

**INDEPENDENT AUDITOR'S REPORT**

To,  
The Members of Kolte-Patil Real Estate Private Limited

**Report on the Audit of IND AS Financial Statements**

**Opinion**

We have audited the accompanying IND AS financial statements of **Kolte-Patil Real Estate Private Limited**, ("the company") which comprise the Balance sheet as at 31st March, 2023, the Statement of Profit and Loss (including other comprehensive income), statement of cash flows & statement of changes in equity for the year then ended and Notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter collectively referred to as the "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and its profit, total comprehensive income & changes in equity and its cash flows for the year ended on that date.

**Basis for Opinion**

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



Sr. No.	Key Audit Matter	Auditor's Response
1.	<p>Revenue recognition under Ind AS 115. - Revenue from Contracts with Customers - Revenue recognition in terms of appropriate accounting period and completeness of revenue in respect of possessions given to customers</p> <p>The Company recognizes revenue primarily from the sale of properties/flats (residential and commercial) with revenue being recognised on possession given to customers. Revenue recognition is a significant audit risk within the Company. There is a risk that Revenue may be mis-stated on account of recognition in wrong accounting period and completeness of the revenue.</p>	<p><b>Principal Audit Procedures</b></p> <p>Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows:</p> <ul style="list-style-type: none"> <li>Assessed the consistency of the accounting principles applied by the Company to measure its revenue from sales of properties / flats with the applicable regulatory financial reporting framework.</li> <li>Evaluated the design, implementation and operational effectiveness of the relevant controls implemented by the Company to ensure recognition of revenue in appropriate period and completeness of the revenue recognition in the books of accounts. We carried out a combination of procedures involving enquiry and observation, re-performance and inspection of evidence in respect of operation of these controls.</li> <li>Tested completeness of total number of units sold and total amount of revenue recognised by reconciling the possession report with the books of accounts</li> <li>Selected samples of agreements with customers and for the samples selected, performed the following procedures <ul style="list-style-type: none"> <li>Read, analysed the Sale Agreement for the terms of the contract and verified the Agreement Value, Date of Agreement, Carpet Area and other relevant details.</li> <li>Verified the possession declaration date is before year end date to ensure revenue is recorded in the appropriate period.</li> </ul> </li> </ul> <p>Verified the possession and key handover letter duly signed by both the parties. Assessed the consistency of the accounting principles applied by the Company to measure its revenue from sales of properties / flats with the applicable regulatory financial reporting framework.</p>
2.	<p>Existence and valuation of Inventories.</p> <p>The Company's properties under development and completed properties are stated at the lower of cost and Net Realizable Value (NRV).</p> <p>Determination of the NRV involves estimates based on</p>	<ul style="list-style-type: none"> <li>Obtained an understanding of the Management's process and methodology of using key assumptions for determining the valuation of inventory as at the year-end</li> <li>Evaluated the design and implementation and verified, on a test check basis, operating effectiveness of controls over preparation and update of NRV workings and related to the Company's review of key estimates, including estimated future selling prices and costs of completion for property development projects.</li> <li>Assessed the appropriateness of the selling price estimated by the management and verified the</li> </ul>

	prevailing market conditions, current prices, and expected date of commencement and completion of the project, the estimated future selling price, cost to complete projects and selling costs.	<p>same on a test check basis, by comparing the estimated selling price to recent market prices in the same projects or comparable properties.</p> <ul style="list-style-type: none"> <li>Assessed the adequacy and appropriateness of the disclosures made in the standalone financial statements with respect to Inventory in compliance with the requirements of applicable Indian Accounting Standards and applicable financial reporting framework.</li> </ul>
3.	<p>Information Technology (IT)</p> <p>The Company's key financial accounting and reporting processes are highly dependent on information systems including automated controls and other systems used for its overall financial reporting.</p>	<ul style="list-style-type: none"> <li>In response to this key matter, our work included the following procedures in which our audit team IT specialists were involved: <ul style="list-style-type: none"> <li>Understood General IT Control i.e. access controls, program/system change, program development, over key financial accounting and reporting systems including operating systems and databases</li> <li>Understood IT application controls covering key interfaces.</li> <li>Test checked the General IT Controls for design and operating effectiveness for the audit period</li> <li>Test checked the IT application controls for design and operating effectiveness for the audit period.</li> <li>Test checked controls over the IT infrastructure covering user access (including privilege users)</li> </ul> </li> </ul>
4.	<p>Impairment of investments and recoverability of Inter Corporate Deposits ("ICD") given to holding as on 31st March 2023</p> <p>An impairment loss is recognized if the recoverable amount is lower than the carrying value. The recoverable amount is estimated by calculating the value in use or the Fair value, whichever is higher.</p> <p>We focused on this area due to significant carrying amount of these investments and inter corporate deposits given to subsidiaries and the significant management judgement and estimates involved in recoverable amount.</p> <p>Accordingly, we consider this as a key audit matter.</p>	<ul style="list-style-type: none"> <li>Principal Audit Procedures include: <ul style="list-style-type: none"> <li>Evaluating design and implementation and testing operating effectiveness of controls over the Company's process of impairment assessment and approval of cash flow forecasts/projections and recoverability of the investments and loans and advances.</li> <li>We performed inquiries with management on the future business plan of these entities to whom loans and advances were granted and investments have been made to evaluate the recoverability / impairment.</li> <li>Assessing the valuation methods used, evaluating latest audited financial position of these subsidiaries to identify excess of their net assets, being an approximation of their minimum recoverable amount, over their carrying amount of the investment by the Company including loans and advances.</li> <li>Obtained valuation reports from management expert (external valuation report) wherever available and tested the recoverability of the investments and ICD's, which includes valuation method, cash flow projections, discount rate and growth rate. These projections are broadly based on expected net collections.</li> <li>Evaluation of management's sensitivity</li> </ul> </li> </ul>

		analysis around the key assumptions, to ascertain the extent of change in those assumptions that either individually or collectively would be required for the investments in and ICD given to the subsidiary to be impaired.
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### **Information other than the Financial Statements and Auditor's Report thereon**

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board report, but does not include the financial statements and our auditor's report thereon.
- Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Responsibilities of Management and Those Charged with Governance for the 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 Ind AS Financial Statements that give a true and fair view of the financial position, financial performance, (changes in equity) and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the IND AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

### **Auditor's Responsibility**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error,

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

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

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

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

## Report on the Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, 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 financial statements.
  - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid financial statements have been kept so far as it appears from our examination of those books.
  - c) The Balance Sheet, Statement of Profit and Loss including Other Comprehensive Income, Cash Flow Statement and Statement for 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 financial statements.
  - d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards referred under Section 133 of the Act as applicable, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of written representations received from the directors as on 31 March, 2023, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2023, from being appointed as a director in terms of Section 164(2) of the Act.
  - f) With respect to the adequacy of the internal financial controls 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 the requirements of section 197(16) of the Act, as amended, In our opinion and to the best of our information and according to the explanations given to us, the Company has not paid/ provided any managerial remuneration during the year.
  - h) With respect to the other matters included in the Auditor's Report in accordance with Rule 11 of the companies (Audit and Auditors) Rules, 2014, 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 financial statements.
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There were no amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
    - iv. a) We have received representation from the Management that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in

writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

b) We have received representation from the Management that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the of the Funding Party or provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.

c) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub clause (iv)(a) and (iv)(b) contain any material mis-statement.

- v. No dividend is declared or paid during the year by the company.
  - vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.
2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure "B", a statement on the matters specified in the paragraph 3 and 4 of the order.

**For SPCM & ASSOCIATES**  
Chartered Accountants  
FRN: - 112165W

**CA Suhas P. Bora**  
Partner  
Mem. No. 039765  
UDIN: 23039765BGYJCA9504

Place: Pune  
Date: 23.05.2022

## **ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT**

(Referred to in paragraph I(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")**

We have audited the internal financial controls over financial reporting of **Kolte-Patil Real Estate Private Limited** ("the Company") as of 31 March 2023 in conjunction with our audit of the 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 Companies Act, 2013.

#### **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 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 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 31 March 2023, 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 SPCM & ASSOCIATES**

Chartered Accountants  
FRN: - 112165W

**CA Suhas P. Bora**

Partner  
Mem. No. 039765  
UDIN: 23039765BGYJCA9504

Place: Pune  
Date: 23.05.2022



CTS NO. 6616, Plot No 491, 5th Floor, Center Point, Mitra Mandal Chowk,  
Parvati, Pune - 411 009. Landline No - 020 67447171.  
[www.spcm.in](http://www.spcm.in) | [accounts@spcm.in](mailto:accounts@spcm.in)

## **“Annexure B” to the Independent Auditors’ Report**

Referred to in paragraph 1 under the heading ‘Report on Other Legal & Regulatory Requirement’ of our report of even date to the financial statements of the Company Kolte-Patil Real Estate Private Limited for the year ended March 31, 2023:

### **1) In respect of Fixed Assets:**

#### **Clause 3(i)(a)**

A) The company has generally maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment's.

