

# BUILDING A BETTER LIFE





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You can also find this report online:

<https://www.lodhagroup.in/investor-relations/financials.php>





# Our 2<sup>nd</sup> Integrated Annual Report provides a holistic view of our strategic vision, performance, governance and value creation. It demonstrates how we live up to our purpose of creating meaningful impact on the economy, the environment, and the communities we touch.

It provides a concise overview of our overall performance and prospects to assist the reader in making an informed decision on our ability to create value in the short, medium and long term.

## REPORTING FRAMEWORK AND GUIDELINES

This Report is prepared in accordance with the Integrated Reporting <IR> framework of the International Integrated Reporting Council (IIRC) (now known as Value Reporting Foundation) and discloses our performance against relevant Key Performance Indicators ('KPIs'), which are aligned with the Global Reporting Initiative Standards 2021 ('GRI'), the United Nations Sustainable Development Goals ('UN SDGs'), the recommendations set out by the Task Force on Climate-related Financial Disclosures ('TCFD') and the requirements of Business Responsibility and Sustainability Reporting ('BRSR') mandated by the Securities and Exchange Board of India ('SEBI').

The financial and statutory data in this report is in accordance with the requirements of the Companies Act, 2013 ('Act') and the rules made under the Act, Indian Accounting Standards

(GRI 2-1, 2-2, 2-3, 2-4, 2-5,3-1)

('IND AS'), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and other relevant SEBI Regulations and the Secretarial Standards issued by the Institute of Company Secretaries of India.

## SCOPE AND REPORTING BOUNDARY

This Report describes our business model, strategy, significant risks, opportunities and issues, our overall performance and related outcomes and prospects for the year under review. In addition to our financial performance, we also present information relating to our non-financial (social and environmental) and governance performance.

The Integrated Annual Report provides information on the business operations (operational and under-construction assets) and sustainability performance of Macrotech Developers Limited (herein referred to as 'Lodha' or 'Company' or 'we' or 'us' or 'our') and its subsidiaries

listed in the BRSR, disclosed through six capitals as defined by IIRC. The report primarily focuses on our performance for the reporting period between April 1, 2022 and March 31, 2023, however, some sections of the Report present facts and figures from previous years or information as of the date of approval of the Report to provide a holistic view to the stakeholders.

## FORWARD LOOKING STATEMENTS

Certain statements in this Report regarding our business operations may constitute forward-looking statements. These include all statements other than statements of historical facts, including those regarding the financial position, business strategy, management plans and objectives for future operations.

Forward-looking statements can be identified by words such as 'believes', 'estimates', 'anticipates', 'expects', 'intends', 'may', 'will', 'plans', 'outlook'

and other words of similar meaning in connection with a discussion of future operational or financial performance.

Forward-looking statements are necessarily dependent on assumptions, data or methods that may be incorrect or imprecise and that may be incapable of being realised, and as such, are not intended to be a guarantee of future results, but constitute our current expectations based on reasonable assumptions. Actual results could differ materially from those projected in any forward-looking statements due to various events, risks, uncertainties and other factors. We neither assume any obligation nor intend to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

## ASSURANCE BY INDEPENDENT AGENCIES

The enclosed standalone and consolidated Financial Statements of the Company have been audited by our statutory auditors M S K A & Associates,

Chartered Accountants. The Company has obtained certificates from Shravan Gupta & Associates, Practicing Company Secretary and our Secretarial auditor confirming compliance with conditions of Corporate Governance as stipulated under the Act and the Listing Regulations. The Certificates form part of this Report.

The assurance of the Company's sustainability parameters is carried out as per Assurance Standard AA1000 AS v3 and has been provided by DNV Business Assurance Private Limited, an independent expert in assurance and risk management, whose statement forms part of this Report.

## ACCOUNTABILITY STATEMENT

This Report has been reviewed by the Board of Directors and the Senior Management of the Company. The Board confirms that this Integrated Annual Report provides fair and necessary information on the Company's performance, business model and strategy.

## COMMUNICATION

### Registered Office

412, Floor 4,  
17G Vardhaman Chamber,  
Cawasji Patel Road, Horniman  
Circle, Fort, Mumbai - 400001

### Corporate office

Lodha Excelus, L2, N M Joshi Marg,  
Mahalaxmi, Mumbai 400 011

### Telephone

+91 22 6773 7373

### Website

[www.lodhagroup.in](http://www.lodhagroup.in)

### Queries/ feedback on this report

[investor.relations@lodhagroup.com](mailto:investor.relations@lodhagroup.com)

### Sustainability

[sustainability@lodhagroup.com](mailto:sustainability@lodhagroup.com)



Shot at PALAVA CITY



We are driven by a  
powerful vision of  
**BUILDING  
A BETTER LIFE**



Building a Better Life is an overarching guiding principle behind everything we do. Through our finest developments, which adhere to best-in-class global standards, we help transform the way people live and work.





Powered by four decades of experience, we have carved a niche for ourselves by providing experiences that enable our brand patrons to live a truly flourishing life.

We look at homes, commercial spaces or industrial facilities beyond their four walls, and believe they are a springboard to fulfil dreams and aspirations of individuals, communities or the nation at large. Our developments are recognised for their self-contained sustainable eco-systems, exclusive services, like-minded communities, great outdoor spaces and world-class robust infrastructure.

Across geographies and price points, we have been able to bring alive our vision of 'Building a Better Life' and truly enrich lives. Our commitment to creating a better life extends beyond our customers. We have imbibed the philosophy of 'Do Good, Do Well' and strive to act in the larger interests of our community and planet. We view sustainability as not just a business goal, but as our responsibility to leave a liveable and healthier planet for our future generations.

Sustainability has been at the core of all that we do at Lodha. We are committed to become carbon neutral in Scope 3 by 2050 and be at the apex in the leading global sustainability benchmarks.

With initiatives like the Lodha Net Zero Urban Accelerator in partnership with Rocky Mountain Institute (RMI) and collaborations like the 'Build Ahead' coalition with Xynteo, we aim to create a roadmap for sustainable development for the real estate industry.

As India's No.1 real estate developer,\* we understand our responsibility towards building a stronger nation. Through our initiatives, we have been able to make a meaningful difference to the lives of over 2,00,000 people. This gives us the impetus to aim even higher.

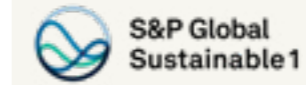
We are supporting Unnati – an initiative aimed at empowering and enabling women to participate in the formal labour force and achieve their aspirations. We have also launched the Lodha Genius Programme in partnership with Ashoka University, a leading educational institution in India, to identify and nurture academically-capable young adults to achieve their full potential and inculcate spirit of societal/national service in them.



LODHA STERLING

\* By cumulative residential sales since 2014

(GRI 2-1, 2-6)



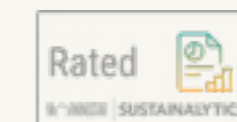
Received an exceptional score in S&P Global Corporate Sustainability Assessment 2022.

Achieved a score of 75 (out of 100), the highest among all real estate companies in India.



Received a 5-star rating in the 2022 GRESB Benchmark Development with a score of 95/100.

4-star rating in the 2022 GRESB Standing Investment Benchmark with a score of 83/100 in our first year of participation.



Received an overall ESG risk rating of 13.8 by Sustainalytics, placing us in the 'Low-Risk' category.

Ranked 9<sup>th</sup> globally among 282 companies in the real estate development sub-industry.



FTSE4Good

Became a member of FTSE4Good Index Series in the June 2023 review



# Creators of World's Finest Developments

Our passion is to create landmarks that meet global standards, epitomise family values and are built on a legacy of trust spanning four decades.

We have the experience and skills to deliver both quality and scale, at a pace unmatched in the country. By forging the finest global partnerships, and deploying the best people and processes, we create the best value for our customers across geographies, markets, price points and consumer segments.

We have been able to create landmark developments across residential, retail and office spaces, winning the trust and appreciation of our patrons time and again.



LODHA ALTAMOUNT

## CULTURE THAT WE NURTURE

The exceptional growth, realisation of aspirations and positive impact we have on numerous lives can be attributed to our culture.



### Exceptional

We are an exceptional company and we will achieve exceptional outcomes.



### Forthright

We believe in forthright and direct communication with all our stakeholders.



### Customer-centric

We are unwavering in our commitment to being world-class in all touchpoints.



### Economic value creators

We care about making profit in a sustainable way.



### Nimble

We are nimble in our planning and execution.



### Learning-focused

We learn from our mistakes and strive not to repeat them in the future.



### Empowered

We empower our employees to make a difference.



### Meritocratic

We invest in our people and reward for value creation.



### Collaborative

We expect collaboration and high-performance from all our employees.

## VALUES THAT WE CHERISH



We will wholeheartedly contribute to our nation's communities and its environment.



We will go the last mile to do things right and seek excellence in all that we undertake.



We will work with the best people, treat them well, expect a lot and the rest will follow.



We will behave with honesty, integrity and ethics with all stakeholders of our organisation.



We exist to exceed the expectations of our customers through innovative, world class solutions.

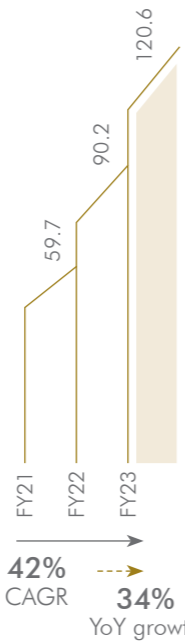


BRANDS THAT EPITOMISE EXCELLENCE

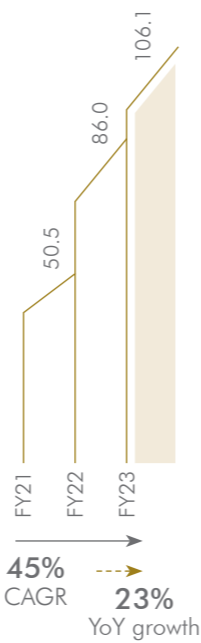


KEY HIGHLIGHTS

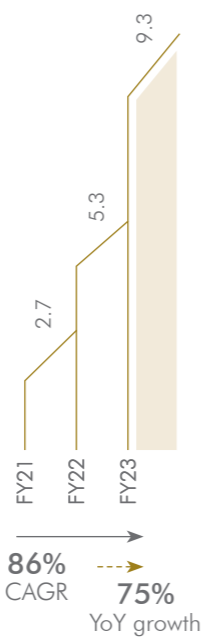
Pre-sales  
(in ₹ Bn)



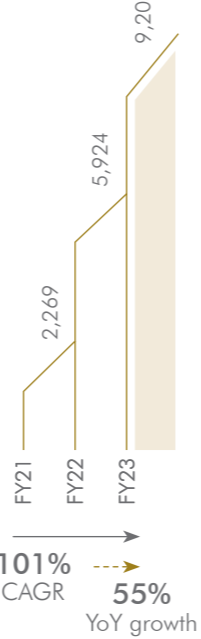
Collections  
(in ₹ Bn)



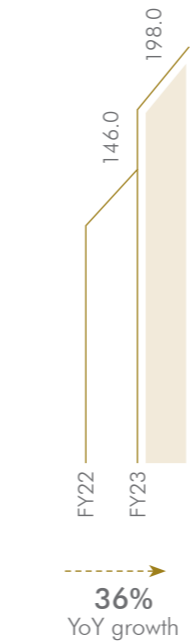
Completions (msf)



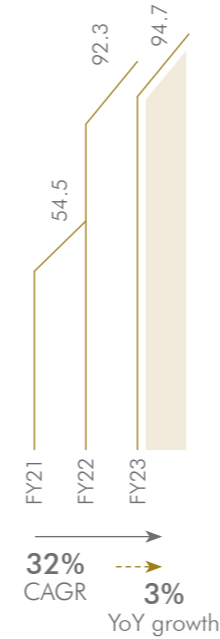
Homes Delivered  
(in units)



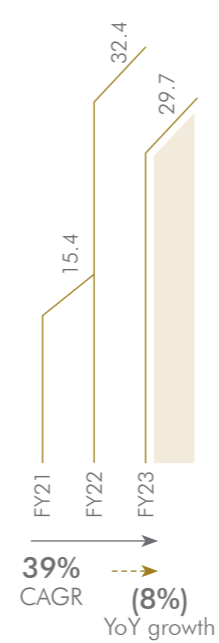
Business Development  
(in ₹ Bn)



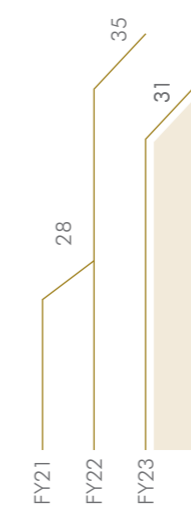
Revenue  
(in ₹ Bn)



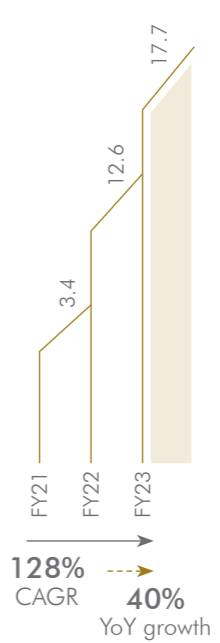
Adjusted EBITDA ^  
(in ₹ Bn)



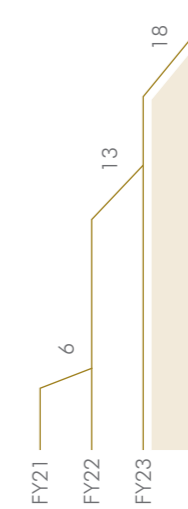
Adjusted EBITDA ^ margin  
(in %)



PAT\*  
(in ₹ Bn)



PAT\* Margin  
(in %)



^ Adjusted EBITDA = EBITDA after Grossing up of Finance cost included in cost of project  
\* PAT before the impact of forex and exceptional items



# Our Presence across Key Locations



# Sustaining our Winning Streak

TIMES ICONIC BRANDS OF INDIA



THE ECONOMIC TIMES AWARD



TIMES ASCENT AWARD



THE ECONOMIC TIMES AWARD



TIMES ASCENT AWARD



THE GREAT MANAGER AWARDS



LOGISTICS PARK OF THE YEAR



GREEN WAREHOUSE INITIATIVE OF THE YEAR





## Built to Last

Our customer-centric business model focuses on designing and developing 'branded products' to address consumer needs across locations and price points.

Our core business is residential real estate development with focus on creating premium and luxury developments across different price points, which we believe will see significant growth as India moves from a low-income to middle-income economy over the course of this decade. We forayed into the development of digital infrastructure parks in 2019, and have also entered into a joint venture with funds managed by Bain Capital, Ivanhoe Cambridge, and global investment firms to develop a pan India green digital infrastructure platform.

We also develop commercial real estate, largely as part of mixed-use developments in and around our core residential projects. Additionally, we have a growing facilities management business which helps us generate steady fee income. Our core competency lies in professionally managing the real estate value chain as we have in-house capabilities to deliver a project from conceptualisation to completion. We have a strong focus on de-risking projects and improving our return on investment with fast turnaround time from land acquisition to launch to completion. We believe one of the reasons for our success has been the strength of our brand and our ability to convert the surroundings of a location into attractive destinations for people across income groups.

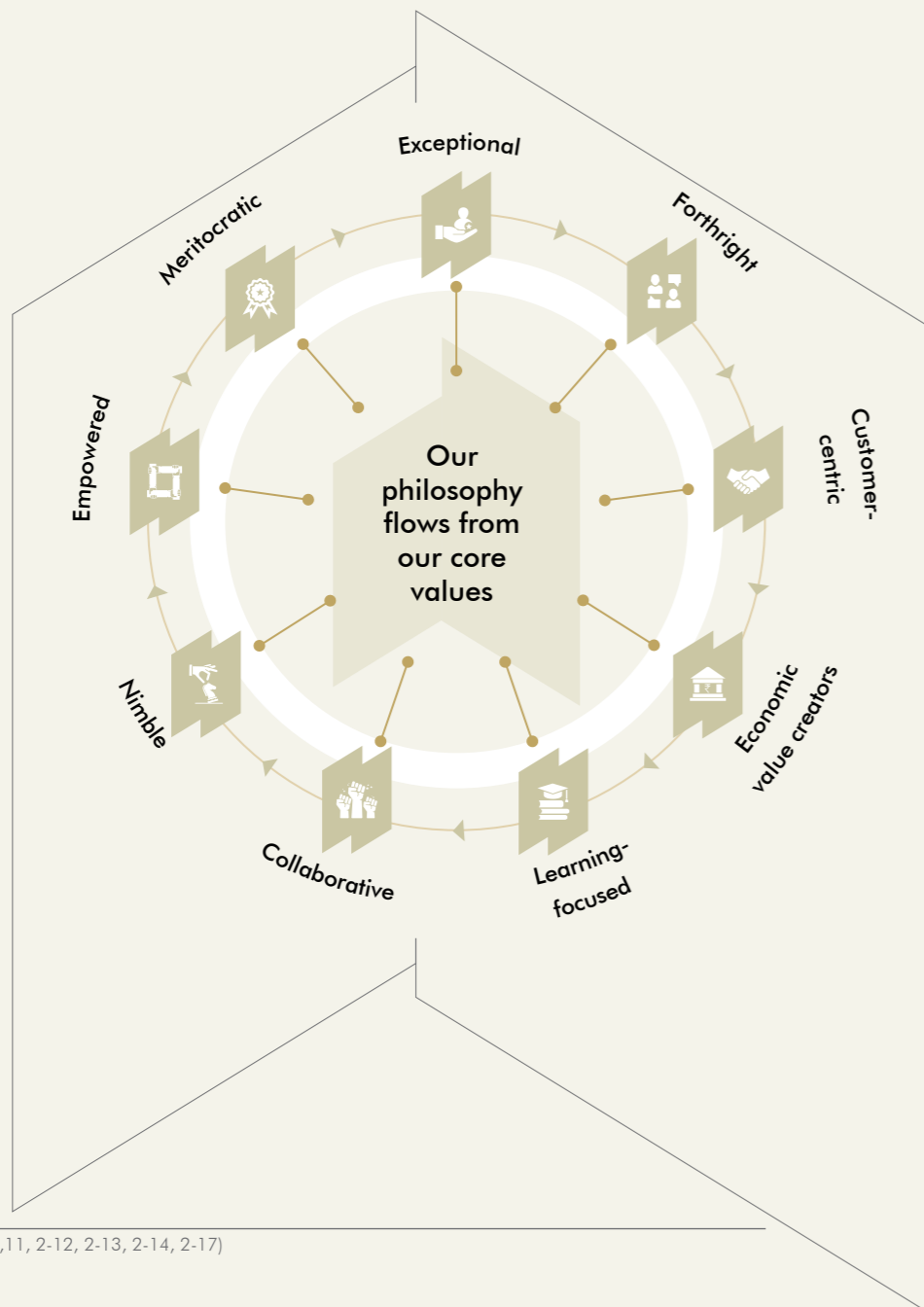




# Building Ethically

We are guided by our vision of Building a Better Life and our commitment to transparent and ethical business practices is deeply embedded in our corporate culture.

We believe that a high standard of corporate governance is vital for creating and enhancing long-term stakeholder value.



(GRI 2-6, 2-9, 2-10, 2,11, 2-12, 2-13, 2-14, 2-17)

## OUR GOVERNANCE Philosophy

1

Ensuring transparency and integrity in business dealings

2

Taking ethical business decisions in compliance with applicable legislations

3

Clear and fair communication with all stakeholders

## PILLARS OF Governance

1

Diverse Board which plays a crucial role in overseeing and safeguarding long term interests of stakeholders

2

Transparent procedures and practices and informed decisions

3

Compliance with relevant laws in letter and substance

4

Well defined corporate structure that establishes checks and balances and delegates decision-making to appropriate levels in the organisation

5

Strong senior management team which provides support to the Board in ensuring Governance across the organisation through policies and procedures

## GOVERNANCE Goals



### Responsible business conduct

Taking ethical business decisions in compliance with applicable legislation



### Fairness

Clear and fair communication with stakeholders



### Integrity and Transparency

Ensuring transparency and integrity in our business dealings



### Accountability

Board and the management are accountable to stakeholders



# Board of Directors



**MUKUND MANOHAR CHITALE**  
Chairman & Independent Director

Mukund Chitale holds a Bachelor's degree in Commerce from the University of Mumbai and is a fellow member of the Institute of Chartered Accountants of India. He has more than 45 years of experience as a practicing Chartered Accountant. In the past, he has served as President of ICAI (1997-98) Chairman of the Ethics Committee of BSE, member of Advisory Board on Bank, Commercial and Financial Frauds of Central Vigilance Commission, member of the Working Group on Restructuring of Weak Public Sector Banks appointed by RBI (Verma Committee), the Committee on Procedures and Performance Audit of Public Services appointed by RBI (Dr. Tarapore Committee), and chairman of National Advisory Committee on Accounting Standards.



**ABHISHEK LODHA**  
Managing Director & CEO

Abhishek Lodha holds a Master's degree in Science (industrial and systems engineering (supply chain & logistics) from Georgia Institute

of Technology. He has 21 years of experience in design, sustainability, financial stewardship, business development, strategy and strategic communication, risk management, leadership, public affairs and governance among others. Prior to joining the Company, he was working as a business analyst with McKinsey & Company, Atlanta, United States.



**RAJINDER PAL SINGH**  
Non-Executive Director

Rajinder Pal Singh is a retired IAS officer (1976 batch), Andhra Pradesh cadre. He holds a Post Graduate degree in Mathematics from Advanced Centre for Pure Mathematics, Punjab University, Chandigarh. Prior to joining the Company, he was the Chairman of National Highways Authority of India, the chairman and Managing Director of Punjab & Sind Bank and served as the secretary of Department of Industrial Policy and Promotion, Government of India.

He has worked both as commissioner of Hyderabad Municipal Corporation & Vice Chairman of Hyderabad Urban Development Authority. He has had long stints as Managing Development Corporation and Commissioner of Taxation in A.P. He has more than 45 years of experience in regulatory area of finance, industry urban development and infrastructure.



**RAJENDRA LODHA**  
Whole time Director

Rajendra Lodha holds a Bachelor's degree in Civil Engineering from M.B.M. Engineering College, University of Jodhpur, Rajasthan. He started his career with Lodha and has 33 years of experience in all facets of real estate development.



**RAUNIKA MALHOTRA**  
Whole time Director

Raunika Malhotra is President – Marketing and Corporate Communications at Lodha. She has been with Lodha for 14 years, including two years as Deputy Regional Chief Executive Officer. She holds a Bachelor's degree in Engineering (Electronics and Telecommunication) from the University of Pune and a Post-Graduate diploma in Industrial Engineering from the National Institute of Industrial Engineering, Mumbai. She has more than 18 years of experience in leadership, corporate strategic planning, consumer insights and brand management. Prior to joining Lodha, she has worked with ECS Limited and Adayana Learning Solutions Private Limited in strategic consulting.



**ASHWANI KUMAR**  
Independent Director

Ashwani Kumar holds a Master of Science degree from Lucknow University and is a certified associate of the Indian Institute of Bankers. He is a seasoned banker having more than 37 years of banking experience, out of which he was the Chairman and Managing Director of Dena Bank for five years. He has held industry-wide leadership positions in multiple organisations, including as executive director of Corporation Bank, chairman of the Indian Banks' Association and president of the Indian Institute of Banking & Finance. He was also a board member of the Life Insurance Corporation of India, wherein he also served on various committees of its board of directors.



**LEE POLISANO**  
Independent Director

Lee Polisano is the founding partner and President of PLP Architecture, UK. He is a Fellow member of the American Institute of Architects and a member of the Royal Institute of British Architects and has nearly 46 years of experience and is internationally-recognised for his architectural and urban design work. He has been responsible for creating numerous award-winning

commercial and corporate office buildings and is widely regarded for pushing boundaries and bringing innovation to the sector. Many of his projects have received prestigious awards from institutions as varied as the Urban Land Institute and the British Council for Offices. Prior to co-founding PLP Architecture, he was a global partner at KPF, and co-founded the KPF London office in 1989 and served as global President for six years until 2008.



**RAJEEV BAKSHI**  
Independent Director

Rajeev Bakshi is an alumni of IIM Bangalore and a science and economics graduate from St. Stephens College, Delhi.

He has more than 40 years of experience in leadership positions in renowned companies. In his last executive role, he served as MD & CEO at Metro Cash & Carry India and was responsible for providing strategic leadership for the overall operations and growth. He has also served as joint MD at ICICI Ventures and Chairman of Pepsico's beverage business in South Asia. Earlier at Cadbury Schweppes, he was credited with having established Cadbury India as a growth oriented, transparent and investor-friendly organisation. His areas of expertise include governance, strategy, marketing and so on.



