

Game changer.

Game changer.

At Kolte-Patil Developers Limited, we are not just another real estate property developer.



We see things not for what they are but what they can be.



We do not just focus on playing the game but on transforming it.



We are focused not as much on following external benchmarks as in creating them.

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**The result is
that we are
beginning to get
recognised by a
new description.
Game changer.**

6 things you need to know about Kolte-Patil Developers Limited

Footprint

Established two decades ago, Kolte-Patil Developers Ltd. is one of India's leading real estate companies, headquartered in Pune, the Company is present in three of the fastest-growing realty markets with attractive potential: Pune, Mumbai and Bengaluru.

The Company enjoys an extensive Pune presence and undisputed market leadership. The Company is also present in the attractive Mumbai and Bengaluru locations with a residential focus.

1



Credit rating

The Company is not only a respected developer; it is also one of the most liquid. The Company successfully retained the prestigious CRISIL A+ / Stable rating over 5 years (highest rated residential real estate developer in the CRISIL universe) despite sectoral turbulence and economic sluggishness.

2

Marquee investors

The Company attracted some of the most prominent global investment firms – KKR committed ₹193 crore in R1 sector of Life Republic, Pune; the Company entered into ₹120 crore agreement with an affiliate of J.P. Morgan Asset Management for its redevelopment Jay-Vijay Society project in Ville Parle (E), Mumbai. The Company's shares are owned by prominent foreign institutional investors.



Culture of excellence

The Company is driven by a culture of excellence: construction efficiency, sales and customer relationship management and an overarching commitment to governance. In turn, these have been driven by investments in cutting-edge technologies, strengthening processes, systems and informed decision-making.

Recognition

Kolte-Patil is a respected industry player, reflected in the following recognitions.

Company

- Economic Times – Promising Brand of the Year
- Times Network Marketing Excellence Awards, 2018 – Most Trusted Real Estate Brand
- Pride of Maharashtra Award for Life Republic
- Pride of Maharashtra Award – Brand of the Year
- Golden Bricks Awards (Dubai) – Brand of the Year
- Asia's Greatest Brand 2017

People

- Economic Times – Game Changer of Maharashtra for Rajesh Patil
- Realty Plus – Young Achiever of the Year for Gopal Sarda, CEO
- Asia's Greatest Leaders 2017 – Gopal Sarda, CEO

Projects

- Pride Of Maharashtra – Excellence in Delivery for Tuscan Estate
- Pride of Maharashtra – Residential Project of the Year for Ivy Estate
- Golden Bricks Awards (Dubai) for Life Republic
- Realty Plus – Design Project of the Year for 24K
- Silicon India Real Estate Awards, 2018 – Best Design Apartment Project of the Year for Mirabilis
- Times Network Marketing Excellence Awards, 2018 – Luxury Developer of the Year for 24K
- Times Business Award – Best High Rise Project for I-Tower Exente
- Times Network Marketing Excellence Awards, 2018 – Luxury Project of the Year for 24K Opula
- Silicon India Real Estate Awards, 2018 – Mid-range Apartment Project of the Year for Raaga

Valuation

Kolte-Patil is listed on the National Stock Exchange (NSE) and Bombay Stock Exchange (BSE). The Company was valued at ₹2,329.73 crore as at 31st March 2018.

This is how we performed in 2017-18

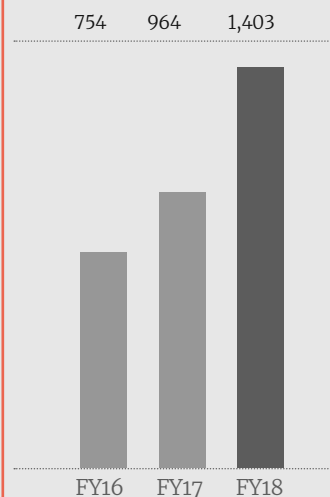
Consolidated financial highlights

- Revenues grew 46% Y-o-Y to ₹1,403 crore compared to ₹964 crore in 2016-17
- EBITDA grew 27% Y-o-Y to ₹303 crore compared to ₹238 crore in 2016-17
- PAT (pre-minority interest) higher by 81% Y-o-Y to ₹154 crore compared to ₹85 crore in 2016-17
- PAT (post-minority interest) higher by 39% Y-o-Y to ₹121 crore compared to ₹87 crore in 2016-17
- When adjusted for the strategic ₹182 crore divestment in Wakad, revenue grew 27% Y-o-Y to ₹1,221 crore, EBITDA grew 28% to ₹305 crore, EBITDA margins were stable at 25%, PAT (pre-minority interest) increased 83% Y-o-Y to ₹154 crore and PAT margin (post-minority interest) was up 110 bps Y-o-Y to 10.1%
- The Board recommended a dividend of ₹2 per share

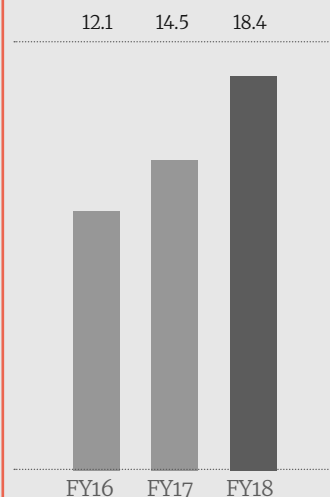
Operational highlights

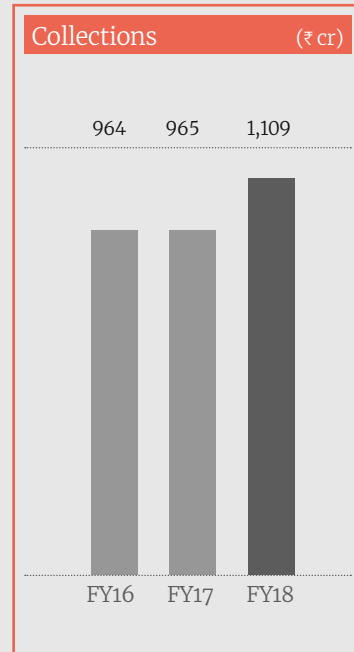
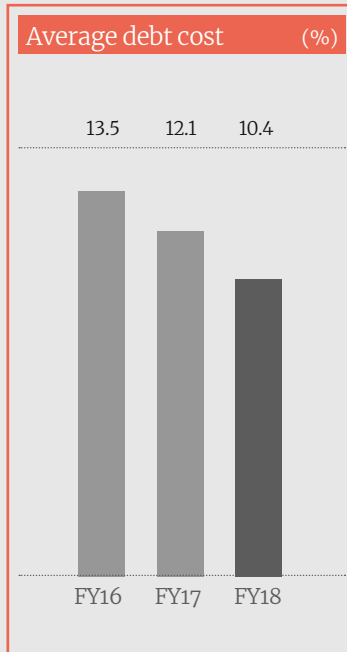
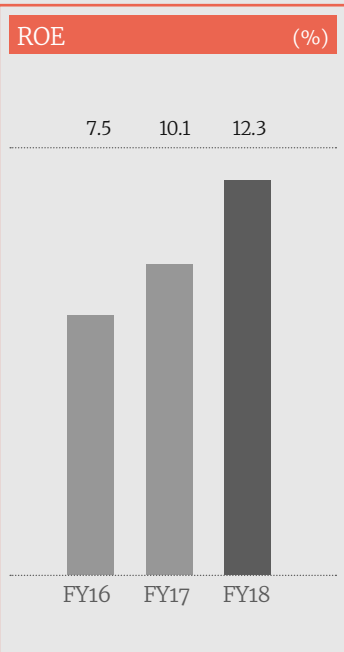
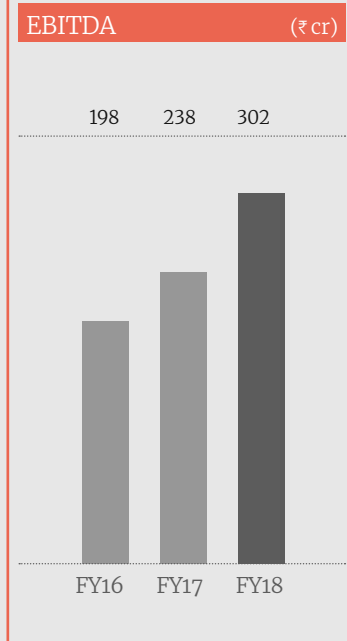
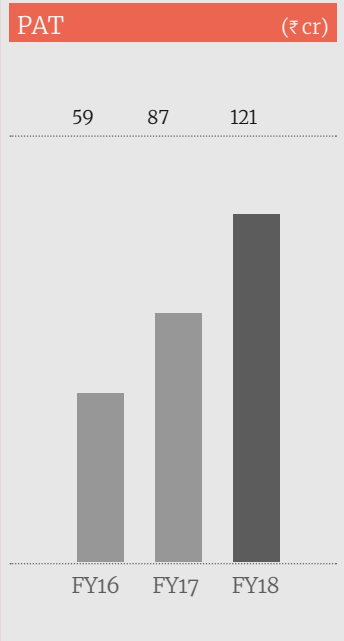
- New sales bookings of 2.08 msf compared to 2.09 msf in 2016-17
- Value of area sold at ₹1,198 crore compared to ₹1,220 crore in 2016-17
- Collections were higher by 15 % Y-o-Y at ₹1,109 crore compared to ₹965 crore in 2016-17

Revenue realisation (₹ cr)



ROCE (%)





1 Game changer.

At Kolte-Patil, we asked ourselves a question: 'how would we respond to a slowdown?'

This single question energised our organisation.

From 'Let us prepare the best that we can', the response now became 'Let us strive to outperform even in challenging times.'

The change in game had begun – in the mind.

2 Game-changing begins within.

We began to dream things that never were – and believed we could make them happen.

We began to say 'What's wrong with the market?' when other said it was sluggish.

We began to seek small opportunities with the objective to drill deep.

We sought to transform the game with our focus, optimism and perseverance.

③ The evidence of our game-changing capability.

964

Revenues (₹ cr),
2016-17

1403

Revenues (₹ cr),
2017-18

We increased revenues 46% in a year when observers said we would do well to maintain revenues

87

Profit after tax
(₹ cr), 2016-17

121

Profit after tax
(₹ cr), 2017-18

We increased PAT in a year when most real estate companies reported a decline

2.09

Apartment sales by
volume, 2016-17 (msf)

2.08

Apartment sales by
volume, 2017-18 (msf)

We virtually maintained apartment offtake, countering sectoral sluggishness and weak consumer sentiment

1220

Apartment sales by
value (₹ cr), 2016-17

1198

Apartment sales by
value (₹ cr), 2017-18

We maintained a strong momentum of apartment sales

965

Collections (₹ cr),
2016-17

1109

Collections (₹ cr),
2017-18

We strengthened collections in a year marked by sluggish consumer mood and weak cash flows

1576

Possessions
(apartment units),
2016-17

2167

Possessions
(apartment units),
2017-18

We handed over a larger number of apartments, a result of construction efficiency and timely municipal clearances

This is how our game-changing capability strengthened our Balance Sheet

0.53

Net debt-equity ratio, 2016-17

0.29

Net debt-equity ratio, 2017-18

The Company moderated its gearing, enhancing its sectoral respect and making it possible to grow the business using accruals. The Company's net debt-equity ratio was among one of the lowest in India's organised real estate development sector. (Debt does not include OCD, CCD, OCRPS, Zero Coupon NCD)

965

Cash inflow (₹cr), 2016-17

1109

Cash inflow (₹cr), 2017-18

The Company marketed more apartments, increased possessions and strengthened collections, increasing cash inflows

12.1

Average debt cost (%), 2016-17

10.4

Average debt cost (%), 2017-18

The Company leveraged the strength of its Balance Sheet to negotiate a lower cost of debt from bankers, generating sizable savings

How we expect to continue changing the game

This is where we are

2.08 msf in sales, 2017-18

This represented a continuation of the previous financial year's sales momentum on account of a sluggish market and delay in statutory clearances as a result of which the Company did not make any substantial launch in the current fiscal

This is what we intend to achieve in 2018-19

3 msf of sales

This is expected to kick-start growth and attractive revenue visibility across the foreseeable future

This is where we intend to go

~5 msf in acquisitions, 4 msf in launches and 3 msf in sales in 2018-19

This is expected to create the foundation of multi-year growth in launches and revenues

This is how we intend to get there

- Widen our presence to affordable residences, mid-income group residences and 24K residences
- Engage in acquisitions and joint ventures
- Widen the distribution network
- Strengthen compliance and governance
- Integrate technology deeper into business practices
- Strengthen the brand

How Kolte-Patil has enhanced value across the years

Net profit

(₹ cr)

+34.3 (₹ cr)

FY16		58.90
FY17		87.20
FY18		121.50

Definition

Profit earned during the year after deducting all expenses and provisions.

Why we measure

It highlights the strength of the business model in enhancing value for its shareholders.

Performance

The Company's net profit grew every single year through the last 3 years. The Company reported a 39 per cent increase in Net Profit in 2017-18 – reflecting the robustness and resilience of the business model in growing shareholder value despite external vagaries.

EBIDTA

(₹ cr)

+64.4 (₹ cr)

FY16		198.4
FY17		238.1
FY18		302.5

Definition

EBIDTA is a profitability indicator used to measure a company's competitiveness and operating efficiency. Higher the EBITDA, better for the company.

Why we measure

The EBITDA provides an idea of how much a company earns (before

accounting for interest and taxes) in quantum terms.

Performance

The company reported a Rs 64.4 cr increase in EBITDA in FY 18. This was the result of higher apartment sales and improved operating efficiency.

Debt cost

(%)

-170 bps

FY16		13.5
FY17		12.1
FY18		10.4

Definition

This is derived through the calculation of the average cost of the consolidated debt on the Company's books.

Why we measure

This indicates our ability in convincing bankers and other debt providers of the robustness of our business model, translating into a

progressively lower debt cost (potentially leading to higher margins).

Performance

The Company's debt cost has progressively declined from a peak 13.5 per cent in 2015-16 to 10.4 per cent in 2017-18. We recommend that this ratio be read in conjunction with rising interest cover (indicating higher liquidity).

ROCE

(%)

+390 bps

FY16		12.1
FY17		14.5
FY18		18.4

Definition

This is a financial ratio that measures a company's profitability and the efficiency with which capital is employed in the business.

Why we measure

ROCE is a useful metric for comparing profitability across companies based on

the amount of capital they use – especially in capital-intensive sectors.

Performance

The Company reported a 390 bps increase in ROCE in FY 18 – a showcase of prudently investing every rupee in profitable spaces that generate higher returns for shareholders.

Gearing

-0.24 x

FY16		0.63
FY17		0.53
FY18		0.29

Definition

This is derived through the ratio of net debt to net worth (less revaluation reserves).

Why we measure

This is one of the defining measures of financial health, indicating the ability of the Company to remunerate shareholders over debt providers (the lower the gearing the better). In turn, it indicates

the ability of the Company to sustain a growth in profits, margins and shareholder value.

Performance

The Company's gearing moderated from 0.63 times in 2015-16 to 0.29 times in 2017-18. We recommend that this ratio be read in conjunction with net debt/operating profit (declining, indicating a growing ability to service debt).





Sectoral outperformance

During the last two years – possibly the most challenging encountered by the sector in living memory – the Company reported a record performance even as the sector was affected by a weakness in sentiment, translating into sales sluggishness.

What gives me deep satisfaction is that the Company reported profitable growth, whereby the percentage increase in the bottomline was higher than the percentage increase in the topline, indicating the robustness of our business model. Besides, incremental margins – the portion of profits by which the Company grew divided by the portion of revenues by which the Company grew expressed as a percentage – were considerably higher, indicating the intrinsic profitability of our business.

At Kolte-Patil, we believe that this improvement was not the outcome of doing a few things right; it was the result of a 360-degree pursuit of excellence. We widened our sales network; our region-specific sales teams (Pune, Maharashtra and India) were complemented by our international sales channel; we undertook several technological initiatives to reduce the turnaround time in addressing customer needs; we invested proactively in automation; we measured and enhanced agent productivity; we strengthened our Balance Sheet.

The result is that Kolte-Patil marketed better, sold faster, widened margins and reported superior financial efficiency.

Mr. Rajesh Patil
*Chairman &
Managing Director*

I am proud to communicate that Kolte-Patil Developers Limited reported another year of significant sectoral outperformance.

We didn't perform; we outperformed. We didn't just play the game; we transformed it.

Robust customer collections

At Kolte-Patil, we recognised that a sluggish macro-economic and sectoral environment meant that customers would be more selective in their apartment purchase: they would trust only those realty brands that provided them with the best value, built with speed, communicated periodically and delivered on schedule.

During the course of the sectoral slowdown, we brought a distinctive urgency to our business: we continued to invest in systems, processes and technologies that would accelerate construction. The result was a stronger traction for our properties when customers recognised that our projects would not slow down; besides, their trust was reflected in timely instalments. The result is that even as the broad realty sector in the country was affected by a decline in liquidity, our collections increased 15% Y-o-Y from ₹965 crore in 2016-17 to ₹1,109 crore in 2017-18.

Marquee financial partnerships

In the business of real estate development, one of the most precious drivers is the availability of financial resources. At Kolte-Patil,

we strengthened our Balance Sheet and, in turn, reinforced our non-debt funding pipelines that provided us with access to low-cost net worth to sustain the growth of our business.

In the past, the Company entered into associations with marquee brands like ICICI Ventures, IL&FS, ASK Investment Managers and Portman Holdings (USA) that enabled us to mobilise higher net worth. In 2015-16, the Company had entered into ₹120 crore agreement with a J.P. Morgan Asset Management affiliate for the Jay-Vijay Society redevelopment project in Vile Parle (E), Mumbai. In December 2017, the prominent global investment firm of Kohlberg Kravis Roberts (KKR) committed ₹193 crore in the R1 segment of our flagship Life Republic in Pune, which helped the project attain financial closure, address working capital requirements and reduce the overall cost of outstanding debt attributable to that project's development. We believe that these relationships validate the strength of our management and Balance Sheet, making it possible to mobilise low-cost net worth that helps monetise our land parcels faster and more profitably, creating a prospective pipeline of superior revenues, margins and profits. More importantly, these partnerships have enriched our business insights,

strengthened our discipline, helped improve governance practices, moderated our gearing to one of the lowest levels in the sector and reinforced our asset-lightness in a cash-intensive business.

Over the last two years, the Company did not just repay debt and strengthen its Balance Sheet; it also enjoyed lower cost of borrowing on its books following its enhanced credit rating (CRISIL A+/Stable), the highest by CRISIL to any publicly listed residential real estate company in India. The result is that the average cost of borrowings declined from 13.5% at the end of 2015-16 to 10.4% at the end of 2017-18, strengthening our liquidity and interest cover.

Multi-city expansion

A key performance positive during the year under review was the increased momentum coming out of our presence in Bengaluru. The Company grew its Bengaluru revenues from 3.6% of sales volume in 2016-17 to 12.9% of sales volumes in 2017-18; it recorded the highest-ever sales and collections in 2017-18. We expect Mumbai projects to pick up in FY19 following the government's initiatives to resolve dumping ground issues and announcement of Development Plan 2034 leading to improving projects and revenue visibility for our

→ 15%

increase in collections Y-o-Y from ₹965 crore in 2016-17 to ₹1,109 crore in 2017-18.



The Company also enjoyed lower cost of debt on its books following its enhanced credit rating (CRISIL A+/Stable), the highest by CRISIL to any publicly listed residential real estate company in India.



company. The Company reported significant 61% Y-o-Y growth in collections to ₹156 crore in Mumbai, accounting for 14% of our overall collections in 2017-18.

Execution discipline

When we embarked on the process of transforming our company a few years ago, the biggest priority that we selected to address was construction discipline.

The Company had always been respected for building properties on time. However, we recognised that as properties got larger, the number of concurrent construction sites increased and our geographic footprint widened, what had worked for us at one point now needed to be re-assessed and restructured.

Besides, the focus was timely. As the markets slowed and consumers were wary of trusting their hard-earned resources to long-gestation projects, we believed that the winners would be companies that built faster than promised, resulting in a superior return on the customer's employed capital.

The 'Finish on time' statement virtually helped reinvent our company: through an overarching focus, through multi-team commitment, technology investments, superior working

capital management and the effectiveness of every single function.

This power of execution translated into quicker completion, timely handover, lower construction costs, better equipment utilisation, better technology-led project control and informed decision-making.

Business outlook

At Kolte-Patil, we have never been more optimistic of our business model.

We expect to strengthen our 360-degree business model that covers the residential demand spectrum covering all price points in the key micro-markets of Pune, Mumbai and Bengaluru.

We expect to launch ~4.4 msf of properties across Pune, Bengaluru and Mumbai in FY19.

We believe that we possess attractive projects visibility to grow our Mumbai and Bengaluru revenues from 11% in 2017-18 to ~25% of our revenues by 2020, broadbasing our geographic footprint and business stability.

We possess a strong 1.4 msf pipeline in Mumbai across 14 redevelopment projects warranting low capital deployment. In Bengaluru, we launched one project (Exente on Hosur Road) and are

poised to launch another project (Koramangala).

At our company, the focus will not be to merely scale the number of projects under execution but to strengthen business quality as well through an enhanced focus on execution, collections and cash flows. We will continue to evaluate strategic and financial partnerships that enable us to scale or accelerate operations while limiting our capital commitment. We are evaluating acquisitions and partnerships across the MIG, affordable housing and luxury project categories.

Overview

The broad message that I have for our shareholders is that we have only just begun.

In this reinvented Kolte-Patil, we expect to strengthen sales from around 2.1 msf in 2017-18 to a projected 5 msf five years from now. This means that compared to what we reported in the last two decades in our business we expect to achieve more than twice that in only the next five years.

In doing so, we expect to enhance value for all our stakeholders in a more decisive way than we have done until now.

Rajesh Patil
Chairman & Managing Director

We expect to strengthen sales from around 2.1 msf in 2017-18 to a projected 5 msf five years from now.

Q&A

with the Group CEO



One, the Company reported its highest-ever revenues in 2017-18, 46% higher than in the previous financial year. We believe that this revenue growth was higher than the growth reported by the country's residential real estate sector.

Two, the Company reported its highest ever profit after tax in 2017-18 – 39% higher than the previous financial year. This growth emphasised an important point that the Company's growth was profitable during the financial year under review – without compromising the integrity of the Balance Sheet.

Three, the Company reported its highest average monthly sales by volume and revenues. This has emphasised a couple of points: that the improvement was not chunky but spread evenly, a reflection of systemic improvement.

Four, the Company reported its highest monthly collection in existence, validating its ability to translate sales into cash flows. The Company reported a collection of ₹377 cr in the last quarter, which was a significant improvement over the previous peak of ₹280 cr. The Company finished the year under review with a collection of ₹1109 cr, 15 per cent higher than in the previous year.

Five, the Company began the process of right-sizing its Balance Sheet, moderating net debt from a peak of ₹459 cr on 31st March 2016) to ₹455 cr as on 31 March 2017 to ₹288 cr as on 31 March 2018.

Six, the Company reported its highest possessions in any single year – 2167 in 2017-18 as against 1576 in 2016-17.

We believe that the interplay of these realities has created a completely new foundation for the Company to build its business across the foreseeable future.

Q: Were you pleased with the way the Company performed during the year under review?

A: The management was absolutely delighted with the way the Company performed during the last financial year. A key part of our success can be attributed to our customer centric approach focused on delighting our customers through timely delivery and offering the promised specifications. We treat real estate as a consumption business, selling large volumes of a product which is a basic human necessity through a strong sales and marketing network, leveraging its strong brand presence and replenishing inventory which is utilised.

Q: How did this differentiated perspective translate into superior numbers?

A: We have seen the implementation of GST and RERA in 2017-18. We welcome these regulations, which bring in accountability, boost customer confidence and create a

level playing field. We hosted a Live RERA Registration Drive in July 2017 with the objective of empowering channel partners with the required knowledge to hand-hold them through the regulatory process, driving participation from over 200 key channel partners in a single day, who are now RERA-compliant.

We have reported a robust performance in 2017-18, recording the highest ever annual revenue and net profit in the history of the Company, maintaining our thrust on execution and timely delivery, despite sluggish macros. Our 360% business approach and successful diversification in Mumbai and Bengaluru further propelled our performance.

Q: How did the Company's record performance manifest in various ways?

A: There were several ways in which the Company's outperformance manifested during the year under review.

Q: What was the principal reason for these extensive improvements?

A: The improvements were the result of a conscious and collective decision that it was futile to keep blaming the external environment for not being able to perform creditably. At the Company, we recognised that while the consumer had deferred purchase, the consumer had not disappeared. We recognised that while the customer possessed the resources to buy (coupled with mortgage support), the customer needed to be absolutely sure of buying into the right property. We recognised that even as the consumer was faced with a choice of builders to select from, the consumer was most likely to buy from developers with residential projects closest to completion. We recognised that even as the slowdown implied that every residential developing company would be affected, the reality was that the weaker companies stood to be affected faster than companies with the deepest strengths. So the more we studied the market, the more we realised that the slowdown was the best thing that could have happened for a process-driven company like ours: it was an opportunity.

Q: How did the Company go about transforming an industry slowdown into an opportunity?

A: At Kolte-Patil, we recognised that this opportunity window would not just require us to tweak a few processes; it would require us to transform ourselves. We also believed that if we transformed successfully from within, we would not just compete successfully in the market, but would end up changing the game. This then is the principal message that one wishes to communicate: in questioning every established industry practice, we didn't just end up playing the game better; we transformed the game itself.



The Company reported its highest ever profit after tax in 2017-18 – 39% higher than the previous financial year.

Q: How did the Company set about transforming the game?

A: The Company recognised two terminal realities: land prices had steadied at one extreme and residential selling prices were not rising at the other extreme. The only way we could strengthen our business within these two steady terminal points was by improving every operating parameter in between. We believed that if we were to succeed we would need to design better and faster; we would need to sell quicker; we would need to collect receivables faster; we would need to build faster; we would need to hand properties to buyers faster.

This sounds easy in theory: the challenge lies in being able to question every operating practice, displace every corporate status quo, find a better way of doing virtually everything and believe that improvements have no limit. I am pleased to say that the new Kolte-Patil we created in the space of the last two years is substantially different from the Company of the past – and that has made all the difference.

Q: Can you name one area in which this reinvention was most visible during 2017-18?

A: Let us take something as simple as the cost of debt. At a time when the sector was passing through a slowdown, bankers continued to remain aggressive in pricing debt for real estate players. At Kolte-Patil, we did something different: we communicated transparently with our bankers, we explained how we were engaged in transforming the Company, we reported quarterly improvements – and we negotiated better. The result of this proactive engagement is that we started the year under review with debt cost of 13.5 per cent; we finished the year under review with a 300 bps reduction that translated into a related saving of ₹15 cr. Besides this, reinvention was evident in the centralisation of the CRM function. This move enhanced standardisation which improved sales, collection, possession, registration and overall service.

Q: How else did the Company strengthen its operating practice?

A: The Company recognised that with a portfolio of residential prospects on offer in cities like Pune, Mumbai and Bengaluru the one thing it needed to do was sell better. After a comprehensive examination of the business process, this is what we discovered: we needed to correct our longstanding practice where each project was responsible for its own sales and graduate to a level where each project would be centrally marketed. The result of this extended beyond a mere pooling that enhanced convenience; it helped us graduate the function of sales and marketing into our own equivalent of a Centre of Excellence; we graduated sales into an experience; we were able to capitalise on leads better that made it possible to interest customers with alternative properties; we brought a number of best practices to this function; we enhanced the conversion of enquiries into offtake; we extended enquiries and conversations to site visits; we focused on guiding engagements to closures; we focused on timely documentation and collection – the complete life-cycle. As the sales and marketing responsibility graduated from the focused to the holistic, we brought a new vigour to this business function that translated immediately into a better business quality.

Q: What are the principal elements of the Company's business model that translated into sectoral outperformance?

A: The principal reason for our outperformance has been a differentiated mindset: we treat the business of real estate property creation as a consumption business, where business viability is derived from marketing a large product volume of a basic human necessity by leveraging our strong brand, strong marketing network and replenishing inventory. The result is that we have built a recall for delivering right, delivering on time and delivering around a superior price-value

proposition. Besides, we combine this 'manufacturing' approach with customer-centric service: we delight customers through timely completion and offering the apartment/project around promised specifications.

Q: What has sustained this business model?

A: At Kolte-Patil, we believe that the most successful company is inevitably the one that is most liquid. The result is that even as we focused on execution excellence, we focused concurrently on judicious capital allocation and cash flow management. At the end of the day, what appears to be a financial focus is actually a 360-degree business discipline: we acquired land parcels clear of ownership issues, which means that at no stage was our ownership contested that could have led to delays and inefficient working capital management. As an extension, we have been willing to pay more to acquire land with clean titles, working with land owners to obtain key approvals and linking their onward payments to the receipt of approvals.

We considered it prudent and sustainable to operate with one of the lowest debt quantum in our sector, preferring to focus on sales velocity and corresponding cash inflows. As an extension, we entered into selective financial alliances with large private equity funds (ICICI Ventures, JP Morgan, KKR, IL&FS, ASK Investment Managers and Portman Holdings), providing us with low-cost net worth on the one hand and global best practices on the other. The fact that these alliances are generating superior value was validated in the Kolte-Patil-Portman Holdings joint venture (50:50) that generated an IRR of 36% and a money multiple of 3.1x in the Margosa Heights project (Pune).

Besides, our foray into Mumbai was based around capital-light society redevelopment; following a change in DCR rules, the entire engagement process became more

Kolte-Patil expects to build substantially and sustainably from this point: we expect to grow at an average of 20-25 per cent in the foreseeable future.

process-oriented and predictable. We undertook DMA projects, another capital-light approach, adding fee income to our revenues by leveraging our brand and execution record.

Q: A number of shareholders would be keen to know your multi-city focus.

A: We are presently in Pune, Bengaluru and Mumbai, which collectively represent a significant part of the Indian real estate landscape, resisting the temptation of widening our geographic footprint. We will deepen our focus in these markets across the medium-term instead, leveraging the power of our brand, established offices and relationships.

We will continue to enlarge our market-leading presence in Pune, a city with multiple demand drivers; we will enhance our presence across all price points; this city will continue to account for a majority of our revenues.

We will continue to leverage the redevelopment route and other acquisition options in a land-locked Mumbai. Even though we have recently been in Mumbai, we have established ourselves as one of the largest redevelopment developers. Our timing of entry was fortuitous: a change in Development Control

Rules, 2013 (DCR, Section 79 A) made it a level playing field for all developers. Besides, our Mumbai business is synergic with our Pune business, diversified across prime in-city locations, optimally-sized projects, low capital commitment (payment of corpus fund and rental to tenants that are linked to approvals), moderate working capital cycle and strong ROCE.

Our Bengaluru presence makes it possible to capitalise on the rapid growth of a volume-driven market and broaden our geographic concentration. In line with this optimism, we planned projects to the tune of over 2.0 msf of projects at prime locations (Hennur Road, Koramangala, Horamavu and Hosur Road). The result is that Mumbai and Bengaluru will be our additional

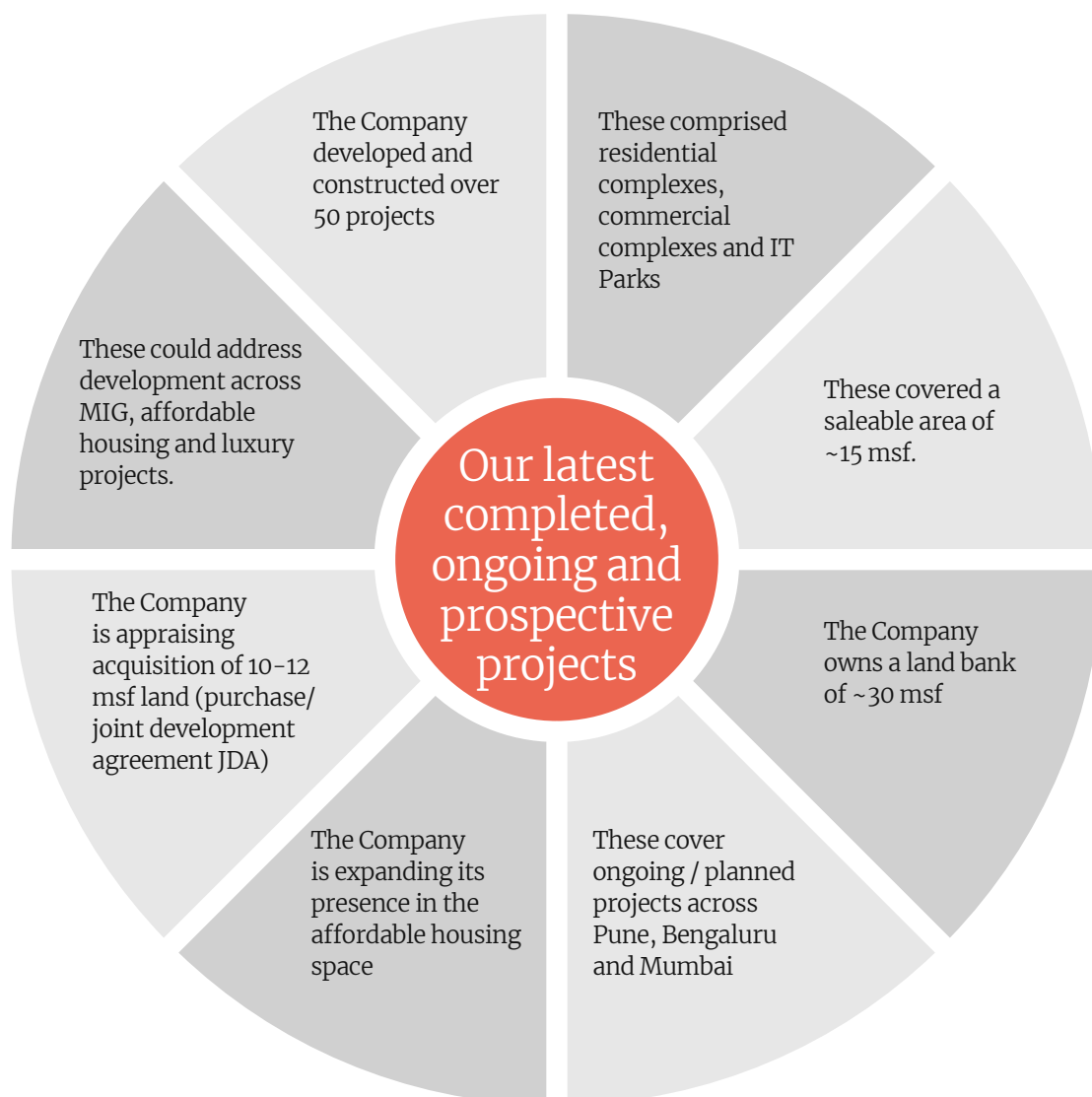
growth engines going forward, increasing their aggregate revenues from ~10% of our total revenues in 2016-17 to ~25% by 2020 through the redevelopment route.

Q: Where does the Company go from here?

A: We possess a robust sales and marketing framework comprising training personnel and process standardisation. We made adequate technology investments in SAP and advanced CRM to derive analysis-driven insights. We reinforced region-specific sales teams with an international sales channel (graduating from the regional to national to international). We made timely investments in construction technology, created project-wise funding lines, appointed Project

Directors for stronger on-site delegation and our Board passed an enabling resolution to raise up to ₹500 crore through various modes. We believe that in doing so, we are growth-ready.

During the current financial year, we expect to launch nearly 4 msf of projects, supported by growth capital from strategic financial partners and our robust Balance Sheet. We see a gradual improvement in consumer confidence, a RERA-compliant environment creating traction for established brands, low home loan interest rates and a general growth in personal incomes cum aspirations. Kolte-Patil expects to build substantially and sustainably from this point: we expect to grow at an average of 20-25 per cent in the foreseeable future.



5 ways in which we transformed our business in the last few years

1

Robust sales and marketing engine

The Company initially focused on direct sale to customers



It created teams to address specific sales areas



These teams (Rest of India, Rest of Maharashtra, channel partners, community, cross-sell and NRI sales) enhanced effectiveness



The share of channel partners increased



The sale engine can shoulder increased throughput

2

Technology investments

The Company earlier invested in generic technology supports



It invested extensively in SAP for the effective capture of leads



The leads were mined in real time to decipher consumer behaviors



The Company analysed why consumers were buying



This knowledge translated into customised product offerings

3

Financial innovation

The Company earlier borrowed under inflexible terms



The Company negotiated longer tenures, strengthening cash flows



The Company negotiated a moratorium during the early loan tenure



Treasury management helped the Company repay debt with accruals



The overall cost of borrowed funds declined 170 bps in 2017-18

4

Private equity funding

The Company earlier funded all its projects through captive resources and debt



The Company attracted project-specific private equity funding



Private equity partners comprised KKR, JP Morgan, ASK, IL&FS, ICICI Venture and Portman Holdings



The engagement is marked by high ROCE for the Company



This financing support has empowered the Company to seek larger opportunities

5

Overheads management

The Company earlier nursed high overheads



It invested in automation and multi-skilling



It strengthened collections and moderated debt (and debt cost)



It enhanced revenues that helped cover overheads more effectively



It further strengthened net margin

How our new 360-degree approach transformed our sales, construction and financial effectiveness

This section also explains how we transformed from ‘How fast can we construct?’ to ‘How can we delight the customer?’

We call it the customer-centric approach

Shalini and Jagdish Raj intended to buy an apartment in a certain part of Pune. When they **called Kolte-Patil**, they were pleasantly surprised. The call **recipient** listed their **requirements** and said a sales executive would call. Within the hour, a voice on the phone said, **‘This is Shruti from Kolte-Patil**. How can I help you?’ And from that moment started a fascinating explorative journey: their needs and Kolte-Patil’s **flexibility**. When they said, ‘We are looking for a **property** in Baner, Pune?’ the executive was not just interested in listing out property details; she was keen to understand family size, **lifestyle needs**, daily commute **distances** and ages of family members. The result is that Shruti said: ‘I think I may have something considerably better for you just **1500m away**.’ And that is how the Rajs ended up buying a new Kolte-Patil property – larger, lower cost and with better facilities. And all because the Company had evolved its role from a vendor to a consultant: not merely **interested** in liquidating apartment **inventory** but keen to provide what the customer **precisely needed**.

How we transformed our customer relationship management

1

The Company's CRM function was centralised

Executives were project-focused



The Company centralised its CRM



This enhanced standardisation (processes, strategic direction and communication)



Projects sales moved from site to a centralised experiential location



Sales, collections, possessions, registration and service improved significantly

2

The Company's generic call centre was relocated from Pune to Mumbai

The new call centre was experienced in fielding real estate enquiries



The Company invested in stronger co-ordination between calls and lead conversion



Leads became more engineered



The connection between input and output became more evident



The Company generated around 18,000 leads a month

3

Countering the GST slowdown

The Company encountered sales sluggishness around GST implementation



The Company altered its sales focus



It focused on liquidating its 'ready to move in' inventory



Its customised RTMI promotional campaigns were launched

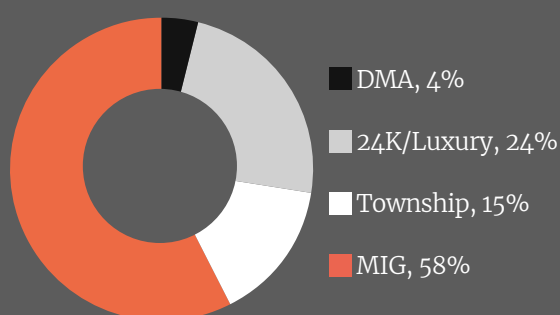


The Company liquidated a substantial amount of its RTMI inventory

The impact of our various CRM initiatives

Treating real estate as a consumption business - selling large volumes of a necessity product through a strong sales and marketing network, leveraging a strong brand and replenishing inventory

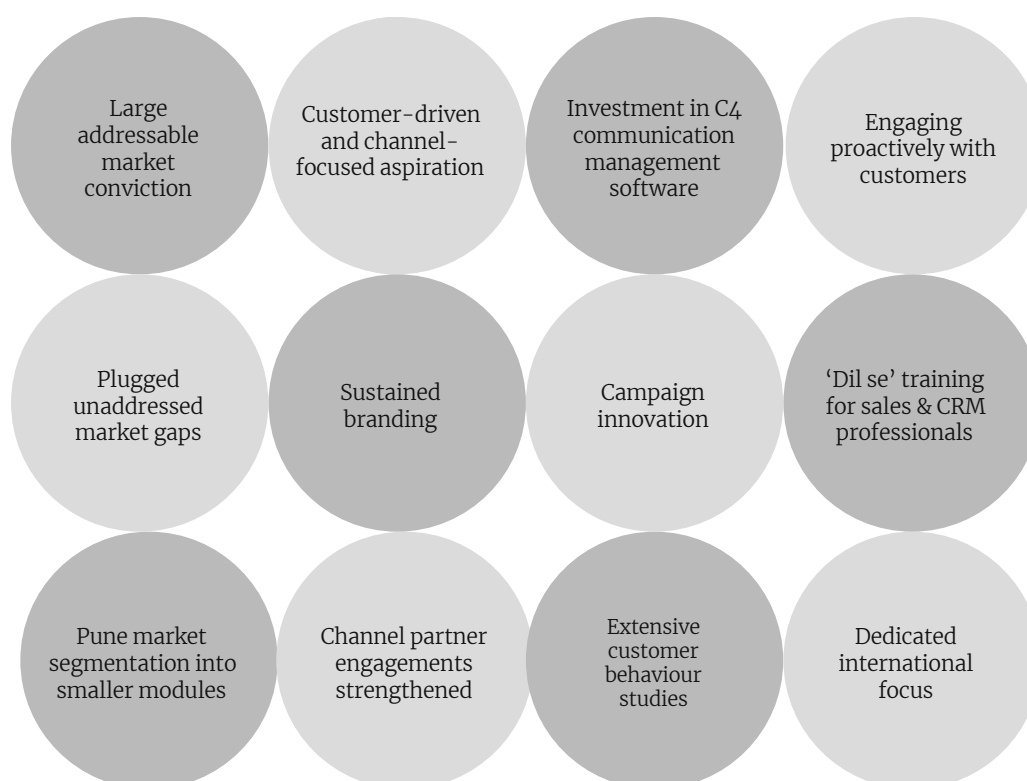
Sales mix



Customer-centric approach

- Delighting customers through timely delivery and execution
- Selling in line with what was promised as far as specifications were concerned
- We invested in people through a range of training programmes: behavioral, product knowledge etc. The result was that only those who passed the test were placed in customer-facing positions.
- Asset management teams to rent, sell, lease properties - extending customer relationship and creating goodwill

How we transformed a sluggish market into a profitable opportunity



How we moved the customer relationship needle

“The focus was not to be fazed by the sectoral challenges. The solution lay in believing ‘There must be a way around it and it is only time before we figure it out.’”

“The focus was not in mirroring what the rest of the industry was saying anyway. The solution was in seeking to be the successful contrarian.”

“The focus was not in knowing what everyone in the sector knew. The solution lay in seeking to know what nobody else knew.”

“The focus was not merely in saying that the customer did not want to buy. The solution lay in breaking the problem into smaller pieces and improving each piece to a point where the customer would be inclined to say ‘I am interested.’”

“The focus was not in treating the Pune market as one market. The solution lay in creating five markets out of this one market for enhanced focus.”

“The focus was not in merely telling channel partners to go out and sell more. The solution lay in treating them as insiders and empowering them with pride.”

Our 2020 Mission

To emerge as the
most preferred
channel partner
brand

To emerge as the
most preferred
customer brand

To emerge as a
brand respected for
product innovation
and delivery

“The focus was not merely on how we could sell more. The solution lay in how well we could treat our people who, in turn, could impress customers with responsiveness that would encourage them to buy.”

“The focus was not just in being able to provide our marketing professionals collateral to go out and sell. The solution lay in providing them with comprehensive market, neighbourhood and product knowledge as well.”

“The focus was not just investing in superior technology. The solution lay in getting that technology to work with efficient business processes and people responsiveness that delighted the customer.”

“The focus was not just to impress prospective customers with showpiece properties. The solution lay in impressing them with our interest in their need that would make them say ‘wow’.”

“The focus was not just waiting for customers to call with issues or clarifications. The solution lay in calling customers proactively to ask if they were satisfied.”

We created five Kolte-Patils within one Kolte-Patil to address the growth of Pune and regional markets

We positioned select channel partners as Black Cat commandos to revive offtake during sluggish periods

How we have selected to do business in a different way

This section explains how we have selected to do business, how we have escaped the commodity trap and how we are building a differentiated organisation

Focus

Conversion focus

At Kolte-Patil, we are not a land-banking company that is integrated forwards into real estate construction to capitalise on the value arbitrage. We are essentially a construction company (focusing on maximising construction efficiency) that will seek to invest in land when we need to construct or even engage in joint ventures where our partners provide the land and we focus on the construction – in exchange for a pre-agreed share of revenues.

Governance

In a business where the end product is usually delivered to customers after an extended gestation, trust is at a premium. At Kolte-Patil, governance represents

our foundation. The Company invested in Directors of proven standing, focused committees addressed specific functions, there is a dependence on systems and processes and there is a focus on a progressive way of doing things. The Company invested in cutting-edge technologies (construction and information technology) to enhance efficiency, product delivery and informed decision-making.