B) The company has generally maintained proper records showing full particulars of intangible assets.

#### **Clause 3(i)(b)**

(b) The company has a regular programme of physical verification of its Property, Plant and Equipment's, by which all Property, Plant and Equipment's are verified in a phased manner over a period of 2 years. In our opinion, the periodicity of physical verification is reasonable having regard to the size of company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment's, were physically verified during the year by the management. According to the information and explanation given to us, no material discrepancies were noticed on such verification.

#### **Clause 3(i)(c)**

(c) The company does not have any immovable property, as at 31/03/2023 and hence specific disclosure or reporting under this clause of the Order is not applicable

#### **Clause 3(i)(d)**

(d) The company has not revalued its Plant, Property and Equipment (including Right of Use assets) or Intangible Asset or both during the year and hence specific disclosure or reporting under this clause of the Order is not applicable.

#### **Clause 3(i)(e)**

(e) No proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder and hence specific disclosure or reporting under this clause of the Order is not applicable.

### **2) Clause 3(ii)(a)**

(a) The inventories have been physically verified by the management, at reasonable intervals. On the basis of our examination of the records of inventory, we are of the opinion that no material discrepancies of 10% or more in aggregate for each class of inventory were noticed on verification between the physical stock and the book records.

### Clause 3(ii)(b)

(b) The company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets at any point of time during the year, and hence specific disclosure or reporting under this clause of the Order is not applicable.

### 3) Clause 3 (iii)(a)

(a) According to the information and explanation given to us, the company has granted loans (unsecured) to a company.

A) No loans or advances and guarantees or security is granted to subsidiaries, joint ventures and associates.

B) Details of loan granted during the year and outstanding amount at the balance sheet date to the Holding company is as under: -

(Amount in Lakhs)

Name of the Entity	Relationship with the company	Aggregate amount of loan granted during the year	Outstanding Amount of Loan as on 31.03.2023
KOLTE PATIL DEVELOPERS LTD	Holding Company/Promoter	22,554.53/-	1,376.57/-

### Clause 3 (iii)(b)

(b) According to the information and explanation given to us, the company has not made any investments or provided any guarantee or has given any security during the financial year that is prejudicial to the company's interest.

### Clause 3 (iii)(c)

(c) According to the information and explanation given to us, in respect of loans and advances in the nature of loans, the schedule of repayment of principal and payment of interest has not been stipulated and the repayments or receipts are generally regular as per mutual agreements between the parties.

### Clause 3 (iii)(d)

(d) The loans given by the company, to its subsidiary companies, firms, Limited Liability Partnerships or any other parties are repayable on demand and there is no overdue amount and hence specific disclosure or reporting under this clause of the Order is not applicable.

### Clause 3 (iii)(e)

(e) According to the information and explanation given to us, during the financial year no loan has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties and hence specific disclosure or reporting under this clause of the Order is not applicable

### Clause 3 (iii)(f)

(f) The company has granted loans/advances in the nature of loans, which are repayable on demand or without specifying any terms or period of repayment. The details of the same are given below:

(Amount in Lakhs)

Name of the Entity	Relationship with the company	Aggregate amount of loan granted during the year	Outstanding Amount of Loan as on 31.03.2023	Percentage to total loans
KOLTE PATIL DEVELOPERS LTD	Holding Company/Promoter	22,554.53/-	1,376.57/-	100%

### 4) Clause 3 (iv)

According to the information and explanation given to us, in respect to loans, investments made by the Company, provisions of sections 185 and 186 of the Companies Act, 2013 have been complied with

### 5) Clause 3 (v)

According to the information and explanations given to us, the Company has not accepted any deposit, under the provisions of sections 73 to 76 and other related provisions of the Act and hence reporting under clause 3 (v) of the Order is not applicable to the Company.

### 6) Clause 3 (vi)

As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company, and hence specific disclosure or reporting under this clause of the Order is not applicable.

### 7) Clause 3 (vii)

According to the information and explanations given to us and on the basis of our examination of the books of account, and records, in respect of statutory dues:

- The Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Income-Tax, Service Tax, Goods & Services Tax and any other statutory dues with the appropriate authorities. There were no undisputed amounts payable in respect of the above in arrears as at March 31, 2023 for a period of more than six months from the date on when they became payable.
- According to the information and explanation given to us, no undisputed amount payable in respect of Provident Fund, Income tax, Good and Service Tax, Cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they become payable.

- c) Details of statutory dues remaining unpaid on account of dispute and are disclosed as contingent liability under note no. 27 to the financial statements is as under:-

(Amount in lakhs)

Sr. No	Assessment Year	Appeal filed with	Disputed Tax Liability	Major Issues
1.	2018-19	CIT (Appeals)	305.30/-	DDT, Exempt income

**8) Clause 3 (viii)**

According to the information and explanation given to us there are no such transactions that have been surrendered or disclosed as income under Income Tax Act, 1961 and same has not been recorded in the books of accounts, and hence specific disclosure or reporting under this clause of the Order is not applicable.

**9) Clause 3 (ix)(a)**

(a) The company has not defaulted in repayment of loans or other borrowings including interest thereon; to any lender, as at the Balance Sheet date and hence specific disclosure or reporting under this clause of the Order is not applicable.

In respect of borrowings are repayable on demand and terms and conditions for payment of interest thereon have not been stipulated. According to the information and explanations given to us, such loans and interest thereon have not been demanded for repayment during the financial year. Considering the above, in our opinion, the Company has not defaulted in the repayment of loans or other borrowings, or in the payment of interest thereon to any lender during the year.

**Clause 3 (ix)(b)**

(b) As per the information provided to us, the company has not been declared as wilful defaulter by any bank or financial institution or other lender and hence specific disclosure or reporting under this clause of the Order is not applicable.

**Clause 3 (ix)(c)**

(c) The company has not taken any loans during the current financial year. With respect to the Inter corporate borrowings outstanding at the beginning of the financial year, same were applied for the purpose for which the loans were obtained and hence specific disclosure or reporting under this clause of the Order is not applicable.

**Clause 3 (ix)(d)**

(d) According to the information and explanation given to us, and on basis of overall observation no short-term funds were utilized for long term purposes and hence specific disclosure or reporting under this clause of the Order is not applicable.

### **Clause 3 (ix)(e)**

(e) The company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures and hence specific disclosure or reporting under this clause of the Order is not applicable.

### **Clause 3 (ix)(f)**

The company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies and hence specific disclosure or reporting under this clause of the Order is not applicable

## **10) Clause 3 (x) (a)**

(a) Based upon the audit procedures performed and the information and explanations given by the management, the Company has not raised moneys by way of initial public offer / further public offer during the year, and hence specific disclosure or reporting under this clause of the Order is not applicable.

### **Clause 3 (x) (b)**

(b) According to the information and explanations given by the management and on an overall examination of the Balance Sheet, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence specific disclosure or reporting under this clause of the Order is not applicable.

## **11) Clause 3 (xi)(a)**

(a) Based upon the audit procedures performed, no material fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year and hence specific disclosure or reporting under this clause of the Order is not applicable.

### **Clause 3 (xi)(b)**

(b) The auditor has not filed any report under sub-section (12) of section 143 of the Companies Act in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government and hence specific disclosure or reporting under this clause of the Order is not applicable.

### **Clause 3 (xi)(c)**

(c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year (and upto the date of this report).

## **12) Clause 3 (xii)**

The Company is not a Nidhi Company and hence specific disclosure or reporting under this clause of the Order is not applicable.

**13) Clause 3 (xiii)**

In our opinion, and according to the information and explanation 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.

**14) Clause 3 (xiv)(a)**

(a) The company is not applicable for an internal audit and hence specific disclosure or reporting under clause (xiv)(a) and (b) of the Para 3 is not applicable.

**15) Clause 3 (xv)**

In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with them and hence specific disclosure or reporting under this clause of the Order is not applicable.

**16) Clause 3 (xvi)(a)**

(a) The nature of business and activities of the company are such that the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and hence specific disclosure or reporting under this clause of the Order is not applicable.

**Clause 3 (xvi)(b)**

(b) The company has not conducted any Non-Banking Financial or Housing Finance activities during the year and hence specific disclosure or reporting under this clause of the Order is not applicable.

**Clause 3 (xvi)(c)**

(c) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India and hence specific disclosure or reporting under this clause of the Order is not applicable.

**17) Clause 3 (xvii)**

The company has not incurred cash losses during the current financial year under audit and hence specific disclosure or reporting under this clause of the Order is not applicable.

**18) Clause 3 (xviii)**

As per the information provided to us there has not been any resignation of the statutory auditors during the year and hence specific disclosure or reporting under this clause of the Order is not applicable.

