

Agarwal Prakash & Co.

CHARTERED ACCOUNTANTS

508, Indra Prakash, 21, Barakhamba Road, New Delhi – 110001

Phone: 011-43516377

E-mail: contact@apnco.org

INDEPENDENT AUDITOR'S REPORT

To the Members of Lucina Land Development Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Lucina Land Development Limited ("the Company"), which comprise the balance sheet as at 31 March 2023, and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the state of affairs of the Company as at 31 March 2023, its profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

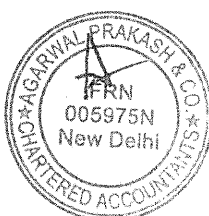
We conducted our audit in accordance with the Standards on Auditing ('SA's') specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters, we have determined the matters described below to be the key audit matters to be communicated in our report.



Key Audit Matter	Audit Response
<p>Revenue Recognition</p> <p>The Company's policies on revenue recognition is set out in Note 5.4 to the standalone financial statements.</p> <p>As per the principles of Ind AS 115 "Revenue from Contracts with Customers", revenue from sale of residential/commercial properties is recognized when the performance obligations are essentially complete.</p> <p>The performance obligations are considered to be complete when control over the property has been transferred to the buyer i.e. offer for possession of properties have been issued to the customers.</p> <p>The amount of revenue and cost thereon on contracts with customers forms a substantial part of the statement of profit and loss and management judgement is also involved in the interpretation of these conditions.</p> <p>The above transaction required audit focus due to the significant impact of the same on the accompanying standalone financial statement of the Company. The matter has been considered to be of most significance to the audit and accordingly, has been considered as a key audit matter for the current year audit.</p>	<p>Our audit procedures related to the revenue recognition included, but not limited to the following:</p> <ul style="list-style-type: none"> • Evaluated the appropriateness of the Company's revenue recognition policies with respect to the principles of Ind AS 115; • Enquiring from the management and inspecting the internal controls related to revenue recognition for ensuring the completeness of the customer sales, issue of possession letters and the recording of customer receipts; • We have performed the following procedures for revenue recognition: <ul style="list-style-type: none"> a. Verification of the possession letters issued on sample basis along with the proof of deliveries to ensure completeness; b. Verification of the collection from customers for the units sold from the statement of accounts on a sample basis to ensure receipt of the amount; and c. Performing cut-off procedures and other analytical procedures like project wise variance analysis and margin analysis to find any anomalies. • Ensured that the disclosure requirements of Ind AS 115 have been complied with.
<p>Assessing the carrying value of inventory</p> <p>The accounting policies for Inventories are set out in Note 5.6 to the Standalone financial statements.</p> <p>Inventories of the Company comprise of real estate properties (including land) are disclosed under Note 12.</p> <p>Impairment assessment of inventory is considered as a significant risk as there is a risk that recoverability of the carrying value of the inventory could not be established, and potential impairment charge might be required to be recorded in the consolidated financial statements. Management's assessment of the recoverable amounts is a judgmental process which requires the estimation of the net realisable value, which takes into account the valuations of the properties held and cash flow projections of real estate properties under development.</p>	<p>Our procedures in relation to the valuation of inventory held by the group included, but not limited to the followings:</p> <ul style="list-style-type: none"> • Obtained an understanding of the management process for identification of possible impairment indicators and process performed by the management for impairment testing and the management process of determining the Net Realisable Value (NRV); • Enquired of the management and inspected the internal controls related to inventory valuation along with the process followed to recover/adjust these and assessed whether impairment is required; • All material properties under development as at 31 March 2023 were discussed on case-to-case basis with the management for their plan of recovery/adjustment; • For real estate properties under development, obtained and assessed the management evaluation of the NRV. We also assessed the management's valuation methodology applied in determining the recoverable



Key Audit Matter	Audit Response
Due to their materiality in the context of the Group's financial statements as a whole and significant degree of judgement and subjectivity involved in the estimates and key assumptions used in determining the cash flows used in the impairment evaluation, this is considered to be the area which had the greatest effect on our overall audit strategy and allocation of resources in planning and completing our audit.	<p>amount and tested the underlying assumptions used by the management in arriving at those projections;</p> <ul style="list-style-type: none"> • We challenged the management on the underlying assumptions used for the cash flow projections, considering evidence available to support these assumptions and our understanding of the business; • Where the management involved specialists to perform valuations, evaluated the objectivity and independence of those specialists; • For land parcels, obtained and verified the valuation of land parcels as per the government prescribed circle rates, wherever necessary; • Tested the arithmetical accuracy of the cash flow projections; and <p>We assessed the appropriateness and adequacy of the disclosures made by the management for the impairment losses recognized in accordance with applicable accounting standards.</p>

Information Other than the Standalone Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the other information. Other information does not include the standalone financial statements and our auditor's report thereon.

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

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

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. Reporting under this section is not applicable as no other information is obtained at the date of this auditor's report.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone



financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

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

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

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

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



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

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the 'Annexure A', a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143(3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid standalone financial statements comply with Ind AS specified under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors as on 31 March 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023 from being appointed as a director in terms of Section 164(2) of the Act.
- (f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure B'. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements as at 31 March 2023— Refer Note 50 to the standalone financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2023.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2023.
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;



- (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The Company has not declared and paid dividend during the year.
- vi. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only with effect from 1 April 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable.
- (h) With respect to the matter to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the Company did not pay any remuneration to its Directors during the year.

For **Agarwal Prakash & Co.**

Chartered Accountants

Firm's Registration Number.: 005975N


Aashish K Verma

Partner

Membership No.:527886

UDIN: 23527886BGYTBJ9513



Place: Gurugram

Date: 30 May 2023

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

With reference to the Annexure A referred to in the Independent Auditor's Report to the members of the Company on the standalone financial statements for the year ended 31 March 2023, based on the audit procedures performed for the purpose of reporting a true and fair view on the standalone financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (i) In respect of the Company's Property, Plant and Equipment and Intangible assets:
 - (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
 - (B) The company has maintained proper records showing full particulars, including quantitative details and situation of intangible assets.
 - (b) The property, plant and equipment have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
 - (c) The Company does not own any immovable property including investment properties are held in the name of the Company. Accordingly, reporting under clause 3(i)(c) of the Order is not applicable to the Company.
 - (d) The Company has not revalued its Property, Plant and Equipment or intangible assets during the year.
 - (e) According to the information, explanation and representation provided to us and based on verification carried out by us, there are no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (ii) (a) According to the information, explanation and representation provided to us and based on verification carried out by us, the management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies between physical inventory and book records were noticed on physical verification.
 - (b) According to the information, explanation and representation provided to us and based on verification carried out by us, the company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. Accordingly, clause 3(ii)(b) of the Order is not applicable.
- (iii) According to the information, explanation and representation provided to us and based on verification carried out by us, the Company has not made any investment in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs). The Company has granted interest free loan to its subsidiaries company during the year.



- (a) The Company has provided loans to subsidiaries companies during the year. The details of the same are given below:

(₹ in Millions)

Particulars	Guarantees	Security	Loans	Advances in nature of loans
Aggregate amount during the year				
-Subsidiaries	-	-	0.60	-
-Others (Fellow subsidiary)	-	-	30.70	-
Balance outstanding as at balance sheet date				
-Subsidiaries	-	-	65.50	-
-Others (Fellow subsidiary)	-	-	78.80	-

- (b) The Company has not made any investment, provided guarantees or given any security during the year. However, the Company has granted loans to subsidiary company at nil interest rate which is lower than the market rate of interest. In respect of such loans, we have not been provided with adequate explanation of the benefits, if any, accruing to the Company for giving such loans, we are unable to comment as to whether the terms and conditions of grant of such loans, prima facie, prejudicial to the interest of the Company.
- (c) The Company has granted loans that are repayable on demand. For loans outstanding at the year end, we are informed that the Company has not demanded repayment of any such loan during the year, in our opinion, repayment of the principal amount is regular.
- (d) No loans or advances in the nature of loans granted by the Company which have fallen due during the year, have been renewed or extended or fresh loans granted to settle the over dues of existing loans given to the same parties.
- (e) The Company has granted loans or advances in the nature of loans, which are repayable on demand or without specifying any terms or period of repayment, as per details below:

(₹ in Millions)

Particulars	All Parties	Promoters	Related Parties
Aggregate of loans			
- Repayable on demand (A)	144.30	-	144.30
-Agreement does not specify any terms or period of repayment (B)	-	-	-
Total (A+B)	144.30	-	144.30
Percentage of loans			100%



- (iv) According to the information, explanation and representation provided to us and based on verification carried out by us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made, and guarantees and security provided by it, as applicable.
- (v) According to the information, explanation and representation provided to us and based on verification carried out by us, the Company has not accepted deposits or deemed deposits to which the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 of the Act and the rules framed there under, are applicable. Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.
- (vi) We have broadly reviewed the books of account maintained by the Company in respect of products where maintenance of cost records has been specified by the Central Government under sub-section (1) of section 148 of the Act and the rules framed there under and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) (a) In our opinion, and according to the information and explanations given to us, the Company is regular in depositing undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no statutory dues referred in sub-clause (a) which have not been deposited with the appropriate authorities on account of any dispute except for the following:

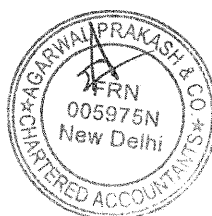
Name of the statute	Nature of dues	Gross Amount (₹ Millions)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	17.90	AY -2011-12	CIT(Appeal)
The Finance Act, 1994	Service Tax	19.70	Financial Year 2011-12 to February 2016	CESTAT
The Central Goods & Service Tax Act, 2017	Credit in Trans -1	8.70	2012-13 to June-17	Assistant Commissioner
The Central Goods & Service Tax Act, 2017	VAT Input Credit claimed in Trans-1	6.40	Trans-1 as at 30.06.2017	Joint Commissioner of State Taxes, (Appeal)



- (viii) According to the information and explanations given to us and the records of the Company examined by us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been recorded in the books of accounts.
- (ix) (a) According to the records of the company examined by us and the information and explanations given to us, the Company has issued Non-Convertible Debentures. However, there is no defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender. The company does not have any borrowings from financial institutions or government.
- (b) According to the information and explanations given to us including confirmations received from banks and other lenders and written representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or other lender.
- (c) According to the information and explanations given to us and on the basis of our audit procedures, the Company has not obtained any term loans. Accordingly, clause 3(ix)(c) of the Order is not applicable.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the standalone financial statements of the Company, we report that no funds raised by the Company on short term basis have been utilised for long term purposes.
- (e) According to the information and explanations given to us, and the procedures performed by us, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(e) of the Order is not applicable.
- (f) According to the information and explanations given to us, and the procedures performed by us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(f) of the Order is not applicable.
- (x) (a) According to the information, explanation and representation provided to us and based on verification carried out by us, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.