**HARITA GUPTA**  
Independent Director

Harita Gupta holds a Masters' of Science (Chemistry) degree from IIT New Delhi and a Bachelors' of Science from Stella Maris College, Chennai. She brings over three decades of global experience in digital and IT Services sectors. She is presently leading APAC and Global Head Enterprise Business at Sutherland Global Services. Prior to Sutherland, she has held leadership positions at globally renowned companies such as Microsoft India where she led the growth of the Customer Service and Support operations for enterprise customers across India and Greater China; and NIIT Technologies where she managed various portfolios and technology centres of excellence. Her areas of experience and expertise include people management, digital transformation & governance in the IT / ITES services sector. She is passionate about CSR, and drives innovative projects in her current role and volunteers at two NGOs. She is also the advisory Board chair at Will Forum India and a council member of NASSCOM BPM. She was named in the 2020 Top 11 Women AI Leaders in India, won the CIO Award in 2020 and 2022, and was named in Top 50 women in Technology 2020.



# Managing Director and CEO's Message



// Your Company delivered cash flow after interest and taxes of ~₹ 46.6 bn, and used this towards adding new projects with GDV of ~₹ 200.0 bn (~165% of current year pre-sales) and to reduce our net debt by ~₹ 22.3 bn (~24%).

Our RoE, calculated on the basis of pro-forma earnings, grew to ~16%. The Company continued to make progress towards its objective of becoming a global leader in sustainable real estate development and with growing renewable energy share which currently stands at 90%, we are on track to advance our net zero scope 1 and 2 targets from 2027 to 2024. //

(GRI 2-22)

## DEAR STAKEHOLDERS,

The last financial year was a period of accelerating growth for your Company, despite the headwinds of rising interest rates and global macro-economic uncertainty. Your Company achieved its highest ever pre-sales of ₹ 120.6 bn, crossing the ₹ 100.0 bn mark for the first time and growing 34% over FY22. Your Company delivered cash flow after interest and taxes of ~₹ 46.6 bn, and used this towards adding new projects with Gross Development Value (GDV) of ~₹ 200.0 bn (~165% of current year pre-sales) and to reduce our net debt by ~₹ 22.3 bn (~24%). Our RoE, calculated on the basis of pro-forma earnings, grew to ~16%. The Company continued to make progress towards its objective of becoming the global leader in sustainable real estate development and with growing renewable energy share which currently stands at 90%, we are on track to advance our net zero scope 1 and 2 targets from 2027 to 2024.

### Macro-Economic Context

FY23 started with global alarm bells due to the Russian invasion of Ukraine. This added fuel to the already raging fire of high inflation and made inflation control the No. 1 objective of major global central banks. There was co-ordinated increase in interest rates across all major economies, and India's Central Bank also raised its benchmark rates by ~250 bps.

As the year progressed, the world gradually came to terms with disruption in energy supply chains caused by the Russia-Ukraine conflict. With moderation in elevated energy prices and initial impact of monetary tightening, the last quarter started evidencing progress in the fight against inflation.

In the backdrop of global travails, India's economy continued strengthening with GDP growth of 7.2%, one of the highest

**34%**

Growth in FY23 in pre-sales

growth rates in the world. Service exports continued to show resilience, and combined with inward remittances from NRIs touching USD 100.0 bn, India's current account deficit moderated, providing stability to the Indian Rupee. Foreign direct investment (FDI) interest in India continued to strengthen, on the back of strong local growth, geopolitical circumstances and the government's initiative to attract global supply chains through its Production Linked Incentive (PLI) scheme.

### A Decade (or two) of Housing Buoyancy

The total primary (new build) sales in India's Top 7 cities was about 300,000 units in calendar year 2021. This grew to 360,000 units (20%) in calendar year 2022. If one were to assume 15% CAGR in housing production during the course of the current decade, annual housing production in the top Indian cities would touch ~1 million units p.a. (equating to ~1.5 million units p.a. across the country). Thus, total production in the course of the current decade would be ~9 million units. It is estimated that the total number of households in India which are home ownership capable will grow from 77 million in 2021 to 175 million by 2030, implying over 100 million units of incremental demand. This significant demand-supply gap (100+ million vs. 9 million) is driven by India's transition from low income (GDP per capita of ~USD 2,000 p.a. (2021) to ~USD 5,000 (2030)) and the consequent change – which we believe takes place once in the lifetime of every nation – of a large % of households become 'home ownership capable'.

**9,600+**

Number of homes completed

Another factor to highlight is that construction cost is ~25-40% of the sales price for multi-storied (apartment) development in India. Further, due to the plentiful availability of agricultural workforce moving to construction sites, wage inflation for this segment of the workforce remains moderate. Due to these factors, during FY23, despite record inflation, the impact from construction cost inflation was only about 2% of cost of goods sold (COGS). This structural low risk from cost inflation differentiates India's housing market from others.

With low base of housing demand, multiple drivers of job creation, income growth of ~10% p.a. for white-collar workforce (which form the bulk of potential home buyers), steady mortgage market with intent from lenders to grow their mortgage portfolios (generally held to maturity), low risk from construction cost inflation, and increasing preference of housing consumers to buy from a handful of reputed brands leading to ever-increasing consolidation on the supply side, the stage seems set for compounding of housing volumes accompanied by steady price growth for several years to come. The strong performance of the industry's top players, in a year with over 200 bps of mortgage rate increase, provides initial evidence of this long-term cycle.

### Our Performance

I am pleased to share that your Company's pre-sales grew by 34% to ₹ 120.6 bn. Your Company sold over 8,000 homes with an aggregate area of 9.4 mn square feet. We completed



// Our goal of building a stronger nation is being serviced through our efforts towards unleashing the potential of young minds through the Lodha Genius Programme in partnership with Ashoka University, as well as empowering women through Unnati. //

about 9,600 homes totalling to 9.3 mn square feet. Your Company continued to focus on its capital-light growth strategy, expanding into newer micro-markets of Mumbai Metropolitan Region (MMR) and Pune. We have received a positive response from consumers in these new micro-markets underlying the appeal of brand Lodha to home buyers seeking a premium living experience.

We also entered the Bengaluru market this year, growing our presence to the three cities which provide about 2/3rd of the value of housing sales amongst India's top seven cities. The MMR economy is driven by corporate front office, BFSI, trading and media & entertainment. Pune provides exposure to manufacturing and back-end IT, whereas Bengaluru provides exposure to value-added / front office IT, giving your Company diversified exposure to the various important sectors on which India's economy depends. Our strategy for entering a new city comprises 'seed phase' for first 3-4 years, followed by 'growth phase' thereafter. During the seed phase, our focus is on delivering a moderate number of high-quality developments, strengthening our local team, understanding the consumer in that city, building local relationships and showcasing our units profitability. We believe that this patient approach will reduce the risk inherent with entering new geographies and creates runway for sustainable growth for your Company, as we are now witnessing in Pune.

It is heartening to report that your Company achieved this significant growth while substantially reducing its leverage, with our net debt reducing by ~24% to ₹ 70.7 bn from ₹ 93.0 bn at the start of the year. This combination of growth and deleveraging is unique in our sector. The Company sees the potential to sustainably deliver ~20% pre-sales growth and simultaneously, produce surplus for capital providers (post capital investment) of ~15-20% of pre-sales. We have set a net debt ceiling of lower of 1x of operating cash flow and 0.5x of equity and we expect to be

below this ceiling during the course of FY24. With the likelihood of significant surplus for capital providers, we have the opportunity to be well below the aforesaid net debt ceiling.

#### Annuity Business

We are making steady progress on building annuity streams with a focus on opportunities with relatively high RoEs. We are currently focussed on three key business segments:

- i. **Green Digital Infrastructure (Warehousing & Industrial):** With a focus on sustainable development, we are working with our investment partners including Bain Capital and Ivanhoe Cambridge (an arm of CDPQ) to develop about 25 million sq. ft. of warehousing (including suburban parks and in-city fulfilment centres) and industrial space across India with planned investment (equity and debt) of US\$1 billion+ over the next 4-5 years. Your Company plans to contribute its share of equity largely in the form of its land and developed assets. Your Company is also the development and asset manager for this platform. The combination of rental yield, management fee income, and short construction cycles will enable your Company to build substantial annuity income at its target RoEs.
- ii. **Property Management:** We have delivered about 60,000 units to date and expect this number to grow to 250,000 by the end of the decade. With this large captive property pool, we are scaling our Property Management business and adding additional income streams through a Digital Services app which uses our understanding and data about the consumer to connect them with local merchants and service providers. The pilot of the Digital Services app has been done and we expect to scale the roll out across our projects during the course of FY24.

// We aim to become a Net Zero Company by operations (scope 1, 2 emissions) within FY24 and are committed to achieve carbon neutrality in scope 3 by 2050, with a short-term target of achieving 51% reduction in scope 3 by the end of this decade. //

- iii. **High-quality Office and Retail Assets:** While we have historically focused on releasing capital by building, leasing and selling the office and retail assets developed by us, we are now retaining select such assets which have likelihood of significant capital appreciation due to their quality and/or location.

Together, these three segments will help us generate sizeable annuity income over the medium term with good RoEs.

#### Aiming to become the Global Leader in Sustainable Real Estate Development

FY23 was an extraordinary year for your Company in its journey towards creating a sustainable and equitable world for all. Over the past year, we continued to make significant strides towards a low-carbon transition and we are on track to become a Net Zero Company by operations (scope 1, 2 emissions) within FY24. We have also submitted our de-carbonisation targets for validation with Science Based Targets initiative (SBTi) and we are committed to become carbon neutral in scope 3 by 2050, with a short term target of achieving 51% reduction in scope 3 by the end of this decade.

Our initiatives under the Lodha Net Zero Urban Accelerator are progressing well and we anticipate that these will help us achieve our decarbonisation

goals well ahead of time. This year, we expect to start publishing studies which can help guide the decarbonisation of the built environment. During the year, we also partnered with Xynteo on the 'Build Ahead Coalition' that aims to unite multiple stakeholders from the construction value chain to achieve net zero built environment in India.

We understand that climate risks will continue to impact our business and communities. In our efforts to address these, we conducted a detailed physical climate risk analysis and created a climate risk toolkit for our designers to integrate mitigation measures while designing new projects.

We aim to break the stereotypes associated with the real estate industry with our continued efforts to make Lodha a preferred workplace for women. We are committed to achieve our gender diversity target of 44% by 2027.

Our goal of building a stronger nation is being serviced through our efforts towards unleashing the potential of young minds through the Lodha Genius Programme in partnership with Ashoka University, as well as empowering women through Unnati.

Our commitment towards growing sustainably also reflects in our exceptional performance in leading global sustainability benchmarks

including S&P CSA, GRESB, Sustainalytics, and others. We are determined to create a sustainable and equitable world for all our stakeholders.

The path forward in the backdrop of the industry dynamics, brands which are going to scale up profitably are the ones which possess ability to attract quality talent necessary for such a growth, have trust of stakeholders including customers, vendors as well as land owners, and above all, have the construction and execution capability to deliver this growth. Having a disciplined balance sheet would be another pre-condition for delivering a sustainable growth over a longer duration. Your Company has all the above ingredients to successfully deliver a sustainable 20% CAGR on our pre-sales with 20% ROE, and improving profitability over the course of this decade.

I am extremely pleased to share that we have become a dividend paying Company. Your Company's ability to reward its shareholders alongside growth is another of its unique strength. In view of the robust operating and financial performance, your Company has decided to reward shareholders by way of a 1:1 bonus issue as well as ₹ 2/ share dividend on the pre bonus share.

I would like to take this opportunity to thank all our 4,000+ associates who have been tirelessly working to provide superior customer satisfaction through focus on delivering the world's finest developments with hospitality standards of service quality. This in turn is enhancing our brand appeal among prospective home buyers and would enable us to achieve our milestones in times to come. Most importantly, I would like to thank you, our shareholders, for your overwhelming trust, support, guidance and confidence in Lodha.

Thank you!

**Abhishek Lodha**  
Managing Director & CEO



# Demography and Development Cycle Fuelling Quality Housing Demand

India's real estate sector is driven by multiple tailwinds with sustained economic growth lifting per capita incomes on a consistent basis, the government's sustained focus on urbanisation, RBI's prudent mortgage and underwriting policies and a burgeoning aspirational and educated population are creating a strong long-term demand upcycle.



Shot at LODHA STERLING

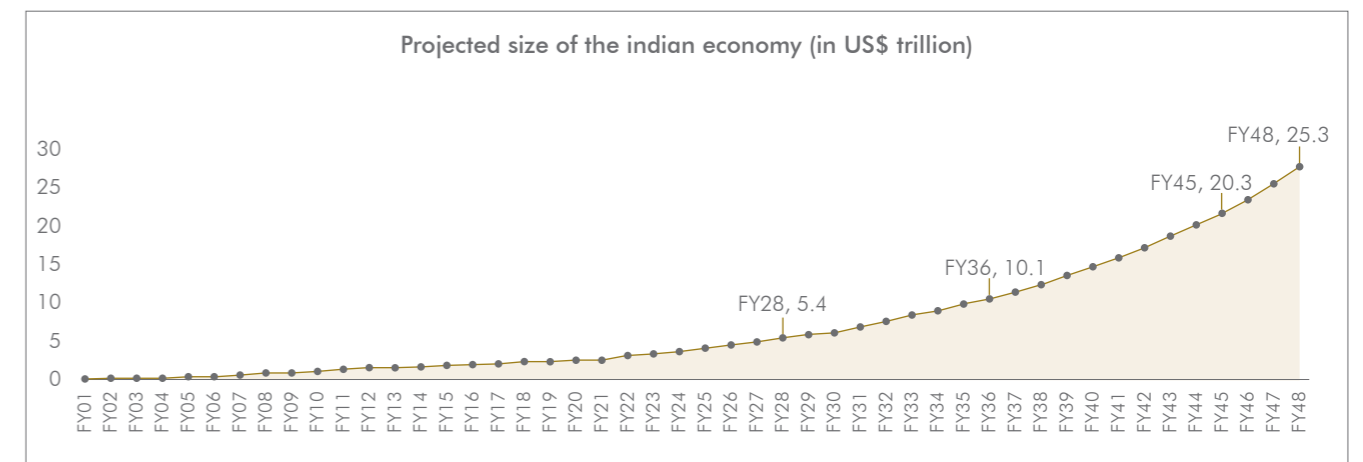
## STRONG STRUCTURAL DEMAND

**Consistent income growth to create large number of 'home ownership capable' households**

Since the beginning of economic liberalisation in the early 1990s, India has been able to consistently enhance its

per capita income. On the back of policy level reforms, favourable demographics and government initiatives to invest in infrastructure, India is targeting to become a developed economy and attain a per capita income level in excess

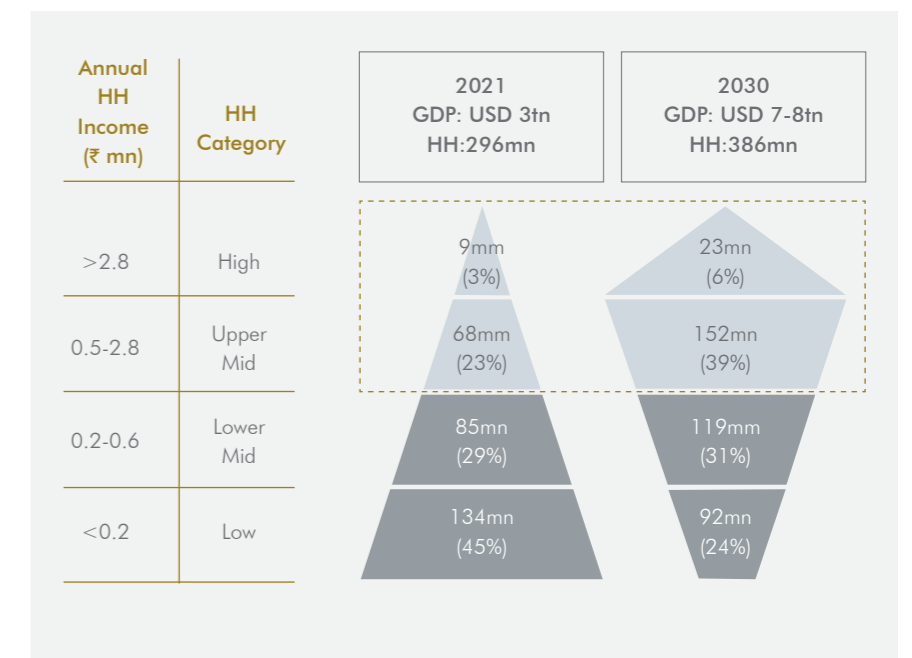
of \$15,000 annually by 2047. An EY Report estimates that India is likely to see its per capita income rise by ~2.5x over FY20-32 period.



Source: India@100 report, EY

Rising per capita income will enable more households to own a new quality home in major urban centres. Presently with the help of mortgages, a household with an income of ₹ 0.5 million per annum becomes eligible to purchase a home worth ₹ 2.5-3.0 million, which is where home prices start at in the top-7/8 cities.

As per various consumer surveys, in 2021 there were nearly 77 million households with incomes greater than ₹ 0.5 million, likely to go up to 175 million households by 2030. Thus, this decade is likely to see the creation of nearly 100 million potential home owners, with incomes greater than ₹ 0.5 million. This creates 'once in a lifetime opportunity' for housing demand in the country.



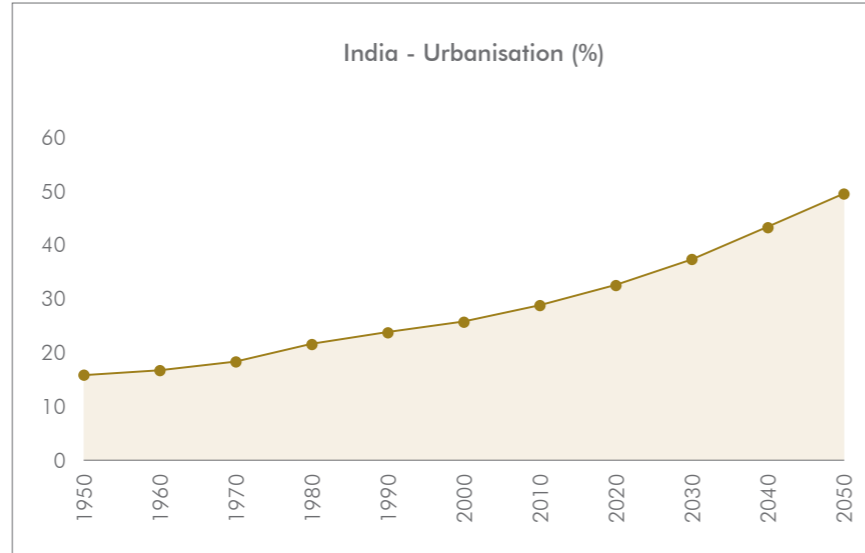
Source: Diageo India, WEF/Future of Consumption-India Report, ICE 360 degrees surveys



**Rapid urbanisation to create need for quality urban housing**

India has seen tremendous progress in urbanisation in the past decade. The United Nations estimates that over 400 million people are likely to reside in Indian cities by 2030. People are rapidly migrating into urban areas due to the availability of business and various employment opportunities and better lifestyle.

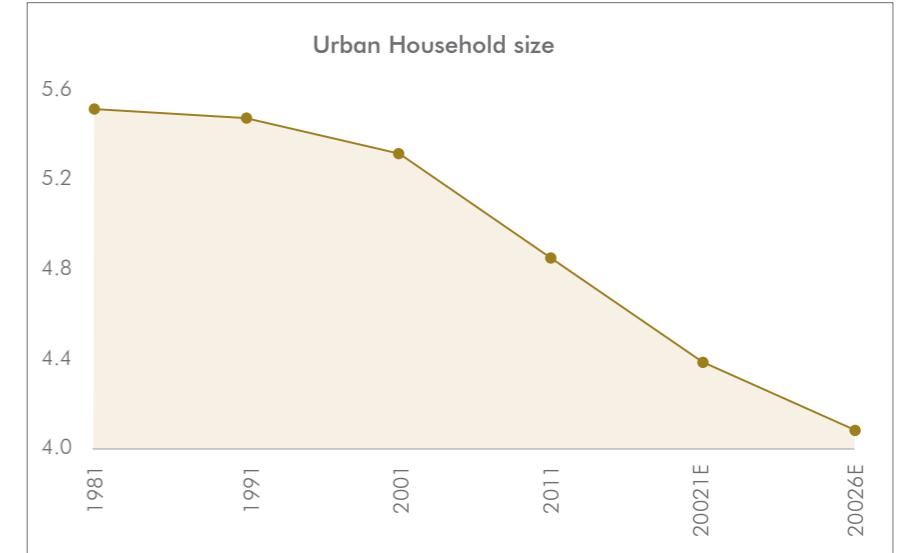
Rapid and ongoing urbanisation ensures that there will continue to be a demand for real estate in urban and metropolitan areas. Rising income and a preference for better amenities will continue to boost demand for quality housing.



Source: United Nations

**Nuclearisation of families**

In recent years, there has been a shift from traditional joint families to nuclear families, with a preference for owning their own homes rather than living in rented accommodations. This trend has led to an increased demand for residential properties, especially in urban areas, where families prefer to live in independent houses or apartments.

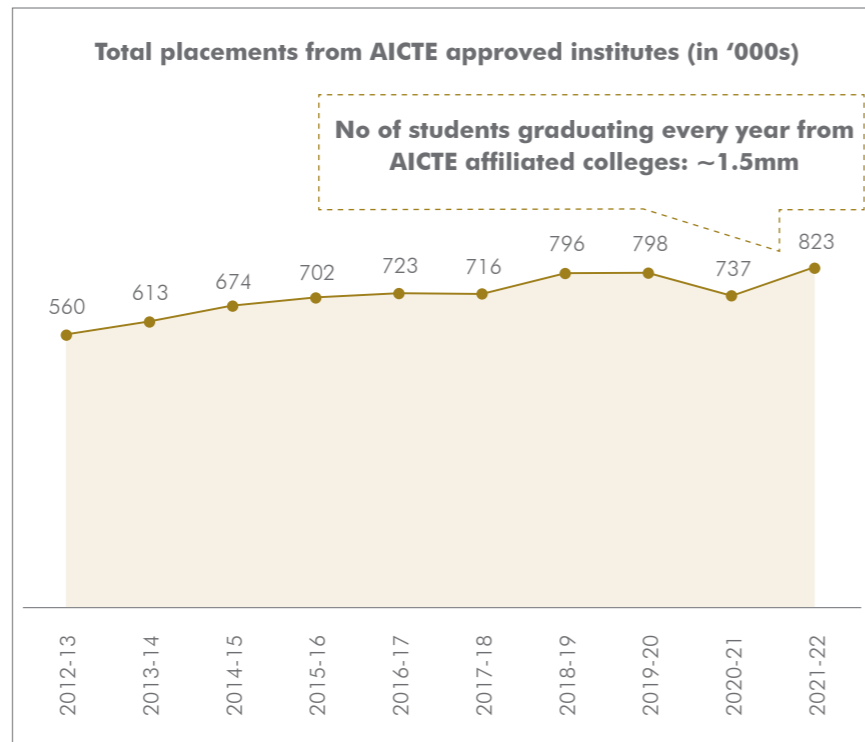


Source: India Census

**Growing workforce**

India's large and growing educated workforce is a significant growth driver for the real estate sector in the country. The country also has a young population, of which a large percentage is well-educated, with advanced degrees in various fields such as engineering, medicine and management.

This educated workforce is driving the demand for high-quality office spaces, residential properties, and commercial properties, especially in cities like Bengaluru, Mumbai, and Delhi, all major IT and financial hubs in the country. The growth of these sectors have led to a rise in the number of lucrative jobs, which in turn, has fuelled the demand for premium housing and high-end lifestyle products.