**19) Clause 3 (xix)**

On the basis of financial ratios, ageing and expected dates of realization of financial assets and payments of financial liabilities and other information accompanying the

financial statements and our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of audit report indicating that the company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

**20) Clause 3 (xx)**

- a. There are no unspent amounts towards Corporate Social Responsibility (\*CSR\*) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act, 2013 in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.
- b. In respect of ongoing projects, the Company has transferred unspent CSR amount as at the end of the previous financial year, to a Special account within a period of 30 days from the end of the said financial year in compliance with the provision of section 135(6) of the Companies Act, 2013.

**21) Clause 3 (xxi)**

The reporting under this clause is not applicable to the audit of Financial Statements.

**For S P C M & Associates**  
**Chartered Accountants**  
**FRN - 112165W**

**CA Suhas P. Bora**  
**Partner**  
**M. No. 039765**  
**UDIN: 23039765BGYJCA9504**  
**Date: 23.05.2022**  
**Place: Pune**



**Kolte-Patil Real Estate Private Limited**  
**Balance Sheet as at March 31, 2023**  
**CIN : U70102PN2006PTC129191**

(Rs. in Lakhs)

Particulars		Note No.	As at March 31, 2023	As at March 31, 2022
<b>ASSETS</b>				
1	<b>Non-Current assets</b>			
	(a) Property, Plant and Equipment	3A	1	2
	(b) Intangible Assets		-	-
	(c) Financial Assets			
	(i) Investments		-	-
	(ii) Loans	4	1,377	4,273
	(iii) Other Financial Assets	4A	21	69
	(d) Deferred Tax Assets (Net)	5	392	364
	(e) Income Tax Assets (Net)		81	52
	<b>Total Non - Current Assets</b>		<b>1,872</b>	<b>4,759</b>
2	<b>Current assets</b>			
	(a) Inventories	6	11,745	12,487
	(b) Financial Assets			
	(i) Investments			
	(ii) Trade Receivables	7	15	12
	(iii) Cash and Cash Equivalents	8	25	15
	(iv) Other Balances with Banks	9	111	66
	(v) Other Financial Assets	10	114	229
	(c) Other Current Assets	11	2,480	544
	<b>Total Current Assets</b>		<b>14,490</b>	<b>13,354</b>
	<b>Total Assets (1+2)</b>		<b>16,362</b>	<b>18,113</b>
<b>EQUITY AND LIABILITIES</b>				
1	<b>EQUITY</b>			
	(a) Equity Share capital	12	1,374	1,374
	(b) Other Equity	13	7,367	7,300
	<b>Total Equity</b>		<b>8,741</b>	<b>8,674</b>
	<b>LIABILITIES</b>			
2	<b>Non-current liabilities</b>			
	(a) Financial Liabilities			
	(i) Lease Liabilities		-	-
	(ii) Other Financial Liabilities		-	-
	(b) Deferred Tax Liabilities		-	-
	(c) Other Non Current Liabilities			
	(i) Provision	14	47	37
	<b>Total Non - Current Liabilities</b>		<b>47</b>	<b>37</b>
3	<b>Current liabilities</b>			
	(a) Financial Liabilities			
	(i) Lease Liabilities		-	-
	(ii) Borrowings	15	6,415	7,494
	(iii) Trade Payables			
	A. Total outstanding dues of micro and small enterprises	16	67	147
	B. Total outstanding dues of other than micro and small enterprises		313	466
	(iv) Other Financial Liabilities	17	198	778
	(b) Provisions	18	10	4
	(c) Income Tax Liabilities (Net)		-	-
	(d) Other Current Liabilities	19	572	514
	<b>Total Current Liabilities</b>		<b>7,574</b>	<b>9,403</b>
	<b>Total Equity and Liabilities (1+2+3)</b>		<b>16,362</b>	<b>18,113</b>
<b>See accompanying notes to the financial statements</b>		1-40		

In terms of our report attached

**For SPCM & Associates**

Chartered Accountants

FRN: 112165W

**CA Suhas P Bora**

Partner

M No: 039765

UDIN: 23039765BGYJCA9504

**For and on behalf of the Board of Directors**

**Milind Kolte**

Director

(DIN:00170760)

**Yashvardhan Patil**

Director

(DIN: 06898270)

**Mahendra Chauhan**

Chief Financial Officer

**Madhav Oak**

Company Secretary

(A21687)

Place : Pune

Date : 24th May 2023

Place : Pune

Date : 24th May 2023

**Kolte-Patil Real Estate Private Limited**  
**Statement of Profit and Loss for the year ended March 31, 2023**  
**CIN : U70102PN2006PTC129191**

(Rs. in Lakhs)

Particulars	Note No.	For the Year ended March 31, 2023	For the Year ended March 31, 2022
<b>I Revenue from operations</b>	20	1,610	353
<b>II Other Income</b>	21	591	381
<b>III Total Income (I + II)</b>		<b>2,201</b>	<b>735</b>
<b>IV EXPENSES</b>			
(a) Cost of services, construction and land	22	832	188
(b) Employee benefits expense	23	189	161
(c) Finance costs	24	908	743
(d) Depreciation and amortisation expenses	3A & 3B	1	1
(e) Other expenses	25	196	221
<b>Total Expenses (IV)</b>		<b>2,127</b>	<b>1,314</b>
<b>V Profit before tax (III - IV)</b>		<b>75</b>	<b>(580)</b>
<b>VI Tax Expense</b>			
(1) Current tax		52	-
(2) Deferred tax		(28)	(147)
(3) Short/ excess Income tax expenses prior period		(17)	
<b>Total tax expense (VI)</b>	34	<b>7</b>	<b>(147)</b>
<b>VII Profit for the year (V - VI)</b>		<b>68</b>	<b>(432)</b>
<b>VIII Other comprehensive income / (loss)</b>			
(i) Items that will not be reclassified to profit or loss			
- Remeasurements of the defined benefit liabilities / (asset)		(1)	6
(ii) Income tax relating to items that will not be reclassified to profit or Loss		0	(2)
<b>Total Other Comprehensive Income</b>		<b>(1)</b>	<b>5</b>
<b>IX Total comprehensive income for the year (VII + VIII)</b>		<b>67</b>	<b>(428)</b>
<b>X Earnings per equity share :</b>	31		
(1) Basic		0	(3)
(2) Diluted		0	(3)
<b>See accompanying notes to the financial statements</b>	1-40		

In terms of our report attached

**For SPCM & Associates**

Chartered Accountants

FRN: 112165W

**For and on behalf of the Board of Directors**

**CA Suhas P Bora**

Partner

M No: 039765

UDIN: 23039765BGYJCA9504

**Milind Kolte**

Director

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Chief Financial Officer

**Madhav Oak**

Company Secretary

(A21687)

Place : Pune

Date : 24th May 2023

Place : Pune

Date : 24th May 2023

**Kolte-Patil Real Estate Private Limited**  
**Cash Flow Statement for the year ended March 31, 2023**  
**CIN : U70102PN2006PTC129191**

(Rs. in Lakhs)

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before tax:	75	(580)
Adjustment for:		
Depreciation and amortisation expense	1	1
Finance cost	897	743
Interest income	(522)	(342)
Sundry Balances written back	(68)	(38)
Interest paid on Income tax	11	-
<b>Operating profit before Working Capital changes</b>	<b>393</b>	<b>(215)</b>
<b>Adjustments for changes in Working capital</b>		
(Increase)/Decrease in Inventories	742	87
(Increase)/Decrease in Trade receivables	(3)	2
(Increase)/Decrease in Other current assets	(1,936)	(133)
Increase/(Decrease) in Non-current and Current provisions	16	8
Increase/(Decrease) in Trade payables	(165)	(13)
Increase/(Decrease) in Other Current Financial liabilities	0	(56)
Increase/(Decrease) in Other current liabilities	57	(8)
<b>Cash generated from/ (used in) operations</b>	<b>(896)</b>	<b>(328)</b>
Income taxes refund/ (paid)-Net	(75)	(40)
<b>Net Cash from / (used in) operating activities (A)</b>	<b>(971)</b>	<b>(368)</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Capital expenditure on Property, Plant and Equipment, CWIP including capital advances	-	0
Interest received on fixed deposit	1	4
Amounts received/(Invested) from partnership firms & LLPs		
Inter Corporate Deposit given to Parent	(2,555)	(2,499)
Inter Corporate Deposit Repayment	5,451	
Fixed Deposits Placed	(0)	(3)
Proceed from Sale of Fixed Assets	0	-
Interest received on ICD	641	133
<b>Net Cash from/(used in) investing activities (B)</b>	<b>3,537</b>	<b>(2,365)</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from current borrowing	6,415	7,494
Repayment of current borrowings	(7,494)	(4,704)
Finance cost paid	(1,478)	(73)
<b>Net cash from/(used in) financing activities (C)</b>	<b>(2,556)</b>	<b>2,717</b>
<b>D NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)</b>	<b>10</b>	<b>(16)</b>
Cash and cash equivalents (Opening balance)	15	32
Cash and cash equivalents (Closing balance)	25	15
<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>10</b>	<b>(16)</b>
<b>1. Reconciliation of Non cash Changes</b>		
Borrowings		
At the beginning of the year	15	32
Cash flows	10	(16)
Non cash charges:		
At the end of the year	25	15
<b># Reconciliation of Cash and cash equivalents with Balance Sheet</b>		
Cash and Cash equivalents as per Balance Sheet (Refer Note 8)	25	15
Cash and cash equivalents comprise of:		
Cash in hand	1	1
Balances with banks		
- In current accounts	24	15
<b>Total</b>	<b>25</b>	<b>15</b>