RERA-readiness

The Company selected to conduct its business in line with progressive requirements well before these requirements became mandatory (through RERA implementation). For instance, the Company conducted its business completely by cheque; launched projects only

after municipal clearances had been received and voluntarily enforced customer-protecting regulations well before this became a norm. Our association with leading private equity investors for several projects instilled a cash flow discipline, translating into timely delivery with a focus on quality.

Systems-driven

In a sector that has often been driven by the promoter, the Company made a significant change: it professionalised the management and invested in systems, processes and technologies that enhanced strategic consistency. Besides, SAP was integrated into project implementation, resulting in informed decision-making.



Markets

Three cities

The Company has selected to focus on the demand upside coming out of Pune, Mumbai and Bengaluru. We believe that each of these cities represents a proxy of a growing India. Besides, these cities provide the Company with an attractive financial complement: Pune is a mid-margin market offering high volumes, Mumbai is a relatively low volume but high margin market while Bengaluru provides a profit arbitrage opportunity. The principal

part of our revenues is derived from Pune, which we believe will moderate to 75% as the proportion of revenues from the other two cities increases.

Deep density Pune approach

The Company enjoys a long-standing presence in Pune. In a business that is largely localised, we believe that our wide and deep Pune presence has translated into economies of scale, people

competence, branding and administration convenience. This has enabled us to drill deeper into a growing market, launch properties in emerging pin-codes, transform neighbourhood appeal, launch more properties in these pockets and play an effective first-mover's role in attracting a new customer-set. Besides, our extensive Pune presence has also made it easier to cross-sell and up-sell properties, helping us liquidate inventories faster.

Target segment

Residential

The Company continues to believe that the largest long-term marketplace gap lies in the residential segment. The Company is essentially a residential builder, generating much of its revenues from the launch of residential offerings. This focus has helped the

Company standardise branding and marketing, strengthening its recall as a trusted residential player.

Largely aspirational MIG focus

The Company has largely selected to address the residential needs

of the mid-income segment. The Company believes that this represents the largest and fastest-growing (by volume) urban segment in the cities of its presence. A significant amount of the Company's residential offtake in 2017-18 comprised sales addressed at the MIG segment.



Functions

Execution

The Company has partnered with dependable contractors. This has evolved the Company's focus from active construction across multiple sites that could have potentially diluted its direction into a company that now plays the role of an informed supervisor and that timely construction technology investments have been made leading to scheduled project

completion. The result is that the Company is engaged in project management, engineering / design, procurement / quality assurance cum control, customer relationship management and branding.

Marketing across geographies

Even though the Company's projects are based in three

locations, the Company markets projects pan-India and in select global locations marked by a high population of the Indian diaspora. The Company selected to recruit professionals focused on marketing in specific geographies, enhancing accountability.

Finance

Gearing

The Company has selected to be fiscally-prudent, reflected in a low gearing. The low long-term debt on the books compared to net worth (debt-equity ratio) makes it distinctive among real estate development companies. As accruals have increased, the Company has moderated debt in the two years ending 31 March 2018. The low debt on the books

has helped the Company weather sectoral slowdowns and enhanced strategic flexibility in transforming a challenge into an opportunity.

Asset-lightness

In a business that is marked by high upfront investments in land (the most expensive investment in the business), the Company has selected to be as asset-light as possible. A large proportion of its

Pune portfolio comprised of joint ventures where an external agency had acquired a stake in the project; the Company entered a capital-intensive Mumbai realty market through the society redevelopment route marked by quicker project construction and apartment handover. The Company explored the Development Management route, which enhanced fee-income, leveraging strong brand presence and a timely execution track record.

Markets

Multi-income segment approach

Over the years, the Company graduated from pure construction and sale to a fee-based approach where the Company will provide branding and marketing support in exchange for a fee. Even as this segment is presently small, the scope is large, will not add load to

the Company's Balance Sheet, will leverage the Company's respect and generate attractive fee income.

Mitigating three risk types

The Company addressed Litigation Risk by acquiring land with clear titles to ensure capital was not blocked. The Company addressed Regulatory Risk where it was willing

to pay more to acquire land with key approvals in place/working with land owner to obtain key approvals with payments linked to the receipt of approvals. The Company addressed the Macro Risk by operating with low debt and focusing on sales velocity and cash flows.

The results of our business model

Profitable growth

The Company reported significant revenue growth corresponded by a commensurate bottomline increase in 2017-18, resulting in profitable growth, a creditable showing in a sector marked by a slowdown.

Outperformance

Kolte-Patil reported strong revenue growth in 2017-18, which was considerably higher than the estimated organised real estate sector growth. The Company maintained its leading position in Pune with considerably higher sales than the nearest competitor.

Credit rating

Even as the credit rating of most real estate companies in India was downgraded, Kolte-Patil's credit rating (A+ Stable) was maintained by CRISIL without alteration, one of the highest in the country's real estate sector.

Liquidity

The Company reported collections higher than outflows in 2017-18. Interest cover remained attractive in 2017-18.

Cost of funds

Bankers reduced the average lending rate to our company by 170 bps, resulting in a savings in annual interest outflow, validating their confidence in the Company's business model.

Knowledge capital

The Company enjoyed high people retention, as compared to the sectoral average.

Protected fundamentals

The Company protected its financial integrity in 2017-18. The Company had modest debt on its books as on 31 March 2018 (gearing of 0.29); EBIDTA margin was an attractive 3.02 per cent; return on capital employed was 18.4 per cent.

Valuation

The Company's business model was validated by the markets: the Company reported a peak valuation of ₹2,330 cr in 2017-18.

Our focused geographic presence

Pune

Extensive Pune presence

Undisputed market leadership

Steady margins, large volumes

Mumbai

Society redevelopment focus

One of the large developers in Mumbai in this segment

High ROCE, relatively small volumes

Bengaluru

Attractive locations

Residential focus

Land cost, attractive arbitrage opportunity

Growing presence in Pune

Right place + Right positioning
+ Right product = Price premium

Leading residential real estate brand in Pune

Well-reputed, trusted brand name that has delivered over 15 msf in Pune

Homes bought on track record, brochures, 'blue print' making it a trust/credibility decision

Reputational advantage enables KPDL to extract pricing premium, better payment terms and/or greater sales velocity

Kolte-Patil has leveraged its brand to enter into the Mumbai market

Customer purchases through mobile app and through online platforms testimony to market trust

Flexibility based on demand

Targeting MIG audience which is the pulse of the Pune market, a market with diverse economic drivers

Luxury	>₹1.5 Cr
HIG	₹1 to 1.5 Cr
MIG Township / Non Township	>₹50 lacs to 1 Cr
Affordable homes	<₹50 lacs

Our Mumbai redevelopment projects

- Mumbai being a land-locked city makes redevelopment the most preferred mode of development going forward and represents a huge opportunity
 - KPDL's Mumbai entry was timed with changes in Development Control Rules, 2013 (DCR, Section 79 A), making it a level-playing field for all developers
 - Synergies to existing Pune business
 - Facilitates margins expansion
 - Reduces working capital cycle
 - Geographical diversification – establish strong brand in Mumbai
 - Low capital commitment with payment of the corpus fund and rental to tenants linked to approvals
 - Focus on redevelopment projects
 - Established itself as one of the largest listed real estate companies in the society redevelopment space in Mumbai
 - Signed 14 redevelopment projects till date with total saleable area of ~1.4 msf spread across premium locations in western suburbs
-

Our Bengaluru portfolio

- Bengaluru city's residential demand is dominated by an immigrant salaried employee class and a strong end-user market with stable market
- KPDL's presence in the Bengaluru market provides geographical diversification in another volume driven market
- Increased traction to expand Bengaluru share in the KPDL portfolio
- Ongoing/planned projects to the tune of over 2.0 msf at prime locations like Hennur Road, Koramangala, Horamavu and Hosur Road
- Strategic objective to enhance presence in Bengaluru, thereby further de-leveraging the portfolio concentration

Business outlook



Improving consumer confidence: RERA-compliant business environment; low home loan interest rates catalyzing sales and collections



Sector consolidation: RERA and GST graduated to organised, execution-focused developers like KPDL



Strategic capital availability: Access to growth capital from strategic financial partners, driving growth



Consolidating dominant presence in Pune: Accelerating launch of subsequent phases of ongoing projects



Strong Mumbai pipeline: 1.4 msf across 14 redevelopment projects in Mumbai requiring low capital deployment, synergic with Pune leadership, facilitating PAT and ROCE expansion



Bengaluru an additional growth engine: Launched Exente, Hosur Road; Koramangala project to be launched in H2 2017-18



Expansion in Affordable Housing projects: ~3 msf in subsequent phases of existing projects like Life Republic and Ivy Estate



Business development initiatives: Potential acquisition of 10-12 msf additional land banks through outright purchases/joint development with land owners – ~1.5 msf for luxury projects, ~3.5-4 msf for affordable housing, remaining for MIG housing



Focus on execution, collections and cash flows: Asset-light growth based around Balance Sheet to drive profitable growth



Fund-raising: The Board passed an enabling resolution for raising up to ₹500 crore through various modes

Management discussion and analysis

Indian economic overview

2017-18 was an eventful year with some progressive structural reforms being introduced in the Indian economy, including the path-breaking Real Estate (Regulation and Development) Act (RERA) and Goods and Services Tax (GST) that became a reality. Leaving aside the initial short term disruptions associated with any major reform, their benefits of these reforms over the medium term are indisputable.

The Indian economy is now the sixth largest in the world. Growing private consumption as well as fading transitory effects of demonetisation and GST have provided an uplift to the economy. Given the positive developments and momentum, IMF has estimated India's GDP growth at 7.4% in 2017-18 and 7.8% in 2018-19 thereby establishing its position as the fastest growing major economy. GDP growth in the quarter of January to March 2018 was 7.7% which was the fastest in the last seven quarters. Economic growth in India has been bolstered by a strong performance in construction, manufacturing and infrastructure pointing to a persistent revival trend. In addition to the pickup in GDP growth, there has been an uptick in GST collections and looks set to achieve the government's target of ₹1 lakh crore per month and reach a level of ₹13 lakh crore in 2018-19. This clearly indicates that growth is taking root within the economy across regions and industries.

After two consecutive years of good monsoons, IMD has forecasted a normal monsoon for 2017-18 as well which will lead to improved

rural fortunes. This, along with the Government's thrust on construction, mining and infra activity ahead of upcoming 2019 elections, should boost demand further.

RBI has hiked the repo rate by 25 basis points to 6.25% in view of increasing inflation. However, consumer data has been encouraging with both urban and rural demand picking up. Growth is coming largely from sectors such as automobiles, commodities and consumer products. The Government through its spending is injecting a fair amount of demand into the economy and exports that are now starting to pick up could see further support from the improving global economy.

Adding to the optimism is the resolution of many large NPA accounts under the Insolvency and Bankruptcy code. While some have been completed, others are likely to be resolved over the next few weeks, which will re-energise the financial position of banks enabling them to conclude a long period of paralysis. The repair of balance sheets of banks along with the steady improvement in private corporate balance sheets will sooner or later set the stage for a full-fledged investment-led recovery which could further elevate economic growth that is currently predominantly dependent on government spending.

Further, the Union Budget 2017-18 has introduced several positive measures aimed at strengthening the momentum of reforms, uplifting the rural economy, strengthening the agriculture sector, providing healthcare for the economically

less privileged, infrastructure creation and improvement in the quality of education in the country. All these initiatives, through their implementation, will provide further support to sustainable economic expansion. The key engines supporting the upturn are largely domestic and policy-driven, which may allow the momentum to sustain, though the visible turnaround in global growth will also provide tailwinds. Available estimates indicate that India will continue to drive on a secular growth trend over several decades to maintain its position as an engine of global economic growth. This has the potential to uplift the lives of millions of Indians as macro growth percolates to widespread improvements in economic conditions and in-turn per capita consumption trends.

Indian real estate overview

The real estate sector (including housing, retail, hospitality and commercial) is the second largest employer after the agricultural sector. Estimates indicate the real estate sector could grow 30% over the coming decade, highlighting its long-term potential. The size of the country's real estate market is expected to grow from around USD 126 billion in 2015 to a projected USD 180 billion by 2020, according to a report by CREDAI and JLL India. The housing sector alone is expected to contribute approximately 11% to the country's GDP by 2020.

2017-18 was a landmark year for the industry with enactment of Real Estate (Regulation & Development)

Act (RERA) and Goods & Services Tax (GST), while affordable housing was attributed industry status. The government's Credit Linked Subsidy Scheme (CLSS) received a strong response across metros and tier II cities. In order to push the mission of Housing for All by 2022 and to increase demand in middle income group (MIG) category, the government has extended the CLSS scheme till March 2019 and further relaxed the carpet area norms for MIG category under CLSS. The benefit of the scheme will now be available under the following criteria:

	MIG-I	MIG-II
Annual household income limit	Between ₹6,00,001/- up to ₹12,00,000/-	Between ₹12,00,001/- up to ₹18,00,000/-
House size or the maximum carpet area	120 square meter	150 square meter
Loan amount eligible for CLSS	upto ₹9 Lakh	upto ₹12 Lakh
Interest subsidy	4%	3%
Loan limit for interest subsidy	₹9,00,000/-	₹12,00,000/-
Period of subsidy	max. 20 years	max. 20 years
Max Subsidy	₹2.35 Lakhs	₹2.30 Lakhs

The Indian real estate sector is at an inflection point with gradual improvement in the demand environment on the back of all these regulatory reforms which have brought in increased transparency and increased the confidence of property buyers. There is large-scale consolidation taking place in the industry, across developers and brokers. Organised developers with scalable business models and solid fundamentals will be beneficiaries and gain market share.

Regulatory Reforms and Key Initiatives

Several initiatives have been announced by the government to encourage the development of the sector and boost demand.

RERA Implementation

RERA (Real Estate Regulation Act) has been one of the most significant reforms undertaken in recent times and is expected to change the landscape of the Indian real estate market. The act was passed to improve transparency and to make the sector more investor-friendly.

Various state governments are at different stages of RERA implementation. Even though all states were supposed to have notified their RERA rules by July 31, 2017, only 19 out of the existing 29 states have complied. These are Punjab,

Rajasthan, Gujarat, Madhya Pradesh, Maharashtra, Goa, Haryana, Jharkhand, Odisha, Telangana, Andhra Pradesh, Uttar Pradesh, Himachal Pradesh, Uttarakhand, Bihar, Karnataka, Tamil Nadu, and Puducherry. All seven Union Territories have notified them already. Only Maharashtra, Madhya Pradesh and Punjab have established a permanent Real Estate Regulatory Authority. Recent studies by various agencies have suggested that close to 31,500 real estate projects have been registered under RERA. Maharashtra accounted for 54% (17,125 projects) of these registrations.

Affordable / Mid-income Housing Incentives

Affordable housing and infrastructure got another significant push by the government in Union Budget 2018-19. A dedicated Affordable Housing Fund (AHF) under the National Housing Bank with an outlay of ₹60,000 crore. Further, the Pradhan Mantri Awas Yojana - Urban has sanctioned over 51 lakh dwelling units over the last three years of which over 28 lakh units are already in various stages of construction. Over 14 lakh houses were sanctioned in 2017-18. This segment is expected to continue to be a key driver in the real estate sector and is a key focus area for all

developers given the rising end-user demand.

Goods and Services Tax (GST)

The implementation of GST will help in improving the perception of the sector, simplify the tax structure and bring in accountability at every level. The seamless availability of Input Tax Credits (ITC) paid on inputs, capital goods and input services is the key highlight under the GST regime, doing away with multitude of taxes such as VAT, Central Excise, Entry Tax, LBT, Octroi, Service Tax, etc., the credits of which were not freely available against the output tax liability. GST provides for full ITC eligibility and removes inefficiencies created by the cascading effect of taxes. Further, under the GST regime, owing to the removal of state barriers, construction sector will experience a considerable relief in terms of transportation of material, machinery etc. from one state to another. GST implementation has created a level-playing field, taking away the advantages unorganised developers used to have and created a preference for customer-centric developers with strong execution track records.

Smart Cities

Smart Cities initiative was launched in 2015 to build promote infrastructure growth and a

sustainable life for citizens. A large part of India's talent pool resides in the Tier II and III cities and this initiative will facilitate developing these cities, enabling them to integrate more deeply with the

country's growth opportunities. Smart Cities Mission received an allocation of ₹2.04 lakh crore, covering selected 99 cities in the Union Budget 2017-18.

REITs: Real Estate Investment Trusts (REITs) are an evolution of real estate assets, providing access to public markets and offering a viable exit to private equity investors. The notion that the real estate

KPDL projects portfolio as on 31st March 2018

Projects	KPDL Share	Total Inventory (million square feet)		
		Ongoing & Unsold	Under Approval*	Land Bank
Jazz II (Opula)	100%	0.33	-	-
Atria	100%	0.09	-	-
Giga Residency	100%	0.32	-	-
Stargaze	62%	0.26	0.60	-
Western Avenue	100%	0.18	0.35	-
Ivy Estate	100%	0.54	0.82	-
Downtown	51%	0.12	0.60	-
Life Republic	45%	0.35	4.22	12.00
Tuscan	51%	0.02	0.20	-
Three Jewels	70%	0.73	-	-
Cilantro	50%	0.06	-	-
Green Olive Venture	60%	0.14	-	-
Allura (24K Glamore)	100%	-	0.40	-
Ghotawade	50%	-	-	3.20
Aundh	100%	-	-	1.00
Kalyani Nagar	100%	-	-	0.60
Boat Club Road	100%	-	-	0.30
Pune Total:		3.14	7.19	17.10
Jai Vijay	100%	0.05	-	-
Other Mumbai projects	100%	-	-	1.20
Mumbai Total:		0.05	-	1.20
Raaga	100%	0.31	-	-
Mirabilis	70%	0.13	-	-
Exente	100%	0.52	-	-
24K Grazzio	100%	0.20	-	-
Bengaluru Total:		1.16	-	-
Total: ~30 msf		4.35	7.19	18.30

*Upcoming projects in the next 12 months

sector is 'illiquid' is set to change once this financial instrument is launched in India, increasing participation by foreign investors who had been active in investing in marquee, income-yielding assets in commercial markets. Moreover, as institutional investor presence increased in the country's real estate sector, it became imperative to create an enabling environment for REITs. The key drivers of REITs comprised:

Core strengths

Expanding business footprint: KPDL is at an inflection point from where it expects to deliver strong momentum on the back of a 360-degree business model that comprehensively covers the entire spectrum of demand focused on residential real estate across price points in key micro-markets within Pune, Mumbai and Bengaluru. KPDL possesses a land bank of ~30 msf, of which 4.4 msf is already approved by the regulatory authorities and currently under execution. Further, 7.2 msf are under various approval stages which are expected in H2 FY19. Consistent growth in Bengaluru and Mumbai

is expected to generate over 25% of sales from both cities by 2020 in addition to the high longstanding Pune weightage.

Organisational capabilities:

KPDL has created a strong core of people, processes and proficiencies underlying which is an operation that behaves like a manufacturing company with a strong execution engine rather than the typical asset-focused real estate developer. The Company has created a high performance culture with focus on leadership, innovation, entrepreneurship and realisation of synergies with an environment of open communication. With over two decades of timely execution, delivering over 15 msf, KPDL is a reputable brand with the trust of customers, a strong differentiator from customers' standpoint.

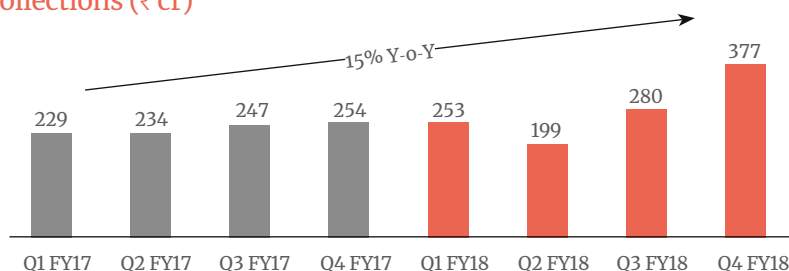
Strong financial position: KPDL has undertaken several business transformation initiatives that have enabled growth delivery on a strong operating base. In the backdrop of a sluggish macro-economic environment, record revenue and

profit has been achieved by focusing completely on project execution and customer collections. KPDL's asset-light business model, low levels of debt leverage and efficient capital deployment are all ingredients to the Company's ability to deliver high returns to stakeholders and provides a strong platform for future growth initiatives.

Dynamic business model: KPDL has structured its business around a dynamic model with various area, revenue and profit-sharing frameworks. This has helped the Company enter joint ventures (JVs), development agreements (JDAs), management agreements (JMAs) and private equity participation across projects, allowing it to diversify its project portfolio with the available capital, thereby mitigating concentration risk and widening geographic footprint. The Company's preference for asset-lightness allows it to leverage its brand and execution capabilities.

Overview of operations

Collections (₹ cr)



Collections

Despite a weak macro-economic environment in recent years, we have maintained our thrust on execution and timely delivery of projects. This has resulted in greater trust and acceptance among customers, resulting in strong collections. For 2017-18, collections increased 15%

Y-o-Y to ₹1,109 crore and we have recorded our highest ever quarterly collections of ₹377 crore in Q4 2017-18, a strong uptick of 48% year-on-year, on the back of strong impetus on registrations across all projects.

Sales and pricing trends

The Company registered a sales volume of 2.08 msf in 2017-18 compared to 2.09 msf in the previous year. The average selling price in 2017-18 was ₹5,765 per square foot, which translated into a sales value of ₹1,198 crore in 2017-18 (₹1,220 crore in 2016-17). Sales run-rate has been maintained in 2017-18 despite no substantial launches, held back by approval delays. Further, the sales performance has to be viewed against the backdrop of a challenging market environment where volume growth was impacted on account of the implementation of RERA and GST, key structural drivers which will benefit us in the long run. Going into FY19, we have a significant launch pipeline of existing projects,

which will drive sales momentum in H2 FY19.

A key positive of our performance during the year was the strong momentum in Bengaluru which contributed 12.9% of sales volumes in 2017-18 vs. 3.6% in 2016-17. We also expect Mumbai projects to pick up in FY19 with the improving visibility of new launches on the back of government initiatives towards resolution of dumping ground issues, implementation of Development

Plan 2034, etc. We have already seen a significant uptick of 61% Y-o-Y in our collections to ₹156 crore in these markets, contributing 14% to overall collections in 2017-18, and are on track to achieve our vision of diversifying our revenue base with ~25% sales contribution from Mumbai and Bengaluru by 2020.

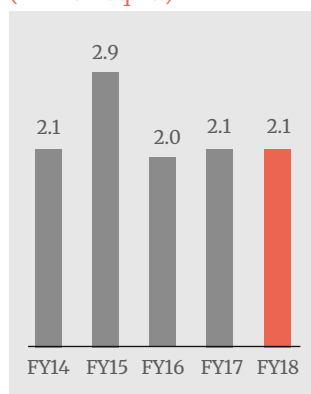
Sales analysis

- The Company has a broad portfolio with residential ticket sizes

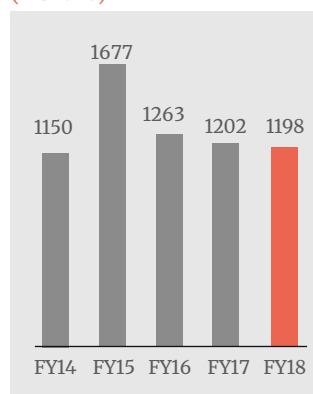
extending from ₹30 lac to ₹8 crore. A majority of the sales were focused towards the middle-income group, which represents the pulse of the market.

- During the year under review, the MIG segment (including Township project) contributed to 72% of the total sales volume (73% in the previous year).

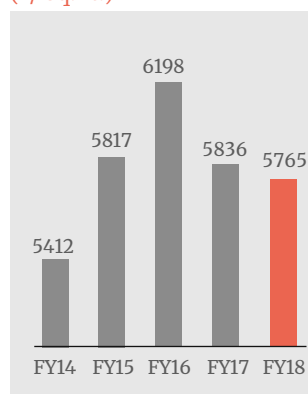
Pre-sales (Million sq. ft.)



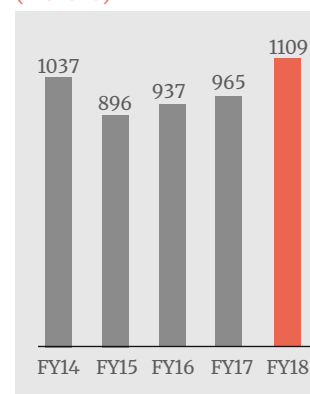
Sales value (₹ Crore)



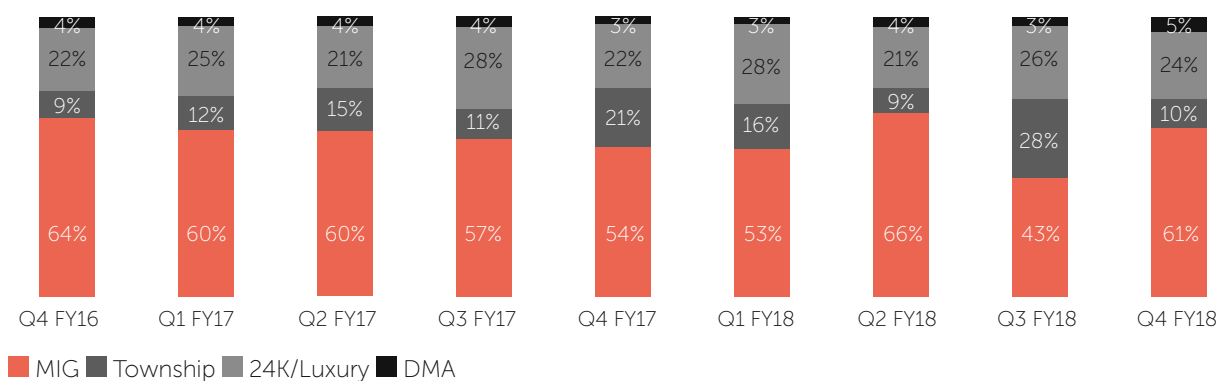
Realisations (APR) (₹/ sq. ft.)



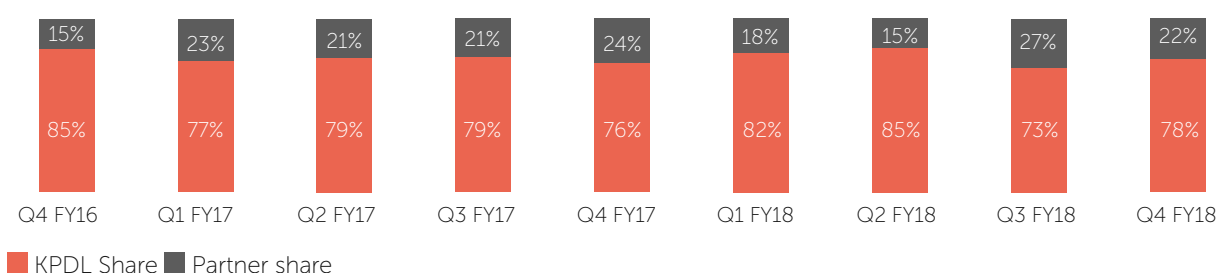
Collections (₹ Crore)



Sales volume by project segments



Share volume by partnership share



Execution control

We sustained our efforts on efficient execution in line with our philosophy and track record of delivering quality homes within promised timelines. The Company delivered 2,167 units for possession in 2017-18 as compared to 1,576 in 2016-17, an increase of 37.5% over the preceding year.

P&L Snapshot (₹ crore)

	Ind-AS		
	FY18	FY17	Y-o-Y (%)
Revenue from Operations	1,402.7	963.8	45.5%
Other income	14.3	10.1	41.4%
Total Income	1,417.0	973.9	45.5%
Cost of materials consumed	966.2	610.8	58.2%
Employee benefits expense	38.0	38.2	-0.6%
Finance cost	98.7	86.0	14.7%
Depreciation and amortisation expense	15.4	14.9	3.4%
Other expenses	96.0	76.7	25.1%
Total Expenses	1,214.3	826.6	46.9%
EBITDA	302.5	238.1	27.1%
EBITDA Margin (%)	21.6%	24.7%	-3.1%
Profit before tax	202.8	147.3	37.7%
Total tax expenses	49.2	62.4	-21.1%
Net Profit after tax	153.6	84.9	80.9%
PAT margin (pre-minority interest)	10.9%	8.8%	2.1%
Non-controlling interests	32.1	-2.3	-1495.7%
Net Profit (post minority interest)	121.5	87.2	39.3%
PAT margin (%)	8.7%	9.0%	-0.4%
EPS	16.03	11.51	

Financial analysis

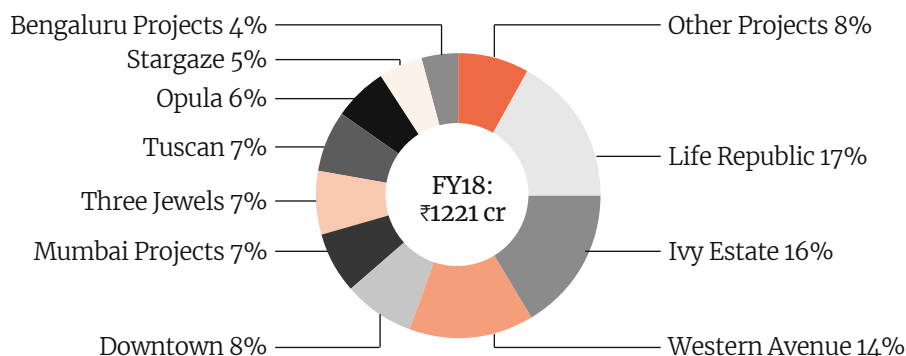
We have undergone a transformational journey over the last two years, undertaking various business strengthening initiatives that have translated into a significant improvement in our financial and operational parameters, creating several records. We have reported a robust performance in 2017-18, recording the highest ever annual revenue and net profit in the history of the Company. Revenue grew 46%

Y-o-Y to ₹1,403 crore with PAT (pre-minority interest) growing 81% Y-o-Y to ₹154 crore and PAT (post minority interest) up 39% Y-o-Y to ₹122 crore in 2017-18.

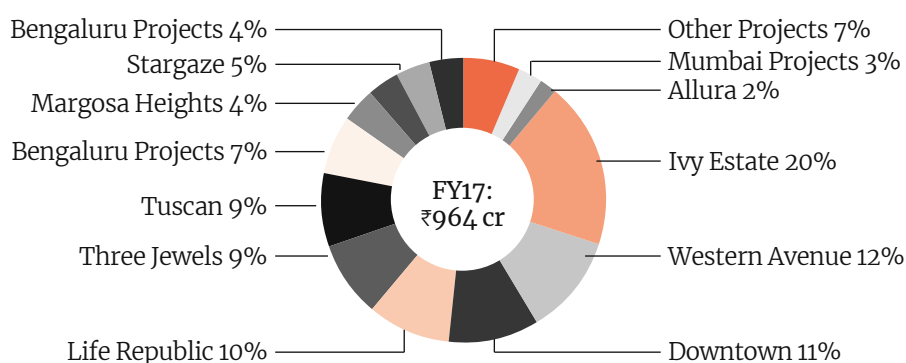
KPDL's net worth stood at ₹984 crore as on 31 March 2018 compared to ₹864 crore as on 31 March 2017. CRISIL retained its A+ Stable rating for KPDL, making it the rating agency's highest-rated residential player. The strong customer collections were utilised to drive

reduction of ₹167 crore in net debt whilst maintaining our focus on efficient execution. At the end of 2017-18, net debt stood at 0.29 times our net worth, which is the lowest leverage on our balance sheet over the last three years and provides us a strong platform for future growth initiatives. Efficient deployment of capital across our current portfolio of projects has also driven ROCE to 18.4% in 2017-18.

Revenue breakup



Note: Adjusted for the strategic disinvestment in Wakad, Pune



Consolidated Debt Profile (₹ crore)

	31st Mar, 2018	31st Mar, 2017
Networth	984	864
Gross debt	689	761
Less: OCD / CCD / OCRPS / Zero Coupon NCD*	289	233
Debt	400	528
Less: Cash & cash equivalents & Current Investments	117	73
Net debt	288	455
Net debt to equity	0.29	0.53

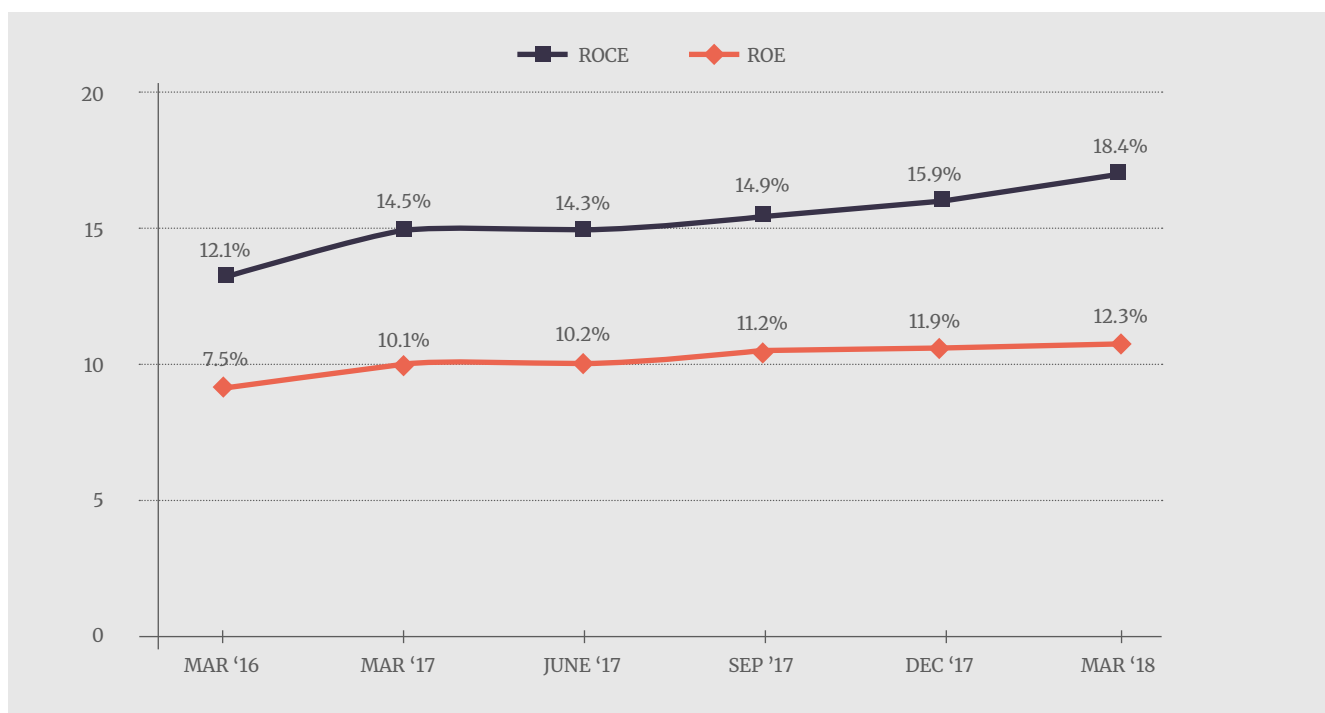
Note: The figures for the previous period have been regrouped and re-arranged, wherever necessary, to make them aligned with the current period.

Internal control systems and their adequacy

The Company has implemented a series of checks and controls since its inception to ensure the assets and interests are well protected and all financial data is accurate and reliable. The system is periodically reviewed

to ensure the audit systems, policies, procedures and financial controls are adequate and efficient. The Audit Committee of the Board of Directors and senior management reviews the audit findings on a regular basis to

ensure compliance, control and risk mitigation. The financial reporting is also evaluated from time to time to measure its effectiveness and accuracy.



Human resources

Our people are our most important assets. As such, the Company is committed to nurturing, developing and helping talent grow. KPDL conducts regular trainings focused on talent development and leadership development, creating an environment supporting growth. The Group works hard to remain an 'Employer of Choice' among its peers.

Risk management

Economic risk: Economic volatility could affect profitability

Mitigation: A robust Balance Sheet ensures that the Company possesses considerable cover against fluctuations. The Company is positioned in high growth markets, strategically selecting projects based on market and location demand.

Finance risk: Inadequate funding capabilities could impact operations

Mitigation: KPDL's robust capital management strategy comprises positive cash-flow to mitigate liquidity risk and keep borrowings in check. This strategic governance resulted in KPDL being rated A+ Stable, the highest among Indian

residential players in CRISIL's database.

Industry risk: Disruptions (material, labour and regulations) could impact operations.

Mitigation: The Company's core strength lies in robust project planning and execution, enhanced by strong procurement and people management.

Outlook

We are on track to achieve our strategic goals and expect to deliver record sales, revenue, profits and cash flows, better operational efficiency and further improve our high standards of customer service.

We expect to see launches to the tune of ~4.4 msf in FY19 across our focused markets of Pune, Bengaluru and Mumbai. We have a strong pipeline of 1.4 msf in Mumbai spread across 14 redevelopment projects,

which is a business model that employs less capital. Bengaluru will be an additional growth engine and we have already launched one project, Exente on Hosur Road, and will soon launch another in Koramangala. Across locations and projects, our focus will be on execution, collections and cashflows.

We continue to evaluate strategic and financial partnerships that enable us to scale our operations while limiting

capital commitment. Currently, we are looking at new acquisitions and partnerships across MIG, affordable housing and luxury projects to further our growth momentum. Overall, we are well-positioned for sustained and profitable growth.

We are on track to achieve our strategic goals and expect to deliver another year of record performance across all operational parameters in FY19.

Statutory Section

Directors Report

Dear members

Your Directors have pleasure in presenting 27th Annual Report on the business and operations of the Company and the accounts for the Financial Year ended 31 March 2018.

1. Financial highlights

(₹ in Lakhs)

Particulars	Consolidated		Standalone	
	2017-18	2016-17	2017-18	2016-17
Revenue from Operations	140,272	96,382	67,110	53,332
Other Income	1,434	1,014	4,022	4,339
Total Income	141,706	97,396	71,132	57,671
Operating Profit before interest, depreciation, amortization and taxes (EBITDA)	31,689	24,821	20,978	17,250
Depreciation and amortization	1,536	1,485	645	622
Interest and finance charges	9,870	8,604	4,781	4,283
Profit Before Tax (PBT)	20,283	14,732	15,552	12,345
Tax expenses	4,926	6,244	5,061	3,874
Profit After Tax (PAT)	15,357	8,488	10,491	8,471
Add: Other Comprehensive Income	39	31	16	29
Total Comprehensive Income before Non-Controlling Interest	15,396	8,519	10,507	8,500
Less: Non-Controlling Interest	3,217	(231)	-	-
Profit after other Comprehensive Income	12,179	8,750	10,507	8,500
Earnings Per share (in ₹)	16.03	11.51	13.84	11.18

2. Performance of the Company

The highlights of the company's performance is as under:

Financial Overview (Consolidated Performance)

Our revenues increased by 45.53% at ₹140,272 lakhs during the year compared to ₹96,382 lakhs in the previous year. Expenses (excluding Finance cost)

increased by 50.62% to ₹111,553 lakhs from ₹74,060 lakhs in the previous year. Earnings Before Interest Taxes and Depreciation increased by 27.67% at ₹31,689 lakhs as compared to ₹24,821 lakhs. EBITDA margins reduced from 25.75% to 22.59% during the year. Total Comprehensive Income (post minority interest) increased by 39.19% at ₹12,179 lakhs compared to ₹8,750 lakhs in the previous year. Earnings Per Share

stood at ₹16.03 as compared to ₹11.51 last year. Dividend of ₹2 per share, amounting to a payout of 12.45% of the year's profits, has been recommended by the Board of Directors.

Financial Overview (Standalone Performance)

Our revenues in 2017-18 increased by 25.83% during the year at ₹67,110 lakhs compared to ₹53,332 lakhs in the previous year. Earnings Before Interest Taxes and Depreciation increased by 21.61% at ₹20,978 lakhs as compared to ₹17,250 lakhs in the previous year. EBITDA margins decreased from 32.34% to 31.26% during the year. Profit with comprehensive income after Tax was increased by 23.61% at ₹10,507 lakhs compared to ₹8,500 lakhs in the previous year. Earnings per Share increased during the year at ₹13.84 as compared to ₹11.18.

3. Dividend

Your Directors have recommended a final dividend of ₹2 per equity share on 75,798,409 equity shares of ₹10 each. This dividend is subject to the approval of the members at the ensuing 27th Annual General Meeting.

4. Fixed Deposits

During the year under review, the Company has not accepted any fixed deposits under the provisions of the Companies Act, 2013.

5. Share Capital

The paid-up Equity Share Capital as on 31 March 2018 stood at ₹7,579.84 Lakhs.

During the year under review, 23,500 Equity Shares has been issued under Employee Stock Option Scheme 2014 and the Company has not issued any shares with differential voting rights nor sweat equity.

During the year, the Company has not granted any stock options to employees of the Company. For details of stock options granted, refer Annexure VI of the Directors' Report.

6. Internal Financial Controls

The Company has adequate internal controls and processes in place with respect to its financial statements which provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements. These controls and processes are driven through various policies, procedures and certifications. The Management has periodically conducted the assessment of internal Financial Controls for determining operative effectiveness and the control were operating effectively. The internal financial controls were also reviewed

by an Independent Auditor and found to be adequate and operating effectively for ensuring accuracy and completeness of the accounting records. There were no reportable material weaknesses observed. The report of Independent Auditor is annexed to the Auditors' Report on Financial Statements.

7. Details of Subsidiary/Joint Ventures/Associate Companies

The Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures in Form AOC - 1 is annexed as Annexure I to the Directors' report.

8. Directors and Key Managerial Personnel

Pursuant to Section 152 of the Companies Act, 2013 read with Article 167 of the Articles of Association of the Company, Mrs. Vandana Patil – Non-Executive Director will retire by rotation and being eligible, offered herself for re-appointment at this ensuing Annual General Meeting.

During the year under review, there is no change in Board of Directors and Key Managerial Personnel.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed both under the Companies Act, 2013 and Regulation 16 (b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company has devised a Policy for performance evaluation of Independent Directors, Board, Committees and other individual Directors which includes criteria for performance evaluation of the non-executive directors and executive directors. The Board has carried out an annual evaluation of its own performance, various committees and individual directors.

The Board members are provided with necessary documents, reports and policies to enable them to familiarise with the Company's procedures and practices. Periodic presentations are made at the Board and Committee Meetings, on business and performance up. The details of such familiarization programmes for Independent Directors are posted on the website of the Company and can be accessed at <http://www.koltepatil.com/investors/corporate-governance>.

The Policy for selection of Directors and determining Directors independence and Remuneration Policy for Directors, Key Managerial Personnel and other employees is annexed as Annexure II.

9. Meetings of the Board of Directors

Eight (8) Board Meetings were held during the year and the gap between two meetings did not exceed four months. The dates on which the board meeting were held as follows:

- (1) 23 May 2017
- (2) 30 May 2017
- (3) 13 July 2017
- (4) 11 August 2017
- (5) 28 September 2017
- (6) 07 November 2017
- (7) 27 December 2017 and
- (8) 13 February 2018.

10. Statutory Auditors

M/s. Deloitte Haskins & Sells LLP (LLP Registration No. AAB-8737, FRN – 117366W/W-100018), Chartered Accountants, Pune, were appointed as statutory auditors till the Annual General Meeting (AGM) to be held in the year 2018.

The Board of Directors on the recommendation of Audit Committee has proposed re-appointment of M/s. Deloitte Haskins & Sells LLP (LLP Registration No. AAB-8737, FRN – 117366W/W-100018), Chartered Accountants, Pune for the period of Five (5) years from the conclusion of this 27th Annual General Meeting and to hold office until the conclusion of 32nd Annual General Meeting.

11. Contracts or arrangements with related parties

During the year under review, all transactions/arrangements entered by the Company with related parties were in the ordinary course of business and on an arm's length basis.

The Policy on materiality of related party transactions and dealing with related party transactions as approved by the Board may be accessed on the Company's website at the link: <http://www.koltepatil.com/investors/corporate-governance>.

The details of all transactions/arrangement with related party are given in the Note No. 44 in Notes to Accounts forming part of the Audited Standalone Financial Statement.

12. Conservation of energy, technology absorption and foreign exchange earnings and outgo

As the Company is not engaged in the manufacturing activities, the information related to Conservation of energy, technology absorption has not be provided.

The details of Foreign Exchange outgo are as follows:

(₹ in Lakhs)

Particulars	For Year ended 31 March 2018	For Year ended 31 March 2017
Salary	13	102
Travelling Expenses	24	5
Professional Fees	3	29
Office Expenses	-	1
Advertising Expenses	1	6
Purchase of Wooden Flooring	-	8
Purchase of sanitary wares	36	-
Total	77	151

13. Particulars of loans, guarantees and investments

The particulars of loans, guarantees and investments are given in Note No. 5, 9 and 32 in Notes to accounts forming part of the Audited Financial Statements.

14. Extract of the annual return

Pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and administration) Rules, 2014, the extract of the annual return in Form No. MGT – 9 as provided in Annexure III form part of the Board's report.

15. Corporate Social Responsibility (CSR)

In compliance with Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules 2014, the Company has established Corporate Social Responsibility (CSR) Committee and Report on CSR Activities forms part of this Report as Annexure IV.

