimated useful lives are as below,

Building : 10-60 years

Plant & Machinery : 10-20 years

Computers : 6 years

Office Equipments : 5-20 years

Furniture & Fixtures : 15 years

For the above classes of assets, based on internal assessment, Management believes that the useful life as given above represents the period over which it expects to use these assets. Hence the useful lives of these assets are different from the useful lives as prescribed under Part C of Schedule II of Companies Act, 2013.

9 Intangible Assets

Costs relating to trademark and design have been treated as intangible assets which also comprise license fees, other implementation costs for software and application software acquired for in-house use.

In respect of intangible assets being computer software relating to Geographical Information System and Enterprise Resource System is amortized over the estimated useful life of ten years under straight line method on pro-rata basis.

In respect of trademark and design costs are amortized equally over a period of ten years.

10 Investment

Investments are classified as long term and current investments. Long term investments are shown at cost or written down value (in case of diminution which is other than temporary diminution) and current investments are shown at cost or fair value whichever is lower.

11 Inventories of Land and Floor Space Index (FSI)

Cost of land accounted in Stock in trade is treated as (a) Cost of FSI - 95%, (b) Land, stock-in-trade - 5%, both being distinct items of inventory. Cost of Land and FSI are on a weighted average basis along with related purchase / acquisition price plus all direct and indirect expenditure incurred in connection with the purchase of land. Borrowing costs and Overhead expenditure on sectoral / nodal / city level infrastructure, in respect of FSI under development are treated as an element of cost in view of substantial period of time for development. Land and FSI are valued at lower of Cost or Net Realizable Value. Land or FSI utilized for own construction is transferred to Fixed Assets at cost.

Project Work-in-Progress is valued at the contract rates in accordance with Accounting Standards on construction contracts.

Where construction of any unit is undertaken for which there are no sales, such inventory is valued at lower of cost or net realizable value(NRV) and is not considered under Long-term Construction for accounting purposes.

The Stock of Stores, Food and Beverages, groceries and provisions, other guest amenities, information technology material, finished products including traded goods and semi finished goods are stated at lower of cost or net realizable value. The inventories of Raw materials, Laboratory materials, other consumables and housekeeping items, medicines, medicare items are stated at cost.



12 Financial instruments

Financial assets and liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

Cash and cash equivalents

The Group considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Group has made an irrevocable election to present in other comprehensive income subsequent changes in the fair value of equity investments not held for trading.

Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit and loss are immediately recognised in statement of profit and loss.

Financial liabilities

Financial liabilities are measured at amortized cost using the effective interest method.

Borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in the statement of profit and loss.

Where the Company issues optionally convertible debenture, the fair value of the liability portion of an such debentures is determined using a market interest rate for an equivalent non-convertible debenture. This value is recorded as a liability on an amortised cost basis until extinguished on conversion or redemption of the debentures. The remainder of the proceeds is attributable to the equity portion of the instrument. This is recognised and included in shareholders' equity (net of income tax) and are not subsequently re-measured.

Where the terms of a financial liability is re-negotiated and the Company issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognised in the Statement of Profit and Loss; measured as a difference between the carrying amount of the financial liability and the fair value of equity instrument issued.

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 instruments

The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

Investment in subsidiaries

Investment in subsidiaries is carried at cost in the separate financial statements.

Equity instruments

An equity instrument is a contract that evidences residual interest in the assets of the Group after deducting all of its liabilities.

Equity instruments recognised by the Group are recognised at the proceeds received net off direct issue cost.

13 Impairment

The Group makes assessment of any indicator that may lead to impairment of the Assets on an annual basis. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis. If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss, if any, is recognised in the statement of profit and loss, in the year in which it is identified as impaired.

14 Finance Cost

Borrowing costs relating to acquisition, construction or production of a qualifying asset which takes substantial period of time to get ready for its intended use are added to the cost of such asset to the extent they relate to the period till such assets are ready to be put to use. Other borrowing costs are charged to the Statement of Profit and Loss in the period in which it is accrued. Also, the EIR amortisation is included in finance costs.

15 Provisions, Contingent Liabilities and Contingent Assets

A provision is recognised when the Group has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions (excluding gratuity and compensated absences) are determined based on management's estimate required to settle the obligation at the Balance Sheet date. When appropriate, the 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 recognised as a finance cost. These are reviewed at each Balance Sheet date and adjusted to reflect the current management estimates.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events, whose existence would be confirmed by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Group. A contingent liability also arises, in rare cases, where a liability cannot be recognised because it cannot be measured reliably.

Contingent Liabilities are disclosed in financial statements. Contingent assets are not recognized and are disclosed where an inflow of economic benefits is probable.

16 Foreign Currency Transactions

Foreign currency transactions during the year are accounted at the prevailing rate on the date of transaction. All monetary items are translated at the exchange rate prevailing on the last day of the year. Gains or losses arising out of remittance / translations at the year end are charged to the Statement of Profit and Loss for the year.



17 Employee Benefits

Defined Contribution Plans

Group's contributions paid/payable during the year to Provident Fund, Officer's Superannuation Fund and Labour Welfare Fund are recognized in the statement of profit and loss.

Defined Benefit Plan & other long term benefits

Group's liabilities towards gratuity and leave encashment are determined using the projected unit credit method which considers each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation. Actuarial gain and losses are recognized immediately in the statement of profit and loss as income or expenses. Remeasurement comprising of actuarial gains and losses in respect of defined benefit plan are recognised in other comprehensive income in the period in which they occur. Remeasurement are not reclassified to profit and loss in subsequent periods. Obligation is measured at the present value of estimated future cash flows using a discounted rate that is determined by reference to market yields at the Balance Sheet date on Government bonds where the currency and terms of the Government bonds are consistent with the currency and estimated terms of the defined benefit obligation.

18 Taxation

Current Tax

Provision for current tax is recognised based on the estimated tax liability computed after taking credit for allowances and exemptions in accordance with the Income Tax Act, 1961.

Deferred Tax

Deferred tax is determined by applying the Balance Sheet approach. Deferred tax assets and liabilities are recognised for the future tax consequences attributable to timing differences between the financial statements' carrying amount of existing assets and liabilities and their respective tax basis. Deferred tax assets and liabilities are measured using the enacted tax rates or tax rates that are substantively enacted at the Balance Sheet date. The effect on deferred tax assets and liabilities of a change in tax rates is recognised in the period that includes the enactment date. Deferred tax assets are only recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Such assets are reviewed at each Balance Sheet date to reassess realisation.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Minimum Alternative Tax ("MAT") credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT Credit Entitlement. The Group reviews the same at each Balance Sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Group will pay normal Income Tax during the specified period.

Current and deferred tax are recognised as an expense or income in the Statement of Profit and Loss, except when they relate to items credited or debited either in OCI or directly in equity, in which case the tax is also recognised in OCI or directly in equity.

18 Leases

Leases under which the company assumes substantially all the risks and rewards of ownership are classified as finance leases. When acquired, such assets are capitalized at fair value or present value of the minimum lease payments at the inception of the lease, whichever is lower. Lease payments under operating leases are recognized as an expense on a straight line basis in net profit in the statement of profit and loss over the lease term.

19 Earnings Per Share

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



20 Segmental Reporting:

The Company is primarily engaged in the business of 'Comprehensive Urban Development and Management' which as per Ind AS 108 on "Segment reporting" is considered to be the only reportable primary business Segment. The Company is primarily operating in India which is considered to be as a single geographical segment.

C Recent accounting pronouncements

Standards issued but not yet effective

In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 7, 'Statement of cash flows' and Ind AS 102, 'Share-based payment.' These amendments are in accordance with the recent amendments made by International Accounting Standards Board (IASB) to IAS 7, 'Statement of cash flows' and IFRS 2, 'Share-based payment,' respectively. The amendments are applicable to the Company from 1 April 2017.

Amendment to Ind AS 7

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

D First time adoption of Ind AS:

The Group has adopted Ind AS with effect from 1 April 2016 with comparatives being restated. Accordingly the impact of transition has been provided in the Opening Retained Earnings as at 1 April 2015 and all the periods presented have been restated accordingly.

Exemptions availed on first time adoption of Ind-AS 101:

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

(i) Fair value as deemed cost exemption: The Group has elected to measure any item of Property, Plant and Equipment at its carrying value at the transition date as deemed cost.

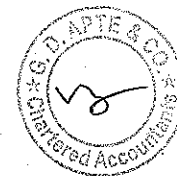
(ii) Investments in subsidiaries, joint ventures and associates: The Group has elected to measure investment in subsidiaries, joint venture and associate at cost.

(iii) Designation of previously recognised financial instruments: The Group does not have any financial assets or liabilities as of the transition dates which were required to be designated, and which met the required criteria given in Ind AS 101, as a financial asset or financial liability at fair value through profit or loss.

Exceptions from full retrospective application:

(i) Estimates exception: Upon an assessment of the estimates made under the previous GAAP, the Group has concluded that there was no necessity to revise the estimates under Ind AS except where estimates were required by Ind AS and not required by the previous GAAP.

(ii) Derecognition of financial assets and liabilities exception: Financial assets and liabilities derecognized before transition date are not re-recognised under Ind AS



Lavasa Corporation Limited
Summary of significant accounting policies and other explanatory information to the standalone financial statements as at 31st March 2017

2.01 Fixed Assets

| Particulars | Tangible Assets | | | | | | | | | | Intangible Assets | | | Capital Work in Progress | |
|--|-----------------|--------------------|--|------------------------|----------|-----------|------|------------|-------------------|----------------------|-------------------|------------|------------|--------------------------|--|
| | Land | Building and Sheds | Plant & Machineries, Office Equipments | Furniture and fixtures | Vehicles | Computers | Boat | Total | Computer software | Trademarks & Designs | Total | CWIP | Total | | |
| | | | | | | | | | | | | | | | |
| Gross block | | | | | | | | | | | | | | | |
| As at 1st April 2015 | 1,577.45 | 100,213.04 | 24,265.73 | 2,478.57 | 337.66 | 729.10 | 4.70 | 129,606.25 | 310.32 | 75.42 | 385.74 | 152,954.78 | 152,954.78 | | |
| Additions | 112.91 | - | 183.12 | - | - | 2.16 | - | 298.19 | 5.35 | 71.24 | 76.59 | 16,321.29 | 16,321.29 | | |
| Deductions/ disposals | - | 383.60 | - | 13.64 | 4.78 | - | - | 402.02 | - | - | - | - | - | | |
| As at 31st March 2016 | 1,690.36 | 99,829.44 | 24,448.85 | 2,464.93 | 332.88 | 731.26 | 4.70 | 129,502.42 | 315.67 | 146.66 | 462.32 | 169,276.07 | 169,276.07 | | |
| Additions | - | 2,223.38 | 9.51 | - | - | 3.43 | - | 2,236.32 | 0.52 | 12.67 | 13.19 | 234.35 | 234.35 | | |
| Deductions/ disposals | 113.15 | - | - | - | 0.03 | - | - | 113.18 | - | - | - | - | - | | |
| As at 31st March 2017 | 1,577.21 | 102,052.82 | 24,458.36 | 2,464.93 | 332.85 | 734.69 | 4.70 | 131,625.55 | 316.19 | 159.33 | 475.52 | 169,510.42 | 169,510.42 | | |
| Accumulated depreciation / amortisation | | | | | | | | | | | | | | | |
| Balance as at 1st April 2015 | 19.53 | 18,406.77 | 8,039.63 | 1,651.06 | 251.78 | 660.28 | 4.28 | 29,033.32 | 239.16 | 73.31 | 312.47 | - | - | | |
| Depreciation charge for the year | 3.04 | 4,661.87 | 2,367.00 | 170.60 | 23.71 | 29.79 | 0.07 | 7,256.09 | 22.29 | 71.92 | 94.21 | - | - | | |
| Accumulated depreciation/ amortisation on disposals | - | 19.18 | - | 3.53 | 1.24 | - | - | 23.95 | - | - | - | - | - | | |
| As at 31st March 2016 | 22.57 | 23,049.46 | 10,406.63 | 1,818.13 | 274.26 | 690.07 | 4.35 | 36,265.46 | 261.45 | 145.24 | 406.68 | - | - | | |
| Depreciation charge for the year | 23.52 | 4,414.51 | 1,726.82 | 91.72 | 15.17 | 15.32 | 0.05 | 6,287.12 | 16.04 | - | 16.04 | - | - | | |
| Accumulated depreciation/ amortisation on disposals | 18.14 | - | - | - | - | - | - | 18.14 | - | - | - | - | - | | |
| As at 31st March 2017 | 27.95 | 27,463.97 | 12,133.45 | 1,909.85 | 289.43 | 705.39 | 4.40 | 42,534.44 | 277.49 | 145.24 | 422.73 | - | - | | |
| As at 1st April 2016 | - | - | - | - | - | - | - | - | - | - | - | - | - | | |
| Impairment of Assets as at 31st March 2016 | - | 1,335.97 | 1,713.42 | 81.10 | - | - | - | 3,130.49 | 2.60 | 0.08 | 2.68 | 170.02 | 170.02 | | |
| Accumulated Impairment on Assets | - | 1,335.97 | 1,713.42 | 81.10 | - | - | - | 3,130.49 | 2.60 | 0.08 | 2.68 | 170.02 | 170.02 | | |
| Impairment of Assets as at 31st March 2017 | - | - | 77.99 | 0.01 | - | 0.07 | - | 78.07 | - | - | - | 90.76 | 90.76 | | |
| Reversal of Impairment of Assets as at 31st March 2017 | - | 249.52 | 209.59 | 15.44 | - | 0.90 | - | 475.44 | 1.18 | 0.05 | 1.23 | - | - | | |
| As at 31st March 2015 | 1,557.93 | 81,806.28 | 16,226.10 | 827.51 | 85.88 | 68.82 | 0.42 | 100,572.93 | 71.16 | 2.10 | 73.26 | 152,954.78 | 152,954.78 | | |
| As at 31st March 2016 | 1,667.79 | 75,444.01 | 12,328.80 | 565.70 | 58.62 | 41.19 | 0.36 | 90,106.47 | 51.62 | 1.34 | 52.96 | 169,106.05 | 169,106.05 | | |
| As at 31st March 2017 | 1,549.26 | 73,502.40 | 10,743.08 | 489.41 | 43.42 | 30.12 | 0.30 | 86,357.99 | 37.28 | 14.06 | 51.34 | 169,249.64 | 169,249.64 | | |



| | As at March 31st, 2017 | As at March 31st, 2016 | As at April 1st, 2015 |
|---|---------------------------|---------------------------|--------------------------|
| 2.02 Non-current investments (at cost, unless otherwise stated) | | | |
| Trade Investments, Unquoted, Long Term :- | | | |
| (a) Investment in Equity Shares in Associate Companies | | | |
| Knowledge Vistas Limited (KVL) | 1,344.95 | 1,449.95 | 925.41 |
| 3,10,481 (Previous year - 3,10,481) Equity shares of ₹ 10/- each Fully Paid up | | | |
| Warasgaon Lakeview Hotels Limited (Upto 28th February, 2017) | - | 1,267.89 | 1,269.23 |
| 1,09,646 (Previous year - 1,40,957) Equity shares of ₹ 10/- each Fully Paid up | | | |
| Sub Total (a) | 1,344.95 | 2,717.84 | 2,194.64 |
| (b) Investment in Equity Shares in Joint Venture Companies | | | |
| Bona Sera Hotels Limited | - | - | - |
| 1,22,563 (Previous year - 1,22,563) Equity shares of ₹ 10/- each Fully Paid up | | | |
| Ecomotel Hotel Limited | 622.70 | 517.15 | - |
| 1,01,32,240 (Previous year - 86,32,300) Equity shares of ₹ 10/- each Fully Paid up | | | |
| Green Hills Residences Limited | - | - | - |
| 53,319 (Previous year - 53,319) Equity shares of ₹ 10/- each Fully Paid up | | | |
| Starlit Resort Limited (effective from 14th may 2015) | 393.34 | 382.31 | - |
| 49,400 (Previous year - 49,400) Equity shares of ₹ 10/- each Fully Paid up | | | |
| Andromeda Hotels Limited | 294.81 | 296.92 | 296.23 |
| 61,470 (Previous year - 61,470) Equity shares of ₹ 10/- each Fully Paid up | | | |
| Whistling Thrush Facilities Services Limited | - | 32.27 | 56.93 |
| 27,540 (Previous year - 27,540) Equity shares of ₹ 10/- each Fully Paid up | | | |
| Spotless Laundry Services Limited | - | - | - |
| 96,437 (Previous year - 96,437) Equity shares of ₹ 10/- each Fully Paid up | | | |
| Apollo Lavasa Health Corporation Limited | 2,767.85 | 2,884.38 | 5,854.52 |
| 6,26,808 (Previous year - 6,26,808) Equity shares of ₹ 10/- each Fully Paid up | | | |
| Sub Total (b) | 4,078.70 | 4,113.03 | 6,207.68 |
| (c) Investments in Other Equity Shares, Unquoted (FVTOCI) | | | |
| Warasgaon Lakeview Hotels Limited (from 1st March 2017) | 900.33 | | |
| 1,09,646 (Previous year - 1,40,957) Equity shares of ₹ 10/- each Fully Paid up | | | |
| These shares were pledged against loan taken by the former Associate from L & T Infrastructure Finance Co. Ltd. (L&T) During the year, 31,311 number of shares valued at ₹ 313.11 lakhs have been transferred to L& T in part settlement of loan, which is disclosed as Inter Corporate Deposit to Warasgaon Lake View Hotels Limited. The resultant loss of ₹ 87.05 lakhs has been charged off and consequently the classification of this investment has been changed from Associate to other investment. | | | |
| Space Theme Park India Limited | 4.40 | 4.40 | 4.40 |
| 50,000 (Previous year - 50,000) Equity shares of ₹ 10/- each Fully Paid up | | | |
| Less: Fair value Loss through Other comprehensive income | (4.40) | - | - |
| Osprey Hospitality Limited | 0.01 | - | - |
| 60 (Previous year - 50,000) Equity shares of ₹ 10/- each Fully Paid up | | | |
| Less: Fair value Loss through Other comprehensive income | (0.01) | - | - |
| Sub Total (c) | 900.33 | 4.40 | 4.40 |
| (d) Investments in Other Equity Instruments | | | |
| Joint Ventures | | | |
| Corporate Guarantee | 33.81 | 33.81 | 33.81 |
| Former Associate | | | |
| Corporate Guarantee | - | 218.97 | 218.97 |
| Sub Total (d) | 33.81 | 252.78 | 252.78 |



| | As at March 31st, 2017 | As at March 31st, 2016 | As at April 1st, 2015 |
|--|---------------------------|---------------------------|--------------------------|
| (e) Investments in Equity Instruments, Quoted | | | |
| at Fair Value through Profit or Loss (FVTOCI) | | | |
| Punjab National Bank Limited | 3.68 | 3.68 | 3.68 |
| 4715 (Previous year - 943) Equity Shares of ₹ 2/- each | | | |
| Hubtown Limited (Formerly Akruti City Limited) | 0.08 | 0.08 | 0.08 |
| 10 (Previous year - 10) Equity Shares of ₹ 10/- each | | | |
| Ansal Housing & Construction Limited | 0.02 | 0.02 | 0.02 |
| 30 (Previous year - 10) Equity Shares of ₹ 10/- each | | | |
| Ansal Properties & Infra Limited | 0.03 | 0.03 | 0.03 |
| 10 (Previous year - 10) Equity Shares of ₹ 5/- each | | | |
| Ashiana Housing Limited | 0.03 | 0.03 | 0.03 |
| 175 (Previous year - 35) Equity Shares of ₹ 2/- each | | | |
| DLF Limited | 0.09 | 0.09 | 0.09 |
| 10 (Previous year - 10) Equity Shares of ₹ 2/- each | | | |
| HDIL | 0.08 | 0.08 | 0.08 |
| 12 (Previous year - 12) Equity Shares of ₹ 10/- each | | | |
| Indiabulls Real Estate Limited | 0.07 | 0.07 | 0.07 |
| 10 (Previous year - 10) Equity Shares of ₹ 10/- each | | | |
| Mahindra Lifestyle Limited (Formerly Mahindra Gesco Limited) | 0.06 | 0.06 | 0.06 |
| 10 (Previous year - 10) Equity Shares of ₹ 10/- each | | | |
| Orbit Corporation Limited | 0.06 | 0.06 | 0.06 |
| 20 (Previous year - 20) Equity Shares of ₹ 10/- each | | | |
| Parshwanath Developers Limited | 0.04 | 0.04 | 0.04 |
| 20 (Previous year - 20) Equity Shares of ₹ 10/- each | | | |
| Peninsula Land Limited | 0.06 | 0.06 | 0.06 |
| 50 (Previous year - 50) Equity Shares of ₹ 2/- each | | | |
| Shoba Developers Limited | 0.09 | 0.09 | 0.09 |
| 10 (Previous year - 10) Equity Shares of ₹ 10/- each | | | |
| Unitech Limited | 0.03 | 0.03 | 0.03 |
| 10 (Previous year - 10) Equity Shares of ₹ 2/- each | | | |
| D S Kulkarni Developers Limited | 0.03 | 0.03 | 0.03 |
| 10 (Previous year - 10) Equity Shares of ₹ 10/- each | | | |
| Add: Fair value through Other Comprehensive Income | 3.20 | (0.01) | 2.96 |
| Sub Total (d) | 7.65 | 4.44 | 7.41 |
| Mutual Fund Investment | | | |
| Birla Sun Life cash Plus - Daily Div. (SIP) | 37.02 | 44.90 | 62.09 |
| (36944.723 @NAV 100.1950 each) | | | |
| Grand Total (a+b+c+d+e) | 6,402.46 | 7,137.39 | 8,729.00 |
| Aggregate amount of quoted investments | | | |
| Carrying Cost | 44.67 | 49.34 | 69.50 |
| Market Value | | | |
| Equity Investments | 7.65 | 4.44 | 7.41 |
| Mutual Fund | 37.02 | 44.90 | 62.09 |
| Aggregate amount of unquoted investments | 6,357.79 | 7,088.05 | 8,659.50 |
| 2.03 Other Financial Assets | | | |
| Fixed deposits with Bank held as Margin Money | 736.69 | 632.78 | 575.21 |
| (Maturity with more than 12 months) | | | |
| Other Deposits | 376.67 | 208.28 | 206.66 |
| | 1,113.36 | 841.06 | 781.87 |



Notes to and forming part of the financial statement as at and for the year ended March 31st, 2017