In terms of our report attached

**For SPCM & Associates**

Chartered Accountants

FRN: 112165W

**For and on behalf of the Board of Directors**

**CA Suhas P Bora**  
Partner  
UDIN: 23039765BGYJCA9504

**Milind Kolte**  
Director

**Yashvardhan Patil**  
Director

**Mahendra Chauhan**  
Chief Financial Officer

**Madhav Oak**  
Company Secretary  
(A21687)

Place : Pune  
Date : 24th May 2023

Place : Pune  
Date : 24th May 2023

**Kolte-Patil Real Estate Private Limited**  
**Statement of Changes in Equity for the year ended March 31, 2023**

**a) Equity Share Capital**

**1) Current reporting period**

(Rs. in Lakhs)

Balance As at March 31, 2023	Changes in Equity Share Capital due to prior period errors	Restated Balance As at March 31, 2023	Changes in Equity Share Capital during the current year	Balance As at March 31, 2023
1374		1374		1374

**2) Previous reporting period**

Balance As at March 31, 2022	Changes in Equity Share Capital due to prior period errors	Restated Balance As at March 31, 2022	Changes in Equity Share Capital during the current year	Balance As at March 31, 2022
1374	0	1374	0	1374

**b. Other Equity (22-23)**

(Rs. in Lakhs)

Particulars	Reserve and Surplus			Total
	Securities Premium	Capital	Retained Earnings	
Balance As at April 1, 2023	5,589	959	751	7,300
Profit for the year			68	68
Interim dividend paid (Including dividend distribution tax)	-	-	-	-
Other comprehensive income (Net)	-	-	(1)	(1)
Balance as at March 31, 2023	5,589	959	819	7,367

**c. Other Equity (21-22)**

(Rs. in Lakhs)

Particulars	Reserve and Surplus			Total
	Securities Premium	Capital Redemption Reserve	Retained Earnings	
Balance As at April 1, 2022	5,589	959	1,179	7,727
Profit for the year			(432)	(432)
Payment of dividend (Including dividend distribution tax)	-	-	-	-
Other comprehensive income (Net)	-	-	5	5
Balance as at March 31, 2023	5,589	959	751	7,300

**Nature and purpose of reserves**

**(a) Securities Premium**

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of section 52 of the Act.

**(b) Capital Redemption Reserve**

Capital redemption reserve is created when company purchases its own shares out of free reserves or securities premium as per section 69 of the Act. A sum equal to the nominal value of the shares so purchased is transferred to capital redemption reserve. The reserve is utilized in accordance with the provisions of section 69 of the Act.

**(c) Retained Earnings**

Retained earnings, or accumulated earnings, are the profits that have been reinvested in the business instead of being paid out in dividends. The number represents the total after-tax income that has been reinvested or retained over the life of the business.

In terms of our report attached

**For SPCM & Associates**

Chartered Accountants

FRN: 112165W

**For and on behalf of the Board of Directors**

**CA Suhas P Bora**

Partner

M No: 039765

UDIN: 23039765BGYJCA9504

**Milind Kolte**

Director

(DIN:00170760)

**Yashvardhan Patil**

Director

(DIN: 06898270)

**Mahendra Chauhan**

Chief Financial Officer

Place : Pune

Date : 24th May 2023

**Madhav Oak**

Company Secretary

(A21687)

Place : Pune

Date : 24th May 2023

## **1 Corporate information**

Kolte-Patil Real Estate Private Limited ("the Company") is a Company registered under the Companies Act, 1956. It was incorporated on November 7, 2006. The registered office of the Company is situated at City Point, Dhole Patil Road, Pune - 411001. The Company is primarily engaged in business of construction of residential and commercial complexes, multistoried buildings, flats, houses, etc.

The financial statements for the year ended March 31, 2023 were approved by the Board of Directors and authorized for issue on May 24, 2023.

## **2 SIGNIFICANT ACCOUNTING POLICIES**

### **A. Statement of Compliance**

These financial statements are 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 relevant amendment rules issued thereafter.

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

### **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. Refer Note "T"

### **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.

### **E. Cash Flow Statement:**

Cash flow statement 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 Act.

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.

Computer software is amortized over a period of six year.

**G. Revenue Recognition:**

- i. The Company develops and sells residential and commercial properties. Revenue from contracts is recognised when control over the property has been transferred to the customer. An enforceable right to payment does not arise until the development of the property is completed. Therefore, revenue is recognized at a point in time, when:
- the Company has transferred to the customer all significant risks and rewards of ownership and the Company retains no effective control of the real estate unit to a degree usually associated with ownership;
  - The Company has handed over physical possession of the real estate unit to the customer or deemed possession based on the contract with the customer;
  - No significant uncertainty exists regarding the amount of consideration that will be derived from the sale of real estate unit; and
  - It is not unreasonable to expect ultimate collection of revenue from customer.

The Company recognizes revenue at a point in time in each reporting period considering the estimates like reasonableness of collections from customers, lapse of certain period from the intimation to customer to take the possession, disputes with the customer which may result in the cancellation of the contract, which are re-assessed periodically by the management. The effect of such these changes to estimates is recognised in the period such when changes are determined. In such cases Accordingly any revenues attributable to such such contracts changes and the corresponding Cost of Goods Sold ("COGS") previously recognised are reversed and reduced from the current year's Revenue and COGS respectively.

- ii. Interest income is accounted on accrual basis on a time proportion basis.

**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 received Occupancy/Completion Certificate is carried over as construction work-in-progress. Costs incurred for projects which have received Occupancy/Completion Certificate is carried over as Completed Finished Properties.

**I. 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.

**J. 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 plans:

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 plans:**

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 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.

**K. 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 by the Company.

**L. Cash and cash equivalents:**

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

**M. 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.

**N. 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 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.

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.

**O. 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.

**P. 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.

**Q. Operating Cycle**

The normal operating cycle in respect of operation relating to under construction real estate project depends on signing of



agreement, size of the project, phasing of the project, type of development, project complexities, approvals needed and realisation of project into cash and cash equivalents which range from 2 to 4 years. Accordingly, project related assets and liabilities have been classified into current and non-current based on operating cycle of respective projects. All other assets and liabilities have been classified into current and non-current based on a period of twelve months.

**R. 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 in 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 remeasurement recognized in profit and loss account.

**S. Leases:**

**As a lessee:**

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (1) the contract involves the use of an identified asset (2) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (3) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities include these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

**Notes to the financial statements for the year ended March 31, 2023**

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of the leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the group changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

**As a lessor:**

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

**T. Significant management judgement in applying accounting policies and estimation uncertainty**

In the process of applying the Company's accounting policies, management has made the following judgements based on estimates and assumptions, which have the significant effect on the amounts recognised in 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. 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.

**3. 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.

**4. 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.

**2A New Accounting Standards, Amendments to Existing Standards, Annual Improvements and Interpretations Effective Subsequent to March 31, 2023.**

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

**i. Ind AS 1-Presentation of Financial Statements-**

This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1,2023. The Company has evaluated the amendment and the impact of the amendment is insignificant in the standalone financial statements.

**ii. Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors-**

This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its

**Kolte-Patil Real Estate Private Limited**

**Notes to the financial statements for the year ended March 31, 2023**

standalone financial statements.

iii. Ind AS 12 -Income Taxes-

This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its standalone financial statement.