Source: AICTE



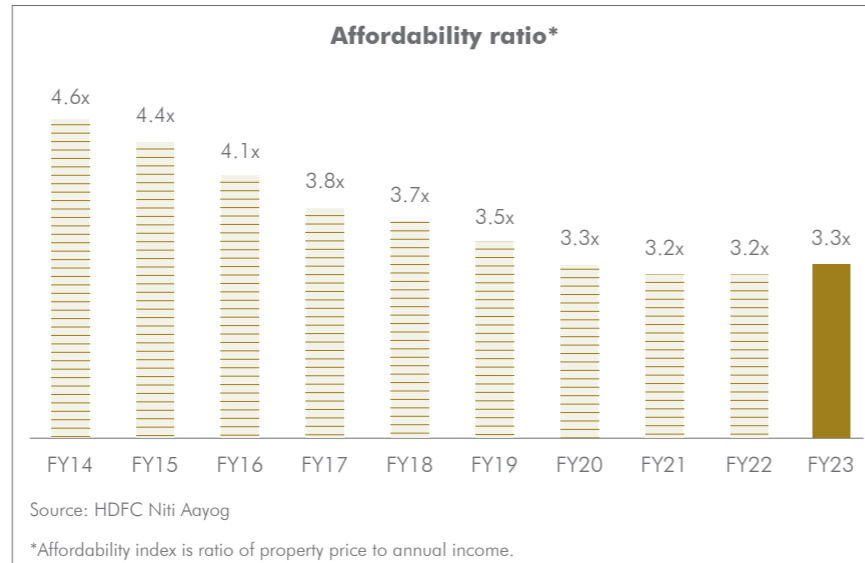
LODHA CODENAME RARE FORTUNE



**BEST EVER AFFORDABILITY**

**Improved affordability to support demand**

Housing affordability in India continues to be at its best in decades, thus unfolding longer-term demand trends. As long as housing price growth is below the white collar salary growth, affordability will continue to enhance every year, further bolstering demand. In India salary growth typically hovers around 8%-10% annually across various industries over a longer term. Thus, if house prices grow even by 6-8%, it will still be affordable for the consumers. On the other hand, rising nominal prices will convert the demand into actual transactions, thus having a positive impact on demand.



**Mortgage industry enabler of demand but not inducer of demand**

Mortgage in India is largely a floating rate product, which goes through multiple cycles during the entire underwritten tenure. Additionally, compounding wages and fixed monthly mortgage payments or EMLs means that the consumer is usually able to pay off his/her mortgage much in advance as compared to its underwriting duration.

Mortgage assets in India are considered one of the safest asset classes by all lenders. Conservative underwriting prescribed by RBI by capping Loan to Value ratio and strict regulations against teaser or fixed rates has ensured that mortgages while being plentifully available, do not create bubbles in the housing industry. This has created a vanilla mortgage industry, which enables demand to convert into actual transactions, but does not induce demand where there is none. It is thus clear that the mortgage industry by itself, does not cause industry cyclicality.

**DISCIPLINED SUPPLY SCENARIO**

**Accelerating consolidation towards branded, Tier-I residential developers**

India's real estate sector has been witnessing a trend of consolidation towards established major players with established brands and operational excellence. Homes have become like any high value consumer product, which want an assurance of a brand. As a home is the highest value purchase item in the life time of a consumer and also a source of pride, consumers increasingly look to associate only with branded developers.

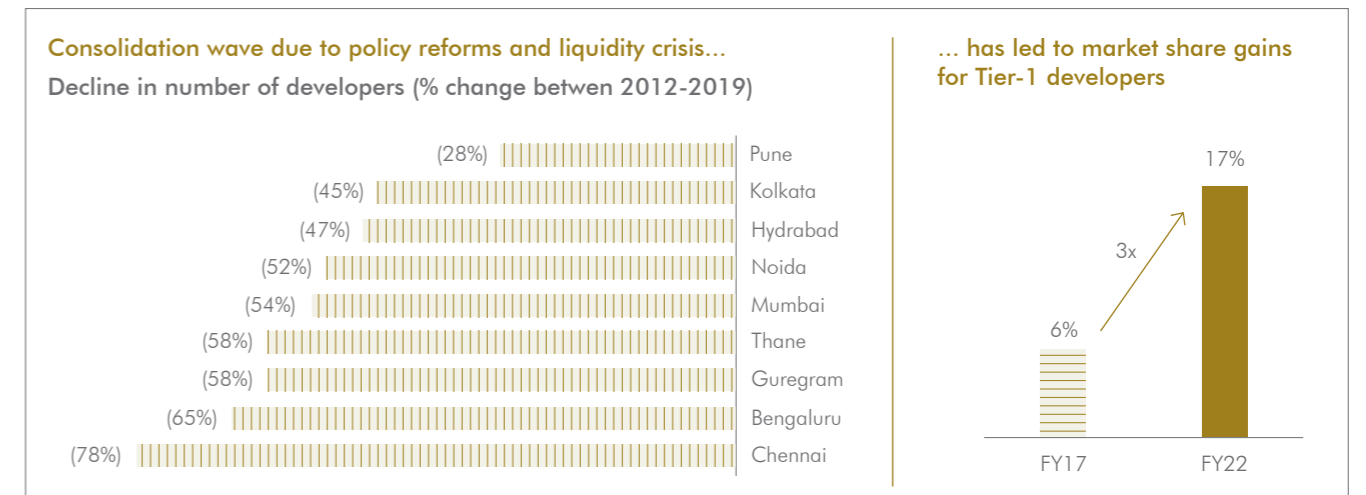
Consumers lack confidence in Tier II developers, having faced several challenges during the last decade, with projects not being completed in time and within budget. Loss of life savings and uncertainty vis-à-vis housing has made consumers extremely wary of buying into an under-construction

**Loss of consumer trust and lack of wholesale credit from lenders means that over 50% of incremental supply is coming from branded developers.**

project being developed by a Tier-II developer. This complete loss of consumer trust and lack of wholesale credit from lenders means that over 50% of incremental supply is coming from branded developers.

The trend towards consolidation has resulted in a disciplined supply in the market, which is likely to give further impetus to the already visible growth in pricing as well as demand. Established players are able to provide a wider range of amenities and services to buyers, thereby attracting more demand and creating a sustainable growth path for the sector.

**Homes have become like any high-value consumer product, which want an assurance of a brand.**



Source: Anarock



# Creating Sustainable Value through Predictable Growth

India will be witnessing a 'once in a lifetime opportunity' of growing its ownership rate of quality housing during the course of the next 15 years as the country progresses from a low-income to a middle-income economy.

Over the course of the last decade, we have demonstrated strong execution capabilities, ability to build processes and attract good talent.

We are a consumer focussed company having an engineering core with nearly half of our employee base dedicated to engineering related functions such as design, construction management, quality assurance, and so on. These strong traits, coupled with the huge underlying opportunity for quality housing, will enable us to deliver a consistent and predictable growth over the course of this decade. Given our focus on capital efficiency, this will help us generate outsized shareholder value over a long term.



LODHA Divino

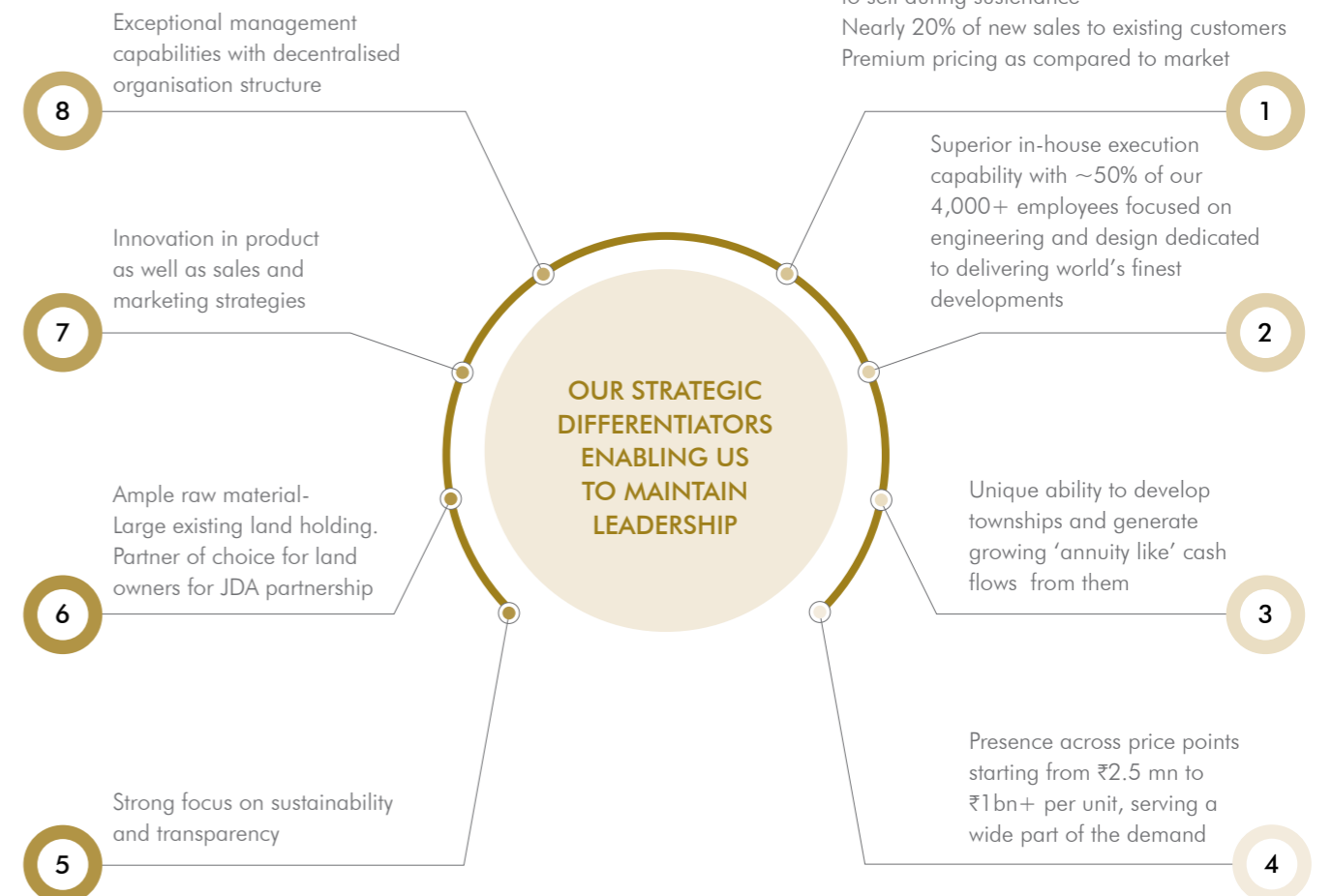
## MAINTAIN LEADERSHIP IN HOUSING THROUGH CAPITAL-LIGHT MICRO-MARKET BASED GROWTH STRATEGY

### We have become the No.1\* residential real estate company

despite being present in only three of the seven micro-markets of MMR in a meaningful manner (South-Central Mumbai, Thane and Extended Eastern Suburbs) upto our IPO in 2021. Thereafter we have started expanding into other micro-markets of MMR and Pune through the asset light JDA model. Given the ongoing supply-side consolidation in the industry and our brand recognition in MMR and Pune, we have received strong customer response to our launches in whichever micro-market we have entered.

Over the course of next 3-5 years, we aim to achieve sizeable market share in these under-represented micro-markets, similar to that achieved in South-Central Mumbai, Thane and Extended Eastern Suburbs of Mumbai. This diversified approach across different projects and micro-markets is likely to make our growth predictable and not dependent on performance of a small number of locations.

Strong consumer brand -  
Ability to sell at scale at launch and continue to sell during sustenance  
Nearly 20% of new sales to existing customers  
Premium pricing as compared to market



\*By cumulative residential sales since 2014



### SCALE UP ANNUITY INCOME STREAMS WITH GOOD ROE

In order to diversify our business, we are focusing on capital light business segments which will generate sizeable annuity income streams and create significant shareholder value over time. These include Green Digital Infrastructure (warehousing – suburban parks and in-city fulfilment centres, industrial parks), Property Management (along with Digital app) and high quality office & retail assets with significant capital appreciation potential.

### Opportunity to become a sizeable player in warehousing and logistics space

India has a growing need for quality warehouses, logistics hubs and in-city fulfilment centres. Our digital infrastructure platform with Bain Capital and Ivanhoe Cambridge (an arm of CDPQ) will develop ~ 25 million square feet of logistics, warehousing and in-city fulfilment centre space, over the next few years, enabling us to earn meaningful annuity income.

As the operating partner for the platform, we will also receive income in the form of asset management fees, developer manager fees, facility management fees and land acquisition fees. Given short execution timelines, lower capex intensity and limited incremental capital requirement, this is a capital efficient manner of generating annuity income.

### Leverage technology to augment facilities management business

Our property management business is growing rapidly given the rising number of households staying in our developments. We have a captive base of 60,000 households, which is likely to grow to nearly 250,000 by 2030. We plan to use a digital platform which will offer products and services through a marketplace model from various brands and partner with local stores near the vicinity of our developments, from which we plan to earn platform fees linked to revenue generated through our platform. This, in addition to the property management business from our captive customer base staying at our developments, will enable us to generate a sizeable, recurring ROE income stream.

### Select high-quality office and retail assets

While we are primarily a residential real estate company, we also develop retail and office spaces as part of our mixed use developments. In the past, we have developed and monetised such assets. Going forward, in order to diversify our income stream, we intend to retain some of these assets, which we believe have high probability of significant capital appreciation (in addition to their rental yield) on account of their superior location, product quality or tenant mix. Given these assets would be developed along with our residential developments on larger land parcels suitable for mixed use developments, capital intensity of the same would be significantly lower helping us generate strong ROEs.

### OUTSIZED FOCUS ON CREATING A ROBUST BALANCE SHEET

We have substantially reduced our leverage since our IPO in 2021 and remain committed to the path of creating a strong balance sheet. We have created a debt ceiling goal of lower of 1x of Operating Cash Flow (OCF) or 0.5x of equity.

While this is the ceiling / peak, we will continue our efforts to reduce our debt well below this level so that we are not adversely impacted by any weakness caused by industry cyclicality or by domestic and global macros. We will thus be better prepared to capitalise on opportunities on the strength of a robust balance sheet in the event of any stress in the market due to any economic slowdown.

### We have set a net debt ceiling at lower of 1x of operating cash flow (OCF) or 0.5x of equity.

In order to diversify our income stream and generate a steady annuity income stream, going forward, we would develop 'for lease' retail assets (eg convenience retail, high street retail or shopping malls) as part of our mixed use developments.



Shot at LODHA UPPER THANE



# Following a Multi-Stakeholder Approach

Our value creation model enables us to unlock value for our business and our stakeholders by leveraging our six capitals. These capitals are the resources that we deploy as inputs to derive the desired outcomes.

### CAPITAL & INPUT

- Financial capital**
  - ₹ 127.2 Bn Net worth
  - ₹ 70.7 Bn Net Debt
- Manufactured capital**
  - ₹ 32.7 Bn Construction expenditure
  - 28 msf Area under construction
  - 77 msf Planned area
- Intellectual capital**
  - ₹ 1.6 Bn Spent on design and innovation
  - 41 years Sectoral experience
  - ₹ 14.0 Mn invested in Lodha Net Zero Urban Accelerator
- Human capital**
  - 4,200 permanent employees
  - 1,475 Learning and development sessions conducted for employees and workers
  - ₹ 95.0 Mn Spent on employee welfare
  - 44,600 safety training hours
  - Linking of ESG parameters to KPIs
- Social and relationship capital**
  - 85,584 Customer base
  - ₹ 223.0 Mn CSR expenditure
- Natural capital**
  - 1,00,911 GJ Energy consumption
  - 55,658 GJ Renewable energy consumption
  - 563 ML Water consumption
  - 9,30,161 MTCO<sub>2</sub>e GHG emission

### VALUE CREATION PROCESS

We will wholeheartedly contribute to our nation's communities and its environment

We exist to exceed the expectations of our customers through innovative, world class solutions

We will behave with honesty, integrity and ethics with all stakeholders of our organisation

We will work with the best people, treat them well, expect a lot and the rest will follow

We will go the last mile to do things right and seek excellence in all that we undertake

**Our Focus Areas**

**People:** Strengthening capabilities across value chain

**Technology:** Embarking on technology transformation to achieve operational excellence and superior customer experience.

**Sustainability:** Implementing our vision of sustainable future

**Our Vision**  
Building A Better Life

**Strong Command of Governance**

- Empowered ESG focused board
- Strong policy frameworks
- Compliant nature of operations

Environmental, social and governance factors are at the heart of our business strategy. Apart from creating long-term value for our business, this also ensures we contribute to the broader sustainable development agenda.



### OUTPUT

- ₹ 120.6 Bn Pre-Sales
- ₹ 94.7 Bn Revenue
- 31% Adj. EBITDA margin ^
- 14% ROE ^^
- ₹ 448.2 Bn Market Cap\*\*
- 9,205 Homes handed over
- 9 msf Construction completed during the year
- 9 msf Total area sold
- Innovative Modular Formwork technique
- Formation of Lodha Net Zero Urban Accelerator
- Innovative infrastructure design
- Identification of initiatives for 30% carbon reduction
- 18.8% Women employees
- 25% Positions closed internally
- 97.6% Employees trained
- 0.054 Lost Time Injury Frequency Rate
- 52% Local procurement
- 35% MSME procurement
- 39% suppliers (by value) assessed on ESG parameters
- 4L+ Beneficiaries of CSR initiatives
- 35% Year on year reduction in Scope 1,2 emissions
- 36% Year on year reduction in Scope 1,2 emission intensity
- 55% Renewable energy share\*\*\*
- 47% Reduction in fresh water use intensity for construction purposes

### OUTCOME

- India's no.1 residential real estate company\*
- Strong balance sheet
- Strong operating and financial statement
- World's finest developments
- Best in class properties
- Quality life for residing families
- Great lifestyle for our residents
- Differentiated offering
- Improved delivery time
- Sustainable design
- Increase in net promoter score
- Engaged and motivated employees
- Increase in employee safety
- Skilled employee base
- Long term relationship with value chain partners
- Positive impact on the community
- Exceptional customer experience
- Sustainable growth model
- On path to achieve net zero by 2050

### IMPACTED STAKEHOLDERS

### IMPACTED SDGs

\* By cumulative residential sales since 2014  
 ^ Adjusted EBITDA = EBITDA after Grossing up of Finance cost included in cost of project  
 ^^ ROE = PAT excluding forex & exceptional items / Average networth of the period  
 \*\* Market Capitalisation as on March 31, 2023  
 \*\*\*Cumulatively during FY23





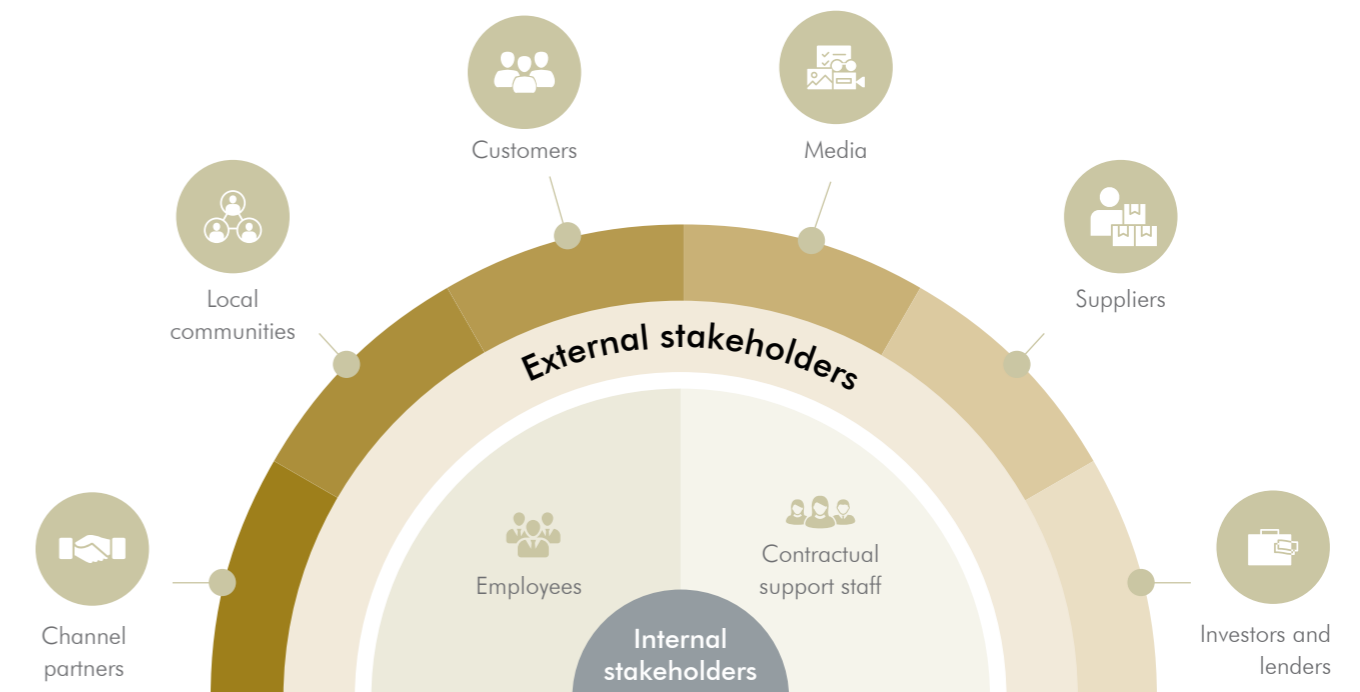
▲ ONE LODHA PLACE

## Working Together to Create Better Future for All

Our stakeholders are our partners in our journey to create long term value and positive impact. We believe that stakeholder engagement is key to achieving the triple bottom line.

We seek to balance the concerns, needs and expectations of our stakeholders with those of the business through an integrated and inclusive process. Their thoughts, feedback and foresight, enable us to anticipate potential risks and safeguard our business. We are committed to understanding and considering stakeholders' expectations, concerns, aspirations and making informed decisions.

We have categorised our key stakeholders as external and internal stakeholders.



Our holistic approach towards stakeholder engagement helps us to identify material topics that form the basis of our business and sustainability strategies and align them with the expectations of key stakeholders.

(GRI 2-29)



**CUSTOMERS**

**Importance of the relationship**  
Customer satisfaction, feedback, and loyalty are critical factors for our continued leadership position and competitiveness in the market. Strong relationship and customer connect ensures that we continue to meet their needs and exceed their expectations.

<p><b>Value Proposition</b></p> <ul style="list-style-type: none"> <li>Strong brand &amp; differentiated products &amp; services</li> <li>Superior living experience</li> <li>Quality homes and workplaces</li> <li>Competitive pricing</li> </ul>	<p><b>Engagement Channels</b></p> <ul style="list-style-type: none"> <li>Sponsored events</li> <li>Mailers &amp; newsletters</li> <li>Brochures</li> <li>Brand campaigns</li> <li>Sales pitches</li> <li>Customer visits</li> <li>Website</li> <li>Webinars</li> <li>Media and social media</li> <li>Customer satisfaction</li> <li>Surveys</li> <li>Community events</li> </ul>	<p><b>Material topics</b></p> <ul style="list-style-type: none"> <li>Water management</li> <li>Waste management</li> <li>Emission &amp; energy management</li> <li>Stakeholder engagement</li> <li>Data privacy and information security</li> <li>Green buildings</li> <li>Climate change adaption</li> </ul>	<p><b>Engagement Outcomes</b></p> <ul style="list-style-type: none"> <li>Understanding customer requirements</li> <li>Identifying opportunities to improve our products &amp; services</li> </ul> <p><b>Frequency of engagement</b></p> <ul style="list-style-type: none"> <li>Ongoing / Annual</li> </ul>
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Vulnerable or marginalised group - No

**INVESTORS AND LENDERS**

**Importance of the relationship**  
Investors and lenders are invaluable partners, providing financial support essential to fund growth and helping to build and enhance our reputation.

<p><b>Value Proposition</b></p> <ul style="list-style-type: none"> <li>Consistent returns on investment</li> <li>Transparent disclosures</li> <li>Ethical business conduct and comprehensive risk management</li> <li>Mitigation measures for climate change risks and reducing operational carbon footprint</li> </ul>	<p><b>Engagement Channels</b></p> <ul style="list-style-type: none"> <li>Investor and analyst conferences</li> <li>Periodic meetings</li> <li>Annual report</li> <li>Press releases or media updates</li> <li>Earnings calls</li> </ul>	<p><b>Material topics</b></p> <ul style="list-style-type: none"> <li>Water management</li> <li>Waste management</li> <li>Emission &amp; energy management</li> <li>Accountability &amp; transparency</li> <li>Business ethics</li> <li>Corporate governance</li> <li>Data privacy and information security</li> <li>Brand management</li> <li>Risk management</li> </ul>	<p><b>Engagement Outcomes</b></p> <ul style="list-style-type: none"> <li>Focus on strong operating and financial performance.</li> <li>Focus on highlighting sustainability commitments and disclosures</li> </ul> <p><b>Frequency of engagement</b></p> <ul style="list-style-type: none"> <li>Ongoing</li> </ul>
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Vulnerable or marginalised group - No

**EMPLOYEES**

**Importance of the relationship**  
Employees contribute to the Company's productivity, profitability, customer satisfaction, innovation, growth, and brand reputation. They are critical for achieving our business and sustainability goals.