(₹ in Lakhs)

| | As at March 31st, 2017 | As at March 31st, 2016 | As at April 1st, 2015 |
|---|---------------------------|---------------------------|--------------------------|
| 2.04 Other Non Current Assets | | | |
| Prepaid Guarantee Expenses | 8,211.75 | 9,117.04 | 6,384.21 |
| Others | 6.69 | 12.36 | 9.48 |
| | <u>8,218.44</u> | <u>9,129.40</u> | <u>6,393.69</u> |
| 2.05 Inventories | | | |
| Land at cost or NRV whichever is lower: | | | |
| Land | 3,090.64 | 3,108.42 | 3,108.94 |
| Land - FSI | 170,710.05 | 167,962.01 | 129,002.88 |
| Project work in Progress (at cost or NRV whichever is lower) | 15,063.21 | 15,175.05 | 15,904.94 |
| Project work in Progress (at contract rate) | 2,042.23 | 1,976.45 | 2,698.35 |
| Other Inventories (at cost or NRV whichever is lower) (refer note no.2.61) | 50.68 | 103.33 | 93.57 |
| | <u>190,956.81</u> | <u>188,325.26</u> | <u>150,808.68</u> |
| 2.06 Trade Receivables | | | |
| Unsecured, considered good | 13,293.04 | 4,335.91 | 6,259.61 |
| Unsecured, considered doubtful | 13,246.70 | 14,838.41 | 13,876.40 |
| Allowance for doubtful debts (Refer Note No. 2.50) | (13,246.70) | (14,838.41) | (13,876.40) |
| | <u>13,293.04</u> | <u>4,335.91</u> | <u>6,259.61</u> |
| 2.07 Cash and Cash equivalents | | | |
| Balances With Banks | 555.16 | 495.36 | 672.47 |
| Cheques On Hand | 0.47 | 3.89 | 36.92 |
| Cash On Hand | 3.54 | 17.47 | 9.75 |
| | <u>559.17</u> | <u>516.72</u> | <u>719.14</u> |
| 2.08 Loans | | | |
| Deposits | 382.44 | 221.93 | 222.10 |
| Inter Corporate Deposit to Joint Venture | 280.58 | 0.07 | 498.73 |
| Inter Corporate Deposit to Associates | | | |
| Unsecured, considered good | 4,996.19 | 5,176.02 | 5,836.19 |
| Unsecured, considered doubtful | 2,134.04 | | |
| Less: Impairment Loss | (2,134.04) | | |
| Inter Corporate Deposit to Others | | | |
| Unsecured, considered good | | 2,667.96 | 3,455.71 |
| Unsecured, considered doubtful | 4,243.45 | 1,575.49 | 787.74 |
| Less: Impairment Loss | (4,243.45) | (1,575.49) | (787.74) |
| | <u>5,659.21</u> | <u>8,065.98</u> | <u>10,012.73</u> |
| 2.09 Other Financial assets | | | |
| Other Amounts Recoverable | 6.75 | 350.84 | 30.12 |
| Others | | | |
| Unsecured, considered good | | 660.00 | 562.00 |
| Unsecured, considered doubtful | 562.00 | | |
| Less: Impairment Loss | (562.00) | | |
| | <u>6.75</u> | <u>1,010.84</u> | <u>592.12</u> |
| 2.10 Current Tax Assets (Net) | | | |
| Advance Payment of Taxes | 9,724.74 | 10,021.86 | 9,866.72 |
| Less : Current Tax Liabilities | 38.92 | 22.19 | 36.61 |
| | <u>9,685.82</u> | <u>9,999.67</u> | <u>9,830.11</u> |



Notes to and forming part of the financial statement as at and for the year ended March 31st, 2017

(₹ in Lakhs)

| | As at March 31st, 2017 | As at March 31st, 2016 | As at April 1st, 2015 |
|---|---------------------------|---------------------------|--------------------------|
| 2.11 Other Current Assets | | | |
| Advances to Staff | 6.88 | 11.82 | 49.08 |
| Advances to Suppliers | | | |
| Unsecured, considered good | 9,993.41 | 6,988.71 | 7,535.47 |
| Unsecured, considered doubtful | 1,218.55 | 3.63 | 33.66 |
| Less: Impairment Loss | (1,218.55) | (3.63) | (33.66) |
| Advances for Land Purchases | 3,779.67 | 3,803.92 | 3,798.72 |
| Other Amounts Recoverable | 2,213.99 | 3,583.97 | 4,929.79 |
| Balances with Government Authorities | 2,097.55 | 2,461.28 | 2,131.16 |
| Prepaid Guarantee Expenses | 173.29 | 172.43 | 267.32 |
| Miscellaneous Expenditure (to the extent not written off) | - | - | 533.91 |
| | <u>18,264.79</u> | <u>17,022.13</u> | <u>19,245.45</u> |



(₹ in Lakhs)

| | As at March 31st, 2017 | As at March 31st, 2016 | As at April 1st, 2015 |
|--|---------------------------|---------------------------|--------------------------|
| 2.12 Share Capital | | | |
| (a) Authorised | | | |
| 2,50,00,00,000 (Previous Year 2,50,00,00,000) Equity Shares of ₹ 10/- each | 250,000.00 | 250,000.00 | 250,000.00 |
| 20,00,00,000 (Previous Year 20,00,00,000) 6% Cumulative Redeemable Preference Shares of ₹ 10/- each | 20,000.00 | 20,000.00 | 20,000.00 |
| 12,50,00,000 (Previous Year 12,50,00,000) Preference Shares of ₹ 10/- each | 12,500.00 | 12,500.00 | 12,500.00 |
| 82,50,00,000 (Previous Year 82,50,00,000) 0.001% Compulsorily Convertible Preference Shares of ₹ 10/- each. | 82,500.00 | 82,500.00 | |
| | 365,000.00 | 365,000.00 | 282,500.00 |
| (b) ISSUED | | | |
| Equity Share Capital | | | |
| 79,59,44,363 (Previous Year 79,59,44,363) Equity Shares of ₹ 10/- each | 79,594.44 | 79,594.44 | 79,594.44 |
| Cumulative Redeemable Preference Share Capital | | | |
| 3,80,00,000 (Previous Year 3,80,00,000) 6% Cumulative Redeemable Preference Shares of ₹ 10/- each | 3,800.00 | 3,800.00 | 3,800.00 |
| Compulsorily Convertible Preference Share Capital | | | |
| 52,50,00,000 (Previous Year 52,50,00,000) 0.001% Compulsorily Convertible Preference Shares of ₹ 10/- each. | 52,500.00 | 52,500.00 | |
| Total | 135,894.44 | 135,894.44 | 83,394.44 |
| (c) SUBSCRIBED AND PAID UP | | | |
| Equity Share Capital | | | |
| 79,59,44,363 (Previous Year 79,59,44,363) Equity Shares of ₹ 10/- each | 79,594.44 | 79,594.44 | 79,594.44 |
| 37,50,000 (previous year 37,50,000) Equity Shares of Rs. 10/- each have been allotted as fully paid up to the shareholders of amalgamating company pursuant to the scheme of amalgamation without payment being received in cash | | | |
| Of the above 43,86,99,772 Equity Shares were issued as fully paid up Bonus Shares. | | | |
| Total | 79,594.44 | 79,594.44 | 79,594.44 |



A) Reconciliation of shares outstanding at the beginning and at the end of the year

| Equity Shares | As at March 31st, 2017 | | As at March 31st, 2016 | | As at April 1st, 2015 | |
|--|------------------------|------------|------------------------|------------|-----------------------|------------|
| | No of shares | ₹ In Lakhs | No of shares | ₹ In Lakhs | No of shares | ₹ In Lakhs |
| At the beginning of the year | 795,944,363 | 79,594.44 | 795,944,363 | 79,594.44 | 795,944,363 | 79,594.44 |
| Shares issued during the year for cash | - | - | - | - | - | - |
| Shares issued during the year pursuant to conversion of CCPS | - | - | - | - | - | - |
| At the end of the year | 795,944,363 | 79,594.44 | 795,944,363 | 79,594.44 | 795,944,363 | 79,594.44 |

B) Details of shareholders holding more than 5% of shares of the Company and shares held by holding & ultimate holding Company.

| | As at March 31st, 2017 | | As at March 31st, 2016 | | As at April 1st, 2015 | |
|---|------------------------|-----------|------------------------|-----------|-----------------------|-----------|
| | No of shares | % holding | No of shares | % holding | No of shares | % holding |
| Equity Shares of ₹ 10 each fully paid | | | | | | |
| Holding Company (HREL), HCC Real Estate Company Limited, | 546,842,513 | 68.70% | 546,842,513 | 68.70% | 546,842,513 | 68.70% |
| Avantha Realty Limited | 124,933,409 | 15.70% | 124,933,409 | 15.70% | 124,933,409 | 15.70% |
| Venkateshwara Hatcheries Private Limited | 62,142,192 | 7.81% | 62,142,192 | 7.81% | 62,142,192 | 7.81% |
| Vinay V Maniar | 50,033,488 | 6.29% | 50,033,488 | 6.29% | 50,033,488 | 6.29% |
| Hindustan Construction Company Limited(HCC), the Ultimate Holding Company | 2,387 | 0.00% | 2,387 | 0.00% | 2,387 | 0.00% |

C) Details of Allotment of Shares for consideration other than cash, allotments of Bonus Shares and Shares bought back:

| Particulars | Financial Year (Aggregate No. of Shares) | | | | |
|---|--|---------|---------|---------|---------|
| | 2016-17 | 2015-16 | 2014-15 | 2013-14 | 2012-13 |
| Equity Shares : | | | | | |
| Fully paid up by way of bonus shares | NIL | NIL | NIL | NIL | NIL |
| Allotted pursuant to contract(s) without payment being received in cash | NIL | NIL | NIL | NIL | NIL |
| Shares Bought Back | NIL | NIL | NIL | NIL | NIL |

D) Rights & restriction attached to equity shareholders

The Company has only one class of equity shares having face value as ₹ 10/- each. Every holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. Any dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting. The Company has issued Non- Convertible Debentures (NCD). As per agreements, the Company is required to obtain prior consent of NCD holders before declaring equity dividend. As per the Common Loan Agreement with Consortium Lenders, the Company has to satisfy the conditions set therein before declaring equity dividend.



E) Employees Stock Option Scheme:

a. Options granted

i) The Company granted 1,54,200 Stock Options on April 21, 2008 (each option carrying entitlement for one equity share of the face value of ₹ 10/- each) at an exercise price of ₹ 534.52 per equity share.

ii) The ESOP Compensation committee at its meeting held on 20th October, 2009 granted 49,000 additional options to existing option holders at an exercise price of ₹ 534.52 per equity share for making an adjustment to the number of options on account of the increase in the equity share capital of the Company, post grant of the initial options.

iii) The ESOP Compensation committee at its meeting held on 11th June, 2010 granted 15,16,560 additional options to existing option holders at an exercise price of ₹ 59.39 per equity share for making an adjustment to the number of options on account of the increase in the equity share capital of the Company, due to bonus issue of equity shares.

iv) The ESOP Compensation committee at its meeting held on 11th June, 2010 also approved the adjustment / modification of exercise price mentioned in (i) and (ii) above to ₹ 59.39 per equity share due to bonus issue of equity shares.

v) The ESOP Compensation Committee at its meeting held on 30th July, 2010 granted 2,43,736 additional options to existing option holders at an exercise price of ₹ 51.97 per equity share for making an adjustment to the number of options on account of the increase in the equity share capital of the Company, due to bonus issue of equity shares.

vi) The ESOP Compensation committee at its meeting held on 30th July, 2010 also approved the adjustment / modification of exercise price mentioned in (i), (ii) and (iii) above to ₹ 51.97 per equity share due to bonus issue of equity shares.

vii) The ESOP Compensation Committee at its meeting held on 23rd April, 2012 approved the change in entitlement in respect of the 17,25,740 Options granted to the eligible employees, from the existing ratio of 1 : 1 i.e. One share for every Option exercised to 49 : 30 i.e. 49 equity shares for every 30 Options exercised (fraction if any, arising in the resultant shares to be ignored). The said adjustment is made on account of the increase in the equity share Capital of the Company, due to various rights issues of equity shares made during the financial year 2011-12. The exercise price per option shall remain unchanged at ₹ 51.97 per option.

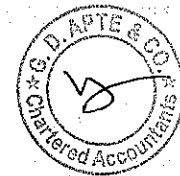
- b. Settlement : Through Equity Shares
- c. Options granted till date : 19,63,496
- d. Options lapsed/cancelled till date : 15,33,191
- e. Options in force : 4,30,305
- f. Options vested : 7,79,942 on 21/04/2011 out of which 1,88,269 Vested options have lapsed on account of Resignation / retirement. 5,91,673 Vested Options got lapsed on 20/04/2015
5,17,724 on 21/04/2012 out of which 80,692 Vested options have lapsed on account of Resignation / retirement. 4,37,032 Vested Options got lapsed on 20/04/2016
5,17,724 on 21/04/2013 out of which 80,692 Vested options have lapsed on account of Resignation / retirement
- g. Exercise Period : Four years from the vesting date

| | As at March 31st, 2017 | As at March 31st, 2016 | As at April 1st, 2015 |
|---|---------------------------|---------------------------|--------------------------|
| h. Outstanding at the beginning of the year | 874,064 | 1,479,191 | 1,703,317 |
| i. Granted during the period / year | NIL | NIL | NIL |
| j. Forfeited during the year | NIL | NIL | NIL |
| k. Exercised during the year | NIL | NIL | NIL |
| l. Expired / cancelled / lapsed during the year | 443,759 | 605,127 | 224,126 |
| m. Outstanding at the end of the year | 430,305 | 874,064 | 1,479,191 |
| n. Exercisable at the end of the year | 430,305 | 874,064 | 1,479,191 |

The company had during earlier years granted above stock options to its employees against which no options have been exercised till March 31, 2017. During the year 2016-17, significant number of employees separated from the company and since there is no probability of vesting and exercise of these options, no accounting in respect of the same is necessary.



| | As at March 31st, 2017 | As at March 31st, 2016 | As at April 1st, 2015 |
|--|---------------------------|---------------------------|--------------------------|
| 2.13 Other Equity | | | |
| Deemed Equity investment by holding company | | | |
| Opening Balance | 10,165.20 | 6,651.52 | 6,651.52 |
| Add: During the year | - | 3,513.68 | - |
| Closing Balance | 10,165.20 | 10,165.20 | 6,651.52 |
| Capital Reserve | | | |
| Opening Balance | 2,161.14 | 2,161.14 | 2,161.14 |
| Add: During the year | - | - | - |
| Closing Balance | 2,161.14 | 2,161.14 | 2,161.14 |
| Capital Reserve On consolidation | | | |
| Opening Balance | 3.16 | 3.16 | 3.16 |
| Add: During the year | - | - | - |
| Closing Balance | 3.16 | 3.16 | 3.16 |
| Share application money pending allotment | | | |
| Opening Balance | 1.00 | - | - |
| Add: During the year | (1.00) | 1.00 | - |
| Closing Balance | - | 1.00 | - |
| Debenture Redemption Reserve | | | |
| Opening Balance | 3,046.42 | 3,046.42 | 3,046.42 |
| Add: During the year | - | - | - |
| Closing Balance | 3,046.42 | 3,046.42 | 3,046.42 |
| Debenture redemption Reserve is created as per Section 71 of the Companies Act 2013 out of the profits of the company available for payment of dividend and the amount credited to such account is not be utilized by the company except for the redemption of debentures. | | | |
| Amalgamation Reserves | | | |
| Opening Balance | 2,010.73 | 2,010.73 | 2,010.73 |
| Add: During the year | - | - | - |
| Closing Balance | 2,010.73 | 2,010.73 | 2,010.73 |
| Amalgamation Reserve has been created in year 2001-02 consequent to merger of Yashomala Leasing and Finance Pvt. Ltd. With the company and represents excess of value of assets over the aggregate value of liabilities taken over. | | | |
| Surplus/(Deficit) in the Statement of Profit and Loss | | | |
| Balance brought forward from last year | (138,762.07) | (111,671.95) | (111,671.95) |
| Add: Profit/(Loss) for the year | (71,452.99) | (27,090.12) | - |
| Other Changes | 2.23 | - | - |
| Net Surplus/(deficit) | (210,212.83) | (138,762.07) | (111,671.95) |
| Other Comprehensive Income | | | |
| Balance brought forward from last year | 28.80 | 4.84 | 4.84 |
| Add: Profit/(Loss) for the year | 6.65 | 23.96 | - |
| Net Surplus/(deficit) | 35.45 | 28.80 | 4.84 |
| Grand Total - Other Equity | (192,790.73) | (121,345.62) | (97,794.16) |
| Non Controlling Interests | | | |
| Balance at the beginning of the year | 373.16 | 662.99 | - |
| Share of profit / (loss) for the year | (95.10) | (289.83) | - |
| Additional/(Reduction of) Non Controlling Interest arising on Disposal of interests in Kart Racers Limited | (2.23) | - | - |
| Balance at the end of year | 275.83 | 373.16 | - |



Notes to and forming part of the financial statement as at and for the year ended March 31st, 2017

(₹ in Lakhs)

| | As at March 31st, 2017 | As at March 31st, 2016 | As at April 1st, 2015 |
|--|---------------------------|---------------------------|--------------------------|
| Non-current liabilities | | | |
| Financial Liabilities | | | |
| 2.14 Borrowings | | | |
| Bonds and Debentures | | | |
| A) Fully Convertible Debenture- Unsecured | | | |
| 1 (One) (Previous year 1) 0% Fully Convertible Debenture having face value of ₹ 12,00,00,000 (Previous year ₹ 12,00,00,000). | 1,907.12 | 1,661.74 | 1,447.44 |
| <i>Less: Classified as other current liability due to maturity within next 12 months (Note No 2.20)</i> | - | 1,661.74 | - |
| | <u>1,907.12</u> | <u>-</u> | <u>1,447.44</u> |
| B) Non Convertible Debentures - Secured | | | |
| 150 (One Hundred Fifty) (Previous Year 150) 14% Non Convertible Debentures having total face value of ₹ 15,00,00,000 (Previous year 15,00,00,000) Secured By Charge Created by English Mortgage Deed on Land of Lavasa Project admeasuring 30 acres. Corporate guarantee to the extent 100% of outstanding balance have been given by holding company | 4,489.79 | 3,931.87 | 3,420.07 |
| <i>Less: Classified as other financial liability (Note No 2.20)</i> | 4,489.79 | - | - |
| | <u>4,489.79</u> | <u>3,931.87</u> | <u>3,420.07</u> |
| 1020 (One Thousand and Twenty) (Previous Year 1020) 14% Non Convertible Debentures having total face value of ₹ 99,45,00,000 (Previous year ₹ 99,45,00,000) Secured by first pari passu Charge created by English Mortgage Deed on Land of Lavasa Project admeasuring 6,806.69 Acres and premises, buildings constructed or to be constructed thereon. Corporate guarantee to the extent 50% of outstanding balance have been given by promoters and other shareholders. | 9,945.00 | 9,945.00 | 9,945.00 |
| <i>Less: Classified as other financial liability (Note No 2.20)</i> | 9,945.00 | 2,805.00 | 765.00 |
| | <u>9,945.00</u> | <u>7,140.00</u> | <u>9,180.00</u> |
| 1 (One) (Previous Year 1) 10.75% Non Convertible Debenture having face value of ₹ 1,00,00,00,000 (Previous year ₹ 1,00,00,00,000) Secured By Exclusive Charge Created by English Mortgage Deed on Land situated at village Dhamankhol Taluka Mulshi admeasuring 1 Acre. Secured by Second Charge on Land of Lavasa Project admeasuring 6,806.69 Acres and premises, buildings constructed or to be constructed thereon. | 13,121.35 | 11,633.81 | 10,476.03 |
| <i>Less: Classified as other financial liability (Note No 2.20)</i> | 13,121.35 | 11,633.81 | 10,476.03 |
| | <u>13,121.35</u> | <u>11,633.81</u> | <u>10,476.03</u> |
| 16% Non Convertible Debentures having total face value of Nil (Previous year ₹ 2,50,00,00,000) Secured By Charge Created by English Mortgage Deed on 747 acres of land of the Company. | 46,730.20 | 38,722.86 | 33,767.20 |
| <i>Less: Classified as other financial liability (Note No 2.20)</i> | 46,730.20 | 38,722.86 | 33,767.20 |
| | <u>46,730.20</u> | <u>38,722.86</u> | <u>33,767.20</u> |
| C) Term loans - Secured | | | |
| Secured By Charge Created by English Mortgage Deed on Land of Lavasa Project admeasuring 6,806.69 acres and premises, buildings constructed or to be constructed thereon. All present & future moveable assets. Corporate guarantee to the extent 50% of outstanding balance have been given by promoters and other shareholders to the extent of their equity share in the Company | 146,689.54 | 131,785.62 | 184,781.65 |
| <i>Less: Classified as other financial liability (Note No 2.20)</i> | 15,244.00 | - | - |
| <i>Less: Classified as other financial liability due to maturity within next 12 months (Note No 2.20)</i> | 58,105.95 | 48,919.62 | 38,889.64 |
| | <u>73,339.59</u> | <u>82,866.00</u> | <u>145,892.01</u> |



| | As at March 31st, 2017 | As at March 31st, 2016 | As at April 1st, 2015 |
|--|---------------------------|---------------------------|--------------------------|
| Second Charge by way of Mortgage Deed on Land of Lavasa Project admeasuring 6,806.69 acres and premises, buildings constructed or to be constructed thereon. Corporate guarantee to the extent 100% of outstanding balance have been given by promoter. | 22,500.00 | 22,500.00 | 22,500.00 |
| <i>Less: Classified as other financial liability due to maturity within next 12 months (Note No 2.20)</i> | 15,000.00 | 7,500.00 | - |
| | <u>7,500.00</u> | <u>15,000.00</u> | <u>22,500.00</u> |
| Secured by exclusive registered mortgage of Land of Lavasa Project admeasuring 135 acres. Second Charge by way of Mortgage Deed on Land of Lavasa Project admeasuring 6,806.69 acres and premises, buildings constructed or to be constructed thereon. Corporate guarantee to the extent 100% of outstanding balance have been given by promoter. | 9,758.85 | 9,752.24 | 9,037.67 |
| <i>Less: Classified as other financial liability due to maturity within next 12 months (Note No 2.20)</i> | | | |
| | <u>9,758.85</u> | <u>9,752.24</u> | <u>9,037.67</u> |
| Secured by exclusive registered mortgage of Land of Lavasa Project admeasuring 56 acres. Second Charge by way of Mortgage Deed on Land of Lavasa Project admeasuring 6,806.69 acres and premises, buildings constructed or to be constructed thereon. Corporate guarantee to the extent 50% of outstanding balance have been given by shareholders. | 6,500.50 | 6,493.31 | 5,646.11 |
| <i>Less: Classified as other financial liability due to maturity within next 12 months (Note No 2.20)</i> | | | |
| | <u>6,500.50</u> | <u>6,493.31</u> | <u>5,646.11</u> |
| Secured by exclusive registered mortgage of Land of Lavasa Project admeasuring 46 acres. Second Charge by way of Mortgage Deed on Land of Lavasa Project admeasuring 6,806.69 acres and premises, buildings constructed or to be constructed thereon. Corporate guarantee to the extent 100% of outstanding balance have been given by promoters. | 4,400.00 | 4,400.00 | 2,389.03 |
| <i>Less: Classified as other financial liability (Note No 2.20)</i> | 4,400.00 | | |
| | | <u>4,400.00</u> | <u>2,389.03</u> |
| Secured by exclusive registered mortgage of Land of Lavasa Project admeasuring 188 acres. First pari passu charged over 649 acres on pari passu charge basis together with loans taken by its subsidiary. Second Charge by way of Mortgage Deed on Land of Lavasa Project admeasuring 6,806.69 acres and premises, buildings constructed or to be constructed thereon. Corporate guarantee to the extent 50% of outstanding balance have been given by promoters and other shareholders to the extent of their equity share in the Company. | 14,799.00 | 14,799.00 | - |
| <i>Less: Classified as other financial liability due to maturity within next 12 months (Note No 2.20)</i> | | | |
| | <u>14,799.00</u> | <u>14,799.00</u> | <u>-</u> |
| Secured by exclusive registered mortgage of Land of Lavasa Project admeasuring 19 acres. Second Charge by way of Mortgage Deed on Land of Lavasa Project admeasuring 6,806.69 acres and premises, buildings constructed or to be constructed thereon. Corporate guarantee to the extent 100% of outstanding balance have been given by promoters. | 1,200.00 | 1,200.00 | 662.00 |
| <i>Less: Classified as other financial liability due to maturity within next 12 months (Note No 2.20)</i> | | | |
| | <u>1,200.00</u> | <u>1,200.00</u> | <u>662.00</u> |
| Secured by exclusive registered mortgage of Land of Lavasa Project admeasuring 43 acres. Second Charge by way of Mortgage Deed on Land of Lavasa Project admeasuring 6,806.69 acres and premises, buildings constructed or to be constructed thereon. Corporate guarantee to the extent 100% of outstanding balance have been given by promoters. | 3,690.00 | 3,690.00 | 3,553.52 |
| <i>Less: Classified as other financial liability due to maturity within next 12 months (Note No 2.20)</i> | | | |
| | <u>3,690.00</u> | <u>3,690.00</u> | <u>3,553.52</u> |