16. Audit Committee

The Audit Committee of the Company comprises of following members:

Name of the Member	Designation	Category
Mr. Prakash Gurav	Chairman	Independent Director
Mr. Jayant Pendse	Member	Independent Director
Mr. G L Vishwanath	Member	Independent Director
Mrs. Manasa Vishwanath	Member	Independent Director
Mr. Umesh Joshi	Member	Independent Director
Mr. Milind Kolte	Member	Executive Director

Mr. Vinod Patil, Company Secretary of the Company acts as the secretary to the Audit Committee and the Managing Director and Chief Financial Officer of the Company are permanent invitees to the Audit Committee Meetings.

The Board has accepted all the recommendation of the Audit Committee.

17. Vigil mechanism for directors and employees

The Vigil Mechanism of the Company, which also incorporates a whistle blower policy in Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, includes an Ethics & Compliance Task Force comprising senior executives of the Company. Protected disclosures can be made by a whistle blower through an e-mail, or dedicated telephone line or a letter to the Task Force or to the Chairman of the Audit Committee.

The Company seeks to maintain the highest ethical and business standards in the course of its business and has put in place mechanism of reporting illegal or unethical behavior. Directors, employees, vendors or customers may report violations of the laws, rules, regulations or unethical conducting by writing to the notified person. The report received from employees will be reviewed by Audit Committee. The Directors and Management Personnel are obligated to maintain confidentiality of such reporting and ensure that the whistle blowers are not subjected to any discriminatory practices. No person has been denied access to the Audit Committee.

The said policy can be accessed at <http://www.koltepatil.com/investors/corporate-governance>.

18. Nomination and Remuneration Committee

The Nomination and Remuneration Committee of the Company comprises of following members:

Name of the Member	Designation	Category
Mr. Jayant Pendse	Chairman	Independent Director
Mr. Prakash Gurav	Member	Independent Director
Mr. G. L. Vishwanath	Member	Independent Director
Mrs. Manasa Vishwanath	Member	Independent Director
Mr. Umesh Joshi	Member	Independent Director
Mrs. Sunita Kolte	Member	Non-Executive Director

19. Managerial Remuneration

The Details required as per Rule 5(1) and (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given in Annexure V to the Directors report.

20. Employee Stock Option Scheme

The Nomination and Remuneration Committee of the Board of Directors of the Company, inter alia, administers and monitors the Employees' Stock Option Scheme 2014 of the Company in accordance with the applicable SEBI Guidelines.

The applicable disclosures as stipulated under the SEBI Guidelines as on 31 March 2018 (cumulative position) with regard to the Employees' Stock Option Scheme (ESOS) are provided in Annexure VI to this Report.

21. Secretarial Audit Report

Pursuant to Section 204 of the Companies Act 2013, the Company had appointed M/s. SVD & Associates, Company Secretaries, Pune as its Secretarial Auditors to conduct the secretarial audit of the Company for the Financial Year 2017-18. The Report of Secretarial Auditor for the Financial Year 2017-18 is annexed to this report as Annexure VII.

The comments of the board on observations of the Secretarial Auditors are as follows:-

1) Inadvertently, there was a delay in transferring unclaimed dividend to Investor Education and Protection Funds in FY2016-17. In the future, the Company will ensure the timely compliance.

2) The Company has intimated to the Stock Exchange under Regulation 50 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, inadvertently, the Company has not given the reference of Regulation 60 in the intimations given to Stock Exchange for payment of interest and redemption of non-convertible debentures.

22. Secretarial Standards

The Institute of Company Secretaries of India had revised the Secretarial Standards on Meetings of the Board of Directors (SS-1) and Secretarial Standards on General Meetings (SS-2) with effect from 01 October 2017. The Company is in compliance with the revised secretarial standards.

23. Corporate Governance Certificate

Report on Corporate Governance for the Financial Year 2017-18, as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is presented in a separate section forming part of the Annual Report.

The Company has obtained the Compliance certificate for the Financial Year 2017-18 from the Statutory Auditors i.e. M/s. Deloitte Haskins & Sells LLP for the compliance of conditions of corporate governance as stipulated in Regulation 34 (3) read with Part E of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

24. Risk management policy

The Company has constituted Risk Management Committee comprising 6 members, in which 3 members are Independent Directors. The Risk Management Committee has approved the Risk Management Policy. The Committee monitors the policy, ensures that the Company is acting appropriately to achieve prudent balance between the risk and reward and evaluates significant risk exposures and assesses the management's actions to mitigate the exposures.

25. Directors' Responsibility Statement

Your Directors state that:

- a) in the preparation of the annual accounts for the year ended 31 March 2018, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;
- b) the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and

prudent so as to give a true and fair view of the state of affairs of the Company as at 31 March 2018 and of the profit of the Company for the year ended on that date;

- c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Directors have prepared the annual accounts on a 'going concern' basis;
- e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

26. Management's Discussion And Analysis Report

Management's Discussion and Analysis Report for the year under review, as stipulated in Regulation 34 (2) (e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is presented in a separate section forming part of the Annual Report.

27. Acknowledgements

Your Directors take this opportunity to thank customers, vendors, stakeholders, Central and State Governments, business associates and bankers for their consistent support and co-operation to the Company. Your Directors take this opportunity to thank all the employees. The employees have helped for sustained excellence in performance of the Company.

Finally, the Directors would like to convey their gratitude to the members for reposing their confidence and faith in the Company and its management.

For and on behalf of the Board of Directors,

Rajesh Patil

Date: 23 May 2018 Chairman and Managing Director
Place: Pune DIN 00381866

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the Financial Statement of Subsidiaries/Associate Companies/Joint Ventures
PART A: Subsidiaries

Sr. No.	1	2	3	4	5	6	7	8
	Kolte-Patil Real Estate Private Limited	Bellflower Properties Private Limited	Tuscan Real Estate Private Limited	Snowflower Properties Private Limited	Regensis Facility Management Company Private Limited	Sylvan Acres Realty Private Limited	Kolte-Patil Redevelopment Private Limited (Formerly known as PNP Retail Private Limited)	PNP Agrotech Private Limited
The date Since when subsidiary was acquired	28 March 2008	31 March 2009	31 December 2006	21 March 2011	02 February 2009	22 May 2006	18 February 2010	30 March 2012
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	31 March 2018	31 March 2018	31 March 2018	31 March 2018	31 March 2018	31 March 2018	31 March 2018	31 March 2018
Share capital	2,694	100	100	5	2	375	1,968	933
Reserves & surplus	13,917	2,936	2,033	2,953	122	702	(1,699)	(396)
Total assets	20,362	3,237	3,832	13,681	157	1,078	704	1,228
Total Liabilities (excluding Share capital and Reserves & Surplus)	3,751	201	1,699	10,724	34	1	435	691
Investments	-	-	-	-	-	-	-	-
Turnover	9,851	627	8,370	8,703	224	-	116	60
Profit before taxation	2,678	7	1,985	(36)	19	(1)	(168)	(135)
Provision for taxation	930	25	694	(475)	13	0	77	-
Profit after taxation before comprehensive Income	1,748	(18)	1,290	439	6	(1)	(245)	(135)
Profit after taxation after Comprehensive Income	1,757	(18)	1,294	439	12	(1)	(245)	(135)
Proposed Dividend	-	-	-	-	-	-	-	-
Extent of shareholding (in percentage)	51.00%	100.00%	51.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Part B: Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

(₹ In Lakhs)

Name of associates/Joint Ventures	Kolte-Patil I-Ven Townships (Pune) Limited \$
1. Latest audited Balance Sheet Date	31 March 2018
2. Date on which the Associate or Joint Venture has associated or acquired	15 February 2013
3. Shares of Associate/ Joint Ventures held by the company on the year end	
No. of shares	4,500,000
Amount of Investment in Associates/Joint Venture	450.00
Extend of Holding (in percentage)	45%
4. Description of how there is significant influence	As per the Joint Venture Agreement, there is significant influence.
5. Reason why the associate/joint venture is not consolidated	N.A.
6. Net worth attributable to shareholding as per latest audited Balance Sheet	1,382
7. Profit/Loss for the year	2,099
i. Considered in Consolidation*	945
ii. Not Considered in Consolidation	-

\$ Considered as a subsidiary in the Ind AS Financial Statements based on control assessment carried out under Ind AS.

* Represents our share of attributable Profit/Loss

ANNEXURE II

POLICY FOR SELECTION OF DIRECTORS AND DETERMINING DIRECTORS INDEPENDENCE AND REMUNERATION POLICY FOR DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES

PREAMBLE

OVERVIEW UNDER COMPANIES ACT 2013

{Section 178 & Companies [Meetings of Board and its Powers] Rules 2014}

- Constitution of the Nomination and Remuneration Committee consisting of three or more non-executive directors out of which not less than one-half shall be independent directors
- The Nomination and Remuneration Committee shall identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance.
- The Nomination and Remuneration Committee shall formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and senior management personnel i.e. employees at one level below the Board including functional heads.
- The Nomination and Remuneration Committee shall, while formulating the policy ensure that:
 - The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
 - Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - Remuneration to directors, key managerial personnel and senior management involves a

balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

- Such policy shall be disclosed in the Board's report.

OVERVIEW OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENT) REGULATIONS, 2015

The company shall set up a Nomination and Remuneration committee which shall comprise at least three directors, all of whom shall be non-executive directors and at least half shall be independent. Chairman of the committee shall be an independent director.

The role of the committee shall, inter-alia, include the following:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of Independent Directors and the Board;

COMPOSITION OF NOMINATION AND REMUNERATION COMMITTEE

Name of the Member	Designation	Category
Mr. Jayant Pendse	Chairman	Independent Director
Mr. Prakash Gurav	Member	Independent Director
Mr. G. L. Vishwanath	Member	Independent Director
Mr. Umesh Joshi	Member	Independent Director
Mrs. Manasa Vishwanath	Member	Independent Director
Mrs. Sunita Kolte	Member	Non-Executive Director

TERMS OF REFERENCE TO NOMINATION AND REMUNERATION COMMITTEE

- To recommend to the Board appointment, re-appointment of Directors, Executive Directors and Key Managerial Personnel and determination, fixation of the remuneration and revision in the remuneration payable to the Executive Directors of the Company and removal of the director/Executive Director/Key Managerial Personnel;
- To formulate the criteria for determining qualifications, positive attributes and independence of the director;
- To recommend the Board the policy related to the remuneration of Directors, Key Managerial Personnel and other employees;

- Devising a policy on Board diversity;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal. The company shall disclose the remuneration policy and the evaluation criteria in its Annual Report.

PRESENT POSITION OF DIRECTORS & KEY MANAGERIAL PERSONNEL OF THE COMPANY

- The Company has constituted a Nomination and Remuneration Committee of the Board of Directors (Board).
- At present, there are total ten directors on the Board of which three (3) are Executive Directors and two (2) are Non - Executive and non-Independent and five (5) are Non-Executive Independent.
- Key Managerial Personnel (KMP) consists of Chairman and Managing Director, Vice Chairman, Executive Directors, Chief Executive Officer, Chief Financial Officer and Company Secretary.

- To carry out evaluation performance of every Director of the Company; and
- To formulate and recommend to the Board of Directors the policy relating to the stock options to the employees, grant the stock options to the eligible employees and review the management of stock option scheme.

CRITERIA FOR DETERMINING THE FOLLOWING:-

Qualifications for appointment of Directors (including Independent Directors):

- Persons of eminence, standing and knowledge with significant achievements in business, professions and/or public service.
- Their financial or business literacy/skills.

- Appropriate other qualification/experience to meet the objectives of the Company.
- As per the applicable provisions of Companies Act 2013, Rules made there under and Regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Nomination and Remuneration Committee shall have discretion to consider and fix any other criteria or norms for selection of the most suitable candidate/s.

Positive attributes of Directors (including Independent Directors):

- Demonstrate integrity, credibility, trustworthiness, ability to handle conflict constructively, and the willingness to address issues proactively.
- Actively update their knowledge and skills with the latest developments in market conditions and applicable legal provisions.
- Willingness to devote sufficient time and attention to the Company's business and discharge their responsibilities
- Assist in bringing independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct and ability to develop a good working relationship with other Board members and contribute to the Board's working relationship with the senior management of the Company.
- Act within their authority, assist in protecting the legitimate interests of the Company, its shareholders and employees
- Independent Directors to meet the requirements of the Companies Act, 2013 read with the Rules made there under and Regulations under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.

Criteria for appointment of KMP/Senior Management:

- Possess the required qualifications, experience, skills & expertise to effectively discharge their duties and responsibilities.
- Practice and encourage professionalism and transparent working environment.
- Build teams and carry the team members along for achieving the goals/objectives and corporate mission.
- Adhere strictly to code of conduct

POLICY RELATING TO REMUNERATION OF DIRECTORS, KMP & SENIOR MANAGEMENT PERSONNEL:

- To ensure that the level and components of remuneration is reasonable and sufficient to attract, retain and motivate Directors, KMP and other employees of the quality required to run the Company successfully.
- No director/Key Managers of Personnel/ other employee is involved in deciding his or her own remuneration.
- The trend prevalent in the similar industry, nature and size of business is kept in view and given due weight age to arrive at a competitive quantum of remuneration.
- It is to be ensured that relationship of remuneration to the performance is clear & meets appropriate performance benchmarks which are unambiguously laid down and communicated.
- Improved performance should be rewarded by increase in remuneration and suitable authority for value addition in future.
- Remuneration packages should strike a balance between fixed and incentive pay, where applicable, reflecting short and long term performance objectives appropriate to the Company's working and goals.
- Other criteria are also to be considered such as Responsibilities and duties; Time & efforts devoted; Value addition; Profitability of the Company & growth of its business; Analyzing each and every position and skills for fixing the remuneration yardstick; Standards for certain functions where there is a scarcity of qualified resources; Ensuring tax efficient remuneration structures; Ensuring that remuneration structure is simple and that the cost to the Company (CTC) is not shown inflated and the effective take home remuneration is not low.
- Consistent application of remuneration parameters across the organisation.
- Provisions of law with regard making payment of remuneration, as may be applicable, are complied.

REVIEW

The policy shall be reviewed by the Nomination & Remuneration Committee and the Board, from time to time as may be necessary.

ANNEXURE – III

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

- i) CIN: L45200PN1991PLC129428
- ii) Registration Date: 25 November 1991
- iii) Name of the Company: Kolte-Patil Developers Limited
- iv) Category of the Company: Company limited by shares
- v) Sub-Category of the Company: Indian Non-Government Company
- vi) Address of the Registered office and contact details: 2nd Floor, City Point, Dhole Patil Road, Pune – 411001 Tel. No.: +91-20-66226500

Fax No.: +91-20-66226511 Email Id: investorrelation@koltepatil.com Website: www.koltepatil.com

vii) Whether listed company: Yes

viii) Name, Address and Contact details of Registrar and Transfer Agent:
Bigshare Services Private Limited
E/2 & 3, Ansa Industrial Estate,
Sakivihar Road, Sakinaka, Andheri (E),
Mumbai – 400072
Tel. No.: +91-22-40430200
Fax No.: +91-22-28475207
Email Id: investor@bigshareonline.com
Website: www.bigshareonline.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Real Estate Activities	70	100%

III. PARTICULARS OF SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name of the Company	Registered office Address of the Company	Holding/ subsidiary/ associate	% of shares held	Applicable Section
1	Kolte-Patil Real Estate Private Limited	2nd Floor, City Point, Dhole Patil Road, Pune – 411001	Subsidiary	51%	2 (87)
2	Bellflower Properties Private Limited	2nd Floor, City Point, Dhole Patil Road, Pune – 411001	Subsidiary	100%	2 (87)
3	Tuscan Real Estate Private Limited	City Point, Dhole Patil Road, Pune – 411001	Subsidiary	51%	2 (87)
4	Snowflower Properties Private Limited	2nd Floor, City Point, Dhole Patil Road, Pune – 411001	Subsidiary	100%	2 (87)
5	Sylvan Acres Realty Private Limited	City Point, Dhole Patil Road, Pune – 411001	Subsidiary	100%	2 (87)
6	Regenesis Facility Management Company Private Limited	2nd Floor, City Point, Dhole Patil Road, Pune – 411001	Subsidiary	100%	2 (87)
7	Kolte-Patil Redevelopment Private Limited (Formerly known as PNP Retail Pvt Ltd)	# 121 10th Floor, Dickenson Road Bangalore – 560008	Subsidiary	100%	2 (87)
8	PNP Agrotech Private Limited	# 121 10th Floor, Dickenson Road Bangalore – 560008	Subsidiary	100%	2 (87)
9	Kolte-Patil I-Ven Townships (Pune) Limited*	Survey No. 74, Marunji, Hinjewadi-Marunji-Kasarsai Road, Taluka-Mulshi, Pune- 411057	Associate	45%	2(6)

*Considered as a subsidiary in the Ind AS Financial Statements based on control assessment carried out under Ind AS.

IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

(i) Category-wise Share Holding

Category of Shareholder	No. of Shares held at the beginning of the year 01.04.2017				No. of Shares held at the end of the year 31.03.2018				% Change during the year
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
A. Promoters									
Indian									
Individuals/ Hindu Undivided Family	56,479,095	-	56,479,095	74.54%	56,479,095	-	56,479,095	74.51%	-0.03%
Central Government/ State Government(s)	-	-	-	0.00%	-	-	-	0.00%	0.00%
Bodies Corporate	-	-	-	0.00%	-	-	-	0.00%	0.00%
Financial Institutions/ Banks	-	-	-	0.00%	-	-	-	0.00%	0.00%
Any Others(Specify)	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub Total(A)(1)	56,479,095	-	56,479,095	74.54%	56,479,095	-	56,479,095	74.51%	-0.03%
Foreign									
Individuals (Non-Residents Individuals/Foreign Individuals)	-	-	-	0.00%	-	-	-	0.00%	0.00%
Bodies Corporate	-	-	-	0.00%	-	-	-	0.00%	0.00%
Institutions	-	-	-	0.00%	-	-	-	0.00%	0.00%
Qualified Foreign Investor	-	-	-	0.00%	-	-	-	0.00%	0.00%
Any Others(Specify)	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub Total(A)(2)	-	-	-	0.00%	-	-	-	0.00%	0.00%
Total Shareholding of Promoters (A)= (A)(1)+(A)(2)	56,479,095	-	56,479,095	74.54%	56,479,095	-	56,479,095	74.51%	-0.03%
B. Public shareholding									
1. Institutions									
Mutual Funds/UTI		-		0.00%	-	-	-	0.00%	0.00%
Financial Institutions/Banks	19,599	-	19,599	0.03%	31,044	-	31,044	0.04%	0.01%
Central Government/ State Government(s)	-	-	-	0.00%	7,439	-	7,439	0.01%	0.01%
Venture Capital Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
Insurance Companies	-	-	-	0.00%	-	-	-	0.00%	0.00%
Foreign Institutional Investors	7,872,321	-	7,872,321	10.39%	9,360,184	-	9,360,184	12.35%	1.96%
Qualified Foreign Investor	-	-	-	0.00%	-	-	-	0.00%	0.00%
Foreign Venture Capital Investors	-	-	-	0.00%	-	-	-	0.00%	0.00%
Any Other (specify)	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub-Total (B)(1)	7,891,920	-	7,891,920	10.42%	9,398,667	-	9,398,667	12.40%	1.98%

Category of Shareholder	No. of Shares held at the beginning of the year 01.04.2017				No. of Shares held at the end of the year 31.03.2018				% Change during the year
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
2. Non-institutions									
Bodies Corporate	1,412,026	-	1,412,026	1.86%	1,074,755	-	1,074,755	1.42%	-0.44%
Individuals									
Individuals -i. Individual shareholders holding nominal share capital up to ₹ 1 lakh	5,832,753	507	5,833,260	7.70%	5,233,360	407	5,233,767	6.90%	-0.80%
ii. Individual shareholders holding nominal share capital in excess of ₹1 lakh.	2,703,307	-	2,703,307	3.57%	2,354,078	-	2,354,078	3.11%	-0.46%
Qualified Foreign Investor	-	-	-	0.00%	-	-	-	0.00%	0.00%
Any Other (specify)									
Clearing Member	277,924	-	277,924	0.37%	142,999	-	142,999	0.19%	-0.18%
NRI	1,119,987	-	1,119,987	1.48%	1,074,680	-	1,074,680	1.42%	-0.06%
Trusts	1,544	-	1,544	0.00%	44	-	44	0.00%	0.00%
Employees	55,846	-	55,846	0.07%	40,324	-	40,324	0.05%	-0.02%
Overseas Bodies Corporates	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub-Total (B)(2)	11,403,387	507	11,403,894	15.05%	9,920,240	407	9,920,647	13.09%	-1.96%
Total Public Shareholding (B)=(B)(1)+(B)(2)	19,295,307	507	19,295,814	25.46%	19,318,907	407	19,319,314	25.49%	0.03%
TOTAL (A)+(B)	75,774,402	507	75,774,909	100.00%	75,798,002	407	75,798,409	100.00%	0.00%
Shares held by Custodians and against which Depository Receipts have been issued									
Promoter and Promoter Group	-	-	-	0.00%	-	-	-	0.00%	0.00%
Public	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub-Total (C)	-	-	-	0.00%	-	-	-	0.00%	0.00%
GRAND TOTAL (A)+(B)+(C)	75,774,402	507	75,774,909	100.00%	75,798,002	407	75,798,409	100.00%	

(ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year 01.04.2017			Shareholding at the end of the year 31.03.2018			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Mr. Rajesh Patil	15,486,031	20.44	NIL	15,486,031	20.43*	NIL	NIL
2	Mr. Naresh Patil	14,949,148	19.73	NIL	14,949,148	19.72*	NIL	NIL
3	Mr. Milind Kolte	6,442,156	8.50	NIL	6,442,156	8.50	NIL	NIL
4	Mrs. Sunita Kolte	5,539,553	7.31	NIL	5,539,553	7.31	NIL	NIL
5	Mrs. Vandana Patil	7,039,319	9.29	NIL	7,039,319	9.29	NIL	NIL
6	Mrs. Sunita Patil	7,021,861	9.27	NIL	7,021,861	9.26*	NIL	NIL
7	Ms. Ankita Patil	1,027	0.00	NIL	1,027	0.00	NIL	NIL
	Total	56,479,095	74.54		56,479,095	74.51*		

*The change in % holding is due to increase in paid up capital (ESOS allotment)

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1	At the beginning of the year	56,479,095	74.54	56,479,095	74.51*
2	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	No change in promoter's shareholding during the financial year 2017-18			
3	At the End of the year	56,479,095	74.54	56,479,095	74.51

*The change in % holding is due to increase in paid up capital (ESOS allotment)

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reasons	Cumulative Shareholding during the year 01 April 2017 - 31 March 2018	
		No. of shares held at the beginning of the year 01 April 2017 and end of the year 31 March 2018	% of total shares of the company				No. of shares	% of total shares of the company
1	GOLDMAN SACHS INDIA LIMITED	3,979,837	5.25%	1-Apr-17				
				1-Dec-17	(170,224)	Market Sell	3,809,613	
				8-Dec-17	(179,536)	Market Sell	3,630,077	4.79%
				15-Dec-17	(96,973)	Market Sell	3,533,104	4.66%
				22-Dec-17	(198,802)	Market Sell	3,334,302	4.40%
				29-Dec-17	(77,723)	Market Sell	3,256,579	4.30%
		3,256,579	4.30%	31-Mar-18				
2	THE PABRAI INVESTMENT FUND II, LP	1,085,653	1.43%	1-Apr-17				
				12-Jan-18	7,193	Market Buy	1,092,846	1.44%
				9-Feb-18	102,518	Market Buy	1,195,364	1.58%
				16-Feb-18	8,608	Market Buy	1,203,972	1.59%
				9-Mar-18	18,189	Market Buy	1,222,161	1.61%
				16-Mar-18	1,436	Market Buy	1,223,597	1.61%
				23-Mar-18	2,426	Market Buy	1,226,023	1.62%
				30-Mar-18	1,479	Market Buy	1,227,502	1.62%
		1,227,502	1.62%	31-Mar-18				
3	THE PABRAI INVESTMENT FUND IV, LP	680,000	0.90%	1-Apr-17				
				24-Nov-17	104,970	Market Buy	784,970	1.04%
				1-Dec-17	265,773	Market Buy	1,050,743	1.39%
				22-Dec-17	18,348	Market Buy	1,069,091	1.41%
				16-Mar-18	13,741	Market Buy	1,082,832	1.43%
				30-Mar-18	2,656	Market Buy	1,085,488	1.43%
		1,085,488	1.43%	31-Mar-18				
4	PABRAI INVESTMENT FUND 3, LTD	680,000	0.90%	1-Apr-17				
				1-Sep-17	648	Market Buy	680,648	0.90%
				16-Mar-18	4,767	Market Buy	685,415	0.90%
				23-Mar-18	21,718	Market Buy	707,133	0.93%
		707,133	0.93%	31-Mar-18				

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reasons	Cumulative Shareholding during the year 01 April 2017 - 31 March 2018	
		No. of shares held at the beginning of the year 01 April 2017 and end of the year 31 March 2018	% of total shares of the company				No. of shares	% of total shares of the company
5	DHANDHO INDIA ZERO FEE FUND, L.P.	0	0.00%	1-Apr-17				
				8-Dec-17	217,955	Market Buy	217,955	0.29%
				15-Dec-17	114,363	Market Buy	332,318	0.44%
				5-Jan-18	65,230	Market Buy	397,548	0.52%
				12-Jan-18	36,635	Market Buy	434,183	0.57%
				19-Jan-18	116,814	Market Buy	550,997	0.73%
				26-Jan-18	36,911	Market Buy	587,908	0.78%
		587,908	0.78%	31-Mar-18				
6	DHANDHO INDIA ZERO FEE FUND OFFSHORE LTD	0	0.00%	1-Apr-17				
				8-Dec-17	91,958	Market Buy	91,958	0.12%
				15-Dec-17	47,959	Market Buy	139,917	0.18%
				5-Jan-18	106,812	Market Buy	246,729	0.33%
				12-Jan-18	35,060	Market Buy	281,789	0.37%
				19-Jan-18	101,004	Market Buy	382,793	0.51%
				26-Jan-18	30,572	Market Buy	413,365	0.55%
		413,365	0.55%	31-Mar-18				
7	DHANDHO HOLDINGS LP	215,000	0.28%	1-Apr-17				
		215,000	0.28%	31-Mar-18				
8	RAMESHKUMAR S GOENKA	811,183	1.07%	1-Apr-17				
				15-Sep-17	(124,849)	Market Sell	686,334	0.91%
				1-Dec-17	(36,065)	Market Sell	650,269	0.86%
		650,269	0.86%	31-Mar-18				
9	ALPINE GLOBAL PREMIER PROPERTIES FUND	734,090	0.97%	1-Apr-17				
				7-Apr-17	(256,961)	Market Sell	477,129	0.63%
				14-Apr-17	(150,000)	Market Sell	327,129	0.43%
				21-Apr-17	(197,000)	Market Sell	130,129	0.17%
				28-Apr-17	(90,000)	Market Sell	40,129	0.05%
				19-May-17	(40,129)	Market Sell	0	0.00%
			0.00%	31-Mar-18				
10	N S RAGHAVAN	503,686	0.66%	1-Apr-17				
				9-Feb-18	(89,453)	Market Sell	414,233	0.55%
				16-Feb-18	(34,937)	Market Sell	379,296	0.50%
				2-Mar-18	(20,550)	Market Sell	358,746	0.47%
		358,746	0.47%	31-Mar-18				
11	VAIBHAV R KACHOLIA	367,582	0.49%	1-Apr-17				
				1-Dec-17	(2,500)	Market Sell	365,082	0.48%
		365,082	0.48%	31-Mar-18				
12	TANTALLON INDIA FUND	0	0.00%	1-Apr-17				
				8-Sep-17	3,121	Market Buy	3,121	0.00%
				21-Sep-17	(3,121)	Market Sell	0	0.00%
				13-Oct-17	50,000	Market Buy	50,000	0.07%
				20-Oct-17	135,000	Market Buy	185,000	0.24%

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reasons	Cumulative Shareholding during the year 01 April 2017 - 31 March 2018	
		No. of shares held at the beginning of the year 01 April 2017 and end of the year 31 March 2018	% of total shares of the company				No. of shares	% of total shares of the company
				27-Oct-17	100,000	Market Buy	285,000	0.38%
				19-Jan-18	65,000	Market Buy	350,000	0.46%
		350,000	0.46%	31-Mar-18				
13	SKS CAPITAL AND RESEARCH PRIVATE LTD	200,000	0.26%	1-Apr-17				
				14-Apr-17	(25,000)	Market Sell	175,000	0.23%
				28-Jul-17	(25,000)	Market Sell	150,000	0.20%
				20-Oct-17	(25,000)	Market Sell	125,000	0.16%
				31-Oct-17	(25,000)	Market Sell	100,000	0.13%
				24-Nov-17	(25,000)	Market Sell	75,000	0.10%
				1-Dec-17	(25,000)	Market Sell	50,000	0.07%
		50,000	0.07%	31-Mar-18				

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reasons	Cumulative Shareholding during the year 01 April 2017 - 31 March 2018	
		No. of shares held at the beginning of the year 01 April 2017 and end of the year 31 March 2018	% of total shares of the company				No. of shares	% of total shares of the company
1	Mr. Rajesh Patil	15,486,031	20.44	1-Apr-17	-	-	15,486,031	20.44
		15,486,031	20.43	31-Mar-18			15,486,031	20.43
2	Mr. Naresh Patil	14,949,148	19.73	1-Apr-17	-	-	14,949,148	19.73
		14,949,148	19.72	31-Mar-18			14,949,148	19.72
3	Mr. Milind Kolte	6,442,156	8.50	1-Apr-17	-	-	6,442,156	8.5
		6,442,156	8.50	31-Mar-18			6,442,156	8.5
4	Mrs. Sunita Kolte	5,539,553	7.31	1-Apr-17	-	-	5,539,553	7.31
		5,539,553	7.31	31-Mar-18			5,539,553	7.31
5	Mrs. Vandana Patil	7,039,319	9.29	1-Apr-17	-	-	7,039,319	9.29
		7,039,319	9.29	31-Mar-18			7,039,319	9.29
7	Mr. Prakash Gurav	0	0	1-Apr-17	-	-	0	0
		0	0	31-Mar-18			0	0
8	Mr. Umesh Joshi	0	0	1-Apr-17	-	-	0	0
		0	0	31-Mar-18			0	0
9	Mr. Jayant Pendse	0	0	1-Apr-17	-	-	0	0
		0	0	31-Mar-18			0	0
10	Mr. G L Vishwanath	0	0	1-Apr-17	-	-	0	0
		0	0	31-Mar-18			0	0
11	Mrs. Manasa Vishwanath	0	0	1-Apr-17	-	-	0	0
		0	0	31-Mar-18			0	0
12	Mr. Gopal Sarda	0	0	1-Apr-17	-	-	0	0
		0	0	31-Mar-18			0	0
13	Mr. Atul Bohra	0	0	1-Apr-17	-	-	0	0
		0	0	31-Mar-18			0	0
13	Mr. Vinod Patil	8,456	0.01	1-Apr-17	-		8,456	0.01
		8,456	0.01	31-Mar-18			8,456	0.01

V. INDEBTEDNESS

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

(₹ in Lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	35,026	-	-	35,026
ii) Interest due but not paid	-	663	-	663
iii) Interest accrued but not due	219	-	-	219
Total (i+ii+iii)	35,245	663	-	35,908
Change in Indebtedness during the financial year				
• Addition	15,683	-	-	15,683
• Reduction	22,211	-	-	22,211
Net Change	(6,528)	-	-	(6,528)
Indebtedness at the end of the financial year				
i) Principal Amount	28,600	-	-	28,600
ii) Interest due but not paid	-	663	-	663
iii) Interest accrued but not due	117	-	-	117
Total (i+ii+iii)	28,717	663	-	29,380

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Chairman and Managing Director, Whole-time Directors:

(₹ in Lakhs)

Particulars of Remuneration	Name of MD/WTD			Total Amount
	Mr. Rajesh Patil – Chairman and Managing Director	Mr. Naresh Patil – Vice Chairman	Mr. Milind Kolte –	
Gross salary				
(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	100.00	100.00	100.00	300.00
(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	3.00	-	-	3.00
(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
Stock Option	-	-	-	-
Sweat Equity	-	-	-	-
Commission – as % of profit	-	-	-	-
Others	-	-	-	-
Total (A)	103.00	100.00	100.00	303.00
Ceiling as per the Act	₹1588.00 (10% of the net profit calculated as per Section 198 of the Companies Act, 2013)			

B. Remuneration to other directors:

(₹ in Lakhs)

Particulars of Remuneration	Name of Directors							Total Amount
	Mrs. Sunita Kolte	Mrs. Vandana Patil	Mr. Umesh Joshi	Mr. Jayant Pendse	Mr. Prakash Gurav	Mr. G L Vishwanath	Mrs. Manasa Vishwanath	
1. Independent Directors								
Fee for attending board / committee meetings	-	-	3.50	3.50	4.00	2.00	2.00	15.00
Commission	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total (1)	-	-	3.50	3.50	4.00	2.00	2.00	15.00
2. Other Non-Executive Directors								
Fee for attending board / committee meetings	4.00	3.00	-	-	-	-	-	7.00
Commission	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-
Total (2)	4.00	3.00	-	-	-	-	-	-
Grand Total (1+2)	4.00	3.00	3.50	3.50	4.00	2.00	2.00	22.00
Overall Ceiling as per the Act	₹159.00 (1% of the net profit calculated as per Section 198 of the Companies Act, 2013)							

C. Remuneration to Key Managerial Personnel other than MD/WTd

(₹ in Lakhs)

Particulars of Remuneration	Key Managerial Personnel			Total
	Mr. Gopal Sarada – CEO	Mr. Atul Bohra – CFO	Mr. Vinod Patil – Company Secretary	
Gross salary				
(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	323.00	59.00	37.00	419.00
(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	10.00	-	-	10.00
(c) Profits in lieu of salary under section 17(3) Income tax Act, 1961	-	-	-	-
Commission as % of profit and others	-	-	-	-
Total	333.00	59.00	37.00	429.00

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
Penalty			NIL		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty			NIL		
Punishment					
Compounding					

ANNEXURE – IV

Corporate Social Responsibility (CSR)

[Pursuant to clause (o) of sub-section (3) of section 134 of the Act and Rule 8 of the Companies (Corporate Social Responsibility) Rules, 2014]

1.	A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs	The CSR Committee has formulated CSR policy and to spent CSR corpus on primary on education and to develop rural area preference would be villages nearby company's project. CSR policy can be accessed at: http://www.koltepatil.com/investors/corporate-governance .
2.	The Composition of the CSR Committee	Mr. Umesh Joshi – Chairman Mr. Jayant Pendse – Member Mr. Prakash Gurav – Member Mr. G L Vishwanath – Member Mrs. Manasa Vishwanath – Member Mr. Milind Kolte – Member
3.	Average net profit of the company for last three financial years	₹6375 Lakhs
4.	Prescribed CSR Expenditure (two per cent of the amount as in item 3 above)	₹127 Lakhs
5.	Details of CSR spent during the financial year	
	(a) Total amount spent for the financial year	₹32 Lakhs
	(b) Amount unspent	₹95 Lakhs
6.	Reasons for not spending the amount	The Company's spend on the CSR activities has been less than the limit prescribed under the Companies Act, 2013 because the Company is in the process of identifying the CSR project.
7.	A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company “The implementation and monitoring of Corporate Social Responsibility (CSR) Policy, is in compliance with CSR objectives and policy of the Company.”	

For Kolte-Patil Developers Limited

Rajesh Patil
Chairman and Managing Director
DIN: 00381866

Umesh Joshi
Chairman of CSR Committee
DIN: 02557162

Date: 23 May 2018

Place: Pune

ANNEXURE V

a) Information as per Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Name of the Director	Remuneration for FY 17-18 (₹ In lakhs)	Remuneration for FY 16-17 (₹ In lakhs)	% increase of remuneration	No. of stock options granted	Ratio of remuneration to MRE#
Mr. Rajesh Patil – Chairman and Managing Director	103.00	101.00	2%	NIL	22.98
Mr. Naresh Patil – Vice Chairman	100.00	100.00	-	NIL	22.42
Mr. Milind Kolte – Executive Director	100.00	100.00	-	NIL	22.42

MRE means Median Remuneration of Employee.

Remuneration Paid to Independent Directors and Non-Executive Directors

The Company has paid only sitting fees to the Independent Directors and Non-Executive Directors for attendance of the Board Meetings.

Remuneration Paid to Key Managerial Personnel

Name of the Key Managerial Personnel	Remuneration for FY 17-18 (₹ in lakhs)	Remuneration for FY 16-17 (₹ in lakhs)	% increase of remuneration	No. of stock options granted	Ratio of remuneration to MRE#
Mr. Gopal Sarda – Chief Executive Officer	333.00	99.00	236%	NIL	74.43
Mr. Atul Bohra – Chief Financial Officer	59.00	50.00	18%	NIL	13.21
Mr. Vinod Patil – Company Secretary	37.00	32.00	16%	NIL	8.25

- The median remuneration of employee (MRE) excluding Whole Time Directors (WTD) was ₹448 Lakhs and ₹325 Lakhs in fiscal 2018 and 2017 respectively. The decrease/increase in MRE (excluding WTDs) in fiscal 2018, as compared to fiscal 2017 is 38%.
- The number of permanent employees on the rolls of the Company as of 31 March 2018 and 31 March 2017 was 563 and 538 respectively.
- The revenue growth during the fiscal 2018 over fiscal 2017 was increased by 25.83% and net profit up by 24% as compared to fiscal 2017.
- The aggregate remuneration of employee excluding WTD increased by 7% over the previous fiscal.

b) Information as per Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Employee name	Designation	Qualification	Age (in years)	Date of Joining	Experience (in years)	Gross Remuneration (₹ in Lakhs)	Previous employment details
Mr. Gopal Sarda	Chief Executive Officer	M.Com, CA	34	13-Dec-10	10	333.00	Finance Head – Eiffel

ANNEXURE VI

Disclosure with respect to Employee stock option scheme of the Company

A) For disclosures in terms of the 'Indian Accounting Standard 33 – Earnings Per Share', please refer Note no. 39 of the Standalone Financial Statements of the Company for the year ended 31 March 2018.

B) Diluted EPS on issue of shares : ₹13.84

C) The details pursuant to Regulation 14 of SEBI (Share Based Employee Benefits) Regulations, 2014 are furnished hereunder:

Sr. No.	Nature of Disclosure	Employee stock option scheme (ESOS 2014)
1.	A description of each Employee Stock Option Scheme (ESOS) that existed at any time during the year, including the general terms and conditions of each ESOS	The ESOS was approved by Board of Directors of the Company on 13 August, 2014 and thereafter by the shareholders on 13 September 2014. A Nomination and Remuneration committee comprising of independent directors and Non-Executive Director of the company administers the ESOS plan. Each option carries with it the right to purchase one equity share of the company.
2.	Date of shareholders' approval	13 September 2014
3.	Total number of options approved under ESOS	2,500,000
4.	Vesting requirements	The options will be vested as per vesting schedule/plan defined in Scheme and vested over a period of 3 years/ 5 years/ 7 years. The vesting is subject to vesting conditions as per defined in Scheme.
5.	Exercise price or pricing formula	The Exercise Price shall be determined by Nomination and Remuneration Committee at the time of grant of option.
6.	Maximum term of options granted	The maximum exercise period is 5 years from the date of vesting.
7.	Source of shares (primary, secondary or combination)	Primary
8.	Variation of terms of Option	Nil The Board / Nomination & Remuneration Committee may, if it deems necessary, vary the terms of ESOP 2014, subject to compliance with the Applicable Laws and Regulations.
9.	Method used to account for ESOS	Fair value
10.	Weighted-average exercise prices and weighted-average fair values of options	Refer Note No. 46 of the Standalone Financial Statements

D) Option movement during FY 2017-18 :

Particulars	31 March 2018	31 March 2017
Number of options outstanding at the beginning of the period	50,000	50,000
Number of options granted during the year	-	-
Number of options forfeited / lapsed during the year Number	-	-
Number of options vested during the year	20,000	17,500
Number of options exercised during the year	23,500	-
Number of shares arising as a result of exercise of options	23,500	-
Money realized by exercise of options (INR), if scheme is implemented directly by the company	₹3,313,500	-
Loan repaid by the Trust during the year from exercise price received	N.A.	N.A.
Number of options outstanding at the end of the year	26,500	50,000
Number of options exercisable at the end of the year	26,500	50,000

E) The Company has not granted any stock options to senior managerial personnel nor to any employee in excess of 5% or more of option granted during that year and nor to any identified employees who were granted option, during any one year equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant.

ANNEXURE – VII

Form No. MR-3

SECRETARIAL AUDIT REPORT

Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Kolte-Patil Developers Limited
2nd Floor, City Point,
Dhole Patil Road,
Pune-411001

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Kolte-Patil Developers Limited** (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon. Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2018 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

- (i) The Companies Act, 2013) and The Companies Amendment Act, 2017 (the Act) and the rules made thereunder **(in so far as they are made applicable)**;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings

(not applicable to the Company during the Audit Period);

- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers Regulations, 2011;
 - (b) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 **(not applicable to the Company during the Audit Period)**;
 - (d) The Securities and Exchange Board of India (Share based employee Benefits) Regulations, 2014
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client to the extent of the securities issued (not applicable to the Company during the Audit Period);
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (not applicable to the Company during the Audit Period); and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (not

applicable to the Company during the Audit Period).

vi) The other laws, as informed and certified by the Management of the Company and on examination of relevant documents and records in pursuance thereof on test check basis, the company has complied with the following laws specifically applicable to the Company based on their sector/ industry are:-

- a) The Housing Board Act, 1965;
- b) The Transfer of Property Act, 1882
- c) The Building and Other Construction Workers' (Regulation of Employment and Conditions of Services) Act, 1996
- d) The Real Estate (Regulation and Development Act) Act, 2016 (RERA 2016) and Maharashtra Real Estate (Regulation and Development) (Registration of real estate projects, Registration of real estate agents, rates of interest and disclosures on website) Rules, 2017, The Karnataka Real Estate Regulation and Development Rules, 2017 and The Goa Real Estate (Regulation and Development) (Registration of Real Estate Projects, Registration of Real estate agents, rates of Interest and Disclosures on Website) Rules, 2017.

We have also examined compliance with the applicable clauses and regulations of the following:

- (i) Secretarial Standards issued by 'The Institute of Company Secretaries of India.
- (ii) The Listing Agreements for Equity and Debt securities entered into by the Company with Stock Exchange(s) pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except for the following:

1. As per the provisions of sub clause (ii) of clause (f) of sub section (3) of Section 134 of The Companies Act, 2013 the Board's Report dated 30th May, 2017 the company has not provided explanation/ comment to the observations made by the of the Secretarial Auditor in their report for the Financial Year 2016-17.

2. The Company has not filed the intimation of the record date with the Stock Exchange as per Regulation 60 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the purpose of payment of interest on and redemption of non- convertible debentures issued by the Company.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Further, in the incidences where, for the purpose of any Board or Committee Meeting, notice, agenda or notes to agenda are circulated with shorter period of less than seven days, all the Directors including Independent Directors have consented to the shorter period of circulation of the same.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

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

We further report that during the audit period:

- i. The scheme of amalgamation for merger of Olive Realty Private Limited, Yashowardhan Promoters and Developers Private Limited, Corolla Realty Limited and Jasmine Hospitality Private Limited (Wholly Owned Subsidiaries) with the Company was approved by the National Company Law Tribunal, Mumbai Bench on 09th March, 2017 and the certified copy of the order was issued on 03rd April, 2017. The appointed date for amalgamation was 01st January, 2016.
- ii. In the Annual General Meeting held on 28th September, 2017 ordinary resolution for Approval of related party transactions with an Associate Company for giving corporate Guarantee up to ₹300 Crores was not approved by the Shareholders.
- iii. The company had conducted a postal ballot, of which results were declared on 30th January, 2018, and following resolutions were passed a) Special resolution to borrow money in excess of paid-up

- capital and free reserves under Section 180 (1) (c) of Companies Act, 2013.
- b) Special resolution to create charge on asset/ mortgage the assets of the company under Section 180 (1) (a).
 - c) Special resolution to raise funds upto ₹500 crores.
 - d) Ordinary resolution to approve the related party transaction for providing Corporate Guarantee up to ₹100 crores to an Associate Company.
- iv. During the year under review, the following listed debentures were fully redeemed
- a) 400 Non Convertible debentures of ₹10,00,000 each issued under Series- I and

- b) 300 Non convertible debentures of ₹10,00,000 each issued under Series –II

For **SVD & Associates**
Company Secretaries
Sridhar Mudaliar

Partner

FCS No: 6156

C P No: 2664

Place: Pune

Date: 23 May 2018

Note: This report is to be read with letter of even date by the Secretarial Auditors, which is annexed as Annexure A and forms an integral part of this report.

ANNEXURE – A

To,
The Members,
Kolte-Patil Developers Limited
2nd Floor, City Point,
Dhole Patil Road,
Pune-411001

Our Secretarial Audit Report of even date is to be read along with this letter.

Management's Responsibility

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Auditor's Responsibility

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
3. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.
4. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events, etc.