<p><b>Value Proposition</b></p> <ul style="list-style-type: none"> <li>Rich and diverse exposure to enhance skill &amp; knowledge</li> <li>Inspiring leadership</li> <li>Professional culture built on fundamentals of honesty, integrity and ethics</li> <li>Learning &amp; growth opportunities</li> <li>Stimulating work environment</li> </ul>	<p><b>Engagement Channels</b></p> <ul style="list-style-type: none"> <li>Coffee with CEO</li> <li>Townhalls</li> <li>HR connect</li> <li>Project reviews</li> <li>Offsites</li> <li>Rewards &amp; recognition</li> <li>Employee engagement surveys</li> <li>Lodha World newsletter</li> </ul>	<p><b>Material topics</b></p> <ul style="list-style-type: none"> <li>Employee development</li> <li>Accountability &amp; transparency</li> <li>Health &amp; safety</li> <li>Human rights</li> <li>Water management</li> <li>Emission &amp; energy management</li> <li>Waste management</li> <li>Data privacy &amp; information security</li> </ul>	<p><b>Engagement Outcomes</b></p> <ul style="list-style-type: none"> <li>Attracting &amp; retaining diversity in talent</li> <li>Providing a learning environment</li> <li>Providing engaging &amp; enriching culture</li> <li>Providing career &amp; growth opportunities</li> </ul> <p><b>Frequency of engagement</b></p> <ul style="list-style-type: none"> <li>Ongoing / Quarterly/ Half yearly / Annual</li> </ul>
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Vulnerable or marginalised group - No


**CHANNEL PARTNERS**

**Importance of the relationship**  
Channel partners are critical stakeholders due to their ability to expand reach and distribution, provide market insights, drive sales and revenue, offer cost-effectiveness, and facilitate relationship building.






<p><b>Value Proposition</b></p> <ul style="list-style-type: none"> <li>Ethical and fair business practices</li> <li>Learning and skill development</li> <li>Enablement and capacity building</li> <li>Portfolio tailored to meet customer preferences and needs</li> </ul>	<p><b>Engagement Channels</b></p> <ul style="list-style-type: none"> <li>Channel partner meets</li> <li>Product training</li> <li>Lodha CP portal</li> <li>Website</li> <li>Business reviews</li> </ul>	<p><b>Material topics</b></p> <ul style="list-style-type: none"> <li>Business ethics</li> <li>Data privacy and information security</li> <li>Brand management</li> </ul>	<p><b>Engagement Outcomes</b></p> <ul style="list-style-type: none"> <li>Generating business and leads</li> <li>Expanding reach of innovative business models and offerings</li> </ul> <p><b>Frequency of engagement</b></p> <ul style="list-style-type: none"> <li>Ongoing</li> </ul>
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Vulnerable or marginalised group - No



 **SUPPLIERS**

**Importance of the relationship**  
Suppliers provide operational leverage to optimise value chain, be cost competitive and sustainable.

<p> <b>Value Proposition</b></p> <ul style="list-style-type: none"> <li>Ethical business conduct &amp; fair business practices</li> <li>Sustainability led growth opportunities</li> <li>Timely payment</li> <li>Recurring orders to grow business</li> </ul>	<p> <b>Engagement Channels</b></p> <ul style="list-style-type: none"> <li>One-on-one meetings</li> <li>Training and awareness drives on sustainability topics</li> <li>Townhalls</li> <li>CEO meets</li> </ul>	<p> <b>Material topics</b></p> <ul style="list-style-type: none"> <li>Business Ethics</li> <li>Human Rights</li> </ul>	<p> <b>Engagement Outcomes</b></p> <ul style="list-style-type: none"> <li>Ensuring quality &amp; and meeting project schedules</li> <li>Expanding reach &amp; impact of sustainability initiatives by integrating sustainability principles across the supply chain</li> </ul> <p> <b>Frequency of engagement</b></p> <ul style="list-style-type: none"> <li>Ongoing</li> </ul>
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**Vulnerable or marginalised group - Yes**

 **LOCAL COMMUNITIES**






**Importance of the relationship**  
Local communities are key to maintaining a conducive ecosystem, ensuring social support and smooth conduct of business.

<p> <b>Value Proposition</b></p> <ul style="list-style-type: none"> <li>Transform lives by doing good while doing well</li> <li>Empower underserved children, youth, and women through education and skill-building</li> <li>Improve quality of life through better healthcare facilities</li> <li>Safe work practices to protect community near construction sites</li> </ul>	<p> <b>Engagement Channels</b></p> <ul style="list-style-type: none"> <li>Community meetings</li> <li>CSR initiatives</li> </ul>	<p> <b>Material topics</b></p> <ul style="list-style-type: none"> <li>Local community development</li> <li>Stakeholder engagement</li> <li>Responsible supply chain</li> <li>Biodiversity</li> </ul>	<p> <b>Engagement Outcomes</b></p> <ul style="list-style-type: none"> <li>Enabling sustainable livelihoods</li> <li>Providing access to education</li> <li>Empowering women and promoting equality</li> </ul> <p> <b>Frequency of engagement</b></p> <ul style="list-style-type: none"> <li>Ongoing</li> </ul>
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**Vulnerable or marginalised group - Yes**

 **CONTRACTUAL SUPPORT STAFF**






**Importance of the relationship**  
Contractual support staff are our critical partners for achieving our business goals.

<p> <b>Value Proposition</b></p> <ul style="list-style-type: none"> <li>Transparent and fair contractual terms</li> <li>Conducive workplace with quality amenities and healthcare services</li> <li>Robust occupational health and safety practices</li> <li>Experience and expertise from working on some of the world's finest developments</li> </ul>	<p> <b>Engagement Channels</b></p> <ul style="list-style-type: none"> <li>Periodical review meetings</li> <li>CSR interventions</li> <li>EHS training</li> <li>Skill building trainings</li> </ul>	<p> <b>Material topics</b></p> <ul style="list-style-type: none"> <li>Health and safety</li> <li>Human Rights</li> </ul>	<p> <b>Engagement Outcomes</b></p> <ul style="list-style-type: none"> <li>Building responsible citizenry</li> <li>Socio-economic upliftment</li> </ul> <p> <b>Frequency of engagement</b></p> <ul style="list-style-type: none"> <li>Ongoing</li> </ul>
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**Vulnerable or marginalised group - Yes**

 **MEDIA**

**Importance of the relationship**  
Media plays a vital role in enhancing visibility and reputation, supporting public relations initiatives, providing valuable market insights, and helping in managing crisis effectively.

<p> <b>Value Proposition</b></p> <ul style="list-style-type: none"> <li>Disclosing and sharing relevant information and updates with the public</li> </ul>	<p> <b>Engagement Channels</b></p> <ul style="list-style-type: none"> <li>Press conferences</li> <li>Press releases</li> <li>Leadership conversations and interviews</li> <li>Industry events</li> <li>Product launches</li> <li>Familiarisation visits</li> <li>Social media</li> <li>Participate in industry news with trend stories</li> <li>Mitigate crisis situations</li> <li>Performance updates</li> </ul>	<p> <b>Material topics</b></p> <ul style="list-style-type: none"> <li>Brand Management</li> </ul>	<p> <b>Engagement Outcomes</b></p> <ul style="list-style-type: none"> <li>Enhancing traditional and digital media presence</li> <li>Enhanced perception for the brand</li> <li>Broadening media horizon with national news</li> </ul> <p> <b>Frequency of engagement</b></p> <ul style="list-style-type: none"> <li>Ongoing</li> </ul>
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**Vulnerable or marginalised group - No**



# Evaluating Issues Critical to Our Business

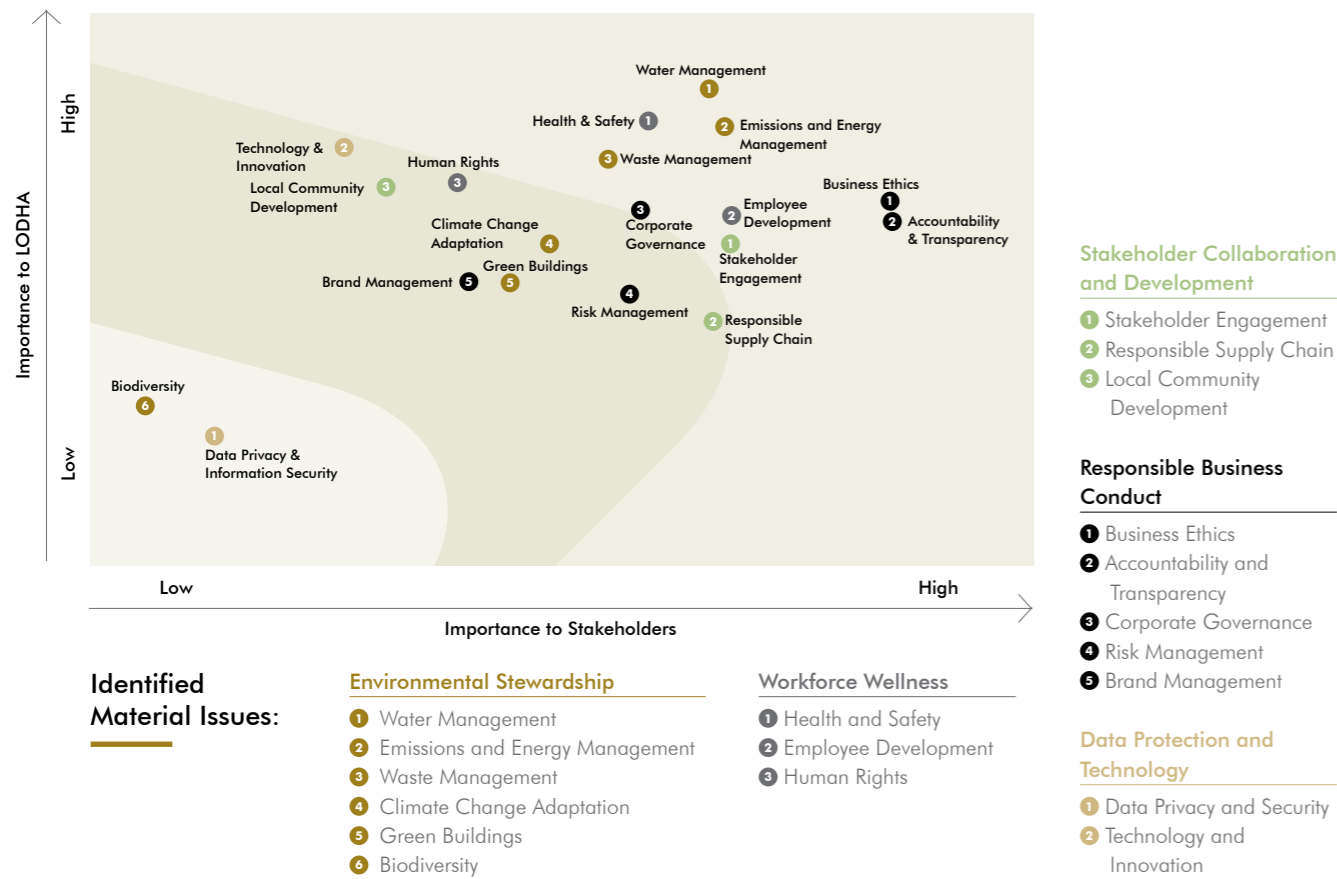
We believe that materiality assessments are crucial in identifying parameters that affect value creation. A comprehensive exercise was undertaken in FY22 to identify material topics with reference to GRI standards 2021.

The material topics were determined after engaging with a representative sample of key stakeholders that included customers, investors, suppliers, employees, channel partners and others. The assessment also considered peer reports and global megatrends while identifying the most significant areas of risk and opportunities.

Identified material topics were prioritised after considering their importance to the business and to the stakeholders. Stakeholder significance was assessed based on their primary concerns and expectations. The significance of the concerns to us was determined by our business goals and risks. This exercise will be conducted every two years.

## MATERIALITY MATRIX

Our assessment adheres to the materiality and stakeholder inclusivity procedures outlined in the IIRC's <IR> framework. It also considered our stakeholders' expectations and interests as a major point of reference.



(GRI 2-12, 3-2, 3-3)





# Managing Uncertainties in an Evolving Business Scenario

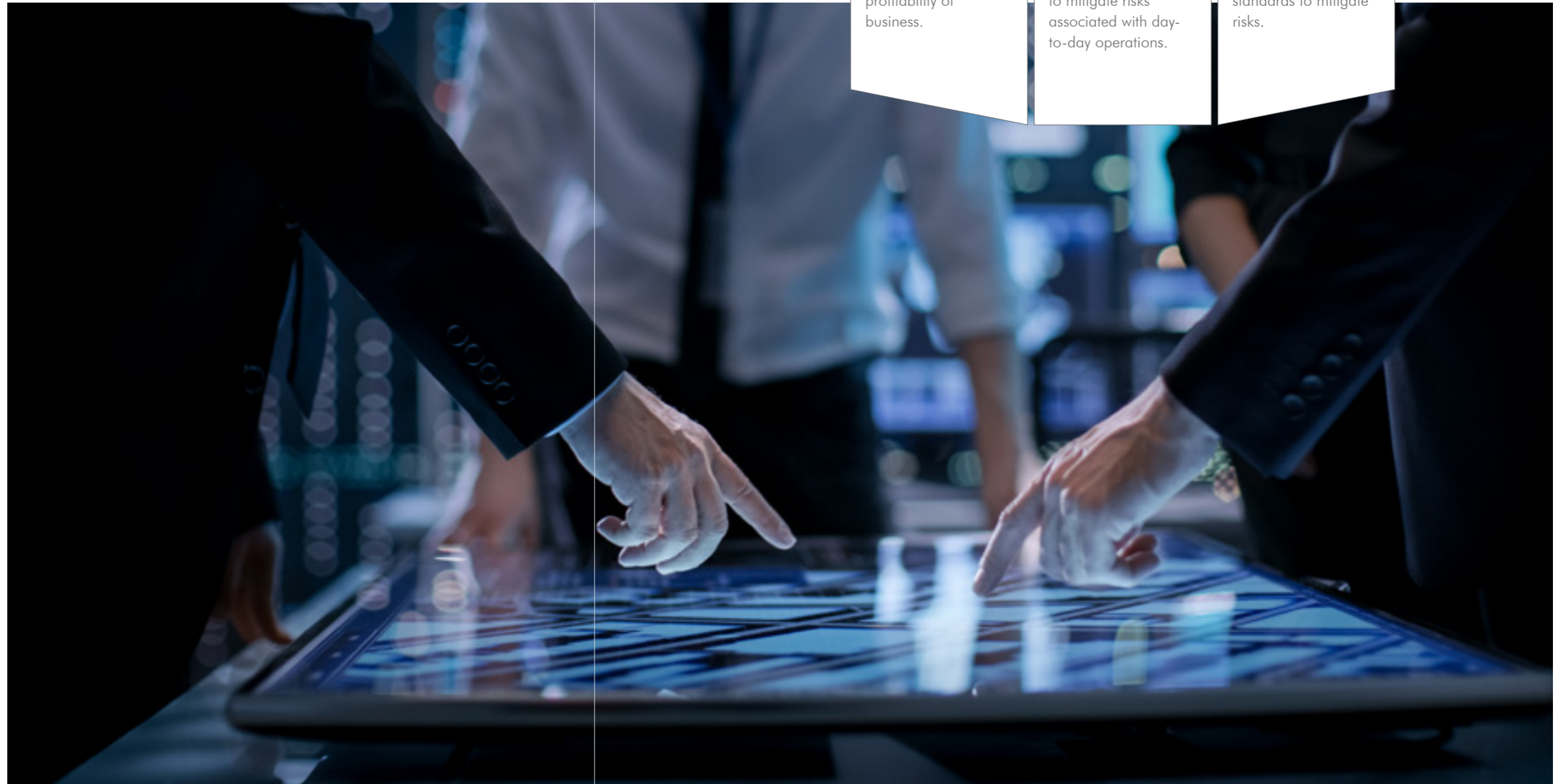
We operate in a dynamic environment which provides opportunities but exposes the business to various risks. We have put in place a well-defined Enterprise Risk Management (ERM) framework to proactively manage key risks.

We have implemented a comprehensive Risk Management policy that serves as the bedrock of our sustainable growth with stability. The policy fosters a proactive mindset towards attempting to identify, assess, and mitigate any risks that might impact our business. Our structured and disciplined approach to risk management provides a clear framework for evaluating and mitigating potential risks.

Risk monitoring, mitigation, and reporting forms the crux of our risk management process. We assess risks based on various factors such as impact, likelihood and effectiveness of existing controls.

To ensure the efficacy of our risk management processes, we have constituted a Risk Management Committee that comprises members of the Board and key executives.

(GRI 2-12, 2-23, 3-3, 201-2)





**LINE OF DEFENCE APPROACH**

Our risk management framework is underpinned by the 'Three Lines of Defence' model.

# First line of defence

**The business and all employees**

The business, leadership team and every employee takes responsibility for managing risks in their business operations and ensures that controls are in place to manage risks

# Second line of defence

**Internal Risk Management Committee, internal controls and policies and procedures**

The IRMC together with all the internal controls, policies and procedures and the DoA functions as a second line of defence by undertaking systematic review of the line functions and activities.

# Third line of defence

**Internal Audit**

The Internal Audit function provides assurance through regular reporting on the efficiency and effectiveness of internal control design and processes.





## Economic uncertainties

### Description of Risk

Being in the real estate industry and in the housing industry in particular, we are closely linked to overall domestic economy of the country.

Any steep decline in economic growth due to worsening global macro factors arising out of geopolitical tensions would have a negative impact on consumer confidence and job sentiments. This in turn would have an adverse impact on housing sales.

### Mitigation Measures

India is largely a domestic economy which is somewhat less impacted from slowing global growth. This is evidenced in the current period where India is acting as the growth engine for global growth. In addition, structural drivers for the Indian housing industry are very strong. On the back of rising incomes and improving demography along with factors like increasing urbanisation and the trend of nuclear families, the industry has the potential to grow 3x to 4x over the next decade. Additionally, attractive affordability means that any impact of economic slowdown will be overcome in a relatively shorter time.

## Regulatory and political uncertainties

### Description of Risk

Real estate projects are required to secure several approvals from various regulatory bodies at the local level as well as state and central government level. Inability to anticipate changes in the regulatory landscape may have an impact on our profitability.

### Mitigation Measures

We constantly monitor the regulatory landscape and have a zero tolerance to non-compliance.

We actively work with industry bodies, regulators and government on industry issues impacting the industry and economy.

## Talent

### Description of Risk

Being in a B2C business, quality of talent is extremely important for success. We are among the few engineering focussed real estate companies which do their own project management and general contracting. Nearly 50% of our employee base is dedicated to engineering or related functions such as construction management, design, procurement, quality assurance and so on.

Thus, inability to attract and retain the right talent or attrition beyond acceptable levels may impact our ability to staff projects or optimise cost structures.

### Mitigation Measures

We are committed to employee engagement and care, holistic employee retention and recognition policies, focus on career and leadership development.

We provide capability development modules to our employees including on-job training, mentoring and internal and external learning sessions. We have a robust ESOP programme for our key talent which aligns the Company's goals with those of the employees. These steps help us retain and attract the right talent not only from the real estate industry but also from the diverse set of industries such as consumer, engineering or financial services industries and so on.

## Climate change

### Description of Risk

Failure to prepare for physical and transition impacts brought about by climate change may result in significant financial losses and inability to execute and achieve business objectives. Details of physical and transition risks are covered in the following TCFD report.

### Mitigation Measures

Through our Lodha Net Zero Urban Accelerator, we aspire to develop nature-based solutions for the protection and sustainable management of ecosystems. We promote climate change awareness through enhanced communication and engagement strategies. We conduct scenario analysis to assess climate change impact to businesses.

## Land acquisition

### Description of Risk

Land is the most important raw material for our business. Non availability of land at reasonable valuation in under-represented micro-markets may have an impact on our growth.

### Mitigation Measures

We have a sizeable land asset across various micro-markets of MMR and Pune. Additionally, we have been acquiring land through the capital light JDA model. In the last two years we have tied up land across 23 different projects for a combined GDV of nearly ₹ 350.0 Bn largely through JDAs. Our strong brand, unique sales and marketing abilities as well as our ability to quickly monetise any land asset continue to make us the preferred partner for landowners to maximise their land value.

Our business development team constantly evaluates land proposals across various micro-markets. We have a robust and consistent pipeline of business development proposals which is only strengthening given the consolidation seen in the industry.

## Concentration risk

### Description of Risk

Our real estate development activities are geographically concentrated in and around MMR. Consequently, we are exposed to risks from economic, regulatory and other changes as well as natural disasters in the MMR, which in turn may have an adverse effect on our business, results of operations, cash flows and financial condition.

### Mitigation Measures

We plan to expand into all micro-markets of the MMR, Pune, and launch in Bengaluru in FY24. The plan is also to diversify operations by developing digital infrastructure as well as have a meaningful rental portfolio and facilities management business which includes warehousing, logistics and so on. These steps for diversification of business and regions will help mitigate the concentration risk.

## Information security and cyber risk

### Description of Risk

Failure to ensure strong and adequate information security controls to safeguard confidentiality, integrity, and availability of critical information may result in financial losses and damaged reputation.

### Mitigation Measures

- Strengthen IT infrastructure to support increased usage of digital platforms and to combat information and cybersecurity threats.
- Continuously monitor network activities
- Continuously train and educate employees on cybersecurity



### TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD) REPORT

We remain committed to promoting sustainability by supporting the Task Force for Climate-Related Financial Disclosures (TCFD), an initiative established by the Financial Stability Board. The TCFD aims to develop voluntary and consistent climate-related financial disclosures that enhance transparency and accountability in assessing climate risks and opportunities. The disclosures revolve around four pillars: Governance, Strategy, Risk Management, and Metrics and Targets.

### GOVERNANCE

With a strategic focus on climate risks in our sustainability strategy, we undertake climate risk assessment to identify impact of climate risks on our projects and create mitigation plans to manage these risks. Climate related matters are embedded in the project approval process to ensure that risks and opportunities associated with climate change are factored into the project planning process. We remain committed to aligning our disclosures with the TCFD recommendations, and will continue to enhance our reporting on all four pillars to ensure that climate related financial risks and opportunities are integrated with in our long-term business strategy.

### STRATEGY



### Oversight on Climate Governance

The Board and Risk Management Committee provide oversight of our risk management framework. The Risk Committee meets at least twice a year and receives half yearly reports on our enterprise risk register, which includes climate change as a material risk. The Risk Management Committee oversees management of physical and transition climate risks. Our ESG committee, chaired by Mr Lee Polisano, Independent Director with immense experience and expertise in sustainability, oversees our sustainability initiatives and practices and reviews implementation, execution, progress and impact of our ESG initiatives and targets, to mitigate the possible impact of the identified risks and opportunities.

The corporate sustainability team along with project wise design leads is tasked with integrating and implementing sustainability initiatives, ensuring a co-ordinated approach across the organisation.

The Head of Sustainability reports to the MD & CEO on the progress of short, medium and long term targets of climate related initiatives. This ensures transparency and accountability in our sustainability initiatives.

Climate-related risks and opportunities (R&O's) impact most aspects of our financial planning, and we evaluate these R&O's over the short-, medium-, and long-term financial and strategic time frames.

In FY23, we conducted a physical climate risk assessment study for some of the geographies where we operate, to understand how they can be affected by present and future climate change. Data from two future climate scenarios i.e., Shared Socioeconomic Pathways (SSP 2 - medium emissions scenario & SSP 5 - high emissions scenario) until 2100 were used for this study. Through this study, we could identify the climate impacts for our projects for the next 70 years (until 2100). Details of the Climate Risk Assessment are covered on page 100 of this report.

### Risks and Opportunities

#### Physical Risks

##### Acute



Storms



Floods



Cyclones

##### Chronic



Sea level rise



Water stress



Heat

#### Risks

##### Short term

Health impacts of heat stress, water stress and flooding (water borne diseases and displacement)

##### Medium term

- Increase in peak energy demand
- Impact on affordability (energy and water)

##### Long term

- Disruption of energy, telecom and water supplies
- Damage to property and business
- Social tensions
- Loss of development potential on vulnerable land parcels
- Supply chain disruptions.