| | As at March 31st, 2017 | As at March 31st, 2016 | As at April 1st, 2015 |
|---|---------------------------|---------------------------|--------------------------|
| Secured by exclusive registered mortgage of Land of Lavasa Project admeasuring 99 acres. Second Charge by way of Mortgage Deed on Land of Lavasa Project admeasuring 6,806.69 acres and premises, buildings constructed or to be constructed thereon. Corporate guarantee to the extent 100% of outstanding balance have been given by promoters. <i>Less: Classified as other financial liability due to maturity within next 12 months (Note No 2.20)</i> | 5,876.00 | 5,876.00 | 4,001.00 |
| | <u>5,876.00</u> | <u>5,876.00</u> | <u>4,001.00</u> |
| 1. First pari-passu charge on Immovable & Movable Fixed Assets, Current Assets, Receivables, Investments, & all Bank accounts including Escrow of WAML, Assignment of Rights over concession agreement in favour of lenders 2. Corporate Guarantee for 100% of loan o/s by both HREL and LCL 3. Pledge of entire shareholding of HREL and VMM in LCL 4. Pledge of entire shareholding of LCL in WAML 5. Pledge of entire shareholding of LCL in SCML Following security, for creation of pledge as on date, is under consideration: 1. Pledge of entire shareholding of VHPL and ARL in LCL 2. Second pari-passu charge over 3366.18 Ha Land owned by LCL, Immovable & Movable Fixed Assets, Current Assets, Receivables, Fixed Assets, Investments, & all Bank accounts including TRA of LCL. | 26,430.19 | 22,586.71 | 20,686.80 |
| <i>Less: Classified as other financial liability due to maturity within next 12 months (Note No 2.20)</i> | 66.08 | 1,237.47 | 613.85 |
| | <u>26,364.11</u> | <u>21,349.24</u> | <u>20,072.95</u> |
| Secured by exclusive registered mortgage of All that piece and parcel of the Land admeasuring 6 acres or there about being Lot No. 202 situated on Thicket Street, Survey No. 113, Hissa No. 1, Survey No. 103, Hissa No. 1, of Village Dasve, Talula Mulshi, District Pune, Maharashtra, and the said twenty two (22) Buildings admeasuring not more than 160000 sq ft built up area equivalent to 14869.88 sq mtrs or there about to be constructed on the said Land. Second Charge by way of Mortgage Deed on Land of Lavasa Project admeasuring 6,806.69 acres and premises, buildings constructed or to be constructed thereon. All present & future moveable assets (Pending). Corporate guarantee to the extent 100% of outstanding balance have been given by promoters. <i>Less: Classified as other current liability due to maturity within next 12 months (Note No 2.20)</i> | 12,117.15 | 10,111.00 | 9,065.82 |
| | 3,368.67 | 2,686.00 | 671.00 |
| | <u>8,748.48</u> | <u>7,425.00</u> | <u>8,394.82</u> |
| Secured by exclusive registered mortgage of Land of Lavasa Project admeasuring 17 acres. Second Charge by way of Mortgage Deed on Land of Lavasa Project admeasuring 6,806.69 acres and premises, buildings constructed or to be constructed thereon. All present & future moveable assets(Pending). Corporate guarantee to the extent 100% of outstanding balance have been given by promoter. <i>Less: Classified as other financial liability (Note No 2.20)</i> | 1,020.00 | 1,020.00 | - |
| | <u>1,020.00</u> | <u>1,020.00</u> | <u>-</u> |
| Secured by exclusive registered mortgage of Land of Lavasa Project admeasuring 5 acres. Second Created by English Mortgage Deed on Land of Lavasa Project admeasuring 6,806.69 acres and premises, buildings constructed or to be constructed thereon. All present & future moveable assets. Corporate guarantee to the extent 100% of outstanding balance have been given by promoter. <i>Less: Classified as other financial liability (Note No 2.20)</i> | 69.02 | 69.02 | - |
| | <u>69.02</u> | <u>69.02</u> | <u>-</u> |



Notes to and forming part of the financial statement as at and for the year ended March 31st, 2017

(₹ in Lakhs)

| | As at March 31st, 2017 | As at March 31st, 2016 | As at April 1st, 2015 |
|--|---------------------------|---------------------------|--------------------------|
| Secured by exclusive registered mortgage of Land of Lavasa Project admeasuring 6 acres. Second Charge by way of Mortgage Deed on Land of Lavasa Project admeasuring 6,806.69 acres and premises, buildings constructed or to be constructed thereon. All present & future moveable assets(Pending). Corporate guarantee to the extent 50% of outstanding balance have been given by shareholders. | 496.68 | 496.68 | 245.00 |
| <i>Less: Classified as other financial liability (Note No 2.20)</i> | 496.68 | 496.68 | 245.00 |
| From Financial Institutions | | | |
| Secured by exclusive registered mortgage of Land of Lavasa Project admeasuring 26 acres. Second Created by English Mortgage Deed on Land of Lavasa Project admeasuring 6,806.69 acres and premises, buildings constructed or to be constructed thereon. All present & future moveable assets. Corporate guarantee to the extent 100% of outstanding balance have been given by shareholders. | 2,045.00 | 2,045.00 | 1,120.00 |
| <i>Less: Classified as other financial liability (Note No 2.20)</i> | 2,045.00 | 2,045.00 | 1,120.00 |
| First parri passu charged by way of registered mortgage of Land of Lavasa Project admeasuring 26 acres. Corporate guarantee to the extent 100% of outstanding balance have been given by shareholders. | 8,975.38 | 8,975.38 | 9,007.00 |
| <i>Less: Classified as other financial liability (Note No 2.20)</i> | 8,975.38 | 5,975.00 | 3,000.00 |
| | | 3,000.38 | 6,007.00 |
| Secured by exclusive registered mortgage of Land of Lavasa Project admeasuring 143 acres. Second Charge by way of Mortgage Deed on Land of Lavasa Project admeasuring 6,806.69 acres and premises, buildings constructed or to be constructed thereon. All present & future moveable assets(Pending). Corporate guarantee to the extent 100% of outstanding balance have been given by shareholders. | 53,302.73 | 46,086.36 | 40,466.67 |
| <i>Less: Classified as other current liability due to maturity within next 12 months (Note No 2.20)</i> | 1,286.33 | 5,653.13 | 5,504.17 |
| D) Share Warrant | 52,016.40 | 40,433.23 | 34,962.50 |
| <i>Less: Classified as other current liability due to maturity within next 12 months (Note No 2.20)</i> | 703.44 | 609.02 | 703.44 |
| | 703.44 | 609.02 | 703.44 |
| <i>Less: Classified as other current liability due to maturity within next 12 months (Note No 2.20)</i> | 8.06 | 6.97 | 6.04 |
| | 8.06 | 6.97 | 6.04 |
| Total Long Term Borrowing (refer Annexure I) | 212,411.55 | 231,602.96 | 278,537.16 |



| | As at March 31st, 2017 | As at March 31st, 2016 | As at April 1st, 2015 |
|--|---------------------------|---------------------------|--------------------------|
| E) Other Information | | | |
| (a) The Company has issued Non Convertible Debentures (NCD). The particulars, terms of issue as at 31st March 2017 are given below: | | | |
| 1) Redkite Limited had subscribed ₹ 15 crores in the form of Non Convertible Debentures ("NCD") on 2nd July 2013 for the tenor of 5 years and 9 months. This NCD carry a coupon rate of 14% per annum, payable quarterly on subscription amount. As on date of this balance sheet, these NCDs are held by India Opportunities II PTE LTD. | | | |
| 2) SSG Investment Holding India I Limited had subscribed ₹ 102 crores in the form of Non Convertible Debentures ("NCD") on 2nd July 2013 for the tenor of 5 years and 9 months. This NCD carry a coupon rate of 14% per annum, payable quarterly on subscription amount. | | | |
| 3) Jammu & Kashmir Bank Limited had subscribed ₹ 100 crores in the form of Deep Discount Convertible Debentures ("DDCD"). On 3rd September 2010, vide supplementary agreement, bank has converted the existing DDCD into 1 (one) Non Convertible Debenture ("NCD") aggregating Rs. 100 crores for the tenor of 5 years. This NCD with effect from 12th February, 2014 carry a coupon rate of 12.50% per annum, payable quarterly on subscription amount. The investor and HCC have a put/call option respectively to sell/ purchase the NCD at the end of 39th, 48th and 60th month from the closing date 13th May, 2010. | | | |
| 4) ICICI Bank has converted ₹ 250 crores of Deep Discount Convertible Debentures ("DDCD") into Non Convertible Debentures ("NCD") with effect from January 6, 2012. These NCD carry a coupon of 9% per annum on the subscription value of NCD with a YTM of 16% per annum and are to be redeemed on January 6, 2015. These NCD carry a put/call option which can be exercisable on January 6, 2013, January 6, 2014 and January 6, 2015. These NCDs were assigned by ICICI Bank to Asset Reconstruction Company (India) Ltd ARCIL and which was appraised to us by ARCIL vide letter no BGIV/HK/FY 16/165 dated April 15th, 2015. and in terms of the assignment agreement between ICICI bank and ARCIL the repayments of amounts due and payable by the company to ICICI BANK is now payable to ARCIL including interest of ₹ 21,730.20 Lakhs till 31st March 2017. | | | |
| (b) The Company has issued Fully Convertible Debentures (FCD). The particulars, terms of issue as at 31st March 2017 are given below: | | | |
| Bennett, Coleman & Company Limited has subscribed ₹ 12 crores in the form of 1 Fully Convertible Debenture ("FCD") of face value of ₹ 12 crore having 0% Coupon rate on September 28, 2012 for a tenor of 2 years. The said debenture is compulsorily convertible into such number of equity shares aggregating to 0.150528% of the subscribed and outstanding equity share capital at the end of 2 years from the date of allotment. Company has an option to redeem the said debenture at redemption value of ₹ 1505.28 Lakhs at the end of 2 years from the date of allotment. The said option to convert has been extended further for a period of 2 years from September 27, 2018. | | | |
| C) Money received against share warrants | | | |
| (i) Bennett Coleman & Co. Limited ("BCCL") has subscribed to one warrant on preferential basis. It has paid the warrant subscription price of ₹ 8,12,50,000/- being 10% of the warrant value of ₹ 81,25,00,000/-. This entitles BCCL to subscribe to 2.03125% of the fully diluted equity share capital of the Company as on the date of exercise of the warrant which can be exercised at any time within a further extended period of 2 years over the earlier period of 7 years (warrant exercise period) from the closing date i.e. 30th March, 2009. BCCL can exercise the warrant in part or whole for a maximum 5 times during the above warrant exercise period or at the time of Initial Public Offer (IPO). Any non conversion during the above period or part conversion would lead to forfeiture of the warrant subscription price to the extent of unconverted portion. | | | |
| (ii) Redkite Capital Private Limited ("RCPL") has subscribed to one warrant amounting to ₹ 58,50,00,000/- on preferential basis. It has paid the warrant subscription price of ₹ 10,00,000/-. This warrant entitles RCPL to subscribe to 1.4625% of the fully diluted equity share capital of the Company as on the date of exercise of the warrant which can be exercised at any time till 30th September, 2018. RCPL can exercise the warrant in part or whole for a maximum 5 times during the warrant exercise period or at the time of Initial Public Offer (IPO). Any non conversion during the period or part conversion would lead to forfeiture of the warrant subscription price to the extent of unconverted portion. | | | |
| 2.15 Other financial liabilities | | | |
| Deposits | | 40.36 | 40.18 |
| Borrowings | | | |
| Compulsory Convertible Preference Shares | 40,391.15 | 35,276.12 | |
| 52,50,00,000 (Previous Year 52,50,00,000) 0.001% Compulsorily Convertible Preference Shares of ₹ 10/- each fully paid up. | | | |
| Cumulative Redeemable Preference Shares | 10,555.90 | 9,220.39 | 8,051.22 |
| 3,72,49,997 (Previous Year 3,72,49,997) 6% Cumulative Redeemable Preference Shares of ₹ 10/- each fully paid up | | | |
| (Refer Note 2.15 (i)) | | | |
| | 50,947.05 | 44,536.87 | 8,091.40 |



As at March 31st,
2017As at March 31st,
2016As at April 1st,
2015

(i) Notes to Other Financial Liability

Reconciliation of shares outstanding at the beginning and at the end of the year:

| Redeemable Preference Shares | As at 31st March 2017 | | As at 31st March 2016 | | As at 1st April, 2015 | |
|--|-----------------------|------------|-----------------------|------------|-----------------------|------------|
| | No of shares | ₹ In Lakhs | No of shares | ₹ In Lakhs | No of shares | ₹ In Lakhs |
| At the beginning of the year | 37,249,997 | 3,725.00 | 37,249,997 | 3,725.00 | 37,249,997 | 3,725.00 |
| Shares issued during the year for cash | - | - | - | - | - | - |
| Redeemed during the year | - | - | - | - | - | - |
| At the end of the year | 37,249,997 | 3,725.00 | 37,249,997 | 3,725.00 | 37,249,997 | 3,725.00 |

| Compulsorily Convertible Preference Shares | As at 31st March 2017 | | As at 31st March 2016 | |
|--|-----------------------|------------|-----------------------|------------|
| | No of shares | ₹ In Lakhs | No of shares | ₹ In Lakhs |
| At the beginning of the year | 525,000,000 | 52,500.00 | - | - |
| Shares issued during the year for cash | - | - | 525,000,000 | 52,500.00 |
| Redeemed during the year | - | - | - | - |
| Issued during the year | - | - | - | - |
| At the end of the year | 525,000,000 | 52,500.00 | 525,000,000 | 52,500.00 |

Details of shareholders holding more than 5% of shares of the Company and shares held by Holding & Ultimate Holding Company.

| Redeemable Preference Shares of ₹ 10 each | As at 31st March 2017 | | As at 31st March 2016 | |
|--|-----------------------|--------|-----------------------|--------|
| HCC Real Estate Company Limited, Holding | 22,400,097 | 60.13% | 22,400,097 | 60.13% |
| Avantha Realty Limited | 5,600,422 | 15.04% | 5,600,422 | 15.04% |
| Venkateshwara Hatcheries Private Limited | 5,152,697 | 13.83% | 5,152,697 | 13.83% |
| Vinay V Maniar | 4,094,646 | 10.99% | 4,094,646 | 10.99% |
| Hindustan Construction Company Limited (HCC), the Ultimate Holding Company | 28 | 0.00% | 28 | 0.00% |

| Compulsorily Convertible Preference Shares of ₹ 10 each fully paid | As at 31st March 2017 | | As at 31st March 2016 | |
|--|-----------------------|---------|-----------------------|---------|
| Axis Bank Ltd | 525,000,000 | 100.00% | 525,000,000 | 100.00% |

- a) 2,70,00,000 cumulative redeemable preference shares will be redeemed in 3 installments on 30/01/2020, 30/01/2021 and 30/01/2022 (extended w.e.f 25/11/2014 for 5 years from 30/1/2015, 30/1/2016 and 30/1/2017) in proportion of 20%, 40% and 40% of the paid up amount together with premium of ₹10/- each respectively.
- b) 2,50,00,000 cumulative redeemable preference shares will be redeemed in 3 installments on 05/06/2021, 05/06/2022 and 05/06/2023 (extended w.e.f 25/11/2014 for 5 years from 05/06/2016, 05/06/2017 and 05/06/2018) in proportion of 20%, 40% and 40% of the paid up amount together with premium of ₹10/- each respectively.
- c) 99,99,997 cumulative redeemable preference shares allotted on 2nd May 2011, will be redeemed in 3 installments at the end of 7th, 8th and 9th year (i.e. 01/05/2018, 01/05/2019 and 01/05/2020 respectively) from the date of allotment in proportion of 20%, 40% and 40% of the paid up amount together with premium of ₹ 90/- each in the same proportion respectively.

(ii) Rights & restriction attached to Preference shareholders

Dividend on cumulative redeemable preference shares proposed by Board of Directors is subject to approval of the shareholders in the Annual General Meeting. Each holder of preference share is entitled to one vote per share only on resolutions placed before the Company which directly affects the rights attached to preference shares. Cumulative preference shareholders are entitled to vote on every resolution if preference dividend remains unpaid for 2 years. As per the Common Loan Agreement with Consortium Lenders, the Company has to satisfy the conditions set therein before declaring preference dividend.

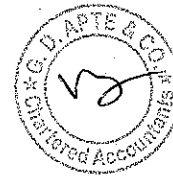
(iii) Rights & restriction attached to Compulsorily Convertible Preference Shares

- (a) In case of equity raising other than IPO – the investor will have an option to convert at 20% discount to the last available price at which such issuance happens.
- (b) In case of equity raising by way of IPO – the investor will mandatory convert at 20% discount to the proposed IPO price band.
- (c) The CCPS with accrued YTM of 12% p.a. will be mandatorily converted into equity shares at the end of the 20 years. The conversion will happen at higher of price at which last equity raised or at book value as per latest audited balance sheet prior to the date of conversion.

(d) The instrument holder has a put option on holding company w.e.f. September 30, 2017 while holding company has a call option on the instrument holder.



| | As at March 31st, 2017 | As at March 31st, 2016 | As at April 1st, 2015 |
|---|---------------------------|---------------------------|--------------------------|
| 2.16 Provisions | | | |
| Provision For Employee Benefits | | | |
| Gratuity | 62.03 | 163.12 | 214.84 |
| Leave Encashment | 24.15 | 61.82 | 102.72 |
| | <u>86.18</u> | <u>224.94</u> | <u>317.56</u> |
| 2.17 Deferred tax liabilities (net) | | | |
| A. Deferred Tax Liabilities | | | |
| Property, Plant & Equipment | (12,449.73) | (68,179.75) | (54,797.88) |
| Deemed Equity investment | (35,303.97) | (34,379.21) | (9,028.45) |
| Impacts of Recognition of Financial Instruments measured initially at fair value and subsequently at amortised cost | (104,249.80) | (38,219.06) | (25,228.75) |
| Others | (17,138.01) | (17,313.05) | (7,652.53) |
| Total | <u>169,141.51</u> | <u>158,091.08</u> | <u>96,707.61</u> |
| B. Deferred Tax Assets | | | |
| Carry forward losses | 69,637.37 | 52,351.37 | 46,358.60 |
| Deemed Equity investment by holding company | 16.24 | 12.26 | 16.24 |
| Impacts of Recognition of Financial Instruments measured initially at fair value and subsequently at amortised cost | 43,742.05 | 41,461.24 | 22,363.12 |
| Others | 29,698.51 | 29,506.19 | 11,719.74 |
| | <u>143,094.17</u> | <u>123,331.05</u> | <u>80,457.70</u> |
| Net Deferred Tax Liabilities (A - B) | <u>26,047.34</u> | <u>34,760.03</u> | <u>16,249.91</u> |
| (refer note no.2.48) | | | |

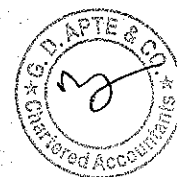


| | As at March 31st, 2017 | As at March 31st, 2016 | As at April 1st, 2015 |
|---|---------------------------|---------------------------|--------------------------|
| Current liabilities | | | |
| Financial Liabilities | | | |
| 2.18 Borrowings | | | |
| Inter Corporate Deposit from Western Securities Limited | 25.00 | - | - |
| Inter Corporate Deposits from related parties | 32,709.47 | 30,399.47 | 14,658.89 |
| | <u>32,734.47</u> | <u>30,399.47</u> | <u>14,658.89</u> |
| 2.19 Trade payables | <u>20,362.26</u> | <u>25,942.93</u> | <u>26,146.03</u> |
| | <u>20,362.26</u> | <u>25,942.93</u> | <u>26,146.03</u> |
| 2.20 Other Financial Liabilities | | | |
| Deposits | 495.27 | 704.70 | 485.65 |
| Financial Guarantee Contract | 15.73 | 218.66 | 252.78 |
| Current maturities of long term debts | | | |
| Term Loans from Bank (Secured) | 76,540.69 | 60,343.09 | 40,174.49 |
| Term Loans from other parties (Secured) | 1,286.33 | 5,653.13 | 8,504.17 |
| Share Warrant | - | - | 703.44 |
| Unpaid debentures & loans | | | |
| Bonds and Debentures (Secured) | 74,286.34 | 54,823.41 | 45,008.23 |
| Term Loans from Bank (Secured) | 21,229.70 | - | - |
| Term Loans from other parties (Secured) | 11,020.38 | 5,975.00 | - |
| Interest Accrued And Due On Secured Borrowing | 44,758.35 | 13,960.78 | 4,995.37 |
| Interest Accrued And Due On Unsecured Borrowing On | | | |
| Inter Corporate Deposit From Holding And Ultimate Holding Company | 6,099.06 | 3,337.07 | 2,714.78 |
| Interest accrued but not due on secured borrowings | - | - | 259.27 |
| Interest accrued but not due on unsecured borrowings | - | - | 55.62 |
| | <u>235,731.85</u> | <u>145,015.84</u> | <u>103,153.80</u> |
| 2.21 Other Current Liabilities | | | |
| Interest accrued but not due on secured borrowings | - | 167.54 | - |
| Booking Advances | 26,370.10 | 16,436.08 | 18,433.25 |
| Retention Deposit Payables | 2,884.64 | 3,237.35 | 3,501.21 |
| Other Payables | | | |
| Statutory & employee dues payable | 2,267.54 | 1,763.34 | 1,895.34 |
| Provision For Other Expenses | 8,986.55 | 9,271.25 | 9,945.06 |
| Other creditors | 4,039.22 | 3,700.32 | 3,566.59 |
| | <u>44,548.05</u> | <u>34,575.88</u> | <u>37,341.45</u> |
| 2.22 Provisions | | | |
| Provision For Employee Benefits | | | |
| Gratuity | 12.36 | 25.59 | 13.29 |
| Leave Encashment | 58.35 | 143.52 | 200.78 |
| | <u>70.71</u> | <u>169.11</u> | <u>214.07</u> |