**Kolte-Patil Real Estate Private Limited**
**Notes to the financial statements for the year ended March 31, 2023**
**Note 3A: Property, Plant & Equipment**
**(Rs. in Lakhs)**

Particulars	Gross Block				Accumulated Depreciation				Net Block
	As at April 01, 2022	Additions during the year	Disposals during the year	As at March 31, 2023	As at April 01, 2022	For the year	On disposals	As at March 31, 2023	As at March 31, 2023
Plant & Equipment	1 (2)	- -	- (0)	1 (1)	1 (1)	0 (0)	- (0)	1 (1)	0 (0)
Furniture & Fixtures	12 (12)	- -	- (0)	12 (12)	11 (11)	0 (1)	- (0)	12 (11)	0 (0)
Office Equipment	8 (9)	- -	- (1)	8 (8)	7 (8)	0 (0)	- (1)	7 (7)	0 (0)
Vehicles	12 (12)	- -	- -	12 (12)	12 (12)	0 (0)	- -	12 (12)	0 (1)
Computers	5 (5)	- -	- -	5 (5)	5 (5)	- -	- -	5 (5)	- -
<b>Total (A)</b>	<b>38</b>	<b>-</b>	<b>-</b>	<b>38</b>	<b>37</b>	<b>1</b>	<b>-</b>	<b>37</b>	<b>1</b>
<b>Total</b>	<b>(40)</b>	<b>-</b>	<b>(2)</b>	<b>(38)</b>	<b>(37)</b>	<b>(1)</b>	<b>(2)</b>	<b>(37)</b>	<b>(2)</b>

**Note 3B : Intangible Assets**
**(Rs. in Lakhs)**

Particulars	Gross Block				Amortisation				Net Block
	As at April 01, 2022	Additions during the year	Deductions during the year	As at March 31, 2023	As at April 01, 2022	For the year	On deductions	As at March 31, 2023	As at March 31, 2023
Computer software	241 (241)	- -	- -	241 (241)	241 (241)	- (0)	- -	241 (241)	- -
<b>Total (B)</b>	<b>241</b>	<b>-</b>	<b>-</b>	<b>241</b>	<b>241</b>	<b>-</b>	<b>-</b>	<b>241</b>	<b>-</b>
<b>Total</b>	<b>(241)</b>	<b>-</b>	<b>-</b>	<b>(241)</b>	<b>(241)</b>	<b>-</b>	<b>-</b>	<b>(241)</b>	<b>-</b>

<b>Grand Total</b>	<b>280</b>	<b>-</b>	<b>-</b>	<b>280</b>	<b>278</b>	<b>1</b>	<b>-</b>	<b>279</b>	<b>1</b>
<b>(Previous Year)</b>	<b>(282)</b>	<b>-</b>	<b>-</b>	<b>(280)</b>	<b>(279)</b>	<b>(1)</b>	<b>-</b>	<b>(278)</b>	<b>(2)</b>

**Note No. 4 - Loans : Non Current**

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Financial assets at amortised cost - (Unsecured, considered good)</b>		
Loan to related party		
-Considered good- Unsecured (Payable on demand)	1,376.58	4,272.74
<b>Total</b>	<b>1,376.58</b>	<b>4,272.74</b>

The Company has provided its parent company with loan, which is repayable on demand, at rates comparable to the average commercial rate of interest. Further information about the loan is contained in note 26 (sec 186 clause 4 Note). The above loan to parent company is held by the Company within a business model whose objective is to collect their contractual cash flows which are solely payments of principal and interest on the principal amount outstanding.

**Disclosure for amount of outstanding to Promoters, Directors, KMP's and Related Parties#**

(Rs. In Lakhs)

Types of Borrower	Amount of loan outstanding	Percentage to the total Loans
Loans to Related Parties (as at March, 2023)	1,376.58	1.00
Loans to Related Parties (as at March, 2022)	4,272.74	1.00

# Based on the requirements of Schedule III

**Note No. 4A - Other Financial Assets: Non-current**

(Rs. in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>At amortised cost, Unsecured and considered good</b>		
(a) Security deposits	20.69	20.69
(b) Fixed deposits having maturities of more than 12 months from the Balance Sheet date	-	43.97
(c) Interest accrued on bank deposits	-	3.96
<b>Total</b>	<b>20.69</b>	<b>68.61</b>

**Note 5 - Deferred Tax Assets / Liabilities (Net)**

For the year ended March 31, 2023

(Rs. In Lakhs)

Significant components of deferred tax assets and liabilities:	As at April 01, 2022	Recognized / Reversed in the statement of profit or loss	Recognized in/reclassified from other comprehensive income / (loss)	As at March 31, 2023
<b>Deferred tax assets:</b>				
Employee benefits	12	3	0	15
Carried Forward Losses	213	(2)	-	211
Revenue recognition (Completed contract method in books of accounts as against percentage of completion method for income tax purpose)	114	28	-	142
Other (Provision for Sundry Balance)	22	(0)	-	22
<b>Total deferred tax assets</b>	<b>361</b>	<b>29</b>	<b>0</b>	<b>389</b>
<b>Deferred tax liabilities:</b>				
Property, plant and equipment and Intangible assets	(3)	0	-	(3)
provision for Sundry Balances			-	-
<b>Total deferred tax liabilities</b>	<b>(3)</b>	<b>0</b>	<b>-</b>	<b>(3)</b>
<b>Net deferred tax assets/(liabilities)</b>	<b>364</b>	<b>28</b>	<b>0</b>	<b>392</b>

Deferred Tax Assets / Liabilities (Net)

For the year ended March 31, 2022

(Rs. in Lakhs)

Significant components of deferred tax assets and liabilities:	As at April 01, 2021	Recognized / Reversed in the statement of profit or loss	Recognized in/reclassified from other comprehensive income / (loss)	As at March 31, 2022
<b>Deferred tax assets:</b>				
Employee benefits	11	3	(2)	12
Carried Forward Losses	61	152	-	213
Revenue recognition (Completed contract method in books of accounts as against percentage of completion method for income tax purpose)	119	(6)	-	114
Other (Provision for Sundry Balance)	24	(1)	-	22
<b>Total deferred tax assets</b>	<b>214</b>	<b>148</b>	<b>(2)</b>	<b>361</b>
<b>Deferred tax liabilities:</b>				
Property, plant and equipment and Intangible assets	(4)	1	-	(3)
provision for Sundry Balances			-	-
<b>Total deferred tax liabilities</b>	<b>(4)</b>	<b>1</b>	<b>-</b>	<b>(3)</b>
<b>Net deferred tax assets/(liabilities)</b>	<b>218</b>	<b>147</b>	<b>(2)</b>	<b>364</b>

**Kolte-Patil Real Estate Private Limited**  
**Notes to the financial statements for the year ended March 31, 2023**

**Note - 6 : Inventories : Current**

(Rs. in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>At cost or net realisable value, whichever is lower</b>		
(a) Raw materials	25	31
(b) Land and construction work-in-progress	10,801	10,705
(c) Completed properties	920	1,752
<b>Total</b>	<b>11,745</b>	<b>12,487</b>

**Note - 7 : Trade Receivables : Current**

(Rs. in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>At amortised cost, Unsecured considered good unless otherwise stated</b>		
Considered good	15	12
Considered doubtful	17	23
Sub Total	32	36
Less : Allowance for credit losses	(17)	(23)
<b>Total</b>	<b>15</b>	<b>12</b>

**Trade receivables Ageing Schedule as at 31st March 2023**

(Rs. in Lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 6 months	1-2 1 year	2-3 years	More than 3 years	
(i) Undisputed – considered good	-	-		-	15	15
(ii) Undisputed – which have significant increase in credit risk						-
(iii) Undisputed – credit impaired			5		12	17
(iv) Disputed – considered good						
(v) Disputed – which have significant increase in credit risk						
(vi) Disputed – credit impaired						
	-	-	5	-	27	32

**Trade receivables Ageing Schedule as at 31 March 2022**

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 6 months	1-2 1 year	2-3 years	More than years	
(i) Undisputed – considered good	2	5	0	5		12
(ii) Undisputed – which have significant increase in credit risk						-
(iii) Undisputed – credit impaired					23	23
(iv) Disputed – considered good						
(v) Disputed – which have significant increase in credit risk						
(vi) Disputed – credit impaired						

**Note - 8 : Cash and Cash Equivalents : Current**

(Rs. in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
(a) Cash in hand	1	1
(b) Balances with banks in current accounts	24	15
<b>Total</b>	<b>25</b>	<b>15</b>

**Kolte-Patil Real Estate Private Limited**  
**Notes to the financial statements for the year ended March 31, 2023**

**Note - 9 : Other Balances with Banks : Current**

(Rs. in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
a) Bank deposits having maturity of less than 12 months from the Balance Sheet date	55	10
b) Earmarked accounts- balance held under escrow accounts	56	56
<b>Total</b>	<b>111</b>	<b>66</b>

**Note - 10 : Other Financial Assets : Current**

(Rs. in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Financial assets at amortised cost - (Unsecured, considered good)</b>		
<b>Interest accrued :</b>		
- On bank deposits	7	0
- On loans to related parties	107	229
<b>Total</b>	<b>114</b>	<b>229</b>

**Note - 11 : Other Current Assets : Current**

(Rs. in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
(a) Advances to suppliers		
Considered good	2,311	455
Considered doubtful	45	41
Sub-total	2,356	496
Less: Allowance for credit loss	(45)	(41)
Total	2,311	455
(b) Advances to employees	2	1
(c) Advances to related Party	51	-
(d) Balances with government authorities	108	79
(e) Prepaid expenses	1	2
(f) Unbilled revenue	-	-
(g) Advance stamp duty and registration fees		
Considered good	8	6
Considered doubtful	24	24
Sub-total	32	30
Less: Allowance for credit loss	(24)	(24)
Total	8	6
<b>Total</b>	<b>2,480</b>	<b>544</b>



**Note - 12 : Equity Share Capital**

(Rs. in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Authorised:</b>		
44,000,000 Equity shares of Rs. 10 each (as at March 31, 2023: 44,000,000 equity shares of ₹ 10/- each)	4,400	4,400
1,000,000 Preference Shares of Rs. 10 each (as at March 31, 2023: 1,000,000 preference shares of ₹ 10/- each)	100	100
	4,500	4,500
<b>Issued, Subscribed and Fully Paid:</b>		
1,37,38,775 Equity shares of Rs. 10 each fully paid up (as at March 31, 2023: 1,37,38,775 equity shares of ₹ 10/- each)	1,374	1,374
<b>Total</b>	<b>1,374</b>	<b>1,374</b>

**12A: Terms / Rights attached to equity Shares**

The Company has only one class of equity shares having a face value of Rs. 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.