Disclaimer

5. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Pune
Date: 23 May 2018

For **SVD & Associates**
Company Secretaries
Sridhar Mudaliar
Partner
FCS No: 6156
C P No: 2664

Report on Corporate Governance

COMPANY'S PHILOSOPHY OF CORPORATE GOVERNANCE

We believe that Corporate Governance signifies ethical business behaviour in every sphere and with all constituents. This ethical business behaviour can be ingrained in the character of the organization through tradition, value systems and commitment to the later as much as the spirit of laws and regulations. Corporate Governance emerges as the cornerstone of the Kolte-Patil's governance philosophy of the trusteeship, transparency, accountability and ethical corporate citizenship.

In our endeavor to adopt the best Corporate Governance and disclosure practices, the Company complies with all the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Pursuant to Regulation 34 read with Part C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company hereby presents a Report on Corporate Governance to its members for the Financial Year 2017-2018.

1. BOARD OF DIRECTORS

The Board of Directors provides leadership and

guidance to the Company's management and directs, supervises and controls the performance of the Company. The Independent Directors are trustees of good corporate governance. They truly safeguard the rights of the shareholders of the Company. The Board of the Company comprises of a fine blend of Executive and Independent Directors.

a) Size and Composition of Board :

- As on 31 March 2018, the Company has Ten (10) Directors with an Executive Chairman. Out of the ten Directors, Seven are Non-Executive and of which five are Independent Directors. The Composition of Board is in conformity with Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- Relationship between Directors inter-se:
- Mr. Rajesh Patil, Mr. Naresh Patil, Mr. Milind Kolte, Mrs. Sunita Kolte and Mrs. Vandana Patil are related to each other. Further, Mr. G L Vishwanath and Mrs. Manasa Vishwanath are also related to each other.

Sr. No.	Name of the Director	Relationship inter-se
1	Mr. Rajesh Patil	Brother of Mr. Naresh Patil and Mrs. Sunita Kolte
2	Mr. Naresh Patil	Husband of Mrs. Vandana Patil and Brother of Mr. Rajesh Patil and Mrs. Sunita Kolte
3	Mr. Milind Kolte	Husband of Mrs. Sunita Kolte
4	Mrs. Sunita Kolte	Wife of Mr. Milind Kolte and Sister of Mr. Rajesh Patil and Mr. Naresh Patil
5	Mrs. Vandana Patil	Wife of Mr. Naresh Patil
6	Mr. G. L. Vishwanath	Husband of Mrs. Manasa Vishwanath
7	Mrs. Manasa Vishwanath	Wife of Mr. G L Vishwanath

3. None of the Directors on the Board is a member of more than ten committees or Chairman of more than five committees across all the Companies in which he is a Director. Necessary disclosures regarding committee positions in other public companies as on 31 March 2018 have been made by the Directors to the Company.
4. The names and categories of the Directors on the Board, their attendance at the Board

Meetings held during the year and number of Directorships and Committee Chairmanship/ Membership held by them in other Companies are given herein below. Other Directorship do not include Alternate Directorships, Directorship of Private Limited Companies, Section 8 Companies and of Companies Incorporated Outside India. Chairmanship / Membership of Board Committees include Audit Committee and Stakeholders' Relationship Committees:-

Name of Director	Category	Number of Board Meetings held during the year 2017-18		Whether attended last AGM held on 28 September 2017	Number of Directorships in other Public Limited Companies as on 31 March 2018	Number of Committee positions held in other Public Limited Companies as on 31 March 2018	
		Held	Attended			Chairman	Member
Mr. Rajesh Patil (Chairman and Managing Director) (DIN 00381866)	Executive Chairman (Promoter)	8	8	Yes	3	0	2
Mr. Naresh Patil (Vice Chairman) (DIN 00881077)	Non-Independent Executive (Promoter)	8	6*	No	2	0	1
Mr. Milind Kolte (Executive Director) (DIN 00170760)	Non-Independent Executive (Promoter)	8	8	Yes	3	0	1
Mrs. Sunita Kolte (Non-Executive Director) (DIN 00255485)	Non-Independent Non-Executive (Promoter)	8	8	No	0	0	0
Mrs. Vandana Patil (Non-Executive Director) (DIN 00588888)	Non-Independent Non-Executive (Promoter)	8	6*	No	2	1	0
Mr. Prakash Gurav (DIN 02004317)	Independent Non-Executive	8	8	Yes	4	3	1
Mr. G. L. Vishwanath (DIN 01758785)	Independent Non-Executive	8	4**	No	0	0	0
Mr. Umesh Joshi (DIN 02557162)	Independent Non-Executive	8	7	Yes	0	0	0
Mr. Jayant Pendse (DIN 02434630)	Independent Non-Executive	8	7	Yes	3	1	0
Mrs. Manasa Vishwanath (DIN 05241229)	Independent Non-Executive	8	4**	No	0	0	0

*Mr. Naresh Patil – Vice Chairman and Mrs. Vandana Patil – Non-Executive Director, were participated for 2 (Two) Board Meetings through video/tele conference.

**Mr. G. L. Vishwanath – Independent Director and Mrs. Manasa Vishwanath – Independent Director were participated for 3 (three) Board Meetings through video/tele conference.

5. Eight (8) Board Meetings were held during the year and the gap between two meetings did not exceed 120 days. The dates on which the board meeting were held as follows :

- i) 23 May 2017
- ii) 30 May 2017
- iii) 13 July 2017
- iv) 11 August 2017
- v) 28 September 2017
- vi) 07 November 2017
- vii) 27 December 2017
- viii) 13 February 2018

6. None of the Non-Executive Directors have any material pecuniary relationship or transactions with the Company.

7. During the year, information as mentioned in Part A of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been placed before the Board for its consideration. Based on the information placed before the Board, strategic and vital decisions are taken for effective governance of the Company.

8. Among other important information, minutes of all the Committee meetings, are regularly placed before the Board in their meetings.

9. The Board periodically reviewed compliance reports of all laws applicable to the company, prepared by the company as well as steps taken by the company to rectify instances of non-compliances, if any.

FAMILIARISATION PROGRAMMES FOR BOARD MEMBERS

The Board members are provided with necessary documents, reports and policies to enable them to familiarise with the Company's procedures and practices. Periodic presentations are made at the Board and Committee Meetings, on business and performance updates of the Company, business environment, business strategy and risks involved.

The details of such familiarization programmes for Independent Directors are posted on the website of the Company and can be accessed at <http://www.koltepatil.com/investors/corporate-governance>.

LEAD INDEPENDENT DIRECTOR

The Company's Board of Directors has designated Mr. Prakash Gurav as the Lead Independent Director. The role of Lead Independent Director is as follows:

- To preside over all meetings of Independent Directors;
- To liaise between the Chairman and Managing Director, the Management and the Independent Directors;
- To preside over meetings of the Board and Shareholders when the Chairman and Managing Director is not present, or where he is an interested party;
- To ensure there is an adequate and timely flow of information to Independent Directors;
- To perform such other duties as may be delegated to the Lead Independent Director by the Board/ Independent Directors.

SEPARATE MEETING OF INDEPENDENT DIRECTOR

The separate meeting of Independent Director is held to discuss matters pertaining to the Company's affairs and put forth their views to the Lead Independent Director. The Lead Independent Director takes appropriate steps to present Independent Directors' views to the Chairman and Managing Director.

During the financial year 2017-18, separate meeting of Independent Director was held on 13 February 2018.

AUDIT COMMITTEE

The Audit Committee of the Company comprises of 6 members, in which 5 members are Independent Directors and Mr. Vinod Patil, Company Secretary of the Company acts as the Secretary to this Audit Committee. The Chairman of the Audit Committee is an Independent Director and he was present at the last Annual General Meeting of the Company. The Managing Director, Chief Executive Officer and Chief Financial Officer are permanent invitees to the Audit Committee Meetings.

a) Terms of Reference to Audit Committee

The Audit Committee is entrusted, inter alia, with the following:

- Recommending to the Board, the appointment, reappointment and, if required, the removal of statutory auditors, including internal and cost auditors, and fixation of audit fees and other terms of appointment;
- Reviewing and monitoring the auditors independence and performance and effectiveness of audit process;
- Examination and reviewing with the

management, the quarterly financial results and financial statements and the auditors' report thereon, before submission to the Board for approval;

- Approval or any subsequent modification of transactions of the Company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Review of functioning of the Whistle Blower mechanism;
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems and oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that there exists appropriate internal control over financial reporting;
- Monitoring the end use of funds raised through public offers and related matters;

- Discussion with internal auditors, any significant findings and follow-up thereon; and
- Discussion with statutory auditors, before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern.

b) Meetings

During the financial year 2017-18, the Audit Committee met Five (5) times on –

- 23 May 2017
- 30 May 2017
- 11 August 2017
- 07 November 2017
- 13 February 2018

c) Composition of Audit Committee and attendance

The composition of the Audit Committee as on 31 March 2018 and attendance of members in the meetings held during the financial year 2017-18 are as under:

Name of the Member	Designation	Category	No. of meetings attended
Mr. Prakash Gurav	Chairman	Independent Director	5
Mr. G. L. Vishwanath	Member	Independent Director	3
Mr. Jayant Pendse	Member	Independent Director	4
Mrs. Manasa Vishwanath	Member	Independent Director	3
Mr. Umesh Joshi	Member	Independent Director	4
Mr. Milind Kolte	Member	Executive Director	5

NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee of the Company comprises of 6 members, in which 5 members are Independent Directors.

a) Terms of Reference to Nomination and Remuneration Committee

- To recommend to the Board appointment, re-appointment of Directors, Executive Directors and Key Managerial Personnel and determination, fixation of the remuneration and revision in the remuneration payable to the Executive Directors of the Company and removal of the director/Executive Director/Key Managerial Personnel;
- To formulate the criteria for determining qualifications, positive attributes and independence of the director;
- To recommend the Board the policy related to the remuneration of for Directors, Key Managerial Personnel and other employees;
- To carry out evaluation performance of every Director of the Company;
- To formulate and recommend to the Board of Directors the policy relating to the stock options to the employees, grant the stock options to the eligible employees and review the management of stock option scheme;
- To allot shares under ESOS to the employees who has exercise the options granted to them.

b) Meetings of Nomination and Remuneration Committee

During the financial year 2017-18, the Nomination and Remuneration Committee met two (2) times on –

- i) 23 May 2017
- ii) 30 May 2017

c) Composition of Nomination and Remuneration Committee

The composition of the Nomination and Remuneration Committee as on 31 March 2018 and attendance of members in the meetings held during the financial year 2017-18 are as under:

Name of the Member	Designation	Category	No. of meetings attended
Mr. Jayant Pendse	Chairman	Independent Director	1
Mr. Prakash Gurav	Member	Independent Director	2
Mr. G. L. Vishwanath	Member	Independent Director	1
Mrs. Manasa Vishwanath	Member	Independent Director	1
Mr. Umesh Joshi	Member	Independent Director	1
Mrs. Sunita Kolte	Member	Non- Executive Director	2

d) Remuneration Policy

The remuneration structure is performance driven and in considering the remuneration payable to the directors, the Nomination and remuneration committee considers the performance of the Company, the current trends in the industry, the experience of the appointee, their past performance and other relevant factors.

The Company's Remuneration Policy for Directors, Key Managerial Personnel and other employees is annexed as Annexure II to the Directors' Report. We hereby affirm that the remuneration paid to the directors is as per the terms laid out in the Remuneration Policy

for Directors, Key Managerial Personnel and other employees. Further, the Company has devised a Policy for performance evaluation of Independent Directors, Board, Committees and other individual Directors.

e) Performance evaluation criteria for Independent Directors

On the basis of the Policy for performance evaluation of Independent Directors, Board, Committees and other individual Directors, a process of evaluation was followed by the Board for its own performance and that of its Committees and individual Directors.

f) Details of sitting fees paid to the Non-Executive Directors

The Company does not pay any remuneration to its Non-Executive Directors apart from sitting fees. The sitting fees paid to each Non-Executive Director is ₹50,000/- for each Board Meeting. The Details of sittings fees paid for the financial year 2017-18 are as follows:-

Sr. No.	Name of the Director	No. of meetings attended	Sitting fees paid (₹ in Lakhs)
1.	Mrs. Sunita Kolte	8	4.00
2.	Mrs. Vandana Patil	6	3.00
3.	Mr. Prakash Gurav	8	4.00
4.	Mr. Umesh Joshi	7	3.50
5.	Mr. G. L. Vishwanath	4	2.00
6.	Mr. Jayant Pendse	7	3.50
7.	Mrs. Manasa Vishwanath	4	2.00
	Total		22.00

g) Details of remuneration paid to the Chairman and Managing Director and Executive Directors of the Company

The remuneration paid to the Chairman and Managing Director and Executive Directors for the year ended on 31 March 2018 is as follows:

(₹ in Lakhs)

Name of Director	Salary, bonus and Allowances	Perquisites	Retirement benefits	Performance linked incentive	Total	Stock Options granted
Mr. Rajesh Patil	94.00	3.00	6.00	–	103.00	NIL
Mr. Naresh Patil	94.00	–*	6.00	–	100.00	NIL
Mr. Milind Kolte	94.00	–*	6.00	–	100.00	NIL

*Amount less than ₹1 Lakh

The term of service of the Chairman and Managing Director and Executive Directors is for a period of five years from their respective date of appointment, as approved by the shareholders in the Annual General Meeting. The other terms and conditions of employment are governed by Company's Human Resource Policy.

h) Shareholding of Non-Executive Directors

The shareholding of Non-Executive Directors as on 31 March 2018 is as follows:–

Sr. No.	Name of Non-Executive Director	No. of Equity shares held (face value ₹10 each)
1	Mrs. Sunita Kolte	5,539,553
2	Mrs. Vandana Patil	7,039,319
3	Mr. Prakash Gurav	NIL
4	Mr. G. L. Vishwanath	NIL
5	Mr. Jayant Pendse	NIL
6	Mrs. Manasa Vishwanath	NIL
7	Mr. Umesh Joshi	NIL

STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee of the Board, which is chaired by an Independent Director looks into the redressal of the investors' complaints like non-receipt of annual reports, dividend payments, change or deletion of name, issue of duplicate share certificates, dematerialization, rematerialization, transfer, transmission, consolidation, sub-division of shares, debentures and securities and other allied transactions. It delegates power to the executives of the

Company and to the Registrar and Transfer Agent of the Company to accomplish aforesaid objectives.

a) Meeting

The Company has given authority to its Registrar and Transfer Agent i.e. M/s. Bigshare Services Private Limited to resolve the complaints of shareholders of the Company. The 99.99% shares of the Company are held in Dematerialized form.

During the financial year 2017-18, one committee meeting was held on 30 November 2017.

b) Composition and attendance of Stakeholders' Relationship Committee

The constitution of the Committee as on 31 March 2018 is as follows:

Name of the Member	Designation	Category	Attendance for the meeting held on 30 November 2017
Mr. Umesh Joshi	Chairman	Independent Director	1
Mr. Jayant Pendse	Member	Independent Director	1
Mr. Prakash Gurav	Member	Independent Director	1
Mr. G L Vishwanath	Member	Independent Director	0
Mrs. Manasa Vishwanath	Member	Independent Director	0
Mr. Milind Kolte	Member	Executive Director	1

c) Shareholders / Investors Complaint Status

The complaint status from the 01 April 2017 up to 31 March 2018 is as follows:

Number of complaints received	No. of complaints resolved	Number of complaints pending
10	10	NIL

d) Name and Designation of Compliance Officer

Mr. Vinod Patil

Company Secretary and Compliance Officer
Kolte-Patil Developers Limited
2nd Floor, City Point,
Dhole Patil Road, Pune – 411001.
Tel No.: +9120 66226500
Fax No.: +9120 66226511
E-mail: investorrelation@koltepatil.com
Website :www.koltepatil.com

SEBI Complaints Redress System (SCORES)

The investor complaints are processed in a centralised web-based complaints redress system i.e. SEBI Complaints Redress System (SCORES). The salient features of this system are: Centralised database of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaint and its current status.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility Committee of the

Company comprises of 6 members, in which 5 members are Independent Directors.

a) Terms of Reference to Corporate Social Responsibility Committee

- To formulate and recommend to the Board, a Corporate Social Responsibility (CSR) Policy indicating activities to be undertaken by the Company in compliance with provisions of the Companies Act, 2013 and rules made there under;
- To recommend the amount of expenditure to be incurred on the CSR activities;
- To monitor the implementation of the framework of the CSR Policy; and
- To recommend to the Board approval of CSR expenditure including contribution to corpus for projects/programs related to CSR activities.

b) Meeting

During the financial year 2017-18, one committee meeting was held on 30 May 2017.

c) Composition of Corporate Social Responsibility Committee

The composition of the Corporate Social Responsibility Committee is as follows

Name of the Member	Designation	Category	Attendance
Mr. Umesh Joshi	Chairman	Independent Director	1
Mr. Jayant Pendse	Member	Independent Director	0
Mr. Prakash Gurav	Member	Independent Director	1
Mr. G L Vishwanath	Member	Independent Director	0
Mrs. Manasa Vishwanath	Member	Independent Director	0
Mr. Milind Kolte	Member	Executive Director	1

DETAILS OF THE ANNUAL GENERAL MEETINGS

The details of previous three Annual General Meetings of the Company are as follows:

Financial Year	Date and Time	Venue	Special Resolution passed	Purpose of Special Resolution
2014-15	16 September 2015 at 10.30 AM	Mahratta Chamber of Commerce Industries & Agriculture, Sumant Moolgaokar Auditorium, Ground Floor, A Wing, MCCIA Trade Tower, Senapati Bapat Road, Pune – 411016	2	1. Authority to provide Corporate Guarantee up to ₹150 Crores for the credit facilities to be availed by Kolte-Patil I-Ven Townships (Pune) Ltd. 2. Authority to provide Corporate Guarantee up to ₹100 Crores for the credit facilities to be availed by Corolla Realty Ltd.
2015-16	17 September 2016 at 11.00 AM	Yashwantrao Chavan Academy Of Development Administration (YASHADA), MDC (Auditorium) Building, Raj Bhavan Complex, Baner Road, Pune – 411 007	NIL	Not Applicable
2016-17	28 September 2017 at 12.15 PM	Yashwantrao Chavan Academy Of Development Administration (YASHADA), MDC (Auditorium) Building, Raj Bhavan Complex, Baner Road, Pune – 411 007	NIL	Not Applicable

POSTAL BALLOT:

The Company has obtained approval of members by way of postal ballot (e-voting and postal ballot). Mr. Suresh Deulkar, Partner of M/s. SVD & Associates, Company Secretaries was appointed as Scrutinizer to conduct the postal ballot. The result of postal ballot was declared on 30 January 2018, the following is the summary of postal ballot: -

Sr. No.	Resolutions	E- voting (No. of votes)		Postal Ballot (No. of votes)		Total (No. of votes)		Result
		For	Against	For	Against	For	Against	
1	Special Resolution: To borrow money in excess of paid up capital and free reserves under section 180 (1) (c) of the Companies Act, 2013	4,491,204	171	56,597,356	45	61,088,560	216	Resolution passed by requisite majority
2	Special Resolution: To create charge on the assets/mortgage the properties of the company under section 180 (1) (a) of the Companies Act, 2013	4,491,204	171	56,597,056	45	61,088,260	216	Resolution passed by requisite majority
3	Special Resolution: To raise funds up to ₹500 Crores	4,438,982	52,393	56,547,016	45	60,985,998	52,438	Resolution passed by requisite majority
4	Ordinary Resolution: To approve the Related Party Transaction for providing Corporate Guarantee up to ₹100 Crores, to an Associate Company	3,570,195	921,180	67,826	180	3,638,021	921,360	Resolution passed by requisite majority

DISCLOSURES:

(A) Subsidiary Companies

The Company does not have any material non-listed Indian subsidiaries whose income or net worth exceeds 20% of the consolidated income or net worth of the listed holding and its subsidiaries in the immediately preceding accounting year.

The company has formulated a policy for determining 'material' subsidiaries. The said policy can be accessed at <http://www.koltepatil.com/investors/corporate-governance>.

(B) Insider Trading Code

The company has formulated Code of fair disclosure. The said code can be accessed at http://www.koltepatil.com/docs/Code-of-Fair-Disclosure-Kolte-Patil_Developers_Limited.pdf

The Company regularly monitors the transactions in terms of the Code undertaken by the employees of the Company. The Company also informs the stock exchange(s) periodically about the transaction(s) undertaken by the designated employees and their shareholdings as per the regulations.

(C) Materially Significant Related Party Transactions

There were no materially significant related party transactions with its promoters, directors or its management, their subsidiaries/associates or relatives, etc. that had a potential conflict with the interest of the Company.

The disclosure of transactions with related parties set out in Note No. 44 of Standalone Financial Statements, forming part of the Annual Report.

The Company's major related party transactions are generally with its subsidiaries and associates. The related party transactions are entered into based on considerations of various business constraints.

All related party transactions are done on arms' length basis, and are intended to further the Company's interests.

The company has formulated a policy on Related Party transaction. The said policy can be accessed at <http://www.koltepatil.com/investors/corporate-governance>.

(D) Non-compliance/strictures/penalties

There was no instance of non-compliance by the Company on any matter related to capital markets and

therefore, no penalties and/or strictures have been imposed on the Company by any Stock Exchange or SEBI or any statutory authority during the last three years.

(E) Whistle Blower Mechanism/Vigil Mechanism

The Vigil Mechanism of the Company, which also incorporates a whistle blower policy in terms of the Listing Agreement, includes an Ethics & Compliance Task Force comprising senior executives of the Company. Protected disclosures can be made by a whistle blower through an e-mail, or dedicated telephone line or a letter to the Task Force or to the Chairman of the Audit Committee.

The Company seeks to maintain the highest ethical and business standards in the course of its business and has put in place mechanism of reporting illegal or unethical behavior. Directors, employees, vendors or customers may report violations of the laws, rules, regulations or unethical conducting by writing to the notified person. The report received from employees will be reviewed by Audit Committee. The Directors and Management Personnel are obligated to maintain confidentiality of such reporting and ensure that the whistle blowers are not subjected to any discriminatory practices. No person has been denied access to the Audit Committee.

The said policy can be accessed at <http://www.koltepatil.com/investors/corporate-governance>.

(F) Adoption of Mandatory Requirements

The Company has complied with all the mandatory requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company has complied with the requirements with respect to the Corporate Governance as stipulated in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(G) Code of Conduct

The Board of Directors of your Company have laid down its code of conduct and ethics for all Board Members and Senior Management personnel of the Company and the same has been posted on the website of the Company. All Board Members and Senior Management Personnel have affirmed compliance with the code. A declaration signed by Chief Executive Officer is annexed to this report.

MEANS OF COMMUNICATION

The quarterly, half yearly and annual financial results of the Company are published in leading newspapers in India which include Maharashtra Times and Business Standard. The results are also displayed on Company's website www.koltepatil.com.

Presentations to institutional investors / analysts

The Detailed presentations are made to institutional investors and financial analysts on the Company's unaudited quarterly as well as audited annual financial results. These presentations are also uploaded on the website of the Company.

The "Investors" section on the Company's website keeps the investors updated on the material developments in the Company by providing key and timely information like details of Directors, Financial Results, Shareholding Pattern, Annual Reports and procedure and forms for transfer/ transmission of shares and request of NECS etc.

Electronic Filing with NSE and BSE

All periodical compliance filings like shareholding pattern, corporate governance report, financial results, media releases, among others are also filed electronically on the NSE Electronic Application Processing System and BSE Listing Centre.

GENERAL SHAREHOLDER INFORMATION

a) Corporate Identification Number (CIN)

The Corporate Identification Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L45200PN1991PLC129428.

b) AGM Information and Financial Year

Day, Date and Time of AGM :	Saturday, 29 September 2018 at 11:30 a.m.
Venue:	Regal Hall, The Pride Hotel, 5 University Road, Shivaji Nagar, Pune - 411005, Maharashtra, India.
Financial Year:	01 April 2017 to 31 March 2018
Date of Book Closure :	22 September 2018 to 29 September 2018 (both days inclusive)
Dividend Payment Date:	Within 30 days from the date of declaration.

c) Listing on Stock Exchanges and Scrip Code

The Company's shares have been listed on the following exchanges:

- National Stock Exchange of India Limited (NSE), Exchange Plaza, Bandra-Kurla Complex, Bandra (East), Mumbai – 400051
- BSE Limited (BSE), Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001.

Scrip Code	BSE Code: 532924
	NSE Code: KOLTEPATIL

d) Payment of annual listing fees and custodian charges

Annual listing fees have been paid for the financial year 2018-19 to NSE & BSE.

Annual custodian charges/issuers fees has been paid for the financial year 2018-19 to CDSL and fees to NSDL will be paid on receipt of bill.

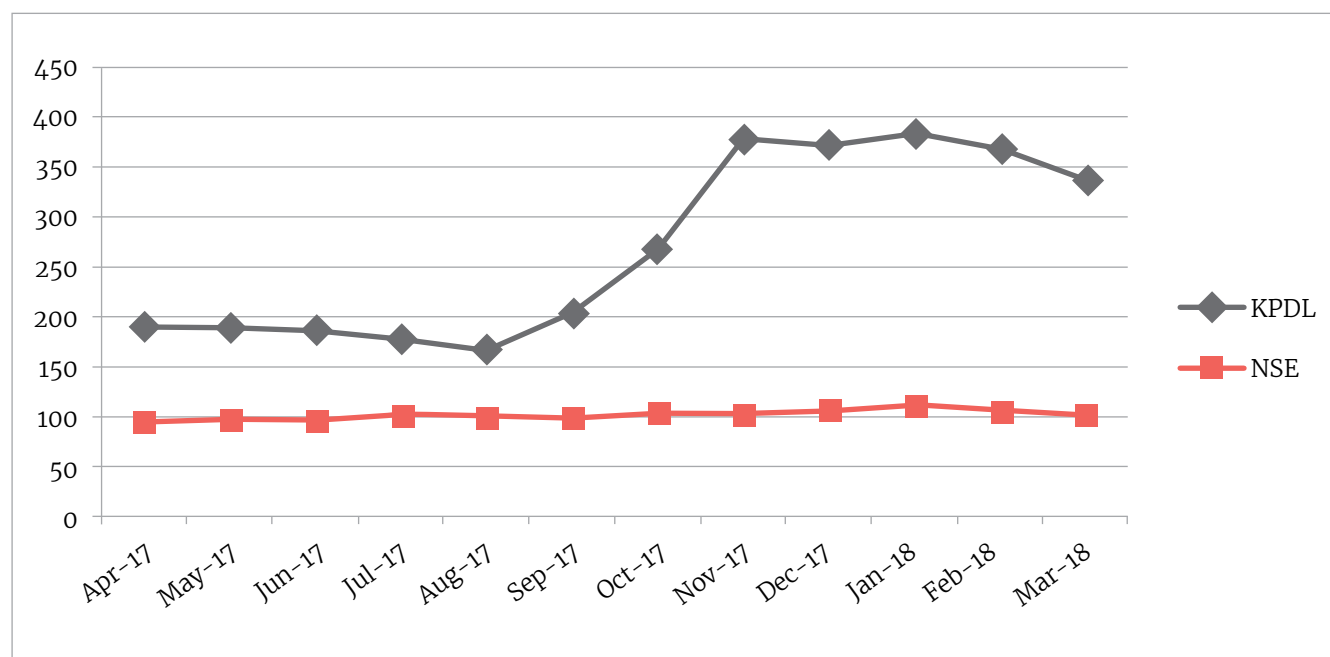
e) Market Price Data

The monthly high and low share price of the Company and volume of shares traded on BSE and NSE from 01 April 2017 up to 31 March 2018 is as follows:

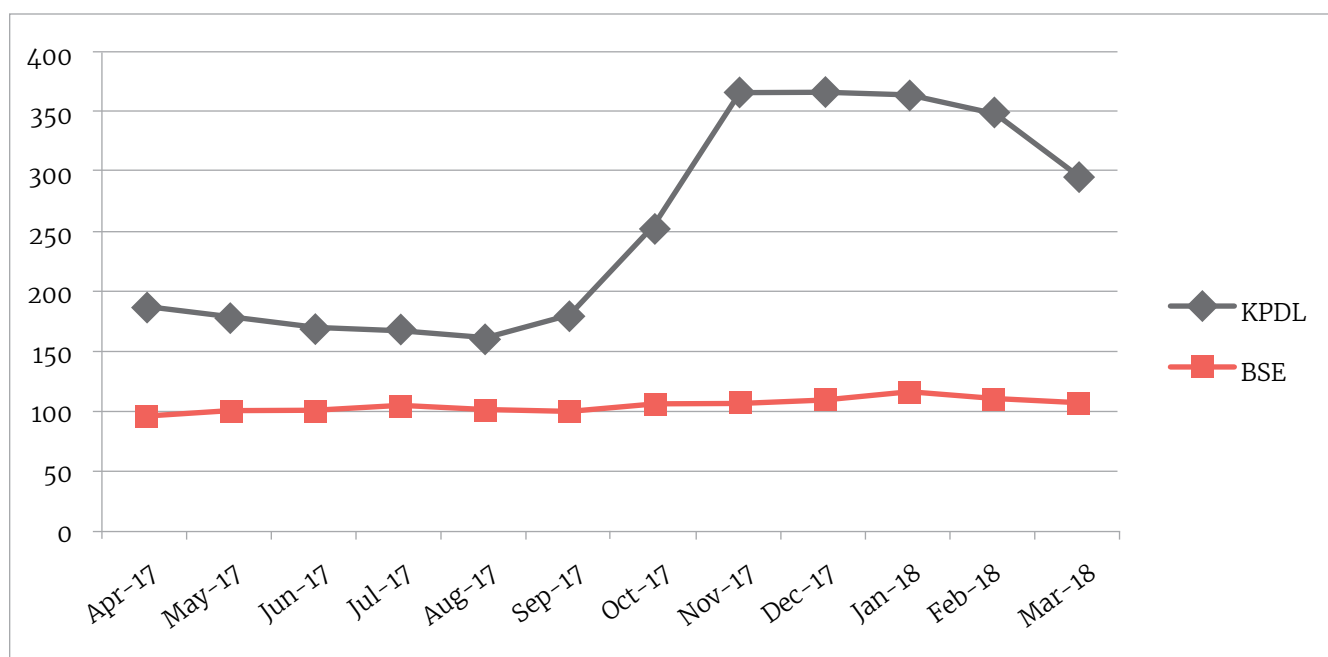
Resolutions	National Stock Exchange (NSE)				Bombay Stock Exchange (BSE)			
	High (₹)	Low (₹)	Close Price (₹)	No. of Shares traded	High (₹)	Low (₹)	Close Price (₹)	No. of Shares traded
April 2017	204.05	173.10	191.05	11,034,121	204.00	173.50	187.45	2,364,105
May 2017	196.00	153.00	90.00	5,072,278	195.90	153.00	178.80	1,216,708
June 2017	191.45	166.35	187.05	4,611,138	191.15	166.95	169.00	834,366
July 2017	182.00	167.05	177.95	2,647,179	181.90	167.15	167.80	453,324
Aug 2017	170.00	131.10	166.85	1,990,040	169.90	135.10	160.85	387,835
Sept 2017	215.95	160.00	203.25	11,668,159	215.75	160.50	180.40	1,756,063
Oct 2017	268.00	180.10	265.65	19,979,503	271.25	179.15	253.40	3,104,525
Nov 2017	404.80	235.25	378.15	24,936,482	404.60	235.85	366.55	4,126,451
Dec 2017	386.10	336.05	370.70	12,536,110	386.70	325.00	366.40	2,050,965
Jan 2018	404.70	354.75	383.30	8,143,651	404.25	353.00	363.50	1,456,274
Feb 2018	380.50	310.60	368.80	5,134,807	379.55	286.10	349.45	851,176
Mar 2018	352.20	290.35	337.40	2,877,538	352.15	293.15	296.30	445,931

f) Performance in comparison to the Board-based Indices

Performance in comparison to NSE Nifty



Performance in comparison to BSE Sensex



g) Registrar & Share Transfer Agent and Share Transfer System

Bigshare Services Private Limited is the Registrar & Share Transfer Agent (RTA) of the Company in respect of the equity capital in demat and physical mode. They process share transfer and transmission on fortnightly basis. Their address is as follows:

Bigshare Services Private Limited,
Unit: Kolte-Patil Developers Limited,
E/2& 3, Ansa Industrial Estate, Sakivihar Road,
Sakinaka, Andheri (E), Mumbai - 400 072
Tel: +91-22-40430200
Fax: +91-22-28475207
Website: www.bigshareonline.com
E-Mail: investor@bigshareonline.com

Our Registrar & Transfer Agent M/s Bigshare Services Private Limited has been using the Gen-Next Investor Module "i'Boss" the most advanced tool to interact with shareholders. Please login into "i'Boss" (www.bigshareonline.com) and help them to serve you better.

h) Distribution of Shareholding / Shareholding Pattern as on 31 March 2018

i. The distribution of shareholding of the Company as on 31 March 2018 is as follows:

Shareholding of nominal value (₹)	Total Holders	% of Total Holders	Total Holding (₹)	% of Total Capital
0001 - 5000	39,825	95.28	28,730,900	3.79
5001 - 10000	993	2.38	7,827,950	1.03
10001 - 20000	479	1.15	7,168,400	0.95
20001 - 30000	163	0.39	4,179,020	0.55
30001 - 40000	87	0.21	3,122,250	0.41
40001 - 50000	44	0.11	2,078,910	0.27
50001 - 100000	99	0.24	7,146,170	0.94
100001 - 9999999999	109	0.26	697,730,490	92.05
TOTAL	41,799	100	757,984,090	100

ii. The Shareholding pattern as on 31 March 2018 is as follows:

Category	Total Holding (No. of shares)	% of Total Capital
Promoters (including Persons Acting In Concert)	56,479,095	74.51
Foreign Portfolio Investor	9,067,135	11.96
Public	7,587,845	10.01
Non-Resident Indians	1,074,680	1.42
Corporate Bodies	1,074,755	1.42
Foreign Institutional Investors	293,049	0.39
Clearing Members & Trusts	143,043	0.19
Employees	40,324	0.05
Financial Institutions, Banks and NBFC	31,044	0.04
Government Companies	7,439	0.01
TOTAL	75,798,409	100.00

i) Dematerialization of shares and liquidity

On 17 December 2007, the Company got listed on the stock exchanges with 100% dematerialized shares. The shares of the Company are under the compulsory demat settlement mode and can be traded only in the demat form. International Securities Identification Number (ISIN) allotted to the Company by NSDL and CDSL is INE094I01018.

Equity shares of the Company representing 99.99% of the Company share capital are dematerlised as on 31 March 2018.

j) Outstanding GDRs/ ADRs/ Warrants or any Convertible Instruments, conversion date and likely impact on equity

The Company has not issued any GDRs/ ADRs/ Warrants or other instruments, which are pending for conversion.

k) Employee Stock Options

The information on Options granted by the Company during the Financial Year 2017-18 and other particulars with regard to Employees' Stock Options are set out under Annexure VI to the Directors' Report.

l) Nomination :

Every holder of securities of a company may, at any time, nominate, in the prescribed manner, any person to whom his securities shall vest in the event of his death. Members can avail nomination facility. Blank nomination forms will be supplied on request.

CERTIFICATION BY CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER OF THE COMPANY

(Under Regulation 17 read with Part B of Schedule II of SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

We, Mr. Gopal Sarda – Chief Executive Officer and Mr. Atul Bohra – Chief Financial Officer of Kolte-Patil Developers Limited (the Company), hereby certify to the Board that:

- (a) We have reviewed financial statements and the cash flow statement for the Financial Year ended 31 March 2018 and that to the best of our knowledge and belief:
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps taken or proposed to be taken to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit committee that:
 - (i) there are no significant changes in internal control over financial reporting during the year;
 - (ii) there are no significant changes in accounting policies during the year;
 - (iii) there are no instances of significant fraud of which we are aware nor the involvement therein of the management or an employee having significant role in the company's internal control system over financial reporting.

For **Kolte-Patil Developers Limited**

Gopal Sarda
Chief Executive Officer

Date: 23 May 2018
Place: Pune

For **Kolte-Patil Developers Limited**

Atul Bohra
Chief Financial Officer

DECLARATION ON COMPLIANCE WITH THE CODE OF CONDUCT

As provided in the Regulation 26 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board Members and the Senior Management Personnel have confirmed compliance with the Code of Conduct for the financial year ended 31 March 2018. The Code of Conduct of the Company is available on the Website of the Company.

For **Kolte-Patil Developers Limited**

Gopal Sarda
Chief Executive Officer
Date: 23 May 2018
Place: Pune

INDEPENDENT AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

TO THE MEMBERS OF

KOLTE-PATIL DEVELOPERS LIMITED

1. This certificate is issued in accordance with the terms of our engagement letter dated September 28, 2017.
2. We, Deloitte Haskins & Sells LLP, Chartered Accountants, the Statutory Auditors of Kolte-Patil Developers Limited ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on March 31, 2018, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations").

Managements' Responsibility

3. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

Auditor's Responsibility

4. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
6. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India ("the ICAI"), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

8. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended March 31, 2018.
9. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **DELOITTE HASKINS & SELLS LLP**

Chartered Accountants

(Firm's Registration No. 117366W/W-100018)

Hemant M. Joshi

Partner

(Membership No. 38019)

Place: Pune

Date: 27 June 2018

Financial Statements

Independent Auditors' Report

To
The Members of
Kolte-Patil Developers Limited

Report on the Standalone Ind AS Financial Statements

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

Management's Responsibility for the Standalone Ind AS Financial Statements

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

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

Auditor's Responsibility

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

In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing

standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the Order issued under section 143(11) of the Act.

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

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

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

Opinion

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

Other Matter

The Financial statement includes the Company's Share of loss (net) ₹263 lakhs for the year ended March 31, 2018, from its investment in partnership firms and Limited Liability Partnership ("LLPs") whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the Statement, in so far as it relates to the amounts included in respect of these partnership firms and Limited Liability Partnership ("LLPs"), is based solely on the reports of the other auditors.

Our opinion on the standalone financial statements and our report on Other Legal and Regulatory Requirements below is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial statements/financial information of Partnership Firms and Limited Liability Partnerships, referred to in the Other Matter paragraph above we report, to the extent applicable that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - 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, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.
 - e) On the basis of the written representations received from the directors of the Company as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". 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, as amended, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements. Refer Note 33 to the financial statements.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

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

For DELOITTE HASKINS & SELLS LLP

Chartered Accountants

(Firm's Registration No. 117366W/W-100018)

Hemant M. Joshi

Partner

Place: Pune

Date: May 23, 2018

(Membership No. 38019)

"Annexure A" to the Independent Auditors' Report

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

We have audited the internal financial controls over financial reporting of **Kolte-Patil Developers Limited** ("the Company") as of March 31, 2018 in conjunction with our audit of the standalone Ind AS 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". 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.

Auditor's Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and

such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the criteria for internal financial control over financial reporting 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.

For DELOITTE HASKINS & SELLS LLP

Chartered Accountants

(Firm's Registration No. 117366W/W-100018)

Hemant M. Joshi

Partner

Place: Pune

Date: May 23, 2018

(Membership No. 38019)

"Annexure B" to the Independent Auditors' Report

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) In respect of fixed assets:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The Company has a program of verification of fixed assets to cover all the items in a phased manner over a period of two years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program Computers, Vehicles and Intangible assets were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (c) According to the information and explanations given to us, records examined by us and based on the examination of the registered title deeds provided to us, we report that, the title deeds, comprising all the immovable properties of buildings, which are freehold, are held in the name of the Company as at the balance sheet date. The company does not have any immovable properties taken on lease, which need to be disclosed as fixed asset in the financial statements.
- (ii) The inventories held by the Company comprise raw materials, stock of units in completed projects and work in progress of projects under development. In our opinion and according to the information and explanations given to us, having regard to the nature of inventory, the physical verification by way of verification of title deeds, site visits by the Management and certification of extent of work completion by competent persons, are at reasonable intervals and no material discrepancies were noticed on physical verification.
- (iii) According to the information and explanations given to us, the Company has granted loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act, in respect of which:
 - (a) The terms and conditions of the grant of such loans are, in our opinion, prima facie, not prejudicial to the Company's interest.
 - (b) The schedule of repayment of principal and payment of interest has not been stipulated and in the absence of such schedule, we are unable to comment on the regularity of the repayments or receipts of principal amounts and interest.