#### Impact Management (Mitigation and Adaptation)

- Conducted a climate risk assessment by using global climate models and considering IPCC's shared socio-economic pathways (emission scenarios)
- Developed a climate risk toolkit for aiding in masterplanning and development of new land parcels and properties. Toolkits include mitigation measures against potential risks
- Robust infrastructure deployment on projects
- Energy and water sufficiency roadmaps for large developments

#### Metrics

- Project climate risk profile
- Reduction in GHG intensities
- Increase in renewable energy share
- Reduction in water intensities

#### Transition Risks

##### Regulatory Risks

- Enhanced disclosure requirements
- Renewed codes and standards mandating performance criteria of buildings
- Increased cost of materials and energy
- Imposition of carbon taxes, which will be an emerging risk
- Supply chain impact

#### Impact Management (Mitigation and Adaptation)

- Voluntary adoption of Integrated Reporting and GRI aligned disclosures.
- Advanced voluntary disclosures in line with Business Responsibility and Sustainability Reporting requirements by Securities and Exchange Board of India
- Adoption of net zero and building performance targets across environmental indicators
- Adoption of internal carbon pricing
- Sustainable sourcing policy

#### Metrics

- Alignment with disclosure frameworks
- Regulatory compliance



### Transition Risks

#### Technology Risks

- Investment needs in construction technologies and associated capital expenditure increase
- Uncertainties associated with adoption of nascent technologies and evolving technological landscape that will lead to an increase in substitutes with lower emissions

#### Impact Management (Mitigation and Adaptation)

- Formation of Lodha Net Zero Urban Accelerator to innovate and test solutions across built environment emission spectrum.
- Testing technologies in collaboration with industry partners and policy makers thereby limiting the cost impacts. Also helping in market maturation.

#### Metrics

- Reduction in GHG, Water and Waste intensities
- Investment in R&D

#### Reputation Risks

- Erosion in brand value of companies lacking environmental concern
- Litigation and activism
- Community disengagement and social license challenges

#### Impact Management (Mitigation and Adaptation)

- Top ranking across leading global sustainability benchmarks
- Stakeholder engagement policy and active engagement on sustainability issues
- Community impact programmes and strong focus on corporate social responsibility

#### Metrics

- Global rankings
- Social impact indicators
- Customer satisfaction scores

#### Market Risks

- Change in customer expectations and needs
- Unwillingness of market to offer a premium for net zero product pathways
- Supply chain and labour supply challenges

#### Impact Management (Mitigation and Adaptation)

- 100% portfolio under the ambit of green certifications
- Sustainable smart cities that revolutionise urban living and offer better quality of life by promoting a 'live-work-learn-play' environment
- Long term strategic supply chain partnerships

#### Metrics

- Strong pre-sales
- Cumulative sqft of green certified building
- Talent growth - eNPS

### Opportunities

#### Resource Efficiency

##### Medium to Long term

- Cost reduction through circular economy and efficient waste management
- Energy savings due to use of efficient equipment and passive design

#### Impact Management (Mitigation and Adaptation)

- Circularity and efficient waste management techniques
- Affordable and ultra-affordable homes will be designed and built for thermal comfort with reduced AC requirements
- Use of efficient wall and glass for reduction in cooling demand

#### Metrics

- Lower embodied carbon footprint
- Reduction in raw material costs
- Reduction in energy costs

#### Energy Source

- Transition to renewable energy for operational use
- Developing option for tenants and residents to switch to RE

#### Impact Management (Mitigation and Adaptation)

- Renewable energy transition in progress
- Increase in on-site solar energy generation

#### Metrics

- Savings in electricity costs for Lodha and its residents
- Reduced operational carbon footprint

#### Markets and Products & Services

- Increased demand for green and sustainable products
- Better rental yields and sale premiums
- Robust supply chain partnerships
- Talent attraction and retention

#### Impact Management (Mitigation and Adaptation)

- 100% portfolio to be green certified in FY24
- Leading the market in eco-sensitive, resilient developments
- Building sustainable smart cities
- Enhancing engagement with stakeholders to strengthen collective efforts towards achieving net zero

#### Metrics

- Cumulative sqft of green certified buildings
- CSAT score
- Talent growth - eNPS

#### Resilience

- Developing assets that are resilient to physical climate risks
- Establishing climate positive ecosystem by creating a low carbon value chain

#### Impact Management (Mitigation and Adaptation)

- Developed a climate risk toolkit for planning and design
- Raising awareness among value chain partners and stakeholders to promote sustainable practices
- Analysing value chain partners and helping them improve their policies and practices, to ensure a just transition

#### Metrics

- Project climate risk profile
- Improved performance of VCPs in our sustainability assessments



# Committed to Sustainable and Responsible Business Practices

Sustainability is ingrained in our vision of Building a Better Life.

While creating value for our stakeholders, we continue to focus on doing good for the environment and the people. We are committed to reporting on our ESG performance regularly which will enable our stakeholders track our progress towards our sustainability goals.



Shot at LODHA STERLING

## ESG PHILOSOPHY

Our ESG Philosophy: Do Good, Do Well

### Environmental



Ensure sustainability in our product and operations by **positively impacting** the natural environment.

Be resilient to climate change while not contributing to global warming.

Achieve carbon neutrality in operations (scope 1, 2) in FY24

Align Scope 3 emissions reduction roadmap with Paris Agreement goals

### Social



Positively impact our people and community through utmost **respect for human rights, diversity and inclusion.**

Create a more diverse and inclusive workforce, with a workplace gender diversity ratio of 44% by 2027 ^.

Focus to make work environment more and more engaging and learning oriented.

Ensuring a safe working environment at sites to achieve zero fatality, zero hospitalisation and lowest lost time injury in the industry.

Support bright and deserving minds in the country to get access to quality education to achieve their full potential and promote healthcare and vocational training in the community.

Enable women to establish their own sustainable sources of income, and equip individuals with the competencies and tools to attain their aspirations.

### Governance



Bring about an industry transformation by leading ethically and bolstering trust through high degree of **transparency and accountability.**

Strong board with diverse experience to guide management through the business cycles.

Meet expectation of diverse set of stakeholders through deeper engagement, transparent communication and ethical business conduct.

Strong risk management framework.

^excluding construction workforce

We see ESG issues as long term business risks, with long term value creation opportunities.

We mitigate or adapt to risks through action backed by organisational policies and processes and stakeholder engagement.

We endeavour to report our de-risking journey transparently to all stakeholders, so as to build trust and gain momentum.

Benchmark performance against global leaders and take ambitious steps to transform the industry and create long term value for our stakeholders.



The Board constituted ESG Committee sets the strategic direction and oversees sustainability initiatives and disclosures at the Board level. The Corporate Sustainability team focuses on implementing various facets of our sustainability strategy. The team is led by our Head of Sustainability who is responsible for the overall sustainability performance including continuous monitoring of the progress against the set targets and reports to the Managing Director and CEO. The Corporate Sustainability team has experienced individuals who lead the dimensions - Environment, Social and

Governance, with the support of their teams and related functional groups within the organisation. All the leads are responsible for working towards the specific goals and targets under each of the pillars.

Our 'Sustainability Champions' programme recognises employees, who actively contribute to the implementation of sustainability projects. In FY23, we recognised 248 Sustainability Champions, and as we advance, we intend to add many more.



LEADING ACROSS BENCHMARKS WITH SUSTAINABLE VALUE CREATION



Among top ~1%

of the 867 global real estate companies as per S&P Global Corporate Sustainability Assessment, 2022\*



5-star rating

with a score of 95/100 in Development Benchmark by Global Real Estate Sustainability Benchmark (GRESB), 2022



Ranked 4<sup>th</sup>

Among the 50 keystone buildings sector companies in the first Buildings Benchmark by WBA & CDP



ESG Risk Rating of 13.8

by Sustainalytics, placing us in 'Low-Risk' Category of ESG risk severity; ranked 9<sup>th</sup> in the real estate sub-industry

\*As of Nov 18, 2022

<b>Environment</b>				
<b>72 %</b> Reduction in carbon emissions from FY18	<b>90 %</b> Share of renewable energy in total energy consumption	To become operationally <b>Net Zero</b> (Scope 1, 2) within FY24	Secured green certification for <b>&gt;20 million</b> Sq ft in FY23	
<b>Social</b>				
<b>4,200</b> Employees	<b>1,13,400+</b> Learning hours	<b>59</b> Employee net promoter score	<b>4L+</b> People benefited from CSR activities	
<b>Governance</b>				
<b>&gt;50%</b> Independent directors	<b>Strong</b> Risk management framework	<b>Robust</b> Policies, processes and internal controls	<b>ESG Committee</b> Headed by an Independent director	



**SUSTAINABILITY STRATEGY**

**‘Do Good, Do Well’**

Our philosophy of doing business for greater good is at the core of our Sustainability Strategy. The comprehensive sustainability strategy includes six focus areas under the E, S and G pillars. We view ESG issues as long term risks that carry opportunities for long term value creation if addressed strategically. Our strategy helps us identify initiatives that enhance our impact and brings together our larger set of stakeholders to partner in the journey with us.



**SUSTAINABILITY PERFORMANCE**

**Asset Safety**

**Progress**

**Completed** physical climate risk analysis for scenarios SSP 2 and SSP 5

**Operations and assets (scope 1,2)**

**Progress**

~90% renewable energy share in Construction Activities and Standing Assets  
 ~3MWp of on-site solar PV installations active/work-in-progress

**Product and Supply Chain (scope 3)**

**Progress**

**Launched** Lodha Net Zero Urban Accelerator, in partnership with RMI. Series of initiatives in various stages of development.

**Partnered** with Xynteo on Build Ahead coalition for decarbonizing India's construction sector

**Submitted** science-based targets for verification to SBTi

**Secured** green certification for >20msqft in FY23

**Secured** green finance through SBI/kfW

**Avoided emissions (Scope 4)**

**Progress**

**Working** on electrification of buses in city developments

**Comprehensive** EV charging infrastructure provision across projects

**Supply Chain Partners**

**Progress**

**Supply Chain** ESG connect through self assessment surveys, awareness webinars and implementation of suppliers code of conduct

**Communities**

**Progress**

**Launched** Unnati program for women empowerment, Lodha Genius Programme in partnership with Ashoka University

**Employees and Workers**

**Progress**

**Increase** in gender diversity, learning hours, safety performance and employee engagement

**Transparency & Reporting**

**Progress**

**Adopted** Annual Integrated Reporting and BRSR disclosures in FY22

**Participated** in leading global sustainability benchmarks and received exceptional scores

**Enterprise Risk Management**

**Progress**

**Put in** place a well-defined Enterprise Risk Management framework to proactively manage key risks.

**Implemented** a comprehensive Risk Management policy that serves as the bedrock of our sustainable growth with stability

**Board Effectiveness**

**Progress**

**Broad** based the Board by inducting Ms Harita Gupta and Mr Rajeev Bakshi as Independent Directors



# Introducing Our Capitals

Staying true to our purpose of 'Building a Better Life' and benchmarking our performance with the highest global standards, we have put in place a multi-capital, integrated approach in our decision-making and disclosure practices. This methodology helps our stakeholders identify the most critical levers governing long term value creation and preservation.

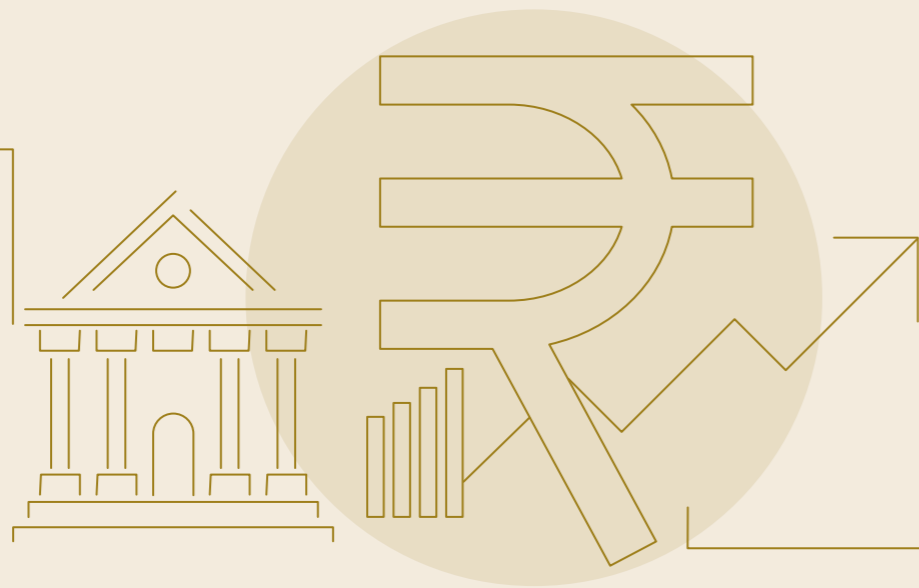


 <b>FINANCIAL CAPITAL</b> _____ 62	 <b>INTELLECTUAL CAPITAL</b> _____ 118
 <b>MANUFACTURED CAPITAL</b> _____ 70	 <b>HUMAN CAPITAL</b> _____ 136
 <b>NATURAL CAPITAL</b> _____ 96	 <b>SOCIAL AND RELATIONSHIP CAPITAL</b> _____ 158



## FINANCIAL CAPITAL

# Building value with Sharp Focus on Capital Efficiency



Financial acumen helps us create a sturdy springboard for 'Building A Better Life' and creating value for all. Prudent deployment of financial capital across all business segments helps us optimise returns on capital employed.

Our ongoing focus on creating a robust balance sheet while delivering growth is critical for achieving our aim of delivering sustained long term shareholder value.

### PERFORMANCE HIGHLIGHTS

**₹ 120.6 Bn**

Pre-sales

**₹ 70.7 Bn**

Net Debt

**31%**

Adjusted EBITDA Margin

### Value Created and Distributed

Our approach to financial management is centred on utilising our assets and funds in the most efficient and effective manner. By investing in the development of our capabilities and maximising shareholder returns, we ensure that we are well-positioned to capitalise on opportunities for growth and value creation.

	(in ₹ Mn)
	FY23
<b>Economic value generated</b>	
a. Revenue [Revenue from operations plus Other income]	96,112
<b>Economic value distributed</b>	
b. Operating costs [Cost of projects* plus Other expenses plus Depreciation & Amortisation]	61,692
c. Employee wages & benefits [Employee benefits expense]	4,239
d. Payments to provider of capital [Finance cost ^]	13,890
e. Payments to Government [Current tax plus payment made to government towards GST]	5,152
f. Community investments [CSR spends]	223
<b>Net</b>	10,916
g. Net GST collected from customers	2,311
<b>Economic value retained [a-b-c-d-e-f+g]</b>	13,227

\*excluding interest expense included in cost of project

^ including interest expense included in cost of projects

### CAPITAL INTERLINKAGES

#### Financial Capital



**Manufactured Capital**

Total construction expenditure:  
**₹ 32.7 Bn**



**Human Capital**

**₹ 4,238.8 mn**  
Employee benefit expense



**Social and Relationship Capital**

Loyalty and referral business account for **21.7%** of overall business



**Intellectual Capital**

Improved return on capital employed (ROCE) with the deployment of innovative construction techniques



**Natural Capital**

Resource optimisation leading to a reduction in capital expenditure



## SECURING FINANCIAL PROSPERITY

### Pre-sales Momentum

We are experiencing strong sales momentum and are working towards achieving predictable and consistent pre sales growth of over 20% annually. We have formulated a two-pronged growth strategy similar to a growing super-market chain. One, we want to grow in line with industry in the micro-markets, where we have a dominant market share of 20-30%. Two, similar to the growth in a super market chain through new "store addition", we are also growing through projects in new locations which we are adding in micro markets where we were earlier not present.

Our brand is well recognised across MMR and Pune. We are able to capitalise on this in the backdrop of a consolidating industry by expanding in micro markets where we earlier had limited presence.

This significantly de-risks our growth strategy and makes our pre-sales growth more predictable even in a scenario of industry slowdown following rising interest rates. Strong industry growth will act as an additional tailwind to enable us achieve our growth objectives. With a strong reputation for quality and reliability, we have established ourselves as a significant beneficiary of this trend and are well-positioned to continue to capture a growing market share.

Over medium to longer term, we would also enter new Tier-1 cities in a calibrated manner. Our strategy is to enter a new city 3-4 years prior to the period we expect that city to start contributing significantly to our pre-sales growth. During this 'seed-phase', our strategy is to limit the number of projects and deliver them to showcase our capability. This also helps us better understand the local ecosystem, build brand recall, and strengthen our capabilities and know-how. We would expand rapidly once the brand is well established and the team is in place. We executed this strategy in Pune during the last decade and are now replicating it in Bengaluru.

We believe that there is significant room for growth in the markets where we operate, including MMR and Pune, with Bengaluru being a growth driver after 2-3 years. Typically, over time, we target a market share of 15-20% in each of the cities we operate.

Our commitment to delivering high-quality homes, combined with our strong financial position and experienced management team, positions us well to capture opportunities for growth and value creation.

**We are expanding our presence in under represented micromarkets in a capital light manner in the backdrop of industry consolidation and on the strength of our well recognised brand.**

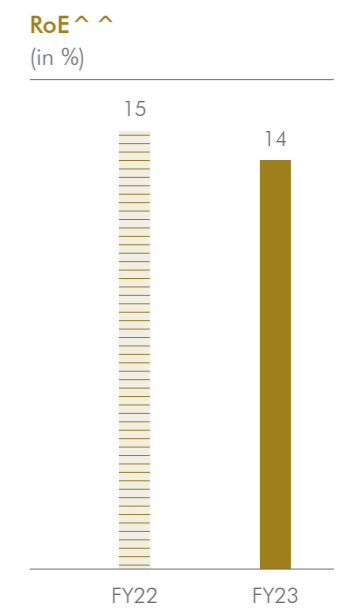
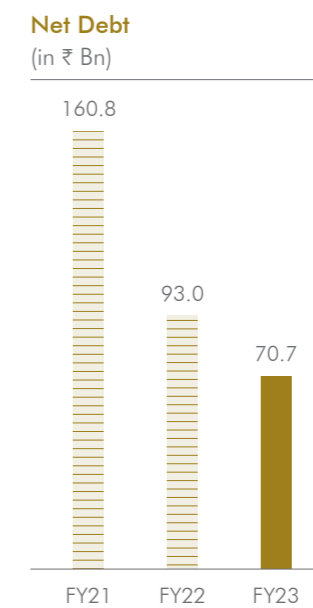
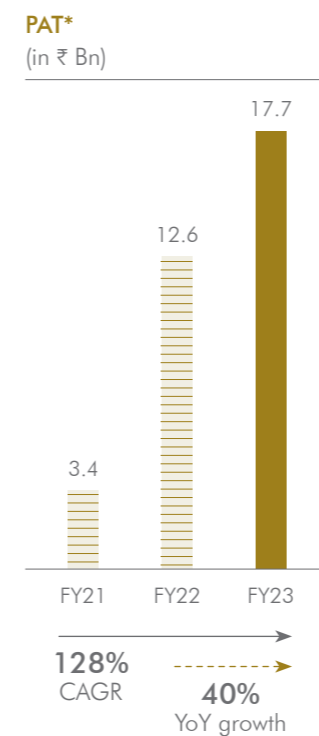
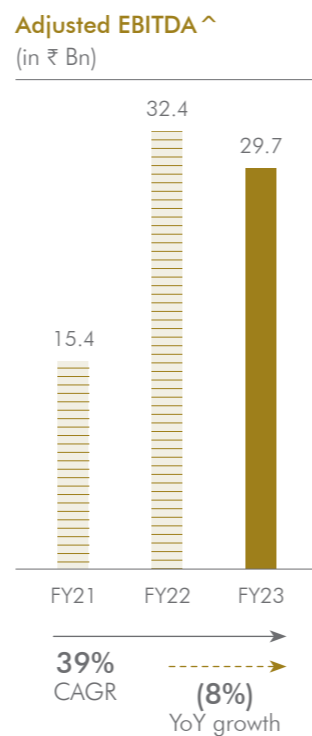
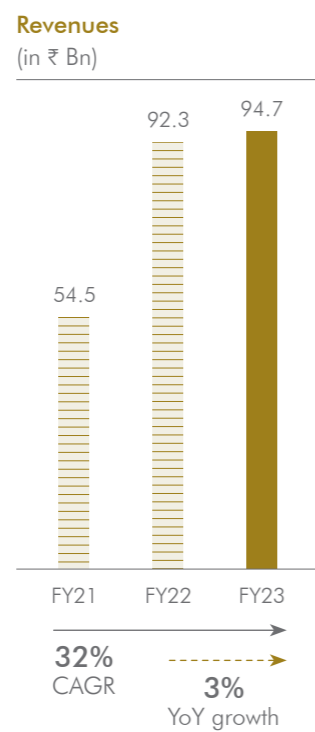
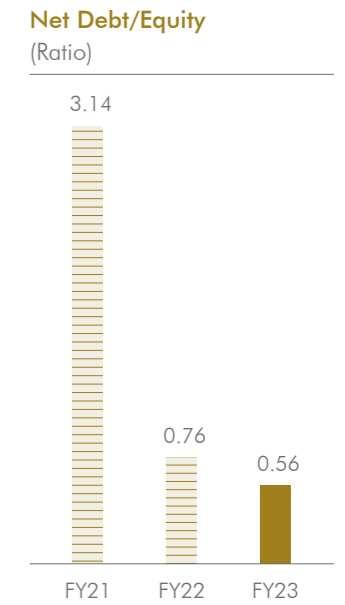
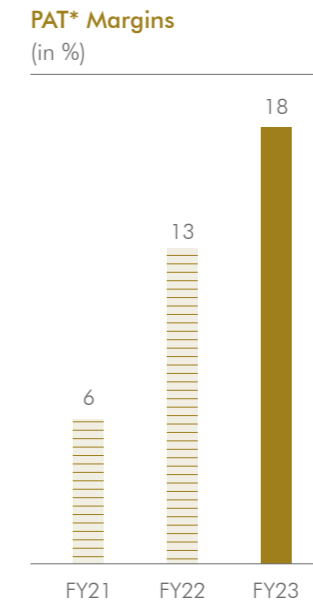
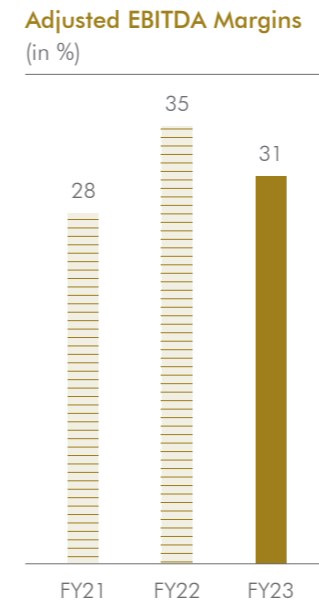
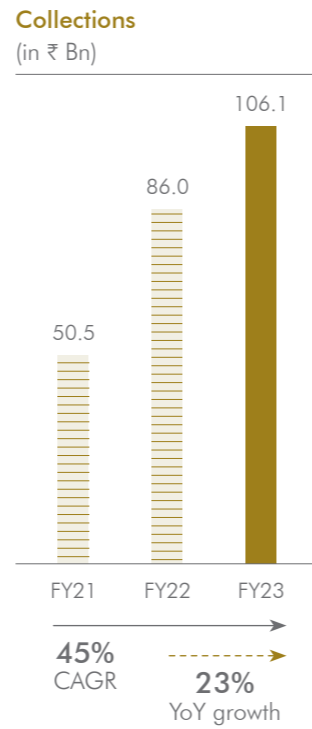
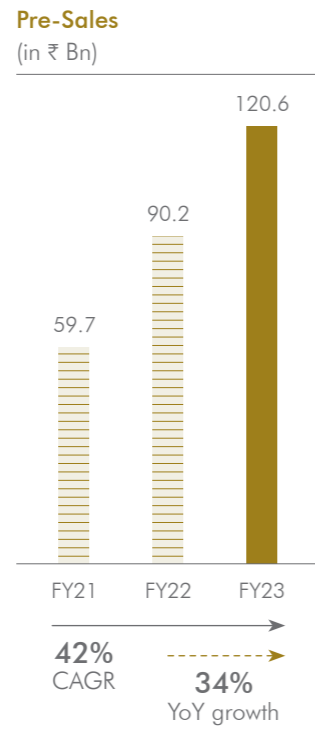
15%-20%  
Target market share  
in each of the cities  
we operate



### Strong Track Record of Profitability

We have a proven track record of robust profitability throughout cycles. We remain committed to further enhancing shareholder value through increasing scale, consistent profitability and robust balance sheet.

Our focus on operational excellence has led to a consistently high adjusted EBITDA margin of over 30%. We are consistently de-leveraging on a rising PAT margin trajectory to ensure sustained profitability and value for our stakeholders. Our target RoE of ~20% underscores our commitment to delivering shareholder value through a combination of operational excellence, sustainable growth and sound financial management.



^ Adjusted EBITDA = EBITDA After grossing up of finance cost included in the cost of projects

\*PAT before the impact of forex and exceptional items

^^ ROE = PAT excluding forex & exceptional items / Average networth of the period



## INCREASING SHAREHOLDER VALUE

### Asset Light Growth Model

We are implementing an asset-light growth strategy by capitalising on our brand and leadership position to become a preferred partner for landowners through JDA projects which have a high IRR profile due to low upfront capital investment. We see JDA projects contributing ~40% of pre sales in the medium to longer term. This would greatly enhance our overall ROEs helping us achieve our goal.