**12B: Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year**

(Rs. in Lakhs)

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of shares	Rs. in Lakhs	No. of shares	Rs. in Lakhs
Shares at the beginning of the year	137	1,374	137	1,374
Issued during the year	-	-	-	-
Buy back during the year (Refer Note 12.d.iii)	-	-	-	-
<b>Outstanding at the end of year</b>	<b>137</b>	<b>1,374</b>	<b>137</b>	<b>1,374</b>

**12C: Details of shares held by each shareholder holding more than 5% equity shares:**

(Rs. in Lakhs)

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of shares	% of Holdings	No. of shares	% of Holdings
Kolte-Patil Developers Limited	137	100.00%	137	100.00%
<b>Total</b>	<b>137</b>		<b>137</b>	

**12D: Information regarding issue of shares and shares bought back in the last five year:**

- i) The company has not issued any shares without payment being received in cash
- ii) The company has not issued any bonus shares.
- iii) Details of shares bought back are as follows:

The Company had initiated the Capital Reduction Scheme pursuant to section 66 of Companies Act, 2013 (hereinafter referred to as "the Scheme"), as approved by the Board of Directors at their meeting held on July 11, 2018. Following which the Company had submitted the Scheme of capital reduction to the National Company Law Tribunal ("NCLT") on July 12, 2018. NCLT had heard the petition for Capital Reduction Scheme on December 6, 2018 and the order had been issued for compliance on December 24, 2018. On December 30, 2018, the Company provided an exit to Equity Shareholder having significant influence who was holding 49% equity stake in the Company for a total consideration of Rs. 3,300 Lakhs via buy back of equity shares with face value of Rs. 1,320 lakhs and utilization of securities premium of Rs. 1,980 lakhs. Accordingly, the issued share capital of the Company reduced from Rs. 2,694 lakhs (26,938,775 number of equity shares) to Rs. 1,374 lakhs (13,738,775 number of equity shares) and Kolte-Patil Real Estate Private Limited became 100% subsidiary of Kolte-Patil Developers Limited with effect from December 31, 2018.

**12E: Disclosure of shareholding of promoters: NIL**

**Kolte-Patil Real Estate Private Limited**
**Notes to the financial statements for the year ended March 31, 2023**
**Note - 13 : Other Equity**
**(Rs. in Lakhs)**

<b>Paticulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
<b>(a) Retained Earnings</b>		
Opening balance	751	1,179
Add: Profit for the year	68	(432)
Add: Other comprehensive income (Net)	(1)	5
Less: Payment of dividend (Including Dividend Distribution tax)	-	-
<b>Closing balance</b>	<b>819</b>	<b>751</b>
<b>(b) Capital Redemption Reserve :</b>		
Opening balance	959	959
Add: Additions during the year	-	-
<b>Closing balance</b>	<b>959</b>	<b>959</b>
<b>(c) Securities Premium :</b>		
Opening balance	5,589	5,589
<b>Closing balance</b>	<b>5,589</b>	<b>5,589</b>
<b>Total</b>	<b>7,367</b>	<b>7,300</b>

**Kolte-Patil Real Estate Private Limited**
**Notes to the financial statements for the year ended March 31, 2023**
**Note - 14 : Provisions : Non-Current**
**(Rs. in Lakhs)**

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for employee benefits (Refer Note 29)		
Gratuity	-	-
Compensated absences	47	37
	47	37

**Note - 15 : Borrowings : Current**
**(Rs. in Lakhs)**

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Unsecured Borrowings - At amortised cost:</b>		
From related parties (Refer note 35)	6,415	7,494
(Payable on demand)		
	6,415	7,494

**Note - 16 : Financial Liabilities : Current : Trade Payable**
**(Rs. in Lakhs)**

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Carried at amortised cost</b>		
(a) Total outstanding dues to micro and small enterprises (Refer Note 32)	67	147
(b) Total outstanding dues other than to micro and small enterprises	313	466
	379	613

**Trade payable ageing Schedule as at 31st March 2023**
**(Rs. in Lakhs)**

Particulars					Total
	<1 year	1-2	2-3	More than 3	
	years	years	years	years	
(i)MSME	5	-	4	58	67
(ii)Others	62	2	-	248	312
(iii) Disputed dues – MSME					
(iv) Disputed dues - Others					
	66	2	4	306	378

**Trade payable ageing Schedule as at 31 March 2022**

Particulars					Total
	<1 year	1-2	2-3	More than 3	
	years	years		years	
(i)MSME	-	89	5	53	147
(ii)Others	139	-	30	298	466
(iii) Disputed dues – MSME					
(iv) Disputed dues - Others					
(iv) Disputed dues - Others					
	139	89	35	350	613

There are no unbilled dues, hence the same is not disclosed in the ageing schedule.

**Kolte-Patil Real Estate Private Limited**  
**Notes to the financial statements for the year ended March 31, 2023**

**Note - 17 : Other Financial Liabilities: Current**

(Rs. in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Carried at amortised Cost</b>		
(a) Interest accrued on borrowings	198	778
<b>Total</b>	<b>198</b>	<b>778</b>

The average effective interest rate on related parties is approximately 12% (Previous year 12%) and interest rates are determined based on the Weighted average cost to capital based on external borrowings.

**Note - 18 : Provisions : Current**

(Rs. in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for employee benefits (Refer Note 29)		
a) Gratuity	7	1
b) Compensated Absences	4	3
<b>Total</b>	<b>10</b>	<b>4</b>

**Note - 19 : Other Current Liabilities**

(Rs. in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
(a) Advance received from customers	541	483
(b) Others		
- Statutory dues (Provident fund, withholding taxes, Goods and service tax etc.)	28	28
- Maintenance charges received	3	3
<b>Total</b>	<b>572</b>	<b>514</b>

**Note - 20 : Revenue from Operations**

(Rs. in Lakhs)		
Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Sale of properties/flats (Residential and Commercial)	1,610	353
<b>Total</b>	<b>1,610</b>	<b>353</b>

**Notes:**

**(1) Contract Balances**

(a) Amounts received before the related performance obligation is satisfied are included in the balance sheet (Contract liability) as "Advances received from Customers" in note no. 19 - Other Current Liabilities. Amounts billed but not yet paid by the customer after giving possession/ deemed possession are included in the balance sheet under trade receivables in note no. 7

(b) There were no significant changes in the composition of the contract liabilities and Trade receivable during the reporting period other than on account of periodic invoicing and revenue recognition.

(c) Amounts previously recorded as contract liabilities increased due to further milestone based invoices raised during the year and decreased due to revenue recognised during the year on completion of the construction.

(d) Amounts previously recorded as Trade receivables increased due to invoices raised during the year on account of possession/ deemed possession given to customers and decreased due to collections during the year.

(e) There are no contract assets outstanding at the end of the year.