- (c) The loans granted are repayable on demand and there are no overdue amounts outstanding as at year-end.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposit during the year and hence reporting under clause (v) of paragraph 3 of the Order is not applicable.
- (vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Act. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Act, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) According to the information and explanations given to us, in respect of statutory dues:
- (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Value Added Tax, Goods and Services Tax, cess and other material statutory dues applicable to it to the appropriate authorities.
- Having regard to the operations of the Company during the year ended 31st March, 2018, dues relating to Excise Duty were not applicable to the Company.
- (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Customs Duty, Value Added Tax, cess and other material statutory dues in arrears as at 31st March, 2018 for a period of more than six months from the date they became payable.
- (c) Details of dues of Income-tax, Sales Tax, Service Tax, Customs Duty and Value Added Tax which have not been deposited as on 31st March, 2018 on account of disputes are given below:

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount Involved (net of amount paid under protest)	Amount paid under protest
Income Tax Act, 1961	Income tax	Commissioner of Income Tax (Appeals -11)	Assessment Year 2003-04	1	-
Income Tax Act, 1961	Income tax	Commissioner of Income Tax (Appeals -11)	Assessment Year 2005-06	4	-
Income Tax Act, 1961	Income tax	Income Tax Appellate Tribunal, Pune	Assessment Year 2007-08	185	-
Income Tax Act, 1961	Income tax	Commissioner of Income Tax (Appeals -11)	Assessment Year 2007-08	4	-
Income Tax Act, 1961	Income tax	Income Tax Appellate Tribunal, Pune	Assessment Year 2010-11	146	-
Income Tax Act, 1961	Income tax	Income Tax Appellate Tribunal, Pune	Assessment Year 2011-12	1	-
Income Tax Act, 1961	Income tax	Income Tax Appellate Tribunal, Pune	Assessment Year 2012-13	203	-
Income Tax Act, 1961	Income tax	Commissioner of Income Tax (Appeals -11)	Assessment Year 2013-14	63	11
Income Tax Act, 1961	Income tax	Commissioner of Income Tax (Appeals -11)	Assessment Year 2015-16	8	-

- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions and banks and dues to debenture holders. The Company has not taken any loan from Government.
- (ix) The Company has not raised moneys by way of initial public offer / further public offer. In our opinion and according to the information and explanations given to us, the term loans have been applied by the Company during the year for the purposes for which they were raised, other than temporary deployment pending application of proceeds.
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of paragraph 3 of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- (xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of paragraph 3 of the Order is not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its subsidiaries or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For DELOITTE HASKINS & SELLS LLP

Chartered Accountants

(Firm's Registration No. 117366W/W-100018)

Hemant M. Joshi

Partner

Place: Pune

Date: May 23, 2018

(Membership No. 38019)

Standalone Balance Sheet as at March 31, 2018

(₹ in Lakhs)

Particulars	Note No.	As at March 31, 2018	As at March 31, 2017
ASSETS			
1 Non-current assets			
(a) Property, Plant and Equipment	3	1,187	1,202
(b) Intangible Assets	4	1,000	1,406
(c) Financial Assets			
(i) Investments	5	25,085	27,238
(ii) Loans	6	658	453
(iii) Other Financial Assets	7	5,487	18,268
(d) Deferred Tax Assets (Net)	8	88	-
(e) Income Tax Assets (Net)		3,116	2,242
(f) Other Non-Current Assets	9	13,409	16,589
Total Non - Current Assets		50,030	67,398
2 Current assets			
(a) Inventories	10	87,672	83,156
(b) Financial Assets			
(i) Investments	11	21	439
(ii) Trade Receivables	12	11,558	11,108
(iii) Cash and Cash Equivalents	13	2,949	2,484
(iv) Other Balances with Banks	14	927	793
(v) Other Financial Assets	15	1,498	2,430
(c) Other Current Assets	16	8,361	2,452
Total Current Assets		1,12,986	1,02,862
Total Assets (1+2)		1,63,016	1,70,260
EQUITY AND LIABILITIES			
1 EQUITY			
(a) Equity Share Capital	17	7,580	7,577
(b) Other Equity	18	81,510	72,181
Total Equity		89,090	79,758
LIABILITIES			
2 Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	19	23,914	13,715
(ii) Trade Payables		891	441
(ii) Other Financial Liabilities	20	307	291
(b) Employee benefit obligations	21	288	324
(c) Deferred Tax Liabilities (Net)	8	-	71
Total Non - Current Liabilities		25,400	14,842
3 Current liabilities			
(a) Financial Liabilities			
(i) Trade Payables	22	13,645	11,759
(ii) Other Financial Liabilities	23	6,454	27,566
(b) Employee benefit obligations	24	466	271
(c) Current Tax Liabilities (Net)		2,673	1,522
(d) Other Current Liabilities	25	25,288	34,542
Total Current Liabilities		48,526	75,660
Total Equity and Liabilities (1+2+3)		1,63,016	1,70,260
See accompanying notes forming part of the financial statements	1-49		

In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants

Hemant M. Joshi
Partner

Place: Pune
Date: May 23, 2018

For and on behalf of the Board of Directors

Rajesh Patil
Chairman & Managing Director
(DIN:00381866)

Atul Bohra
Chief Financial Officer

Place: Pune
Date: May 23, 2018

Milind Kolte
Executive Director
(DIN:00170760)

Vinod Patil
Company Secretary

Gopal Sarda
Chief Executive Officer

Standalone Statement of Profit and Loss

for the year ended March 31, 2018
(₹ in Lakhs except earning per share)

Particulars	Note No.	For the year ended March 31, 2018	For the year ended March 31, 2017
I Revenue from operations	26	67,110	53,332
II Other Income	27	4,022	4,339
III Total Revenue (I + II)		71,132	57,671
IV EXPENSES			
(a) Cost of services, construction and land	28	41,723	33,466
(b) Employee benefit expenses	29	2,706	2,581
(c) Finance costs	30	4,781	4,283
(d) Depreciation and amortisation expense	3 & 4	645	622
(e) Other expenses	31	5,725	4,374
Total Expenses		55,580	45,326
V Profit before tax (III - IV)		15,552	12,345
VI Tax Expense			
(1) Current tax		5,229	3,755
(2) Deferred tax	8	(168)	119
Total tax expense	41	5,061	3,874
VII Profit after tax (V - VI)		10,491	8,471
VIII Other comprehensive income / (loss)			
(i) Items that will not be reclassified subsequently to profit or loss			
- Remeasurements of the defined benefit liabilities / (asset)		25	45
Income Tax relating to items that will not be reclassified to Profit or Loss		(9)	(16)
(ii) Items that will be reclassified subsequently to profit or loss		-	-
Total Other Comprehensive Income / (Loss) (Net)		16	29
IX Total Comprehensive income for the year (VII + VIII)		10,507	8,500
X Earnings per equity share (Face Value ₹10) in ₹	39		
(1) Basic		13.84	11.18
(2) Diluted		13.84	11.18
See accompanying notes forming part of the financial statements	1-49		

In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants

Hemant M. Joshi
Partner

Place: Pune
Date: May 23, 2018

For and on behalf of the Board of Directors

Rajesh Patil
Chairman & Managing Director
(DIN:00381866)

Atul Bohra
Chief Financial Officer

Place: Pune
Date: May 23, 2018

Milind Kolte
Executive Director
(DIN:00170760)

Vinod Patil
Company Secretary

Gopal Sarda
Chief Executive Officer

Standalone Statement of Changes in Equity

a) Equity Share Capital

(₹ in Lakhs)

Particulars	Amount
Balance As at March 31, 2016	7,577
Change for the year	-
Balance As at March 31, 2017	7,577
Change for the year	3
Balance As at March 31, 2018	7,580

b) Other Equity (2016-17)

(₹ in Lakhs)

Particulars	Reserves and Surplus						Total
	Securities Premium Reserve	General Reserve	Share Option Outstanding Account	Capital Redemption Reserve	Debenture Redemption Reserve	Retained Earnings	
Balance as at April 1, 2016	31,778	4,382	24	38	2,392	26,205	64,819
Transfer from Retained Earnings on account of Debenture Redemption Reserve	-	-	-	-	2,358	-	2,358
Transfer from Retained Earnings on account of Debenture Redemption Reserve	-	-	-	-	-	(2,358)	(2,358)
Amount Recorded on grants of ESOP during the year	-	-	10	-	-	-	10
Profit for the year	-	-	-	-	-	8,471	8,471
Other Comprehensive Income (Net)	-	-	-	-	-	29	29
Dividend paid (Including Dividend Distribution Tax)	-	-	-	-	-	(1,148)	(1,148)
Balance at the March 31, 2017	31,778	4,382	34	38	4,750	31,199	72,181

Standalone Statement of Changes in Equity (Contd.)

c) Other Equity (2017-18)

(₹ in Lakhs)

Particulars	Reserves and Surplus						Total
	Securities Premium Reserve	General Reserve	Share Option Outstanding Account	Capital Redemption Reserve	Debenture Redemption Reserve	Retained Earnings	
Balance as at April 1, 2017	31,778	4,382	34	38	4,750	31,199	72,181
Transfer from Retained Earnings on account of Debenture Redemption Reserve	-	-	-	-	(4,750)	-	(4,750)
Transfer from Retained Earnings on account of Debenture Redemption Reserve	-	-	-	-	-	4,750	4,750
Amount Recorded on grants of ESOP during the year	31	-	3	-	-	-	34
Less: Transferred to Securities Premium on Exercise of Stock Option	16	-	(16)	-	-	-	-
Profit for the year	-	-	-	-	-	10,491	10,491
Other Comprehensive Income (Net)	-	-	-	-	-	16	16
Dividend paid (Including Dividend Distribution Tax)	-	-	-	-	-	(1,212)	(1,212)
Balance at the March 31, 2018	31,825	4,382	21	38	-	45,244	81,510

In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants

Hemant M. Joshi
Partner

Place: Pune
Date: May 23, 2018

For and on behalf of the Board of Directors

Rajesh Patil
Chairman & Managing Director
(DIN:00381866)

Atul Bohra
Chief Financial Officer

Place: Pune
Date: May 23, 2018

Milind Kolte
Executive Director
(DIN:00170760)

Vinod Patil
Company Secretary

Gopal Sarda
Chief Executive Officer

Standalone Cash Flow Statement for the year ended March 31, 2018

(₹ in Lakhs)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax:	15,552	12,345
Adjustment for:		
Depreciation/Amortisation	645	622
(Profit) / Loss on Sale of Fixed Assets	32	-
Impairment losses on Financial assets	938	-
Finance Costs	4,781	4,283
Interest Income	(2,359)	(2,842)
Dividend Income	(1,236)	(1,159)
Share of Profit from Firms and LLP	263	(382)
Fair Value of Current Investment	2	(5)
Share Based Payments to Employees	3	10
Operating profit before Working Capital changes	18,621	12,872
Adjustments for changes in Working capital		
(Increase)/Decrease in Inventories	(4,551)	4,212
(Increase)/Decrease in Trade Receivables	(450)	(4,746)
(Increase)/Decrease in Financial Assets - Loan - Non current	(205)	(113)
(Increase)/Decrease in Financial Assets Others - Non current and current	(464)	2,779
(Increase)/Decrease in Other Non-current and current assets	(2,729)	(8,261)
Increase/(Decrease) in Trade Payables	2,337	4,244
Increase/(Decrease) in Other Financial current liabilities	(4)	(194)
Increase/(Decrease) in Financial Liabilities Others - Non current and current	(9,238)	2,563
Increase/(Decrease) in Provisions - Non current and current	175	83
Cash generated from/ (used in) operations	3,492	13,439
Income taxes refund/ (paid)	(4,943)	(2,079)
Net Cash from / (used in) operating activities (A)	(1,451)	11,360
B CASH FLOW FROM INVESTING ACTIVITIES		
Capital expenditure on Property ,Plant & Equipment, CWIP including capital advances	(260)	(631)
Proceeds from sale of Property, Plant & Equipment	4	51
Investments in Subsidiaries	-	(1,453)
Proceeds on redemption of Non Convertible Debentures	2,102	471
Proceeds from disposal of stake in Limited Liability Partnership (refer note 49)	51	56
Amounts received/(Invested) from partnership firms & LLPs	7,662	(4,095)
Purchase of Current investments (mutual funds)	-	(176)
Proceeds from Current investments (mutual funds)	416	-
Interest received on Investments	3,237	2,763
Fixed Deposits matured	191	330
Fixed Deposits Placed	(196)	(2)
Dividend received on Investments	1,236	1,159
Net Cash from/(used in) investing activities (B)	14,443	(1,527)

Standalone Cash Flow Statement for the year ended March 31, 2018

(₹ in Lakhs)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
C CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of Long term borrowings	(16,840)	(14,842)
Proceeds from Long term borrowings	10,199	11,710
Proceeds from issue of equity shares	34	-
Dividend (Including Tax on Dividend) paid on equity shares	(1,213)	(1,148)
Finance cost paid	(4,633)	(5,182)
Net Cash from/(used in) financing activities (C)	(12,453)	(9,462)
Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)	539	371
Cash and Cash Equivalents (Opening balance)	2,410	2,039
Cash and Cash Equivalents (Closing balance)	2,949	2,410
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	539	371
1 Reconciliation of Cash and cash equivalents with Balance Sheet		
Cash and Cash equivalents as per Balance Sheet (Refer Note 13)	2,949	2,484
Cash and cash equivalents comprise of:		
Cash in hand	9	14
Balances with banks		
- In current accounts	2,776	2,424
- Deposit having original maturity of less than 3 months	164	46
Sub Total	2,949	2,484
Less: Book Overdrafts	-	74
Total	2,949	2,410
2 Reconciliation of liabilities arising from financing activities		
Long Term Borrowings		
Opening Balance	34,845	37,975
Cashflow (outflow)/inflow	(6,702)	(3,215)
Fair Value Changes	215	85
Closing Balance	28,358	34,845
Lease Liabilities		
Opening Balance	181	98
Cashflow (outflow)/inflow	61	83
Fair Value Changes	-	
Closing Balance	242	181

In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants

Hemant M. Joshi
Partner

Place: Pune
Date: May 23, 2018

For and on behalf of the Board of Directors

Rajesh Patil
Chairman & Managing Director
(DIN:00381866)

Atul Bohra
Chief Financial Officer

Place: Pune
Date: May 23, 2018

Milind Kolte
Executive Director
(DIN:00170760)

Vinod Patil
Company Secretary

Gopal Sarda
Chief Executive Officer

Notes forming part of the standalone financial statements

1. Corporate Information

Kolte-Patil Developers Limited ("the Company") is a Company registered under the Companies Act, 1956. It was incorporated on 25th November 1991. The Company is primarily engaged in business of construction of residential, commercial; IT Parks along with renting of immovable properties and providing project management services for managing and developing real estate projects.

2. Significant Accounting Policies

A. Statement of Compliance

These financial statements are separate financial statements prepared in accordance with Indian Accounting Standards ("Ind AS"), and the provisions of the Companies Act, 2013 ("the Act") (to the extent notified). The Ind AS are prescribed under section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendments Rules, 2016.

B. Basis of Preparation of Financial Statements:

The financial statements have been prepared on the historical cost and accrual basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the considerations given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/ or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability

C. Use of Estimates:

The preparation of financial statements in conformity with Ind AS requires the management of the company to make judgement, estimates and assumptions to be made that affect the reported amounts of assets and liabilities (including contingent liabilities) on the date of financial statements, and the reported amounts of income and expenses during the reported period and accompanying disclosures. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known/ materialize.

Significant accounting judgements, estimates and assumptions used by management are as below:

- Useful lives of Investment Property, Property Plant and Equipment and Intangible Assets.
- Computation of percentage completion for projects in progress, project cost, revenue and saleable area estimates.

Notes forming part of the standalone financial statements

D. Inventories:

Raw materials are valued at lower of cost and net realisable value. Cost is determined based on a weighted average basis.

Stock of units in completed projects and work-in-progress are valued at lower of cost and net realisable value. Cost is aggregate of land cost, materials, contract works, direct expenses, provisions and apportioned borrowing costs and is net of material's scrap receipts.

E. Cash Flow Statement:

Statement of Cash flows is prepared under Ind AS 7 'Statement of Cashflows' specified under Section 133 of the Act. Cash flows are reported using the indirect method, whereby profit / (loss) before tax and is adjusted for the effects of transactions of non-cash nature.

F. Property, Plant & Equipment and Intangible assets:

Property, Plant & Equipment and Intangible assets are stated at actual cost less accumulated depreciation and net of impairment. The actual cost capitalised includes material cost, freight, installation cost, duties and taxes, eligible borrowing costs and other incidental expenses incurred during the construction / installation stage.

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation / amortisation on Property, Plant & Equipment is charged based on straight line method on an estimated useful life as prescribed in Schedule II to the Companies Act, 2013.

Computer software is amortized over a period of six years.

The estimated useful lives and residual values of the Property, Plant & Equipment and Intangible assets are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

G. Revenue Recognition:

- i. Revenue from real estate projects including integrated townships is recognised on the 'Percentage of Completion Method' of accounting. Revenue is recognized, in relation to the sold areas only, on the basis of percentage of actual cost incurred thereon including land as against the total estimated cost of the project under execution subject to construction costs being 25% or more of the total estimated cost. The estimates of saleable area and costs are revised periodically by the management. The effect of such changes to estimates is recognised in the period such changes are determined.

In accordance with Guidance Note issued by the Institute of Chartered Accountants of India (ICAI), on 'Accounting for Real Estate Transactions (for entities to whom Ind AS is applicable), revenue is recognised on percentage of completion method if (a) all critical approvals necessary for the commencement of the project have been obtained; (b) the expenditure incurred on construction and development costs (excluding land cost) is not less than 25 % of the total estimated construction and development costs; (c) At least 25% of the saleable project area is secured by contracts or agreements with buyers and (d) At least 10% of the total revenue as per sales agreement or any other legally enforceable document are realised as at the reporting date.

- ii. In case of joint development projects, revenue is recognised to the extent of company's percentage share of the underlying real estate development project.
- iii. Revenue from sale of land is recognised when the agreement to sell is executed resulting in transfer of all significant risk and rewards of ownership and possession is handed over to the buyer.
- iv. Facility charges, management charges, project management fees, rental, hire charges, sub lease and maintenance income are recognized on accrual basis as per the terms and conditions of relevant agreements.
- v. Interest income is accounted on accrual basis on a time proportion basis.

Notes forming part of the standalone financial statements

- vi. Dividend income is recognized when right to receive is established, which is generally when shareholders approve the dividend.
- vii. Share of profit/ (Loss) from partnership firms/LLPs in which the Company is partner is recognized based on the financial information provided and confirmed by the respective firms.

H. Cost of Construction / Development:

Cost of Construction/Development (including cost of land) incurred is charged to the statement of profit and loss proportionate to project area sold. Costs incurred for projects which have not achieved reasonable level of development is carried over as construction work-in-progress.

I. Unbilled receivables:

Unbilled receivables represent revenue recognised on 'Percentage of Completion Method' less amount due from customers as per payment plans adopted by them.

J. Foreign Currency transactions:

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction. Foreign currency monetary items are reported using the exchange rate prevailing at the reporting date. Nonmonetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Exchange differences arising on the settlement of monetary items or on reporting monetary items of Company at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expenses in the year in which they arise.

K. Employee Benefits:

Employee benefits include provident fund, employee state insurance scheme, gratuity and compensated absences.

Retirement benefit costs and termination benefits

Post-employment obligations

The Company operates the following post-employment schemes:

1. Defined Contribution Plan:

The Company's contribution to provident fund is considered as defined contribution plan and is charged as an expense based on the amount of contribution required to be made. The Company has no further payment obligations once the contributions have been paid.

2. Defined Benefit Plan:

The liability or assets recognised in the Balance Sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of the plan assets. The defined benefit obligation is calculated by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows with reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in the employee benefit expenses in the Statement of Profit and Loss.

Remeasurement gains and loss arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in Other Comprehensive Income. They are included in Retained Earnings in the Statement of Changes in Equity and in the Balance Sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in Statement of Profit and Loss as past service cost.

Notes forming part of the standalone financial statements

Short-term and other long-term employee benefits: -

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

The cost of short-term compensated absences is accounted as under:

- (a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
- (b) in case of non-accumulating compensated absences, when the absences occur.

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in Statement of Profit and Loss.

L. Employee Stock Option Scheme:

Equity settled share based payments to employees are measured at fair value in accordance with Ind AS 102, share based payments. The fair value determined at the grant date of the share based payment is expensed over the vesting period, based on the groups estimate of equity instruments that will eventually vest, with a corresponding increase in equity.

M. Borrowing Cost:

Borrowing costs consist of interest and other costs. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset, is added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

A qualifying asset is an asset that necessarily takes 12 months or more to get ready for its intended use or sale and includes the real estate properties developed by the Company.

N. Operating leases:

Lease arrangements under which all risks and rewards of ownership are effectively retained by the lessor are classified as operating lease. Lease rental under operating lease are recognised in the Statement of Profit and Loss on a straight line basis over the lease term.

O. Earnings Per Share:

The Company reports basic and diluted earnings per share in accordance with Ind AS - 33 on 'Earnings per Share'. Basic earnings per share is computed by dividing the net profit or loss for the year by the weighted average number of Equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit or loss for the year by the weighted average number of equity shares outstanding during the year as adjusted for the effects of all diluted potential equity shares except where the results are anti-dilutive.

P. Current and Deferred Taxes:

Current Tax:

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current tax relating to items recognised outside Statement of

Notes forming part of the standalone financial statements

Profit and Loss is recognised outside Statement of Profit and Loss (either in Other Comprehensive Income (OCI) or in Equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in Equity.

Deferred Tax:

Deferred tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss).

Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

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

Current tax and deferred tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Q. Impairment:

i. Financial assets (other than at fair value):

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired.

Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognizes lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

ii. Non-financial assets:

Property, Plant & Equipment and Intangible assets (PPE&IA):

At each Balance Sheet date, the Company reviews the carrying amounts of its PPE&IA to determine whether there is any indication that those assets suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss. Recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows expected from the continuing use of the asset and from its disposal are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of time value of money and the risks specific to the asset. Reversal of impairment loss is recognised as income in the Statement of Profit and Loss as and when they arise.

Investment in Subsidiaries:

The entire carrying amount of the investment is tested for impairment in accordance with Ind AS 36 Impairment of Assets as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with Ind AS 36 to the extent that the recoverable amount of the investment subsequently increases

Notes forming part of the standalone financial statements

R. Provisions, Contingent Liabilities and Contingent Assets:

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent assets are not recognised in the financial statements but are disclosed.

S. Operating Cycle:

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

T. Financial Instruments:

Initial recognition

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

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

Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised in profit or loss.

Effective interest method:

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Financial assets at amortised cost:

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

Financial assets at fair value:

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised as profit or loss.

Financial liabilities and equity instruments:

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument. Financial liabilities are measured at amortised cost using the effective interest method.

Financial liabilities at FVTPL are stated at fair value, with gains and losses arising on re-measurement recognised in Statement of profit and loss.

U. 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.

Notes forming part of the standalone financial statements

Significant management judgements

The following are significant management judgements in applying the accounting policies of the Company that have the most significant effect on the financial statements.

- 1. 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 future taxable income against which the deferred tax assets can be utilized.
- 2. 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.
- 3. Classification of leases** – The Company enters into leasing arrangements for various assets. The classification of the leasing arrangement as a finance lease or operating lease is based on an assessment of several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to purchase and estimated certainty of exercise of such option, proportion of lease term to the asset's economic life, proportion of present value of minimum lease payments to fair value of leased asset and extent of specialized nature of the leased asset. The Company has also factored in overall time period of rent agreements to arrive at lease period to recognize rental income on straight-line basis.
- 4. Contingent liabilities** – 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 warranties and guarantees. However the actual future outcome may be different from this judgement.

Significant estimates

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be different.

- 5. Revenue and inventories** – The Company recognizes revenue using the percentage of completion method. This requires forecasts to be made of total budgeted cost with the outcomes of underlying construction and service contracts, which require assessments and judgements to be made on changes in work scopes, claims (compensation, rebates, etc.) and other payments to the extent they are probable and they are capable of being reliably measured. For the purpose of making estimates for claims, the Company used the available contractual and historical information.
- 6. Impairment of financial assets** – At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit loss on outstanding receivables and advances.
- 7. Defined benefit obligation (DBO)** – Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, medical cost trends, 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.
- 8. 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.
- 9. 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 utility of certain software, customer relationships, IT equipment and other plant and equipment.

Notes forming part of the standalone financial statements

2A. New Accounting Standards, Amendments to Existing Standards, Annual Improvements and Interpretations Effective Subsequent to March 31, 2018:

Appendix B to Ind AS 21, Foreign currency transactions and advance consideration:

On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency. The amendment will come into force from April 1, 2018. The Company is in process of evaluating the impact on the financial statements.

Ind AS 115– Revenue from Contract with Customers:

On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Ind AS 115, Revenue from Contract with Customers. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers. The standard permits two possible methods of transition:

- Retrospective approach – Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8– Accounting Policies, Changes in Accounting Estimates and Errors
- Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch – up approach). The effective date for adoption of Ind AS 115 is financial periods beginning on or after April 1, 2018. The Company will adopt the standard on April 1, 2018 by using the cumulative catch-up transition method and accordingly comparatives for the year ending or ended March 31, 2018 will not be retrospectively adjusted. The Company is in process of evaluating the impact on the financial statements.

Note 3 – Property, Plant and Equipment

(₹ in Lakhs)

Particulars	Gross Block			Accumulated Depreciation			Net Block
	As at April 1, 2017	Additions during the year	Deductions during the year	As at March 31, 2018	As at April 1, 2017	For the year	As at March 31, 2018
Office Premises	307 (362)	- (-)	- (55)	307 (307)	7 (5)	6 (6)	294 (300)
Plant and Equipment	88 (87)	7 (1)	7 (-)	88 (88)	22 (5)	11 (17)	61 (66)
Furniture and Fixtures	266 (254)	9 (12)	34 (-)	241 (266)	94 (48)	34 (46)	128 (172)
Office Equipment	150 (131)	26 (19)	33 (-)	143 (150)	79 (48)	27 (31)	54 (71)
Vehicles	779 (619)	184 (160)	10 (-)	953 (779)	226 (121)	128 (105)	609 (553)
Computers	142 (124)	34 (18)	- (-)	176 (142)	102 (56)	33 (46)	41 (40)
Total	1,732 (1,577)	260 (210)	84 (55)	1,908 (1,732)	530 (283)	239 (251)	1,187 (1,202)

Note – Figures in brackets pertains to previous year.

Note 4 – Intangible Assets

(₹ in Lakhs)

Particulars	Gross Block			Accumulated Amortisation			Net Block
	As at April 1, 2017	Additions during the year	Deductions during the year	As at March 31, 2018	As at April 1, 2017	For the year	As at March 31, 2018
Softwares	1,993 (1,572)	- (421)	- (-)	1,993 (1,993)	587 (216)	406 (371)	1,000 (1,406)
Total	1,993 (1,572)	- (421)	- (-)	1,993 (1,993)	587 (216)	406 (371)	1,000 (1,406)

Note – Figures in brackets pertains to previous year.

Notes forming part of the standalone financial statements

Note 5 – Investments : Non-Current

(₹ in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Investments Carried at:		
A) Designated as Fair Value Through Profit and Loss		
Unquoted Investments		
Investments in Preference Shares of Subsidiaries		
i) Kolte-Patil I-Ven Townships (Pune) Limited	3,295	3,295
3,294,666 (March 31, 2017 - 3,294,666) 0.0001% fully paid up Optionally Convertible Redeemable Preference Shares of ₹10 each.		
Investments in debentures of Subsidiaries		
i) Tuscan Real Estate Private Limited	-	1,653
Nil (March 31, 2017 - 15,250,000) 15% Non Convertible Debentures of ₹10 each		
Nil (March 31, 2017 - 1,241,167) 15% Compulsory Convertible Debentures of ₹ 10 each		
ii) Snowflower Properties Private Limited	2,751	3,201
2,750,961 (March 31, 2017 - 3,200,961) 15% Optionally Convertible Debentures of ₹ 100 each		
iii) Kolte-Patil I-Ven Townships (Pune) Limited.	8,163	8,163
15,754,500 (March 31, 2017 - 15,754,500) 15% Optionally Convertible Debentures of ₹ 10 each		
65,874,987 (March 31, 2017 - 65,874,987) 15% Compulsory Convertible Debentures of ₹ 10 each		
Total (A)	14,209	16,312
B) COST		
Unquoted Investments		
Investments in Equity Instruments of Subsidiaries		
i) Tuscan Real Estate Private Limited	51	51
51,000 (March 31, 2017 - 51,000) of fully paid up Equity Shares of ₹100 each		
ii) Bellflower Properties Private Limited	1,303	1,303
999,999 (March 31, 2017 - 999,999) of fully paid up Equity Shares of ₹10 each		
iii) Kolte-Patil Real Estate Private Limited	5,398	5,398
13,738,775 (March 31, 2017 - 13,738,775) fully paid up Equity Shares of ₹10 each		
iv) Regenesys Facility Management Company Private Limited	2	2
20,000 (March 31, 2017 - 20,000) fully paid up Equity Shares of ₹10 each		
v) Snowflower Properties Private Limited	5	5
50,000 (March 31, 2017 - 50,000) fully paid up Equity Shares of ₹10 each		
vi) Kolte-Patil Redevelopment Private Limited (formerly known as PNP Retail Private Limited)	768	768
19,683,389 (March 31, 2017 - 19,683,389) fully paid up Equity Shares of ₹10 each		
vii) PNP Agrotech Private Limited	933	933

Notes forming part of the standalone financial statements

Note 5 – Investments : Non-Current (Contd.)

(₹ in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
9,325,239 (March 31, 2017 – 9,325,239) fully paid up Equity Shares of ₹10 each		
viii) Sylvan Acres Realty Private Limited	826	826
375,000 (March 31, 2017 – 375,000) fully paid up Equity Shares of ₹100 each		
ix) Kolte-Patil I-Ven Townships (Pune) Limited.	800	800
4,500,000 (March 31, 2017 – 4,500,000) fully paid up Equity Shares of ₹10 each		
- Investment in Partnership firms		
Ankit Enterprises *	0	0
Kolte-Patil Homes	0	0
- Investments in Limited Liability Partnership		
KP-Rachana Real Estate LLP	212	212
Sanjivani Integrated Township LLP (refer note 47)	-	51
Bouvardia Developers LLP	1	1
Regenesis Project Management LLP	1	1
Carnation Landmark LLP	575	575
KP-SK Project Management LLP	1	-
- Other Investment		
20 (March 31, 2017 – 20) Equity Shares of Rupee Bank of ₹25 each *	-	-
Total (B)	10,876	10,926
Total (A+B)	25,085	27,238
* Amount less than ₹1 lakh		
Aggregate book value of quoted investments	-	-
Aggregate market value of quoted investments	-	-
Aggregate amount of unquoted investments	25,085	27,238
Catagorywise investments :		
(a) Investment measured at Fair Value Through Profit and Loss	14,209	16,312
(b) Investment measured at Fair Value Through Other Comprehensive Income	-	-
(c) Investment measured at cost	10,876	10,926
Investments - measured at FVTPL :		
(a) Unqouted Preference Shares	3,295	3,295
(b) Unqouted Debentures	10,914	13,017
Investments - measured at Cost :		
(a) Unqouted Equity Shares	10,086	10,086
(b) Capital of Partnership Firms and Limited Liability Partnerships	790	840

Notes forming part of the standalone financial statements

Note 5 – Investments : Non-Current (Contd.)

(₹ in Lakhs)

1. % holding in subsidiaries –

Name of the Subsidiary Company	Place of Business	% of holding as at	
		As at March 31, 2018	As at March 31, 2017
Kolte-Patil I-Ven Townships (Pune) Limited	India	45%	45%
Tuscan Real Estate Private Limited	India	51%	51%
Bellflower Properties Private Limited	India	100%	100%
Kolte-Patil Real Estate Private Limited	India	51%	51%
Regenesi Facility Management Company Private Limited	India	100%	100%
Snowflower Properties Private Limited	India	100%	100%
Kolte-Patil Redevelopment Private Limited (formerly known as PNP Retail Private Limited)	India	100%	100%
PNP Agrotech Private Limited	India	100%	100%
Sylvan Acres Realty Private Limited	India	100%	100%
Partnership Firm			
Ankit Enterprises	India	75%	75%
Kolte-Patil Homes	India	60%	60%
Limited Liability Partnerships			
KP-Rachna Real Estate LLP	India	30%	30%
Sanjivani Integrated Township LLP (refer note 47)	India	–	51%
Bouvardia Developers LLP	India	100%	100%
Regenesi Project Management LLP	India	75%	75%
Carnation Landmarks LLP	India	50%	50%
KP-SK Project Management LLP	India	55%	55%

2. The details of all partners, capital and profit sharing ratio in partnership firms where company is a partner

Name of the firm/Partners	As at March 31, 2018		As at March 31, 2017	
	Profit Sharing Ratio	Fixed Capital ₹ in Lakhs	Profit Sharing Ratio	Fixed Capital ₹ in Lakhs
Ankit Enterprises				
Kolte - Patil Developers Limited	75%	0	75%	0
Rajesh Patil	5%	0	5%	0
Naresh Patil	5%	0	5%	0
Milind Kolte	5%	0	5%	0
Sunita Kolte	5%	0	5%	0
Sunita Patil	2.5%	0	2.5%	0
Ankita Patil	2.5%	0	2.5%	0
Kolte-Patil Homes				
Kolte - Patil Developers Limited	60%	–	60%	–
Naresh Patil	30%	–	30%	–
Vandana Patil	10%	–	10%	–

Notes forming part of the standalone financial statements

Note 5 - Investments : Non-Current (Contd.)

3. The details of all partners, capital and profit sharing ratio in limited liability partnerships where company is a partner

Name of the firm/Partners	As at March 31, 2018		As at March 31, 2017	
	Profit Sharing Ratio	Fixed Capital ₹ in Lakhs	Profit Sharing Ratio	Fixed Capital ₹ in Lakhs
KP-Rachana Real Estate LLP				
Kolte - Patil Developers Limited	50%	212	50%	212
Rachana International Private Limited	50%	496	50%	496
Sanjivani Integrated Township LLP				
Kolte - Patil Developers Limited	-	-	50%	50
Nitin Sable	-	-	25%	25
Surekha Sable	-	-	25%	25
Bouvardia Developers LLP				
Kolte - Patil Developers Limited	99%	1	99%	1
Regenesis Project Management LLP	1%	0	1%	0
Regenesis Project Management LLP				
Kolte - Patil Developers Limited	75%	1	75%	1
Sudhir Kolte	25%	0	25%	0
Carnation Landmarks LLP				
Kolte - Patil Developers Limited	50%	575	50%	575
India Realty Excellence Fund II LLP	15%	1,574	15%	1,574
India Realty Excellence Fund III	35%	3,603	35%	3,603
KP-SK Projects Management LLP				
Kolte - Patil Developers Limited	55%	1	55%	1
Sky Lux Cityscapes Private Limited	45%	0	45%	0

Note 6 - Loans : Non-Current

(₹ in Lakhs)

Particulars	As at	
	March 31, 2018	March 31, 2017
At amortised cost, Unsecured considered good unless otherwise stated		
Loans to related parties (refer note 32 and note 44)	658	453
Total	658	453

Notes forming part of the standalone financial statements

Note 7 – Other Financial Assets : Non-Current

(₹ in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
At amortised cost, Unsecured considered good unless otherwise stated		
(a) Security deposits	1,482	1,285
(b) Prepaid expenses	2	27
(c) Current Balance in Limited Liability Partnership's	3,033	16,202
(d) Fixed deposits having maturities of more than 12 months from the Balance Sheet date	679	530
(e) Interest accrued on Bank deposits	61	37
(f) Maintenance charges recoverable	230	187
Total	5,487	18,268

Note 8 – Deferred Tax Assets / (Liabilities)

(₹ in Lakhs)

Significant components of deferred tax assets and liabilities:	Opening balance as on April 1, 2017	Recognized in the statement of profit or loss	Recognized in/ reclassified from other comprehensive income	Closing balance as on March 31, 2018
Deferred tax assets:				
Employee benefits	298	10	(9)	299
Others	3	(1)	-	2
Total deferred tax assets	301	9	(9)	301
Deferred tax liabilities:				
Property, plant and equipment and intangible assets	302	(105)	-	197
Financial guarantee premium	48	(48)	-	-
Borrowings	15	(4)	-	11
Others	7	(2)	-	5
Total deferred tax liabilities	372	(159)	-	213
Net Deferred tax assets/(liabilities)	(71)	168	(9)	88

Note 9 – Other Non-Current Assets

(₹ in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
(Unsecured, considered good)		
(a) Advances given for real estate development and suppliers	13,025	16,205
(b) Advances to related parties (refer note 44)	384	384
Total	13,409	16,589

Notes forming part of the standalone financial statements

Note 10 - Inventories

(₹ in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
(a) Closing stock of Raw materials	1,692	1,230
(b) Land, plots and construction work-in-progress	82,844	80,278
(c) Completed Finished Properties	3,136	1,648
Total	87,672	83,156

Note 11 - Investments : Current

(₹ in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Investments in Mutual Funds (Fair value through Statement of profit and loss)	14	430
Investments in Equity Instruments (Fair value through Statement of profit and loss) Quoted		
13,200 (March 31, 2017 - 13,200) Equity Shares of ₹10 each - Vijaya Bank	7	9
Total	21	439
Aggregate market value of quoted investments	7	9
Aggregate amount of unquoted investments	14	430
Catagorywise investments		
(a) Investment measured at fair value through profit and loss	21	439
(b) Investment measured at fair value through other comprehensive income	-	-
(c) Investment measured at cost	-	-
Investments - measured at fair value through statement of profit and loss :		
(a) Mutual Funds	14	430
(b) Equity Shares	7	9

Note 12 - Trade receivables

(₹ in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
At amortised cost, Unsecured considered good unless otherwise stated		
Considered good	11,558	11,108
Considered doubtful	-	-
	11,558	11,108
Less : Allowance for credit losses	-	-
Total	11,558	11,108

Note 13 - Cash and Cash Equivalents

(₹ in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
(a) Cash in hand	9	14
(b) Balances with banks		
- In current accounts	2,776	2,424
- Deposit having original maturity of less than 3 months	164	46
Total	2,949	2,484

Notes forming part of the standalone financial statements

Note 14 – Other Balances with Banks

(₹ in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
(a) Balances held as Margin Money/Security towards obtaining Bank Guarantees	51	195
(b) Earmarked accounts		
– Unclaimed dividend	35	35
– Balance held under Escrow accounts	841	563
Total	927	793

Note 15 – Others Financial Assets : Current

(₹ in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Financial assets at amortised cost – (Unsecured, considered good)		
(a) Interest accrued on bank deposits	0	15
(b) Interest on Debentures and loans (Refer Note 44)	1,452	2,339
(c) Maintenance charges recoverable	18	46
(d) Advances to employees	28	30
Total	1,498	2,430

Note 16 – Other Current Assets

(₹ in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
(a) Advances to suppliers	200	–
(b) Balances with government authorities (other than income tax)	766	289
(c) Prepaid Expenses	63	90
(d) Unbilled Revenue	7,332	2,073
Total	8,361	2,452

Note 17 – Equity Share Capital

(₹ in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Authorised:		
149,450,000 Equity shares of ₹ 10/- each	14,945	14,945
(as at March 31, 2017: 149,450,000 equity shares of ₹ 10/- each)		
	14,945	14,945
Issued, Subscribed and Fully Paid:		
75,798,409 Equity shares of ₹ 10/- each	7,580	7,577
(as at March 31, 2017: 75,774,909 equity shares of ₹ 10/- each)		
Total	7,580	7,577

Notes forming part of the standalone financial statements

17A: Terms, rights & restrictions attached to equity shares

The Company has only one class of equity shares having a face value of ₹ 10 per share. Accordingly, all equity shares rank equally with regards to dividends & share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holder of equity shares will be entitled to receive the remaining assets of the Company, after distribution of all preferential amount. The distribution will be in proportion to the number of equity shares held by the shareholders.

17B : Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year

Particulars	As at March 31, 2018		As at March 31, 2017	
	Number of shares	Amount ₹ in Lakhs	Number of shares	Amount ₹ in Lakhs
Shares at the beginning of the year	7,57,74,909	7,577	7,57,74,909	7,577
Issued during the year	23,500	3	-	-
Outstanding at the end of the year	7,57,98,409	7,580	7,57,74,909	7,577

17C: Details of shares held by each shareholder holding more than 5% equity shares:

Particulars	As at March 31, 2018		As at March 31, 2017	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Rajesh Anirudha Patil	1,54,86,031	20.43%	1,54,86,031	20.44%
Naresh Anirudha Patil	1,49,49,148	19.72%	1,49,49,148	19.73%
Milind Digambar Kolte	64,42,156	8.50%	64,42,156	8.50%
Sunita Milind Kolte	55,39,553	7.31%	55,39,553	7.31%
Sunita Rajesh Patil	70,21,861	9.26%	70,21,861	9.27%
Vandana Naresh Patil	70,39,319	9.29%	70,39,319	9.29%
Goldman Sachs India Fund Limited	32,56,579	4.30%	39,79,837	5.25%

17D : Information regarding issue of shares in the last five years:

- The Company has not issued any shares without payment being received in cash.
- The Company has not issued any bonus shares.
- The Company has not undertaken any buy-back of shares.

17E: The Company declares and pays dividend in Indian Rupees. The shareholders at the Annual General Meeting held on September 28, 2017 approved a dividend of ₹ 1.60/- per share for the year ended March 31, 2017 which was subsequently paid during the year ended March 31, 2018. The amount was recognised as distributions to equity shareholders during the year ended March 31, 2018 and the total appropriation was ₹1,212 Lakhs.

A final dividend of ₹2/- per share has been recommended by the Board of Directors in their meeting held on May 23, 2018 for the financial year 2017-18 subject to the approval of shareholders in the ensuing Annual General Meeting.

17F : Refer Note 46 for details relating to stock options

Notes forming part of the standalone financial statements

Note 18 – Other Equity

(₹ in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
(a) Securities premium reserve		
Opening balance	31,778	31,778
Add : Transferred From Share option Outstanding Account on Exercise of Stock Option	16	-
Add : Received on exercise of stock options	31	-
Closing Balance	31,825	31,778
(b) Debenture Redemption Reserve		
Opening balance	4,750	2,392
Add : Transferred from Retained Earnings	-	2,358
Less : Transferred to Retained Earnings on repayment of debentures	(4,750)	-
Closing Balance	-	4,750
(c) Share Option Outstanding Account		
Opening balance	34	24
Add : Amortised Amount of Share Based Payments to Employees (net)	3	10
Less : Transferred to Securities Premium on Exercise of Stock Option	(16)	-
Closing Balance	21	34
(d) Capital Redemption Reserve		
Opening balance	38	38
Add: Additions	-	-
Closing Balance	38	38
(e) General Reserve		
Opening balance	4,382	4,382
Add: Additions	-	-
Closing Balance	4,382	4,382
(f) Retained Earnings		
Opening balance	31,199	26,205
Add : Profit for the year	10,491	8,471
Add : Other Comprehensive Income (Net)	16	29
Add : Transferred from Debenture Redemption reserve on repayment of debentures	4,750	-
Less: Allocations/Appropriations		
Equity Dividend paid (Including Dividend Distribution tax)	(1,212)	(1,148)
Transferred to Debenture Redemption Reserve	-	(2,358)
Closing Balance	45,244	31,199
Total	81,510	72,181

Notes forming part of the standalone financial statements

Note 19 - Borrowings : Non-Current

(₹ in Lakhs)

Particulars	Non - Current		Current	
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
Carried at amortised cost				
Secured				
- Non Convertible Debentures				
Nil (March 31, 2017 - 700) 12.25% Non-Convertible Debentures of ₹1,000,000 each.		-		7,000
Nil (March 31, 2017 - 120) 15% Non-Convertible Debentures of ₹10,000,000 each.		-		12,000
- Loans				
from Banks	22,601	11,293	2,524	400
from Financial Institution	1,169	2,319	2,064	1,833
- Finance Lease Obligation (refer note 38)				
from Banks	75	96	61	71
from Financial Institution	69	7	37	7
	23,914	13,715	4,686	21,311
Amount disclosed under other current financial liabilities (Refer Note 23)		-	(4,686)	(21,311)
Total	23,914	13,715	-	-

Notes:

(i) Non Convertible Debentures

(a) Nil (March 31, 2017 - 700) 12.25% Non-Convertible Debentures of ₹1,000,000/- each fully paid carrying interest at 12.25% p.a.

Name of Debenture Holder	Series	Date of allotment	Number of Debentures	Amount ₹ in Lakhs
Kotak Mahindra Mutual Fund	Series I	December 11, 2014	400	4,000
L & T Housing Finance Limited	Series II	January 16, 2015	300	3,000

Security:

Secured by an way of Mortgage over land and project Assets, Charge on Escrow Account, all Cash flows and Receivables pertaining to the Project ("Receivables").

Notes forming part of the standalone financial statements

(b) Nil (March 31, 2017 -120) 15% Non-Convertible Debentures of ₹10,000,000/- each fully paid carrying interest at 15% p.a.

Name of Debenture Holder	Series	Date of allotment	Number of Debentures	Amount ₹ in Lakhs
IDFC Real Estate Yield Fund	Series III	October 9, 2015	120	12,000

Security:

Secured by Mortgage over land and Project Assets, charge on escrow account and all Cash flows and Receivables pertaining to the Project.

(ii) Term Loan from Banks are secured by :

Mortgage of all rights, interest and title of the borrower, mortgage of current & future receivables in respect of selected projects. Loan will be repayable in 10-30 equal monthly/quarterly instalments starting from the end of principal moratorium.

(iii) Term Loan from others :

Secured by: Exclusive charge by way of RMOE on the projects land, hypothecation of scheduled receivable (both sold and unsold) of Projects, all insurance proceeds both present and future. An Exclusive charge by way of hypothecation on Escrow Account, all monies credited / deposited therein and all investments in respect thereof. Repayment Terms : monthly/quarterly instalments.

(iv) Finance Lease Obligation : March 31, 2018 - ₹243 Lakhs (March 31, 2017 - ₹181 lakhs)

Security : Finance lease obligations are secured by the underlying assets for which loans are obtained

Rate of Interest : The Rate of Loans are between 10 % to 18%

Note 20 - Other Financial Liabilities : Non-Current

(₹ in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Carried at amortised Cost		
(a) Maintenance Deposits	174	100
(b) Financial guarantee contracts	133	191
Total	307	291

Note 21 - Employee benefit obligations : Non Current

(₹ in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Provision for employee benefits (refer note 36)		
Compensated Absences	288	324
Total	288	324

Notes forming part of the standalone financial statements

Note 22 – Trade Payables : Current

(₹ in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Carried at amortised Cost		
Due to Micro, Small and Medium Enterprises (refer note 42)		
Total Outstanding dues other than to Micro Enterprises and Small Enterprises	13,645	11,759
Total	13,645	11,759

Note 23 – Other Financial Liabilities : Current

(₹ in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Carried at amortised Cost		
(a) Current maturities of long-term debt (refer note 19)	4,686	21,311
(b) Interest accrued on borrowings	780	882
(c) Unclaimed dividends	34	35
(d) Advance from Partnership Firm	871	5,177
(e) Security Deposits	48	33
(f) Book Overdraft	-	74
(g) Financial guarantee contracts	35	54
Total	6,454	27,566

Note 24 – Employee benefit obligations : Current

(₹ in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Provision for employee benefits (refer Note 36)		
(i) Gratuity	409	231
(ii) Compensated Absences	57	40
Total	466	271

Note 25 – Other Current Liabilities

(₹ in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
(a) Advance received from customers	22,802	31,326
(b) Advance received from co-developers	1,459	2,484
(c) Advance from related parties (refer note 44)	600	100
(d) Others		
- Statutory Dues (Contribution to PF, ESIC, Withholding taxes, VAT, Service Tax etc.)	176	430
- Others (Stamp duty and registration fees)	251	202
Total	25,288	34,542

Notes forming part of the standalone financial statements

Note 26 – Revenue from Operations

(₹ in Lakhs)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
(a) Sale of Properties/Flats (Residential and Commercial)	63,919	50,645
(b) Sale of Land	3,065	1,852
(c) Project Management Fees	389	453
(d) Other Operating Revenues		
– Profit / (Loss) from Partnership Firms (Net)	(255)	377
– Profit / (Loss) from Limited Liability Partnerships (Net)	(8)	5
Total	67,110	53,332

Note 26 A – Share of profit/(loss) from Partnership Firms & Limited Liability Partnerships

(₹ in Lakhs)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
1. Ankit Enterprises	(253)	379
2. Kolte-Patil Homes	(2)	(2)
3. KP-Rachana Real Estate LLP	317	79
4. Bouvardia Developers LLP	(209)	–
5. KP-SK Project Management LLP	(77)	(41)
6. Carnation Landmarks LLP	–	(5)
7. Regenes Project Management LLP	(39)	(28)
	(263)	382

Note 27 – Other Income

(₹ in Lakhs)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
(a) Interest Income		
(1) On Bank Deposits (at amortised cost)	123	50
(2) On Debentures	2,102	2,263
(3) Others	134	529
(b) Dividend Income from		
(1) Current Investments (Mutual funds)	12	79
(2) Equity Investments (Dividend from subsidiaries)	1,224	1,080
(c) Others		
(1) Rental Income	112	116
(2) Net gain/(loss) arising on financial assets designated as at FVTPL	(5)	–
(3) Sundry Balances Written Back	125	–
(4) Miscellaneous Income	195	222
	4,022	4,339

Notes forming part of the standalone financial statements

Note 28 – Cost of services, construction and land

(₹ in Lakhs)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
(a) Opening stock Including Completed Project Units	81,926	85,996
Sub Total (A)	81,926	85,996
(b) Add: Cost incurred during the year		
Cost of land/ development rights	13,608	4,237
Consumption of material	10,512	9,517
Contract cost, labour and other charges	11,154	11,531
Other construction expenses	8,564	2,263
Personnel costs	1,939	1,848
Sub Total (B)	45,777	29,396
(c) Less : Closing stock including completed projects units (C)	85,980	81,926
Total (A+B-C)	41,723	33,466

Note 29 – Employee Benefit Expenses

(₹ in Lakhs)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
(a) Salaries and wages	2,263	2,206
(b) Contribution to provident and other funds (refer note 36)	407	336
(c) Share based payments to employees	3	10
(d) Staff welfare expenses	33	29
Total	2,706	2,581

Note 30 – Finance Cost

(₹ in Lakhs)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
(a) Interest on:		
Debentures	2,077	2,664
Term Loans	1,981	476
Working Capital Loans	542	1,111
(b) Other borrowing costs	181	32
Total	4,781	4,283

Notes forming part of the standalone financial statements

Note 31 - Other Expenses

(₹ in Lakhs)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
(a) Advertisement, Promotion & Selling Expenses	2,192	1,880
(b) Power & Fuel oil consumed	90	67
(c) Rent including lease rentals	254	385
(d) Repairs and maintenance		
- Buildings	3	15
- Machinery	-	11
- Others	452	278
(e) Insurance	95	85
(f) Rates and Taxes	228	287
(g) Communication	51	58
(h) Travelling and Conveyance	191	142
(i) Printing & Stationery	67	49
(j) Legal and professional fees	536	336
(k) Payment to Auditors (refer note 34)	56	81
(l) Expenditure on Corporate Social Responsibility (refer note 45)	32	109
(m) Loss on disposal/written off of Property, Plant and Equipment	32	-
(n) Impairment losses on Financial assets	938	-
(o) Bad Debt Written off	-	144
(p) Miscellaneous Expenses	508	447
Total	5,725	4,374

Note 32. Particulars of loans given/guarantees given, as required by clause (4) of Section 186 of the Companies Act, 2013

(₹ in Lakhs)

Name of the party	Nature	As at March 31, 2018	As at March 31, 2017	Period	Rate of Interest	Purposes
Kolte-Patil Redevelopment Private Limited	Loan	318	246	Repayable on Demand	14%	General corporate loan
PNP Agrotech Private Limited	Loan	340	207	Repayable on Demand	14%	General corporate loan
Total		658	453			
Kolte-Patil I-Ven Townships (Pune) Limited	Corporate Guarantee	20,000	21,500	NA	NA	Working Capital Facility
Kolte-Patil Real Estate Private Limited	Corporate Guarantee	2,000	2,000	NA	NA	General Corporate Loan
Total		22,000	23,500			

Notes forming part of the standalone financial statements

Note 33 - Contingent liabilities (to the extent not provided for)

(₹ in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
(1) Claims against the Company not acknowledged as debt *		
(a) Claims not acknowledged as debts represent cases filed in Civil Court and High Court.	2,622	2,135
(b) Claims in respect of Income Tax matters (pending in Appeal).	626	1,412
(c) Claims in respect of Value Added Tax	-	43
(2) Corporate Guarantees given issued by the Company on behalf of Subsidiaries** (Refer Note 32)	22,000	23,500
Total	25,248	26,820

*in the opinion of the management the above claims are not sustainable and the Company does not expect any outflow of economic resources in respect of above claims and therefore no provision is made in respect thereof.