- (xi) (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- (c) According to the information and explanations given to us, and the procedures performed by us, there are no whistle-blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.
- (xiii) According to the information and explanations given to us, and the procedures performed by us, all transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the standalone financial statements, as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act.
- (xiv) (a) According to the information and explanations given to us, and the procedures performed by us, the Company has an internal audit system as required under section 138 of the Act which is commensurate with the size and nature of its business.
- (b) The internal audit is performed as per a planned program approved by the Board of Directors of the Company. We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.
- (xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with them and accordingly, provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clause 3(xvi) (a) and (b) of the Order is not applicable to the Company.
- The Company is not a Core Investment Company and there are no Core Investment Companies in the Group. Accordingly, reporting under clause 3(xvi) (c) and (d) of the Order is not applicable to the Company.
- (xvii) The Company has incurred cash losses of Rs. 240.80 millions in the current financial year 2022-23 but there is no cash losses during immediately preceding financial year.



- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.
- (xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, and subject to the Note No. 54(d) of the Financial Statement, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) (a) The Section 135 of the Companies Act, 2013 with regards to Corporate Social Responsibility are not applicable to the Company. Accordingly, clause 3(xx) of the Order is not applicable.

For **Agarwal Prakash & Co.**

Chartered Accountants

Firm's Registration Number.: 005975N



Aashish K Verma

Partner

Membership No.:527886

UDIN: 23527886BGYTB9513



Place: Gurugram

Date: 30 May 2023

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of Lucina Land Development Limited on the standalone financial statements for the year ended 31 March 2023]

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

We have audited the internal financial controls over financial reporting of Lucina Land Development Limited ("the Company") as of 31 March 2023 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 Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing specified under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both issued by the ICAI. 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 standalone 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 standalone 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 standalone 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 standalone 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 31 March 2023, 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 **Agarwal Prakash & Co.**

Chartered Accountants

Firm's Registration Number.: 005975N


Aashish K Verma

Partner

Membership No.: 527886

UDIN: 23527886BGYTBJ9513



Place: Gurugram

Date: 30 May 2023

Lucina Land Development Limited
Balance sheet as at

	Note	31 March 2023 (₹ in Million)	31 March 2022 (₹ in Million)
I ASSETS			
Non-current assets			
Property, plant and equipment	6 A	16.80	33.90
Intangible assets	6 B	0.10	-
Financial assets			
Investments	7 A	2.50	2.50
Other financial assets	8 A	1.00	0.90
Deferred tax assets, net	9	502.00	523.60
Non-current tax assets, net	10	77.20	78.40
Other non current assets	11 A	2.00	1.00
		<u>601.60</u>	<u>640.30</u>
Current assets			
Inventories	12	10,367.90	8,732.50
Financial assets			
Investments	7B	128.30	575.50
Trade receivables	13	292.70	253.00
Cash and cash equivalents	14	14.00	27.90
Other bank balances	15	5.10	4.90
Loans	16	144.30	292.30
Other financial assets	8 B	2.50	3.70
Other current assets	11 B	121.20	119.50
		<u>11,076.00</u>	<u>10,009.30</u>
		<u>11,677.60</u>	<u>10,649.60</u>
Total of Assets			
II. EQUITY AND LIABILITIES			
Equity			
Equity share capital	17A	0.50	0.50
Instruments entirely equity in nature	17B	276.50	276.50
Other equity	18	(8,673.40)	(11,371.10)
		<u>(8,396.40)</u>	<u>(11,094.10)</u>
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	19 A	1,183.10	2,344.60
Provisions	20 A	27.40	35.70
		<u>1,210.50</u>	<u>2,380.30</u>
Current liabilities			
Financial liabilities			
Borrowings	19 B	10,191.80	11,856.10
Trade payables	21	20.20	5.10
-total outstanding dues of micro and small enterprises			
-total outstanding dues of creditors other than micro and small enterprises			
		453.00	432.00
Other financial liabilities	22	63.60	60.10
Other current liabilities	23	8,107.20	6,982.30
Provisions	20 B	27.70	27.80
		<u>18,863.50</u>	<u>19,363.40</u>
		<u>11,677.60</u>	<u>10,649.60</u>
Total of Equity & Liabilities			

Summary of significant accounting policies

5

The accompanying notes form an integral part of the standalone financial statements.

This is the standalone balance sheet referred to in our report of even date.

For Agarwal Prakash & Co.

Chartered Accountants

Firm's Registration Number: 005975N

Aashish K Verma

Aashish K Verma

Place: Gurugram
Date: 30 May 2023



For and on behalf of the Board of Directors

M. Ramanathan

Meyyappan Ramanathan
Whole-time Director
[DIN:07119949]

Yash Garg
Yash Garg
Company Secretary

Ssatyajit Parrihar

Ssatyajit Parrihar
Director
[DIN:09643887]

Lucina Land Development Limited
Statement of profit and loss for the year ended


	Note	31 March 2023 (₹ in Million)	31 March 2022 (₹ in Million)
Revenue			
Revenue from operations	24	458.10	2,195.10
Other income	25	23.10	7.90
Total Revenue		481.20	2,203.00
Expenses			
Cost of revenue	26		1,338.70
Cost incurred during the year		1,842.90	(329.70)
(Increase)/decrease in real estate properties		(1,555.10)	187.00
Employee benefits expense	27	233.50	0.10
Finance costs	28	-	5.50
Depreciation and amortisation expense	6	4.40	152.40
Other expenses	29	205.90	1,354.00
Total Expenses		731.60	1,354.00
Profit/(Loss) before exceptional items and tax		(250.40)	849.00
Exceptional items	51	2,970.00	-
Profit before tax		2,719.60	849.00
Tax expense	30		-
Current tax (including earlier years)		21.70	377.60
Deferred tax charge/(credit)		2,697.90	471.40
Profit after tax		2,697.90	471.40
Other comprehensive income			
Items that will not be reclassified to profit or loss			0.60
Re-measurement gain/(loss) on defined benefit plans		(0.20)	(0.10)
Income tax relating to items that will not be reclassified to profit or loss		(0.20)	0.50
Total other comprehensive income net of tax		(0.20)	0.50
Total comprehensive income for the year		2,697.70	471.90
Earnings per equity share	31		
Equity share of par value ₹ 10/-each			
Basic (₹)		53,957.40	9,430.80
Diluted (₹)		53,957.40	9,430.80

Summary of significant accounting policies 5
The accompanying notes form an integral part of the standalone financial statements.

This is the standalone statement of profit and loss referred to in our report of even date

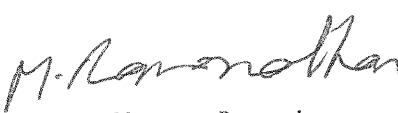
For Agarwal Prakash & Co.
Chartered Accountants
Firm's Registration Number: 005975N


For and on behalf of the Board of Directors

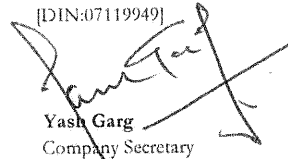

Aashish K Verma
Partner



Place: Gurugram
Date: 30 May 2023


Meyyappan Ramanathan
Whole-time Director
[DIN:07119949]


Ssatyajit Parrinhaar
Director
[DIN:09643887]


Yash Garg
Company Secretary

(₹ in Million)

A Equity share capital*

Particulars	Balance as at 01 April 2021	Balance as at 31 March 2022	Balance as at 31 March 2023
Equity share capital	0.50	0.50	0.50

B Instruments entirely equity in nature**

Particulars	Balance as at 31 March 2021	Balance as at 31 March 2022	Balance as at 31 March 2023
Optionally convertible debentures	276.50	276.50	276.50
Total	276.50	276.50	276.50

C Other equity***

Particulars	Other components of equity	Reserves and surplus		Other comprehensive income	Total
		Deferred employee compensation reserve	Retained earnings	Re-measurement of defined benefit plans	
Balance as at 01 April 2021	23.40	6.00	(12,078.70)	1.50	(11,843.00)
Profit/ (Loss) for the year	-	-	471.40	-	471.40
Re-measurement of defined benefit plans, (net of tax)	-	-	-	0.50	0.50
Issue of equity shares to employee by the holding Company	-	-	-	-	-
Movement in deferred employee compensation reserve	6.00	(6.00)	-	-	-
Transfer from statement of profit and loss	-	-	(324.00)	-	-
Balance as at 31 March 2022	29.40	-	(11,931.30)	2.00	(11,371.10)
Profit/ (Loss) for the year	-	-	2,697.90	-	2,697.90
Re-measurement of defined benefit plans, (net of tax)	-	-	-	(0.20)	(0.20)
Issue of equity shares to employee by the holding Company	-	-	-	-	-
Movement in deferred employee compensation reserve	-	-	-	-	-
Transfer from statement of profit and loss	-	-	-	-	-
Balance as at 31 March 2023	29.40	-	(9,233.40)	1.80	(8,673.40)

*for details (refer note 17A)

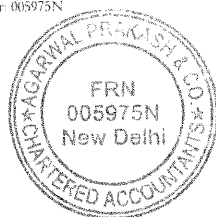
**for details (refer note 17B)

***for details (refer note 18)

This is the standalone statement of changes in equity referred to in our report of even date.

For Agarwal Prakash & Co.
Chartered Accountants
Firm's Registration Number: 005975N

Aashish K Verma
Partner



Place: Gurugram
Date: 30 May 2023

For and on behalf of the Board of Directors

M. Ramanathan

Meyyappan Ramanathan
Whole-time Director
[DIN: 07119949]

Yash Garg
Company Secretary

Ssatyajit Parrishar

Ssatyajit Parrishar
Director
[DIN: 09643887]

Lucina Land Development Limited
Statement of Cash Flow for the Year ended

	31 March 2023 (₹ in Million)	31 March 2022 (₹ in Million)
A. Cash flow from operating activities:		
Profit / (loss) before income tax for the year	2,719.60	849.00
Adjustments for:		
Depreciation and amortisation expense	4.40	5.50
Interest income	(1.70)	(0.40)
(Profit)/loss on sale of Property Plant & Equipment	3.70	(0.40)
Profit on sale of Investments	7.60	(3.00)
Provisions for employee benefit & others	9.00	5.80
Exceptional Items (Refer Note No. 51)	(2,970.00)	-
Operating profit/ (loss) before working capital changes	(227.40)	856.50
Working capital changes		
Inventories	(1,240.70)	(219.80)
Trade receivables	(39.70)	(178.30)
Other current and non-current assets	(1.60)	866.00
Trade payables	36.20	(65.90)
Financial liabilities, other Liabilities and provisions	1,110.90	(322.20)
Cash generated from / (used in) operating activities	(362.30)	936.30
Income tax (paid) / refund received, net	1.20	(11.20)
Net cash flow generated from/(used in) operating activities	(361.10)	925.10
B. Cash flow from investing activities:		
Purchase of Property Plant & Equipment	(1.50)	(0.70)
Proceeds from sale of Property Plant & Equipment	3.10	0.90
Redemption / (investment) in mutual fund, net	439.60	(572.50)
Inter-corporate loans and advances given	148.10	-
Movement in bank deposits (net)	(0.10)	16.00
Interest on fixed deposit	1.70	0.40
Net cash flow generated from/(used in) investing activities	590.90	(555.90)
C. Cash flow from financing activities: (Refer note 53)		
Repayment of term loan from banks and financial institutions	-	(1,845.60)
Interest on term loan from banks and financial institutions	-	(19.80)
Proceeds from issue of non-convertible debentures	-	3,600.00
Redemption of non-convertible debentures	(1,584.00)	(360.00)
Interest paid on non-convertible debentures	(323.40)	(57.70)
Proceeds from inter-corporate borrowings	2,081.30	1,814.60
Repayment of inter-corporate borrowings	(417.60)	(3,507.70)
Net cash flow from / (used in) financing activities.	(243.70)	(376.20)
D. Increase/ (decrease) in cash and cash equivalents, net (A+B+C)	(13.90)	(7.00)
E. Cash and cash equivalents at the beginning of the year	27.90	34.80
F. Cash and cash equivalents at the end of the year (D+E)	14.00	27.90
Notes:		
G Reconciliation of cash & cash equivalents as per cash flow Statements		
Cash and cash equivalents includes (refer note 14)		
Cash on hand	14.00	27.90
Balances with banks - in current accounts	-	-
	14.00	27.90