In the two years following our IPO in 2021, we have emerged as a partner of choice for JDA projects because of our strong brand recall, diversified presence across price points, ability to quickly launch projects after land acquisition, ability to sell units at the launch of projects and during their construction phase (which increases the net present value of the project for land owners) and strong marketing and sales capabilities. We have added 12 new projects with a GDV of ~ ₹ 200.0 bn, and our pipeline for future projects remains robust.

**Our dividend distribution policy sets out parameters for distribution of between 15% to 20% of consolidated PAT as dividend to shareholders**

### Annuity-like Cashflows from Townships Enhancing Capital Efficiency

We have established a steady source of 'annuity like' cashflow through the development of townships. We are currently developing two large township projects, Palava and Lodha Upper Thane, for which we have already paid for the land. These projects generate a consistent cash flow with a cash margin of approximately 50% on sales. We have introduced multiple product innovations, including plotted development, Crown (affordable housing), and Signet (boutique offices), to cater to a diversified customer base.

With significant social infrastructure (schools, hospitals, playgrounds, places of worship) already created, our townships are well established as preferred destinations for our customers. Our Palava township has a growing community of over 1,60,000 residents. With growing infrastructure creation in the vicinity, metro connectivity as well as rising economic activity on the back of our digital infrastructure vertical, Palava would see a steep jump in pre-sales in the medium term, leading to a substantial accretion of cashflow.

In addition to the ongoing and planned area enough for next 5-7 years, we have nearly 4,300 acres of strategic land reserves around our townships. This land reserve can be utilised in a combination of residential and digital infrastructure segments depending upon the demand trends such that the land is converted into significant visible cash-flow over the next 15-18 years. This will significantly enhance the capital efficiency of the Company, thus boosting ROEs.

### Sustainable Net Debt

We believe that achieving sustainable levels of net debt is essential for maintaining financial stability and flexibility, enabling us to pursue our strategic objectives and create long-term value for our stakeholders. We have created a debt ceiling for us at 1x of Operating Cash Flow (OCF) or 0.5x of equity whichever is lower. We are likely to achieve this threshold in FY24. We will however continue to reduce our net debt further to create a headroom which can be utilised during a cyclical industry slowdown, when opportunity to expand our business becomes available.

### Dividend Distribution Policy

A consistent and sustainable dividend payment can attract long-term investors, increase their confidence and create long-term shareholder value. We have established a dividend distribution policy with an aim to create shareholder value and provide a return on investment by distribution of ~15-20% of our consolidated post tax profit as dividend to our shareholders.

The dividend policy also demonstrates our commitment to a balanced approach to capital allocation and capital management.

## BUILDING ANNUITY STREAMS WITH LOW INVESTMENTS

### Annuity Cashflow through Digital Infrastructure Platform

We are developing digital infrastructure parks around our townships to create jobs and encourage the residential business. This integrated approach towards developing townships allows us to benefit from a virtuous cycle of growth, with each project driving demand for the other. This helps us enhance the churn of our land asset and improve capital efficiency.

In addition to our ongoing efforts to monetise land around our townships through the digital infrastructure vertical in FY23, we have also formed a joint venture with global investors such as Bain Capital (India Opportunities Fund SSA Scheme 1), Ivanhoe Cambridge to create a pan-India platform with a planned investment of over USD 1 billion. Our equity contribution will largely be in the form of land assets that we would inject into the platform.

The first project being developed under the Green Digital Infrastructure Platform is a warehousing space at Palava on ~ 110 acre land parcel, for marquee multinational companies. Over the next 3-4 years, this platform will develop approximately 25 million square feet of logistics, warehousing and in-city fulfilment centre, enabling us to earn annuity income. As the operating partner for the platform, we will also generate income in the form of asset management, developer management, facility management land acquisition fees. Given short execution timelines, lower capex intensity and limited incremental capital requirement, this is a capital efficient manner of generating annuity income which was hitherto considered a capital-intensive segment.

### Recurring Income from Property Management

We are developing our property management and digital services business to generate recurring fees. Our facilities management business is expected to grow due to the rising number of households in our developments. We have a captive base of 60,000 households and it is likely to increase to around 250,000 by 2030.

It provides us with a strong understanding of our customers and their spending patterns. Utilising this insight, we are now adding a digital layer to our facilities management business and creating a platform that offers a range of services, and provide value-added services for our customers staying in Lodha developments. We developed a mobile application based digital platform which provides facility management, home improvement products and services, real estate services (such as rental or resale), as well as 'near-commerce' services to homeowners at our developments.

Over time, an opportunity to add a sizeable customer base will be created by the onboarding of other developments of non-competing developers that will generate significant recurring service and fee income. The technology and business teams are already in place, and we have signed up with over 40 brands to carry the initiative forward.

The digital services platform under the brand 'BelleVie' has currently been piloted in one of our developments and would be launched across all our projects in FY24. This presents a strategic business opportunity for us to diversify our revenue streams and create sustainable growth in the long run.

**We have a captive base of 60,000 households and it is likely to increase to around 250,000 by 2030.**





## MANUFACTURED CAPITAL

# Global know-how to build the best



Our purpose of 'Building A Better Life' drives everything that we create. It inspires us to utilise global expertise to deliver the world's finest developments in India.

We have built a diversified portfolio of assets, ranging from high-rise luxury apartments to large-scale integrated townships with best-in-class amenities

(GRI 203-1, 203-2, 416-1, 417-1)

As a leading real estate Company in India, we recognise our responsibility to positively contribute to the imminent socio-economic development of the nation. Moreover, we seek to fulfil India's pledge to achieve net-zero emissions by 2070 and have set ambitious net zero targets across our emission scopes (refer our net zero roadmap on [page 107](#)).

We build sustainable developments with a special focus on environment as well as social impact. More than 20 million sq ft of our developments are already 'green' certified, with over 30 million sq ft yet to be certified. Integration of social infrastructure like schools, healthcare, recreational centres, etc. in our developments is also a key priority for us.

We believe, our developments provide residents a chance to enjoy a world-class lifestyle despite living in a developing country like India. It enables a mindset shift that allows residents as well as visitors to gauge the true potential of the country and in turn, our ability to accomplish the extraordinary.

The vibrant universe of our assets and product development activities represents our Manufactured Capital, which has a deep correlation with other capitals.

### PERFORMANCE HIGHLIGHTS

**9.3 Mn. Sq. ft.**

Area completed

**28.0 Mn. Sq. ft.**

Area under construction

**7.0 Mn. Sq. ft.**

Ready unsold inventory

**1.8 Mn. Sq. ft.**

Commercial rental assets ready or under development area

**15.3 Mn. Sq. ft.**

Under-construction unsold inventory

### CAPITAL INTERLINKAGES

#### Manufactured Capital



**Financial Capital**

9.43 msft area sold with pre-sales value of **₹120.6 Bn**



**Human Capital**

Project sites governed by safety protocols and ISO 45001-2018 certified.



**Social and Relationship Capital**

Transforming the way we live and work, scoring high on livability indices



**Intellectual Capital**

Tunnelling through cost barriers for innovation due to economies of scale

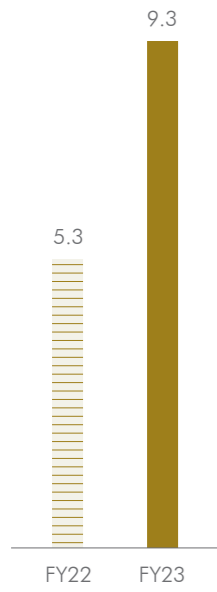


**Natural Capital**

Reducing our environmental footprint across project locations through resource optimisation and conservation



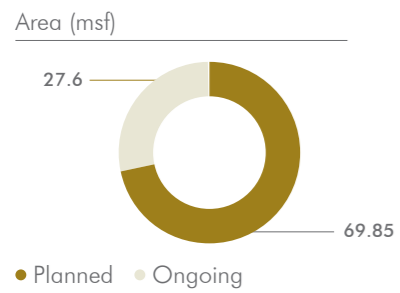
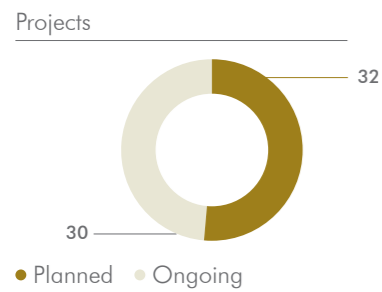
Completed area  
(msf)



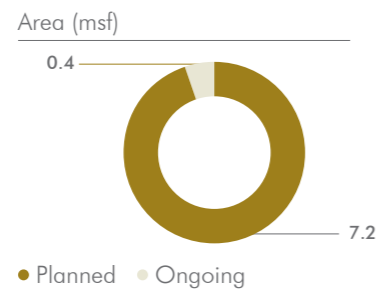
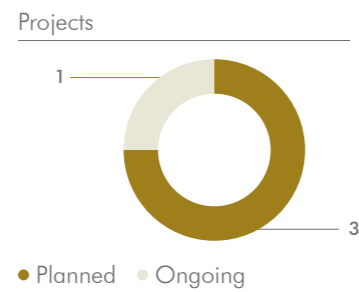
**NURTURING A DIVERSIFIED PORTFOLIO**

Our residential, commercial, and retail developments in Mumbai, Pune, and Bengaluru reflect the values of responsibility, efficiency, and sustainability. Premium and luxury high-quality residences developed by us are offered across price points.

'For sale' Segment Projects  
(Largely Residential)



Commercial 'For lease' Segment



Shot at LODHA BELMONDO



**REVOLUTIONISING URBAN LIVING**

**Palava - A Smart and Sustainable City**

Palava is a futuristic and sustainable smart city developed near Mumbai. Utilising the best talent around the world to bring global expertise to Palava, we have managed to build a city that is truly futuristic.

Palava is a city built on a 5P framework - Planned, Place, Pulse, Potential, and Prudent. Each of these pillars is designed to capture the best of global cities and provide residents with a sustainable, green, and smart living experience.

**Planned**

The city boasts low carbon developments with large green and open spaces and is in close proximity to everyday essentials such as grocery stores, pharmacies, and schools within a 5-minute walking distance.

**5-10-15 Principle**



The 5-10-15 principle prioritises the importance of having weekly necessities like shopping centres within a 5-minute walk and entertainment venues within a 10-minute walking distance and necessities like hospitals, banks, and government offices within a 15-minute walk.

**Place**

It is located in the heart of the triangle of growth - Thane, Kalyan, and Navi Mumbai. This bustling hub boasts excellent road connectivity and has access to all kinds of transportation facilities and is set to witness significant infrastructural developments.

# India's First Privately Planned Integrated Smart City



**4,500** acres  
Planned area

**1,60,000+**  
Residents

**60%**  
Open spaces

**Pulse**

Palava fosters and seeds arts, culture, and sports through a participative, citizen-driven process. The city has a goal of creating opportunities and experiences for the community. Each neighbourhood is planned with a clubhouse, school, temple, and retail centres. Palava already has a 500,000 sq ft mall with major international brands for shopping and entertainment.

**Prudent**

Palava has been designed as a truly sustainable city that reduces consumption of natural resources. The city ensures 100% water recycling, lowered energy needs, and the use of efficient appliances. We have also planted trees for green cover that ensure the highest Air Quality Index, latest technology systems, low flow water fixtures, 100% waste management, and a wide range of environment-friendly mobility services. As a result, Palava has one of the lowest per capita water consumption in urban India, low energy needs, largest private shuttle fleet and its waste management plant is a 'showcase' for the local municipality. It also has the best air quality in the MMR region.

**Potential**

We have a strong focus on commercial spaces and infrastructure for sectors which have potential to create jobs and a strong economy within the city. The key focus areas going forward for Palava are offices, entertainment and tourism, education, industrial/logistics park, media, services to support residents and the workforce, and real estate construction and infrastructure. We also aim to create at least one direct job per household.

Shot at PALAVA CITY



### Xperia Mall - delivering a premium retail experience

Xperia Mall provides a world-class retail experience to its customers and aims to continue expanding its offerings to cater to the growing demand in the region. It is the only Grade A retail space located between Thane and Navi Mumbai, offering customers a premium shopping experience. The mall meets the demand for quality retail in the catchment area of Kalyan and Dombivali, making it an ideal location for shoppers in the region.

**15%**

Growth in footfalls compared to pre-covid period

#### Consistently Growing Footfalls

Xperia Mall has witnessed a steady growth in footfalls, with current footfalls of approximately 0.6 million per month. The mall's popularity is attributed to its impressive infrastructure, strategic location, and excellent retail mix.

#### Fully Leased Mall with Marquee Tenants

The mall boasts a fully leased space with marquee tenants such as H&M, Hamleys, Puma, Reliance Mart and Starbucks. These top-notch brands provide a wide range of products and services, ensuring that customers have access to everything they need under one roof.

#### Strategic Location with High Growth Potential

Xperia Mall is situated in one of the fastest growing regions, and the catchment area population is expected to double in just five years. This provides an excellent opportunity for the mall to tap into the growing consumer demand. The mall's location, proximity to major highways and public transportation, and the bustling neighbourhood, make it an attractive destination for shoppers.

**0.6 Million**

Footfalls per month



Shot at XPERIA MALL



Shot at PALAVA CITY



## Lodha Upper Thane

Lodha Upper Thane is a 300 acre integrated township nestled amidst lush green surroundings, offering spacious and picturesque homes with world-class amenities. As we take pride in providing dream lifestyles to thousands of families, we also take our responsibility towards the environment seriously. Our sustainable design, construction, and operations have created a project that is not just a beautiful place to live but also an oasis of sustainable living.

**300+** acres  
Planned area

**10,000+**  
Residents

Lodha Upper Thane presents a diverse range of amenities that cater to the needs and desires of its esteemed residents. The project offers an exquisite Ganesh Temple, providing a serene environment for prayer and meditation. The luxurious clubhouse offers an array of world-class recreational and social activities such as swimming pools, gymnasium, sports facilities, multi-purpose hall, library and cafeteria. Additionally, the project offers well-maintained football and cricket grounds that meet international standards, equipped with practice nets, changing rooms, and seating areas for spectators. These amenities are designed to provide residents with a vibrant and active lifestyle, making Lodha Upper Thane an ideal choice for those seeking a luxurious, healthy and comfortable living experience.



Shot at LODHA UPPER THANE



**Strategic location**

The project is situated in proximity to several important locations in Mumbai and Thane, making it an ideal choice for those looking for easy connectivity to different parts of the city.



The project is located at a distance of approximately 10 km from Thane, and offers amenities, including schools, hospitals, shopping centres, and entertainment options.



A proposed metro station is located in close proximity to the project and will provide residents with easy access to other parts of Mumbai and Thane.



Thane Dombivli link road will provide access to Dombivli railway station within 5 minutes.



Samruddhi Mahamarg initiative by government has further increased the connectivity of Lodha Upper Thane with other cities.

**Building a greener future with sustainable design and construction**

Sustainable design is an integral part of our development philosophy. Our architects and engineers have implemented innovative solutions to reduce the carbon footprint of our project. We use locally sourced materials and manage construction waste responsibly. Our energy-efficient buildings maximise natural light and ventilation, reducing the need for artificial lighting and air conditioning, creating a healthier living environment for our residents.

We believe in minimising wastage of resources through sustainable operations that ensure responsible management of water and waste. Our waste water treatment plant recycles water for non-potable use, while wet waste composting produces organic fertiliser for our gardens.

Incorporating renewable energy is crucial to mitigating climate change, and we are proud to have installed

The luxurious clubhouse offers an array of world-class recreational and social activities such as swimming pools, gymnasium, sports facilities, multi-purpose hall, library and cafeteria.

solar panels for lighting common areas and streets, reducing our dependence on grid electricity. We have also installed solar panels for hot water, reducing our use of fossil fuels. Additionally, our extensive green spaces, parks, gardens, and walking trails provide a space for residents to connect with nature. Our rainwater harvesting system collects rainwater, further reducing our dependence on freshwater sources.

**80%**  
Open spaces

**IGBC**  
gold rated

**0.22 MWp**  
of installed solar capacity



Shot at LODHA UPPER THANE



### Digital Infrastructure

We are developing warehousing, logistics, and light industrial facilities aimed at catering to the expanding digital economy.

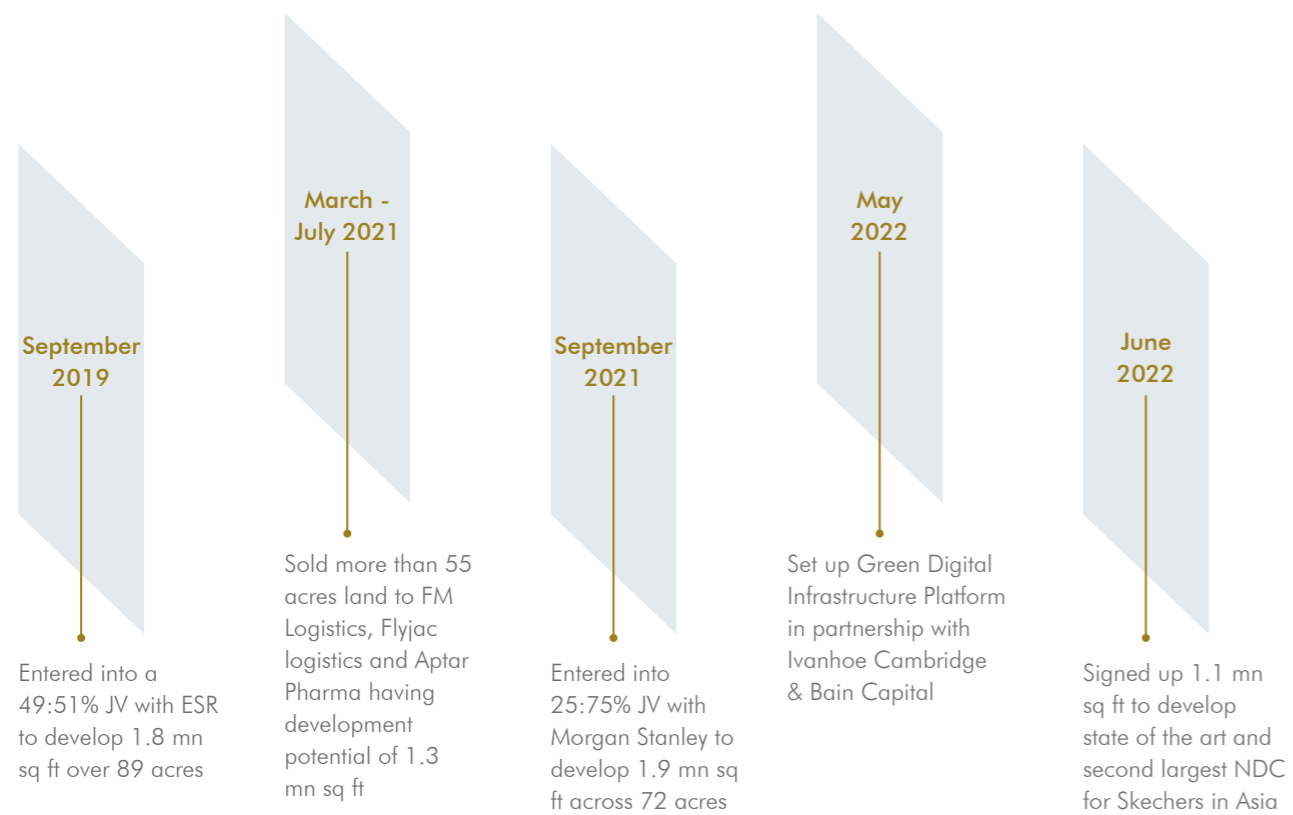
Our initiative is aligned with the government's vision of creating a robust digital ecosystem, which is essential for India's overall economic growth.

**300+ acres**

Digital infrastructure park being developed

The warehousing and logistics facilities will provide modern and efficient storage solutions for businesses involved in e-commerce and other digital industries.

The light industrial facilities will cater to startups and small businesses that require cost-effective office and industrial spaces to grow their operations. Our facilities will be equipped with best-in-class amenities and digital infrastructure, such as high-speed internet connectivity and smart automation systems to support the needs of the digital economy.



### Green Digital Infrastructure Platform

We partnered with Ivanhoe Cambridge and Bain Capital to invest in sustainable warehousing and industrial facilities catering to the expanding digital economy. With a combined investment of over USD 1 billion, the platform will be developing 25 million sqft of green and resilient facilities across India over the next 3-4 years. Our goal is to contribute to India's ambitious target of reducing greenhouse gas emissions and being net zero by 2070.



LODHA INDUSTRIAL AND LOGISTICS PARK, Palava City



## DESIGN AND PRODUCT DEVELOPMENT

### Making of the World's Finest Developments

We believe real estate is more than just building the proverbial four walls, it's about 'Building a Better Life'. This is the ideology with which we have delivered some of the world's finest developments that have become some of the most iconic addresses and the most desirable residences.

### Site Analysis and Ecosystem Preservation

Our team performs a thorough site analysis before embarking on any project, taking into account the natural and social context, pre and post development. These elements are incorporated into the master plan, while respecting the local ecosystem. This approach helps preserve the natural environment and reduce the impact of construction on the surrounding area. Our developments integrate well with existing infrastructure and ecosystems, providing convenient access to work, transportation, education, retail, and cultural activities.

#### Our site selection criteria:

We always strive to maximise green spaces which improve the aesthetic appeal of the development, enhance biodiversity, reduce urban heat island effect, sequester carbon and provide numerous environmental benefits.



### Crafting Unique Experiences

Our designers look beyond housing and consider the larger needs of residents and communities interwoven with the urban realm.

Each new project starts by respecting the natural fabric - from contours, ground hydrology to the urban integration with the larger metropolitan region. This approach helps us deliver unique experiences where our residents develop thriving communities, which they call home with a deep sense of belonging and pride.

### Comprehensive and Integrated Design Approach

All our design verticals - architecture, structure, building services, facade, etc. - work cohesively, devoting time in a collaborative and iterative manner, considering all life cycle aspects of the project. The team also takes inputs from construction and facilities management for consistent improvement in product design. This approach ensures that the building is designed to be environmentally sustainable, financially viable and functional for its intended purpose.





Sustainability, with focus on environment, is central to our design approach. Our sustainability strategy is built on the pillars of resilience and decarbonisation. These are also embedded in our project design through provisions related to asset safety, water resilience, reduction in embodied carbon, passive designs, equipment efficiency, switch to clean energy, green transportation and biodiversity preservation. All our projects are designed to be green-rated with IGBC and USGBC LEED ratings, as applicable.

**Integrated Eco-System Living**

Our projects are designed to be more than simply a home; they are eco-systems that give maximum liveability components at one location and in an integrated manner. Be it schools, offices, club houses, sporting arenas, green spaces, retail, and so on, they are all a walk away.

Blue-Green infrastructure on our projects include thoughtfully designed greenscapes along with preserved or artificial water bodies to deliver an unmatched experience of serenity and well-being. It also helps mitigate urban heat island effect which has become a major problem with pervasive urbanisation.

This ensures a superior quality of life for residents who live in our projects. In addition, as the key elements are within or near the project itself, it significantly minimises the need to travel. Our pedestrian-friendly developments have a positive impact on the environment as well as on the health and well-being of residents.

Blue-Green infrastructure on our projects include thoughtfully designed greenscapes along with preserved or artificial water bodies to deliver an unmatched experience of serenity and well-being.







Lodha Amara, a lush 40-acres oasis filled with over thousands trees and countless experiences, ensures its residents lead an enriched life.

Shot at LODHA AMARA



**OFFERING GREEN-CERTIFIED BUILDINGS**

Green building certifications play a crucial role in promoting sustainable development and resource conservation in the real estate industry. These certifications provide a framework for the design, construction, and operation of environment-friendly and resource-efficient buildings. By achieving green building certifications, we demonstrate our commitment to reduce the environmental impact of projects, improving the well-being of occupants, and contributing to the global sustainability agenda.



**100%**  
of the portfolio to be green certified within FY24

**1.75 mn sq. ft.**  
Commercial space certified by the USGBC

**9.5 mn sq. ft.**  
Residential, commercial and industrial area certified

**17.7 mn sq. ft.**  
Residential, commercial and industrial area pre-certified

**28.3 mn sq. ft.**  
Residential, commercial and industrial area submitted for review

**20.6 mn sq. ft.**  
Residential, commercial and industrial area registered and in process of submission

(all numbers in Mn. Sq. Ft.)