**(2) Reconciliation of revenue recognised with the contracted price is as follows:**

(Rs. In Lakhs)		
Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Contracted price	1,611	353
Adjustments on account of cash discounts or early payment rebates, etc	0	
<b>Revenue recognised as per Statement of Profit &amp; Loss</b>	<b>1,610</b>	<b>353</b>

**Note - 21 : Other Income**

(Rs. in Lakhs)		
Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
(a) Interest Income - Financial instruments measured at amortised cost		
- Bank deposits	3	3
- Loan to related party	519	339
(b) Dividend on current investments at FVTPL (Mutual funds)	-	-
(c) Provisions/ Liabilities no longer required written back	68	38
(d) Profit on Sale of Fixed Assets	0	0
(e) Miscellaneous Income	0	2
<b>Total</b>	<b>591</b>	<b>381</b>

**Note - 22 : Cost of services, construction and land**

(Rs. in Lakhs)			
Particulars		For the Year ended March 31, 2023	For the Year ended March 31, 2022
(a) Opening stock including Raw material, construction work-in-progress and completed properties	(A)	12,487	12,575
(b) Add: Cost incurred during the year			
Cost of land/ development rights		-	14
Purchase of raw material		10	2
Contract cost and labour charges		2	25
Other construction expenses		78	0
Personnel costs		-	61
	(B)	<b>90</b>	<b>101</b>
(c) Less : Closing stock including Raw material, construction work-in-progress and completed properties	(C)	11,745	12,487
	(A+B-C)	<b>832</b>	<b>188</b>

**Kolte-Patil Real Estate Private Limited****Notes to the financial statements for the year ended March 31, 2023****Note - 23 : Employee Benefits Expense****(Rs. in Lakhs)**

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
(a) Salaries and wages	240	210
Less: Transferred to inventory (Refer Note 6 and 22)	(63)	(61)
(b) Contribution to provident and other funds (Refer Note 29)	8	7
(c) Staff welfare expenses	4	4
<b>Total</b>	<b>189</b>	<b>161</b>

**Note - 24 : Finance Cost****(Rs. in Lakhs)**

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Interest on		
(v) obligation under finance lease - Grand Maratha deposit		
(v) Others (give details) (e.g. Bill discounting charges)		
(b) Dividend on redeemable preference shares		
(c) Exchange differences regarded as an adjustment to borrowing costs		
(d) Other borrowing cost	-	-
- Term Loan	-	-
- Loan from related party (Refer Note 35)	897	726
- Interest due to MSME Vendors	-	17
- Current taxes	11	-
<b>Total</b>	<b>908</b>	<b>743</b>

**Note - 25 : Other Expenses****(Rs. in Lakhs)**

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
(a) Advertisement, Promotion & Selling expenses	53	6
(b) Repairs and maintenance - Others	100	120
(c) Rates and taxes	26	71
(d) Insurance	0	0
(e) Payment to auditors (Refer Note 28)	10	10
(f) Loss on disposal/written off of property, plant and equipment	-	0
(g) Legal and professional fees	3	9
(h) Travelling and Conveyance	-	0
(i) Communication	-	0
(j) Miscellaneous expenses	3	4
<b>Total</b>	<b>196</b>	<b>221</b>

## 26. Particulars of loans given as required by clause (4) of Section 186 of the Act

(Rs. in Lakhs)

Sr. No	Name of the recipient entity	Relationship with the company	Purpose	Interest Rate	For the Year ended March 31, 2023	For the Year ended March 31, 2022
1.	Loan given: Kolte-Patil Developers Limited	Holding Company	Working Capital Loan	12%	1,377	4,273

## 27. Contingent Liabilities

(Rs. in Lakhs)

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Claims against the Company not acknowledged as debts	-	442
Claims in respect of Income tax matters (pending in Appeal)Total	305	305
<b>Total</b>	<b>305</b>	<b>747</b>

## 28. Auditors Remuneration (net of GST) towards:

(Rs. in Lakhs)

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Statutory audit fees	10	10
Tax matters	-	-
Other services	-	-
Re-imbursement of out-of-pocket expenses	3	3
<b>Total</b>	<b>13</b>	<b>13</b>

## 29. Employee Benefits:

Details of employee benefits as required by the Ind AS 19 'Employee benefits' are as under:

## A. Defined Contribution Plan:

Amount recognized as an expense in the Statement of Profit and Loss in respect of defined contribution plans (Provident funds) is Rs. 8 lakhs (Previous year Rs. 7 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 year 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:

(Rs. in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Present value of funded defined benefit obligation	50	42
Fair value of plan assets	43	40
<b>Funded status</b>	<b>(7)</b>	<b>(1)</b>
Restrictions on asset recognized	-	-
Others	-	-
<b>Net Asset/(Liability) arising from defined benefit obligation</b>	<b>(7)</b>	<b>(1)</b>

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

(Rs. in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Present value of benefit obligation at the beginning of the year	42	43
Transfer In/(Out)	-	-
Current service cost	5	6
Past service cost	-	-
Interest cost	3	3
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	(2)	(6)
Actuarial (gains)/ losses arising from changes in experience adjustment	3	(0)
Benefits paid	(1)	(3)
Present value of defined benefit obligation as on Balance Sheet date.	50	42

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

(Rs. in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Fair value of plan assets at the beginning of the year	40	41
Interest income	3	3
Contributions from the employer	1	1
Mortality charges	(0)	(0)
Re-measurement gain (loss) :		
Return on plan assets, excluding amount recognized in Interest Income - Gain / (Loss)	(0)	0
Benefits paid	(1)	(3)
Fair value of Plan assets as on the end of the year	43	40
Actual returns on plan assets	3	3

- iv. Analysis of Defined Benefit Obligation

(Rs. in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Defined benefit obligations as at March 31,	50	42
Fair value of plan assets at the end of the year	43	40
Net Asset/(Liability) recognized in Balance sheet as at March 31,	(7)	(1)

- 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

(Rs. in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Past service cost	-	-
Current service cost	5	6
Net Interest expense	0	0
Transfer In/ (Out)	-	-
Components of defined benefit costs recognized in profit or loss	5	6

- vii. Amount recognized in Statement of Other Comprehensive Income

(Rs. in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Actuarial (gain)/loss		
(i) arising from changes in demographic assumption	-	
(ii) arising from changes in financial assumption	(2)	(6)
(iii) arising from changes in experience assumption	3	(0)
Total amount recognized in the statement of other comprehensive income	1	(6)



viii. Actual Contribution and benefit payments for the year

(Rs. in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Actual benefit paid directly by the company	1	3
Actual contributions	1	1

ix. Principal Actuarial Assumptions for Gratuity:

Particulars	As at March 31, 2023	As at March 31, 2022
Discount rate	7.50%	7.20%
Expected rate of increase in compensation levels	8.00%	8.00%
Expected rate of return on plan assets	7.20%	6.90%
Expected average remaining working lives of employees (year)	12.95	13.54
Mortality rate	IALM(2012-14) ult	IALM(2012-14) ult
Withdrawal rate	3.00%	3.00%

- a. 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.
- b. 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
- c. Salary escalation rate: The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.
- d. Withdrawal rate: It is expected employee turnover rate and should be based on the company's past attrition experience and future withdrawal expectations.

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:

(Rs. in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
March 31, 2023	-	2
March 31, 2024	2	2
March 31, 2025	2	2
March 31, 2026	3	2
March 31, 2027	8	7
March 31, 2028	3	-
March 31 2028 to March 31 2032	-	30
March 21 2029 to March 31 2033	47	-

Weighted average duration of defined benefit obligation: 12.18 year (Previous Year: 14.84 year)

xi. Sensitivity analysis: A quantitative sensitivity analysis for significant assumption as at 31 March 2023 is as shown below:

(Rs. in Lakhs)

Effect on DBO 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
31-Mar-23	44	6	54	46	50	49
31-Mar-22	37	47	45	39	42	41

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

In respect of the plan in India, 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, 2023 by an independence professional agency. 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.

### 30. Segment Information

Information reported to the chief operating decision maker (CODM) for the purposes of resource allocation and assessment of segment performance focuses on the types of goods and services delivered or provided. The Company is engaged in development of real estate property, operating in India, which in the context of Indian Accounting Standard 108 'Segment Information' represents single reportable business segment.

### Geographical Information

The Group operates in one reportable geographical segment i.e. "Within India". Hence, no separate geographical segment wise disclosure is applicable as per the requirements of Ind AS 108 Operating Segments.

### 31. Earnings per share:

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Net Profit attributable to shareholders - (Rs. in lakhs)	68	(432)
Nominal value of equity shares - (Rs.)	10	10
Weighted average number of equity shares for basic and diluted EPS - (In lakhs)	137	137
Basic and diluted earnings per share - (Rs.)	0.50	(3.15)

## 32. Disclosure as per Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

(Rs. in Lakhs)

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	67	147
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	17
(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.