This is the standalone cash flow statement referred to in our report of even date

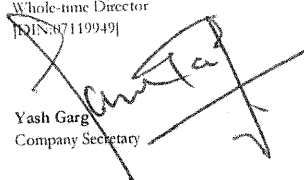
For Agarwal Prakash & Co.
Chartered Accountants
Firm's Registration Number: 005975N

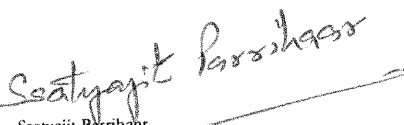
For and on behalf of the Board of Directors


Aashish K Verma
Partner




Meyyappan Ramanathan
Whole-time Director
[DIN:07119949]


Yash Garg
Company Secretary


Satyajit Parrihar
Director
[DIN:00643887]

Place: Gurugram
Date: 30 May 2023

LUCINA LAND DEVELOPMENT LIMITED

Summary of significant accounting policies and other explanatory information for the year ended
31 March 2023

1. Nature of principal activities

Lucina Land Development Limited ("the Company") was incorporated on July 25, 2006 as Lucina Land Development Private Limited and is engaged in development of real estate project and the other related and ancillary activities. The company is involved in developing a project - "Indiabulls Greens Panvel" located at Panvel, Raigad District, Maharashtra.

2. General information and statement of compliance with Ind AS

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards as notified under section 133 of the Companies Act 2013 ('the Act') - read with the Companies (Indian Accounting Standards) Rules 2015 (by Ministry of Corporate Affairs ('MCA')), as amended and other relevant provisions of the Act.

The Company has uniformly applied the accounting policies during the periods presented 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.

The financial statements for the year ended 31 March 2023 were authorized and approved for issue by the Board of Directors on 30 May 2023. The revisions to the financial statements are permitted by the Board of Directors after obtaining necessary approvals or at the instance of regulatory authorities as per provisions of the Act.

3. Recent accounting pronouncements:

Recent accounting pronouncements Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.

On 31 March 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

Ind AS 1 - Presentation of Financial Statements

This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after 01 April 2023. The Company has evaluated the amendment and the impact of the amendment is insignificant in the financial statements.

Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors

This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after 01 April 2023. The Company has evaluated the amendment and there is no impact on its financial statements.

Ind AS 12 - Income Taxes

This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after 01 April 2023. The Company has evaluated the amendment and there is no impact on its financial statement.

4. Basis of accounting

The financial statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India. Further, the financial statements have been prepared on historical cost basis except for certain financial assets and financial liabilities and share based payments which are measure at fair values as explained in relevant accounting policies. Fair valuations related to financial assets and financial liabilities are categorised into level 1, level 2 and level 3 based on the degree to which the inputs to the fair value measurements are observable.



LUCINA LAND DEVELOPMENT LIMITED

Summary of significant accounting policies and other explanatory information for the year ended
31 March 2023

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5. Summary of significant accounting policies

The financial statements have been prepared using the significant accounting policies and measurement bases summarised below. These were used throughout all periods presented in the financial statements.

5.1 Current versus non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Companies Act 2013. Deferred tax assets and liabilities are classified as non-current assets and non-current liabilities, as the case may be.

5.2 Property, plant and equipment (PPE)*Recognition and initial measurement*

Property, plant and equipment are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company. All other repair and maintenance costs are recognised in statement of profit and loss as incurred.

Subsequent measurement (depreciation and useful lives)

Depreciation on property, plant and equipment is provided on the straight-line method, computed on the basis of useful lives (as set out below) prescribed in Schedule II to the Companies Act, 2013.

Asset class	Useful life
Building – temporary structure	1 year
Plant and machinery	12 years
Office equipment	5 years
Computers	3 years
Furniture and fixtures	10 years

The residual values, useful lives and method of depreciation of are reviewed at the end of each financial year.

De-recognition

An item of property, plant and equipment initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in statement of profit and loss when the asset is de-recognised.

5.3 Intangible assets*Recognition and initial measurement*

Intangible assets (softwares) are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

Subsequent measurement (amortisation)

The cost of capitalized software is amortized over a period four years from the date of its acquisition.



5.4 Revenue recognition

Revenue is recognised when control is transferred and is accounted net of rebate and taxes. The Company applies the revenue recognition criteria to each nature of the revenue transaction as set out below.

Revenue from real estate properties advisory and management services

Income arising from real estate properties advisory services is recognised in the period in which the services are being rendered. The Company considers the terms of the contract and its customary business practices to determine the transaction price. The consideration promised in a contract with a customer may include fixed consideration, variable consideration (if reversal is less likely in future), or both.

Profit on sale of investment with underlying business

Profit on sale of investments of entities in the real estate business is recognised in the year in such investments are sold after adjusting the consideration received with carrying value of investment. The said profit is recognised as part of other operating income as in substance, such sale reflects the sale of real estate business.

Dividend income

Dividend income is recognised at the time when right to receive the payment is established, which is generally when the shareholders approve the dividend.

Interest income

Interest income is recorded on accrual basis using the effective interest rate (EIR) method.

Gain on amortised cost financial assets

Gain on de-recognition of amortised cost financial assets is recognised in the year when the entire payment is received against the outstanding balance of amortised cost financial assets.

5.5 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is necessary to complete and prepare the asset for its intended use or sale. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the statement of profit and loss as incurred.

5.6 Inventories

Land other than that transferred to real estate properties under development is valued at lower of cost or net realizable value.

Real estate properties (developed and under development) includes cost of land under development, internal and external development costs, construction costs, and development/construction materials, borrowing costs and related overhead costs and is valued at lower of cost or net realizable value.

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

5.7 Impairment of non-financial assets

At each reporting date, the Company assesses whether there is any indication that an asset may be impaired, based on internal or external factors. If any such indication exists, the recoverable amount of the asset or the cash generating unit is estimated. If such recoverable amount of the asset or cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the statement of profit and loss. If, at the reporting date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed



and the asset is reflected at the recoverable amount. Impairment losses previously recognized are accordingly reversed in the Statement of Profit and Loss.

5.8 Foreign currency

Functional and presentation currency

The financial statements are presented in Indian Rupee ('INR' or ₹) which is also the functional and presentation currency of the Company.

Transactions and balances

Foreign currency transactions are recorded in the functional currency, by applying to the exchange rate between the functional currency and the foreign currency at the date of the transaction.

Foreign currency monetary items are converted to functional currency using the closing rate. Non-monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transaction.

Exchange differences arising on monetary items on settlement, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognized in the Statement of Profit and Loss in the year in which they arise.

5.9 Financial instruments

Non-derivative financial assets

Recognition and initial measurement

All financial assets are recognised initially at fair value and transaction cost that is attributable to the acquisition of the financial asset is also adjusted.

Subsequent measurement

i. **Debt instruments at amortised cost** – A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

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

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

ii. **Equity investments** – All equity investments in scope of 'Ind AS 109 Financial Instruments' ('Ind AS 109') are measured at fair value. Equity instruments which are held for trading are generally classified as at fair value through profit and loss (FVTPL). For all other equity instruments, the Company decides to classify the same either as at fair value through other comprehensive income (FVOCI) or fair value through profit and loss (FVTPL).

iii. **Mutual funds** – All mutual funds in scope of Ind AS 109 are measured at fair value through profit and loss (FVTPL).

De-recognition of financial assets

A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.



Non-derivative financial liabilities*Recognition and initial measurement*

All financial liabilities are recognised initially at fair value and transaction cost that is attributable to the acquisition of the financial liabilities is also adjusted.

Subsequent measurement

Subsequent to initial recognition, financial liabilities are measured at amortised cost using the effective interest method.

De-recognition of financial liabilities

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

Derivatives

The Company has entered into certain forward (derivative) contracts to hedge risks. These derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. Any profit or loss arising on cancellation or renewal of such derivative contract is recognised as income or as expense for the period.

Offsetting of financial instruments

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

5.10 Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets. The Company factors historical trends and forward looking information to assess expected credit losses associated with its assets and impairment methodology applied depends on whether there has been a significant increase in credit risk.

Trade receivables

In respect of trade receivables, the Company applies the simplified approach of Ind AS 109, which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

Other financial assets

In respect of its other financial assets, the Company assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the Company measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses. The Company assumes that the credit risk on a financial asset has not increased significantly since initial recognition, if the financial asset is determined to have low credit risk at the balance sheet date.

5.11 Income taxes

Tax expense recognized in Statement of Profit and Loss comprises the sum of deferred tax and current tax except the ones recognized in other comprehensive income or directly in equity.



Current tax is determined as the tax payable in respect of taxable income for the year and is computed in accordance with relevant tax regulations. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

Deferred tax is recognised in respect of temporary differences between carrying amount of assets and liabilities for financial reporting purposes and corresponding amount used for taxation purposes. Deferred tax assets on unrealised tax loss are recognised to the extent that it is probable that the underlying tax loss will be utilised against future taxable income. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside statement of profit and loss is recognised outside Statement of Profit or Loss (either in other comprehensive income or in equity).

5.12 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits and other short-term highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

5.13 Provisions, contingent liabilities and contingent assets

Provisions are recognized only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Company or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are neither recognized nor disclosed. However, when realization of income is virtually certain, related asset is recognized.

5.14 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 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 is adjusted for events including a bonus issue.

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.

5.15 Significant management judgement in applying accounting policies and estimation uncertainty

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the related disclosures.



Significant management judgements

Recognition of deferred tax assets – The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Company's future taxable income against which the deferred tax assets can be utilized.

Evaluation of indicators for impairment of assets – The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

Recoverability of advances/receivables – At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit losses on outstanding receivables and advances.

Provisions – At each balance sheet date basis the management judgment, changes in facts and legal aspects, the Company assesses the requirement of provisions against the outstanding contingent liabilities. However, the actual future outcome may be different from this judgement.

Significant estimates

Useful lives of depreciable/amortisable assets – Management reviews its estimate of the useful lives of depreciable/amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utilisation of assets.

Defined benefit obligation (DBO) – Management's estimate of the DBO is based on a number of underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

Fair value measurements – Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument.