Certifying body	Rating category	Platinum Certified	Platinum Pre-Certified	Gold Certified	Gold Pre-Certified	Submitted for Review
IGBC	Green Homes	-	1.06	-	0.18	7.3
IGBC	Green Affordable Housing	-	8.55	-	0.41	4.5
IGBC	Green Residential Societies	5.48	-	1.58	-	14.64
IGBC	Green Logistics Parks and Warehouses	-	5.88	-	-	0.35
IGBC	Green Existing Buildings O&M	-	-	-	-	1.5
IGBC	LEED India Core and Shell	-	-	0.73	-	-
USGBC	LEED v4 BD+C	-	1.44	1.75	0.22	-
<b>Total</b>		<b>5.48</b>	<b>16.93</b>	<b>4.06</b>	<b>0.81</b>	<b>28.29</b>
<b>Grand Total</b>						<b>55.57</b>



Shot at LODHA NEW CUFFE PARADE



Attributes that lead to higher green ratings

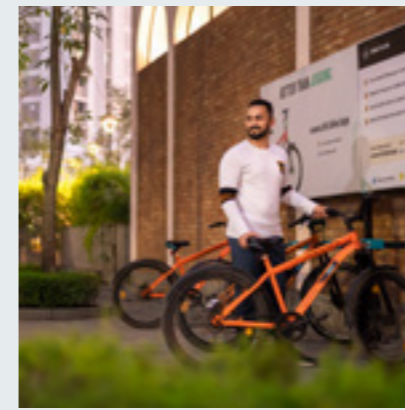
Feature	Description
<b>Green Facilities, Operation and Maintenance</b> 	Landscaping and greenery, efficient stormwater management, and pedestrian-friendly design for a nature-friendly living environment. Easy access to amenities and shared transportation.
<b>Water Management</b> 	Wastewater treatment and reuse, efficient water consumption measures that promote responsible water usage.
<b>Energy Conservation</b> 	Design optimisation for energy performance, with energy-efficient lighting, HVAC systems, and building envelopes. Monitoring and optimisation of common area energy consumption. Integration of solar hot water systems.
<b>Sustainable Materials and Resources</b> 	Use of locally sourced, eco-friendly materials including recycled materials. Emphasis on waste management, recycling, and efficient disposal.
<b>Indoor Environmental Quality</b> 	Use of low-emitting materials and efficient ventilation systems for better air quality, thermal comfort and natural lighting.
<b>Social Aspects</b> 	Creation of a community-centric living environment with green open spaces, play areas, and recreational facilities. Projects are designed to provide easy access to differently-abled residents.

Third in Asia with  
5 Star Badge in  
the Development  
Benchmark of GRESB  
2022



GREEN MOBILITY

We build infrastructure that promotes the use of sustainable transportation options and thus create communities that are eco-friendly and lead a healthy lifestyle. The integrated sustainable transport model that includes bicycle lanes, pedestrian walkways, public transport and EV charging infrastructure enables last mile connectivity, thus reducing the use of private motorised transport.



Partnership with TILT

We are building bicycle-friendly infrastructure in our residential projects. All the projects are integrated with dedicated bicycle lanes and parking spaces for bicycles to encourage residents to use bicycles for commuting and recreational purposes.

**1,90,000**

Rides enabled

**190\***

Bicycle parking spaces constructed

\*includes bicycle spaces inside the society area



Buses

We have also taken steps to promote public transportation in our communities. We have developed residential projects in areas with easy access to public transportation, such as metro stations and bus stops. This makes it easy for residents to use public transportation for their daily commute, reducing the use of private vehicles and promoting a more sustainable lifestyle.

**13.7 million**  
passenger-Km/annum

Shared transport from private transport

**1,600** tCO<sub>2</sub>e

Emission reduction



EV Charging Infrastructure

We promote green mobility by providing charging infrastructure to our residents for electric vehicles. We have also partnered with Tata Power to provide electric vehicle charging infrastructure across our projects. With this initiative, we encourage the use of EVs and support the government's vision of promoting clean energy in the country.

**97**

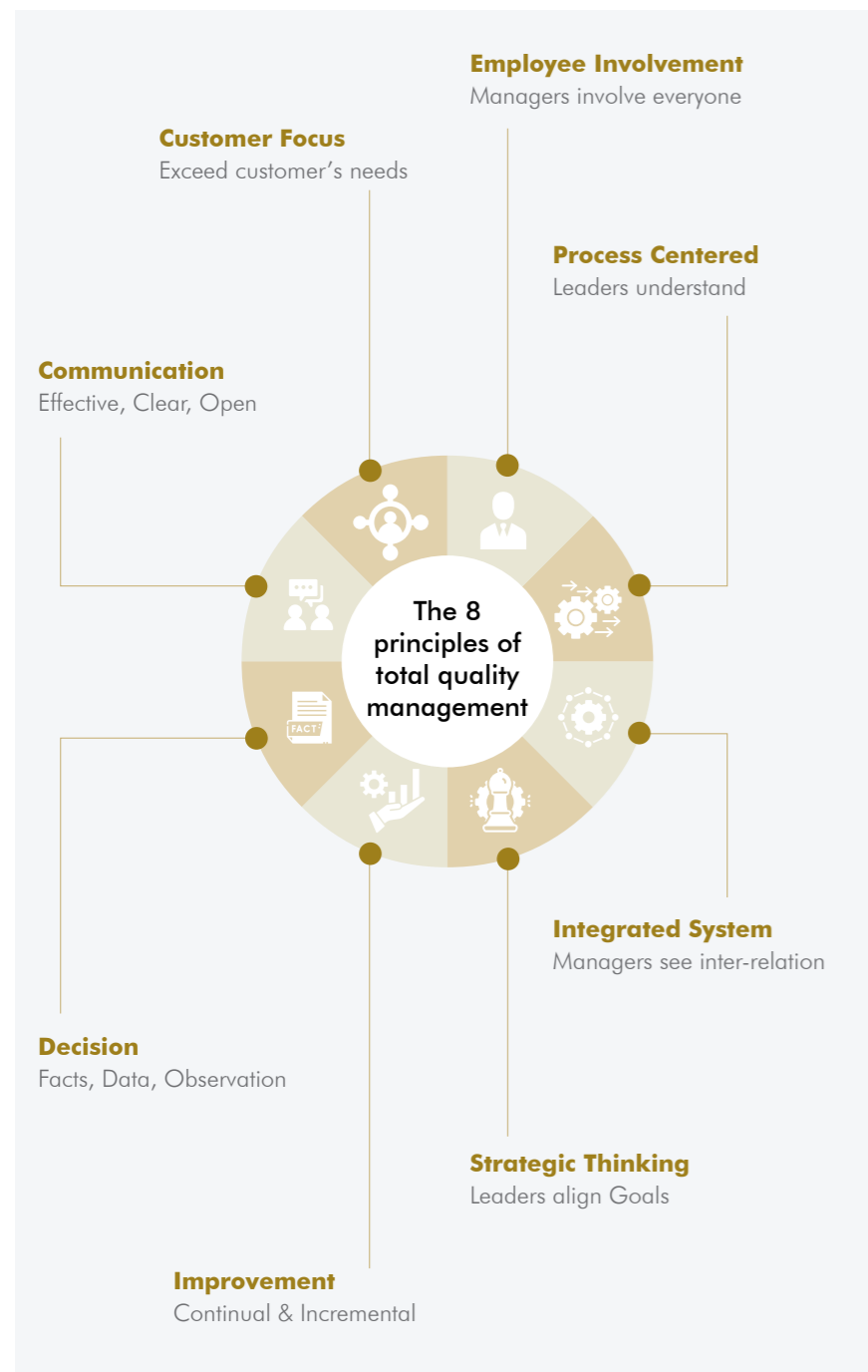
Active common charging stations across projects



### BUILDING LIKE WE WOULD FOR OUR OWN

Quality is at the forefront of our operations and is critical to our success as a business. We are committed to delivering high-quality products and services that exceed our customer's

expectations. Our focus on quality is reflected in every aspect of our operations, from our design and construction processes to our customer service and ongoing support.

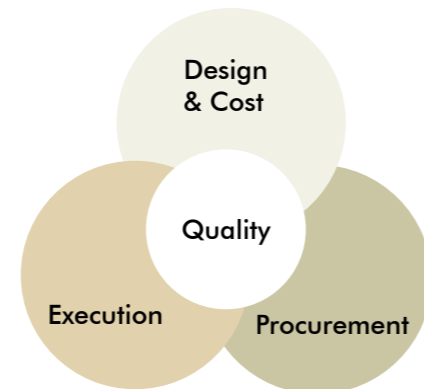


### Comprehensive Quality Management System

Quality is about meeting technical standards and delivering exceptional value to our customers. To this end, we have implemented a comprehensive quality management system which ensures that every aspect of our operations is geared towards exceeding our customers' needs and expectations. We continuously evaluate our processes and procedures to ensure they are effective, efficient, and aligned with our quality objectives.

We regularly seek feedback from our customers and stakeholders to identify areas for improvement and use this feedback to drive our quality initiatives. We also invest in our people, providing ongoing training and development opportunities to ensure our team members have the skills and knowledge needed to deliver high-quality products and services.

Quality matters deeply to us and we are committed to delivering products and services that meet the highest quality standards. We will continue to focus on quality in all operations and strive for continuous improvement to remain a leader in our industry.



### Initiatives to improve quality

We have taken various initiatives to ensure the highest quality:



Standardisation and testing of materials to ensure they meet the Lodha performance specifications before they arrive on site.



Dedicated QA inspections team, armed with the latest devices and is trained to identify root causes of quality lapses and recommend improvements to our processes.



We are constantly reviewing the materials and construction process across all the major elements of building, Civil, MEP, Façade and Finishes to ensure long term benefits to our customers.



Dedicated training cell to work with vendors to ensure that the workforce clearly understands essential areas of quality that are vital to Lodha and how to achieve the desired objectives.



Digitalisation of our QA / QC process that defines the Lodha quality expectations, which focuses not only compliance but actual long-term quality benefits to our customers.

**It is the combined effort of our management process and teams working collaboratively on focused milestones which ensures we meet timelines.**







## NATURAL CAPITAL

# Creating a better planet for future generations



We are resolute in continuing our efforts of building a sustainable future for all and demonstrating that it is possible to decouple growth and emissions.

We are committed to protecting and nurturing the environment in line with our strategy of 'Building a Better Life.' Considering the escalating risks posed by climate change, our sustainability strategy rests on the pillars of resilience and decarbonisation.

(GRI 302-1, 301-3, 302-3, 303-1, 303-2, 303-4, 304 2, 305-1, 305-3; 307-1)

Our sustainability efforts focus on mitigating climate risks by leveraging innovative technologies, cultivating strategic partnerships, and streamlining operations. Through our holistic approach, we strive to not only minimise our energy consumption and emissions, but also contribute positively to the communities where we operate, fostering a harmonious balance between development and environmental stewardship.

To achieve sustainable growth, we have adopted various initiatives to enhance energy efficiency, develop low-carbon solutions, increase the share of renewable energy in our energy mix, reduce our emissions intensity, and manage water resources responsibly. These measures are integrated into our planning processes and are applied throughout the project life cycle.

Our aim is to create a positive impact on the environment, while providing sustainable workspaces and residences for the customers.

### PERFORMANCE HIGHLIGHTS

~72%

Reduction in absolute GHG emissions since FY18

~55,000 Tonnes

Of construction waste reused in backfilling

90%

Share of renewable energy in the total energy being consumed

~4,500 Tonnes

Of waste recycled

100%

Energy used in common areas of our standing assets comes from renewable sources

42 MLD

Capacity of STPs installed across our projects

### CAPITAL INTERLINKAGES

#### Natural Capital



#### Human Capital

248 Sustainability champions identified to fast-track the implementation of initiatives



#### Financial Capital

Investment to reduce our dependence on natural resources by moving to renewable energy.



#### Manufactured Capital

Use of recycled materials, embodied carbon reduction, and promoting circular economy



#### Intellectual Capital

Development of sustainable solutions as a part of our larger initiative, 'Lodha Net Zero Urban Accelerator' in partnership with Rocky Mountain Institute.



#### Social and Relationship Capital

Greening the supply chain and creating sustainable urban habitats



**ENVIRONMENTAL SUSTAINABILITY STRATEGY**

Buildings and infrastructure leave an imprint on the planet that could last for decades. We are committed to building sustainably, to ensure a better life for us, and the generations to come. The real estate industry will play a pivotal role in the global transition to a low carbon future. Our vision is to lead this transition by demonstrating that it is possible to decouple growth and emissions.

Our environmental sustainability strategy is designed to address the current critical issues, through defined focus areas under two foundational pillars – Resilience and Decarbonisation.

Developing sustainable and resilient assets is imperative in today’s evolving landscape, considering the escalating risks posed by climate change. We have centred our efforts on mitigating these risks through climate conscious design, leveraging innovative technologies, cultivating strategic partnerships, and streamlining operations.

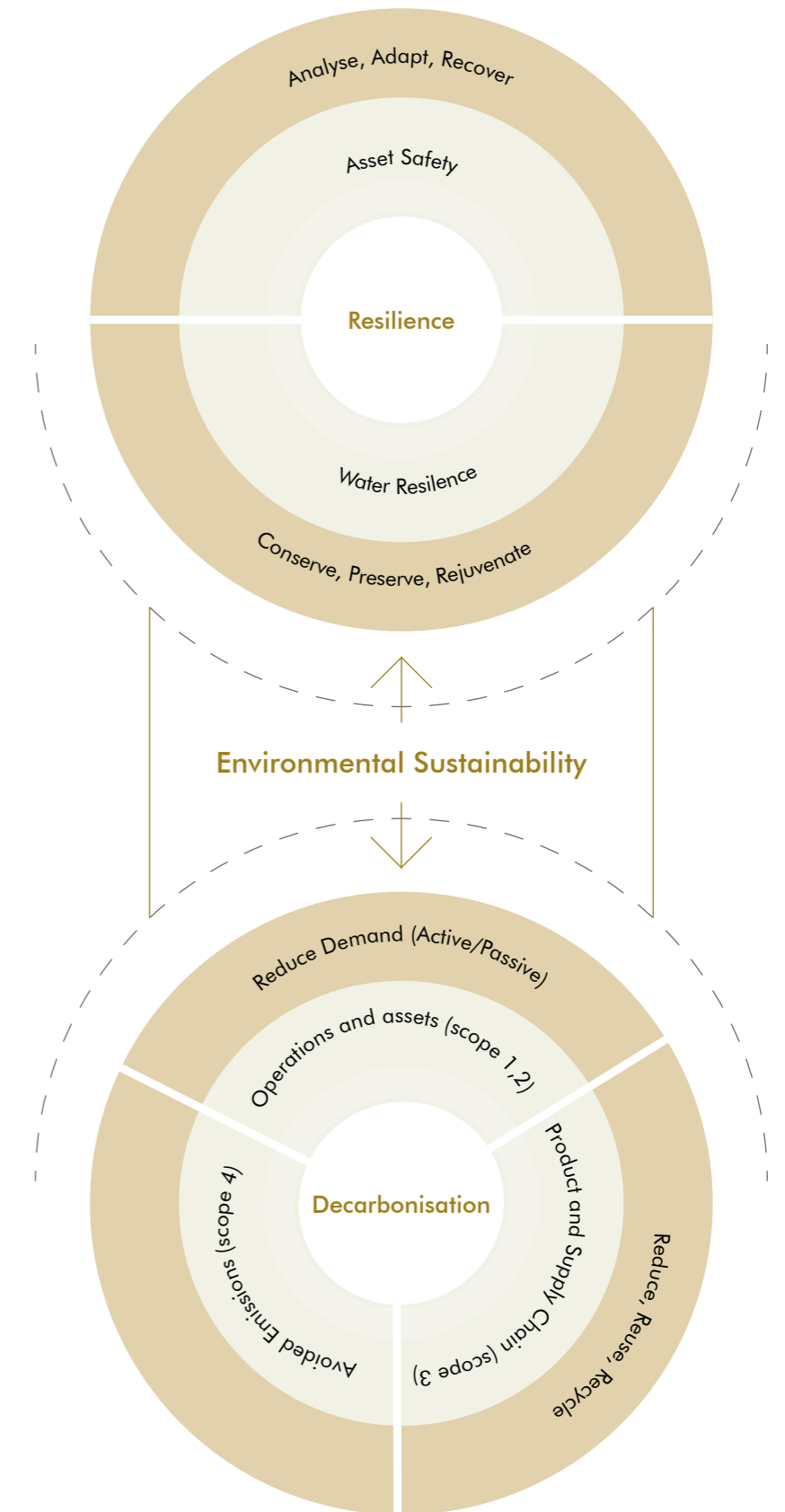
On our decarbonisation journey, we aim to become operationally Net Zero (scope 1,2 emissions) within FY24 and remain committed to create a climate positive ecosystem through our continued efforts

to lower emissions in our supply chain and product usage. Lodha Net Zero Urban Accelerator (in partnership with RMI), is our flagship decarbonisation initiative, which is detailed on page 130, under the Intellectual Capital.

Through our holistic approach, we strive to contribute positively to the areas where we operate, fostering a harmonious balance between development and environmental stewardship.



Shot at LODHA SPLENDORA





**RESILIENCE**

Global impact of climate change has started to become evident, more so in the real estate industry, where it poses risks to both properties and businesses. We take proactive measures to mitigate the impact of these risks and strive to develop assets that are resilient to the changing environment. Our efforts towards this include transitioning to green buildings, optimising water usage, and designing buildings considering the climate change parameters.

**Asset Safety – Climate Risk Management**

Climate change, in the medium to long term will result in the rise of physical calamities (floods, cyclone, heat stress, water stress, etc.) and will have profound impact on properties and businesses. We take measures to mitigate the threat by considering climate risk parameters during the design and construction phases of our projects.

**We undertake proactive measures to mitigate the impact of these risks and aim to develop assets that are resilient to the changing environment.**

**Climate Risk Assessment**



We conducted a physical climate risk assessment study for some of the geographies where we operate, to understand how they are likely to be affected by present and future climate change.

Region-specific data was assessed to review historical trends (for last 30 years) as well as to understand if a location is prone to climate risks while considering future projections (2020-2100). Historical and future climate data (gridded) were collected from Indian Meteorological Department (IMD)<sup>1</sup> and Earth System Grid Federation (ESGF)<sup>2</sup>. The Indian Institute of Tropical Meteorology Earth System Model (IITM-ESM), developed recently at Centre for Climate Change Research, was used for this study. The IITM-ESM is the first climate model from India that is participating in the Coupled Modelling Intercomparison Project-Phase 6 (CMIP6) experiments required for the Intergovernmental Panel on Climate Change (IPCC) 6th Assessment Report.<sup>3</sup> Bias-correction

of the raw climate model outputs was done to produce climate projections that are better suited to local meteorological data.

Data from two future climate scenarios i.e., Shared Socioeconomic Pathways (SSP 2 - medium emissions scenario & SSP 5 - high emissions scenario) until 2100 were used for this study.

The scenarios considered in our study corresponded to a 2.7<sup>o</sup> increase (SSP2) and 4.4<sup>o</sup> increase (SSP5). The study looked at a total of 18 precipitation and temperature indices for the assessment including: simple daily intensity index, max 5-day precipitation, consecutive dry days, hot days, and cooling degree days. The indices were calculated on annual basis until 2100. Based on maximum 1-day rainfall data, Intensity-duration-frequency (IDF) relationship curves were developed for all the project locations. We also assessed sea level rise risk to our project sites.

<sup>1</sup> www.imdpune.gov.in/Clim\_Pred\_LRF\_New/Gridded\_Data\_Download.html

<sup>2</sup> www.esgf-node.llnl.gov/search/cmip6/

<sup>3</sup> www.cccr.tropmet.res.in/home/clim\_esm\_one.jsp

Some of the key observations from the physical climate risk assessment and scenario analysis are as follows:

**Physical risk**

**Observation**



**Heat days**

Number of days with maximum temperature above 35°C will invariably increase across Mumbai Metropolitan Region; however, Pune will have negligible impact



**Precipitation and pluvial flood**

Flood risk will increase in Mumbai if the urban spatial planning is not effectively envisaged with improved and smart drainage systems, while rapid urbanisation continues unabated.



**Water stress**

Mumbai will encounter low to moderate water stress, while the water stress will be higher in Pune.



**Cyclone**

While there is increased cyclone activity in the Arabian Sea, Mumbai is still only at a medium risk from cyclones



**Sea level rise**

Floods caused due to sea level rise are observed only in SSP 5 scenario and likelihood of impact of sea level rise in SSP 2 is negligible.

The study identified climate impacts for our projects for the next 70 years (until 2100). Basis this, we are exploring and have already implemented adaptation strategies for combatting climate change impacts and improving resilience, for the projects and their immediate surroundings, at 100% of our existing and new operations.

- New buildings to design passage of water along specific flow routes in line with existing topography
- Reduction in urban heat island effect through plantation, reflective surfaces and other means
- Higher plinth level of new buildings, and more robust construction
- Building sustainable drainage systems. Installation of porous paving and reducing the scope of hard surfaces
- Enhancing natural light and ventilation. Effective thermal comfort strategies
- Installation of impact glass (heavy wind resistance) for windows and doors

We have also presented the forecast climate data through a climate risk toolkit for our designers to consider while designing new projects. This scientific approach helps us quantify the impact in a non-speculative manner. We plan to recalibrate this every few years and include new geographies where our projects are located.



### Water Management Approach and Measures

It is imperative to have access to clean and safe water. As part of our commitment to the UN Sustainable Development Goal of ensuring access to water and sanitation, we strive to use water resources efficiently and effectively. We adopt an integrated approach to optimise utilisation of water resources.

**23 ML**

Reduction in water consumption in fiscal year

### Water Management

Parameter	FY 2022-23	FY 2021-22
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	0	1,45,039
(ii) Groundwater	0	0
(iii) Third party water	5,62,873	5,11,039
(iv) Seawater / desalinated water	0	0
(v) Others (Treated water)	0	0
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	5,62,873	6,56,078
Total volume of water consumption (in kilolitres)	5,62,873	6,56,078
Water intensity per rupee of turnover (Water consumed / turnover) (kl per crore ₹ of revenue)	59.44	71.06
Project development water consumption intensity (KL/thousand sqft constructed area )	50	93
Standing assets water consumption intensity (KL/thousand sqft leased area)	118	88

Note : The water withdrawal is same as our water consumption.

### Water Sourcing

#### Construction Sites

Our construction operations rely predominantly on external sources of water, such as municipalities or tanker services. We are currently trying to minimise dependence on outside sources by implementing measures that involve utilisation of collected rainwater, wherever possible, and procuring surplus water from the permanent Sewage Treatment Plants (STPs) of completed phases of given master developments. We also track water use intensities during construction and aim to limit water usage within 125 l/sq ft of new construction by 2025.

#### Standing Assets

The primary source of water utilised at our facilities is derived from the municipal supply. A significant portion of our properties are integrated within a larger master development, interconnected with the township or city's STPs.

Secondary water demand for commercial ventures often surpasses the treatment capacity of a solitary STP. In such a scenario, we procure the surplus treated water from the broader developments.

#### New Construction

We have installed STPs in all of our developments to meticulously treat sewage and waste water, thereby ensuring that the treated water is recycled for secondary purposes such as flushing, irrigation, HVAC make-up, and construction requirements in larger-scale projects. We have established rainwater harvesting infrastructure across all our projects which serves a dual purpose of enhancing ground hydrology and storing water for utilisation during non-monsoon months, thus preserving this precious resource.



#### Conserve

- We have implemented various measures such as the use of low flow fixtures, aerators, and pressure reducing valves to reduce water demand. We regularly monitor our water usage and work with our stakeholders to promote water conservation practices.
- We treat the sewage and recycle the water for secondary uses like flushing toilets, irrigation, and cooling towers. These help to reduce the demand for freshwater, thereby conserving water resources.
- We also conduct instructive workshops regarding water conservation, with a focus on the preservation of rainwater.



#### Preserve

- To ensure the sanctity of our natural water resources, it is imperative to treat water to the highest possible standards before discharging it into water bodies.
- We deploy filtration chambers and oil interceptors in our drainage systems to prevent contaminated water from making its way into natural water bodies.
- We undertake flood risk assessments on our properties and deploy both passive and active measures to protect our properties and underground reservoirs from floods and contamination. This helps us uphold our commitment to the health and well-being of our communities, safeguarding them against the perils of water-borne diseases.



#### Rejuvenate

- We strive to rejuvenate water sources by improving the ground hydrology of the site through rainwater harvesting and groundwater recharging. We capture and store rainwater runoff from rooftops, parking lots, and other impervious surfaces, to make effective utilisation of water. To recharge groundwater, rainwater is allowed to seep through the soil and percolate down to the groundwater table.
- We minimise the amount of run-off by avoiding excessive concretisation in urban areas and instead promote softer landscaping with abundant greenery. This approach helps preserve and maintain the natural ground hydrology.