Notes to and forming part of the financial statement as at and for the year ended March 31st, 2017

| | (₹ in Lakhs) | |
|---|---|---|
| | For the year ended 31st March, 2017 | For the year ended 31st March, 2016 |
| 2.23 Revenue from Operations | | |
| Land Sales | 4,280.26 | 672.71 |
| Progress Billing | 2,087.42 | 4,500.18 |
| Add : Work in Progress, at close | 2,042.24 | 1,976.45 |
| | <u>4,129.66</u> | <u>6,476.63</u> |
| Less : Work in Progress, at commencement | 1,976.45 | 2,698.35 |
| Net progress billing | 2,153.21 | 3,778.28 |
| Operating Income- Subsidiaries | 3,775.16 | 3,840.86 |
| | <u><u>10,208.63</u></u> | <u><u>8,291.85</u></u> |
| 2.24 Other Operating Revenue | | |
| Project Management Consultancy | - | 178.91 |
| Others | - | 8.00 |
| | <u>-</u> | <u>186.91</u> |
| 2.25 Other Income | | |
| a) Interest income | | |
| Interest on Fixed Deposits | 51.67 | 48.45 |
| Interest on Inter Corporate Deposit | 724.42 | 517.96 |
| b) Dividend Income | | |
| Dividend Income | 2.11 | 6.48 |
| c) Other non operating income | | |
| Sale of Scrap | 1.42 | 9.36 |
| Rent Income | 1.46 | 2.33 |
| Miscellaneous Income | 1,464.21 | 1,190.31 |
| d) Other gains and losses | | |
| Profit on Sale of Investment | - | 8.21 |
| Net gain on foreign currency difference | | |
| Finance Income | 4.85 | 18,947.66 |
| Guarantee Income | 27.86 | 34.12 |
| Gain recognised on disposal of stakes | 2.93 | 1,067.83 |
| Profit on Sale of Assets | 120.55 | 0.22 |
| Other Income | <u>2,401.48</u> | <u>21,832.93</u> |
| 2.26 Land, Construction and Operating Expenses | | |
| Land purchased / acquired | 152.06 | 62.86 |
| Civil Work & Contract Charges (net of recoveries) | 4,444.82 | 7,599.70 |
| Power & Fuel | 646.54 | 730.59 |
| Rent | 326.34 | 417.94 |
| Rates & Taxes | 333.17 | 304.27 |
| Repairs & Maintenance | 117.14 | 133.57 |
| | <u>6,020.07</u> | <u>9,248.93</u> |
| Less : Transferred to Contract Work in Progress | 13.45 | 183.48 |
| | <u><u>6,006.62</u></u> | <u><u>9,065.45</u></u> |



Notes to and forming part of the financial statement as at and for the year ended March 31st, 2017

| | (₹ in Lakhs) | |
|--|---|---|
| | For the year ended 31st March, 2017 | For the year ended 31st March, 2016 |
| 2.27 Employee Benefit Expenses | | |
| Salaries and wages | 1,578.31 | 3,034.40 |
| Contribution / provisions to and for provident, Gratuity and other funds | 52.86 | 249.88 |
| Staff welfare expenses | 241.99 | 319.48 |
| | <u>1,873.16</u> | <u>3,603.76</u> |
| Less : Transferred to Contract Work in Progress | - | 73.28 |
| | <u>1,873.16</u> | <u>3,530.48</u> |
| 2.28 Finance Cost | | |
| Interest on Term Loans | 50,423.30 | 47,360.10 |
| Interest on Debentures | 12,156.31 | 8,855.36 |
| Interest on others | 66.51 | 31.06 |
| Interest Paid On Inter Corporate Deposit | 4,083.55 | 3,802.94 |
| Guarantee Expenses Amortized | 904.43 | 875.73 |
| Other borrowing cost | 6,846.51 | 3,150.04 |
| | <u>74,480.61</u> | <u>64,075.23</u> |
| Less : Transferred to Contract Work in Progress | 26.59 | 15,804.05 |
| | <u>74,454.02</u> | <u>48,271.18</u> |
| 2.29 Impairment losses on financial/non financial assets-Recognition and Reversal | | |
| Impairment Losses | | |
| Property Plant Equipment | - | 3,303.19 |
| Financial Asset | | |
| Impairment loss allowance on trade receivables | - | 962.74 |
| Impairment loss allowance on other financial assets | - | - |
| Investment in Subsidiaries | - | - |
| Investment in Associates | - | - |
| Inter Corporate Deposit | 4,802.00 | 787.80 |
| Others | 562.00 | - |
| Non-Financial Asset | - | - |
| Advance to Supplier | 1,218.55 | - |
| | <u>6,582.55</u> | <u>5,053.73</u> |
| Reversal of Impairment | | |
| Property Plant Equipment | 209.74 | - |
| Impairment loss allowance on trade receivables | 1,592.44 | - |
| | <u>1,802.18</u> | <u>-</u> |



Notes to and forming part of the financial statement as at and for the year ended March 31st, 2017

| | (₹ in Lakhs) | |
|--|---|---|
| | For the year ended 31st March, 2017 | For the year ended 31st March, 2016 |
| 2.30 Office, Site Establishment and Other Expenses | | |
| Office & Other General Expenses | 2,345.17 | 3,070.43 |
| Finance Charges | | |
| Provision for Doubtful Advances | 3.35 | - |
| Professional & Consultation Charges | 1,210.77 | 576.16 |
| Insurance | 53.01 | 112.71 |
| Selling and Marketing Expenses | 147.49 | 934.26 |
| Miscellaneous Expenses –Written off | - | 533.91 |
| Event Management Expenses | 5.30 | 4.08 |
| Film Shooting Expenses | 10.29 | 8.76 |
| Net loss on foreign currency transactions and translation | 2.85 | 0.24 |
| Loss on disposal of interest in former associate (Warasgaon Lakeview Hotels Limited) | 130.96 | - |
| Payment to Auditor | | |
| for Statutory Audit | 27.69 | 43.67 |
| for reimbursement of expenses; | 0.40 | 0.65 |
| | <u>3,937.28</u> | <u>5,284.87</u> |
| Less : Transferred to Contract Work in Progress | - | 107.01 |
| | <u><u>3,937.28</u></u> | <u><u>5,177.86</u></u> |



Notes to and Forming Part of the Financial Statements as at and for the Year ended 31st March 2017

2.31 Cost of Land includes:

- a) ₹ 1271.10 Lakhs (previous year ₹ 1271.10 Lakhs) in respect of which sale deed is yet to be executed in the name of Company.
- b) Land amounting to ₹ 10.64 Lakhs (previous year ₹ 10.64 Lakhs) in respect of which irrevocable Power of Attorney is obtained in the name of Company.
- c) Land amounting to ₹ 35.67 Lakhs (previous year ₹ 35.67 Lakhs) not covered by the Master Plan in respect of which sale deed is yet to be executed in the name of Company.

2.32 Technical surveys/estimates are involved in respect of physical verification procedures / determination of Project work-in-progress / related costs. These estimates made by the group and certified to the auditors, have been relied upon by them, as these are of a technical nature.

2.33 Contingent Liability

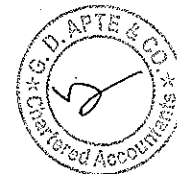
| | | (₹ In Lakhs) | | |
|----|--|-----------------|-----------------|-----------------|
| a) | Particulars | 31st March 2017 | 31st March 2016 | 01st April 2015 |
| | i) Guarantees given by Banks on behalf of the Company | 183.35 | 279.85 | 768.09 |
| | ii) Claims not acknowledged as debt: | | | |
| | - Claims by customers | 660.07 | 131.68 | 54.69 |
| | - Claims by suppliers | 280.59 | 54.51 | 54.51 |
| | - Land related claims | 1,730.02 | 1,730.02 | 117.22 |
| | - Other claims | 1,816.28 | 1,814.79 | 1778.52 |
| | iii) Bank Guarantee Given on Behalf of Subsidiary companies | 675.05 | 41.25 | 39.21 |
| | iv) Indemnity, Guarantee /s given to Banks / Financial Institutions / Government Bodies and Others | 343.08 | 343.88 | 343.08 |
| | v) Guarantee given to Government Bodies on behalf of subsidiaries | 45.73 | 45.73 | 45.73 |
| | vi) Service Tax Litigation pending with department | 28.95 | - | - |
| | vii) MVAT Litigation pending with department (to the extent of interest in joint Venture) | 13.71 | - | - |

- 1.1 The management believes that the outcome of any pending litigations will not have a material adverse effect on the group's financial position and the results of operations.
- 1.2 The company has created security by way of registered mortgage over 259.6622 acres of land (Previous year 259.6622 acres) of land towards term loan taken by its subsidiary viz. Warasgaon Asset Maintenance Limited and Warasgaon Power Supply Limited
- The company has created security by way of registered mortgage over 231.6628 acres of land (Previous year 231.6628 acres) of land situated in 5 villages namely Village Admal, Bhode, Gadle, Padaighar and Ugavall in taluka Mulshi, District Pune, Maharashtra, towards Redeemable non convertible debentures of ₹ 12,000 Lakhs issued to Axis Bank Limited by Hindustan Construction Company Limited
- 1.3 The company has created security by way of registered mortgage over 46.90 acres (Previous Year 46.90 acres) of land situated in 3 villages namely village Wadawali, Sakhari and Dhamanwhole in Taluka Mulshi, Dist Pune, Maharashtra towards Term Loan of 2,500 Lakhs taken by HCC Real Estate Limited.
- 1.4 Estimated amount of contracts remaining to be executed on Capital account and not provided for (net of advances) ₹ 8,921.53 Lakhs (Previous year ₹ 22,660.43 lakhs).

2.34 Related Party Disclosure

i) Particulars of Related Parties, which control or are under common control with the Company :

| |
|---|
| A) Holding Company & Ultimate Holding Company |
| Hindustan Construction Company Limited (HCC) - Ultimate Holding Company |
| HCC Real Estate Limited (HREL)- Parent Company of Holding Company |
| B) Subsidiaries of Holding Company |
| HRL (Thane) Real Estate Limited. |
| HRL Township Developers Limited. |
| Nashik Township Developers Limited |
| Maan Township Developers Limited |
| Charosa Wineries Limited |
| Powai Real Estate Developer Limited |
| HCC Realty Limited |
| Pune Paud Toll Road Co. Limited. |
| HCC Aviation Ltd |
| C) Subsidiaries of Ultimate Holding Company |
| Western Securities Limited |
| Panchkutir Developers Limited |
| HCC Mauritius Enterprises Limited |
| HCC Construction Limited |
| Highbar Technologies Limited |
| HCC Infrastructure Company Limited |
| HCC Mauritius Investments Limited |
| Steiner India Limited |



| |
|--|
| D) Other Related Parties |
| 1) Joint Venture : |
| Bona Sera Hotels Limited |
| Green Hills Residences Limited |
| Spotless Laundry Services Limited |
| Starlit Resort Limited |
| Whistling Thrush Facilities Services Limited |
| Apollo Lavasa Health Corporation Limited |
| Ecomotel Hotel Limited |
| Andromeda Hotels Limited |
| 2) Associates |
| Knowledge Vistas Limited |
| Hincon Finance Limited (of Holding Company) |
| 3) Others |
| HCC Concessions Limited |

5) Key Management Personnel and Relative of Key Management Personnel

| | |
|--------------------|-------------------------|
| Mr. Rajiv Duggal | Chief Executive Officer |
| Mr. Vinayak Jadhav | Chief Financial Officer |
| Mr. A. Venkatesan | Company Secretary |
| Mr. Sadanand Lad | Company Secretary |

Details of transactions relating to persons referred above :

| Particulars | ₹ in Lakhs | |
|---|-----------------|-----------------|
| | 31st March 2017 | 31st March 2016 |
| Sundaresan Narayan (From 11th December 2014 to 31st May 2015) | - | 40.00 |
| Remuneration paid to Mr. Rajiv Duggal (from 1st April, 2016 to 31st December, 2016) | 122.88 | 141.05 |
| Remuneration paid to Mr. A. Venkatesan (upto 24th October, 2016) | 35.00 | 40.24 |
| Remuneration paid to Mr. Sadanand Lad (from 24th October, 2016 to 20th January, 2017) | 11.38 | - |
| Total | 169.26 | 221.29 |

Options granted to Key Management Personnel under Employee Stock Option Scheme

| Name | Number of options granted | |
|-----------------------|---------------------------|------------------------|
| | As at March 31st, 2017 | As at March 31st, 2016 |
| i) Mr. Vinayak Jadhav | 224,126 | 224,126 |
| Total | 224,126 | 224,126 |



ii) Transactions with Related Parties during the period :

| Nature of Transactions | Holding Company and its Subsidiaries | | | Ultimate Holding Company & Its Subsidiaries | | |
|---|--------------------------------------|-----------------|-----------------|---|-----------------|-----------------|
| | 31st March 2017 | 31st March 2016 | 01st April 2015 | 31st March 2017 | 31st March 2016 | 01st April 2015 |
| Project and Other Services Received | | | | | | |
| Hindustan Construction Company Limited | - | - | - | 417.84 | 50.79 | 2,288.84 |
| Steiner India Limited | - | - | - | 4,543.86 | 4,389.29 | 11,931.75 |
| Highbar Technologies Ltd | - | - | - | 16.18 | 69.09 | - |
| Others | - | - | 2.33 | - | - | 68.01 |
| Project and other services given during the year | | | | | | |
| Steiner India Limited | - | - | - | 8.93 | 40.76 | 518.71 |
| Hindustan Construction Company Limited | - | - | - | 0.16 | 0.25 | 0.52 |
| Charosa Wineries Limited | 9.11 | 9.11 | 9.11 | - | - | - |
| Others | - | - | - | - | - | 0.02 |
| Inter Corporate Deposit taken during the year | | | | | | |
| HCC Real Estate Limited | 175.00 | 4,675.00 | 4,687.25 | - | - | - |
| Hindustan Construction Company Limited | - | - | - | 2,135.00 | - | 11,021.30 |
| Western Securities Limited | - | - | - | 25.00 | - | - |
| Highbar Technologies Ltd | - | - | - | - | 44.28 | - |
| Interest expense on Inter corporate Deposit received | | | | | | |
| HCC Real Estate Limited | 2,430.48 | 2,429.87 | 1,624.18 | - | - | - |
| Hindustan Construction Company Limited | - | - | - | 1,644.55 | 1,308.24 | - |
| Highbar Technologies Ltd | - | - | - | 4.58 | 1.95 | - |
| Western Securities Limited | - | - | - | 2.98 | - | - |
| Inter Corporate Deposit paid during the year | | | | | | |
| Hindustan Construction Company Limited | - | - | - | 0.53 | - | - |
| Intercorporate Deposit Received Outstanding | | | | | | |
| HCC Real Estate Limited | 19,508.89 | 19,333.89 | 14,658.89 | - | - | - |
| Hindustan Construction Company Limited | - | - | - | 13,156.30 | 11,021.30 | - |
| Highbar Technologies Ltd | - | - | - | 44.28 | 44.28 | - |
| Western Securities Limited | - | - | - | 25.00 | - | - |
| Interest Accrued and Due on Intercorporate Deposit Received | | | | | | |
| HCC Real Estate Limited | 4,445.88 | 3,983.54 | 1,796.65 | - | - | - |
| Hindustan Construction Company Limited | - | - | - | 1,641.26 | 1,277.11 | - |
| Highbar Technologies Ltd | - | - | - | 6.53 | 1.95 | - |
| Western Securities Limited | - | - | - | 2.68 | - | - |
| Included in Trade Receivables | | | | | | |
| HCC Real Estate Limited | 11,474.95 | 11,474.95 | 11,472.70 | - | - | - |
| Hindustan Construction Company Limited | - | - | - | 1.11 | 1.28 | 1.91 |
| HCC Infrastructure Limited | - | - | - | - | 0.02 | - |
| Steiner India Limited | - | - | - | 139.40 | 402.55 | 561.13 |
| Charosa Wineries Limited | 20.00 | 10.38 | 4.47 | - | - | - |
| Others | - | - | - | - | - | 0.02 |
| Construction / Land Sale | | | | | | |
| HCC Real Estate Limited | - | 502.25 | - | - | - | - |
| Included in Trade Payables | | | | | | |
| HCC Real Estate Limited | 14.93 | 2,074.89 | 1,804.60 | - | - | - |
| Hindustan Construction Company Limited | - | - | - | 480.72 | 1,578.05 | 9,386.03 |
| Steiner India Limited | - | - | - | 8,638.86 | 2,430.12 | 8,376.18 |
| HCC Aviation Limited | 234.60 | 234.60 | 234.60 | - | - | - |
| Highbar Technologies Ltd | - | - | - | - | 131.25 | - |
| Others | 8.19 | 8.19 | 8.19 | - | - | 46.86 |
| Advance/Deposit received and outstanding at the end of the year | | | | | | |
| Hindustan Construction Company Limited | - | - | - | - | 700.00 | - |
| Steiner India Limited | - | - | - | - | - | 5.98 |
| Charosa Wineries Limited | 4.14 | 4.14 | 4.14 | - | - | - |
| Advance/Deposit given and outstanding at the end of the year | | | | | | |
| Steiner India Limited | - | - | - | 579.07 | 590.01 | 740.45 |
| Corporate Guarentees received on behalf of the company & outstanding | | | | | | |
| Hindustan Construction Company Limited | - | - | - | 31,373.00 | 35,667.13 | 41,963.52 |
| HCC Real Estate Limited | 108,988.00 | 124,895.72 | 104,436.23 | - | - | - |
| HRL (Thane Real Estate Limited) | - | - | 1,400.00 | - | - | - |



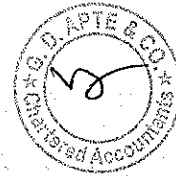
| Nature of Transactions | Other Related Parties | | |
|---|-----------------------|--------------------|--------------------|
| | 31st March 2017 | 31st March 2016 | 01st April 2015 |
| Project and Other Services Received | | | |
| Whistling Thrush Facilities Services Limited | 0.71 | 1,006.52 | - |
| Starlit Resorts Limited | 4.89 | 5.72 | 22.72 |
| Bona Sera Hotels Limited | 0.14 | - | 98.02 |
| Ecomotal Hotel Limited | 17.07 | 32.68 | - |
| Apollo Lavasa Health Corpn Ltd | 3.90 | 21.75 | - |
| Spotless Laundry Services Limited | 0.16 | 1.23 | - |
| Project and other services given during the year | | | |
| Andromeda Hotels Limited | - | 5.45 | 198.96 |
| Bona Sera Hotels Limited | 64.48 | 31.78 | 30.11 |
| Ecomotal Hotel Limited | 54.05 | 77.10 | 148.61 |
| Knowledge Vistas Limited | 26.74 | 26.70 | - |
| Starlit Resorts Limited | 17.87 | 15.97 | - |
| Apollo Lavasa Health Corpn Ltd | 26.75 | 20.07 | - |
| Spotless Laundry Services Limited | 5.50 | 6.73 | - |
| HCC Concession Limited | 0.04 | - | - |
| Whistling Thrush Facilities Services Limited | 0.20 | - | - |
| Others | - | - | 109.29 |
| Inter Corporate Deposit given during the year | | | |
| Spotless Laundry Service Limited | 693.65 | 28.50 | - |
| Apollo Lavasa Health Corporation Limited | 622.18 | - | - |
| Bonasera Hotel Limited | 509.96 | - | - |
| Knowledge Vistas Limited | - | 73.90 | 61.50 |
| Andromeda Hotels Limited | 3.38 | - | 80.00 |
| Ecomotal Hotel Limited | 330.11 | - | - |
| Whistling Thrush Facilities Services Limited | 65.50 | - | - |
| Warasgaon Lakeview Hotel Limited | 280.51 | - | - |
| Inter Corporate Deposit received back during the year | | | |
| Ecomotal Hotel Limited | 270.57 | 497.02 | 30.00 |
| Bona Sera Hotels Limited | - | 188.37 | - |
| Andromeda Hotels Limited | - | 3.30 | 132.53 |
| Knowledge Vistas Limited | - | 572.56 | - |
| Interest income on Inter Corporate Deposit given | | | |
| Spotless Laundry Service Limited | 305.91 | 225.87 | - |
| Ecomotal Hotel Limited | 28.83 | 18.88 | 79.80 |
| Bona Sera Hotels Limited | 165.26 | 111.00 | 110.73 |
| Andromeda Hotels Limited | 3.93 | 3.89 | 21.25 |
| Whistling Thrush Facilities Services Limited | 5.91 | - | - |
| Apollo Lavasa Health Corpn Ltd | 231.21 | - | - |
| Intercorporate Deposit given Outstanding | | | |
| Green Hills Residences Limited | 2,134.04 | 2,134.04 | 2,134.04 |
| Apollo Lavasa Health Corporation Limited | 1,594.56 | 972.38 | 972.38 |
| Bona Sera Hotels Limited | 1,139.74 | 629.77 | 818.15 |
| Knowledge Vistas Limited | 0.07 | 0.07 | 498.73 |
| Ecomotal Hotel Limited | 59.54 | - | 497.02 |
| Andromeda Hotels Limited | 27.13 | 23.75 | 27.05 |
| Spotless Landry Services Limited | 2,109.72 | 1,416.07 | 1,387.57 |
| Whistling Thrush Facilities Services Limited | 65.50 | - | - |
| Interest Accrued and Due on Intercorporate Deposit Given | | | |
| Ecomotal Hotel Limited | 34.08 | 330.11 | 510.79 |
| Andromeda Hotels Limited | 3.54 | 3.38 | 0.58 |
| Bona Sera Hotels Limited | 148.74 | 89.48 | 100.37 |
| Apollo Lavasa Health Corporation Ltd | 208.09 | 622.39 | 481.78 |
| Spotless Laundry Services Limited | 275.32 | 693.65 | 490.36 |
| Included in Trade Receivables | | | |
| Bonasera Hotel Limited | 244.72 | 505.51 | 439.26 |
| Ecomotal Hotel Limited | 308.51 | 604.73 | 868.36 |
| Knowledge Vistas Limited | 326.86 | 124.30 | 273.95 |
| Andromeda Hotels Limited | 292.22 | 290.56 | 429.78 |
| Apollo Lavasa Health Corpn Ltd | 294.49 | 680.63 | - |
| Starlit India Limited | 72.91 | 49.53 | - |
| Whistling Thrush Facilities Services Limited | 107.12 | 19.29 | - |
| Spotless Laundry Services Limited | 449.01 | 853.90 | - |
| Green Hills Residences Limited | 462.20 | 462.20 | - |
| Land Purchased | | | |
| Hincon Finance Limited | - | 1,075.00 | - |



| | | | |
|---|----------|----------|----------|
| Included in Trade Payables | | | |
| Ecomotel Hotel Limited | 35.66 | 143.7 | 200.43 |
| Andromeda Hotels Limited | 52.85 | 52.85 | - |
| Starlit Resort Limited | 74.99 | 71.06 | - |
| Apollo Lavasa Health Corpn Ltd | 63.62 | 45.49 | - |
| Whistling Thrush Facilities Services Limited | 316.11 | 616.05 | - |
| Green Hills Residences Limited | 89.14 | 89.14 | - |
| Bonasera Hotel Limited | 35.34 | 31.63 | 135.21 |
| Advance/Deposit received and outstanding at the end of the year | | | |
| Bonasera Hotel Limited | 4.80 | 4.80 | 4.80 |
| Ecomotel Hotel Limited | 2.76 | 2.76 | 2.64 |
| Starlit Resort Ltd | 1.24 | 1.24 | 1.08 |
| Apollo Lavasa Health Corporation Ltd | 2.64 | 2.64 | 2.64 |
| Advance/Deposit given and outstanding at the end of the year | | | |
| Spotless Laundry Service Limited | 4.50 | 4.50 | - |
| Corporate Guarentees and Bank Guarentees Given & outstanding | | | |
| Ecomotel Hotel Limited | 938.00 | 1,215.00 | 1,394.98 |
| Knowledge Vistas Limited | 1,619.00 | 1,400.00 | 1,281.00 |
| Equity Share Contribution during the period | | | |
| Andromeda Hotels Limited | - | 4.00 | 126.70 |
| Starlit India Limited | - | 360.30 | - |
| Ecomotel Hotel Limited | 150.00 | - | - |