Lucina Land Development Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

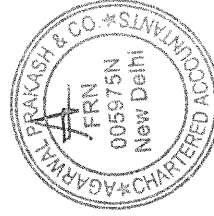
6A Property, plant and equipment- Tangible Assets

	Building	Plant and machinery	Office equipment	Computers	Furniture and fixtures	Vehicles	Ships	Total
(₹ in Million)								
Gross carrying value								
At 01 April 2021	4.80	105.80	9.60	17.50	2.80	43.50	7.90	191.30
Additions	-	0.20	-	0.50	-	-	-	0.70
Disposals/assets written off	-	-	-	-	-	(9.30)	-	(9.30)
Balance as at 31 March 2022	4.80	106.00	9.60	18.00	2.80	34.20	7.90	182.70
Additions	-	-	0.30	1.00	-	-	-	1.30
Disposals/assets written off	-	-	-	-	(0.30)	(25.30)	-	(25.30)
Balance as at 31 March 2023	4.80	106.00	9.90	19.00	2.50	8.90	7.90	158.40
Accumulated depreciation								
At 01 April 2021	4.60	80.20	7.90	17.00	1.80	28.60	3.90	144.00
Charge for the year	0.20	8.10	0.50	0.50	0.20	3.40	0.70	13.60
Adjustments for disposals	-	-	-	-	-	(8.80)	-	(8.80)
Balance as at 31 March 2022	4.80	88.30	8.40	17.50	2.00	23.20	4.60	148.80
Charge for the year	-	7.30	0.30	0.40	0.20	2.90	0.60	11.70
Adjustments for disposals	-	-	-	-	(0.30)	(18.60)	-	(18.90)
Balance as at 31 March 2023	4.80	95.60	8.70	17.90	1.90	7.50	5.20	141.60
Net carrying value as at 31 March 2022	-	17.70	0.60	0.50	0.80	11.00	3.30	33.90
Net carrying value as at 31 March 2023	-	10.40	0.60	1.10	0.60	1.40	2.70	16.80

i) During the year ended 31 March 2023 the company has inventorised Depreciation on Plant & Machinery of ₹ 7.30 million (Previous year ₹ 8.10 million)

ii) There are no contractual commitments for the acquisition of property, plant and equipments.

iii) Property, plant and equipment have been pledged as security for borrowings.



Lucina Land Development Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

6 B Other Intangible assets	(₹ in Million)	
	Softwares	Total
Gross carrying value		
At 01 April 2021	12.50	12.50
Additions	-	-
Disposals/assets written off	-	-
Balance as at 31 March 2022	12.50	12.50
Additions	0.10	0.10
Disposals/assets written off	-	-
Balance as at 31 March 2023	12.60	12.60
Accumulated amortisation		
At 01 April 2021	12.50	12.50
Amortisation charge for the year	-	-
Balance as at 31 March 2022	12.50	12.50
Amortisation charge for the year	0.00	0.00
Balance as at 31 March 2023	12.50	12.50
Net carrying value as at 31 March 2022	-	-
Net carrying value as at 31 March 2023	0.10	0.10

- i) There are no contractual commitments for the acquisition of intangible assets
- ii) other intangible assets have been pledged as security for borrowings.



Lucina Land Development Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

	31 March 2023 (₹ in Million)	31 March 2022 (₹ in Million)
Note - 7		
A Investments - non-current		
Investment in equity shares		
Subsidiaries (at cost, fully paid up), Unquoted*		
- Noble Realtors Limited 50,000 (31 March 2022: 50,000) equity shares of ₹10	0.50	0.50
- Nilgiri Infrastructure Development Limited 50,000 (31 March 2022: 50,000) equity shares of ₹ 10	0.50	0.50
- Albina Real Estate Limited 50,000 (31 March 2022: 50,000) equity shares of ₹10	0.50	0.50
- Devona Infrastructure Limited 50,000 (31 March 2022: 50,000) equity shares of ₹10	0.50	0.50
- Serida Properties Limited 50,000 (31 March 2022: 50,000) equity shares of ₹10	0.50	0.50
	<u>2.50</u>	<u>2.50</u>
Aggregate book value of unquoted investments	2.50	2.50
* Investment in equity instruments of subsidiaries are stated at cost as per IND AS 27, Separate Financial Statements.		
B Investments - current		
Investment in mutual funds , quoted		
Trust mutual fund overnight fund - Direct Plan - Growth # [84,160.852 (31 March 2022: 571,604.06) Units NAV: 1,061.6363 (31 March 2022: 1006.8494)]	89.40	575.50
Trust mutual fund Liquid Fund - Direct Plan - Growth [35,667.42 (31 March 2022: Nil) Units NAV: 1,091.24 (31 March 2022: Nil)]	38.90	-
	<u>128.30</u>	<u>575.50</u>
Aggregate book value/ market value of quoted investments	128.30	575.50
#Of the above Investment in mutual fund, investment worth ₹ 54.40 million, 51,283.00 Units (31 March 2022 :₹ 1,10.50 million, 1,09,731.00 Units) are pledged or lien marked.		
Note - 8		
A Other financial assets - non-current		
Bank deposits with maturity of more than 12 months*	-	0.10
Security deposits	0.60	0.80
Other deposit**	<u>0.40</u>	<u>-</u>
	<u>1.00</u>	<u>0.90</u>
*Refer Note no 15		
**BSE Limited Debt Securities Recovery Expense Fund		
B Other financial assets - current		
Loans to employees	2.40	3.60
Security deposits	<u>0.10</u>	<u>0.10</u>
	<u>2.50</u>	<u>3.70</u>
Note - 9		
Deferred tax assets/ (liabilities), net		
Deferred tax asset arising on account of :		
Provision of employee benefits	7.30	9.40
Property, plant and equipment and intangible assets	3.90	-
Ind AS transition adjustments in retained earning	490.80	514.30
Deferred tax liabilities arising on account of :		
Property, plant and equipment and intangible assets	-	(0.10)
	<u>502.00</u>	<u>523.60</u>

The company has decided to restrict recognition of Deferred Tax Assets on brought forward losses to the extent there is convincing evidence which demonstrate probability of realisation of deferred tax assets in near future. The company has Unabsorbed Business losses of ₹12,383.80 million (31 March 2022 ₹15,100.90 million) on which no Deferred Tax Assets is created. Further these losses are available for offset for maximum eight years from incurrence of losses.

Caption wise movement in deferred tax as follows:

Particulars	01 April 2021	Recognised/ (Reversed) in other comprehensive income	Recognised / (Reversed) in profit and loss	31 March 2022
Deferred tax asset arising on account of :				
Provision of employee benefits	9.00	-	(0.40)	9.40
Ind AS transition adjustments in retained earning	892.20	-	377.70	514.30
Deferred tax liabilities arising on:				
Property, plant and equipment and intangible assets	0.20	-	0.30	(0.10)
Total	901.40	-	377.60	523.60



Lucina Land Development Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

	31 March 2023 (₹ in Million)	31 March 2022 (₹ in Million)
Caption wise movement in deferred tax as follows:		
Particulars	31 March 2022	31 March 2023
Deferred tax asset arising on account of:		
Provision of employee benefits	9.40	7.30
Property, plant and equipment and intangible assets	-	3.90
Ind AS transition adjustments in retained earnings	514.30	490.80
Deferred tax liabilities arising on:		
Property, plant and equipment and intangible assets	(0.10)	-
Total	523.60	502.00

Note - 10

Non-current tax assets, net

Advance income tax, including tax deducted at source

77.20 78.40

77.20 78.40

Note - 11

A Other non-current assets

Prepaid expenses

2.00 1.00

2.00 1.00

B Other current assets

(Unsecured, Considered Good)

Advance to staff

0.10 0.10

Mobilization advances

48.90 10.70

Advance to material / service providers

48.00 53.10

Prepaid expenses

5.80 6.50

Balances with statutory authorities

10.20 6.30

Others receivables

8.20 42.80

121.20 119.50

Note - 12

Inventories

A Real estate properties - under development, at cost

Cost of properties under development

20,165.10 18,351.70

Less: transferred to developed properties

(10,043.00) (10,043.00)

10,122.10 8,308.70

B Real estate properties - developed, at cost

Cost of developed properties

10,043.00 10,043.00

Less: cost of revenue recognized till date

9,972.90 9,766.10

70.10 276.90

C Construction materials in stock, at cost

175.70 146.90

10,367.90 8,732.50

- (i) During the year ended March, 2023 the company has inventorised borrowing cost of ₹ 322.90 million (Previous year ₹ 77.50 million), and inventorised Depreciation of ₹ 7.30 million (Previous year ₹ 8.10 millions)
- (ii) Also refer note 19 for mortgage detail
- (iii) The weighted average rate of interest capitalisation is in the range of 8.50% to 12.50% basis the underlying borrowings of respective entities.

Note - 13

Trade Receivables

Trade Receivables*

(i) Considered good - Unsecured

292.70 253.00

(refer note no 19)

292.70 253.00

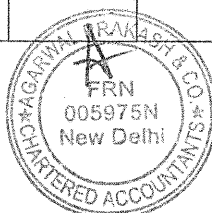
*The Company does not have any receivables which are either credit impaired or where there is significant increase in credit risk

As at 31 March 2023

Particulars	Less than 6 months	6 months to 1 year	1 - 2 years	2- 3 years	More than 3 years	Total
(i) Undisputed trade receivables - considered	210.70	1.10	33.50	5.40	42.00	292.70
(ii) Undisputed trade receivables - considered	-	-	-	-	-	-
(iii) Undisputed trade receivables - credit	-	-	-	-	-	-
(iv) Disputed trade receivables - considered good	-	-	-	-	-	-
(v) Disputed trade receivables - considered	-	-	-	-	-	-
(vi) Disputed trade receivables - credit impaired	-	-	-	-	-	-

As at 31 March 2022

Particulars	Less than 6 months	6 months to 1 year	1 - 2 years	2- 3 years	More than 3 years	Total
(i) Undisputed trade receivables - considered	98.40	91.80	12.10	13.70	37.00	253.00
(ii) Undisputed trade receivables - considered	-	-	-	-	-	-
(iii) Undisputed trade receivables - credit	-	-	-	-	-	-
(iv) Disputed trade receivables - considered good	-	-	-	-	-	-
(v) Disputed trade receivables - considered	-	-	-	-	-	-
(vi) Disputed trade receivables - credit impaired	-	-	-	-	-	-



Lucina Land Development Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

	31 March 2023 (₹ in Million)	31 March 2022 (₹ in Million)
Note - 14		
Cash and cash equivalents		
Cash on hand	-	-
Balances with banks		
In current accounts	14.00	27.90
	<u>14.00</u>	<u>27.90</u>
Note - 15		
Other bank balances		
Bank deposits*		
With maturity of more than three months and upto twelve months	5.10	4.90
With maturity of more than twelve months	-	0.10
	<u>5.10</u>	<u>5.00</u>
Less: Non-current bank balances in fixed deposit accounts (refer note 8)	-	0.10
	<u>5.10</u>	<u>4.80</u>
Interest Accrued on bank deposits	-	0.10
	<u>5.10</u>	<u>4.90</u>

*Fixed Deposit (excluding accrued interest) with banks of ₹5.00 (31 March 2022: ₹ 4.90 million) are pledged for the purpose of Bank Guarantee.