## 33. 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 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:

(Rs. in Lakhs)

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
(a) Debt*	6,415	7,494
(b) Cash and bank balances	25	15
(c) Net Debt (a-b)	6,390	7,479
(d) Total Equity	8,741	8,674
(e) Net debt to equity ratio e) = (c/d)	73.10%	86.22%

\*Debt is defined as long-term and short-term borrowings

## b) The carrying value of financial instruments by categories as of March 31, 2023 is as follows:

(Rs. in Lakhs)

Particulars	Fair value through P&L	Fair value through OCI	Amortized cost	Total carrying value	Total fair value
<b>Assets:</b>					
Cash and cash equivalents	-	-	25	25	25
Other balances with banks	-	-	111	111	111
Trade receivables	-	-	15	15	15
Other financial assets	-	-	114	114	114
<b>Total</b>	-	-	<b>265</b>	<b>265</b>	<b>265</b>
<b>Liabilities:</b>					
Trade and other payables	-	-	379	379	379
Borrowings	-	-	6,415	6,415	6,415
Other financial liabilities	-	-	198	198	198
<b>Total</b>	-	-	<b>6,992</b>	<b>6,992</b>	<b>6,992</b>

\* The fair value of cash and cash equivalents, other balances with banks, trade receivables, trade payables, borrowings and other financial assets and liabilities approximate their carrying amount largely due to the short term nature of these instruments.

c) The carrying value of financial instruments by categories as of March 31, 2022 is as follows:

(Rs. in Lakhs)

Particulars	Fair value through P&L	Fair value through OCI	Amortized cost	Total carrying value	Total fair value*
<b>Assets:</b>					
Cash and cash equivalents	-	-	15	15	15
Other balances with banks	-	-	66	66	66
Trade receivables	-	-	12	12	12
Other financial assets	-	-	229	229	229
<b>Total</b>	-	-	<b>323</b>	<b>323</b>	<b>323</b>
<b>Liabilities:</b>					
Trade and other payables	-	-	613	613	613
Borrowings	-	-	7,494	7,494	7,494
Other financial liabilities	-	-	778	778	778
<b>Total</b>	-	-	<b>8,885</b>	<b>8,885</b>	<b>8,885</b>

\* The fair value of cash and cash equivalents, other balances with banks, trade receivables, trade payables, borrowings and other financial assets and liabilities approximate their carrying amount largely due to the short term nature of these instruments.

## 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.

### 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.

### 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, 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, 2023:

(Rs. in Lakhs)

Financial liabilities	Carrying amount	Due in one Year	Due after one Year	Total contractual cash flows
(a) Trade payables				
-March 31, 2023	379	379	-	379
-March 31, 2022	613	613	-	613
b) Borrowings and interest thereon -				
-March 31, 2023	7,312	7,312	-	7,312
-March 31, 2022	8,220	8,220	-	8,220
<b>Total</b>				
<b>-March 31, 2023</b>	<b>7,692</b>	<b>7,692</b>	<b>-</b>	<b>7,692</b>
<b>-March 31, 2022</b>	<b>8,833</b>	<b>8,833</b>	<b>-</b>	<b>8,833</b>

**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.

(Rs. In Lakhs)

Particulars	Fair value as at		Fair value hierarchy
	March 31, 2023	March 31, 2022	
Financial assets	-	-	
Financial Liabilities:	-	-	

**34. Current tax and deferred tax**

The income tax expenses can be reconciled to the accounting profit as follows:

(Rs. in Lakhs)

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Profit before tax	75	(580)
Enacted tax rate	25.17%	25.17%
Tax at the above Indian corporation tax rate	19	(146)
Tax effect of expenses not deductible in determining tax profit	-	
Tax effect of income taxes related to prior year	-	
<b>Income tax expense recognized in profit and loss</b>	<b>19</b>	<b>(146)</b>

The standard rate of corporation tax applied to reported profit is 25.17 per cent (2019-20: 25.17 per cent).

**35. Related Party Transactions:****A. List of related Parties****i. Holding Company**

Kolte-Patil Developers Limited

**ii. Key Management Personnel**

- Mr. Mahendra Chauhan - Chief Financial Officer
- Ms. Ashwini Paranjape ( till 9th Nov 2022)
- Mr. Madhav Oak. ( with effect from 24th May 2023)

**iii. Entities where key management personnel have significant influence**

- Kolte Patil Family Venture LLP.

**iv. Fellow Subsidiary**

- Kolte-Patil Integrated Township Limited ( formerly Known as "Kolte Patil I-Ven Township (Pune) Limited)

## (ii) Related Party Transactions and Balance Outstanding

## I. Transactions during the year:

(Rs. in Lakhs)

Type of Transactions	Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Reimbursement of expenses	Kolte-Patil Developers Limited	54	
Unsecured loan availed	Kolte-Patil Integrated Township Limited	-	3,210
Unsecured loan repaid	Kolte-Patil Integrated Township Limited	1,079	420
Interest accrued on unsecured loan	Kolte-Patil Integrated Township Limited	897	726
Unsecured loan Given	Kolte-Patil Developers Limited	2,555	2,777
Unsecured loan received	Kolte-Patil Developers Limited	5,451	278
Interest accrued unsecured loan	Kolte-Patil Developers Limited	519	339
Remuneration to key managerial personnel	Mahendra Chauhan	78	34
	Ashwini Paranjape	4	5
Virag Kolte	Director sitting fees	1	1
Jayant Pendse	Director sitting fees	1	1

## II. Balances at year end:

(Rs. in Lakhs)

Account Balances	Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Reimbursement of expenses	Kolte-Patil Developers Limited	51	
Unsecured loan payable	Kolte-Patil Integrated Township Limited	6,415	7,494
Interest on unsecured loan payable	Kolte-Patil Integrated Township Limited	198	778
Unsecured loan Receivable	Kolte-Patil Developers Limited	1,377	4,273
Interest on unsecured loan receivable	Kolte-Patil Developers Limited	107	229

36. Ratio Analysis and its elements (based on requirements of schedule III)

Sr. no	Ratio	Numerator	Denominator	31-Mar-23	31-Mar-22	% change	Reason for variance
1	Current ratio	Current Assets	Current Liabilities	1.91	1.42	0.35	Increase is on account of decrease in Current Liabilities during the year ICD repaid.
2	Debt- Equity Ratio	Total Debt	Shareholder's Equity	0.73	0.86	-0.15	The decrease on account on decrease in borrowing during the year.
3	Debt Service Coverage ratio	Earnings for debt service = Net profit after taxes + Non-cash operating expenses	Debt service = Interest & Lease Payments + Principal Repayments	0.03	0.21	-0.83	There is repayment of debt in current FY.
4	Return on Equity ratio	Net Profits after taxes – Preference Dividend	Average Shareholder's Equity	0.01	-0.05	-1.16	Increase in return on equity ratio on account of profit reported during the year.
5	Inventory Turnover ratio	Cost of goods sold	Average Inventory	0.07	0.02	3.57	Increase on account of increase in revenue recognised compare to last year.
6	Trade Receivable Turnover Ratio	Net credit sales = Gross credit sales - sales return	Average Trade Receivable	118.35	26.57	3.45	Increase in revenue
7	Trade Payable Turnover Ratio	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payables	0.02	0.00	7.18	There is a gradual increase in average Trade payable year on year hence increase in Trade payable turn over ratio.
8	Net Capital Turnover Ratio	Net sales = Total sales - sales return	Working capital = Current assets – Current liabilities	0.23	0.09	1.60	Increase on account of increase in revenue recognised compare to last year
9	Net Profit ratio	Net Profit	Net sales = Total sales - sales return	0.04	-1.2	-1.03	Increase is on account of increase in revenue recognised compare to last year
10	Return on Capital Employed	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	0.15	0.02	6.54	Increase in return on equity ratio on account of profit reported during the year.
11	Return on Investment	Interest (Finance Income)	Investment	3.10	1.19	1.60	Decrease in major portion of ICD granted to a related party



### 37. Other Statutory Information

Following Disclosure requirements of Schedule III are not given, since there are no such transactions in the Company:

- (i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (ii) The Company does not have any transactions with companies struck off.
- (iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iv) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (v) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
  - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (vi) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- (vii) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961. (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961)

38. (i) During the year under audit, the company has borrowed funds from it's realted party Kolte-Patil Integrated Townships Limited which is within the limits of sec 185 / 186. The amounts are approved by the board as per board resolution dated 04/02/2021 The details of amount borrowed is as under:-

Particulars	Closing Balance
ICD from Kolte-Patil Integrated Townships Limited	6,415

- (ii) During the year under audit, the company has granted loan to it's holding company Kolte-Patil Developers Limited which is within the limits of sec 185 / 186. The amounts are approved by the board as per board resolution dated 04/02/2021 The details of amount lended is as under:-

Particulars	Closing Balance
ICD to Kolte-Patil Developers Limited	1,377

### 39

For computation of revenue, the completion contract method is applied in each reporting period and the estimates like reasonableness of collections from customers, lapse of certain period from the intimation to customer to take the possession, disputes with the customer which may result in the cancellation of the contract are re-assessed periodically by the management. The effect of such changes to estimates is recognised in the period such changes are determined. In such cases any revenues attributable to such contracts and the corresponding Cost of Goods Sold ("COGS") previously recognised are reversed and reduced from the current year's Revenue and COGS respectively.

- 40 The financial statements for the year ended March 31, 2023 were approved by the board of Directors and authorized to issue on 24th May 2023.  
Amount less than Rs. 0.5 Lakhs has been rounded off and shown as Rs. 0 Lakhs.

For and on behalf of Board of Directors

**Milind Kolte**  
Director  
(DIN:00170760)

**Yashvardhan Patil**  
Director  
(DIN: 06898270)

**Mahendra Chauhan**  
Chief Financial Officer

**Madhav Oak**  
Company Secretary  
(A21687)

Place : Pune  
Date : 24.05.2023