2.35 Earnings Per Share:

| Particulars | ₹ in Lakhs | |
|---|-----------------|-----------------|
| | 31st March 2017 | 31st March 2016 |
| Profit/(Loss) after taxation as per statement of profit and loss (₹ in Lakhs) | (71,446.33) | (27,066.15) |
| Less: Preference Dividend on cumulative preference shares incl distribution tax | (1,625.27) | (1,349.70) |
| Net Profit / (Loss) after preference dividend | (73,071.60) | (28,415.85) |
| Weighted Average number of Equity Shares (for Basic EPS) | 795,944,363 | 795,944,363 |
| Earning Per Share (Basic) (in Rupees) | (9.18) | (3.57) |
| Weighted Average number of Equity Shares (for Diluted EPS) | 795,944,363 | 795,944,363 |
| Earning Per Share (Diluted) (in Rupees) | (9.18) | (3.57) |



2.36 Financial Instruments By Category

The carrying value and the fair value of financial instruments by each category as at March 31, 2017 :

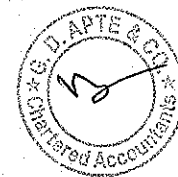
(₹ In Lakhs)

| Particulars | Financial assets / liabilities at amortised costs | Financial assets / liabilities at FVTPL | Financial assets/ liabilities at FVTOCI | Total carrying value | Total fair Value |
|--|---|---|---|----------------------|------------------|
| Assets | | | | | |
| Investments | | | | | |
| - Investment in Equity Shares (Unquoted) | 5,423.65 | - | 900.33 | 6,323.98 | 6,323.98 |
| - Investment in Other Equity Instruments | 33.81 | - | - | 33.81 | 33.81 |
| - Investment in Equity Shares (Quoted) | - | - | 7.65 | 7.65 | 7.65 |
| - Investment in Mutual Fund | - | - | 37.02 | 37.02 | 37.02 |
| Trade receivables | 13,293.04 | - | - | 13,293.04 | 13,293.04 |
| Cash and Cash Equivalents and other bank balances | 559.17 | - | - | 559.17 | 559.17 |
| Other Financial Assets | 1,120.11 | - | - | 1,120.11 | 1,120.11 |
| Loans | 5,659.21 | - | - | 5,659.21 | 5,659.21 |
| Liabilities | | | | | |
| Borrowings from Banks | 255,546.93 | - | - | 255,546.93 | 255,546.93 |
| Borrowings from Financial Institutions/NBFCs | 64,323.11 | - | - | 64,323.11 | 64,323.11 |
| Borrowings from others | 33,445.97 | - | - | 33,445.97 | 33,445.97 |
| Debentures (Fully Convertible / Non Convertible) | 76,193.46 | - | - | 76,193.46 | 76,193.46 |
| Trade Payables | 20,362.26 | - | - | 20,362.26 | 20,362.26 |
| Other Financial Liabilities | 102,315.46 | - | - | 102,315.46 | 102,315.46 |

The carrying value and the fair value of financial instruments by each category as at March 31, 2016:

(₹ In Lakhs)

| Particulars | Financial assets / liabilities at amortised costs | Financial assets / liabilities at FVTPL | Financial assets/ liabilities at FVTOCI | Total carrying value | Total fair Value |
|--|---|---|---|----------------------|------------------|
| Assets | | | | | |
| Investments | | | | | |
| - Investment in Equity Shares (Unquoted) | 6,830.87 | - | 4.40 | 6,835.27 | 6,835.27 |
| - Investment in Other Equity Instruments | 252.78 | - | - | 252.78 | 252.78 |
| - Investment in Equity Shares (Quoted) | - | - | 4.44 | 4.44 | 4.44 |
| - Investment in Mutual Fund | - | - | 44.90 | 44.90 | 44.90 |
| Trade receivables | 4,335.91 | - | - | 4,335.91 | 4,335.91 |
| Cash and Cash Equivalents and other bank balances | 516.72 | - | - | 516.72 | 516.72 |
| Other Financial Assets | 1,851.90 | - | - | 1,851.90 | 1,851.90 |
| Loans | 8,065.98 | - | - | 8,065.98 | 8,065.98 |
| Liabilities | | | | | |
| Borrowings from Banks | 234,779.58 | - | - | 234,779.58 | 234,779.58 |
| Borrowings from Financial Institutions/NBFCs | 57,106.74 | - | - | 57,106.74 | 57,106.74 |
| Borrowings from others | 31,015.46 | - | - | 31,015.46 | 31,015.46 |
| Debentures (Fully Convertible / Non Convertible) | 65,895.28 | - | - | 65,895.28 | 65,895.28 |
| Trade Payables | 25,942.93 | - | - | 25,942.93 | 25,942.93 |
| Other Financial Liabilities | 62,758.08 | - | - | 62,758.08 | 62,758.08 |



The carrying value and the fair value of financial instruments by each category as at April 1st, 2015:

(₹ In Lakhs)

| Particulars | Financial assets / liabilities at amortised costs | Financial assets / liabilities at FVTPL | Financial assets / liabilities at FVTOCI | Total carrying value | Total fair Value |
|---|---|---|--|----------------------|------------------|
| Assets | | | | | |
| Investments | | | | | |
| - Investment in Equity Shares (Unquoted) | 8,402.32 | - | 4.40 | 8,406.72 | 8,406.72 |
| - Investment in Other Equity Instruments | 252.78 | - | - | 252.78 | 252.78 |
| - Investment in Equity Shares (Quoted) | - | - | 7.41 | 7.41 | 7.41 |
| - Investment in Mutual Fund | - | - | 62.09 | 62.09 | 62.09 |
| Trade receivables | 6,259.61 | - | - | 6,259.61 | 6,259.61 |
| Cash and Cash Equivalents and other bank balances | 719.14 | - | - | 719.14 | 719.14 |
| Other Financial Assets | 1,373.99 | - | - | 1,373.99 | 1,373.99 |
| Loans | 10,012.73 | - | - | 10,012.73 | 10,012.73 |
| Liabilities | | | | | |
| Borrowings from Banks | 262,568.60 | - | - | 262,568.60 | 262,568.60 |
| Borrowings from Financial Institutions / NBFCs | 50,593.67 | - | - | 50,593.67 | 50,593.67 |
| Borrowings from others | 15,368.37 | - | - | 15,368.37 | 15,368.37 |
| Debentures (Fully Convertible / Non Convertible) | 59,055.74 | - | - | 59,055.74 | 59,055.74 |
| Trade Payables | 26,146.03 | - | - | 26,146.03 | 26,146.03 |
| Other Financial Liabilities | 16,854.87 | - | - | 16,854.87 | 16,854.87 |

Some of the Groups financial Assets are measured at fair value at the end of each reporting year. The information about how the fair values of these financial assets are determined is as below:

- Investments in Quoted Equity Instruments are fair valued adopting Level 1 hierarchy with reference to the quoted bid prices in the active market.
- Investments in Un-Quoted Equity Instruments are fair valued adopting Level 3 hierarchy with reference to Long Term Revenue growth, pre-tax operating margin, weighted average cost of capital, taking into account the management's experience and knowledge of market conditions of the specific industries.

2.37 Interest Income / (Expenses), Gains / (Losses) recognized on financial assets and liabilities

(₹ In Lakhs)

| Particulars | Year Ended March 31, 2017 | Year Ended March 31, 2016 |
|--|---------------------------|---------------------------|
| Financial Assets at amortised cost | | |
| Interest income on bank deposits | 51.67 | 48.45 |
| Interest income on other financial assets | 724.42 | 517.96 |
| Impairment on trade receivables | (13,246.70) | (14,838.41) |
| Gain/ losses on financial assets | (2.63) | (20,015.71) |
| Impairment on other financial assets | (5,364.00) | (787.80) |
| Financial Assets at Fair Value through Profit and Loss (FVTOCI) | | |
| Dividend on Quoted Equity Shares/ Mutual Funds/ Other Instruments | (2.11) | (6.49) |
| Financial Liabilities at Amortised Cost | | |
| Interest expenses on borrowings, overdrafts and Inter corporate deposits | (66,729.67) | (60,049.46) |
| Amortised / Borrowing cost on financial liabilities | (7,750.94) | (4,025.77) |
| Total | (92,319.96) | (99,157.23) |

2.38 Exposure to credit risk

The Gross carrying amount of financial assets, net of any impairment losses recognised represents the maximum credit exposure. The maximum exposure to credit risk as at March 31, 2017 and 2016 was as follows:

(₹ In Lakhs)

| Particulars | As at March 31, 2017 | As at March 31, 2016 |
|--|----------------------|----------------------|
| Investments | 6,368.65 | 6,884.61 |
| Trade Receivables (Net of Allowance of doubtful debts) | 13,293.04 | 4,335.91 |
| Cash and Cash Equivalents and other bank balances | 559.17 | 516.72 |
| Other Financial Assets | 1,120.11 | 1,851.90 |
| Loans | 5,659.21 | 8,065.98 |
| Total | 27,000.18 | 21,655.12 |



2.39 Financial assets that are past due but not impaired:

There is no other class of financial assets that is past due but not impaired other than trade receivables. The age analysis of trade receivables have been considered from the date of invoice. The aging of trade receivables, net of allowances, that are past due, is given below

| (₹ in Lakhs) | | |
|----------------------------|----------------------|----------------------|
| Period (in days) | As at March 31, 2017 | As at March 31, 2016 |
| 0-30 days past due | 6,590.76 | 1,251.50 |
| 31 days - 1 year past due | 6,702.28 | 3,084.41 |
| 1 year - 3 years past due | - | - |
| More than 3 years past due | - | - |
| TOTAL | 13,293.04 | 4,335.91 |

Financial assets that are neither past due nor impaired

| (₹ In Lakhs) | | |
|---|----------------------|----------------------|
| Particulars | As at March 31, 2017 | As at March 31, 2016 |
| Investments | 6,368.65 | 6,884.61 |
| Cash and Cash Equivalents and other bank balances | 559.17 | 516.72 |
| Other Financial Assets | 1,120.11 | 1,851.90 |
| Loans | 5,659.21 | 8,065.98 |
| Total | 13,707.14 | 17,319.21 |

Details of collateral and other credit enhancements held

| (₹ In lakhs) | | |
|--------------|----------------------|----------------------|
| Particulars | As at March 31, 2017 | As at March 31, 2016 |
| | Nil | Nil |
| | Nil | Nil |

2.40 Foreign currency risk

The Company has several balances in foreign currency and consequently the Company is exposed to foreign exchange risk. The exchange rate between the rupee and foreign currencies has changed substantially in recent years and may fluctuate substantially in the future, which has affected the results of the Company. The Company evaluates exchange rate exposure arising from foreign currency transactions and follows established risk management policies.

| Particulars | Currency | Details |
|--------------------|----------|--|
| Creditors | USD | ₹ 29.75 Lakhs (USD 0.46 Lakhs @ Closing Rate of 1 USD = ₹ 65.18) (FY 2015-16 ₹ 30.41 Lakhs (USD 0.46 Lakhs @ Closing Rate of 1 USD = ₹ 66.62)) (1st April, 2015 ₹ 28.70 Lakhs (USD 0.46 Lakhs @ Closing Rate of 1 USD = ₹ 62.87)) |
| | GBP | ₹ 1.22 Lakhs (GBP 0.015 Lakhs @ Closing Rate of 1 GBP = ₹ 81.17) (FY 2015-16 - ₹ 1.42 Lakhs (GBP 0.015 Lakhs @ Closing Rate of 1 USD = ₹ 94.97)) (1st April, 2015 - ₹ 1.39 Lakhs (GBP 1500 @ closing Rate of 1 GBP = Rs.92.55)) |
| | Euro | FY 2016-17 - Nil. FY 2015-16 - Nil. 1st April, 2015 - ₹ 70.82 Lakhs (EURO 1,04,250 @ closing rate of 1 EURO = ₹ 67.93) |
| | CHF | FY 2016-17 - Nil. FY 2015-16 - Nil. 1st April, 2015 - ₹ 101.96 Lakhs (CHF 158,287.60 @ Closing rate of 1 CHF = Rupees 64.21) |
| Advance to Vendors | GBP | FY 2016-17 - ₹ 9.69 Lakhs (GBP 0.119 Lakhs @ Closing rate of 1 GBP = ₹ 80.94) (FY 2015-16 - ₹ 11.38 Lakhs (GBP 0.119 Lakhs @ Closing rate of 1 GBP = ₹ 94.97)) (1st April, 2015 - ₹ 11.07 Lakhs (GBP 0.119 Lakhs @ Closing rate of 1 GBP = ₹ 92.46) |
| | EURO | FY 2016-17 - ₹ 96.02 Lakhs (EURO 1.39 Lakhs @ Closing Rate of 1 EURO = ₹ 69.24) (FY 2015-16 - ₹ 103.93 Lakhs (EURO 1.39 Lakhs @ Closing Rate of 1 EURO = ₹ 74.94)) (1st April, 2015 - ₹ 93.76 Lakhs (EURO 1.39 Lakhs @ Closing Rate of 1 EURO = ₹ 67.61) |



2.41 Liquidity Risks

Liquidity risk is the risk that the company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The company's approach for managing liquidity is to ensure as far as possible that it will always have sufficient liquidity to meet its liabilities when due, under normal and stressed conditions, without incurring unacceptable losses or risking damages to the company's reputation. Typically the company ensures that it has sufficient cash on demand to meet expected operational expenses, servicing of financial obligations.

Maturity Analysis of financial instruments

As at March 31, 2017

| Particulars | Carrying amount | Contractual Cash flow | | | | |
|--|-----------------|-----------------------|-------------|-----------|---------------|-------------|
| | | 0-12 Months | 1-3 years | 3-5 years | Above 5 years | Total |
| Borrowings from Banks | 2,55,546.93 | 1,57,255.30 | 82,065.40 | 44,370.30 | 1,48,885.53 | 4,32,576.53 |
| Borrowings from Financial Institutions/NBFCs | 64,323.11 | 26,157.06 | 25,426.17 | 22,806.40 | 46,221.20 | 1,20,610.84 |
| Borrowings from others | 33,445.97 | 33,445.97 | - | - | - | 33,445.97 |
| Debentures (Fully Convertible/ Non Convertible) | 76,193.46 | 81,359.79 | - | - | - | 81,359.79 |
| Trade Payables | 20,362.26 | 20,362.26 | - | - | - | 20,362.26 |
| Other Financial Liabilities | 1,02,315.46 | - | - | - | 1,02,315.46 | 1,02,315.46 |
| | 5,52,187.19 | 3,18,580.39 | 1,07,491.57 | 67,176.69 | 2,97,422.19 | 7,90,670.84 |

As at March 31, 2016

| Particulars | Carrying amount | Contractual Cash flow | | | | |
|--|-----------------|-----------------------|-----------|-------------|---------------|-------------|
| | | 0-12 Months | 1-3 years | 3-5 years | Above 5 years | Total |
| Borrowings from Banks | 2,34,779.58 | 73,869.84 | 86,365.49 | 90,491.95 | - | 2,50,727.28 |
| Borrowings from Financial Institutions/NBFCs | 57,106.74 | 13,750.10 | 4,375.00 | 41,103.73 | - | 59,228.83 |
| Borrowings from others | 31,015.46 | 31,015.46 | - | - | - | 31,015.46 |
| Debentures (Fully Convertible/ Non Convertible) | 65,895.28 | 58,287.23 | 6,600.00 | - | 1,200.00 | 66,087.23 |
| Trade Payables | 25,942.93 | 25,942.93 | - | - | - | 25,942.93 |
| Other Financial Liabilities | 62,758.08 | - | - | - | 62,758.08 | 62,758.08 |
| | 4,77,498.07 | 2,02,865.56 | 97,340.49 | 1,31,595.68 | 63,958.08 | 4,95,759.81 |

As at April 1st, 2015

| Particulars | Carrying amount | Contractual Cash flow | | | | |
|--|-----------------|-----------------------|-------------|-------------|---------------|-------------|
| | | 0-12 Months | 1-3 years | 3-5 years | Above 5 years | Total |
| Borrowings from Banks | 2,62,568.60 | 41,813.78 | 98,288.11 | 1,25,494.74 | - | 2,65,596.63 |
| Borrowings from Financial Institutions/NBFCs | 50,593.67 | 10,775.00 | 10,432.00 | 31,657.50 | - | 52,864.50 |
| Borrowings from others | 15,368.37 | 15,368.37 | - | - | - | 15,368.37 |
| Debentures (Fully Convertible/ Non Convertible) | 59,055.74 | 40,338.75 | 6,090.00 | 2,550.00 | 10,076.99 | 59,055.74 |
| Trade Payables | 26,146.03 | 26,146.03 | - | - | - | 26,146.03 |
| Other Financial Liabilities | 16,854.87 | - | - | - | 17,243.42 | 17,243.42 |
| | 4,30,587.28 | 1,34,441.93 | 1,14,810.11 | 1,59,702.24 | 27,320.41 | 4,36,274.69 |

2.42 Interest Rate Risk:

Interest rate risk is the risk that an upward movement in interest rates would adversely affect the borrowing costs of the Group.

The Interest rate profile of the Group's Interest bearing financial instruments were as follows:

| Particulars | Carrying amount | | |
|--|----------------------|----------------------|-----------------|
| | As at March 31, 2017 | As at March 31, 2016 | 01st April 2015 |
| Fixed rate instruments | | | |
| - Fixed Deposits with Banks | 736.69 | 632.78 | 575.21 |
| Financial liabilities | | | |
| Borrowings from others | 33,445.97 | 31,015.46 | 15,368.37 |
| Debentures (Fully Convertible / Non Convertible) | 76,193.46 | 65,895.28 | 59,055.74 |
| Variable rate instruments | | | |
| - Financial liabilities | | | |
| Borrowings from Banks | 2,55,546.93 | 2,34,779.58 | 2,62,568.60 |
| Borrowings from Financial Institutions/NBFCs | 64,323.11 | 57,106.74 | 50,593.67 |



Fair value sensitivity for fixed rate instruments

The company does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore a change in interest rates at the reporting date would not affect profit and loss

Cash flow sensitivity for variable rate instruments

An increase of 100 basis points in interest rates at the reporting date would have increased/ decreased equity and profit and loss by the amounts shown below. This analysis assumes that all other variables remain constant. The analysis has been performed on the same basis for 2016.

| Year ended | Equity | Profit or (Loss) |
|----------------|--------|------------------|
| March 31, 2017 | - | (703.97) |
| March 31, 2016 | - | (602.72) |

2.43 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The Company strives to safeguard its ability to continue as a going concern so that they can maximise returns for the shareholders and benefits for other stake holders. The aim to maintain an optimal capital structure and minimise cost of capital.

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 return capital to shareholders, issue new shares or adjust the dividend payment to shareholders (if permitted). Consistent with others in the industry, the Company monitors its capital using the gearing ratio which is net debt divided by total capital plus net debt.