*Fixed deposit amounting to ₹ 0.10 million (including accrued interest) (31 March 2022 ₹ 0.10 million) are kept under lien as Bank Guarantee

Note - 16

Loans - current*

Inter-corporate loans to related parties

(i) Considered good - Unsecured

	144.30	292.30
	<u>144.30</u>	<u>292.30</u>

*The Company does not have any loans which are either credit impaired or where there is significant increase in credit risk

	31 March 2023		31 March 2022	
	Number	Amount (₹ in Million)	Number	Amount (₹ in Million)
Note - 17A				
Equity share capital				
i Authorised				
Equity share capital of face value of ₹ 10 each	50,000	0.50	50,000	0.50
	<u>50,000</u>	<u>0.50</u>	<u>50,000</u>	<u>0.50</u>
ii Issued, subscribed and fully paid up				
Equity share capital of face value of ₹ 10 each	50,000	0.50	50,000	0.50
	<u>50,000.00</u>	<u>0.50</u>	<u>50,000</u>	<u>0.50</u>
iii Reconciliation of number and amount of equity shares outstanding at the beginning and at the end of the year				
Equity shares				
Balance at the beginning of the year	50,000	0.50	50,000	0.50
Add: Issued during the year	-	-	-	-
Less: Redeemed during the year	-	-	-	-
Balance at the end of the year	<u>50,000</u>	<u>0.50</u>	<u>50,000</u>	<u>0.50</u>

iv Rights, preferences and restrictions attached to equity shares

The holders of equity shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Company. In the event of liquidation of the Company, the remaining assets of the Company shall be distributed to the holders of equity shares in proportion to the number of shares held to the total equity shares outstanding as on that date. All shares rank equally with regard to the Company's residual assets.

v 50,000 (Previous Year 50,000) equity shares of the Company is held by holding company namely Indiabulls Real Estate Limited and its nominees.

vi Details of shareholder holding more than 5% equity share capital and shares held by the Holding Company

Name of the equity shareholder

Indiabulls Real Estate Limited*

*including nominee shares

Number of shares	Number of shares
50,000	50,000

vii Company does not have any shares issued for consideration other than cash during the immediately preceding five years. Company did not buy back any shares during immediately preceding five years. Company does not have any shares reserved for issue under options.

viii Disclosure of Shareholding of Promoters

Disclosure of shareholding of promoters as at 31 March 2023 is as follows :

Promoter Name	Share Held by Promoters				
	As at 31 March 2023		As at 31 March 2022		% Change during the year
	Number of shares	% Total of Shares	Number of shares	% Total of Shares	
Indiabulls Real Estate Limited (including nominee shares)	50,000	100	50,000	100	-

Disclosure of shareholding of promoters as at 31 March 2022 is as follows :

Promoter Name	Share Held by Promoters				
	As at 31 March 2022		As at 31 March 2021		% Change during the year
	Number of shares	% Total of Shares	Number of shares	% Total of Shares	
Indiabulls Real Estate Limited (including nominee shares)	50,000	100	50,000	100	-



			31 March 2023 (₹ in Million)	31 March 2022 (₹ in Million)
Note - 17B				
B	Optionally convertible debentures ('OCD')			
	0.0001% Optionally convertible debentures of face value of ₹ 1,000 each fully paid up	2,76,450	276.50	2,76,450
		<u>2,76,450</u>	<u>276.50</u>	<u>2,76,450</u>
				<u>276.50</u>

During the year ended 31 March 2014, the Company had issued 2,688,109 optionally convertible debentures of face value of ₹ 1000 each bearing interest @ 0.0001% per annum to its holders. These debentures are convertible into equity shares at the option of the holder within 20 years from the date of issue. If holder does not exercise its right of conversion, the debentures will be redeemed at the end of the period of 20 years. During the year ended 31 March 2015, the Company has Redeemed 542,000 optionally convertible debentures of face value of ₹ 1,000 each. During the year ended 31 March 2017, the Company has Redeemed 1,869,659 optionally convertible debentures of face value of ₹ 1,000 each. Effective from 01 March 2020, the terms of the OCD have been changed. As per the revised terms, OCD are Convertible or redeemable at the option of issuer, on or before the expiry of the term. OCD are convertible in the ratio of one equity share for each OCD.

Note - 18**Other equity**

Other components of equity	29.40	29.40
Debt redemption reserve	324.00	324.00
General reserve	204.80	204.80
Retained earnings	(9,231.60)	(11,929.30)
	<u>(8,673.40)</u>	<u>(11,371.10)</u>

General reserve

The Company is required to create a general reserve out of the profits when the Company declares dividend to shareholders.

Deferred employee compensation reserve

The reserve is used to recognised the grant date fair value of the options issued to employees under Company's employee stock option plan.

Debt redemption reserve

The Company is required to create a debt redemption reserve out of the profits which are available for redemption of debentures.

Note - 19**A Borrowings non-current****Secured loans:****Debentures**

Non-convertible debentures (redeemable) (refer note (j) below)	1,602.70	3,122.20
Less: Current maturities of non-current borrowings (refer note 19B)	(419.60)	(777.60)
	<u>1,183.10</u>	<u>2,344.60</u>

i Repayment terms (including current maturities) and security details for non-convertible debentures:

Particulars	Maturity date	Security	31 March 2023 (₹ in Million)	31 March 2022 (₹ in Million)
3600 Redeemable non-convertible debentures issued on 10 february 2022 for ₹ 36,00 million @ 12.50% of face value ₹1,000,000 each	Repayable in 12 quarterly installments of ₹ 300 million starting on 10 May 2022. During the year ended 31 March, 2023 the company has repaid ₹1,584 million (previous year ₹360 million) outstanding Non-convertible debenture.	Refer Note 1 below	1,602.70	3,122.20

These non-convertible debenture was listed on the Wholesale Debt Market segment of BSE Limited.

Note 1**Details of security:**

- First ranking and exclusive mortgage on unsold inventory aggregating 0.87 lakh sq. ft. saleable area in "Indiabulls Green (phase 1) and 11.12 Lakhs sq. ft. of saleable area in Indiabulls Park (phase 2)".
- First ranking pari passu charge, by way of hypothecation upon all receivables of the Indiabulls Greens (phase 1) and Indiabulls park (phase 2).
- First ranking pari passu charge on the NCD Servicing Accounts, Disa, Escrow Accounts, permitted investments and 3M interest Isra.
- Irrevocable and unconditional Corporate Guarantee of "Indiabulls Real Estate Limited" & "Diana Infrastructure Limited"
- Mortgage of Development Right via Registered Development agreement between Diana Infrastructure Limited & Lucina Land Development Limited.
- Deemed mortgage of units in case of cancellation event herein under defined.

B Borrowings - current**Secured borrowings****Current maturities Non-convertible Debentures**

419.60

777.60

Unsecured loans**Loans and advances from related parties**

9,772.20

11,078.50

10,191.80

11,856.10

Note - 20**A Provisions - non-current****Provision for employee benefits: (refer note: 47)****Gratuity**

22.10

28.30

Compensated absences

5.30

7.40

27.40

35.70

B Provisions - current**Provision for employee benefits: (refer note: 47)****Gratuity**

1.20

1.30

Compensated absences

0.40

0.40

Provision for Interest to customer

26.10

26.10

27.70

27.80



Lucina Land Development Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

Note - 21

Trade payables - current

Due to micro and small enterprises*

Due to others

Retention Money

	31 March 2023 (₹ in Million)	31 March 2022 (₹ in Million)
	20.20	5.10
	221.60	222.30
	231.40	209.70
	473.20	437.10

Trade Payables ageing as at 31 March 2023

Particulars	Outstanding for the year ended 31 March 2023					Total
	Not due	Less than 1 year	1 year to 2 year	2 year to 3 year	More than 3 years	
(i) MSME	99.60	20.20	-	-	-	119.80
(ii) Other than MSME	131.80	217.30	0.90	0.60	2.80	353.40
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Other than MSME	-	-	-	-	-	-

Trade Payables ageing as at 31 March 2022

Particulars	Outstanding for the year ended 31 March 2022					Total
	Not due	Less than 1 year	1 year to 2 year	2 year to 3 year	More than 3 years	
(i) MSME	-	5.10	-	-	-	5.10
(ii) Other than MSME	209.70	215.80	0.90	2.80	-	432.00
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Other than MSME	-	-	-	-	-	-

*Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act, 2006") as at 31 March 2023, 31 March 2022 :

Particulars		31 March 2023 (₹ in Million)	31 March 2022 (₹ in Million)
i)	the principal amount remaining unpaid to any supplier as at the end of each accounting year;	20.20	5.10
ii)	interest due thereon (i)	Nil	Nil
iii)	the amount of interest paid by the buyer in terms of section 16, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	Nil	Nil
iv)	the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act;	Nil	Nil
v)	the amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil	Nil
vi)	the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	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.

Note - 22

Other financial liabilities - current

Interest accrued but not due on non-convertible debentures

Security deposits

Expenses payable

	0.60	1.10
	3.20	3.20
	59.80	55.80
	63.60	60.10

Note - 23

Other current liabilities

Payable to statutory and government authorities

Advance from customers

	8.70	20.30
	8,098.50	6,962.00
	8,107.20	6,982.30



Lucina Land Development Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

	31 March 2023 (₹ in Million)	31 March 2022 (₹ in Million)
Note - 24		
Revenue from operations		
Operating revenue		
Revenue from real estate properties	421.90	2,179.50
Other operating income		
Income from maintenance services	5.40	-
Interest from customers on overdue balances	0.30	11.30
Service and forfeiture receipts	28.10	2.50
Others	2.40	1.80
	458.10	2,195.10
Note - 25		
Other income		
Interest income on fixed deposits	1.70	0.40
Interest - others	0.40	-
Profit on sale of investments, net	6.10	3.00
Profit on sale of fixed assets	-	0.40
Income on fair valuation of financial instruments	1.50	-
Balance Witten Back	4.30	-
Miscellaneous income	9.10	4.10
	23.10	7.90
Note - 26		
Cost of revenue		
Cost incurred during the year	1,842.90	1,338.70
(Increase)/decrease in real estate project under development		
Opening stock	8,732.50	8,402.80
Closing stock	(10,367.90)	(8,732.50)
Operating Expense related to maintenance business	80.30	-
	287.80	1,009.00
Note - 27		
Employee benefits expense		
Salaries and wages	224.10	180.40
Contribution to provident fund and other funds	0.40	0.40
Gratuity and leave encashment	9.00	5.80
Staff welfare expenses	-	0.40
	233.50	187.00
Note - 28		
Finance costs		
Interest expenses on:		
Income tax	-	0.10
	-	0.10
Note - 29		
Other expenses		
Advertisement expenses	2.90	0.10
Bank charges	0.20	0.10
Auditor's remuneration - as auditor (refer note (i) below)	2.40	1.50
Books and periodicals	-	0.90
Communication expenses	0.50	0.50
Insurance expenses	0.20	0.30
Legal and professional charges	17.80	22.00
Loss/(profit) on sale /written off of fixed assets	3.70	-
Printing and stationery	0.30	0.50
Rates and taxes	3.60	9.20
Repairs and maintenance		
Vehicles	1.10	1.60
Others	2.70	3.50
Brokerage and marketing expenses	45.70	33.90
Software expenses	0.80	0.10
Traveling and conveyance expenses	0.60	0.60
Miscellaneous expenses	8.10	1.00
Customer incentive and other charges	115.30	76.60
	205.90	152.40



Lucina Land Development Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

	31 March 2023 (₹ in Million)	31 March 2022 (₹ in Million)
i) Details of auditor's remuneration		
Auditor's remuneration		
Audit fee	2.40	1.50
	2.40	1.50

Note - 30

Income tax

Tax expense comprises of:

Current income tax, including earlier year tax expenses

Deferred tax (refer note 9)

Income tax expense reported in the statement of profit and loss

-	-
21.70	377.60
21.70	377.60

The major components of income tax expense and the reconciliation of expected tax expense based on the domestic effective tax rate of the Company at 25.168% (Previous Year 25.168%) and the reported tax expense in profit or loss are as follows:

Reconciliation of tax expense and the accounting profit multiplied by domestic effective tax rate

Accounting profit/ (loss) before tax from continuing operations

Accounting profit/ (loss) before income tax

2,719.60	849.00
2,719.60	849.00

At statutory income tax rate of 25.168% (31 March 2022: 25.168%)

Computed expected tax expense

25.168%	25.168%
684.47	213.68

The company has unabsorbed business loss amounting to ₹12,477.90 million (31st March, 2022 ₹ 15,100.90 million) that are available for offsetting for a maximum period of eight years from the incurrence of loss. The company has not created deferred tax assets on these unabsorbed losses considering uncertainty involved around future business income.