**The Company does not expect any outflow of resources in respect of the Guarantees issued.

Note 34 - Auditors Remuneration (net of service tax/GST) towards

(₹ in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Audit Fees including fees for quarterly limited reviews	50	50
Other services	5	30
Reimbursement of expenses	1	1
Total	56	81

Note 35 - Disclosure as required by Guidance Note on Accounting for Real Estate Transactions

(₹ in Lakhs)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
- Project revenue recognised as revenue for the year ended 31 st March	63,919	50,645
- Methods used to determine the project revenue	Percentage of completion	Percentage of completion
- Method used to determine the stage of completion of the Project	% of actual cost to budgeted cost	% of actual cost to budgeted cost
- Aggregate amount of costs incurred and profits recognised to date as at 31 March	329,591	244,084
- Advances received as at 31 March	23,402	31,426
- Amount of work in progress & finished goods as at 31 March	85,980	81,926
- Amount of Construction Materials as at 31 March	1,692	1,230
- Excess of revenue recognised over actual bills raised (Unbilled revenue as at 31 March)	7,332	2,073

Notes forming part of the standalone financial statements

Note 36 – Employee Benefits

The details of employee benefits as required under Ind AS 19 ‘Employee Benefits’ is given below

(A) Defined Contribution Plan:

The Company contributes to provident fund and employee state insurance scheme which are defined contribution plans.

Amount recognized as an expense in the Statement of Profit and Loss in respect of Defined Contribution Plans to Provident fund is ₹199 lakhs (Previous Year – ₹211 lakhs) and Employee State Insurance Scheme is ₹10 lakhs (Previous Year – ₹5 lakhs).

(B) Defined benefit plan:

Gratuity is a defined benefit plan covering eligible employees. The plan provides for a lump sum payment to vested employees on retirement, death while in employment or termination of employment of an amount equivalent to 15 days salary for each completed year of service. Vesting occurs on completion of five years of service.

Disclosure as required under Ind AS 19 on “Employee Benefits” in respect of defined benefit plan is as under:

i. The amount included in the balance sheet arising from the entity's obligation in respect of its defined benefit plans is as follows:

(₹ in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Present value of funded defined benefit obligation	(631)	(444)
Fair value of plan assets	222	213
Funded status	(409)	(231)
Restrictions on asset recognized	–	–
Others	–	–
Net liability arising from defined benefit obligation	(409)	(231)

ii. Movement in the present value of defined obligation (DBO) during the year representing reconciliation of opening and closing balances thereof are as follows:

(₹ in Lakhs)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Present value of benefit obligation at the beginning of the year	444	401
Current service cost	89	92
Past Service Cost	115	–
Interest cost	31	31
Transfer In/(Out)	4	–
Re-measurements on obligation [Actuarial (Gain) / Loss] :		
Actuarial (Gains)/ Losses arising from changes in demographic assumption	–	–
Actuarial (Gains)/ Losses arising from changes in financial assumption	16	5
Actuarial (Gains)/ Losses arising from changes in experience adjustment	(41)	(47)
Benefits paid	(27)	(38)
Present value of Defined Benefit Obligation as at end of the year.	631	444

Notes forming part of the standalone financial statements

iii. Changes in the fair value of plan assets during the year representing reconciliation of opening and closing balances thereof are as follows

(₹ in Lakhs)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Fair value of Plan Assets at the beginning of the year	213	204
Interest income	36	17
Contributions from the employer	2	40
Re-measurement Gain / (Loss) :		
Return on plan assets, excluding amount recognized in Interest Income - Gain / (Loss)	-	(3)
Mortality Charges & Taxes	(2)	(2)
Benefits paid	(27)	(38)
Amount paid on settlement	-	(5)
Fair value of Plan assets as on the end of the year	222	213
Actual Returns on Plan Assets	16	19

iv. Analysis of Defined Benefit Obligations

(₹ in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Defined benefit obligations as at 31 st March	(631)	(444)
Fair value of plan assets as at 31 st March	222	213
Net Asset/(Liability) recognized in Balance sheet	(409)	(231)

v. In respect of Funded Benefits with respect to gratuity, the fair value of Plan assets represents the amounts invested through "Insurer Managed Funds"

vi. Expenses recognized in the statement of profit and loss

(₹ in Lakhs)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Current service cost	89	92
Past Service Cost	115	-
Net Interest expense	(5)	14
Components of defined benefit costs recognised in profit or loss	199	106

Notes forming part of the standalone financial statements

vii. Amount recognised in statement of Other Comprehensive Income

(₹ in Lakhs)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Actuarial (Gain)/Loss		
(i) arising from changes in demographic assumption	-	-
(ii) arising from changes in financial assumption	14	5
(iii) arising from changes in experience assumption	(39)	(50)
Total amount recognised in the statement of other comprehensive income	(25)	(45)

viii. Actual Contribution and benefit payments for the year

(₹ in Lakhs)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Actual benefit paid directly by the company	-	-
Actual contributions	2	40

ix. Principal Actuarial Assumptions for gratuity

(₹ in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Discount Rate	7.20%	7.20%
Expected Rate of Increase in compensation levels	9.00%	9.00%
Expected Rate of Return on Plan Assets	7.20%	8.10%
Expected Average Remaining working lives of employees (Years)	15.91	15.97
Mortality Rate	IALM (2006-08) ult	IALM (2006-08) ult
Withdrawal Rate	3%	3%

- The discount rate is based upon the market yields available on Government bonds at the accounting date with a term that matches that of the liabilities.
- Expected Rate of Return of Plan Assets: This is based on the expectation of the average long term rate of return expected on investments of the Fund during the estimated term of obligations.
- Salary Escalation Rate: The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.
- Withdrawal Rate: It is the expected employee turnover rate and should be based on the company's past attrition experience and future withdrawal expectations.

Notes forming part of the standalone financial statements

x. Disclosure related to indication of effect of the defined benefit plan on the entity's future cash flows: Expected benefit payments for the year ending:

(₹ in Lakhs)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
March 31, 2018	-	24
March 31, 2019	95	25
March 31, 2020	19	18
March 31, 2021	41	32
March 31, 2022	30	31
March 31, 2023	58	-
March 31, 2023 to March 31, 2027	-	358
March 31, 2024 to March 31, 2028	434	-

Weighted Average duration of defined benefit obligation: 15.35 Years (Previous Year: 14.21 Years)

xi. Sensitivity analysis: A quantitative sensitivity analysis for significant assumption is as shown below:

(₹ in Lakhs)

Effect on Defined Benefit Obligation on account of 1% change in the assumed rates:						
DBO Rates Types	Discount Rate		Salary Escalation Rate		Withdrawal Rate	
Year	1% Increase	1% Decrease	1% Increase	1% Decrease	1% Increase	1% Decrease
March 31, 2018	571	701	683	585	629	633
March 31, 2017	395	500	479	410	445	442

The sensitivity results above determine their individual impact on Plan's end of year Defined Benefit Obligation. In reality, the plan is subject to multiple external experience items which may move the defined Benefit Obligation in similar or opposite directions, while the Plan's sensitivity to such changes can vary over time.

xii. Employee benefit plans

The plans typically expose the company to the actuarial risks such as: investments risk, interest risks, longevity risk and salary risk

Investment risk	The present value of the defined benefit plan liability (denominated in Indian Rupee) is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.
Interest risk	A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.
Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

No other post-retirement benefits are provided to these employees.

In respect of the plan, the most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out as at March 31, 2018 by Ranadey Professional Services, Fellow of the Institute of Actuaries of India. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

Notes forming part of the standalone financial statements

Note 37 – Segment Information

The Company is engaged in Real Estate. The operations of the company do not qualify for reporting as business segments as per the criteria set out under Indian Accounting Standard 108 (IND AS-108) on “Operating Segments”. The Company is operating in India hence there is no reportable geographic segment. Accordingly no disclosure is required under IND AS – 108.

Note 38 – Leases

1. Operating leases:

Where the Company is Lessee:

The Company has entered into operating lease arrangements for certain facilities and office premises. The leases range over a period of 2 years to 5 years and may be renewed for a further period based on mutual agreement of the parties.

Expenses for operating leases included in the Statement of Profit and Loss for the year is ₹254 lakhs [Previous Year – ₹385 Lakhs].

The future minimum lease payments under non-cancellable operating lease

(₹ in Lakhs)		
Particulars	As at March 31, 2018	As at March 31, 2017
Not later than one year	69	12
Later than one year but not later than five years	13	-

Where the Company is Lessor:

The Company has entered into operating lease arrangements for certain surplus facilities. The leases are cancellable.

Rental income from operating leases included in the Statement of Profit and Loss for the year is ₹112 lakhs [Previous Year – ₹116 lakhs].

2. Finance Leases:

The Company has taken vehicles on finance lease. The future lease rent payable on such vehicles taken on finance lease are as follows:

(₹ in Lakhs)		
Particulars	As at March 31, 2018	As at March 31, 2017
Minimum lease payments		
Not later than one year	115	92
Later than one year but not later than five years	154	112
Present value of minimum lease payments		
Not later than one year	98	78
Later than one year but not later than five years	144	103

Notes forming part of the standalone financial statements

Note 39 – Earnings per share

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Net Profit attributable to shareholders (₹in Lakhs)	10,491	8,471
Nominal value of equity shares – (₹)	10	10
Weighted average number of equity shares for basic and diluted EPS (₹in Lakhs)	758	758
Basic and Diluted earnings per share – (₹)	13.84	11.18

Note 40 – Financial Instruments

I) Capital Management

The company's capital management objectives are:

- to ensure the company's ability to continue as a going concern.
- to maximize the return to stakeholders through the optimization of the debt and equity balance.

The company monitors capital on the basis of the carrying amount of equity as presented on the face of the statement of financial position. The company sets the amount of capital in proportion to its overall financing structure, i.e. equity and financial liabilities. 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.

a) Gearing Ratio:

The Gearing ratio at the end of the reporting period are as follows:

(₹ in Lakhs)		
Particulars	As at March 31, 2018	As at March 31, 2017
Debt* (A)	29,380	35,908
Cash and bank balances (B)	3,876	3,277
Net Debt C=(A-B)	25,504	32,631
Total Equity (D)	89,090	79,758
Net debt to equity ratio (C/D)	29%	41%

*Debt is defined as long-term and short-term borrowings including interest accrued on borrowings

b) The carrying value of financial instruments by categories as of March 31, 2018 is as follows:

(₹ in Lakhs)				
Particulars	Fair value through P&L	Fair value through OCI	Amortised cost	Total carrying value
Assets:				
Cash and cash equivalents	–	–	2,949	2,949
Other balances with banks	–	–	927	927
Trade receivables			11,558	11,558
Investments (Other than investment in equity instruments of Subsidiaries)	14,230	–	–	14,230
Loans	–	–	658	658
Other financial assets	–	–	6,985	7,139
Total	14,230		23,077	37,307

Notes forming part of the standalone financial statements

(₹ in Lakhs)

Particulars	Fair value through P&L	Fair value through OCI	Amortised cost	Total carrying value
Liabilities:				
Trade and other payables	-	-	14,536	14,536
Borrowings-Debtentures issued	-	-	-	-
Other borrowings	-	-	28,600	28,600
Other financial liabilities	-	-	2,075	2,075
Total	-	-	45,211	45,211

The carrying value of financial instruments by categories as of March 31, 2017 is as follows:

(₹ in Lakhs)

Particulars	Fair value through P&L	Fair value through OCI	Amortised cost	Total carrying value
Assets:				
Cash and cash equivalents	-	-	2,484	2,484
Other balances with banks	-	-	793	793
Trade receivables	-	-	11,108	11,108
Investments (Other than investment in equity instruments of Subsidiaries)	16,751	-	-	16,751
Loans	-	-	453	453
Other financial assets	-	-	20,698	20,698
Total	16,751	-	35,536	52,287
Liabilities:				
Trade and other payables	-	-	12,200	12,200
Borrowings – Debtentures	-	-	19,000	19,000
Other borrowings	-	-	16,026	16,026
Other financial liabilities	-	-	6,546	6,546
Total	-	-	53,772	53,772

II) Financial risk management objectives

In the course of its business, the Company is exposed primarily to fluctuations in interest rates, equity prices, liquidity and credit risk, which may adversely impact the fair value of its financial instruments. The Company assesses the unpredictability of the financial environment and seeks to mitigate potential adverse effects on the financial performance of the Company.

III) Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk such as equity price risk and commodity price risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. Future specific market movements cannot be normally predicted with reasonable accuracy.

Currency risk: The Company does not have material foreign currency transactions. The company is not exposed to risk of change in foreign currency.

Notes forming part of the standalone financial statements

Note 40 - Financial Instruments (Contd.)

Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to the risk of changes in market interest rates as the Company does not have any long-term debt obligations with floating interest rates.

Other price risk:

The Company is not exposed to equity price risks arising from equity investments. Equity investments are held for strategic rather than trading purposes. The Company does not actively trade these investments.

IV) Interest risk management

The Company's interest rate exposure is mainly related to debt obligations. The Company obtains debt to manage the liquidity and fund requirements for its day to day operations. The rate of interest is fixed and thus there is no risk of interest rates fluctuating.

V) Credit risk management

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit.

Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, unbilled revenue, investments, derivative financial instruments, cash and cash equivalents, bank deposits and other financial assets. None of the financial instruments of the Company result in material concentration of credit risk.

VI) Liquidity risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The table below provides details regarding the contractual maturities of financial liabilities, including estimated interest payments as at March 31, 2018:

(₹ in Lakhs)

Financial liabilities	Carrying amount	Due in one Year	Due after one Year	Total contractual cash flows
(a) Trade payables				
-March 31, 2018	14,576	13,645	891	14,576
-March 31, 2017	12,200	11,759	441	12,200
(b) Borrowings and interest thereon				
-March 31, 2018	29,380	5,466	23,914	29,380
-March 31, 2017	35,908	22,193	13,715	35,908
(c) Other financial liabilities				
-March 31, 2018	1,295	988	307	1,295
-March 31, 2017	5,664	5,373	291	5,664
Total				
-March 31, 2018	45,211	20,099	25,112	45,211
-March 31, 2017	53,772	39,325	14,447	53,772

Notes forming part of the standalone financial statements

Note 40 – Financial Instruments (Contd.)

VII) Fair value disclosures

Level 1 – Quoted prices (Unadjusted) in active markets for identical assets & liabilities.

Level 2 – Inputs other than quoted prices included within level 1 that are observable for the asset & liability, either directly (i.e. prices) or indirectly (i.e. derived from prices).

Level 3 – Inputs for the assets or liabilities that are not based on observable market data (Unobservable inputs).

The following table summarizes financial assets and liabilities measured at fair value on a recurring basis

(₹ in Lakhs)

Particulars	Fair value as at		Fair value hierarchy
	March 31, 2018	March 31, 2017	
Financial assets			
Mutual Funds	14	430	Level 1
Equity Shares	7	9	Level 1
Debentures	10,914	13,017	Level 2
Preference Shares	3,295	3,295	Level 2
Financial Liabilities	-	-	-

The following table summarizes fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required).

(₹ in Lakhs)

Particulars	Fair value as at		Hierarchy
	March 31, 2018	March 31, 2017	
Financial assets			
Trade and other receivables	22,419	35,083	Level 2
Investments	10,876	10,926	Level 2
Loans	658	453	Level 2
Financial Liabilities			
Debentures – Unlisted	-	19,000	Level 2
Borrowing from banks and others	28,600	16,026	Level 2
Trade and other payables	16,611	18,746	Level 2

Note 41 – Current tax and Deferred tax

The income tax expense can be reconciled to the accounting profit as follows:

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2018	March 31, 2017
Profit Before tax	15,552	12,345
Enacted tax rate	34.608%	34.608%
Income tax calculated at enacted rate	5,382	4,272
Tax effect of income that is exempt from tax	(337)	(833)
Tax effect of expenses not deductible in determining tax profit	16	435
Income tax expense recognized in profit and loss	5,061	3,874

The tax rate used for the above reconciliation is the rate as applicable for the respective period payable by the entities in India on taxable profits under India tax laws.

Notes forming part of the standalone financial statements

Note 42 – Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (₹ in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	–	–
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	–	–
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	–	–
(iv) The amount of interest due and payable for the year	–	–
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	–	–
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	–	–

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditor.

Note 43 – Disclosure as per regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015

Loans and advances in the nature of loans given to subsidiaries in which directors are interested:

Name of the party	(₹ in Lakhs)			
	Amount outstanding		Maximum balance outstanding during the year	
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
Kolte-Patil Redevelopment Private Ltd.	318	246	390	292
PNP Agrotech Private Limited	340	207	398	227

Note 44 – Related Party Transactions:

A. List of Related Parties

Related Parties are classified as:

i. Subsidiaries

1. Kolte-Patil Real Estate Private Limited
2. Tuscan Real Estate Private Limited
3. Bellflower Properties Private Limited
4. Snowflower Properties Private Limited
5. Sylvan Acres Realty Private Limited
6. Regenesi Facility Management Company Private Limited
7. Kolte-Patil Redevelopment Private Limited (Formerly known as PNP Retail Private Limited)

Notes forming part of the standalone financial statements

Note 44 – Related Party Transactions: (Contd.)

8. PNP Agrotech Private Limited
9. Kolte-Patil I-Ven Townships (Pune) Limited
10. Ankit Enterprises
11. Kolte-Patil Homes
12. KP-Rachana Real Estate LLP
13. Sanjivani Integrated Township LLP (upto December 05th 2017)
14. Bouvardia Developers LLP
15. KP-SK Project Management LLP
16. Carnation Landmarks LLP
17. Regenesys Project Management LLP

ii. Key Management Personnel and their relatives

1. Rajesh Patil
2. Naresh Patil
3. Milind Kolte
4. Sunita Kolte
5. Sunita Patil
6. Vandana Patil
7. Gopal Sarda
8. Atul Bohra
9. Vinod Patil
10. Nirmal Kolte
11. Yashvardhan Patil
12. Harshavardhan Patil
13. Sudhir Kolte
14. Ankita Patil

iii. Entities over which Key Management Personnel and their relatives are able to exercise significant influence

1. Anisha Education Society

Notes forming part of the standalone financial statements

Note 44 - Related Party Transactions: (Contd.)

B. Related Party Transactions and Balance Outstanding

I. Transactions during the year:

(₹ in Lakhs)

Type of transactions	Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Investment made in Debentures	Tuscan Real Estate Private Limited	-	452
Redemption of Investment in Debentures	Tuscan Real Estate Private Limited	1,653	923
	Snowflower properties Private Limited	450	-
Investments made in equity shares	Bellflower Properties Private Limited	-	1,253
Loans given	PNP Agrotech Private Limited	133	122
	Kolte-Patil Redevelopment Private Limited	72	91
Loans received back	Kolte-Patil Redevelopment Private Limited	-	100
Guarantee Premium Given	Kolte-Patil I-Ven Townships (Pune) Limited	-	200
Investment through current balance in partnership firms/ LLP's	Ankit Enterprises	9,379	5,165
	Kolte-Patil Homes	44	24
	Regenesi Project Management LLP	138	203
	KP-Rachana Real Estate LLP	324	122
	Bouvardia Developers LLP	56	2,912
	Carnation Landmarks LLP	1,818	165
	KP-SK Project Management LLP	263	87
	Sanjivani Integrated Township LLP	851	529
Withdrawal through current balance in partnership firms/ LLP's	Ankit Enterprises	5,100	3,451
	Kolte-Patil Homes	19	11
	Regenesi Project Management LLP	41	39
	KP-Rachana Real Estate LLP	296	342
	Bouvardia Developers LLP	10,182	734
	Carnation Landmarks LLP	574	151
	KP-SK Project Management LLP	78	49
	Sanjivani Integrated Township LLP	5,446	1
Income from Project Management fees	Bellflower Properties Private Limited	64	79
	Kolte-Patil Real Estate Private Limited	53	88
	Kolte-Patil I-Ven Townships (Pune) Limited	265	253
	Tuscan Real Estate Private Limited	7	33
Interest income on Debentures	Tuscan Real Estate Private Limited	154	286
	Kolte-Patil I-Ven Townships (Pune) Limited	1,468	1,497
	Snowflower Properties Private Ltd	480	480
Dividend paid on equity shares	Rajesh Patil	248	232
	Naresh Patil	240	224
	Milind Kolte	103	97
	Sunita Kolte	89	83
	Sunita Patil	112	105
	Vandana Patil	113	106
	Ankita Patil	0	0

Notes forming part of the standalone financial statements

Note 44 – Related Party Transactions: (Contd.)

B. Related Party Transactions and Balance Outstanding

I. Transactions during the year:

(₹ in Lakhs)

Type of transactions	Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Guarantee Premium income	Kolte-Patil I-Ven Townships (Pune) Limited	68	79
	Kolte-Patil Real Estate Private Limited	8	8
Reimbursements	Bellflower Properties Private Limited	4	-
	Kolte-Patil I-Ven Townships (Pune) Limited	24	-
	Kolte-Patil Real Estate Private Limited	13	-
	KP-Rachana Real Estate LLP	1	-
	Snowflower properties Private Limited	10	-
	Tuscan Real Estate Private Limited	8	-
	Regenesi Facility Management Company Private Limited	2	-
	Ankit Enterprises	2	-
	Regenesi Project Management LLP	0	-
Advance received for sale of commercial properties	Bellflower Properties Private Limited	500	-
Share of Profit from Firms/ LLP	Ankit Enterprises	-	379
	KP-Rachana Real Estate LLP	317	79
Share of loss from Firms/ LLP	KP-SK Project Management LLP	77	41
	Ankit Enterprises	253	-
	Bouvardia Developers LLP	209	-
	Kolte-Patil Homes	2	2
	Regenesi Project Management LLP	39	28
	Carnation Landmark LLP	-	5
Dividend Received	Kolte-Patil Real Estate Private Limited	511	1,080
	Tuscan Real estate Private Limited	712	-
Expenditure on Corporate Social Responsibility	Anisha Education Society	30	105
Remuneration to Key managerial personnel ##	Rajesh Patil	103	101
	Naresh Patil	100	100
	Milind Kolte	100	100
	Gopal Sarda	333	99
	Atul Bohra	59	50
	Vinod Patil	37	32
	Nirmal Kolte	35	-
	Yashvardhan Patil	16	-
	Harshavardhan Patil	18	-
Sale of Flats (as computed under percentage of completion method) #	Milind Kolte	146	-
	Gopal Sarda	107	-

Notes forming part of the standalone financial statements

Note 44 - Related Party Transactions: (Contd.)

B. Related Party Transactions and Balance Outstanding

I. Transactions during the year:

(₹ in Lakhs)

Type of transactions	Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Interest on Capital Invested	Sanjivani Integrated Township LLP	-	449
Interest on Inter Corporate Deposits	Kolte-Patil Redevelopment Private Limited	46	34
	PNP Agrotech Private Limited	44	21

Milind Kolte and Gopal Sarda have entered into an agreement with the company to purchase of properties in Atria Project on 3rd August 2015 and Jai Vijay Project on 31st March 2017 whose agreement value is ₹385 lakhs and ₹175 lakhs respectively.

Remuneration to Key managerial Personnel

(₹ in Lakhs)

Particulars	Short Term Benefits	Post-Employment Benefits	Long-term Employee benefits	Perquisite value of Employee Stock options
Rajesh Patil	97	6	-	-
	(94)	(6)	(-)	(-)
Naresh Patil	94	6	-	-
	(94)	(6)	(-)	(-)
Milind Kolte	94	6	-	-
	(94)	(6)	(-)	(-)
Gopal Sarda	333	-	-	-
	(99)	(-)	(-)	(-)
Atul Bohra	59	0	-	-
	(50)	(0)	(-)	(-)
Vinod Patil	37	0	-	-
	(32)	(0)	(-)	(-)
Nirmal Kolte	33	2	-	-
	(-)	(-)	(-)	(-)
Yashvardhan Patil	15	1	-	-
	(-)	(-)	(-)	(-)
Harshavardhan Patil	18	0	-	-
	(-)	(-)	(-)	(-)

doesn't include the provision for Gratuity and Leave Encashment as these are provided at the company level. Previous year figures are in Brackets.

Notes forming part of the standalone financial statements

Note 44 – Related Party Transactions: (Contd.)

II. Balances at year end:

(₹ in Lakhs)

Type of transactions	Particulars	As at March 31, 2018	As at March 31, 2017
Trade Receivables (Project Management Fees)	Kolte-Patil Real Estate Private Limited	60	90
	Kolte-Patil I-Ven Townships (Pune) Limited	1232	952
	Tuscan Real Estate Private Limited	83	76
	Bellflower Properties Private Limited	84	16
Advances given for land purchase	Milind Kolte	278	278
	Nirmal Kolte	106	106
Trade Receivable (Sale of Flats - as computed under percentage of completion method)	Milind Kolte	91	-
Advance received from customer (Sale of Flats - as computed under percentage of completion method)	Gopal Sarda	1	7
	Milind Kolte	-	55
Advances received for land purchase	Kolte-Patil I-Ven Townships (Pune) Limited	100	100
Advance Received for Purchase of Office Space	Bellflower Properties Private Limited	500	-
Interest Receivable	Tuscan Real Estate Private Limited	-	58
	Kolte-Patil I-Ven Townships (Pune) Limited	1,321	1,347
	PNP Agrotech Private Limited	59	19
	Kolte-Patil Redevelopment Private Limited	72	31
	Snowflower Properties Private Limited	-	424
	Sanjivani Integrated Township LLP	-	449
Interest Payable	Sylvan Acres Private Limited	663	770
Loans / Advances Given	PNP Agrotech Private Limited	340	207
	Kolte-Patil Redevelopment Private Limited	318	246
Investments in Equity Share	Tuscan Real Estate Private Limited	51	51
	Bellflower Properties Private Limited	1,303	1,303
	Kolte-Patil Real Estate Private Limited	5398	5,398
	Kolte-Patil Redevelopment Private Limited	768	768
	PNP Agrotech Private Limited	933	933
	Sylvan Acres Realty Private Limited	826	826
	Regenesis Facility Management Company Private Limited	2	2
	Snowflower Properties Pvt. Ltd.	5	5
	Kolte-Patil I-Ven Townships (Pune) Limited	800	800

Notes forming part of the standalone financial statements

Note 44 - Related Party Transactions: (Contd.)

II. Balances at year end:

(₹ in Lakhs)

Type of transactions	Particulars	As at March 31, 2018	As at March 31, 2017
Investments in Preference share	Kolte-Patil I-Ven Townships (Pune) Limited	3,295	3,295
Investment in Debentures	Tuscan Real Estate Private Limited	-	1,653
	Kolte-Patil I-Ven Townships (Pune) Ltd	8,163	8,163
	Snowflower Properties Private Limited	2,751	3,201
Investment in Partnership & Limited Liability Partnerships (Fixed Capital and Current Capital)	KP-Rachana Real Estate LLP	324	302
	Sanjivani Integrated Township LLP	-	4,641
	Bouvardia Developers LLP	727	10,858
	Carnation Landmark LLP	1,869	630
	Regenesi Project Management LLP	461	354
	KP-SK Project Management LLP	442	257
Advance from Partnership & Limited Liability Partnerships	Kolte-Patil Homes	773	798
	Ankit Enterprises	98	4,379
Receivable towards Reimbursement	Bellflower Properties Private Limited	0	-
	Kolte-Patil I-Ven Townships (Pune) Limited	8	-
	Kolte-Patil Real Estate Private Limited	2	-
	KP-Rachana Real Estate LLP	0	-
	Snowflower properties Private Limited	2	-
	Tuscan Real Estate Private Limited	1	-
	Regenesi Facility Management Company Private Limited	2	-
	Ankit Enterprises	2	-
	Regenesi Project Management LLP	0	-
Financial Guarantee contracts	Kolte-Patil Real Estate Private Limited	2	12
	Kolte-Patil I-Ven Townships (Pune) Limited	166	133

Note 45 - Details of CSR expenditure

- Gross amount required to be spend by the Company during the year is ₹127 lakhs (Previous Year ₹76 lakhs).
- Amount spend during the year ₹ 32 Lakhs (Previous year ₹109 Lakhs).

Note 46 - Employee stock option scheme

Employee stock option scheme (ESOS 2014)

The Company has instituted 'Employee Stock Option Scheme 2014' (ESOS 2014) for eligible employees of the Company. The vesting pattern of the schemes has been provided below. The options can be exercised over a period of 1 to 3 years from the date of grant. Each option carries with it the right to purchase one equity share of the Company at the exercise price determined by the Nomination and remuneration Committee at the time of grant.

The vesting period of the above mentioned ESOS Schemes is as follows –

Service period from date of grant	Vesting percentage of options
12 months	25%
24 months	35%
36 months	40%

Notes forming part of the standalone financial statements

The options under this Scheme vest over a period of 1 to 3 years from the date of the grant. Upon vesting, employees have 3 to 5 years (as per plan) to exercise the options.

The exercise period shall commence from the date of vesting of option and expire not later than 12 (Twelve) months from the vesting date of option. Options not exercised during any particular exercise period, can be carried forward to the subsequent exercise period(s), provided however that all the Options, have to be exercised within a period of 2 years from the date of the vesting period in respect of the final lot, after which any unexercised Options will lapse.

i. Details of activity of the ESOP schemes : Movement for the year ended March 31, 2018 and year ended March 31, 2017:

ESOP Scheme	Particulars	Year ended	Outstanding at the beginning of the year	Granted during the year	Forfeited during the year	Lapsed during the year	Exercised during the year	Outstanding at the end of the year	Exercisable at the end of the year
ESOS 2014	Number of options	March 31, 2018	50,000	-	-	-	23,500	26,500	26,500
	Weighted average exercise price	March 31, 2018	142	-	-	-	141	142	142
	Number of options	March 31, 2017	50,000	-	-	-	-	50,000	30,000
	Weighted average exercise price	March 31, 2017	142	-	-	-	-	142	142

ii. Information in respect of options outstanding:

ESOP Scheme	Exercise price	As at March 31, 2018		As at March 31, 2017	
		Number of Options Outstanding	Weighted average remaining life (in Years)	Number of Options Outstanding	Weighted average remaining life (in Years)
ESOS 2014	141	16,500	0 - 1.74	40,000	0.73 - 2.74
	145	10,000	0 - 1.74	10,000	0.73 - 2.74

iii. The employee stock option cost for the Employee Stock Option Scheme 2014 has been computed by reference to the fair value of share options granted and amortized over each vesting period. For the year ended March 31, 2018 the Company has accounted for employee stock Option cost (equity settled) amounting to ₹3 lakhs (March 31, 2017: ₹10 lakhs).

iv. The fair value of each option is estimated on the date of grant based on the following assumptions (on weighted average basis):

Particulars	For the year ended	
	March 31, 2018	March 31, 2017
Weighted average share price	247	168
Exercise price	141 and 145	141 and 145
Expected Volatility (%)	69.36% - 71.14%	69.36% - 71.14%
Expected life	1 year from the date of vesting	1 year from the date of vesting
Expected dividend (%)	2%	2%
Risk free interest rate (%)	7.70% - 8.50%	7.70% - 8.50%

Notes forming part of the standalone financial statements

The amount of the expense is based on the fair value of the employee stock options and is calculated using a Binomial Lattice valuation model. A lattice model produces estimates of fair value based on assumed changes in share prices over successive periods of time. The Binomial Lattice model allows for at least two possible price movements in each subsequent time period.

The Hull-White model (HW-model) is an extension of the Binomial Lattice model. It models the early exercise behavior of employees by assuming that exercise takes place whenever the stock price reaches a certain multiple M of the strike price X when the option has vested. The Black and Scholes valuation model has been used for computing the weighted average fair value.

Note 47 - The Company seized as a partner From Sanjivani Integrated Township LLP with effect from December 5, 2017.

Note 48 - The Board of Directors of the Company in their meeting held on December 27, 2017 has approved the Scheme of Merger by absorption under applicable provisions of the Companies Act, 2013 of Bellflower Properties Limited (wholly owned subsidiaries of the Company) with the Company. The Appointed date of the Scheme is April 1, 2017. Further, both the companies have filed the scheme of merger before the National Company Law Tribunal Mumbai Bench on April 25, 2018 and waiting for their approval.

As the scheme of merger not consummated, effect of the said scheme is not given in these financial statements.

Note 49 - The financial statements for the year ended March 31, 2018 were approved by the Board of Directors and authorized for issue on May 23, 2018.

For and on behalf of the Board of Directors

Rajesh Patil

Chairman & Managing Director
(DIN:00381866)

Atul Bohra

Chief Financial Officer

Place: Pune

Date: May 23, 2018

Milind Kolte

Executive Director
(DIN:00170760)

Vinod Patil

Company Secretary

Gopal Sarda

Chief Executive Officer

Independent Auditors' Report

To
The Members of
KOLTE-PATIL DEVELOPERS LIMITED

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of Kolte-Patil Developers Limited (hereinafter referred to as the "Parent") and its subsidiaries (the parent and its subsidiaries together referred to as "the Group"), comprising the Consolidated Balance Sheet as at 31st March, 2018, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Cash Flow Statement, the Consolidated Statement of Changes in Equity, for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Parent's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are

free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Parent, as aforesaid.

Auditor's Responsibility

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

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of the other auditors on separate financial statements/financial information of the subsidiaries referred to below in the Other Matter paragraph, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Ind AS and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March, 2018, and their consolidated profit, consolidated total comprehensive income, their consolidated cash flows and consolidated statement of changes in equity for the year ended on that date.

Other Matter

We did not audit the financial statements/financial information of 13 subsidiaries, whose financial statements/financial information reflect total assets of ₹27,533 Lakhs as at 31st March, 2018, total revenues of ₹25,778 Lakhs and net cash outflows amounting to ₹76 Lakhs for the year ended on that date, as considered in the consolidated Ind AS financial statements. These financial statements/financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

Our opinion on the consolidated Ind AS financial statements above, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of the report of the other auditors on separate financial statements and the

other financial information of subsidiaries companies incorporated in India, referred in the Other Matter paragraph above we report, to the extent applicable, that:

- (a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements.
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.
- (d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors of the Parent as on 31st March, 2018 taken on record by the Board of Directors of the Parent and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31st March 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A", which is based on the auditors' reports of the Parent and subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the

adequacy and operating effectiveness of internal financial controls over financial reporting of the Parent and subsidiary companies incorporated in India.

(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 Auditor's) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

- i. The consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group. Refer note 36 to the consolidated Ind AS financial statements.
- ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent and its subsidiary companies incorporated in India.

For DELOITTE HASKINS & SELLS LLP

Chartered Accountants

(Firm's Registration No. 117366W/W-100018)

Hemant M. Joshi

Partner

Place: Pune

Date: May 23, 2018

(Membership No. 38019)

"Annexure A" to the Independent Auditors' Report

(Referred to in paragraph f under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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")

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended 31st March, 2018, we have audited the internal financial controls over financial reporting of Kolte-Patil Developers Limited (hereinafter referred to as "Parent") and its subsidiary companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Parent and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on "the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI)". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Parent and its subsidiary companies, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls.

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiary companies, which are companies incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Parent and its subsidiary companies, which are companies incorporated in India.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and

that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors referred to in the Other Matters paragraph below, the Parent and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system

over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2018, based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matter

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to 4 subsidiary companies, which are companies incorporated in India, is based solely on the corresponding reports of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of the above matter.

For DELOITTE HASKINS & SELLS LLP

Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Hemant M. Joshi

Place: Pune

Partner

Date: May 23, 2018

(Membership No. 38019)

Consolidated Balance Sheet as at March 31, 2018

(₹ in Lakhs)

Particulars	Note No.	As at March 31, 2018	As at March 31, 2017
ASSETS			
1 Non-current assets			
(a) Property, Plant and Equipment	3	6,488	8,961
(b) Capital Work in Progress		-	222
(c) Investment Property	3A	2,020	-
(d) Goodwill		2,074	2,110
(e) Intangible Assets	4	1,172	1,653
(f) Financial Assets			
(i) Investments	5	0	0
(ii) Other Financial Assets	6	3,086	3,854
(g) Deferred Tax Assets (Net)	7	2,902	1,278
(h) Income Tax Assets (Net)		4,319	2,913
(i) Other Non-Current Assets	8	18,917	22,690
Total Non - Current Assets		40,978	43,681
2 Current assets			
(a) Inventories	9	1,83,639	2,06,073
(b) Financial Assets			
(i) Investments	10	21	441
(ii) Trade Receivables	11	18,278	17,616
(iii) Cash and Cash Equivalents	12	7,799	6,566
(iv) Other Balances with Banks	13	4,033	1,402
(v) Other Financial Assets	14	164	1,576
(c) Other Current Assets	15	11,899	9,914
Total Current Assets		2,25,833	2,43,588
Total Assets (1+2)		2,66,811	2,87,269
EQUITY AND LIABILITIES			
1 EQUITY			
(a) Equity Share Capital	16	7,580	7,577
(b) Other Equity	17	90,798	80,046
Equity attributable to owners of the Company		98,378	87,623
(c) Non Controlling Interest		20,752	25,411
Total Equity		1,19,130	1,13,034
LIABILITIES			
2 Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	18	43,683	29,015
(ii) Trade Payables	19	1,258	587
(ii) Other Financial Liabilities	20	2,116	291
(b) Employee benefit obligations	21	429	450
(c) Deferred Tax Liabilities (Net)	7	650	1,032
Total Non - Current Liabilities		48,136	31,375
3 Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	22	3,431	2,963
(i) Trade Payables	23	24,980	20,677
(ii) Other Financial Liabilities	24	24,118	48,760
(b) Provisions	25	5,500	2,376
(c) Current Tax Liabilities (Net)		3,165	2,635
(d) Other Current Liabilities	26	38,351	65,449
Total Current Liabilities		99,545	1,42,860
Total Equity and Liabilities (1+2+3)		2,66,811	2,87,269
See accompanying notes forming part of the financial statements	1-54		

In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants

Hemant M. Joshi
Partner

Place: Pune
Date: May 23, 2018

For and on behalf of the Board of Directors

Rajesh Patil
Chairman & Managing Director
(DIN:00381866)

Atul Bohra
Chief Financial Officer

Place: Pune
Date: May 23, 2018

Milind Kolte
Executive Director
(DIN:00170760)

Vinod Patil
Company Secretary

Gopal Sarda
Chief Executive Officer

Consolidated Statement of Profit and Loss for the year ended March 31, 2018
(₹ in Lakhs except Earnings Per Share)

Particulars	Note No.	For the year ended March 31, 2018	For the year ended March 31, 2017
I Revenue from operations	27	1,40,272	96,382
II Other income	28	1,434	1,014
III Total Revenue (I + II)		1,41,706	97,396
IV EXPENSES			
(a) Cost of services, construction and land	29	96,623	61,082
(b) Employee benefit expenses	30	3,798	3,821
(c) Finance costs	31	9,870	8,604
(d) Depreciation and amortisation expense	3,3A & 4	1,536	1,485
(e) Other expenses	32	9,596	7,672
Total Expenses		1,21,423	82,664
V Profit before tax (III - IV)		20,283	14,732
VI Tax Expense			
(1) Current tax		6,949	6,758
(2) Deferred tax	7	(2,023)	(514)
Total tax expense	44	4,926	6,244
VII Profit after tax (V - VI)		15,357	8,488
VIII Other comprehensive income / (loss)			
(i) Items that will not be reclassified subsequently to profit or loss			
- Remeasurements of the defined benefit liabilities / (asset)		56	47
Income Tax relating to items that will not be reclassified to Profit or Loss		(17)	(16)
(ii) Items that will be reclassified subsequently to profit or loss		-	-
Total Other Comprehensive Income / (Loss) (Net)		39	31
IX Total Comprehensive income for the year (VII + VIII)		15,396	8,519
Profit for the year attributable to:			
- Owners of the Company		12,148	8,718
- Non-controlling interest		3,209	(230)
		15,357	8,488
Other Comprehensive Income for the year attributable to:			
- Owners of the Company		31	32
- Non-controlling interest		8	(1)
		39	31
Total Comprehensive Income for the year attributable to:			
- Owners of the Company		12,179	8,750
- Non-controlling interest		3,217	(231)
		15,396	8,519
X Earnings per equity share (Face Value ₹10) in ₹	42		
(1) Basic		16.03	11.51
(2) Diluted		16.03	11.51
See accompanying notes forming part of the financial statements	1-54		

In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants

Hemant M. Joshi
Partner

Place: Pune
Date: May 23, 2018

For and on behalf of the Board of Directors

Rajesh Patil
Chairman & Managing Director
(DIN:00381866)

Atul Bohra
Chief Financial Officer

Place: Pune
Date: May 23, 2018

Milind Kolte
Executive Director
(DIN:00170760)

Vinod Patil
Company Secretary

Gopal Sarda
Chief Executive Officer

Consolidated Statement of Changes in Equity

a) Equity Share Capital

(₹ in Lakhs)

Particulars	Amount
Balance As at March 31, 2016	7,577
Change for the year	-
Balance As at March 31, 2017	7,577
Change for the year	3
Balance As at March 31, 2018	7,580

b) Other Equity (2016-17)

(₹ in Lakhs)

Particulars	Reserves and Surplus							Total
	Securities Premium Reserve	General Reserve	Share Option Outstanding Account	Capital Redemption Reserve	Capital reserve on consolidation	Debenture Redemption Reserve	Retained Earnings	
Balance as at April 1, 2016	29,385	5,731	24	1,743	74	3,486	30,215	70,658
Transfer from Retained Earnings on account of Debenture Redemption Reserve	-	-	-	-	-	2,837	(2,837)	-
Amount Recorded on grants of ESOP during the year	-	-	10	-	-	-	-	10
Effect of acquisition of additional stake in subsidiary	-	-	-	-	-	-	1,996	1,996
Profit for the year	-	-	-	-	-	-	8,718	8,718
Other Comprehensive Income (Net)	-	-	-	-	-	-	32	32
Final dividend paid (Including Dividend Distribution tax)	-	-	-	-	-	-	(1,368)	(1,368)
Balance at the March 31, 2017	29,385	5,731	34	1,743	74	6,323	36,756	80,046

Consolidated Statement of Changes in Equity (Contd.)

c) Other Equity (2017-18)

(₹ in Lakhs)

Particulars	Reserves and Surplus							Total
	Securities Premium Reserve	General Reserve	Share Option Outstanding Account	Capital Redemption Reserve	Capital reserve on consolidation	Debenture Redemption Reserve	Retained Earnings	
Balance as at April 1, 2017	29,385	5,731	34	1,743	74	6,323	36,756	80,046
Transfer from Retained Earnings on account of Debenture Redemption Reserve	-	-	-	-	-	412	(412)	-
Amount Recorded on grants of ESOP during the year	31	-	3	-	-	-	-	34
Less: Transferred to Securities Premium on Exercise of Stock Option	16	-	(16)	-	-	-	-	-
Transferred to Retained Earnings on repayment of debentures	-	-	-	-	-	(5,671)	5,671	-
Profit for the year	-	-	-	-	-	-	12,148	12,148
Other Comprehensive Income (Net)	-	-	-	-	-	-	31	31
Final dividend paid (Including Dividend Distribution tax)	-	-	-	-	-	-	(1,461)	(1,461)
Balance at the March 31, 2018	29,432	5,731	21	1,743	74	1,064	52,733	90,798

In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants

Hemant M. Joshi
Partner

Place: Pune
Date: May 23, 2018

For and on behalf of the Board of Directors

Rajesh Patil
Chairman & Managing Director
(DIN:00381866)

Atul Bohra
Chief Financial Officer

Place: Pune
Date: May 23, 2018

Milind Kolte
Executive Director
(DIN:00170760)

Vinod Patil
Company Secretary

Gopal Sarda
Chief Executive Officer

Consolidated Cash Flow Statement for the year ended March 31, 2018

(₹ in Lakhs)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax:	20,283	14,732
Adjustment for:		
Depreciation and Amortisation	1,536	1,485
(Profit) / Loss on Sale of Fixed Assets	38	-
Bad Debt Written Off	31	144
Impairment Loss on Financials Assets	974	-
Finance Costs	9,870	8,604
Interest Income	(271)	(337)
Dividend Income	(65)	(146)
Fair Value of Current Investment	2	(5)
Rental income from Investment Property	(115)	-
Share Based Payments to Employees	3	10
Operating profit before Working Capital changes	32,286	24,487
Adjustments for changes in Working capital		
(Increase)/Decrease in Inventories	18,234	(2,443)
(Increase)/Decrease in Trade Receivables	(693)	(2,935)
(Increase)/Decrease in Financial Assets Others - Non current and current	1,244	(908)
(Increase)/Decrease in Other Non-current and current assets	(2,502)	(5,830)
Increase/(Decrease) in Trade Payables	5,124	5,347
Increase/(Decrease) in Financial Liabilities Others - Non current and current	438	898
Increase/(Decrease) in Liabilities Others - Non current and current	(26,486)	(1,481)
Increase/(Decrease) in Provisions - Non current and current	3,142	2,063
Cash generated from/ (used in) operations	30,787	19,198
Income taxes refund/ (paid)	(7,812)	(4,935)
Net Cash from / (used in) operating activities (A)	22,975	14,263
B CASH FLOW FROM INVESTING ACTIVITIES		
Capital expenditure on Property, Plant & Equipment, intangible assets, CWIP including capital advances	(469)	(827)
Proceeds from sale of Property, Plant & Equipment	195	57
Additional investment in investment Property	(144)	-
Proceeds from sale of Current investments (mutual funds)	11,397	3,575
Purchase of Current investments (mutual funds)	(10,914)	(3,733)
Proceeds from disposal of stake in subsidiary (Refer note 53)	5,000	-
Fixed Deposits matured	1,515	1,990
Fixed Deposits Placed	(1,691)	(575)
Interest income received	378	275
Rental income from Investment Property	136	-
Acquisition of additional stake of Subsidiary	-	1,996
Amount placed in escrow account (net)	(1,647)	1,038
Net Cash from/(used in) investing activities (B)	3,756	3,796

Consolidated Cash Flow Statement for the year ended March 31, 2018

(₹ in Lakhs)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
C CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of equity shares	34	-
Repayment of Long term borrowings	(26,687)	(27,363)
Proceeds from Long term borrowings	19,499	29,404
Dividend (Including Tax on Dividend) paid on equity shares	(1,461)	(1,368)
Finance costs paid	(10,020)	(7,971)
Repayment of short term borrowings (net)	468	(5,006)
Contribution by/ (payment to) non-controlling interest holders	(7,282)	(4,779)
Net Cash from/(used in) financing activities (C)	(25,449)	(17,083)
Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)	1,282	976
Cash and Cash Equivalents (Opening balance)	6,492	5,516
Cash and Cash Equivalents (Closing balance)	7,774	6,492
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	1,282	976
1 Reconciliation of Cash and cash equivalents with Balance Sheet		
Cash and Cash equivalents as per Balance Sheet (Refer Note 12)	7,799	6,566
Cash and cash equivalents comprise of:		
Cash in hand	22	29
Cheques in Hand	27	1
Balances with banks		
- In current accounts	7,432	6,399
- Deposits having original maturity of less than 3 months	318	137
Sub Total	7,799	6,566
Less: Book Overdrafts	25	74
Total	7,774	6,492
2 Reconciliation of liabilities arising from financing activities		
Long Term Borrowings		
Opening Balance	73,010	71,052
Cash flow (outflow)/inflow (net)	(7,188)	1,958
Fair Value Changes	274	-
Adjustment on account of disposal of investment in a subsidiary and other adjustments	(806)	-
Closing Balance	65,290	73,010
Lease Liabilities		
Opening Balance	181	98
Loan availed	184	-
Cash flow (outflow)/inflow (net)	(123)	83
Fair Value Changes	-	-
Closing Balance	242	181

In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants

Hemant M. Joshi
Partner

Place: Pune
Date: May 23, 2018

For and on behalf of the Board of Directors

Rajesh Patil
Chairman & Managing Director
(DIN:00381866)

Atul Bohra
Chief Financial Officer

Place: Pune
Date: May 23, 2018

Milind Kolte
Executive Director
(DIN:00170760)

Vinod Patil
Company Secretary

Gopal Sarda
Chief Executive Officer

Notes forming part of the consolidated financial statements

1. Corporate Information

Kolte-Patil Developers Limited (“the Company”) and its subsidiaries (collectively referred to as “Group”) is a Company registered under the Companies Act, 1956. The Group is primarily engaged in business of construction of residential, commercial; IT Parks along with renting of immovable properties, retail, and providing project management services for managing and developing real estate projects.