The Group's risk management committee reviews the capital structure of the Group on a semi-annual basis. As part of this review, the committee considers the cost of capital and the risk associated with each class of capital. The Group has a target gearing ratio of 2:1 times determined as the proportion of net debt to total equity. The gearing ratio at March 31, 2017 of -4.25%.

| Particulars | ₹ In Lakhs | |
|--|---------------------|---------------------|
| | As at 31 March 2017 | As at 31 March 2016 |
| Total debt | 480,456.51 | 433,293.57 |
| Total equity | (113,196.28) | (41,751.17) |
| Net debt to equity ratio (Gearing ratio) | (4.24) | (10.38) |

2.44 A. Reconciliation of Total Equity as at April 1, 2015

| Particulars | ₹ in Lakhs |
|---|-------------|
| Total Equity (Shareholders' Fund) under Indian GAAP | 3,850.45 |
| Allowance for doubtful debts | (13,855.76) |
| Impacts of Recognition of Financial Instruments measured initially at fair value and subsequently at amortised cost | (4,647.34) |
| Adjustments pertaining to property held for sale | (405.14) |
| Fair Value of Equity Instruments through OCI | 2.96 |
| Reclassification of subsidiaries into Joint Venture Entities | 11,165.36 |
| Non Controlling Interest presented as a part of total equity under Ind AS | 662.99 |
| Deferred Tax on above adjustments (Net) | (14,310.23) |
| Total Equity (Shareholders' Fund) under IND AS | (17,536.72) |

B. Reconciliation of Total Equity as at March 31, 2016

| Particulars | ₹ in Lakhs |
|---|-------------|
| Total Equity (Shareholders' Fund) under Indian GAAP | 40,613.88 |
| Allowance for doubtful debts (Expected Credit Loss) | (14,758.75) |
| Impacts of Recognition of Financial Instruments measured initially at fair value and subsequently at amortised cost | (36,280.62) |
| Adjustments pertaining to property held for sale | (443.37) |
| Fair Value of Equity Instruments through OCI | (1.21) |
| Reclassification of subsidiaries into Joint Venture Joint Arrangements | 3,879.28 |
| Non Controlling Interest presented as a part of total equity under Ind AS | 373.17 |
| Deferred Tax on above adjustments (Net) | (34,760.42) |
| Total Equity (Shareholders' Fund) under IND AS | (41,378.03) |



2.45 Profit Reconciliation

Reconciliation of Net Profit as previously reported on account of transition from the Previous Indian GAAP to IND AS for the Year ended March 31, 2016

| Particulars | ₹ in Lakhs |
|---|--------------------|
| Net Profit/ (Loss) for the year under Indian GAAP | (16,493.15) |
| Allowance for Doubtful Receivables | (902.99) |
| Impacts of Recognition of Financial Instruments measured initially at fair value and subsequently at amortised cost | 17,353.05 |
| Adjustments pertaining to property held for sale | (38.23) |
| Reclassification of net actuarial gain on defined employee benefit obligation to Other Comprehensive Income | (40.32) |
| Reclassification of subsidiaries into Joint Venture entities | (6,531.67) |
| Deferred Tax on above adjustments (Net) | (20,436.79) |
| Net Profit/ (Loss) for the year under IND AS | (27,090.12) |

2.46 A. Reconciliation of material items of Balance Sheet as per IND AS with Previous GAAP As at April 1, 2015

(₹ In Lakhs)

| Particulars | As per IND AS | As per previous year GAAP | Increase/ (Decrease) |
|---|---------------|---------------------------|----------------------|
| Assets | | | |
| Property, Plant and Equipment | 100,572.93 | 104,924.92 | (4,351.99) |
| Capital work-in- progress | 152,954.78 | 153,404.47 | (449.69) |
| Other Intangible Assets | 73.26 | 153.08 | (79.82) |
| Non Current Investments | 8,729.00 | 2,499.71 | 6,229.29 |
| Other Financial assets (Non Current) | 781.87 | - | 781.87 |
| Other Non Current Assets | 6,393.69 | 1,258.56 | 5,135.13 |
| Current investment | - | 171.75 | (171.75) |
| Inventories | 150,808.68 | 150,808.69 | (0.01) |
| Trade Receivable | 6,259.61 | 18,563.22 | (12,303.61) |
| Cash and Cash equivalents | 719.14 | 1,197.35 | (478.21) |
| Loans | 10,012.73 | 34,728.30 | (24,715.57) |
| Other Financial assets (Current) | 592.12 | - | 592.12 |
| Current tax assets (net) | 9,830.11 | - | 9,830.11 |
| Deferred tax assets (net) | - | - | - |
| Other current assets | 19,245.45 | 533.91 | 18,711.54 |
| Assets Classified as held for sale | 200.18 | - | 200.18 |
| Equity | | | |
| Equity Share capital | 79,594.44 | 83,319.44 | (3,725.00) |
| Other Equity | (97,794.14) | (80,291.49) | (17,502.65) |
| Money received against share warrant | - | 822.50 | (822.50) |
| Non Controlling Interest | 662.99 | - | 662.99 |
| Minority Interest | - | 4,085.31 | (4,085.31) |
| Liabilities | | | |
| Borrowings (Non Current) | 278,537.16 | 274,598.28 | 3,938.88 |
| Other financial liabilities (Non Current) | 8,091.40 | - | 8,091.40 |
| Provisions (Non Current) | 317.56 | 325.55 | (7.99) |
| Deferred tax liabilities (net) | 16,249.91 | 1,938.53 | 14,311.38 |
| Other non-current liabilities | - | 1,641.64 | (1,641.64) |
| Borrowings (Current) | 14,658.89 | 14,658.89 | (0.00) |
| Trade payables | 26,146.03 | 41,647.95 | (15,501.92) |
| Other financial liabilities (Current) | 103,153.80 | - | 103,153.80 |
| Other current liabilities | 37,341.45 | 125,324.33 | (87,982.88) |
| Provisions (Current) | 214.07 | 173.04 | 41.03 |



B. Reconciliation of material items of Balance Sheet as per IND AS with Previous GAAP As at March 31, 2016

(₹ In Lakhs)

| Particulars | As per IND AS | As per previous year GAAP | Increase/ (Decrease) |
|---|---------------|---------------------------|----------------------|
| Assets | | | |
| Property, Plant and Equipment | 90,106.47 | 93,556.51 | (3,450.04) |
| Capital work-in- progress | 169,106.05 | 169,487.08 | (381.03) |
| Other Intangible Assets | 52.96 | 1,218.68 | (1,165.72) |
| Non Current Investments | 7,137.39 | 6,290.29 | 847.10 |
| Other Financial assets (Non Current) | 841.06 | - | 841.06 |
| Other Non Current Assets | 9,129.40 | 1,281.89 | 7,847.51 |
| Current Investment | - | 44.90 | (44.90) |
| Inventories | 188,325.26 | 188,355.37 | (30.11) |
| Trade Receivable | 4,335.91 | 17,357.96 | (13,022.05) |
| Cash and Cash equivalents | 516.72 | 1,264.44 | (747.72) |
| Loans | 8,065.98 | 32,321.32 | (24,255.34) |
| Other Financial assets (Current) | 1,010.84 | - | 1,010.84 |
| Current tax assets (net) | 9,999.67 | - | 9,999.67 |
| Deferred tax assets (net) | - | 54.14 | (54.14) |
| Other current assets | 17,022.13 | - | 17,022.13 |
| Assets Classified as held for sale | 200.18 | - | 200.18 |
| Equity | | | |
| Equity Share capital | 79,594.44 | 135,819.44 | (56,225.00) |
| Other Equity | (121,345.62) | (96,028.06) | (25,317.56) |
| Money received against share warrant | - | 822.50 | (822.50) |
| Non Controlling Interest | 373.16 | - | 373.16 |
| Minority interest | - | 1,428.48 | (1,428.48) |
| Liabilities | | | |
| Borrowings (Non Current) | 231,602.96 | 228,964.09 | 2,638.87 |
| Other financial liabilities (Non Current) | 44,536.87 | - | 44,536.87 |
| Provisions (Non Current) | 224.94 | 233.27 | (8.33) |
| Deferred tax liabilities (net) | 34,760.03 | - | 34,760.03 |
| Other non-current liabilities | - | 508.41 | (508.41) |
| Borrowings (Current) | 30,399.47 | 30,355.19 | 44.28 |
| Trade payables | 25,942.93 | 23,268.93 | 2,674.00 |
| Other financial liabilities (Current) | 145,015.84 | - | 145,015.84 |
| Other current liabilities | 34,575.88 | 185,717.79 | (151,141.91) |
| Provisions (Current) | 169.11 | 142.51 | 26.60 |

2.47 Reconciliation of material items of Statement of Cashflows for the year ended March 31, 2016 as per IND AS with Previous GAAP As at March 31, 2016

(₹ In Lakhs)

| Particulars | As per IND AS | As per pervious GAAP | Increase/ (Decrease) |
|--|---------------|----------------------|----------------------|
| Cash generated from operations | (9,240.88) | 2,159.63 | (11,400.52) |
| Net cash used in investing activities | 2,316.81 | (14,840.14) | 17,156.95 |
| Net cash used in financing activities | 6,721.64 | 12,685.56 | (5,963.92) |
| Cash and cash equivalents at the beginning of the year | 719.14 | 572.23 | 146.91 |
| Cash and cash equivalents at the end of the year | 516.71 | 577.28 | (60.57) |



2.48 Movement in temporary differences during current and previous year

Movement in temporary differences during current and previous year (₹ in Lakhs)

| Particulars | Property, Plant & equipment | Deemed Equity investment | Impacts of Recognition of Financial Instruments measured initially at fair value and subsequently at amortised cost | Provision for Impairment of Doubtful Trade receivables | Carry forward losses | others |
|--------------------------------|-----------------------------|--------------------------|---|--|----------------------|-----------|
| Balance as at April 1, 2015 | -54,797.88 | -9,012.21 | -2,865.63 | 1.09 | 46,358.60 | 4,066.12 |
| Recognised in income statement | -13,381.87 | -25,354.74 | 6,107.80 | -0.35 | 5,992.77 | 8,133.38 |
| Recognised in OCI | | | | | | -7.10 |
| Recognised in Equity | | | | | | |
| Balance as at March 31, 2016 | -68,179.75 | -34,366.95 | 3,242.17 | 0.74 | 52,351.37 | 12,192.39 |
| Recognised in income statement | 55,730.02 | -920.78 | -63,749.92 | 2.46 | 17,286.00 | 359.82 |
| Recognised in OCI | | | | | | 5.08 |
| Recognised in Equity | | | | | | |
| Balance as at March 31, 2017 | -12,449.73 | -35,287.73 | -60,507.74 | 3.20 | 69,637.37 | 12,557.29 |

| Unrecognised deferred tax asset | As at 31st March 2017 | As at 31st March 2016 | As at 1st April 2015 |
|----------------------------------|-----------------------|-----------------------|----------------------|
| Unrecognised deferred tax asset | | | |
| Deductible temporary differences | 17,616.74 | 15,792.31 | 19,813.64 |
| Unrecognised tax losses | 21,709.88 | 16,466.84 | 13,850.62 |
| Total | 39,326.62 | 36,259.16 | 33,664.26 |

Considering the probability of future taxable profits in the period in which tax losses expire, deferred tax assets have not been recognized in respect of tax losses carried forward by the Company. Of the above, some tax losses expire at various dates.

| Income Tax Expenses recognised | As at March 2017 | As at March 2016 |
|--|------------------|------------------|
| Deferred Tax expense/(Reversal) in P&L | (10,655.12) | 18,494.63 |
| Deferred Tax expense/(Reversal) in OCI | (3.68) | (13.40) |
| Total | (10,658.80) | 18,481.23 |



2.49 Employee Benefits

A Defined Benefit Plans / Long Term Compensated Absences – As per Actuarial Valuation on March 31, 2017

(₹ In Lakhs)

| Particulars | Gratuity | | Leave Encashment & Sick Leave | |
|--|-----------------|-----------------|-------------------------------|-----------------|
| | Unfunded | | Unfunded | |
| | 31st March 2017 | 31st March 2016 | 31st March 2017 | 31st March 2016 |
| Change in benefit obligations | | | | |
| Defined Benefit Obligation at beginning of the period | 188.71 | 224.94 | 166.73 | 253.66 |
| Current Service Cost | 35.07 | 49.30 | 37.50 | 60.69 |
| Interest Expenses | 9.52 | 18.80 | 9.84 | 16.45 |
| Curtailment gain | - | - | - | - |
| Transfer of obligation | (85.71) | - | (75.73) | - |
| Benefits paid | (61.37) | (62.65) | (47.74) | (82.94) |
| Remeasurements - Actuarial (Gains) / Losses | (11.84) | (41.68) | (36.62) | (81.13) |
| Defined Benefit Obligation at the end of the period | 74.39 | 188.71 | 53.98 | 166.73 |

| Recognised in the statement of profit and loss under employee benefit expenses | | | | |
|--|--------------|--------------|--------------|--------------|
| Current Service Cost | 35.07 | 49.30 | 37.50 | 60.69 |
| Net Interest on the net defined benefit liability / asset | 9.52 | 18.80 | 9.84 | 16.45 |
| Curtailment gain | - | - | - | - |
| Net periodic benefit cost recognised in the statement of profit & loss at the end of period | 44.59 | 68.10 | 47.35 | 77.15 |

| Remeasurements of the net defined benefit liability / (asset) | | | | |
|--|---------|---------|---------|---------|
| Actuarial (gains) / losses | (11.84) | (41.68) | (36.62) | (81.13) |
| (Return) / loss on plan assets excluding amounts included in the net interest on the net defined benefit liability / (asset) | - | - | - | - |

| Actuarial Assumptions: | | | | |
|---|-------------|-------------|-------------|-------------|
| Discount Rate | 7.70 % p.a. | 8.00 % p.a. | 7.70 % p.a. | 8.00 % p.a. |
| Rate of increase of compensation levels | 7.50 % p.a. | 7.50 % p.a. | 7.50 % p.a. | 7.50 % p.a. |
| Expected average remaining working lives of employees | 11.29 | 11.34 | 10.94 | 11.28 |
| Mortality Table | | | | |

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The attrition rate varies from 2% to 8% (previous year 2% to 8%) for various age groups.

Remeasurement of the net defined benefit liability recognised in other comprehensive income

(₹ In Lakhs)

| Particulars | March 31, 2017 | March 31, 2016 |
|---|----------------|----------------|
| Amount recognised in other comprehensive income for the year ending March 31, 2017 and March 31, 2016 | | |
| Remeasurement (gain)/loss arising from | | |
| - Change in demographic assumptions | - | 0.18 |
| - Change in financial assumptions | 0.53 | (5.18) |
| - Experience variance | (12.37) | (36.68) |
| - Return on plan assets, excluding amount recognised in net interest expense / Income | - | - |
| | (11.84) | (41.68) |

Sensitivity Analysis of significant actuarial assumption

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase

The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis is given below:

(₹ In Lakhs)

| Gratuity | March 31, 2017 | | March 31, 2016 | |
|--|----------------|----------|----------------|----------|
| | Decrease | Increase | Decrease | Increase |
| Discount rate (-/+ 1%) | 77.32 | 63.38 | 199.40 | 166.02 |
| (% change compared to base due to sensitivity) | 10.79% | -9.19% | 8.86% | -9.36% |
| Salary Growth Rate (-/+1%) | 64.50 | 75.90 | 170.69 | 193.38 |
| (% change compared to base due to sensitivity) | -7.58% | 8.75% | -6.81% | 5.57% |
| Withdrawal Rate (-/+1%) | 69.50 | 70.08 | 179.80 | 183.08 |
| (% change compared to base due to sensitivity) | -0.42% | 0.41% | -1.84% | -0.05% |



| Leave Encashment & Sick Leave | March 31, 2017 | | March 31, 2016 | |
|--|----------------|----------|----------------|----------|
| | Decrease | Increase | Decrease | Increase |
| Discount rate (-/+ 1%) | 2% | 2% | 2% | 2% |
| (% change compared to base due to sensitivity) | 7.58% | 7.82% | 7.88% | 8.12% |
| Salary Growth Rate (-/+1%) | 9% | 9% | 10% | 10% |
| (% change compared to base due to sensitivity) | 6.83% | 8.18% | 6.75% | 8.25% |
| Salary Growth Rate (-/+1%) | 1% | 1% | 1% | 1% |
| (% change compared to base due to sensitivity) | 5.00% | 5.00% | 6.00% | 6.00% |

b Defined Contribution Plans-

Accounts recognized as an expense and included in the Note No. 2.29 contribution to Provident and other funds of Profit and Loss accounts ₹ 92.73 Lakhs (Previous Year 169.40 Lakhs)

2.50 Trade Receivables

The company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information. The expected credit loss allowance is based on the ageing of the days the receivables are due, the rates as given in the provision matrix and qualitative management review on case to case basis. The provision matrix at the end of the reporting period is as follows:

(₹ In Lakhs)

| Age of Receivables | Expected Credit loss % |
|----------------------------|------------------------|
| 0-30 days past due | - |
| 31 days - 1 year past due | - |
| 1 year - 3 years past due | - |
| More than 3 years past due | 100% |

| Age of Receivables | As at March 31, 2017 | As at March 31, 2016 |
|----------------------------|----------------------|----------------------|
| 0-30 days past due | 6,590.76 | 1,251.50 |
| 31 days - 1 year past due | 7,502.37 | 4,047.08 |
| 1-3 year past due | 6,179.21 | 9,324.35 |
| More than 3 years past due | 6,267.40 | 4,551.39 |
| TOTAL | 26,539.74 | 19,174.32 |

| Movement in Expected Credit loss allowance | As at March 31, 2017 | As at March 31, 2016 |
|---|----------------------|----------------------|
| Balance at the beginning of the year | 14,838.41 | 13,876.40 |
| Movement in expected credit loss allowance on trade receivables calculated at lifetime expected credit losses | (1,591.71) | 962.01 |
| Balance at the end of the year | 13,246.70 | 14,838.41 |



2.51 Summary of borrowing arrangements:
(Refer Annexure - I)

2.52 Particulars of unhedged foreign currency exposure as at balance sheet date -

| Particulars | Currency | Details |
|--------------------|----------|---|
| Creditors | USD | ₹ 29.75 Lakhs (USD 0.46 Lakhs @ Closing Rate of 1 USD = ₹ 65.18) (FY 2015-16 ₹ 30.41 Lakhs (USD 0.46 Lakhs @ Closing Rate of 1 USD = ₹ 66.62)) (1st April, 2015 ₹ 28.70 Lakhs (USD 0.46 Lakhs @ Closing Rate of 1 USD = ₹ 62.87)) |
| | GBP | ₹ 1.22 Lakhs (GBP 0.015 Lakhs @ Closing Rate of 1 GBP = ₹ 81.17) (FY 2015-16 - ₹ 1.42 Lakhs (GBP 0.015 Lakhs @ Closing Rate of 1 USD = ₹ 94.97)) (1st April, 2015 - ₹ 1.39 Lakhs (GBP 1500 @ closing Rate of 1 GBP = Rs.92.55)) |
| | Euro | FY 2016-17 - Nil. FY 2015-16 - Nil. 1st April, 2015 - ₹ 70.82 Lakhs (EURO 1,04,250 @ closing rate of 1 EURO = ₹ 67.93) |
| | CHF | FY 2016-17 - Nil. FY 2015-16 - Nil. 1st April, 2015 - ₹ 101.96 Lakhs (CHF 158,287.60 @ Closing rate of 1 CHF = Rupees 64.21) |
| Advance to Vendors | GBP | FY 2016-17 - ₹ 9.69 Lakhs (GBP 0.119 Lakhs @ Closing rate of 1 GBP = ₹ 80.94) (FY 2015-16 - ₹ 11.38 Lakhs (GBP 0.119 Lakhs @ Closing rate of 1 GBP = ₹ 94.97)) 1st April, 2015 - ₹ 11.07 Lakhs (GBP 0.119 Lakhs @ Closing rate of 1 GBP = ₹ 92.46) |
| | EURO | FY 2016-17 - ₹ 96.02 Lakhs (EURO 1.39 Lakhs @ Closing Rate of 1 EURO = ₹ 69.24) (FY 2015-16 - ₹ 103.93 Lakhs (EURO 1.39 Lakhs @ Closing Rate of 1 EURO = ₹ 74.94)) 1st April, 2015 - ₹ 93.76 Lakhs (EURO 1.39 Lakhs @ Closing Rate of 1 EURO = ₹ 67.61) |

2.51 Disclosure required by Micro, Small and Medium Enterprises (Development) Act, 2006.

As per requirement of Section 22 Micro, Small & Medium Enterprises Development Act, 2006 following information is disclosed:

(₹ In Lakhs)

| Particulars | As at March 31, 2017 | As at March 31, 2016 |
|--|----------------------|----------------------|
| Principal amount remaining unpaid to any supplier as at the end of each accounting year. | 3.97 | 2.39 |
| Interest due on (i) above remaining unpaid | 0.05 | 0.15 |
| Amounts paid beyond the appointed day during the accounting year | - | - |
| Interest paid on (iii) above | - | - |
| Interest due and payable on (iii) above | - | - |
| Interest accrued and remaining unpaid at the end of the accounting year | 0.05 | 0.15 |
| Interest remaining unpaid of the previous years for the purpose of disallowance under the Income Tax Act, 1961 | 0.05 | 0.15 |
| The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors. | | |

2.53 Details of Foreign Currency Expenditure

(₹ In Lakhs)

| Particulars | March 31st 2017 | March 31st 2016 | 1st April, 2015 |
|------------------------------------|-----------------|-----------------|-----------------|
| Professional Fees & Design Charges | 1.61 | 5.16 | 1.03 |
| Travelling & Other Expenses | 3.80 | 2.59 | 30.61 |
| Consultancy Charges | - | 17.75 | 119.57 |
| Capital item purchases | - | - | 23.93 |
| Salary | - | - | 45.27 |
| Total | 5.41 | 25.50 | 220.40 |



2.54 Operating Lease

| Particulars | (₹ In Lakhs) | |
|---|----------------------|----------------------|
| | As at March 31, 2017 | As at March 31, 2016 |
| a) Future Lease Rental payments | | |
| i) Not later than one year | 207.26 | 309.02 |
| ii) Later than one year and not later than five years | 283.69 | 683.42 |
| iii) Later than five years | 11.01 | 10.07 |
| b) Lease payment recognised during the year | 239.44 | 312.46 |
| c) General description of the leasing arrangement: | | |
| i) Leased Assets : Office Premise & Employee Accommodation | - | - |
| ii) Future lease rental payments are determined on the basis of lease payable as per the agreement. | - | - |

2.55 Asset classified as held for sale

| Particulars | (₹ in Lakhs) | | |
|-------------------|----------------------|----------------------|---------------------|
| | As at March 31, 2017 | As at March 31, 2016 | As at April 1, 2015 |
| Building and CWIP | 200.00 | 200.00 | 200.00 |
| Land | 0.18 | 0.18 | 0.18 |
| TOTAL | 200.18 | 200.18 | 200.18 |

The Company, intends to dispose of a parcel of Land along with the Building and CWIP constructed on it, since it does not intend to utilize it in future. Building has been depreciated till 31st March 2015 and thereafter classified as Property Held for Sale with no depreciation charged from 1st April 2015. Some component of the building which was under construction (CWIP) has also been earmarked as held for sale in "as is where is" basis. Buyer for these assets has been identified with the terms of sale being under negotiation. Loss to the tune of ₹ 502.90 Lakhs has been recognized on reclassification of Building and CWIP assets held for sale as at 31st March, 2017, as the Directors of the Company expect to close the deal with above buyer at fair value, which is lower than the carrying amount.

2.56 Disclosures as per Notification GSR 308 (E) dated March 30th, 2017 of Ministry of Corporate Affairs in respect of details of Specified Bank Notes (SBN) held and transacted during the period November 08, 2016 to December 30, 2016.

| Particulars | (Amount in ₹) | | |
|---------------------------------------|---------------|--------------------------|---------------|
| | SBNs | Other Denomination Notes | Total |
| Closing cash in hand as on 08.11.2016 | 2,903,500.00 | 254,141.00 | 3,157,641.00 |
| Advances with employees 08.11.2016 | 1,016,500.00 | 98.00 | 1,016,598.00 |
| (+) Permitted receipts | - | 12,801,406.00 | 12,801,406.00 |
| (-) Permitted Payments | - | 518,999.00 | 518,999.00 |
| (-) Amount deposited in Banks | 3,920,000.00 | 12,138,047.00 | 16,058,047.00 |
| Closing cash in hand as on 30.12.2016 | - | 398,599.00 | 398,599.00 |

2.57 Change in the Group's ownership interest in Subsidiaries

| Entity | % Disposal | Proceeds | (Amount in ₹) | |
|----------------------------|------------|------------|-----------------------------|-------------------------------------|
| | | | Non - Controlling Interests | Retained Earnings / Profit and Loss |
| Kart Racers Limited | 10.00% | 50,000.00 | (223,000.00) | 223,000.00 |
| Osprey Hospitality Limited | 99.88% | 499,400.00 | - | 293,000.00 |

The above interest in Subsidiary were disposed off by the Group during the year. The proceeds from the disposal have been split to
a. Non Controlling Interest based on proportionate share of the carrying amount of the net assets of the respective Subsidiary and
b. The difference in increase in Non Controlling Interest and considerations received has been credited to Retained Earnings / Profit and Loss.

2.58 In respect of Green Hills Residences Limited, in earlier years, the cancellation of Joint Venture agreement by Lavasa Corporation Limited was challenged by the investor and the matter was referred to the arbitration. During the year, joint venturers entered into agreement and the disputes were settled mutually. As per the settlement agreement, equity shares held by investor would be transferred to Lavasa Corporation Limited. However, the process of transfer has not yet been completed, pending which Green Hills Residences Limited has been considered as Joint Venture in the Consolidated Financial Statements.

2.59 Changes in the Group's ownership interest in an Associate

In the prior year, the Group held a 27 % interest in Warasgaon Lake View Hotel Limited (WLVHL) and accounted for the investment as an Associate. In March 2017, the Group disposed of 7.89 % in Warasgaon Lake View Hotel Limited (WLVHL) on account of invocation of shares towards adjustment of dues by L&T Infrastructure Limited to the tune of ₹ 280.51 Lakhs. The Group has accounted for the remaining 19.11% interest as an equity investment at FVTOCI whose fair value at the date of disposal was ₹ 900.33 Lakhs. This transaction has resulted in the recognition of loss in profit or loss, calculated as under:

| (₹ in Lakhs) | |
|--|-----------------|
| Proceeds of disposal | 280.51 |
| Add: Fair Value of investment retained (19.11%) | 900.33 |
| Less: Carrying amount of investment on the date of loss of significant influence | (1,311.80) |
| Loss recognised | (130.96) |



2.60 Group interest in Subsidiaries, Joint Ventures and Associates as per Ind AS 112 and additional disclosure as per schedule III - refer annexure II

2.61 In view of the nature of the industry, the amount of inventories expected to realize after a period of twelve months cannot be ascertained.