Tax effect of amounts which are not deductible (taxable) in calculating taxable income:

Tax impact of expenses which will be never allowed

Tax impact of expenses which will be allowed

Tax impact of brought forward losses setup during the year

Deferred Tax assets reversed/ (recognised)

Income tax expense

4.33	2.69
(4.96)	(2.62)
(683.84)	(213.75)
21.70	377.60
21.70	377.60

Note - 31

Earnings per share (EPS)

The Company's Earnings per Share ("EPS") is determined based on the net profit attributable to the shareholders. Basic earnings per share is computed using the weighted average number of shares outstanding during the year. Diluted earnings per share is computed using the weighted average number of common and dilutive common equivalent shares outstanding during the year including share options, except where the result would be anti-dilutive.

The following reflects the income and share data used in the basic and diluted EPS computations:

Profit/(loss) attributable to equity holders for basic earnings	2,697.90	471.40
Profit/(loss) attributable to equity holders adjusted for the effect of dilution	2,697.90	471.40
Weighted average number of Equity shares during the year	50,000	50,000
Weighted average number of Equity shares for basic and diluted earning per share	50,000	50,000
Earnings per equity share		
(1) Basic (₹)	53,957.40	9,430.80
(2) Diluted (₹)	53,957.40	9,430.80



Lucina Land Development Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

Note - 32

A) Financial Instruments by category

(₹ in Million)

	31 March 2023			31 March 2022		
	FVTPL (See note 1 below)	FVOCI (See note 2 below)	Amortised cost	FVTPL (See note 1 below)	FVOCI (See note 2 below)	Amortised cost
Financial assets						
Investments*						
Mutual funds	128.30	-	-	575.50	-	-
Trade receivables	-	-	292.70	-	-	253.00
Loans	-	-	144.30	-	-	292.30
Cash and cash equivalents	-	-	14.00	-	-	27.90
Other bank balances	-	-	5.10	-	-	4.90
Other financial assets	-	-	3.50	-	-	4.60
Total financial assets	128.30	-	459.60	575.50	-	582.70

Notes

1. These financial assets are mandatorily measured at fair value through profit and loss.

2. These financial assets represent investments in equity instruments designated as such upon initial recognition.

* Investment in equity instruments of subsidiaries are stated at cost as per IND AS 27, separate financial statements.

(₹ in Million)

	31 March 2023			31 March 2022		
	FVTPL	FVOCI	Amortised	FVTPL	FVOCI	Amortised
Financial liabilities						
Borrowings (including accrued interest)	-	-	11,375.50	-	-	14,201.80
Trade payables	-	-	473.20	-	-	437.10
Security deposits	-	-	3.20	-	-	3.20
Other financial liabilities	-	-	59.80	-	-	55.80
Total financial liabilities	-	-	11,911.70	-	-	14,697.90

B) Fair value measurements

(i) Fair value hierarchy

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three Levels of a fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: quoted prices (unadjusted) in active markets for financial instruments.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data rely as little as possible on entity specific estimates.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

ii) Financial assets and financial liabilities measured at fair value – recurring fair value measurements

(₹ in Million)

31 March 2023	Level 1	Level 2	Level 3	Total
Financial assets				
Financial instruments at FVTPL				
Investment in Mutual Fund	128.30	-	-	128.30
Total financial assets	128.30	-	-	128.30

Financial assets and liabilities measured at amortised cost for which fair values are disclosed

(₹ in Million)

31 March 2022	Level 1	Level 2	Level 3	Total
Financial assets				
Financial instruments at FVTPL				
Investment in Mutual Fund	575.50	-	-	575.50
Total financial assets	575.50	-	-	575.50

ii) Financial instruments measured at amortised cost

For Amortised Cost instruments, carrying value represents the best estimate of fair value.

iii) Risk Management

The Company's activities expose it to the liquidity risk and credit risk. The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

iv) Valuation process and technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

(i) Use of net asset value for mutual funds on the basis of the statement received from investee party.



Note -33

Financial risk management

The Company's activities expose it to market risk, liquidity risk and credit risk. The company's board of directors has overall responsibility for establishment and oversight of Company's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and related impact in the financial statements.

a) Credit risk

Credit risk is the risk that a counterparty fails to discharge its obligation to the Company. The Company's exposure to credit risk is influenced mainly by cash and cash equivalents, trade receivables and financial assets measured at amortised cost. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

a) Credit risk management

i) Credit risk rating

The Company assesses and manages credit risk of financial assets based on following categories arrived on the basis of assumptions, inputs and factors specific to the class of financial assets.

A: Low credit risk

B: Moderate credit risk

B: High credit risk

Asset group	Basis of categorisation	Provision for expenses credit loss
Low credit risk	Cash and cash equivalents, other bank balances, loans and other financial assets	12 month expected credit loss, life time expected credit loss

In respect of trade receivables, the company recognises a provision for lifetime expected credit loss.

Based on business environment in which the Company operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions.

Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or a litigation decided against the Company. The Company continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognised in statement of profit and loss.

Assets under credit risk –

(₹ in Million)

Credit rating	Particulars	31 March 2023	31 March 2022
Low credit risk	Cash and cash equivalents, other bank balances, loans and other financial assets	587.90	1,158.20

ii) Concentration of financial assets

The Company's principal business activities are development of real estate projects and all other related activities. The Company's outstanding receivables are for real estate project. Loans and other financial statements majorly represents inter-company loans and other advances.

Assets under credit risk –

(₹ in Million)

Credit rating	Particulars	31 March 2023	31 March 2022
A	Cash and Cash Equivalents	14.00	27.90
A	Trade receivables	292.70	253.00
A	Loans	144.30	292.30
A	Other bank balances	5.10	4.90
A	Other financial assets	3.50	4.60
A	Investments in Subsidiaries	2.50	2.50

The risk parameters are same for all financial assets for all period presented. The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an on-going basis throughout each reporting period. In general, definition of default is determined by considering the business environment in which entity operates and other macro-economic factors.

b) Credit risk exposure

Provision for expected credit losses

The Company provides for 12 month expected credit losses for following financial assets –

As at 31 March 2023

(₹ in Million)

Particulars	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	14.00	-	14.00
Trade receivables	292.70	-	292.70
Other bank balances	5.10	-	5.10
Loans	144.30	-	144.30
Other financial assets	3.50	-	3.50

As at 31 March 2022

(₹ in Million)

Particulars	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	27.90	-	27.90
Trade receivables	253.00	-	253.00
Other bank balances	4.90	-	4.90
Loans	292.30	-	292.30
Other financial assets	4.60	-	4.60



Expected credit loss for trade receivables under simplified approach

The Company's trade receivables does not have any expected credit loss as registry of properties sold is generally carried out once the Company receives the entire payment. During the periods presented, the Company made no write-offs of trade receivables and no recoveries from receivables previously written off.

(B) Liquidity risk

The company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The company has no outstanding bank borrowings. The company believes that the working capital is sufficient to meet its current requirements. Company also have an option to arrange funds by taking loans and borrowing from Holding Company/Fellow Subsidiary company. Accordingly no liquidity risk is being perceived.

Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities.

(₹ in Million)						
31 March 2023	Less than 1 year	Between 1 and 2 years	Between 2 and 3 years	Between 3 and 4 years	More than 4 years	Total
Non-derivatives						
Borrowings(including accrued interest)	10,192.40	1,183.10	-	-	-	11,375.50
Trade Payables	473.20	-	-	-	-	473.20
Other Financials Liabilities	63.60	-	-	-	-	63.60
Total	10,729.20	1,183.10	-	-	-	11,912.30

(₹ in Million)						
31 March 2022	Less than 1 year	Between 1 and 2 years	Between 2 and 3 years	Between 3 and 4 years	More than 4 years	Total
Non-derivatives						
Borrowings(including accrued interest)	11,857.20	1,200.00	1,144.60	-	-	14,201.80
Trade Payables	437.10	-	-	-	-	437.10
Other Financials Liabilities	60.10	-	-	-	-	60.10
Total	12,354.40	1,200.00	1,144.60	-	-	14,699.00

(C) Market risk

(i) Interest rate risk

The Company's fixed rate borrowings are not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

The Company's variable rate borrowing is subject to interest rate. Below is the overall exposure of the borrowing:

(₹ in Million)		
Particulars	31 March 2023	31 March 2022
Variable rate borrowing	-	-
Fixed rate borrowing	11,374.90	14,200.70
Total borrowings	11,374.90	14,200.70

Sensitivity

Profit or loss is sensitive to higher/lower interest expense from variable rate borrowings as a result of changes in interest rates.

(₹ in Million)		
Particulars	31 March 2023	31 March 2022
Interest rates – increase by 1%	-	-
Interest rates – decrease by 1%	-	-

(ii) Price risk

Company does not have any price risk



Lucina Land Development Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

Note -34

Revenue related disclosures

A Disaggregation of revenue

Set out below is the disaggregation of the Company's revenue from contracts with customers:

(₹ in Million)		
Particulars	Year Ended 31 March 2023	Year Ended 31 March 2022
Revenue from contracts with customers		
(i) Revenue from operations		
(a) Revenue from sale of properties and developed plots	421.90	2,179.50
(b) Revenue from maintenance services	5.40	-
(c) Other operating income	30.80	15.60
Total revenue covered under Ind AS 115	458.10	2,195.10

B Contract balances

The following table provides information about receivables and contract liabilities from contract with customers:

(₹ in Million)		
Particulars	As at 31 March 2023	As at 31 March 2022
Contract liabilities		
Advance from consumers	8,098.50	6,962.00
Deferred revenue	-	-
Total contract liabilities	8,098.50	6,962.00
Receivables		
Trade receivables	292.70	253.00
Total receivables	292.70	253.00

Contract asset is the right to consideration in exchange for goods or services transferred to the customer. Contract liability is the entity's obligation to transfer goods or services to a customer for which the entity has received consideration from the customer in advance. Contract assets are transferred to receivables when the rights become unconditional and contract liabilities are recognised as and when the performance obligation is satisfied.