2. Significant Accounting Policies

A. Statement of Compliance

The Consolidated Financial Statements have been prepared in accordance with Indian Accounting Standards (“Ind AS”), the provisions of the Companies Act, 2013 (“the Act”) (to the extent notified). The Ind AS are prescribed under section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

B. Basis of Preparation of Financial Statements:

The consolidated financial statements have been prepared on the historical cost and accrual basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the considerations given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/ or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability

C. Basis of Consolidation

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries. The company has control when the group:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and;
- has the ability to use its power to affect its returns.

When the Company has less than a majority of the voting rights of an investee, it has power over the Investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company’s voting rights in an investee are sufficient to give it power, including: the size of the Company’s holding of voting rights relative to the size and dispersion of holdings of the other vote holders;

Notes forming part of the consolidated financial statements

- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

All inter-company transactions, balances and income and expenses are eliminated in full on consolidation.

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

D. Business Combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognised in profit or loss as incurred.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

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

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

E. Goodwill

Goodwill represents the cost of acquired business as established at the date of acquisition of the business in excess of the acquiree's interest in the fair value of the identifiable assets, liabilities and contingent liabilities less accumulated impairment losses, if any. Goodwill is tested for impairment annually or when events or circumstances indicate that the implied fair value of goodwill.

F. Use of Estimates

The preparation of consolidated financial statements in conformity with Ind AS requires the management of the company to make judgement, estimates and assumptions to be made that affect the reported amounts of assets and liabilities (including contingent liabilities) on the date of financial statements, and the reported

Notes forming part of the consolidated financial statements

amounts of income and expenses during the reported period and accompanying disclosures. The Management believes that the estimates used in preparation of the consolidated financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known/ materialize.

Significant accounting judgements, estimates and assumptions used by management are as below:

- Useful lives of Investment Property, Property Plant and Equipment and Intangible Assets.
- Accounting for revenue and land cost for projects executed through joint development arrangement.
- Computation of percentage completion for projects in progress, project cost, revenue and saleable area estimates.
- Assessment of control, joint control and significant influence.
- Fair value measurements.

G. Inventories

Raw materials are valued at lower of cost and net realisable value. Cost is determined based on a weighted average basis.

Stock of units in completed projects and work-in-progress are valued at lower of cost and net realisable value. Cost is aggregate of land cost, materials, contract works, direct expenses, provisions and apportioned borrowing costs and is net of material's scrap receipts.

In case of other business, Inventories are valued at the lower of cost and the net realisable value after providing for obsolescence and other losses, if any. Cost includes all charges in bringing the goods to the point of sale.

H. Cash Flow Statement

Statement of Cash flows is prepared under Ind AS 7 'Statement of Cashflows' specified under Section 133 of the Act. Cash flows are reported using the indirect method, whereby profit / (loss) before tax and is adjusted for the effects of transactions of non-cash nature.

I. Property, Plant & Equipment and Intangible assets:

Property, Plant & Equipment and Intangible assets are stated at actual cost less accumulated depreciation and net of impairment. The actual cost capitalised includes material cost, freight, installation cost, duties and taxes, eligible borrowing costs and other incidental expenses incurred during the construction / installation stage.

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation / amortisation on Property, Plant & Equipment is charged based on straight line method on an estimated useful life as prescribed in Schedule II to the Companies Act, 2013.

Computer software is amortized over a period of six years.

The estimated useful lives and residual values of the Property, Plant & Equipment and Intangible assets are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

J. Revenue Recognition

- i. Revenue from real estate projects including integrated townships is recognised on the 'Percentage of Completion Method' of accounting. Revenue is recognized, in relation to the sold areas only, on the basis of percentage of actual cost incurred thereon including land as against the total estimated cost of the project under execution subject to construction costs being 25% or more of the total estimated cost. The estimates of saleable area and costs are revised periodically by the management. The effect of such changes to estimates is recognised in the period such changes are determined.

In accordance with Guidance Note issued by the Institute of Chartered Accountants of India (ICAI), on

Notes forming part of the consolidated financial statements

'Accounting for Real Estate Transactions (for entities to whom Ind AS is applicable), revenue is recognised on percentage of completion method if (a) all critical approvals necessary for the commencement of the project have been obtained; (b) the expenditure incurred on construction and development costs (excluding land cost) is not less than 25 % of the total estimated construction and development costs; (c) At least 25% of the saleable project area is secured by contracts or agreements with buyers and (d) At least 10% of the total revenue as per sales agreement or any other legally enforceable document are realised as at the reporting date.

- ii. In case of joint development projects, revenue is recognised to the extent of Group percentage share of the underlying real estate development project.
- iii. Revenue from sale of land is recognised when the agreement to sell is executed resulting in transfer of all significant risk and rewards of ownership and possession is handed over to the buyer.
- iv. Facility charges, management charges, project management fees, rental, hire charges, sub lease and maintenance income are recognized on accrual basis as per the terms and conditions of relevant agreements.
- v. Interest income is accounted on accrual basis on a time proportion basis.
- vi. Dividend income is recognized when right to receive is established, which is generally when shareholders approve the dividend.
- vii. Revenue from the sale of goods is recognised when the goods are delivered and titles have passed, at which time all the following conditions are satisfied:
 - the Group has transferred to the buyer the significant risks and rewards of ownership of the goods
 - the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
 - the amount of revenue can be measured reliably;
 - it is probable that the economic benefits associated with the transaction will flow to the Group; and
 - the costs incurred or to be incurred in respect of the transaction can be measured reliably.

K. Cost of Construction / Development:

Cost of Construction/Development (including cost of land) incurred is charged to the statement of profit and loss proportionate to project area sold. Costs incurred for projects which have not achieved reasonable level of development is carried over as construction work-in-progress.

L. Unbilled receivables

Unbilled receivables represent revenue recognised on 'Percentage of Completion Method' less amount due from customers as per payment plans adopted by them.

M. Foreign Currency transactions

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction. Foreign currency monetary items are reported using the exchange rate prevailing at the reporting date. Nonmonetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Exchange differences arising on the settlement of monetary items or on reporting monetary items of Group at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expenses in the year in which they arise.

N. Employee Benefits:

Employee benefits include provident fund, employee state insurance scheme, gratuity and compensated absences.

Notes forming part of the consolidated financial statements

Retirement benefit costs and termination benefits

Post-employment obligations

The Group operates the following post-employment schemes:

1. Defined Contribution Plan:

The parent and certain of its subsidiaries contribution to provident fund is considered as defined contribution plan and is charged as an expense based on the amount of contribution required to be made. The Group has no further payment obligations once the contributions have been paid.

2. Defined Benefit Plan:

The liability or assets recognised in the Balance Sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of the plan assets. The defined benefit obligation is calculated by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in the employee benefit expenses in the Statement of Profit and Loss.

Remeasurement gains and loss arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in Other Comprehensive Income. They are included in retained earnings in the Statement of Changes in Equity and in the Balance Sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in Statement of Profit and Loss as past service cost.

Short-term and other long-term employee benefits: -

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

The cost of short-term compensated absences is accounted as under:

- (a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
- (b) in case of non-accumulating compensated absences, when the absences occur.

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of expected future payments to be made in respect of services provided by employees up the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in Statement of Profit and Loss.

O. Employee Stock Option Scheme

Equity settled share based payments to employees are measured at fair value in accordance with Ind AS 102, share based payments. The fair value determined at the grant date of the share based payment is expensed over the vesting period, based on the groups estimate of equity instruments that will eventually vest, with a corresponding increase in equity.

Notes forming part of the consolidated financial statements

P. Borrowing Costs

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction /development of the qualifying asset upto the date of capitalisation of such asset, is added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted. A qualifying asset is an asset that necessarily takes 12 months or more to get ready for its intended use or sale and includes the real estate properties developed.

Q. Operating leases

Lease arrangements under which all risks and rewards of ownership are effectively retained by the lessor are classified as operating lease. Lease rental under operating lease are recognised in the Statement of Profit and Loss on a straight line basis over the lease term.

R. Earnings Per Share

The group reports basic and diluted earnings per share in accordance with Ind AS - 33 on 'Earnings per Share'. Basic earnings per share is computed by dividing the net profit or loss for the year by the weighted average number of Equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit or loss for the year by the weighted average number of equity shares outstanding during the year as adjusted for the effects of all diluted potential equity shares except where the results are anti-dilutive.

S. Taxes on income

Current Tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current tax relating to items recognised outside Statement of Profit and Loss is recognised outside Statement of Profit and Loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred Tax

Deferred tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss).

Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

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

Deferred tax liability (DTL) is not recognised on the accumulated undistributed profits of the subsidiary company in the consolidated financial statements of the Group, if it is determined that such accumulated undistributed profits will not be distributed in the foreseeable future. When it is probable that the accumulated undistributed profits will be distributed in the foreseeable future, then DTL on accumulated undistributed profits of the subsidiary company is recognised in the consolidated statement of profit and loss of the Group.

Notes forming part of the consolidated financial statements

In cases, where the DDT paid by subsidiary on distribution of its accumulated undistributed profits is not allowed as a set off against the Company's own DDT liability, then the amount of such DDT is recognised in the consolidated statement of profit and loss.

Current and deferred tax for the year:

Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

T. Impairment

i. Financial assets (other than at fair value)

Assessment is done at each date of balance sheet whether a financial asset or a group of financial assets is impaired.

Ind AS 109 requires expected credit losses to be measured through a loss allowance. Lifetime expected losses are recognized for all contract assets and/or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

ii. Non-financial assets

Property, Plant & Equipment and Intangible assets (PPE&IA)

At each Balance Sheet date, the reviews of the carrying amounts of its PPE&IA to determine whether there is any indication that those assets suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss. Recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows expected from the continuing use of the asset and from its disposal are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of time value of money and the risks specific to the asset. Reversal of impairment loss is recognised as income in the Statement of Profit and Loss as and when they arise.

U. Provisions, Contingent Liabilities and Contingent Assets

A provision is recognised when the Group has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent assets are not recognised in the financial statements but are disclosed.

V. Operating Cycle

Based on the nature of products / activities of the Group and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Group has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

W. Financial Instruments

Initial recognition

Financial assets and liabilities are recognised when the Group becomes a party to the contractual provisions of the instruments.

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

Notes forming part of the consolidated financial statements

Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised in profit or loss.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Financial assets at amortised cost

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

Financial assets at fair value

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in profit or loss

Financial liabilities and equity instruments

Financial liabilities and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument. Financial liabilities are measured at amortised cost using the effective interest method.

Financial liabilities at FVTPL are stated at fair value, with gains and losses arising on remeasurement recognized in profit and loss account.

2.1. Critical judgements in applying accounting policies

The preparation of the Group'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

The following are significant management judgements in applying the accounting policies of the Group that have the most significant effect on the financial statements.

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 future taxable income against which the deferred tax assets can be utilized.

Recognition of deferred tax liability on undistributed profits – The extent to which the Holding Company can control the timing of reversal of deferred tax liability on undistributed profits of its subsidiaries requires judgement.

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.

Classification of leases – The Group enters into leasing arrangements for various assets. The classification of the leasing arrangement as a finance lease or operating lease is based on an assessment of several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to purchase and estimated certainty of exercise of such option, proportion of lease term to the asset's economic life, proportion of present value of minimum lease payments to fair value of leased asset and extent of specialized nature of the leased asset. The Group has also factored in overall time period of rent agreements to arrive at lease period to recognize rental income on straight-line basis.

Notes forming part of the consolidated financial statements

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

Significant estimates

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be different.

Revenue and inventories – The Group recognizes revenue using the percentage of completion method. This requires forecasts to be made of total budgeted cost with the outcomes of underlying construction and service contracts, which require assessments and judgements to be made on changes in work scopes, claims (compensation, rebates, etc.) and other payments to the extent they are probable and they are capable of being reliably measured. For the purpose of making estimates for claims, the Group used the available contractual and historical information.

Impairment of financial assets – At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit loss on outstanding receivables and advances.

Defined benefit obligation (DBO) – Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, medical cost trends, 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.

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 utility of certain software, customer relationships, IT equipment and other plant and equipment.

Valuation of investment property

Investment property is stated at cost. However, as per Ind AS 40 there is a requirement to disclose fair value as at the balance sheet date. The Group engaged independent valuation specialists to determine the fair value of its investment property as at reporting date. The determination of the fair value of investment properties requires the use of estimates such as future cash flows from the assets (such as lettings, future revenue streams, capital values of fixtures and fittings, any environmental matters and the overall repair and condition of the property) and discount rates applicable to those assets. In addition, development risks (such as construction and letting risk) are also taken into consideration when determining the fair value of the properties under construction. These estimates are based on local market conditions existing at the balance sheet date

2.2. New Accounting Standards, Amendments to Existing Standards, Annual Improvements and Interpretations Effective Subsequent to March 31, 2018:

Appendix B to Ind AS 21, Foreign currency transactions and advance consideration:

On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency. The amendment will come into force from April 1, 2018. The Group is in process of evaluating the impact on the financial statements.

Notes forming part of the consolidated financial statements

Ind AS 115– Revenue from Contract with Customers:

On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Ind AS 115, Revenue from Contract with Customers. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers. The standard permits two possible methods of transition:

- Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8- Accounting Policies, Changes in Accounting Estimates and Errors
- Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch - up approach). The effective date for adoption of Ind AS 115 is financial periods beginning on or after April 1, 2018. The Group will adopt the standard on April 1, 2018 by using the cumulative catch-up transition method and accordingly comparatives for the year ending or ended March 31, 2018 will not be retrospectively adjusted.

The Group is in process of evaluating the impact on the financial statements.

Note 3 – Property, Plant and Equipment

(₹ in Lakhs)

Particulars	Gross Block			Accumulated Depreciation			Net Block As at March 31, 2018
	As at April 1, 2017	Additions during the year	Deductions during the year	Reclassifications [Refer note 49]	As at March 31, 2018	On deductions	As at March 31, 2018
Land	555 (555)	- (-)	- (-)	- (-)	- (-)	- (-)	555 (555)
Freehold Buildings	2,328 (2,378)	204 (5)	- (55)	(1,975) (-)	557 (2,328)	- (4)	516 (2,251)
Plant and Equipment	5,953 (5,856)	61 (107)	7 (10)	- (-)	6,007 (5,953)	6 (4)	4,055 (4,652)
Furniture and Fixtures	550 (519)	156 (31)	206 (-)	- (-)	500 (550)	15 (-)	250 (357)
Office Equipment	561 (532)	28 (29)	103 (-)	- (-)	486 (561)	62 (-)	316 (384)
Vehicles	1,010 (836)	185 (174)	10 (-)	- (-)	1,185 (1,010)	10 (-)	743 (717)
Computers	180 (158)	56 (22)	- (-)	- (-)	236 (180)	- (-)	53 (45)
Total	11,137 (10,834)	690 (368)	326 (65)	(1,975) (-)	9,526 (11,137)	93 (8)	6,488 (8,961)

Note - Figures in brackets pertain to the previous year.

Note 3A – Investment Property

(₹ in Lakhs)

Description of Assets	As at March 31, 2018	As at March 31, 2017
Investment Properties (I - II) (Refer note 49)	2,020	-
Particulars	As at March 31, 2018	As at March 31, 2017
I. Gross Block		
Opening Balance	-	-
Reclassified during the year [Refer note 49]	1,975	-
Additions during the year	144	-
Closing Balance	2,119	-
II. Accumulated Depreciation		
Opening Balance	-	-
Reclassified during the year	66	-
Amortisation expense for the year	33	-
Closing Balance	99	-

Notes forming part of the consolidated financial statements

Note 4 - Intangible Assets

(₹ in Lakhs)

Particulars	Gross Block				Accumulated Amortisation			Net Block	
	As at April 1, 2017	Additions during the year	Deductions during the year	Reclassifications [Refer note 49]	As at March 31, 2018	As at April 1, 2017	For the year	On Revaluations [Refer note 49]	As at March 31, 2018
Softwares	2,410 (1,989)	1 (421)	- (-)	- (-)	2,411 (2,410)	757 (287)	482 (470)	- (-)	1,172 (1,653)
Total	2,410 (1,989)	1 (421)	- (-)	- (-)	2,411 (2,410)	757 (287)	482 (470)	- (-)	1,172 (1,653)

Note - Figures in brackets pertain to previous year.

Notes forming part of the consolidated financial statements

Note 5 – Investments : Non-Current

(₹ in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Investment :		
– Other Investment		
20 (March 31, 2017 – 20) Equity Shares of Rupee Bank of ₹25 each	0	0
Total	0	0

Catagorywise investments :

(a) Investment measured at fair value through profit and loss	0	0
(b) Investment measured at fair value through other comprehensive income	0	0
(c) Investment measured at amortised cost	0	0

Note 6 – Other Financial Assets : Non-Current

(₹ in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
At amortised cost, Unsecured considered good unless otherwise stated		
(a) Security deposits	1,806	1,675
(b) Prepaid expenses	3	27
(c) Fixed deposits having maturities of more than 12 months from the Balance Sheet date	953	1,761
(d) Interest accrued on bank deposits	75	177
(e) Maintenance charges recoverable	249	214
Total	3,086	3,854

Note 7 – Deferred Tax Assets / (Liabilities)

(₹ in Lakhs)

Significant components of deferred tax assets and liabilities:	Opening balance as on April 1, 2017	Recognized in the statement of profit or loss	Recognized in/ reclassified from other comprehensive income	Closing balance as on March 31, 2018
Deferred tax assets:				
Employee benefits	455	(46)	(17)	392
Others	6	2	–	8
Property, plant and equipment and intangible assets	–	8	–	8
Brought forward Loss and Unabsorbed Depreciation	1,346	1,569	–	2,915
FVTPL of financial liabilities	15	(15)	–	–
Deposits measured at amortised cost	–	–	–	–
Financial Gaurantee premium	25	(25)	–	–
Effect on borrowing cost pursuant to application of effective interest rate method	–	–	–	–
Total deferred tax assets	1,847	1,493	(17)	3,323

Notes forming part of the consolidated financial statements

Note 7 - Deferred Tax Assets / (Liabilities) (Contd.)

(₹ in Lakhs)

Significant components of deferred tax assets and liabilities:	Opening balance as on April 1, 2017	Recognized in the statement of profit or loss	Recognized in/reclassified from other comprehensive income	Closing balance as on March 31, 2018
Deferred tax liabilities:				
Property, plant and equipment and intangible assets	630	(225)	-	405
Financial guarantee premium	48	(48)	-	-
Financial liabilities (borrowings) at amortised cost	15	(4)	-	11
Undistributed Earnings	900	(250)	-	650
Others	8	(3)	-	5
Total deferred tax liabilities	1,601	(530)	-	1,071
Net Deferred tax assets/(liabilities)	246	2,023	(17)	2,252
Deferred Tax Assets (Net)				2,902
Deferred Tax Liabilities (Net)				650
Net Deferred tax assets/(liabilities)				2,252

Note 8 - Other Non-Current Assets

(₹ in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
(Unsecured, considered good)		
(a) Advance given for real estate development and suppliers	18,055	21,762
(b) Prepaid expenses	79	153
(c) Advances to related parties (Refer note 45)	783	775
Total	18,917	22,690

Note 9 - Inventories

(₹ in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
(a) Raw materials	2,691	2,506
(b) Land, plots and construction work-in-progress	1,70,541	2,01,919
(c) Completed Finished Properties	10,407	1,648
Total	1,83,639	2,06,073

Notes forming part of the consolidated financial statements

Note 10 - Investments : Current

(₹ in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Investments in Mutual Funds (Fair value through Statement of profit and loss)	14	432
Investments in Equity Instruments (Fair value through Statement of profit and loss) Quoted		
13,200 (March 31, 2017 - 13,200) Equity Shares of ₹24 each - Vijaya Bank	7	9
Total	21	441
Aggregate market value of quoted investments	7	9
Aggregate amount of unquoted investments	14	432
Catagorywise investments:		
(a) Investment measured at fair value through profit and loss	21	441
(b) Investment measured at fair value through other comprehensive income	-	-
(c) Investment measured at cost	-	-
Investments - measured at fair value through profit and loss :		
(a) Mutual Funds	14	432
(b) Equity Shares	7	9

Note 11 - Trade receivables

(₹ in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
At amortised cost, Unsecured considered good unless otherwise stated		
Considered good	18,278	17,616
Considered doubtful	31	-
Sub Total	18,309	17,616
Less : Allowance for credit losses	31	-
Total	18,278	17,616

Note 12 - Cash and Cash Equivalents

(₹ in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
(a) Cash in hand	22	29
(b) Cheques in Hand	27	1
(c) Balances with banks		
- In current accounts	7,432	6,399
- Deposit having original maturity of less than 3 months	318	137
Total	7,799	6,566

Notes forming part of the consolidated financial statements

Note 13 - Other Balances with Banks

(₹ in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
(a) Balances held as Margin Money/Security towards obtaining Bank Guarantees	1,501	517
(b) Earmarked accounts		
- Unclaimed dividend	34	35
- Balance held under Escrow accounts	2,498	850
Total	4,033	1,402

Note 14 - Others Financial Assets : Current

(₹ in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Financial assets at amortised cost - (Unsecured, considered good)		
(a) Security deposits	8	1
(b) Interest accrued on bank deposits	12	17
(c) Maintenance charges recoverable	18	121
(d) Maintenance deposits	-	1,322
(e) Advances to employees	62	30
(f) Receivable from related parties (Refer note 45)	64	85
Total	164	1,576

Note 15 - Other Current Assets

(₹ in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
(a) Advances to suppliers	1,275	5,953
(b) Balances with government	3,164	1,677
(c) Prepaid Expenses	108	155
(d) Unbilled Revenue	7,332	2,129
(e) Others	20	-
Total	11,899	9,914

Note 16 - Equity Share Capital

(₹ in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Authorised:		
149,450,000 Equity shares of ₹10/- each	14,945	14,945
(as at March 31, 2017: 149,450,000 equity shares of ₹10/- each)		
	14,945	14,945
Issued, Subscribed and Fully Paid:		
75,798,409 Equity shares of ₹10/- each	7,580	7,577
(as at March 31, 2017: 75,774,909 equity shares of ₹10/- each)		
Total	7,580	7,577

Notes forming part of the consolidated financial statements

Note 16A: Terms, rights & restrictions attached to equity shares

The Company has only one class of equity shares having a face value of ₹10 per share. Accordingly, all equity shares rank equally with regards to dividends & share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holder of equity shares will be entitled to receive the remaining assets of the Company, after distribution of all preferential amount. The distribution will be in proportion to the number of equity shares held by the shareholders.

16B : Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year

Particulars	As at March 31, 2018		As at March 31, 2017	
	Number of shares	Amount ₹ in Lakhs	Number of shares	Amount ₹ in Lakhs
Shares at the beginning of the year	75,774,909	7,577	75,774,909	7,577
Issued during the year	23,500	3	-	-
Outstanding at the end of the year	75,798,409	7,580	75,774,909	7,577

16C : Details of shares held by each shareholder holding more than 5% equity shares:

Particulars	As at March 31, 2018		As at March 31, 2017	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Rajesh Anirudha Patil	15,486,031	20.43%	15,486,031	20.44%
Naresh Anirudha Patil	14,949,148	19.72%	14,949,148	19.73%
Milind Digambar Kolte	6,442,156	8.50%	6,442,156	8.50%
Sunita Milind Kolte	5,539,553	7.31%	5,539,553	7.31%
Sunita Rajesh Patil	7,021,861	9.26%	7,021,861	9.27%
Vandana Naresh Patil	7,039,319	9.29%	7,039,319	9.29%
Goldman Sachs India Fund Limited	3,256,579	4.30%	3,979,837	5.25%

16D : Information regarding issue of shares in the last five years:

- The Company has not issued any shares without payment being received in cash.
- The Company has not issued any bonus shares.
- The Company has not undertaken any buy-back of shares.

16E: The Company declares and pays dividend in Indian Rupees. The shareholders at the Annual General Meeting held on September 28, 2017 approved a dividend of ₹ 1.60/- per share for the year ended March 31, 2017 which was subsequently paid during the year ended March 31, 2018. The amount was recognised as distributions to equity shareholders during the year ended March 31, 2018 and the total appropriation was ₹1,212 Lakhs.

A final dividend of ₹2/- per share has been recommended by the Board of Directors in their meeting held on May 23, 2018 for the financial year 2017-18 subject to the approval of shareholders in the ensuing Annual General Meeting.

16F : Refer Note 47 for details relating to stock options

Notes forming part of the consolidated financial statements

Note 17 – Other Equity

(₹ in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
(a) Securities premium reserve		
Opening balance	29,385	29,385
Add : Transferred From Share option Outstanding Account on Exercise of Stock Option	16	-
Add : Received on exercise of stock options	31	-
Closing Balance	29,432	29,385
(b) Debenture Redemption Reserve		
Opening balance	6,323	3,486
Add : Transferred from Retained Earnings	412	2,837
Less : Transferred to Retained Earnings on repayment of debentures	(5,671)	-
Closing Balance	1,064	6,323
(c) Share Option Outstanding Account		
Opening balance	34	24
Add : Amortised Amount of Share Based Payments to Employees (net)	3	10
Less : Transferred to Securities Premium on Exercise of Stock Option	(16)	-
Closing Balance	21	34
(d) Capital Redemption Reserve		
Opening balance	1,743	1,743
Add: Additions	-	-
Closing Balance	1,743	1,743
(e) Capital Reserve on Consolidation		
Opening balance	74	74
Add: Addition / (Utilisation) during the year	-	-
Closing Balance	74	74
(f) General Reserve		
Opening balance	5,731	5,731
Add: Additions	-	-
Closing Balance	5,731	5,731
(g) Surplus in Statement of Profit and Loss		
Opening balance	36,756	30,215
Add: Excess amount of dividend distribution tax on final dividend	-	-
Add : Profit for the year	12,148	8,718
Add : Other Comprehensive Income (net)	31	32
Add : Transferred from Debenture Redemption reserve on repayment of debentures	5,671	-
Less: Allocations/Appropriations		
Effect of acquisition of additional stake in subsidiary	-	1,996
Final Dividend paid (Including dividend Distribution tax)	(1,461)	(1,368)
Transferred to Debenture Redemption Reserve	(412)	(2,837)
Closing Balance	52,733	36,756
Total	90,798	80,046

Notes forming part of the consolidated financial statements

Note 18 - Borrowings : Non-Current

(₹ in Lakhs)

Particulars	Non - Current		Current	
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
(at fair value, unless otherwise stated)				
Secured				
Debentures				
- Non Convertible Debentures				
Nil (March 31, 2017 - 700) 12.25% Non Convertible Debentures of ₹1,000,000 each (carried at amortised cost)	-	-	-	7,000
Nil (March 31, 2017 - 120) 15% Non-Convertible Debentures of ₹10,000,000 each (carried at amortised cost)	-	-	-	12,000
8,233 (March 31, 2017 - Nil) Non-Convertible Debentures of ₹1,00,000 each.	5,533	-	2,700	-
- Optionally Convertible Debentures				
6,418,909 (March 31, 2017 - 7,468,909) 15% Optionally Convertible Debentures of ₹100 each	6,419	7,469	-	-
- Loans (carried at amortised cost)				
from Banks	28,492	13,353	2,557	3,697
from Financial Institutions	1,169	2,737	2,473	9,106
- Finance Lease Obligation (carried at amortised cost) (Refer note 41)				
from Banks	75	96	61	71
from Financial Institutions	69	7	37	7
Unsecured				
Nil (March 31, 2017 - 15,178,133) 15% Compulsory Convertible Debentures of ₹10 each		1,557	-	-
2,169,300 (March 31, 2017 - 2,169,300) Optionally Convertible Debentures of ₹10 each (carried at amortised cost)		-	217	217
80,513,874 (March 31, 2017 - 80,513,874) 15% Compulsory Convertible Debentures of ₹10 each	-		8,051	8,051
19,255,500 (March 31, 2017 - 19,255,500) 15% Optionally Convertible Debentures of ₹10 each	1,926	1,926	-	-

Notes forming part of the consolidated financial statements

Note 18 – Borrowings : Non-Current (Contd.)

(₹ in Lakhs)

Particulars	Non - Current		Current	
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
Optionally Convertible Redeemable Preference Shares				
4,026,814 (March 31, 2017 - 4,026,814) 0.0001 % Optionally convertible redeemable preference shares of ₹10 each	-	-	4,027	4,027
Term Loans (carried at amortised cost)				
From Others	-	1,870	1,726	-
	43,683	29,015	21,849	44,176
Amount disclosed under other current financial liabilities (Refer Note 24)	-	-	(21,849)	(44,176)
Total	43,683	29,015	-	-

Notes:

18A: Secured Debenture

(i) Non Convertible Debentures

a) Nil (March 31, 2017 - 700) 12.25% Non-Convertible Debentures of ₹1,000,000/- each fully paid carrying interest at 12.25% p.a.

Name of Debenture Holder	Series	Date of allotment	Number of Debentures as at 31.03.2017	Amount ₹ in Lakhs
Kotak Mahindra Mutual Fund	Series I	December 11, 2014	400	4,000
L & T Housing Finance Limited	Series II	January 16, 2015	300	3,000

Security:

Secured by an way of Mortgage over land and project Assets, Charge on Escrow Account, all Cash flows and Receivables pertaining to the Project ("Receivables").

b) Nil (March 31, 2017 - 120) 15% Non-Convertible Debentures of ₹10,000,000/- each fully paid carrying interest at 15% p.a.

Name of Debenture Holder	Series	Date of allotment	Number of Debentures as at 31.03.2017	Amount ₹ in Lakhs
IDFC Real Estate Yield Fund	Series III	October 9, 2015	120	12,000

Security:

Secured by Mortgage over land and Project Assets, charge on escrow account and all Cash flows and Receivables pertaining to the Project.

Notes forming part of the consolidated financial statements

c) 8,233 Non Convertible Redeemable Debentures

Security:

-First Exclusive charge by way of registered mortgage on all rights, interest & title of certain buildings of Sector R-1 having saleable area of 1,002,386 sq.ft. Non-convertible Debenture have tenure of 5 years with put option at end of tenure. In the event Debenture holder does not exercise put option as per Debenture trust deed, the term may be extended for the further term of 4 years.

Non-convertible Debentures are issued at zero coupon rate.

The repayment terms:

Group has Identified Inventory (in sq. ft of saleable area) against these NCD's. Repayment of these NCD's are linked to sales and subsequent collection of this Identified Inventory. These NCD's are repaid in tranches on bi-monthly basis to the extent of collection received from Identified Inventory.

ii) Optionally Convertible Debentures

15% Optionally Convertible Debentures (OCD)

6,418,909 (March 31, 2017 - 7,468,909) Optionally Convertible Debentures of ₹100 each fully paid carrying interest @ 15% p.a.

Series	Date of Issue	As at March 31, 2018	As at March 31, 2017
OCD Series B	06-Feb-14	-	-
OCD Series B	21-Mar-14	-	-
OCD Series B	28-Mar-14	-	-
OCD Series B	28-Mar-14	64,18,909	74,68,909
Total		64,18,909	74,68,909

Only upon completion of 4 years from the date of issue, Debenture holders have a right to convert optionally convertible debentures into equity shares of company. The premium on redemption, if any will be decided by the Board of Directors at the time of Redemption of OCD's. During the year 2017-18, the Company has redeemed 1,050,000 Optionally Convertible Debentures Series B at face value amounting to ₹105,000,000. The Debentures are secured by mortgage of piece and parcel of the property in pune.

18B: Term Loans

i) Term Loan from Banks are secured by :

- Mortgage of all rights, interest and title of the borrower, mortgage of current & future receivables in respect of selected projects and selected assets. Loan will be repayable in 10-30 equal monthly/quarterly instalments starting from the end of principal moratorium

- Mortgage on all rights, interest & title of certain residential projects and Corporate Guarantee given by Kolte-Patil Developers Limited.

ii) Term Loan from Financial Institutions :

Security : Exclusive charge by way of RMOE on the projects land, hypothecation of scheduled receivable (both sold and unsold) of Projects, all insurance proceeds both present and future.

An Exclusive charge by way of hypothecation on Escrow Account, all monies credited / deposited therein and all investments in respect thereof.

Repayment Terms : monthly/quarterly instalments.

Notes forming part of the consolidated financial statements

18C: Finance Lease Obligation:

Security: Finance lease obligations are secured by the underlying assets for which loans are obtained

Rate of Interest: The rate of interest on such loans are ranging between 10 % to 18%

18D: Unsecured Borrowings

(i) Nil (March 31, 2017 - 15,178,133) 15% Compulsory Convertible Debentures (CCD's) of ₹10 each

Name of Debenture Holder	Series	Date of Issue/ Transfer	Number of Debentures as at March 31, 2017	Amount ₹ in lakhs
Balakor Holdings Limited	CCD Series "A"	October 15, 2011	15,178,133	1,518

The CCDs shall have a term of 10 years to be computed from the date of issue. As per the terms of allotment of CCDs, the CCDs may be converted in whole or in part, at the option of the holder at any time during the period between the date of issue till the Conversion Date. Every 100 CCD's shall be convertible into 2 Equity Shares.

(ii) 2,169,300 (March 31, 2017 - 2,169,300) Optionally Convertible Debentures (OCD's) of ₹10 each

Name of Debenture Holder	Series	Date of Issue/ Transfer	Number of Debentures as at March 31, 2018	Amount ₹ in lakhs
IDBI - India Advantage Fund III	OCDs Series "B"	October 6, 2011	2,000,000	200
IDBI - India Advantage Fund III	OCDs Series "C"	October 6, 2011	169,300	17
Total			2,169,300	217

Series B

OCDs Series B shall have term of 30 months from the date of issue. If OCDs series B are not redeemed in accordance with terms of issue, OCDs Series B shall be mandatorily converted into 1 equity share on Mandatorily conversion date.

In accordance with the terms of the Debenture Redemption Agreement dated October 6, 2011, if "Additional FSI" was not received till April 5, 2014 the Series B OCDs issued to India Advantage Fund III were to be redeemed or converted to equity shares. Based architect's certificate additional FSI was not received and therefore, the Company has communicated vide letter dated April 5, 2014 to India Advantage Fund III that the additional FSI is not available and requested to submit the debenture certificate for further actions. The matter is still under process.

Series C

OCDs Series c shall have term of 30 months from the date of issue. If OCDs series C are not redeemed in accordance with terms of issue, OCDs Series C shall be mandatorily converted into 1 equity share on Mandatorily conversion date. In accordance with the terms of the Debenture Redemption Agreement dated October 6, 2011, if "Refund of IT Premium" was not received till April 5, 2014, the Series C OCDs issued to India Advantage Fund III were to be converted in to equity shares. The Company is in the process of converting OCD Series C into one equity share.

(iii) 80,513,874 (March 31, 2017 - 80,513,874) 15% Compulsory Convertible Debentures of ₹10 each

Name of Debenture Holder	Number of Debentures	Amount ₹ in Lakhs
India Advantage Fund- III	43,916,659	4,391
India Advantage Fund- IV	29,277,772	2,928
Umedica Investment Service Private Limited	7,319,443	732
Total	80,513,874	8,051

Notes forming part of the consolidated financial statements

The company shall pay interest at the rate of 15% p.a. accrued quarterly and paid annually. Interest on CCD's, if not paid due to paucity of funds, will be accumulated and the company shall be liable to pay the cumulative interest duly compounded on a quarterly basis from the date of first accrual till the date of actual payment of interest.

The Investors have a right to convert the CCDs into such number of fully paid up equity shares or preference shares upon expiry of four years from the date of allotment of CCD's or such revised period as agreed between the investor and the company. If the investors do not exercise the right of conversion on or before March 31, 2019, the company shall compulsorily convert all CCDs into fully paid up equity shares or preference shares of the company on 31 March 2019

(iv) 19,255,500 (March 31, 2017 - 19,255,500) 15% Optionally Convertible Debentures of ₹10 each

Name of Debenture Holder	Number of Debentures as at 31.03.2018	Amount ₹ in Lakhs
India Advantage Fund- III	10,503,000	1,050
India Advantage Fund- IV	7,002,000	700
Umedica Investment Service Private Limited	1,750,500	176
Total	19,255,500	1,926

These Optionally Convertible Debentures (OCD's) have an option to convert into such number of fully paid up equity shares or preference shares of the company as decided by the board of directors at the time of conversion; i.e. after expiry of third year from the receipt of application money or prior to the redemption.

If not converted, the company shall redeem the OCDs on or April 1st, 2019 in various tranches subject to the availability of surplus cash flows. The premium payable on the redemption shall be decided by the board of directors and the subscribers at the time of redemption. The Company has created Debenture Redemption Reserve pursuant to the Section 71(4) of the Companies Act, 2013.

(v) 40,268,140 (March 31, 2017 - 40,268,140) 0.0001 % Optionally convertible redeemable preference shares of ₹10 each

The Investor shall have a right at any time to convert at their option in whole or in part of the Optionally Convertible Redeemable Preference Shares (OCRPS) into fully paid up equity shares upon the expiry of three years from the date of receipt of application monies and prior to redemption of OCRPS. The Board of Director along with the investors shall decide, at the time of conversion, the premium, if any to be paid on conversion. If not converted, the Company shall redeem the OCRPS on or before 31st March, 2019 in various tranches subject to availability of surplus cash flows. The premium payable on the redemption shall be decided by the Board of Directors and subscribers at the time of redemption.

Name of Preference Share Holders	Number of Preference Shares as at 31.03.2018	Amount ₹ in Lakhs
India Advantage Fund- III	2,196,444	220
India Advantage Fund- IV	1,464,296	146
Manish Doshi	183,037	18
Vandana Doshi	183,037	19
Total	4,026,814	403

(vi) Loan from Others:

These unsecured loans are repayable on demand.

Notes forming part of the consolidated financial statements

Note 19 – Trade Payables : Non-Current

(₹ in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Carried at amortised Cost		
Total Outstanding dues to Micro Enterprises and Small Enterprises (Refer note 51)	-	-
Total Outstanding dues other than to Micro Enterprises and Small Enterprises	1,258	587
Total	1,258	587

Note 20 – Other Financial Liabilities : Non-Current

(₹ in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Carried at amortised Cost		
(a) Security Deposits	500	-
(b) Maintenance Deposits	1,484	100
(c) Others	132	191
Total	2,116	291

Note 21 – Employee benefit obligations : Non Current

(₹ in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Provision for employee benefits (Refer note 39)		
(i) Gratuity	3	4
(ii) Compensated Absences	426	446
Total	429	450

Note 22 – Borrowings : Current

(₹ in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
(a) Secured Borrowings – at amortised cost:		
From Banks	3,403	2,935
(b) Unsecured Borrowings – at Amortised cost:		
From related parties (Refer note 45)	28	28
Total	3,431	2,963

- 1) Bank loans are secured by way of : Cash credit facility is secured by mortgage on all rights, interest & title of certain residential projects and Corporate Guarantee given by Kolte-Patil Developers Limited
- 2) Loans from related parties are unsecured and are repayable on demand. The value of interest is 14% per annum.