2.62 In the opinion of the Board, any of the assets other than fixed assets and non-current investments do not have a value on realization in the ordinary course of business lower than at least equal to the amount at which they are stated

2.63 Company has not made provision for cumulative dividend payable excluding dividend distribution tax, towards 0.001% cumulative redeemable preference shares amounting to ₹ 1,342.22 Lakhs (previous year ₹ 1,117.50 Lakhs), in absence of distributable profits.

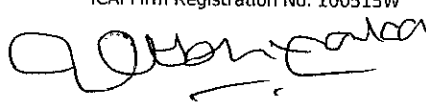
2.64 Other additional information pursuant to the provisions of paragraph 5 (viii) of general instructions for preparation of statement of profit and loss as per Schedule III to the Companies Act, 2013 is either nil or not applicable.

2.65 Previous year's figures have been regrouped/recasted where necessary.

As per our Report of even date

For and on behalf of the Board of Directors

For G. D. Apte & Co.
Chartered Accountants
ICAI Firm Registration No. 100515W



U. S. Abhyankar
Partner
Membership No. 113053



Place: Mumbai
Date : 24th April, 2017



Prithpal Singh
Director
DIN : 02874744



Shrikant Panda
Director
DIN : 05317116

Place: Mumbai
Date : 24th April, 2017



Dattatray Mengde
Director
DIN : 02874705

Rajiv Duggal
Chief Executive Officer

Annexure I

| Particulars | Principal Repayment Outstanding as on March 31, 2017* | 2017-18 | 2018-19 | 2019-20 | 2020-21 Onwards | Total | Overdue Principal as on 31st March 17 >=1 Month | Overdue Principal as on 1 to 3 Months | Overdue Principal as on 17 to 3 to 6 Months | Overdue Principal as on 31st March 17 more than 6 Months | Overdue Interest as on 1 to 3 Months | Overdue Interest as on 3 to 6 Months | Overdue Interest as on 31st March 17 more than 6 Months |
|--|---|-----------|-----------|-----------|-----------------|------------|---|---------------------------------------|---|--|--------------------------------------|--------------------------------------|---|
| Loans from Banks | 37,218.66 | 11,194.00 | 3,700.00 | - | - | 14,894.00 | 2,241.75 | - | - | - | 234.75 | 213.19 | - |
| on Bank of India | 9,758.85 | 1,000.00 | 1,000.00 | 8,752.24 | - | 9,752.24 | - | - | - | - | 128.93 | 31.95 | - |
| on Bank of India - new-OD | 4,422.88 | 1,685.94 | 1,200.00 | 1,080.00 | - | 4,371.94 | 237.19 | - | - | - | 18.12 | 18.12 | - |
| Karnataka Bank Ltd. | 1,200.00 | 2,650.00 | 1,500.00 | 13,299.00 | - | 14,799.00 | 530.00 | - | 550.00 | - | 15.23 | 15.23 | - |
| Karnataka Bank Ltd. - New-OD | 7,865.00 | 2,650.00 | 1,500.00 | 13,299.00 | - | 14,799.00 | 530.00 | - | 550.00 | - | 15.23 | 15.23 | - |
| Bank Limited | 970.20 | 392.00 | 392.00 | - | - | 764.00 | 80.00 | - | 80.00 | - | 21.63 | 21.63 | - |
| Bank Limited (New) | 69.02 | 2,650.00 | 2,650.00 | 49.02 | - | 5,408.04 | 69.02 | - | 80.00 | - | 1.40 | 3.92 | - |
| Operation Bank - New | 21,276.00 | 7,679.00 | 600.00 | 5,276.00 | - | 34,831.00 | 1,535.75 | - | 1,535.75 | - | 7.80 | 14.57 | - |
| Jain National Bank | 5,876.00 | 474.00 | 65.50 | 430.18 | - | 6,845.78 | 369.65 | - | 369.65 | - | 88.41 | 164.97 | - |
| Jain National Bank - New | 961.00 | 474.00 | 65.50 | 430.18 | - | 1,930.78 | 1,020.25 | - | 1,020.25 | - | 18.31 | 34.16 | - |
| Mental Bank of Commerce | 496.68 | 1,848.25 | 662.00 | 870.00 | - | 3,876.93 | 362.50 | - | 362.50 | - | 69.77 | 130.19 | - |
| Mental Bank of Commerce - New | 1,020.00 | 1,810.00 | 650.00 | 870.00 | - | 4,350.00 | 362.50 | - | 362.50 | - | 191.13 | 291.01 | - |
| Bank of Baroda | 5,193.50 | 1,810.00 | 500.00 | 3,100.00 | - | 10,603.50 | 7,500.00 | - | 7,500.00 | - | 495.62 | 820.33 | - |
| Bank of Baroda - New | 3,690.00 | 7,500.00 | 7,500.00 | 3,100.00 | - | 22,790.00 | 1,652.75 | - | 1,652.75 | - | 186.98 | 352.72 | - |
| Bank of India | 22,500.00 | 8,263.00 | 2,650.00 | 6,500.00 | - | 38,413.00 | 15,000.00 | - | 15,000.00 | - | 77.52 | 144.25 | - |
| Bank of India - New | 34,217.50 | 8,263.00 | 2,650.00 | 6,500.00 | - | 50,637.50 | 675.00 | - | 675.00 | - | 72.95 | 136.27 | - |
| Bank of India - Corp Loan | 6,000.50 | 3,375.00 | 440.00 | 3,960.00 | - | 13,775.50 | 675.00 | - | 675.00 | - | 67.33 | 136.27 | - |
| Bank of Hyderabad | 4,400.00 | 7,506.79 | 100.00 | 200.00 | - | 12,606.79 | 1,795.33 | - | 1,795.33 | - | 46.99 | 94.98 | - |
| Bank of Hyderabad - new | 4,400.00 | 7,506.79 | 100.00 | 200.00 | - | 12,606.79 | 1,795.33 | - | 1,795.33 | - | 46.99 | 94.98 | - |
| Hydrex Asset Reconstruction Co. Ltd | 7,506.79 | - | - | - | - | 7,506.79 | - | 671.43 | - | - | - | - | - |
| Loans - Secured from others | 1,795.33 | 75.00 | 100.00 | 100.00 | 1,495.33 | 1,795.33 | - | - | - | - | - | - | - |
| Bank | 400.00 | 11.53 | 23.05 | 69.16 | 4,506.64 | 4,610.37 | - | - | - | - | - | - | - |
| Bank of India | 12,099.76 | 30.25 | 60.50 | 181.50 | 11,827.52 | 12,099.76 | - | - | - | - | - | - | - |
| Bank Ltd | 28,594.00 | 71.49 | 142.97 | 428.91 | 27,950.64 | 28,594.00 | - | - | - | - | - | - | - |
| Bank of India | 17,378.34 | 43.45 | 86.89 | 260.67 | 16,987.32 | 17,378.34 | - | - | - | - | - | - | - |
| Bank of India | 2,681.67 | 15.65 | 31.30 | 99.89 | 6,116.17 | 6,259.00 | - | - | - | - | - | - | - |
| Bank Limited | 26,430.19 | 66.08 | 132.15 | 396.45 | 25,835.51 | 26,430.19 | - | - | - | - | - | - | - |
| Bank | 253,237.71 | 46,684.62 | 26,188.36 | 44,480.32 | 94,846.12 | 412,437.13 | 15,279.59 | 671.43 | 5,900.65 | 16,430.39 | 3,445.78 | 4,941.02 | 20,742.71 |
| Secured Interest Term Loan | 92.34 | - | - | - | - | 92.34 | - | - | - | - | - | - | - |
| Operation Bank | 949.00 | - | - | - | - | 949.00 | - | - | - | - | - | - | - |
| State National Bank | 56.00 | - | - | - | - | 56.00 | - | - | - | - | - | - | - |
| Bank of Commerce | 205.00 | - | - | - | - | 205.00 | - | - | - | - | - | - | - |
| Bank of Baroda | 359.90 | - | - | - | - | 359.90 | - | - | - | - | - | - | - |
| Bank of India | 653.00 | - | - | - | - | 653.00 | - | - | - | - | - | - | - |
| Bank of Hyderabad | 2,309.24 | - | - | - | - | 2,309.24 | - | - | - | - | - | - | - |
| Total - (B) | 7,570.73 | - | - | - | - | 7,570.73 | - | - | - | - | - | - | - |
| Unsecured Loan | 2,045.00 | - | - | - | - | 2,045.00 | - | - | - | - | - | - | - |
| Infrastructure Finance Company - WCTL | 26,400.00 | 1,375.00 | 2,200.00 | 3,025.00 | 19,800.00 | 49,700.00 | - | - | - | - | - | - | - |
| WCTL | 19,332.00 | 48.33 | 96.66 | 289.98 | 18,897.03 | 39,665.97 | 137.50 | - | - | - | - | - | - |
| Infrastructure Finance Company Limited | 64,323.11 | 1,423.33 | 2,296.66 | 3,314.98 | 38,697.03 | 110,355.11 | 137.50 | 750.00 | 750.00 | 4,475.38 | 887.99 | 484.80 | 2,896.79 |
| Total - (C) | 9,639.00 | - | - | - | - | 9,639.00 | - | - | - | - | - | - | - |
| Convertible Debentures | 9,639.00 | - | - | - | - | 9,639.00 | - | - | - | - | - | - | - |
| Bank & Kashmir Bank | 9,945.00 | - | - | - | - | 9,945.00 | - | - | - | - | - | - | - |
| Investment Holding India Limited | 1,500.00 | - | - | - | - | 1,500.00 | - | - | - | - | - | - | - |
| Bank | 25,000.00 | - | - | - | - | 25,000.00 | - | - | - | - | - | - | - |
| (ARCIL) | 46,084.00 | - | - | - | - | 46,084.00 | - | - | - | - | - | - | - |
| Total - (D) | 1,200.00 | - | - | - | - | 1,200.00 | - | - | - | - | - | - | - |
| Total - (E) | 367,154.06 | 48,107.95 | 28,485.02 | 47,795.30 | 134,743.15 | 627,175.48 | 15,927.09 | 1,421.43 | 6,560.65 | 61,670.79 | 5,551.32 | 7,321.25 | 9,193.78 |
| Grand Total - (A+B+C+D+E) | | | | | | | | | | | | | 48,590.15 |

* The loans bear interest rate ranging from approximately 15.00% to 16.00% and calculated based on WACC 14.5%



Annexure - II Group Interest in Subsidiaries, Joint Ventures and Associates as per Ind AS 112, Disclosure of Interest in Other Entities - Refer Note 2.60
Interest in other entities

a) Subsidiaries

The Group's subsidiaries as at 31 March 2017 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the Group, and the proportion of ownership interests held equals the voting right held by the Group. The country of incorporation or registration is also their principal place of business.

| Sl. No. | Name of the entity | Country of Incorporation | % of Ownership interest held by the Group* | | | | Principal activities |
|---------|--|--------------------------|--|------------|------------|------------|---|
| | | | 31.03.2017 | 31.03.2016 | 01.04.2015 | 31.03.2017 | |
| 1 | Lavasa Hotel Limited | India | 100.00 | 100.00 | 100.00 | - | Hotel (Hospitality) |
| 2 | Lakeshore Watersports Company Limited | India | 100.00 | 100.00 | 100.00 | - | Watersport operations |
| 3 | Davee Convention Center Limited | India | 100.00 | 100.00 | 100.00 | - | Hospitality services |
| 4 | Davee Business Hotel Limited | India | 100.00 | 100.00 | 100.00 | - | Entertainment and Hospitality |
| 5 | Davee Hospitality Institutes Limited | India | 100.00 | 100.00 | 100.00 | - | Educational services |
| 6 | Lakeview Clubs Limited | India | 100.00 | 100.00 | 100.00 | - | Clubs |
| 7 | Davee Retail Limited | India | 100.00 | 100.00 | 100.00 | - | Retail and leasing business |
| 8 | Full Spectrum Adventure Limited | India | 90.91 | 90.91 | 90.91 | 9.09 | Adventure Sports |
| 9 | Lavasa Bambocrafts Limited | India | 100.00 | 100.00 | 100.00 | - | Manufacturing and sale of bamboo articles |
| 10 | My City Technology Limited | India | 63.00 | 63.00 | 63.00 | 37.00 | Information and Communication Technology |
| 11 | Reasonable Housing Limited | India | 100.00 | 100.00 | 100.00 | - | Housing business |
| 12 | Future City Multiservices Sez Limited | India | 100.00 | 100.00 | 100.00 | - | Development of special economic zone |
| 13 | Verzon Hospitality Limited | India | 100.00 | 100.00 | 100.00 | - | Hostel services |
| 14 | Rhapsody Commercial Spaces Limited | India | 100.00 | 100.00 | 100.00 | - | Leasing business |
| 15 | Valley View Entertainment Limited | India | 100.00 | 100.00 | 100.00 | - | Entertainment services |
| 16 | Warasgaon Tourism Limited | India | 100.00 | 100.00 | 100.00 | - | Transport and Tourism |
| 17 | Our Home Service Apartments Limited | India | 100.00 | 100.00 | 100.00 | - | Hotel (Hospitality) |
| 18 | Warasgaon Power Supply Limited | India | 100.00 | 100.00 | 100.00 | - | Concession agreement with Lavasa Corporation Limited to design, develop, engineer, procure, construct, operate and maintain the power / electricity infrastructure facility |
| 19 | Sahyadhi City Management Limited | India | 100.00 | 100.00 | 100.00 | - | City management |
| 20 | Hill City Service Apartments Limited | India | 100.00 | 100.00 | 100.00 | - | Hotel (Hospitality) |
| 21 | Kart Racers Limited | India | 90.00 | 100.00 | 100.00 | 10.00 | Adventure Sports |
| 22 | Nature Lovers Retail Limited | India | 100.00 | 100.00 | 100.00 | - | Retail services |
| 23 | Warasgaon Valley Hotels Limited | India | 100.00 | 100.00 | 100.00 | - | Hotel (Hospitality) |
| 24 | Rosebay Hotels Limited | India | 100.00 | 100.00 | 100.00 | - | Hotel (Hospitality) |
| 25 | Mugeon Luxury Hotels Limited | India | 100.00 | 100.00 | 100.00 | - | Hotel (Hospitality) |
| 26 | Warasgaon Assets Maintenance Limited | India | 100.00 | 100.00 | 100.00 | - | Concession agreement with Lavasa Corporation Limited to design, develop, engineer, procure, construct, operate and maintain the power / electricity infrastructure facility |
| 27 | Hill View Parking Services Limited | India | 100.00 | 100.00 | 100.00 | - | Parking services |
| 28 | Warasgaon Infrastructure Providers Limited | India | 100.00 | 100.00 | 100.00 | - | Infrastructure Services |
| 29 | Starlit Resort Limited | India | 100.00 | 100.00 | 100.00 | - | Hotel (Hospitality) |
| 30 | Oasrey Hospitality Limited | India | 100.00 | 100.00 | 100.00 | - | Hotel (Hospitality) |
| 31 | Sirrah Palace Hotels Limited | India | 100.00 | 100.00 | 100.00 | - | Hotel (Hospitality) |

* Including through subsidiary companies



b) Non Controlling Interest (NCI)

Financial information of subsidiaries that have material non-controlling interests is provided below:

| Information regarding Non-Controlling Interest | | | | |
|---|----------------|----------------|---------------|--------------|
| Particulars | March 31, 2017 | March 31, 2016 | April 1, 2015 | (₹ in lakhs) |
| Accumulated Balances of material Non-Controlling Interest: | | | | |
| Kart Racers Limited | (2.00) | - | - | |
| Full Spectrum Adventure Limited | (107.98) | (84.85) | (70.25) | |
| My City Technology Limited | 385.83 | 458.02 | 733.24 | |
| Profit/(Loss) allocated to material Non-Controlling Interest: | | | | |
| Kart Racers Limited | (0.27) | - | - | |
| Full Spectrum Adventure Limited | (23.14) | (14.60) | (35.36) | |
| My City Technology Limited | (72.19) | (275.21) | (55.12) | |

The following table summarizes the information relating to each of the Group's subsidiaries that has material Non Controlling interest, before any intra-Group eliminations

| March 31, 2017 | (₹ in lakhs) | | | |
|---|---------------------|----------------------------|---------------------------------|-------|
| | Kart Racers Limited | My City Technology Limited | Full Spectrum Adventure Limited | |
| NCI percentage | 10.00% | 37.00% | | 9.09% |
| Balance Sheet as at March 31, 2017 | | | | |
| Non current assets | | | | |
| Property, Plant and Equipment | - | 43.14 | 343.07 | |
| Financial Assets | - | 37.02 | 1.44 | |
| Other Non-Current Assets | - | - | - | |
| Current assets | | | | |
| Financial Assets | 0.00 | 1,368.98 | 73.07 | |
| Other Current Assets | 0.00 | 34.14 | 25.24 | |
| Non current liabilities | | | | |
| Financial Liabilities | - | - | - | |
| Other Non-Current Liabilities | - | - | - | |
| Provisions | - | 1.68 | 1.81 | |
| Current liabilities | | | | |
| Financial Liabilities | 19.81 | 421.06 | 2,087.52 | |
| Other Current Liabilities | 0.23 | 17.54 | 39.27 | |
| Provisions | - | 0.19 | 2.74 | |
| Total Equity | (20.03) | 1,042.81 | (1,688.52) | |
| Attributable to: | | | | |
| Equity holders of parent | (18.03) | 656.98 | (1,580.53) | |
| Non-Controlling interest | (2.00) | 385.83 | (107.99) | |
| Statement of Profit and Loss for the year ended March 31, 2017 | | | | |
| Revenue | 0.02 | 58.85 | 228.42 | |
| Cost of raw material and components consumed and Operating Expenses | - | 4.81 | 140.67 | |
| Employee Benefit Expenses | - | 29.81 | 33.40 | |
| Finance Cost | 2.10 | 0.04 | 252.78 | |
| Depreciation and Amortization | - | 16.40 | 27.80 | |
| Impairment of Assets | - | 98.06 | - | |
| Other Expenses | 0.63 | 105.59 | 33.89 | |
| Profit before tax | (2.71) | (195.87) | (260.11) | |
| Income tax | - | - | - | |
| Profit for the year from continuing operations | (2.71) | (195.87) | (260.11) | |



| | | | | |
|---|----------------------------|---------------------------------|--|--------------|
| Other Comprehensive Income | | 0.77 | | 0.08 |
| Total comprehensive income | (2.71) | (195.10) | | (260.03) |
| Profit allocated to NCI | (0.27) | (72.47) | | (23.14) |
| OCI allocated to NCI | | 0.28 | | 0.01 |
| Total comprehensive income allocated to NCI | (0.27) | (72.19) | | (23.14) |
| Dividend Paid to NCI | | | | |
| Statement of Cash Flows for the year ended March 31, 2017 | | | | |
| Cash flow from operating activities | (4.01) | (13.66) | | (783.77) |
| Cash flow from investing activities | | 10.00 | | |
| Cash flow from financing activities | 3.78 | 1.21 | | 759.18 |
| Net increase/ (decrease) in cash and cash equivalents | (0.23) | (2.46) | | (24.59) |
| | | | | (₹ in lakhs) |
| March 31, 2016 | My City Technology Limited | Full Spectrum Adventure Limited | | |
| NCI percentage | 37.00% | 9.09% | | |
| Balance Sheet as at March 31, 2016 | | | | |
| Non current assets | | | | |
| Property, Plant and Equipment | 157.60 | 370.87 | | |
| Financial Assets | 44.90 | 1.44 | | |
| Other Non-Current Assets | | | | |
| Current assets | | | | |
| Financial Assets | 1,434.68 | 92.23 | | |
| Other Current Assets | 33.76 | 13.84 | | |
| Non current liabilities | | | | |
| Financial Liabilities | | | | |
| Other Non-Current Liabilities | 1.40 | 1.80 | | |
| Provisions | | | | |
| Current liabilities | 408.03 | 1,873.99 | | |
| Financial Liabilities | 20.95 | 29.52 | | |
| Other Current Liabilities | 1.66 | 1.56 | | |
| Provisions | 1,237.90 | (1,428.49) | | |
| Total Equity | 779.88 | (1,343.64) | | |
| Attributable to: | | | | |
| Equity holders of parent | 458.02 | (84.85) | | |
| Non-Controlling Interest | | | | |
| Statement of Profit and Loss for the year ended March 31, 2016 | | | | |
| Revenue | 140.82 | 276.20 | | |
| Cost of raw material and components consumed and Operating Expenses | 105.37 | 355.02 | | |
| Employee Benefit Expenses | 66.17 | 34.51 | | |
| Finance Cost | | 157.99 | | |
| Depreciation and Amortization | 47.28 | 37.10 | | |
| Impairment of Assets | 286.53 | | | |
| Other Expenses | 402.91 | 52.32 | | |
| Profit before tax | (747.44) | (160.74) | | |
| Income tax | | | | |
| Profit for the year from continuing operations | (747.44) | (160.74) | | |
| Other Comprehensive Income | 3.62 | 0.12 | | |
| Total comprehensive income | (743.82) | (160.61) | | |
| Profit allocated to NCI | (276.55) | (14.61) | | |
| OCI allocated to NCI | 1.34 | 0.01 | | |
| Total comprehensive income allocated to NCI | (275.21) | (14.60) | | |



| Dividend Paid to NCI | | | |
|---|----------------------------|---------------------------------|------------|
| Statement of Cash Flows for the year ended March 31, 2016 | | | |
| Cash flow from operating activities | | | (2.61) |
| Cash flow from investing activities | | (16.06) | (0.68) |
| Cash flow from financing activities | | 12.32 | (2.76) |
| Net increase/ (decrease) in cash and cash equivalents | | (3.74) | (6.05) |
| (R in lakhs) | | | |
| April 1, 2015 | My City Technology Limited | Full Spectrum Adventure Limited | |
| NCI percentage | 37.00% | | 9.09% |
| Balance Sheet as at April 1, 2015 | | | |
| Non current assets | | | |
| Property, Plant and Equipment | | 463.73 | 407.29 |
| Financial Assets | | 62.09 | 1.53 |
| Other Non-Current Assets | | - | - |
| Current assets | | | |
| Financial Assets | 1,819.99 | | 92.73 |
| Other Current Assets | 42.52 | | 12.71 |
| Non current liabilities | | | |
| Financial Liabilities | | | 2.76 |
| Other Non-Current Liabilities | | | - |
| Provisions | 6.84 | | 1.66 |
| Current liabilities | | | |
| Financial Liabilities | 376.35 | | 1,741.43 |
| Other Current Liabilities | 17.78 | | 35.08 |
| Provisions | 5.65 | | 1.20 |
| Total Equity | 1,981.71 | | (1,267.87) |
| Attributable to: | | | |
| Equity holders of parent | 1,248.47 | | (1,197.62) |
| Non-Controlling Interest | 733.24 | | (70.25) |