C Significant changes in the contract liabilities balances during the year are as follows:

(₹ in Million)		
Particulars	As at 31 March 2023	As at 31 March 2022
	Contract liabilities	Contract liabilities
	Advances from consumers	Advances from consumers
Opening balance	6,962.00	7,299.50
Addition during the year	1,558.40	1,842.00
Adjustment on account of revenue recognised	(421.90)	(2,179.50)
Closing balance	8,098.50	6,962.00

D Ind AS 115 'Revenue from Contracts with Customers', mandatory for reporting periods beginning on or after 1 April 2018, replaces existing revenue recognition requirements. The application of Ind AS 115 has impacted the Company's accounting for recognition of revenue from real estate projects. The Company has applied full retrospective approach in adopting the new standard and accordingly restated the previous period numbers basis completion of contract for all the real estate projects across India. The following table summarises the impact on transition to Ind AS 115 on each individual line items. Line items that are not affected by changes have not been included.

E Reconciliation of revenue recognised with contract revenue:

(₹ in Million)		
Particulars	Year Ended 31 March 2023	Year Ended 31 March 2022
Contract revenue	421.90	2,220.00
Adjustment for:		
(a) Subvention cost*	-	(40.50)
Revenue recognised	421.90	2,179.50

* Subvention cost represent the expected cash outflow under the arrangement determined basis time elapsed.



Note - 35
Details with respect to the Benami properties

No proceedings have been initiated or pending against the entity under the Benami Transactions (Prohibitions) Act, 1988 for the year ended 31 March 2023 and 31 March 2022.

Note - 36
Undisclosed income

There is no such income which has not been disclosed in the books of accounts. No such income is surrendered or disclosed as income during the year ended 31 March 2023 and 31 March 2022 in the tax assessments under Income Tax Act, 1961.

Note - 37
Details of Crypto Currency or Virtual Currency

Profit or loss on transactions involving Crypto currency or Virtual Currency	No such transaction has taken place during the year ended 31 March 2023 and 31 March 2022.
Amount of currency held as at the reporting date	No such transaction has taken place during the year ended 31 March 2023 and 31 March 2022.
Deposits or advances from any person for the purpose of trading or investing in Crypto Currency / virtual currency	No such transaction has taken place during the year ended 31 March 2023 and 31 March 2022.

Note - 38
Ratio Analysis

The following are analytical ratios for the year ended 31 March 2023 and 31 March 2022

Particulars	Numerator	Denominator	31 March 2023	31 March 2022	Variance
Current Ratio	Current Assets	Current Liabilities	0.60	0.54	11.51%
Debt Equity Ratio##	Total Debts	Shareholder's Equity	(1.35)	(1.28)	5.84%
Debt Service Coverage Ratio##	Earnings available for debt services	Debt Service	1.38	0.37	274.88%
Return on Equity (ROE)###	Net Profit After Taxes	Average Share holder's Equity	NA	NA	NA
Trade Receivables turnover ratio***	Revenue	Average Trade Receivable	1.68	13.40	-698.18%
Trade Payables turnover ratio\$	Purchase of services and other	Average Trade Payable	0.63	2.45	-287.61%
Net Capital Turnover Ratio\$\$	Revenue	Working Capital	NA	NA	NA
Net profit ratio^	Net profit	Revenue	5.89	0.21	96.35%
Return of Capital Employed (ROCE)^^	Earning before interest taxes	Capital Employed	NA	NA	NA
Inventory turnover ratio^^^	Cost of Goods sold	Average Inventory	0.03	0.12	-74.41%

##Debt Service Coverage Ratio: variation is due to increase in profit. (Refer Note: 31)

Ratio can not be calculated due to negative average share holders equity in current and previous year.

***Trade Receivables turnover ratio: variation is due to decrease in revenue from operation in current year

\$Trade Payables turnover ratio: variation is due to decrease in direct expenses

\$\$ Ratio can not be calculated due to negative working capital in current and previous year.

^Net Profit Ratio: variation is due to increase in net profit. (Refer Note: 31)

^^Ratio can not be calculated due to negative Earning before interest taxes in current year

^^^ Inventory turnover ratio: variation is due to Decrease in cost of goods sold.

Note - 39
Wilful Defaulter:

No bank or financial institution has declared the company as "Wilful defaulter" during the year ended 31 March 2023 and 31 March 2022.

Note - 40
Details in respect of Utilization of Borrowed funds and share premium:

Particulars	Description
Transactions where an entity has provided any advance, loan, or invested funds to any other person (s) or entity/ entities, including foreign entities.	No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries).
Transactions where an entity has received any fund from any person (s) or entity/ entities, including foreign entity.	The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the funding party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Note - 41
Relationship with Struck off Companies:

No transaction has been made with the company struck off under section 248 of The Companies Act, 2013 or section 560 of Companies Act, 1956 during the year ended 31 March 2023 and 31 March 2022.

Note - 42
Registration of charges or satisfaction with Registrar of Companies:

All applicable cases where registration of charges or satisfaction is required with Registrar of Companies have been done. No registration or satisfaction is pending for the year ended 31 March 2023 and 31 March 2022

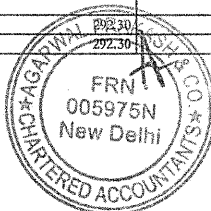
Note - 43
Compliance with number of layers of companies:

The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 and no layers of companies has been established beyond the limit prescribed as per above said section / rules, during the year ended 31 March 2023 and 31 March 2022.

Note - 44
Loan or advances granted to the promoters, directors and KMPs and the related parties:

Particular	31 March 2023	31 March 2022	31 March 2023	31 March 2022
Type of Borrower	Amount of Loan or advance in the nature of loan outstanding (₹ in million)	Amount of Loan or advance in the nature of loan outstanding (₹ in million)	Percentage to the total Loans and advances in natures of loans(%)	Percentage to the total Loans and advances in natures of loans(%)
Related Parties (Refer note: 46)	144.30	292.30	100	100
Total	144.30	292.30	100	100

These loans are granted to related parties which are repayable on demand.



LUCINA LAND DEVELOPMENT LIMITED**Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31 March 2023****Note – 45****Capital management**

The Company's objectives when managing capital are:

- To ensure Company's ability to continue as a going concern, and
- To provide adequate return to shareholders

Management assesses the capital requirements in order to maintain an efficient overall financing structure. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. The Company manages its capital requirements by reviewing its net debt position, where net debt is equal to non-current borrowing (including current maturities of non-current borrowings) and short-term borrowing net of cash and cash equivalent and other bank balances.

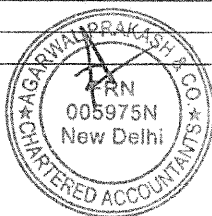
Note – 46**Related party transactions**

Relationship	Name of the related parties
<i>i) Related parties exercising control</i>	
- Holding Company	Indiabulls Real Estate Limited
<i>ii) Related parties where control exists</i>	
- Subsidiary Companies	Noble Realtors Limited Nilgiri Infrastructure Development Limited Albina Real Estate Limited Devona Infrastructure Limited Serida Properties Limited
<i>iii) Other related parties</i>	
- Fellow subsidiary Companies*	Elena Properties Limited Diana Infrastructure Limited Indiabulls Constructions Limited Citra Developers Limited

* With whom transactions have been made during the year /previous year.

a) Statement of material transactions with related party:

	(₹ in million)	
Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Loans taken / (repaid), net		
<i>Fellow subsidiary companies:</i>		
- Indiabulls Constructions Limited	1,663.70	(1,693.00)
Loans taken Write back		
<i>Fellow subsidiary companies:</i>		
- Indiabulls Constructions Limited	(2,970.00)	--
Loans & Advance (given) / received back, net		
<i>A) Subsidiary Companies:</i>		
- Nilgiri Infrastructure Development Limited	167.80	(0.00)
<i>B) Fellow subsidiary companies:</i>		
- Diana Infrastructure Limited	(19.80)	--



LUCINA LAND DEVELOPMENT LIMITED

Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31 March 2023

Material Advance given / (received back), net		
<i>Fellow subsidiary companies:</i>		
- Indiabulls Constructions Limited	--	(884.20)

b) Statement of balances outstanding:

(₹ in million)

Particulars	As at 31 March 2023	As at 31 March 2022
Loans & Advance taken:		
<i>A) Fellow subsidiary companies:</i>		
- Indiabulls Constructions Limited	9,772.20	11,078.50
Loans given		
<i>B) Subsidiary Companies:</i>		
- Nilgiri Infrastructure Development Limited	65.50	233.30
<i>C) Fellow subsidiary Companies:</i>		
- Diana Infrastructure Limited	78.80	59.00
Material Advance given		
<i>Fellow subsidiary Companies:</i>		
- Indiabulls Constructions Limited	23.00	23.00
OCD Holder:		
<i>Fellow Subsidiary companies:</i>		
Elena Properties Limited	6.60	6.60
Citra Developers Limited	65.30	65.30
Selene Infrastructure Limited	2,04.60	2,04.60

Note – 47

Employee benefits

Defined contribution plan

The Company has made ₹ 0.30 million (31 March 2022 ₹ 0.30 million) contribution in respect of provident fund.

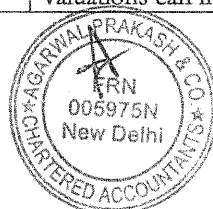
Defined Benefit Plan

The Company has the following Defined Benefit Plans:

- Gratuity (Unfunded)
- Compensated absences (Unfunded)

Risks associated with plan provisions

Discount rate risk	Reduction in discount rate in subsequent valuations can increase the plan's liability.
Mortality risk	Actual death & liability cases proving lower or higher than assumed in the valuation can impact the liabilities.
Salary risk	Actual salary increase will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.
Withdrawal risk	Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.



LUCINA LAND DEVELOPMENT LIMITED

Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31 March 2023

Gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employee's last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. Gratuity plan is a non-funded plan.

Actuarial gain/(loss) recognized in other comprehensive income

(₹ in million)

Particulars	31 March 2023	31 March 2022
Actuarial (gain)/loss on arising from change in demographic assumptions	-	-
Actuarial (gain)/loss on arising from change in financial assumptions	(0.50)	(3.00)
Actuarial (gain)/loss on arising from change in experience adjustments	0.70	2.40

Amount recognized in the statement of profit and loss is as under:

(₹ in million)

Particulars	For the year ended 31 March 2023	For the year ended 31 March, 2022
Service cost	2.70	3.30
Net Interest cost	2.10	2.00
Expense recognized in the statement of profit and loss	4.80	5.30

Movement in the liability recognized in the balance sheet is as under:

(₹ in million)

	31 March 2023	31 March 2022
Present value of defined benefit obligation at the beginning of the year	29.60	28.60
Current service cost	2.70	3.30
Interest cost	2.10	2.00
Actuarial (gain)/loss, net	0.20	(0.60)
Benefits paid	(11.30)	(3.60)
Present value of defined benefit obligation at the end of the year	23.30	29.60
- Current	1.20	1.30
- Non-Current	22.10	28.30

For determination of the liability of the Company, the following actuarial assumptions were used:

(₹ in million)

Particulars	Gratuity	
	As at 31 March 2023	As at 31 March 2022
Discount rate	7.36%	7.18%
Salary escalation rate	5.00%	5.00%
Mortality table	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)

As the Company does not have any plan assets, the movement of present value of defined benefit obligation and fair value of plan assets has not been presented.