Notes forming part of the consolidated financial statements

Note 23 - Trade Payables : Current

(₹ in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Carried at amortised Cost		
Total Outstanding dues to Micro Enterprises and Small Enterprises (Refer note 51)	-	-
Total Outstanding dues other than to Micro Enterprises and Small Enterprises	24,980	20,677
Total	24,980	20,677

Note 24 - Others Financial Liabilities : Current

(₹ in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Carried at amortised Cost		
(a) Current maturities of long-term debt (Refer note 18)	21,849	44,176
(b) Interest accrued on borrowings	2,162	3,040
(c) Unclaimed dividends	34	35
(d) Security and maintenance deposit	48	1,432
(e) Book overdraft	25	74
(f) Others	-	3
Total	24,118	48,760

Note 25 - Provisions : Current

(₹ in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
(a) Provision for employee benefits		
(i) Gratuity (Refer note 39)	548	344
(ii) Compensated Absences	77	84
(b) Other Provisions *	4,875	1,948
Total	5,500	2,376

* [premium payable for increase in FSI]

Note 26 - Other Current Liabilities

(₹ in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
(a) Advances received from customers	35,980	61,777
(b) Advance received from co-developers	1,459	2,484
(c) Others		
- Statutory dues (Contribution to PF, ESIC, Withholding Taxes, VAT, Service Tax, GST etc.)	604	923
- Others (Stamp duty and registration fees)	308	265
Total	38,351	65,449

Notes forming part of the consolidated financial statements

Note 27 - Revenue from Operations

(₹ in Lakhs)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
(a) Sale of Properties/Flats (Residential and Commercial)	1,18,580	93,800
(b) Sale of Land	21,290	2,102
(c) Revenue from Services	345	464
(d) Modification and Allied Services	57	16
Total	1,40,272	96,382

Note 28 - Other Income

(₹ in Lakhs)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
(a) Interest Income		
(i) On bank deposits (at amortised cost)	211	295
(ii) Other Financial assets carried at amortised cost	44	42
(iii) Others	16	-
(b) Dividend income from Current investment (Mutual funds)	65	146
(c) Other non-operating income		
Rental Income:	236	178
(d) Other gains and losses		
(i) Net gain/(loss) arising on financial assets designated as at FVTPL	37	40
(ii) Sundry Balances Written Back	532	3
(iii) Miscellaneous Income	293	310
Total	1,434	1,014

Note 29 - Cost of services, construction and land

(₹ in Lakhs)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
(a) Opening stock Including Completed Project Units	2,03,567	2,01,383
Less: Adjustment on account of disposal of investment in a subsidiary (Refer note 53)	(3,742)	-
Sub Total (a)	1,99,825	2,01,383
(b) Add: Cost incurred during the year		
Cost of land/ development rights	18,922	10,479
Consumption of material	17,594	18,759
Contract cost, labour and other charges	21,399	22,831
Other construction expenses	16,074	7,381
Personnel costs	2,960	2,976
Finance cost (net of incurred and allocations)	204	840
Sub Total (b)	77,153	63,266
(c) Less : Closing stock including completed projects units	1,80,948	2,03,567
Sub Total (c)	96,030	61,082
Cost of Services (II)	593	-
Total (I+II)	96,623	61,082

Notes forming part of the consolidated financial statements

Note 30 - Employee Benefits Expense

(₹ in Lakhs)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
(a) Salaries and wages	3,164	3,293
(b) Contribution to provident and other funds (Refer note 39)	556	442
(c) Share based payments to employees	3	10
(d) Staff welfare expenses	75	76
Total	3,798	3,821

Note 31 - Finance Cost

(₹ in Lakhs)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
(a) Interest on		
- Debentures	5,668	6,295
- Term Loans	2,906	1,596
- Working Capital Loans	1,262	1,821
(b) Other borrowing costs	798	110
Sub Total	10,634	9,822
Less: Transferred to cost of constructions (Refer note 29)	764	1,218
Total	9,870	8,604

Note 32 - Other Expenses

(₹ in Lakhs)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
(a) Advertisement, Promotion & Selling Expenses	3,983	3,555
(b) Power & Fuel	108	114
(c) Rent including lease rentals (Refer note 41)	311	461
(d) Repairs and maintenance		
- Buildings	32	15
- Machinery	1	11
- Others	672	509
(e) Insurance	121	115
(f) Rates and Taxes	499	577
(g) Communication	78	86
(h) Travelling and Conveyance	269	225
(i) Printing & Stationery	80	60
(j) Legal and professional fees	995	630
(k) Payment to Auditors (Refer note 37)	100	124
(l) Expenditure on Corporate Social Responsibility (Refer note 46)	182	149
(m) Loss on disposal/written off of Property, Plant and Equipment	38	-
(n) Impairment losses on Financial assets	974	-
(o) Bad Debt Written off	31	144
(p) Compensation to Customer	245	1
(q) Miscellaneous Expenses	877	896
Total	9,596	7,672

Notes forming part of the consolidated financial statements

Note 33 - Particulars of Consolidation

i. Entity considered for Consolidation

Name of the entity	Place of Business	Extent of Holding as at	
		March 31, 2018	March 31, 2017
Kolte-Patil I-Ven Townships (Pune) Limited	India	45%	45%
Tuscan Real Estate Private Limited	India	51%	51%
Bellflower Properties Private Limited	India	100%	100%
Kolte-Patil Real Estate Private Limited	India	51%	51%
Regenesi Facility Management Company Private Limited	India	100%	100%
Snowflower Properties Private Limited	India	100%	100%
Kolte-Patil Redevelopment Private Limited (formerly known as PNP Retail Private Limited)	India	100%	100%
PNP Agrotech Private Limited	India	100%	100%
Sylvan Acres Realty Private Limited	India	100%	100%
Ankit Enterprises	India	75%	75%
Kolte-Patil Homes	India	60%	60%
KP-Rachana Real Estate LLP	India	50%	50%
Sanjivani Integrated Township LLP	India	Refer note (a) below	50.50%
Bouvardia Developers LLP	India	100%	100%
Carnation Landmarks LLP	India	50.17%	50.17%
KP-SK Project Management LLP	India	55%	55%
Regenesi Project Management LLP	India	75%	75%
BlueBell Township Facility Management LLP	India	45%	NA

Note

a) During the year ended March 31, 2018, the Company has ceased as a partner in Sanjivani Integrated Township LLP.

Note 34 - Disclosure as required under Ind AS 112

a) Details of Non-Wholly Owned Subsidiaries that have Material Non-Controlling Interest (₹ in Lakhs)

Name of the Subsidiary	Proportion of Ownership and voting rights held by Non-Controlling Interests		Profit/(Loss) after Tax allocated to Non-Controlling Interests		Accumulated Non-controlling Interest	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Kolte-Patil I-Ven Townships (Pune) Limited	55%	55%	1,156	(2,111)	760	(507)
Tuscan Real Estate Private Limited	49%	49%	632	661	1,045	1,235
Kolte-Patil Real Estate Private Limited	49%	49%	855	1,088	8,138	7,860
Individually Immaterial Non-Controlling Interest			566	132	10,809	16,823
Total			3,209	(230)	20,752	25,411

Notes forming part of the consolidated financial statements

Note 34 – Disclosure as required under Ind AS 112 (Contd.)

b) Summarised financial information in respect of each of the Group's subsidiaries that has material non-controlling interests is set out below. The summarized financial information below represents amounts before intragroup eliminations.

i) Kolte-Patil I-Ven Townships (Pune) Limited

(₹ in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Current Assets	60,460	57,012
Non-Current Assets	9,054	9,116
Current Liabilities	52,694	58,596
Non-Current Liabilities	15,441	8,254
Equity Interest Attributable to the owners	1,379	(722)
Non-Controlling Interest	-	-

(₹ in Lakhs)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Total Revenues	21,109	9,218
Total Expenses [including tax expense]	19,010	13,057
Profit/ (Loss)	2,099	(3,839)
Profit/ (Loss) attributable to the owners of the company	2,099	(3,839)
Profit/ (Loss) attributable to the non-controlling interest	-	-
Other Comprehensive Income /(Loss)	2	(1)
Total Comprehensive Income / (Loss) attributable to the owners of the company	2,101	(3,840)
Total Comprehensive Income / (Loss) attributable to the non-controlling interest	-	-
Total Comprehensive Income /(Loss)	2,101	(3,840)
Dividends paid to non-controlling interest	-	-
Net Cash Inflow (Outflow)	(705)	3,987

ii) Tuscan Real Estate Private Limited

(₹ in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Current Assets	3,278	7,105
Non-Current Assets	554	718
Current Liabilities	1,650	2,045
Non-Current Liabilities	50	3,258
Equity Interest Attributable to the owners	2,132	2,520
Non-Controlling Interest	-	-

Notes forming part of the consolidated financial statements

Note 34 - Disclosure as required under Ind AS 112 (Contd.)

(₹ in Lakhs)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Total Revenues	8,425	8,344
Total Expenses [including tax expense]	7,136	6,995
Profit/ (Loss)	1,289	1,349
Profit/ (Loss) attributable to the owners of the company	1,289	1,349
Profit/ (Loss) attributable to the non-controlling interest	-	-
Other Comprehensive Income /(Loss)	4	(3)
Total Comprehensive Income /(Loss) attributable to the owners of the company	1,293	1,346
Total Comprehensive Income /(Loss) attributable to the non-controlling interest	-	-
Total Other Comprehensive Income /(Loss)	1,293	1,346
Dividends paid to non-controlling interest	-	-
Net Cash Inflow (Outflow)	(7)	(264)

iii) Kolte-Patil Real Estate Private Limited

(₹ in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Current Assets	20,172	21,651
Non-Current Assets	190	222
Current Liabilities	3,716	5,389
Non-Current Liabilities	35	424
Equity Interest Attributable to the owners	16,611	16,060
Non-Controlling Interest	-	-

(₹ in Lakhs)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Total Revenues	9,887	10,251
Total Expenses [including tax expense]	8,139	8,032
Profit/ (Loss)	1,748	2,219
Profit/ (Loss) attributable to the owners of the company	1,748	2,219
Profit/ (Loss) attributable to the non-controlling interest	-	-
Other Comprehensive Income /(Loss)	9	3
Total Comprehensive Income /(Loss) attributable to the owners of the company	1,757	2,222
Total Comprehensive Income /(Loss) attributable to the non-controlling interest	-	-
Total Other Comprehensive Income /(Loss)	1,757	2,222
Dividends paid to non-controlling interest	-	-
Net Cash Inflow (Outflow)	1,217	1,005

Notes forming part of the consolidated financial statements

Note 35 - Goodwill

Following is the movement in Goodwill:

(₹ in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Balance at the beginning of the year	2,110	2,110
Additions/(Write off) during the year	(36)	-
Balance at the end of the year	2,074	2,110

Goodwill is tested for impairment on an annual basis and whenever there is an indication that the recoverable amount of a cash generating unit is less than its carrying amount based on a number of factors including operating results, business plans, future cash flows and economic conditions.

Note 36 - Contingent liabilities (to the extent not provided for)

(₹ in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
(1) Claims against the Group not acknowledged as debt		
(a) Claims not acknowledged as debts represent cases filed in Consumer court, Civil Court and High Court.	2,907	2,140
(b) Claims in respect of Income Tax matters (pending in Appeal)	1,097	1,587
(c) Claims in respect of Value Added Tax.	-	43
(2) Guarantees issued by the Company on behalf of Subsidiary *	22,000	23,500
Total	26,004	27,270

* The Company does not expect any outflow of resources in respect of guarantee issued

Note 37 - Auditors remuneration (net of taxes) towards

(₹ in Lakhs)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Audit Fees including fees for quarterly limited reviews	94	93
Other services	5	30
Reimbursement of expenses	1	1
Total	100	124

Note 38 - Disclosure as required by "Guidance Note on Accounting for Real Estate Transactions"

(₹ in Lakhs)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
- Project revenue recognised as revenue for the year ended 31 st March	118,580	93,800
- Methods used to determine the project revenue	Percentage of completion	Percentage of completion
- Method used to determine the stage of completion of the Project	% of actual cost to budgeted cost	% of actual cost to budgeted cost
- Aggregate amount of costs incurred and profits recognised to date as at 31 March	713,740	557,156
- Advances received as at 31 March	35,980	61,777
- Amount of work in progress and finished goods as at 31 March	180,948	202,970
- Amount of Construction Materials as at 31 March	2,691	3,103
- Unbilled revenue as at 31 March	7,332	2,129

Notes forming part of the consolidated financial statements

Note 39 – Employee Benefits

The details of employee benefits as required under Ind AS 19 ‘Employee Benefits’ is given below

(A) Defined Contribution Plan:

The parent and certain of its subsidiaries contributes to provident fund and employee state insurance scheme, which are defined contribution plans.

Amount recognized as an expense in the Statement of Profit and Loss in respect of Defined Contribution Plans to Provident fund is ₹281 lakhs (Previous Year – ₹211 lakhs) and Employee State Insurance Scheme is ₹10 lakhs (Previous Year – ₹5 lakhs)

(B) Defined benefit plan:

Gratuity is a defined benefit plan covering eligible employees. The plan provides for a lump sum payment to vested employees on retirement, death while in employment or termination of employment of an amount equivalent to 15 days salary for each completed year of service. Vesting occurs on completion of five years of service.

Disclosure as required under Ind AS 19 on “Employee Benefits” in respect of defined benefit plan is as under:

i. Group’s obligation in respect of its defined benefit plans is as follows: (₹ in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Present value of funded defined benefit obligation	(895)	(685)
Fair value of plan assets	353	337
Funded status	(542)	(348)
Restrictions on asset recognized	-	-
Others	-	-
Reclassified to Prepaid Assets	(9)	-
Net liability arising from defined benefit obligation	(551)	(348)

ii. Movement in the present value of defined obligation (DBO) during the year representing reconciliation of opening and closing balances thereof are as follows: (₹ in Lakhs)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Present value of benefit obligation at the beginning of the year	685	591
Current service cost	140	135
Interest cost	48	46
Past Service cost	142	-
Re-measurements on obligation [Actuarial (Gain) / Loss] :		
Actuarial (gains)/ losses arising from changes in demographic assumption	-	-
Actuarial (gains)/ losses arising from changes in financial assumption	(6)	3
Actuarial (gains)/ losses arising from changes in experience adjustment	(54)	(48)
Benefits paid	(60)	(42)
Present value of Defined Benefit Obligation at the end of year	895	685

Notes forming part of the consolidated financial statements

Note 39 – Employee Benefits (Contd.)

iii. Changes in the fair value of plan assets during the year representing reconciliation of opening and closing balances thereof are as follows: (₹ in Lakhs)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Fair value of Plan Assets at the beginning of the year	337	284
Interest income	45	26
Contributions from the employer	27	75
Re-measurement gain / (loss) :		
Return on plan assets, excluding amount recognized in Interest Income - Gain / (Loss)	-	(2)
Mortality Charges & Taxes	4	(3)
Benefits paid	(60)	(42)
Amount paid on settlement	-	(1)
Fair value of Plan assets as on the end of the year	353	337
Actual Returns on Plan Assets	25	27

iv. Analysis of Defined Benefit Obligations (₹ in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Defined benefit obligations	(895)	(685)
Fair value of plan assets	353	337
Reclassified to Prepaid Assets	(9)	-
Net Asset/(Liability) recognised in Balance sheet	(551)	(348)

v. In respect of Funded Benefits with respect to gratuity, the fair value of Plan assets represents the amounts invested through "Insurer Managed Funds"

vi. Expenses recognised in the Statement of profit and loss (₹ in Lakhs)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Current service cost	140	135
Net Interest expense	3	20
Past service cost	142	-
Total	285	155

Notes forming part of the consolidated financial statements

Note 39 - Employee Benefits (Contd.)

vii. Amount recognised in Other Comprehensive Income

(₹ in Lakhs)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Opening amount recognized in OCI	(37)	-
Actuarial (Gain)/Loss		
(i) arising from changes in demographic assumption	-	-
(ii) arising from changes in financial assumption	29	15
(iii) arising from changes in experience assumption	(89)	(62)
Total amount recognised in the statement of other comprehensive income / (Loss)	(97)	(47)

viii. Actual Contribution and benefit payments for the year

(₹ in Lakhs)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Actual benefit paid directly by the Group	(2)	-
Actual contributions	27	75

ix. Principal Actuarial Assumptions for gratuity

Particulars	As at March 31, 2018	As at March 31, 2017
Discount Rate	7.20 to 7.80%	7.20 to 7.50%
Expected Rate of Increase in compensation levels	6.00% to 9.00%	6.00% to 9.00%
Expected Rate of Return on Plan Assets	7.20% to 7.30%	7.90% to 8.10%
Expected Average Remaining working lives of employees (Years)	15.23	15.97
Mortality Rate	IALM(2006-08) ult	IALM(2006-08) ult
Withdrawal Rate	3.00% to 5.00%	3.00% to 5.00%

- The discount rate is based upon the market yields available on Government bonds at the accounting date with a term that matches that of the liabilities.
- Expected Rate of Return of Plan Assets: This is based on the expectation of the average long term rate of return expected on investments of the Fund during the estimated term of obligations.
- Salary Escalation Rate: The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors
- Withdrawal Rate: It is the expected employee turnover rate and should be based on the company's past attrition experience and future withdrawal expectations.

Notes forming part of the consolidated financial statements

x. Disclosure related to indication of effect of the defined benefit plan on the entity's future cash flows: Expected benefit payments for the year ending:

(₹ in Lakhs)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
31 March 2018	N.A.	41
31 March 2019	110	33
31 March 2020	41	39
31 March 2021	56	47
31 March 2022	42	45
31 March 2023	89	-
31 March 2023 to 31 March 2027	-	557
31 March 2024 to 31 March 2028	619	N.A.

Weighted Average duration of defined benefit obligation: 15.35 Years (Previous Year: 14.21 Years)

xi. Sensitivity analysis: A quantitative sensitivity analysis for significant assumption is as shown below:

(₹ in Lakhs)

Effect on Defined Benefit Obligation on account (DBO) of 1% change in the assumed rates:						
DBO Rates Types	Discount Rate		Salary Escalation Rate		Withdrawal Rate	
Quarter / Year	1% Increase	1% Decrease	1% Increase	1% Decrease	1% Increase	1% Decrease
March 31, 2018	809	1,000	974	829	892	900
March 31, 2017	609	770	740	627	684	681

The sensitivity results above determine their individual impact on Plan's end of year Defined Benefit Obligation. In reality, the plan is subject to multiple external experience items which may move the defined Benefit Obligation in similar or opposite directions, while the Plan's sensitivity to such changes can vary over time.

xii. Employee benefit plans

The plans typically expose the company to the actuarial risks such as: investments risk, interest risks, longevity risk and salary risk

Investment risk	The present value of the defined benefit plan liability (denominated in Indian Rupee) is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.
Interest risk	A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.
Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

No other post-retirement benefits are provided to these employees.

Notes forming part of the consolidated financial statements

Note 40 – Segment Information

The Group is engaged in Real Estate. The operations of the group do not qualify for reporting as business segments as per the criteria set out under Indian Accounting Standard 108 (IND AS-108) on “Operating Segments”. The Company is operating in India hence there is no reportable geographic segment. Accordingly, no disclosure is required under IND AS – 108.

Note 41 – Leases

1. Operating leases

Where the Group is Lessee:

The Group has entered into operating lease arrangements for certain facilities and office premises. The leases are range over a period of 2 years to 5 years. Rental expense for operating leases included in the Statement of Profit and Loss for the year is ₹311 lakhs [Previous Year – ₹461 Lakhs].

The future minimum lease payments under non-cancellable operating lease

(₹ in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Not later than one year	69	12
Later than one year but not later than five years	13	–

Where the Group is Lessor:

The Group has entered into operating lease arrangements for certain of its facilities. Rental income from operating leases included in the Statement of Profit and Loss [under other income] for the year is ₹236 lakhs [Previous Year – ₹178 Lakhs].

The future minimum lease income under non-cancellable lease

(₹ in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Up to one year	144	115
Greater than one year but less than five years	1,450	983
Greater than five years	3,436	4,047

2. Finance Leases:

The Group has taken vehicles on finance lease. The future lease rent payable on such vehicles taken on finance lease are as follows:

(₹ in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Minimum lease payments		
Not later than one year	115	92
Later than one year but not later than five years	154	112
Present value of minimum lease payments		
Not later than one year	98	78
Later than one year but not later than five years	144	103

Notes forming part of the consolidated financial statements

Note 42 – Earnings per share

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Net Profit attributable to shareholders (₹ in Lakhs)	12,148	8,718
Nominal value of equity shares – (Amount in ₹)	10	10
Weighted average number of equity shares for basic and diluted EPS (₹ in Lakhs)	758	758
Basic and Diluted earnings per share – (₹)	16.03	11.51

Note 43 – Financial Instruments

i) Capital Management

The group's capital management objectives are:-

- to ensure the company's ability to continue as a going concern-
- to maximize the return to stakeholders through the optimization of the debt and equity balance.

The group monitors capital on the basis of the carrying amount of equity as presented on the face of the statement of financial position. The company sets the amount of capital in proportion to its overall financing structure, i.e. equity and financial liabilities. 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.

a) Gearing Ratio:

The Gearing ratio at the end of the reporting period are as follows:

(₹ in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Debt* (A)	71,125	79,194
Cash and bank balances (B)	11,832	7,968
Net Debt (C) = (A-B)	59,293	71,226
Total Equity (D)	119,130	113,034
Net debt to equity ratio (C/D)	50%	63%

*Debt is defined as long-term and short-term borrowings including interest accrued on borrowings

b) The carrying value of financial instruments by categories as of March 31, 2018 is as follows:

(₹ in Lakhs)

Particulars	Fair value through P&L	Fair value through OCI	Amortised cost	Total carrying value
Assets:				
Cash and cash equivalents	-	-	7,799	7,799
Other balances with banks	-	-	4,033	4,033
Trade receivables	-	-	18,278	18,278
Investments (Other than investment in equity instruments of Subsidiaries)	21	-	-	21
Other financial assets	-	-	3,250	3,250
Total	21	-	33,360	33,381

Notes forming part of the consolidated financial statements

Note 43 – Financial Instruments (Contd.)

(₹ in Lakhs)

Particulars	Fair value through P&L	Fair value through OCI	Amortised cost	Total carrying value
Liabilities:				
Trade and other payables	-	-	26,238	26,238
Borrowings-Debtentures issued	24,629	-	217	24,846
Other borrowings	4,027	-	40,090	44,117
Other financial liabilities			4,420	4,420
Total	28,656	-	70,965	99,621

The carrying value of financial instruments by categories as of March 31, 2017 is as follows:

(₹ in Lakhs)

Particulars	Fair value through P&L	Fair value through OCI	Amortised cost	Total carrying value
Assets:				
Cash and cash equivalents	-	-	6,566	6,566
Other balances with banks	-	-	1,402	1,402
Trade receivables	-	-	17,616	17,616
Investments (Other than investment in equity instruments of Subsidiaries)	441	-	-	441
Other financial assets	-	-	5,430	5,430
Total	441	-	31,014	31,455
Liabilities:				
Trade and other payables	-	-	21,264	21,264
Borrowings – Debtentures	19,003	-	19,217	38,220
Other borrowings	4,027	-	33,907	37,934
Other financial liabilities	-	-	4,929	4,929
Total	23,030	-	79,317	102,347

ii) Financial risk management objectives

In the course of its business, the Group is exposed primarily to fluctuations in interest rates, equity prices, liquidity and credit risk, which may adversely impact the fair value of its financial instruments. The Group assesses the unpredictability of the financial environment and seeks to mitigate potential adverse effects on the financial performance of the Group.

iii) Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk such as equity price risk and commodity price risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. Future specific market movements cannot be normally predicted with reasonable accuracy

Currency risk:

The Company does not have material foreign currency transactions. The company is not exposed to risk of change in foreign currency.

Notes forming part of the consolidated financial statements

Note 43 – Financial Instruments (Contd.)

Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to the risk of changes in market interest rates as the Company does not have any long-term debt obligations with floating interest rates.

Other price risk:

The Company is not exposed to equity price risks arising from equity investments. Equity investments are held for strategic rather than trading purposes. The Company does not actively trade these investments.

iv) Interest risk management

The Group's interest rate exposure is mainly related to debt obligations. The Group obtains debt to manage the liquidity and fund requirements for its day to day operations. The rate of interest is fixed and thus there is no risk of interest rates fluctuating.

v) Credit risk management

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit

Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, unbilled revenue, investments, derivative financial instruments, cash and cash equivalents, bank deposits and other financial assets. None of the financial instruments of the Group result in material concentration of credit risk.

vi) Liquidity risk

Liquidity risk refers to the risk that the Group cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The table below provides details regarding the contractual maturities of financial liabilities, including estimated interest payments as at March 31, 2018:

(₹ in Lakhs)

Financial liabilities	Carrying amount	Due in one Year	Due after one Year	Total contractual cash flows
(a) Trade payables				
-March 31, 2018	26,238	24,980	1,258	26,238
-March 31, 2017	21,264	20,677	587	21,264
(b) Borrowings and interest thereon				
-March 31, 2018	71,125	27,442	43,683	71,125
-March 31, 2017	79,194	50,179	29,015	79,194
(c) Other financial liabilities				
-March 31, 2018	2,258	142	2,116	2,258
-March 31, 2017	1,889	1,598	291	1,889
Total				
-March 31, 2018	99,621	52,564	47,057	99,621
-March 31, 2017	102,347	72,454	29,893	102,347

Notes forming part of the consolidated financial statements

Note 43 – Financial Instruments (Contd.)

Vii) Fair value disclosures

Level 1 – Quoted prices (Unadjusted) in active markets for identical assets & liabilities.

Level 2 – Inputs other than quoted prices included within level 1 that are observable for the asset & liability, either directly (i.e. prices) or indirectly (i.e. derived from prices).

Level 3 – Inputs for the assets or liabilities that are not based on observable market data (Unobservable inputs).

The following table summaries financial assets and liabilities measured at fair value on a recurring basis

(₹ in Lakhs)

Particulars	Fair value as at		Fair value hierarchy
	March 31, 2018	March 31, 2017	
Financial assets			
Mutual Funds	14	432	Level 1
Equity Shares	7	9	Level 1
Financial Liabilities			
Debentures	24,629	19,003	Level 2
Borrowing from banks and others	4,027	4,027	Level 2

The following table summarizes fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required).

(₹ in Lakhs)

Particulars	March 31, 2018	March 31, 2017	Hierarchy
Financial assets			
Trade and other receivables	33,360	31,014	Level 2
Investments	-	-	Level 2
Financial Liabilities			
Debentures	217	19,217	Level 2
Borrowing from banks and others	40,090	33,907	Level 2
Trade and other payables	28,496	23,153	Level 2

Note 44 – Current tax and Deferred tax

The income tax expense can be reconciled to the accounting profit as follows:

(₹ in Lakhs)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Profit Before tax	20,283	14,732
Enacted tax rate	26%-35%	34.608%
Income tax calculated at enacted rate	7,674	5,098
Tax effect of income that is exempt from tax	(329)	(1,447)
Tax effect of expenses not deductible in determining tax profit	(455)	1,285
Effect of different tax rate in components	-	1,308
Effect of brought forward loss	(1,603)	-
Others	(361)	-
Income tax expense recognized in profit and loss	4,926	6,244

The tax rate used for the above reconciliation is the rate as applicable for the respective period payable by the entities in India on taxable profits under India tax laws.

Notes forming part of the consolidated financial statements

Note 45 – Related Party Transactions

A. List of Related Parties

Related Parties are classified as:

i. Key Management Personnel and relatives of Key Management Personnel

1. Rajesh Patil
2. Naresh Patil
3. Milind Kolte
4. Sunita Kolte
5. Sunita Patil
6. Vandana Patil
7. Gopal Sarda
8. Atul Bohra
9. Vinod Patil
10. Nirmal Kolte
11. Yashvardhan Patil
12. Harshavardhan Patil
13. Sudhir Kolte
14. Ankita Patil

ii. Entities over which Key Management Personnel and their relatives are able to exercise significant influence

1. Anisha Education Society

B. Related Party Transactions and Balance Outstanding

I. Transactions during the year:

(₹ in Lakhs)

Type of Transactions	Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Dividend paid on equity shares	Rajesh Patil	248	232
	Naresh Patil	240	224
	Milind Kolte	103	97
	Sunita Kolte	89	83
	Sunita Patil	112	105
	Vandana Patil	113	106
	Ankita Patil	0	0
Expenditure on Corporate Social Responsibility	Anisha Education Society	180	225
Advances given for land purchase	Rajesh Patil	61	241

Notes forming part of the consolidated financial statements

Note 45 - Related Party Transactions (Contd.)

B. Related Party Transactions and Balance Outstanding

I. Transactions during the year:

(₹ in Lakhs)

Type of Transactions	Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Remuneration to Key managerial personnel *	Rajesh Patil	103	101
	Naresh Patil	100	100
	Milind Kolte	100	100
	Gopal Sarda	333	99
	Atul Bohra	59	50
	Vinod Patil	37	32
	Nirmal Kolte	35	-
	Yashvardhan Patil	16	-
	Harshavardhan Patil	18	-
Sale of Flats (as computed under percentage of completion method) #	Milind Kolte	146	-
	Gopal Sarda	107	-
Rental Income	Anisha Education Society	135	60

Milind Kolte and Gopal Sarda have entered into an agreement with the company to purchase of properties in Atria Project on 3rd August 2015 and Jai Vijay Project on 31st March 2017 whose agreement value is ₹385 lakhs and ₹175 lakhs respectively.

(₹ in Lakhs)

Particulars	Short Term Benefits	Post-Employment Benefits	Long-term Employee benefits	Perquisite value of Employee Stock options
Rajesh Patil	97	6	-	-
	(94)	(6)	(-)	(-)
Naresh Patil	94	6	-	-
	(94)	(6)	(-)	(-)
Milind Kolte	94	6	-	-
	(94)	(6)	(-)	(-)
Gopal Sarda	333	-	-	-
	(99)	(-)	(-)	(-)
Atul Bohra	59	0	-	-
	(50)	(-)	(-)	(-)
Vinod Patil	37	0	-	-
	(32)	(-)	(-)	(-)
Nirmal Kolte	33	2	-	-
	(-)	(-)	(-)	(-)
Yashvardhan Patil	15	1	-	-
	(-)	(-)	(-)	(-)
Harshavardhan Patil	18	0	-	-
	(-)	(-)	(-)	(-)

* doesn't include the provision for Gratuity and Leave Encashment as these are provided at the company level. Previous year figures are in Brackets.

Notes forming part of the consolidated financial statements

Note 45 – Related Party Transactions (Contd.)

II. Balances at year end:

(₹ in Lakhs)

Accounts Balances	Particulars	As at March 31, 2018	As at March 31, 2017
Advances given for land purchase	Rajesh Patil	249	241
	Naresh Patil	150	150
	Milind Kolte	278	278
	Nirmal Kolte	106	106
Advances received for land purchase	Naresh Patil	28	28
Unsecured Loan	Sudhir Kolte	224	224
Trade Receivable (Sale of Flats – as computed under percentage of completion method)	Milind Kolte	91	-
Rent Receivable	Anisha Education Society	64	85
Advance received from customer (Sale of Flats – as computed under percentage of completion method)	Gopal Sarda	1	7
	Milind Kolte	-	55

Note 46 – Details of CSR expenditure

- Gross amount required to be spent by the Group during the year is ₹294 lakhs (Previous Year: ₹300 lakhs).
- Amount spend during the year ₹182 lakhs (Previous Year: ₹149 lakhs)

Note 47 – Employee stock option scheme

a) Employee stock option scheme (ESOS 2014)

The Company has instituted ‘Employee Stock Option Scheme 2014’ (ESOS 2014) for eligible employees of the Company. The vesting pattern of the schemes has been provided below. The options can be exercised over a period of 1 to 3 years from the date of grant. Each option carries with it the right to purchase one equity share of the Company at the exercise price determined by the Nomination and remuneration Committee at the time of grant.

The vesting period of the above mentioned ESOS Schemes is as follows –

Service period from date of grant	Vesting percentage of options
12 months	25%
24 months	35%
36 months	40%

The options under this Scheme vest over a period of 1 to 3 years from the date of the grant. Upon vesting, employees have 3 to 5 years (as per plan) to exercise the options.

The exercise period shall commence from the date of vesting of option and expire not later than 12 (Twelve) months from the vesting date of option. Options not exercised during any particular exercise period, can be carried forward to the subsequent exercise period(s), provided however that all the Options, have to be exercised within a period of 2 years from the date of the vesting period in respect of the final lot, after which any unexercised Options will lapse.

Notes forming part of the consolidated financial statements

Note 47 – Employee stock option scheme (Contd.)

i. Details of activity of the ESOP schemes

Movement for the year ended March 31, 2018 and year ended March 31, 2017:

ESOP Scheme	Particulars	Year ended	Outstanding at the beginning of the year	Granted during the year	Forfeited during the year	Lapsed during the year	Exercised during the year	Outstanding at the end of the year	Exercisable at the end of the year
ESOS 2014	Number of options	March 31, 2018	50,000	-	-	-	23,500	26,500	26,500
	Weighted average exercise price	March 31, 2018	142	-	-	-	141	142	142
	Number of options	March 31, 2017	50,000	-	-	-	-	50,000	30,000
	Weighted average exercise price	March 31, 2017	142	-	-	-	-	142	142

ii. Information in respect of options outstanding:

ESOP Scheme	Exercise price	As at March 31, 2018		As at March 31, 2017	
		Number of Options Outstanding	Weighted average remaining life (in Years)	Number of Options Outstanding	Weighted average remaining life (in Years)
ESOS 2014	141	16,500	0 - 1.74	40,000	0.73 - 2.74
	145	10,000	0 - 1.74	10,000	0.73 - 2.74

iii. The employee stock option cost for the Employee Stock Option Scheme 2014 has been computed by reference to the fair value of share options granted and amortized over each vesting period. For the year ended 31st March, 2018 the Company has accounted for employee stock Option cost (equity settled) amounting to ₹ 3 lakhs (previous year: ₹10 lakhs).

iv. The fair value of each option is estimated on the date of grant based on the following assumptions (on weighted average basis):

Particulars	For the year ended	
	March 31, 2018	March 31, 2017
Weighted average share price	247	168
Exercise price	141 and 145	141 and 145
Expected Volatility (%)	69.36% - 71.14%	69.36% - 71.14%
Expected life	1 year from the date of vesting	1 year from the date of vesting
Expected dividend (%)	2%	2%
Risk free interest rate (%)	7.70% - 8.50%	7.70% - 8.50%

The amount of the expense is based on the fair value of the employee stock options and is calculated using a Binomial Lattice valuation model. A lattice model produces estimates of fair value based on assumed changes in share prices over successive periods of time. The Binomial Lattice model allows for at least two possible price movements in each subsequent time period.

The Hull-White model (HW-model) is an extension of the Binomial Lattice model. It models the early exercise behavior of employees by assuming that exercise takes place whenever the stock price reaches a certain multiple M of the strike price X when the option has vested. The Black and Scholes valuation model has been used for computing the weighted average fair value.

Notes forming part of the consolidated financial statements

Note 48 – Additional information pertaining to Parent Company and Subsidiaries as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013

(₹ in Lakhs)

Name of the entity	Net Assets, i.e., total assets minus total liabilities		Share in Profit /(Loss) after Tax		Share in Other Comprehensive Income		Share in Total Comprehensive Income/(Loss)	
	As % of Consolidated net assets	Amount	As % of Consolidated Profit After Tax	Amount	As % of Consolidated OCI	Amount	As % of Consolidated TCI	Amount
Parent Company								
Kolte-Patil Developers Limited	74.78% (70.56%)	89,090 (79,756)	62.49% (44.52%)	9,596 (3,779)	41.03% (95.32%)	16 (30)	62.43% (44.72%)	9,612 (3,809)
Subsidiaries								
Snowflower Properties Private Limited	2.48% (2.23%)	2,959 (2,518)	2.86% (16.01%)	439 (1,359)	2.56% (9.22%)	1 (3)	2.86% (15.99%)	440 (1,362)
Tuscan Real Estate Private Limited	1.26% (1.65%)	1,498 (1,861)	4.28% (11.87%)	658 (1,008)	5.13% (5.01%)	2 (2)	4.29% (11.81%)	660 (1,006)
Kolte-Patil Real Estate Private Ltd	13.22% (13.24%)	15,752 (14,971)	5.80% (14.35%)	890 (1,220)	10.26% (3.90%)	4 (1)	5.81% (14.34%)	894 (1,221)
Kolte-Patil I-Ven Townships (Pune) Limited	0.19% (1.23%)	222 (1,390)	7.16% (0.09%)	1,099 (8)	2.56% (0.87%)	1 (0)	7.14% (0.10%)	1,100 (8)
Bellflower Properties Private Limited	2.55% (2.70%)	3,036 (3,054)	(0.12%) (12.39%)	(18) (1,052)	0.00% (0.00%)	- (-)	(0.12%) (12.35%)	(18) (1,052)
Regenesi Facility Management Company Private Limited	0.10% (0.10%)	124 (112)	0.04% (0.11%)	6 (9)	12.82% (0.46 %)	5 (0)	0.07% (0.10%)	11 (9)
Kolte-Patil Redevelopment Private Limited (formerly known as PNP Retail Private Ltd)	0.23% (0.45%)	270 (514)	(1.60%) (0.19%)	(245) (16)	0.00% (0.00%)	- (-)	(1.59%) (0.19%)	(245) (16)
PNP Agrotech Private Limited	0.45% (0.59%)	536 (672)	(0.88%) (0.79%)	(135) (67)	0.00% (0.00%)	- (-)	(0.88%) (0.79%)	(135) (67)
Sylvan Acres Realty Private Limited	0.90% (0.95%)	1,077 (1,078)	(0.01%) (0.15%)	(1) (13)	0.00% (0.00%)	- (-)	(0.01%) (0.15%)	(1) (13)
Ankit Enterprises	4.76% (3.45%)	5,672 (3,901)	(1.66%) (4.45%)	(255) (378)	5.13% (3.02%)	2 (1)	(1.63%) (4.44%)	(253) (379)
Kolte Patil Homes	0.04% (0.08%)	47 (86)	(0.01%) (0.02%)	(2) (2)	0.00% (0.00%)	- (-)	(0.01%) (0.02%)	(2) (2)
KP Rachana Real Estate LLP	0.27% (0.45%)	320 (514)	2.06% (0.96%)	317 (80)	0.00% (2%)	- (1)	2.06% (0.93%)	317 (79)
Sanjivani Integrated Township LLP	0.00% (5.78%)	- (6,535)	0.00% (0.00%)	0 (-)	0.00% (0.00%)	- (-)	0.00% (0.00%)	- (-)
Bouvardia Developers LLP	0.61% (9.61%)	727 (10,857)	(1.36%) (0.00%)	(209) (-)	0.00% (0.00%)	- (-)	(1.36%) (0.00%)	(209) (-)
Carnation Landmarks LLP	4.60% (5.70%)	5,485 (6,425)	0.00% (0.06%)	- (5)	0.00% (0.00%)	- (-)	0.00% (0.06%)	- (5)
KPSK Project Management LLP	0.41% (0.30%)	485 (334)	(0.50%) (0.47%)	(77) (40)	0.00% (0.00%)	- (-)	(0.50%) (0.47%)	(77) (40)
Regenesi Project Management LLP	(0.01%) (0.01%)	(12) (6)	(0.03%) (0.19%)	(4) (16)	0.00% (0.00%)	- (-)	(0.03%) (0.19%)	(4) (16)
BlueBell Township Facility Management LLP	(0.14%) (-)	(171) (-)	(0.81%) (0.00%)	(124) (-)	0.00% (0.00%)	- (-)	(0.81%) (0.00%)	(124) (-)
Adjustments arising out of consolidation	(24.12%) (41.54%)	(28,739) (46,949)	1.39% 0.00%	213 (-)	0.00% (0.00%)	- (-)	1.38% (0.00%)	213 (-)
Share of Non-Controlling Interest	17.42% (22.48%)	20,752 (25,411)	20.90% ((2.70%))	3,209 ((230))	20.51% ((3.12%))	8 ((1))	20.90% ((2.71%))	3,217 ((231))
Total	100.00% (100.00%)	119,130 (113,034)	100.00% (100.00%)	15,357 (8,488)	100.00% (100.00%)	39 (31)	100.00% (100.00%)	15,396 (8,519)

Notes forming part of the consolidated financial statements

Note 49 – Details of the investment property and its fair value:

The Group has obtained the fair valuation of its investment property as at March 31, 2018 from a Government registered independent valuer who holds a recognised and relevant professional qualification and has experience in the location and category of the investment property being valued.

The fair value was derived considering various factors as mentioned below :

- For Building – Location, year of construction, present condition, market value, etc.
- For Furniture & Fixtures – purchase cost, age, use, present condition, technical parameters, technology obsolescence, etc.

The fair values of investment properties are given below:

(₹ in Lakhs)		
Description	As at March 31, 2018	As at March 31, 2017
Building & internal Furnitures and Fixtures	2,062	Not Applicable
Total	2,062	Not Applicable

Note 50 – Foreign exchange:

a) Hedged / Unhedged foreign currency exposures:

- Details of derivative instruments (for hedging) : ₹ Nil (Previous year ₹ Nil)
- Details of Foreign Currency Exposures that are not hedged by a derivative instrument or otherwise: ₹ Nil (Previous year ₹ Nil)

- The net exchange differences arising during the year recognized in the statement of profit and loss: net gain / (loss) – ₹ Nil (Previous year – Net gain / (loss) – ₹1 Lakh)

Note 51 – Disclosure as per Section 22 of Micro, Small and Medium Enterprises Development Act, 2006

Dues to Micro and Small Enterprises as stated below have been determined to the extent such parties have been identified based on information collected by the Management.

(₹ in Lakhs)		
Particulars	As at March 31, 2018	As at March 31, 2017
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	–	–
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	–	–
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	–	–
(iv) The amount of interest due and payable for the year	–	–
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	–	–
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	–	–

Notes forming part of the consolidated financial statements

Note 52 - The Board of Directors of the Company in their meeting held on December 27, 2017 has approved the Scheme of Merger by absorption under applicable provisions of the Companies Act, 2013 of Bellflower Properties Limited (wholly owned subsidiary of the Company) with the Company. The Appointed date of the Scheme is April 1, 2017. Further, both the companies have filed the scheme of merger before the National Company Law Tribunal Mumbai Bench on April 25, 2018 and waiting for their approval.

Note 53 - The Group ceased to be a partner from Sanjivani Integrated Township LLP (50.50 % subsidiary of the group) with effect from December 5, 2017 on which the group accounted loss of ₹938 lakhs on such cessation.

Note 54 - The financial statements for the year ended March 31, 2018 were approved by the Board of Directors and authorised for issue on May 23, 2018.

For and on behalf of the Board of Directors

Rajesh Patil

Chairman & Managing Director
(DIN:00381866)

Atul Bohra

Chief Financial Officer

Place: Pune

Date: May 23, 2018

Milind Kolte

Executive Director
(DIN:00170760)

Vinod Patil

Company Secretary

Gopal Sarda

Chief Executive Officer

Notes

Corporate information

Board of Directors and Key Managerial Personnel:

Mr. Rajesh Patil : *Chairman and Managing Director*
Mr. Naresh Patil : *Vice Chairman*
Mr. Milind Kolte : *Executive Director*
Mrs. Sunita Kolte : *Non-Executive Director*
Mrs. Vandana Patil : *Non-Executive Director*
Mr. Prakash Gurav : *Independent Director*
Mr. Umesh Joshi : *Independent Director*
Mr. Jayant Pendse : *Independent Director*
Mr. G. L. Vishwanath : *Independent Director*
Mrs. Manasa Vishwanath : *Independent Director*
Mr. Gopal Sarda : *Chief Executive Officer*
Mr. Atul Bohra : *Chief Financial Officer*
Mr. Vinod Patil : *Company Secretary*

Registered Office:

2nd Floor, City Point, Dhole Patil Road,
Pune – 411001
Tel. No. +91-20-66226500
Fax No. +91-20-66226511
Website: – www.koltepatil.com

Regional Office:

Bangalore:

The Estate, #121. 10th Floor, Dickenson Road,
Bengaluru-560 042.
Tel. No: +91-80-4662 4423

Mumbai:

501, The Capital, G Block, Bandra-Kurla Complex,
Bandra, Mumbai- 400052
Telephone: +91 84 1190 5000 / +91 84 1190 6000

Bankers:

IndusInd Bank Limited
IDBI Bank Limited
Axis Bank Limited
HDFC Bank Limited
ICICI Bank Limited
State Bank of India
Vijaya Bank

Statutory Auditors:

M/s. Deloitte Haskins & Sells LLP
Chartered Accountants,
Firm Registration No. 117366W/W-
100018
706, B Wing, 7th Floor, ICC Trade Tower,
International Convention Centre,
Senapati Bapat Road, Pune - 411016
Tel. No. +91-20-66244600
Fax No. +91-20-66244605

Registrar and Share Transfer Agent:

Bigshare Services Private Limited
1st Floor, Bharat Tin Works Building,
Opp. Vasant Oasis, Makwana Road,
Marol, Andheri (East) Mumbai 400059
Maharashtra
Board No: +91-22-62638200
Fax No: +91-22-62638299
Website: – www.bigshareonline.com
Email: – investor@bigshareonline.com

Cautionary statement

In the case of data and information external to the Company, no representation is made on its accuracy or comprehensiveness though the same are based on sources believed to be reliable. Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could influence the Company's operations include economic developments within and/ or outside the country, demand and supply conditions in the market, input prices, changes in Government regulations, tax laws and other factors such as litigation and industrial relations, etc. over which the Company does not have any direct control.



Registered office
Kolte-Patil Developers Limited
2nd Floor, City Point, Dhole Patil Road, Pune – 411001
Tel. No.: +91-20-66226500, Fax No.: +91-20-66226511
Website: www.koltepatil.com
CIN: L45200PN1991PLC129428