Interest in other entities
a) Interests in Joint Ventures

Set out below are the joint ventures of the Group as at 31 March 2017 which, in the opinion of the directors, are material to the Group. The entities below have share capital consisting solely are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the Group, and the proportion of ownership interest is the same as the proportion of voting rights held.

| Sr. no. | Name of the entity* | Nature of Relationship | Country of Incorporation | % of Ownership interest held by the Group | | | Principal Activities |
|---------|--|------------------------|--------------------------|---|------------|------------|-----------------------------------|
| | | | | 31.03.2017 | 31.03.2016 | 01.04.2015 | |
| 1 | Jointly Controlled Entities (JCE) | | | | | | |
| 1 | Spotless Laundry Services Limited | Joint Venture | India | 76.02 | 76.02 | 76.02 | Laundry Services |
| 2 | Green Hills Residences Limited | Joint Venture | India | 60.00 | 60.00 | 60.00 | Hostel |
| 3 | Whistling Thrush Facilities Services Limited | Joint Venture | India | 51.00 | 51.00 | 51.00 | Facility Maintenance Services |
| 4 | Starlit Resort Limited (w.e.f. 14th May, 2015) | Joint Venture | India | 26.00 | 26.00 | 26.00 | Hotel (Hospitality) |
| 5 | Ecomotel Hotel Limited | Joint Venture | India | 51.00 | 51.00 | 27.26 | Hotel (Hospitality) |
| 6 | Apollo Lavasa Health Corporation Limited | Joint Venture | India | 49.00 | 49.00 | 62.50 | Hospital and Health care services |
| 7 | Bona Sera Hotels Limited | Joint Venture | India | 26.00 | 26.00 | 26.00 | Hotel (Hospitality) |
| 8 | Andromeda Hotels Limited | Joint Venture | India | 40.03 | 40.03 | 40.00 | Hotel (Hospitality) |

Summarised financial information of the joint ventures, based on their Ind AS financial statements, and reconciliation with the carrying amount of the investment in consolidated financial statements are set out below:

Summarized Balance Sheet as at March 31, 2017

| Particulars | Andromeda Hotels Limited | Green Hills Residences Limited | Spotless Laundry Services Limited | Whistling Thrush Facilities Services Limited | Starlit Resort Limited | Ecomotel Hotel Limited | Apollo Lavasa Health Corporation Limited | ₹ in lakhs | |
|-------------------------------------|--------------------------|--------------------------------|-----------------------------------|--|------------------------|------------------------|--|------------|--|
| | | | | | | | | | |
| Non-Current Assets | | | | | | | | | |
| Property, Plant and Equipment | 1,270.48 | 0.03 | 1,268.35 | 1.14 | 1,421.92 | 1,642.38 | 7,623.80 | | |
| Financial Assets | - | 0.49 | 61.41 | 0.25 | - | 0.53 | 19.30 | | |
| Other Non-Current Assets | - | - | - | - | 3.69 | 43.16 | - | | |
| Current Assets | | | | | | | | | |
| Financial Assets | 53.48 | 2.54 | 6.96 | 638.55 | 209.00 | 114.66 | 108.57 | | |
| Other Current Assets | 0.02 | 0.01 | 11.10 | 116.02 | 61.53 | 84.86 | 7.78 | | |
| Non-Current Liabilities | - | - | - | - | 1.07 | 405.00 | - | | |
| Other Non-Current Liabilities | - | - | - | - | - | 7.86 | - | | |
| Provisions | - | - | - | - | 6.46 | - | - | | |
| Current Liabilities | 549.22 | 2,711.31 | 2,616.29 | 782.92 | 148.26 | 1,330.81 | 1,382.24 | | |
| Financial Liabilities | 10.56 | 0.03 | 102.64 | 96.23 | 54.96 | 13.54 | 792.79 | | |
| Other Current Liabilities | 764.20 | (2,708.27) | (1,371.11) | (123.19) | 1,485.39 | 128.38 | 5,582.10 | | |
| Total Equity | 40.02% | 60.00% | 76.02% | 51.00% | 26.00% | 51.00% | 49.00% | | |
| Proportion of the Group's ownership | | | | | | | | | |
| Carrying amount of the investment | 294.81 | - | - | - | 393.34 | 622.70 | 2,767.85 | | |



Summarized Balance Sheet as at March 31, 2016

(₹ in lakhs)

| Particulars | Andromeda Hotels Limited | Green Hills Residences Limited | Spotless Laundry Services Limited | Whistling Thrush Facilities Services Limited | Starhit Resort Limited | Ecomotel Hotel Limited | Apollo Lavasa Health Corporation Limited |
|-------------------------------------|--------------------------|--------------------------------|-----------------------------------|--|------------------------|------------------------|--|
| Non-Current Assets | | | | | | | |
| Property, Plant and Equipment | 1,270.90 | 0.06 | 1,436.66 | 1.36 | 1,422.46 | 1,808.40 | 7,722.98 |
| Financial Assets | | 0.49 | 57.39 | 0.25 | | 0.49 | 19.30 |
| Other Non-Current Assets | | | | | 74.00 | 52.76 | |
| Current Assets | | | | | | | |
| Financial Assets | 53.84 | 70.72 | 9.30 | 1,078.49 | 108.68 | 267.81 | 62.66 |
| Other Current Assets | 0.01 | 0.01 | 12.25 | 156.07 | 6.24 | 95.22 | 20.42 |
| Non-Current Liabilities | | | | | | | |
| Financial Liabilities | | | | | | | |
| Other Non-Current Liabilities | | | | | | | |
| Provisions | | | 0.09 | 0.33 | 1.04 | 845.00 | |
| Current Liabilities | | | | | | | |
| Financial Liabilities | 540.28 | 2,711.03 | 2,326.17 | 1,059.65 | 135.14 | 1,161.57 | 1,193.57 |
| Other Current Liabilities | 11.08 | 0.03 | 71.39 | 172.00 | | 45.67 | 656.79 |
| Total Equity | 773.39 | (2,639.78) | (882.05) | 4.19 | 1,472.49 | 164.92 | 5,972.73 |
| Proportion of the Group's ownership | 40.02% | 60.00% | 76.02% | 51.00% | 26.00% | 51.00% | 49.00% |
| Carrying amount of the Investment | 296.92 | - | - | 32.27 | 382.31 | 517.15 | 2,884.38 |

Summarized Balance Sheet as at April 1, 2015

(₹ in lakhs)

| Particulars | Andromeda Hotels Limited | Green Hills Residences Limited | Spotless Laundry Services Limited | Whistling Thrush Facilities Services Limited | Ecomotel Hotel Limited | Apollo Lavasa Health Corporation Limited |
|-------------------------------------|--------------------------|--------------------------------|-----------------------------------|--|------------------------|--|
| Non-Current Assets | | | | | | |
| Property, Plant and Equipment | 1,382.07 | 0.11 | 1,637.00 | 1.64 | 1,984.56 | 7,868.40 |
| Financial Assets | | 0.49 | 53.42 | 0.25 | 0.45 | 19.30 |
| Other Non-Current Assets | | | 1.25 | | 62.23 | |
| Current Assets | | | | | | |
| Financial Assets | 66.61 | 96.77 | 5.66 | 881.43 | 296.98 | 174.95 |
| Other Current Assets | | 5.51 | 17.65 | 162.62 | 75.83 | 23.71 |
| Non-Current Liabilities | | | | | | |
| Financial Liabilities | | | | | | |
| Other Non-Current Liabilities | | | | | | |
| Provisions | | | | | 1,164.98 | |
| Current Liabilities | | | | | | |
| Financial Liabilities | 645.28 | 2,720.46 | 2,113.30 | 774.14 | 1,782.30 | 1,200.18 |
| Other Current Liabilities | 30.79 | 0.03 | 42.20 | 159.41 | 32.86 | 516.46 |
| Total Equity | 772.61 | (2,617.51) | (440.60) | 110.49 | (565.11) | 6,367.24 |
| Proportion of the Group's ownership | 40.00% | 60.00% | 76.02% | 51.00% | 27.26% | 62.50% |
| Carrying amount of the Investment | 296.23 | - | - | 56.93 | 27.26% | 5,854.52 |



Summarised statement of profit and loss for the year ended March 31, 2017:

| Particulars | ₹ in lakhs | | | | | | |
|---|--------------------------|--------------------------------|-----------------------------------|--|------------------------|------------------------|--|
| | Andromeda Hotels Limited | Green Hills Residences Limited | Spotless Laundry Services Limited | Whistling Thrush Facilities Services Limited | Starlit Resort Limited | Ecomotel Hotel Limited | Apollo Lavasa Health Corporation Limited |
| Revenue | - | - | 4.79 | 1.08 | 367.26 | 1,170.97 | 70.26 |
| Cost of raw material and components consumed | - | - | - | - | 95.49 | 65.19 | 51.04 |
| Depreciation and amortization | 0.42 | 0.03 | 167.98 | 0.22 | 19.30 | 177.85 | 96.07 |
| Finance Cost | 3.93 | - | 307.74 | 25.22 | 0.31 | 212.91 | 152.03 |
| Employee Benefits | - | - | 0.81 | 19.22 | 86.40 | 324.47 | 62.08 |
| Other Expenses | 4.86 | 0.67 | 17.33 | 83.79 | 123.31 | 531.54 | 99.66 |
| Provision for doubtful debts | - | 67.80 | - | - | - | - | - |
| Profit before tax | (9.21) | (68.49) | (489.07) | (127.38) | 42.45 | (140.99) | (390.63) |
| Income Tax Expense | - | - | - | - | - | - | - |
| Profit for the year (continuing operations) | (9.21) | (68.49) | (489.07) | (127.38) | 42.45 | (140.99) | (390.63) |
| Other Comprehensive Income | - | - | - | - | - | 2.48 | 0.79 |
| Total Comprehensive Income for the year (continuing operations) | (9.21) | (68.49) | (489.07) | (127.38) | 42.45 | (138.52) | (389.84) |
| Group's share of profit for the year | (2.11) | - | - | - | 11.04 | (46.74) | (116.53) |

Summarised statement of profit and loss for the year ended March 31, 2016:

| Particulars | ₹ in lakhs | | | | | | |
|---|--------------------------|--------------------------------|-----------------------------------|--|------------------------|------------------------|--|
| | Andromeda Hotels Limited | Green Hills Residences Limited | Spotless Laundry Services Limited | Whistling Thrush Facilities Services Limited | Starlit Resort Limited | Ecomotel Hotel Limited | Apollo Lavasa Health Corporation Limited |
| Revenue | - | 0.46 | 6.13 | 998.01 | 411.30 | 1,218.66 | 72.01 |
| Cost of raw material and components consumed | - | - | - | - | 64.54 | 76.05 | 55.52 |
| Depreciation and amortization | 0.42 | 0.05 | 193.04 | 0.28 | 22.55 | 200.69 | 115.07 |
| Finance Cost | 3.89 | - | 232.46 | 19.71 | 0.69 | 232.41 | 156.23 |
| Employee Benefits | - | - | 5.15 | 40.63 | 94.60 | 314.99 | 65.02 |
| Other Expenses | 3.91 | 0.77 | 16.92 | 1,043.26 | 185.60 | 581.25 | 74.68 |
| Provision for doubtful debts | - | 21.80 | - | - | - | - | - |
| Profit before tax | (8.22) | (22.16) | (441.45) | (105.87) | 43.32 | (186.73) | (394.51) |
| Income Tax Expense | - | - | - | 2.09 | 13.79 | - | - |
| Profit for the year (continuing operations) | (8.22) | (22.16) | (441.45) | (107.96) | 29.53 | (186.73) | (394.51) |
| Other Comprehensive Income | - | - | - | 1.65 | - | 0.99 | 1.43 |
| Total Comprehensive Income for the year (continuing operations) | (8.22) | (22.16) | (441.45) | (106.31) | 29.53 | (185.74) | (393.08) |
| Group's share of profit for the year | (3.29) | - | - | (24.67) | 7.68 | (81.61) | (193.31) |

b) Interest in Associates:

Set out below are the associates of the Group as at 31 March 2017 which, in the opinion of the directors, are material to the Group. The entities below have share capital consisting solely are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the Group, and the proportion of ownership interest is the same as the proportion of voting rights held.

| Sr. no. | Name of the entity* | Nature of Relationship | Country of Incorporation | % of Ownership interest held by the Group | | Principal Activities |
|---------|---|------------------------|--------------------------|---|------------|----------------------|
| | | | | 31.03.2017 | 31.03.2016 | |
| 1) | Warasgaon Lake View Hotels Limited (upto 28th February, 2017) | Associate | India | - | 27.00 | Hotel (Hospitality) |
| 2) | Knowledge Vistas Limited | Associate | India | 49.00 | 49.00 | Education |

Summarised financial information of the associates, based on their Ind AS financial statements, and reconciliation with the carrying amount of the investment in consolidated financial statements are set out below:



Summarized Balance Sheet as at March 31, 2016

| Particulars | Warasgaon Lakeview Hotels Limited |
|-------------------------------------|-----------------------------------|
| Non-Current Assets | |
| Property, Plant and Equipment | 10,985.14 |
| Financial Assets | |
| Other Non-Current Assets | 193.90 |
| Current Assets | |
| Financial Assets | 480.68 |
| Other Current Assets | - |
| Non-Current Liabilities | |
| Financial Liabilities | 4,930.00 |
| Other Non-Current Liabilities | - |
| Provisions | - |
| Current Liabilities | |
| Financial Liabilities | |
| Other Current Liabilities | 1,341.23 |
| Total Equity | 5,386.49 |
| Proportion of the Group's ownership | 27.00% |
| Carrying amount of the Investment | 1,267.89 |

Summarized Balance Sheet as at April 1, 2015

| Particulars | Warasgaon Lakeview Hotels Limited |
|-------------------------------------|-----------------------------------|
| Non-Current Assets | |
| Property, Plant and Equipment | 9,902.89 |
| Financial Assets | |
| Other Non-Current Assets | 218.97 |
| Current Assets | |
| Financial Assets | 674.83 |
| Other Current Assets | - |
| Non-Current Liabilities | |
| Financial Liabilities | 4,710.00 |
| Other Non-Current Liabilities | - |
| Provisions | - |
| Current Liabilities | |
| Financial Liabilities | 1,166.17 |
| Other Current Liabilities | 4,900.52 |
| Total Equity | 27.00% |
| Proportion of the Group's ownership | 27.00% |
| Carrying amount of the Investment | 1,269.23 |

Summarised statement of profit and loss for the year ended March 31, 2016:

| Particulars | Warasgaon Lakeview Hotels Limited |
|---|-----------------------------------|
| Revenue | 0.14 |
| Cost of raw material and components consumed | - |
| Depreciation and amortization | 0.78 |
| Finance Cost | 25.07 |
| Employee Benefits | |
| Other Expenses | 4.31 |
| Provision for doubtful debts | |
| Profit before tax | (30.02) |
| Income Tax Expense | |
| Profit for the year (continuing operations) | (30.02) |
| Other Comprehensive Income | |
| Total Comprehensive Income for the year (continuing operations) | (30.02) |
| Group's share of profit for the year | (1.34) |



Unrecognized share of losses of joint Ventures
 The Group has stopped recognising its share of losses of the following joint ventures when applying the equity method. The unrecognized share of losses of the joint ventures for the reporting period and cumulatively, is given below:

| Particulars | March 31, 2017 | | March 31, 2016 | | As at April 1, 2015 |
|--|-----------------------------------|----------------------|-----------------------------------|----------------------|---------------------|
| | For the year ended March 31, 2017 | As at March 31, 2017 | For the year ended March 31, 2016 | As at March 31, 2016 | |
| Green Hills Residences Limited | (41.09) | (1,591.69) | (13.30) | (1,550.59) | (1,537.30) |
| Spotless Laundry Services Limited | (137.89) | (738.76) | (335.59) | (600.86) | (265.28) |
| Bona Sera Hotels Limited | 14.67 | (15.46) | 14.67 | (30.13) | (44.80) |
| Ecomotel Hotel Limited | - | - | - | - | (8.80) |
| Whistling Thrush Facilities Services Limited | (29.69) | (29.69) | - | - | - |



Additional Disclosure on Consolidated Financial Statements under Schedule III of the Companies Act, 2013



| Sr. no. | Name Of The Entity | Net Assets (i.e. Total Assets minus Total Liabilities) as on 31st March, 2017 | | Share In Profit or Loss for the financial year ended 31st March, 2017 | | Share In Other Comprehensive Income for the financial year ended 31st March, 2017 | | Share In Total Comprehensive Income for the financial year ended 31st March, 2017 | |
|---------|--|---|-------------|---|-------------|---|-----------|---|-------------|
| | | As a % of Consolidated Net Assets | Amount ** | As a % of Consolidated Profit or loss | Amount ** | As a % of Consolidated OCI | Amount ** | As a % of Consolidated TCI | Amount ** |
| 1 | Parent | | | | | | | | |
| | Lavasa Corporation Limited | -82.86% | 93,570.06 | 23.24% | (16,628.68) | 22.88% | 1.59 | 23.24% | (16,628.09) |
| 2 | Subsidiaries | | | | | | | | |
| 2.1 | Indian | | | | | | | | |
| | Lavasa Hotel Limited | 1.71% | (1,928.63) | 0.52% | (375.54) | 12.09% | 0.84 | 0.52% | (374.70) |
| | Lakeshore Watersports Company Limited | -0.27% | 307.89 | -0.05% | 41.38 | -2.30% | (0.16) | -0.06% | 41.22 |
| | Deasve Convention Center Limited | 5.81% | (6,557.92) | 0.92% | (659.45) | 37.99% | 2.64 | 0.92% | (656.81) |
| | Deasve Business Hotel Limited | -1.64% | 1,657.09 | 0.11% | (78.03) | 0.00% | - | 0.11% | (78.03) |
| | Deasve Hospitality Institutes Limited | 2.92% | (3,301.45) | 1.13% | (811.80) | 0.00% | - | 1.13% | (811.80) |
| | Lakaview Clubs Limited | 3.33% | (3,757.69) | 0.31% | (218.79) | 0.00% | - | 0.31% | (218.79) |
| | Deasve Retail Limited | -5.01% | 5,651.78 | 0.23% | (163.00) | 0.00% | - | 0.23% | (163.00) |
| | Full Spectrum Adventure Limited | 1.50% | (1,688.51) | 0.36% | (260.11) | 1.15% | 0.08 | 0.36% | (260.03) |
| | Lavasa Bamboocrafts Limited | 0.08% | (94.81) | 0.04% | (30.98) | 0.00% | - | 0.04% | (30.98) |
| | My City Technology Limited | -0.92% | 1,042.60 | 0.27% | (195.87) | 11.08% | 0.77 | 0.27% | (195.10) |
| | Reasonable Housing Limited | -0.88% | 997.95 | 0.04% | (32.01) | 0.00% | - | 0.04% | (32.01) |
| | Future City Multiservices Sez Limited | -0.07% | 83.23 | 0.00% | (0.91) | 0.00% | - | 0.00% | (0.91) |
| | Verzon Hospitality Limited | 0.12% | (137.49) | 0.38% | (268.83) | 0.00% | - | 0.38% | (268.83) |
| | Rhapsody Commercial Space Limited | 0.33% | (367.32) | 0.20% | (142.96) | 0.00% | - | 0.20% | (142.96) |
| | Valley View Entertainment Limited | 0.00% | (0.08) | 0.00% | (0.61) | 0.00% | - | 0.00% | (0.61) |
| | Warasgaon Tourism Limited | 7.05% | (8,004.83) | 0.12% | (83.47) | 2.45% | 0.17 | 0.12% | (83.30) |
| | Our Home Service Apartments Limited | 0.00% | (0.30) | 0.00% | (0.50) | 0.00% | - | 0.00% | (0.50) |
| | Warasgaon Power Supply Limited | 19.35% | (21,847.89) | 0.45% | (318.49) | -84.89% | (5.90) | 0.45% | (324.39) |
| | Satyadri City Management Limited | 1.86% | (2,095.70) | 0.29% | (205.88) | 19.86% | 1.38 | 0.29% | (204.50) |
| | Hill City Service Apartments Limited | -0.47% | 526.33 | 0.01% | (7.88) | 0.00% | - | 0.01% | (7.88) |
| | Kart Racers Limited | 0.02% | (20.05) | 0.00% | (2.71) | 0.00% | - | 0.00% | (2.71) |
| | Warasgaon Infrastructure Providers Limited | 0.63% | (716.37) | 0.17% | (118.13) | 0.00% | - | 0.17% | (118.13) |
| | Nature Lovers Retail Limited | 0.00% | (4.98) | 0.14% | (99.10) | 0.00% | - | 0.14% | (99.10) |
| | Warasgaon Valley Hotels Limited | 0.00% | 1.31 | 0.00% | (0.72) | 0.00% | - | 0.00% | (0.72) |
| | Rosebay Hotels Limited | 0.00% | 1.26 | 0.00% | (0.59) | 0.00% | - | 0.00% | (0.59) |
| | Mujgaon Luxury Hotels Limited | 0.00% | (4.02) | 0.00% | (2.33) | 0.00% | - | 0.00% | (2.33) |
| | Warasgaon Assets Maintenance Limited | 21.55% | (24,349.57) | 8.73% | (6,245.94) | 20.86% | 1.45 | 8.73% | (6,244.49) |
| | Hill View Parking Services Limited | 0.00% | 1.83 | 0.00% | (0.80) | 0.00% | - | 0.00% | (0.80) |
| 3 | Non-controlling interests in all subsidiaries | | | | | | | | |
| | | -0.24% | 275.84 | 0.13% | (95.39) | 4.22% | 0.29 | 0.13% | (95.09) |
| 4 | Associates (Shares taken as per the equity method) | | | | | | | | |
| 4.1 | Indian | | | | | | | | |
| | Knowledge Vistas Limited* | | | | (105.00) | | - | | (105.00) |
| 5 | Joint Ventures (Shares taken as per the equity method) | | | | | | | | |
| 5.1 | Indian | | | | | | | | |
| | Apollo Lavasa Health Corporation Limited | -4.94% | 5,662.10 | 0.16% | (116.91) | 5.55% | 0.39 | 0.16% | (116.53) |
| | Spotless Laundry Services Limited | 1.21% | (1,374.11) | 0.00% | - | 0.00% | - | 0.00% | - |
| | Whistling Thrush Facilities Services Limited | 0.11% | (123.19) | 0.05% | (32.26) | 0.00% | - | 0.05% | (32.26) |
| | Green Hills Residences Limited | 2.40% | (2,705.27) | 0.00% | - | 0.00% | - | 0.00% | - |
| | Starlit Resort Limited | -1.32% | 1,485.38 | -0.02% | 11.04 | 0.00% | - | -0.02% | 11.04 |
| | Andromada Hotels Limited | -0.68% | 764.19 | 0.00% | (2.11) | 0.00% | - | 0.00% | (2.11) |
| | Bona Sara Hotels Limited* | | | | | | | | |
| | Ecomotel Hotel Limited | -0.11% | 128.39 | 0.07% | (48.01) | 18.20% | 1.26 | 0.07% | (46.74) |

* Only profit share by equity method was taken with the management estimation.
 ** Amount from standalone financial statement of Companies.