These assumptions were developed by management with the assistance of independent actuarial appraisers. Discount factors are determined close to each year-end by reference to government bonds of relevant economic markets and that have terms to maturity approximating to the terms of the related obligation. Other assumptions are based on management's historical experience.



LUCINA LAND DEVELOPMENT LIMITED

Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31 March 2023

Maturity plan of Defined Benefit Obligation

(₹ in million)

	As at 31 March 2023	Amount	As at 31 March 2022	Amount
a)	April 2023 - March 2024	1.20	April 2022 - March 2023	1.30
b)	April 2024 - March 2025	0.70	April 2023 - March 2024	2.40
c)	April 2025 - March 2026	0.40	April 2024 - March 2025	0.70
d)	April 2026 - March 2027	2.20	April 2025 - March 2026	0.50
e)	April 2027 - March 2028	0.40	April 2026 - March 2027	3.80
f)	April 2028 - March 2029	0.30	April 2027 - March 2028	0.40
g)	April 2029 onwards	18.10	April 2028 onwards	20.60

Sensitivity analysis for gratuity liability

(₹ in million)

Particulars	As at 31 March 2023	As at 31 March 2022
Impact of the change in discount rate		
Present value of obligation at the end of the year	23.30	29.60
a) Impact due to increase of 0.50 %	(1.30)	(1.60)
b) Impact due to decrease of 0.50 %	1.40	1.70
Impact of the change in salary increase		
Present value of obligation at the end of the year	23.30	29.60
a) Impact due to increase of 0.50 %	1.40	1.80
b) Impact due to decrease of 0.50 %	(1.30)	(1.60)

Sensitivities due to mortality and withdrawal are not material & hence impact of change not calculated.

Compensated absences

The leave obligations cover the Company's liability for sick and earned leaves. The amount of provision of ₹0.40 million (31 March 2022 ₹0.40 million) is presented as current, since the Company does not have an unconditional right to defer settlement for any of these obligations. However based on past experience, the Company does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months, therefore based on the independent actuarial report, only a certain amount of provision has been presented as current and remaining as non-current.

Actuarial (Gain)/Loss on obligation:

(₹ in million)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Actuarial (gain)/loss on arising from change in financial assumptions	(0.10)	(0.80)
Actuarial (gain)/loss on arising from change in experience assumptions	(1.30)	(0.30)
Actuarial (Gain)/Loss on arising from Change in Demographic Assumption	-	-

Amount recognized in the statement of profit and loss is as under:

(₹ in million)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Service cost	0.90	1.10
Net Interest cost	0.60	0.50
Actuarial (gain)/loss for the year	(1.40)	(1.10)
Expense recognized in the statement of profit and loss	0.10	0.50



LUCINA LAND DEVELOPMENT LIMITED

Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31 March 2023

Movement in the liability recognized in the balance sheet is as under:

Particulars	(₹ in million)	
	As at 31 March 2023	As at 31 March 2022
Present value of defined benefit obligation at the beginning of the year	5.70	7.20
Current service cost	0.90	1.10
Interest cost	0.60	0.50
Actuarial (gain)/loss, net	(1.50)	(1.10)
Present value of defined benefit obligation at the end of the year	5.70	7.70
- Current	0.40	0.40
- Non-Current	5.30	7.30

For determination of the liability of the Company, the following actuarial assumptions were used:

Particulars	Compensated absences	
	For the year ended	
	31 March 2023	31 March 2022
Discount rate	7.36%	7.18%
Salary escalation rate	5.00%	5.00%
Mortality table	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)

As the Company does not have any plan assets, the movement of present value of defined benefit obligation and fair value of plan assets has not been presented.

These assumptions were developed by management with the assistance of independent actuarial appraisers. Discount factors are determined close to each year-end by reference to government bonds of relevant economic markets and that have terms to maturity approximating to the terms of the related obligation. Other assumptions are based on management's historical experience.

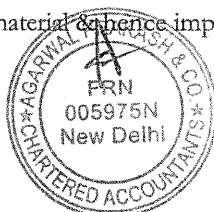
Maturity plan of Defined Benefit Obligation

	As at 31 March 2023	Amount	As at 31 March 2022	Amount
a)	April 2023 - March 2024	0.30	April 2022 - March 2023	0.40
b)	April 2024 - March 2025	0.20	April 2023 - March 2024	0.70
c)	April 2025 - March 2026	0.10	April 2024 - March 2025	0.20
d)	April 2026 - March 2027	0.60	April 2025 - March 2026	0.10
e)	April 2027 - March 2028	0.10	April 2026 - March 2027	1.50
f)	April 2028 - March 2029	0.10	April 2027 - March 2028	0.10
g)	April 2029 onwards	4.20	April 2028 onwards	4.80

Sensitivity analysis for compensated absences liability

Particulars	(₹ in million)	
	As at 31 March 2023	As at 31 March 2022
Impact of the change in discount rate		
Present value of obligation at the end of the year	5.70	7.70
a) Impact due to increase of 0.50 %	(0.30)	(0.40)
b) Impact due to decrease of 0.50 %	0.30	0.40
Impact of the change in salary increase		
Present value of obligation at the end of the year	5.70	7.70
a) Impact due to increase of 0.50 %	0.30	0.40
b) Impact due to decrease of 0.50 %	(0.30)	(0.40)

Sensitivities due to mortality and withdrawal are not material and hence impact of change not calculated.



LUCINA LAND DEVELOPMENT LIMITED**Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31 March 2023****Note- 48**

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stake holders which are under active consideration by the Ministry. Based on an initial assessment by the Company, the additional impact on Provident Fund contributions by the Company is not expected to be material, whereas the likely additional impact on Gratuity liability/ contributions by the Company could be material. The Company will complete their evaluation once the subject rules are notified and will give appropriate impact in the financial results in the period in which, the Code becomes effective and the related rules to determine the financial impact are published

Note- 49**Share based payments**

The employees of the Company have been granted option as per the existing schemes of Indiabulls Real Estate Limited (Holding Company). On exercise, the employees will be allotted shares of the Holding Company. The Company has accounted for charge related to its employees amounting to ₹Nil. (31 March 2022 ₹ Nil) with a corresponding credit to Equity.

Note – 50**Contingent liabilities and commitments:****Legal Case:**

The Company has Certain Litigation cases pending; however, based on legal advice, the management does not expect any unfavourable outcome resulting in material adverse effect on the financial position of the Company

Bank Guarantee:

Guarantee provided by the bank (secured by way of fixed deposits of the Company): ₹ 5.00 million(Previous year ₹ 4.90 million).

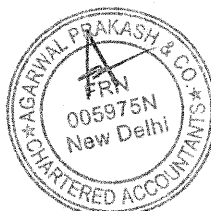
Disputed with tax authorities:

Particulars	(₹ in million)	
	As at 31 March 2023	As at] 31 March 2022
Income tax demand in respect of which appeals have been filed for A.Y 2011-12(260A-Appeal)	17.90	17.90
Income tax demand in respect of which appeals have been filed for A.Y 2018-19(246A-CIT Appeals)	--	3.60
Service Tax Demand in respect of which company have filled appeal with Commissioner (Appeals) Mumbai for F Y 2011-12 to Feb 2016	19.70	19.70
Show cause notice received for Reversal of excise credit on WIP as at 30.06.17 and Cess balances taken in Trans-1 for the period 2012-13 to June 17	8.70	8.70
VAT demand on input credit	6.40	6.40

There are no other contingent liabilities and commitments to be reported as at 31 March 2023 and 31 March 2022.

Note – 51

Exceptional item for the year ended 31 March 2023 includes effect of ₹ 2,970.00 million due to write back of payables based on the internal assessments of the new management.



LUCINA LAND DEVELOPMENT LIMITED**Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31 March 2023****Note – 52****Segmental information**

The Company's primary business segment is reflected based on principal business activities carried on by the Company i.e. development of real estate projects and all other related activities which as per Ind AS 108 on 'Segment Reporting' is considered to be the only reportable business segment. The Company is operating in India which is considered as a single geographical segment.

Note – 53**Reconciliation of liabilities arising from financing activities pursuant to Ind AS 7 - Cash flows**

The changes in the Company's liabilities arising from financing activities can be classified as following below:

(₹ in million)

Particulars	Non-current borrowings (including current maturities)
Net debt as at 01 April 2021	14,602.50
Proceeds from current/ non-current borrowings (including current maturities)	5,287.20
Repayment of current/ non-current borrowings (including current maturities)	(5,687.90)
Interest Expense	77.50
Interest Paid	(77.50)
Net debt as at 31 March 2022	14,201.80
Proceeds from current/ non-current borrowings (including current maturities)	2,081.30
Repayment of current/ non-current borrowings (including current maturities)	(2001.60)
Borrowings Write back	(2,970.00)
Interest Expense	387.40
Interest Paid	(323.40)
Net debt as at 31 March 2023	11,375.50

Note – 54**Other matters**

- a. The Company has not entered into any derivative instrument during the year. The Company does not have any foreign currency exposures towards receivables, payables or any other derivative instrument that have not been hedged.
- b. In respect of amounts as mentioned under Section 125 of the Companies Act, 2013, there were no dues required to be credited to the Investor Education and Protection Fund as at 31 March 2023 and 31 March 2022.
- c. In the opinion of the Board of Directors, all current assets and long term loans & advances, appearing in the balance sheet as at 31 March 2023, have a value on realization, in the ordinary course of the Company's business, at least equal to the amount at which they are stated in the financial statements. In the opinion of the board of directors, no provision is required to be made against the recoverability of these balances.



LUCINA LAND DEVELOPMENT LIMITED

Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31 March 2023

- d. The Company is a wholly owned subsidiary company of Indiabulls Real Estate Limited, whether directly or indirectly which is having a net worth of ₹67,402.30 million. The Company will get all necessary support financially and otherwise from its ultimate holding company/holding company and thus, the Company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

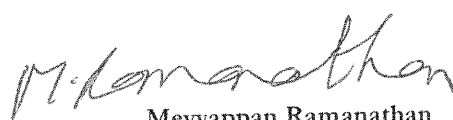
For Agarwal Prakash & Co.
Chartered Accountants
Firm's Registration Number: 005975N


For and on behalf of the Board of Directors



Aashish K Verma
Partner



Place: Gurugram
Date: 30 May 2023


Meyyappan Ramanathan
Director
[DIN: 07119949]


Ssatyajit Parrihaar
Director
[DIN: 09643887]


Yash Garg
Company Secretary