Shot at PALAVA CITY



**42 MLD**

Sewage water being recycled at our projects everyday

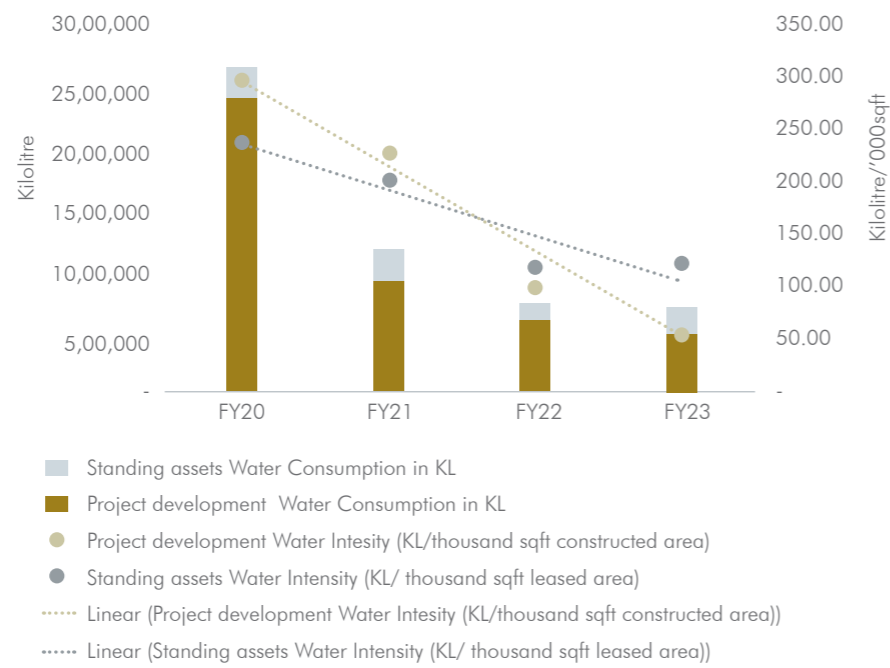
**80,000 m<sup>3</sup>/day**

Installed Rainwater Harvesting capacity at our projects

**23,000 KL**

Treated water used in construction activities in FY23

**Water Consumption and Intensity**

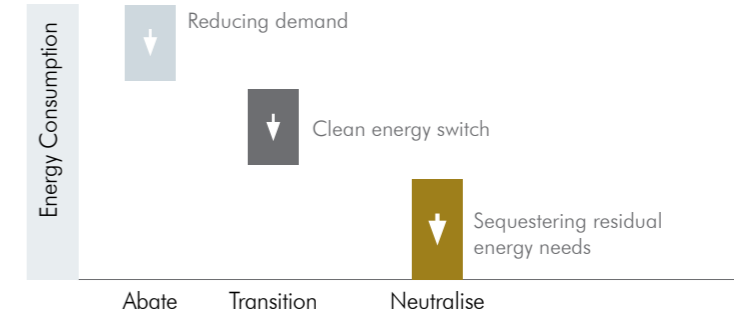


**DECARBONISATION**

Real estate sector is a significant contributor to global greenhouse gas emissions. We have proactively implemented measures to reduce our carbon footprint across all scopes of emissions.

Through low embodied carbon designs and use of eco-friendly materials, reduction in demand by passive design measures and equipment efficiency, and renewable energy transition, we undertake a comprehensive approach to lower our value chain emissions, thereby moving towards creating a climate positive ecosystem.

Our three-pronged approach employs various methods to bring down our overall energy consumption, which includes reducing energy demand by using passive design features, transitioning to cleaner sources of energy, and sequestering the residual energy needs.



With Lodha Net Zero Urban Accelerator, we aim to maximise the real estate sector's contribution toward India's 2070 net-zero emissions target while increasing resilience, health, affordability, and energy services. The Accelerator will support five categories of initiatives that can enhance the sustainability impact of the urban real estate ecosystem across materials and construction, passive design, ultra-efficient equipment, clean energy, and zero-carbon mobility oversight/review and monitoring process for our low-carbon transition plan. More details about the Accelerator are given in the Intellectual Capital chapter of this report on page 118.



Shot at LODHA UPPER THANE



GHG emissions

Parameter	Unit	FY2022-23	FY2021-22
Scope 1 <sup>1</sup>	tCO <sub>2</sub> e	1,588	1,135
Scope 2 <sup>2</sup>			
Location - based	tCO <sub>2</sub> e	19,910	16,375
Market - based	tCO <sub>2</sub> e	8,362	14,277
Scope 3			
Category 1 - Purchased goods		3,29,847	2,28,339
Category 4 - Upstream transportation and distribution	tCO <sub>2</sub> e	1,804	1,283
Category 6 - Business travel	tCO <sub>2</sub> e	878	210
Category 7 - Employee commuting	tCO <sub>2</sub> e	2,294	1,822
Category 11 - Use of sold products	tCO <sub>2</sub> e	5,78,380	5,39,213
Category 13 - Downstream leased assets	tCO <sub>2</sub> e	7,008	5,167
Subtotal emission (Scope 3)	tCO <sub>2</sub> e	9,20,211	7,76,034 <sup>3</sup>
Scope 1 + Scope 2 Emissions (Market - based)	tCO <sub>2</sub> e	9,949	15,412
Total emissions (Scope 1 + 2 + 3) (Market - based)	tCO <sub>2</sub> e	9,30,161	7,91,446
Scope 1 and Scope 2 emission intensity per rupee of turnover	tCO <sub>2</sub> e/₹ Crore	1.05	1.67
Scope 3 emission intensity (tCO <sub>2</sub> e per sqm of area developed)	tCO <sub>2</sub> e/sqm	106.86	130.14

Notes:

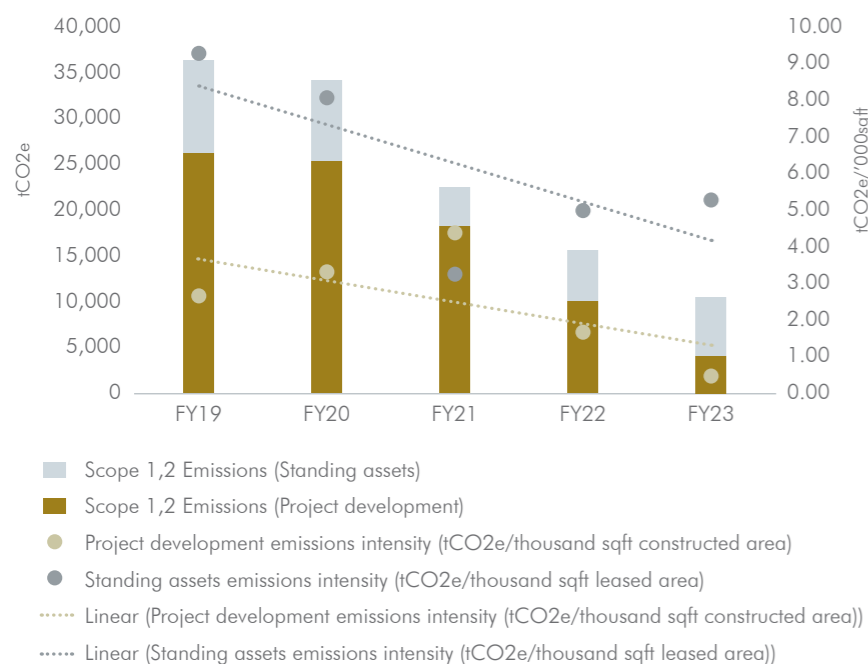
<sup>1</sup> The emission factors for fuel are taken from the DEFRA (Department for Environment, Food and Rural Affairs) database.

<sup>2</sup> The emission factor considered for non-renewable purchased electricity is 0.815 tCO<sub>2</sub>e/MWh (as per CEA CO<sub>2</sub> baseline database).

<sup>3</sup> Scope 3 emissions for FY22 have been revised (and increased) because we have moved to lifecycle emissions approach from annual emissions approach which was considered last year.

GHG Emissions and Intensity

Scope 1,2 Emissions and Intensity



Net Zero Carbon Roadmap

Emissions Category	Scope 1, 2	Scope 3	
Net Zero targets (SBTi targets)**	Accelerated decarbonisation trajectory with a target of getting to Net Zero by 2027*	<b>Long term:</b> Emissions reduction pathway aligned with 1.5 degC goal, i.e. achieving net zero by 2050 <b>Short-term:</b> Achieving 51% reduction in Scope 3 emission intensities by 2030	
Key emission categories	Corporate operations and assets	Materials and supply chain	Emissions during the use of product
% share of overall emissions			
Strategy/ Initiatives	<b>Scope 1:</b> <ul style="list-style-type: none"> <li>Limiting usage of diesel generators</li> <li>Use of low Global Warming Potential (GWP) refrigerants</li> <li>Investing in high quality REDD+ Carbon Credits</li> </ul> <b>Scope 2:</b> <ul style="list-style-type: none"> <li>100% renewable energy transition through direct purchase of renewable energy or through on-site renewable energy generation</li> <li>Enhancing efficiency by scheduling and optimizing plant, equipment usage, use of high efficiency equipment</li> <li>Preventive maintenance, asset performance monitoring and controls</li> <li>Transitioning to 100% on-site renewable energy generation to involve installation of solar plants on our sites</li> </ul>	<b>Scope 3 (Upstream):</b> <ul style="list-style-type: none"> <li>Focusing primarily on cement, concrete, steel, aluminium and blockwork related emissions as they constitute the significant portion in the overall embodied carbon of a typical building</li> <li>Using low carbon concrete mixes</li> <li>Promote circularity by reducing material waste and using materials with high recycled content</li> </ul>	<b>Scope 3 (Downstream):</b> <ul style="list-style-type: none"> <li>Climate conscious passive designs with lower overall energy demand</li> <li>Considering efficiency as a first resource</li> <li>Enhancing efficiency by scheduling and optimizing plant, equipment usage, use of high efficiency equipment</li> <li>Preventive maintenance, asset performance monitoring and controls</li> <li>Clean Energy Procurement Multi-Year Plan</li> <li>Engagement with end-users for energy efficient behavioural shift</li> </ul>
Progress	<ul style="list-style-type: none"> <li>Anticipating to become operationally Net Zero (scope 1, 2) by FY24</li> <li>Renewable energy transition at 90% of our construction sites and standing assets</li> <li>~1.6MWp of on site renewable generation capacity</li> </ul>	<ul style="list-style-type: none"> <li>Piloted higher GGBS content cement mix; Planning LC2/3 pilot in FY24</li> <li>Developed central formwork yard to reduce significant Aluminum related emissions</li> <li>Standardising a green materials palette that can be used across projects</li> </ul>	<ul style="list-style-type: none"> <li>Launched Lodha Net Zero Urban Accelerator, in partnership with RMI. Series of initiatives in various stages of development.</li> <li>Partnered with Xynteo on Build Ahead coalition for decarbonizing India's construction sector</li> <li>Secured green certification for &gt;20msqft in FY23</li> </ul>

\*We have brought forward our target from 2027 to 2024

\*\*Submitted for validation



### Lifecycle Analysis for Embodied Carbon Reduction



Our life-cycle analysis (LCA) on a few representative projects helped us to establish our embodied carbon emissions and identify critical categories for faster decarbonisation. Our focus is on reducing embodied carbon by interventions such as design and construction methods where we have higher degree of influence and control.

We adopt a lifecycle approach to reducing carbon emissions. Recent studies show that our embedded carbon is typically in the range of ~35%, construction-related emissions are 1%, and ~62% of lifecycle emissions occur during product usage. Our findings from the study point to an embodied carbon intensity between 400 and 500 kgCO<sub>2</sub>e/sqm.

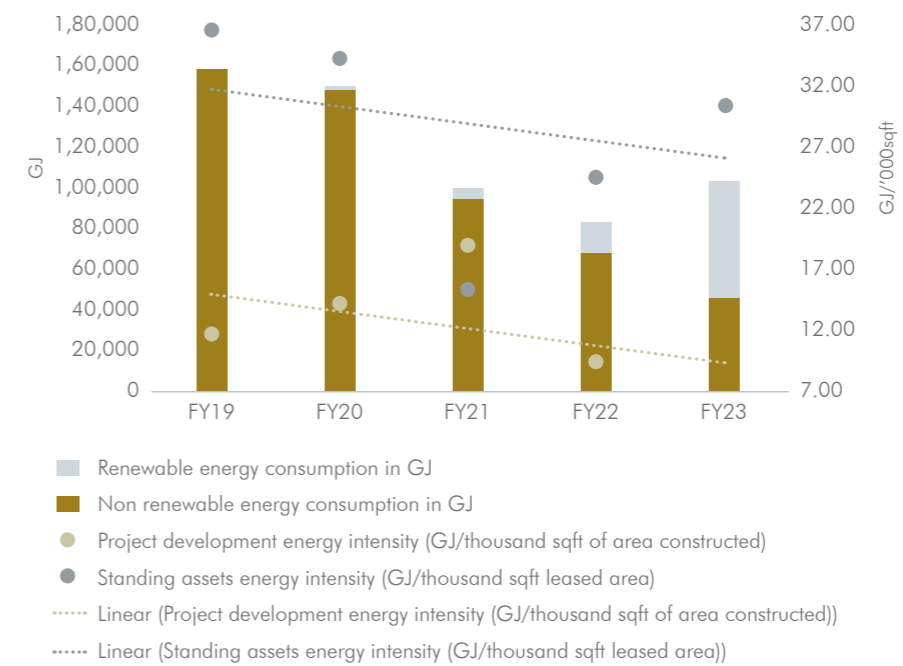
We are primarily focusing on cement, concrete, steel, aluminium and blockwork related emissions as they constitute the significant portion in the overall embodied carbon of a typical building. In an effort to reduce supply chain emissions, we continue to interact with the industry and other important stakeholder groups. Our participation in the Build Ahead coalition is also a step in that direction.

For details please refer Intellectual Capital page 118

### Energy Consumption

Parameter	Unit	FY22-23	FY21-22
Total electricity consumption (A=A1+A2+A3)	GJ	92,594	80,526
Purchased electricity (Non Renewable) A1	GJ	36,936	65,602
Purchased electricity (Renewable) A2	GJ	51,009	9,557
Onsite generation (Renewable) A3	GJ	4,649	5,907
Total fuel consumption (B=B1+B2)	GJ	8,317	3,237
DG Fuel B1	GJ	6,610	2,409
Vehicle Fuel B2	GJ	1,708	828
Energy consumption through other sources (C)	GJ	0	0.24
<b>Total energy consumption (A+B+C)</b>	<b>GJ</b>	<b>1,00,911</b>	<b>83,764</b>
<b>Energy Intensity Total/Revenue</b>	<b>GJ/₹ Crore</b>	<b>10.66</b>	<b>9.07</b>
Energy intensity (construction sites)	GJ/thousand sqft area constructed	6.47	9.37
Energy intensity (standing assets)	GJ/thousand sqft area leased	31.89	24.10

### Energy Consumption and Intensity



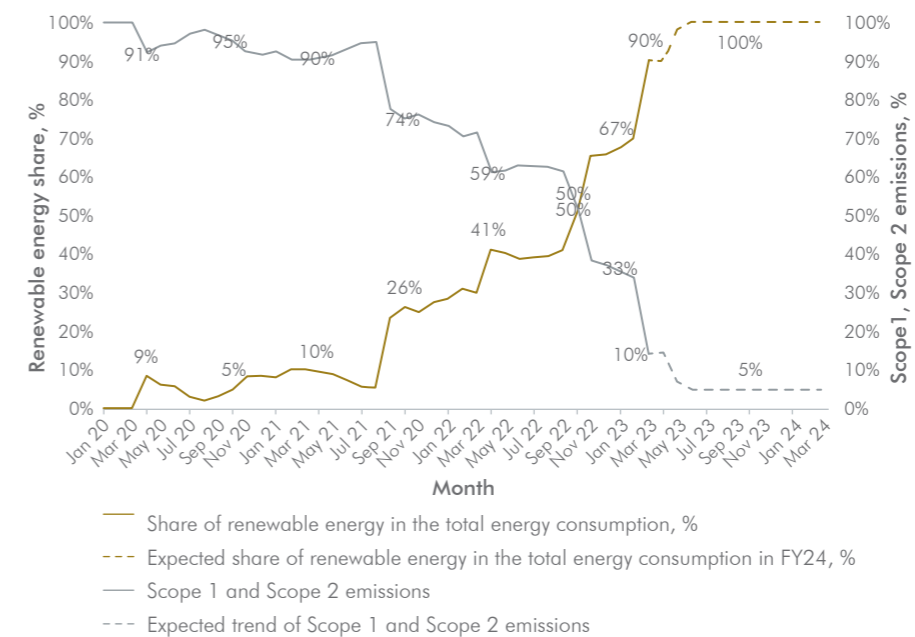
### Carbon Pricing

Our internal carbon price of US\$40 per tCO<sub>2</sub>e guides us to reduce greenhouse gas emissions and invest in low-carbon alternatives.

The price of our internal carbon is higher than the current market price for carbon offsets and it demonstrates our commitment to take a leadership role in promoting sustainable development practices, even in the absence of regulatory or policy incentives to do so.

By setting an internal carbon price, we are essentially factoring in the cost of carbon emissions into our decision-making processes. This means that we consider the environmental impact of our activities and investments and factor in the cost of reducing emissions or purchasing high quality carbon offsets while evaluating the financial viability of a project.

### Renewable energy share in overall purchased electricity (across construction sites or standing assets)





### Palava – Powered by Solar Energy

Palava City is a modern urban development that has embraced the use of renewable energy in its quest to become a sustainable and eco-friendly living space. By implementing innovative solar technology solutions, the city has been able to minimise its environmental impact and create a cleaner, greener living space for its residents.

Palava City has successfully created a cleaner and greener living environment for its residents through the strategic integration of solar power.

**Renewable energy in construction activities:**

**100%**  
Renewable energy (3060 MWh) used in the construction process in Palava City

**Sales galleries running on solar power:**

Lodha Premier sales gallery is powered entirely by solar energy, with a total of **200 kW** installation capacity.

**Solar Hot Water Panels:**

**Solar hot water systems** are also deployed across residential terraces to further reduce the overall electricity demand of the residential developments.

**Transition of residential societies to solar power:**

Palava’s residential societies are successfully transitioning to on-site **rooftop solar power** for their common area energy needs. The installed capacity of solar power on Palava’s residential societies so far is ~4 MW.



Sales gallery powered entirely by solar energy

### WASTE MANAGEMENT APPROACH AND MEASURES

Our commitment to responsible waste management is part of our broader sustainability strategy. We recognise the importance of responsible waste management and are taking a proactive approach by engaging in recycling and waste management projects and scaling up our waste-to-energy initiative plan.

Most of the waste generated within our organisational boundary comes from our construction sites and some from our offices and standing assets. We engage with authorised agencies and recyclers to process all applicable waste streams.

We also enable the residents on our projects to undertake effective waste management through provision of waste management infrastructure like organic waste management plants, waste collection centres as well as running awareness programmes on waste segregation, recycling and its environmental impact.

#### Construction Waste

We have adopted a 3R Approach to waste management — Reduce, Reuse, and Recycle. Through our initiatives, we minimise waste sent to landfills and also reduce greenhouse gas emissions as well. We are reducing waste by setting limits in applicable categories and minimising waste generation. Our target is to divert more than 90% of waste from landfills by 2025, this includes the waste generated at each of our construction sites as well as on our standing assets. We also prioritise waste segregation and engage with agencies to manage recyclable waste streams effectively.

**90%**

Of waste to be diverted from landfills by 2025

In addition, we encourage the reuse of applicable waste in various ways such as backfilling, finishing the back of the house areas, construction logistics, and temporary offices. By promoting the reuse of waste, we reduce our environmental impact while also creating value from waste that would have been otherwise discarded.

**68%**

Of the waste generated is reused

**5%**

Of the waste generated is recycled

#### Waste Management

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
<b>Waste category</b>	<b>Total Waste generated (in metric tonnes)</b>	<b>Total Waste generated (in metric tonnes)</b>
A. Plastic waste	31.88	46.44
B. E-waste	0.01	9.00
C. Bio-medical waste	0.08	0.13
D. Construction and demolition waste <sup>1</sup>	81,370.29	2,229.88
E. Battery waste <sup>2</sup>	NA	NA
F. Radioactive waste	0	0
G. Other Hazardous waste. (Thermcol, Chemicals, etc.)	7.05	2.84
H. Other Non-hazardous waste generated Organic Waste, Miscellaneous waste	359.37	7.42
<b>Total (A+B + C + D + E + F + G+ H)</b>	<b>81,768.68</b>	<b>2,295.71</b>

For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)

Category of waste		
i. Recycled	4,560.07	2,292.73
ii. Re-used	55,413.14	0
iii. Other recovery operations	0	0
<b>Total</b>	<b>59,973.21</b>	<b>2,292.73</b>

For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)

Category of waste		
i. Incineration	0	0
ii. Landfilling	21,788.33	0
iii. Other disposal operations	7.14	2.97
<b>Total</b>	<b>21,795.47</b>	<b>2.97</b>

<sup>1</sup> We started measuring the debris and soil waste from FY23. FY22 numbers do not include the debris and soil waste.

<sup>2</sup> All batteries are covered under a buyback program with the vendors. Therefore, battery waste is not measured.



### Solid Waste Management Plants

We recognise that organic waste, when disposed of improperly, can contribute to environmental degradation and greenhouse gas emissions. We have implemented organic waste management systems such as composters or biomethanation plants at all our projects to ensure that 100% of wet garbage is processed. This organic waste processing results in nutrient-rich byproducts that can be used to improve soil quality and promote plant growth.

We have installed over 25 tonnes of solid waste management plants at various sites. These plants process organic waste and help manage other waste streams as well. Our biomethanation plants are self-sustaining in terms of energy usage and can generate enough energy from the waste they process to meet their operational energy requirements.

### Awareness Campaigns

Our goal is to create a culture of sustainability which extends beyond our projects to the wider community. We conduct workshops on waste segregation and management, and implement these measures at societies. Through these programmes, we aim to raise awareness among our residents about the benefits of waste reduction and recycling, and provide them with the necessary tools and resources to segregate waste and participate in recycling programmes.



Upcycled plastic was used to create school benches for students at Khoni Zilla Parishad School.

Our efforts are focused on encouraging our residents to play an active role in reducing their environmental impact and contributing to a more sustainable future.

In FY23, we organised a waste collection drive at all our properties. The 309 kgs of plastic collected along with the continuous collection of tetra packs were upcycled to make 100 school benches which were donated to the students of the Khoni Zilla Parishad School as a part of their infrastructure upgradation.

We understand that electronic waste contains hazardous materials that can be harmful to the environment and human health, and we encourage our stakeholders to recycle their e-waste properly. Campaigns were also conducted to raise awareness about the importance of responsible e-waste disposal.

### POLLUTION CONTROL

We have implemented an effective set of pollution control measures at our construction sites that minimise the adverse impact of our operations on the environment.



#### Land Contamination Prevention

To prevent land contamination, we have constructed bund walls to collect cement slurry, ensuring spills are contained within designated areas. We have also established a sump pit and containment zone for the concrete pump to minimise waste and keep the worksite clean.



#### Energy Conservation

We have installed transparent roof sheets at material store roofs to maximise the utilisation of natural daylight, reducing the need for artificial lighting and lowering overall energy consumption.



#### Air pollution control

We employ an external agency to regularly monitor environmental parameters, such as air sampling, noise emission, and diesel generator stack emissions, to ensure compliance with MPCB/CPCB limits.



#### Dust Emission Control

Recognizing the importance of controlling dust emissions, we have installed a double layer of 120 GSM monofilament vertical netting throughout our buildings. This netting effectively traps dust particles, preventing them from spreading to the surrounding environment. Additionally, we utilise water sprinklers on grinding surfaces and during excavation activities, as well as water suppression across the site to mitigate dust emissions.



#### Waste Management

We convert non-hazardous food waste into compost manure, which is used for on-site gardening, reducing waste and promoting a sustainable environment. Furthermore, we have implemented a waste segregation yard with color-coded categories for efficient waste management, and we dispose of hazardous waste following MPCB guidelines and authorised vendors.



#### Top Soil Preservation

We are committed to preserving topsoil at our project sites. This practice helps maintain soil fertility, prevent erosion and preserve vital nutrients.



#### Noise Pollution Mitigation

Understanding the importance of maintaining a peaceful environment for nearby residents and wildlife, we have taken several steps to minimise noise pollution. We have installed acoustic panels along the project boundaries and around diesel generators to absorb sound and dampen noise generated by construction activities and machinery. Additionally, we use rubber hammers for hammering Mivan wall panels to further reduce noise emissions.



#### Water Management

We use treated water from the sewage treatment plant for dust control, horticulture, and construction-related activities, reducing the consumption of natural water resources.



#### Community Outreach and Environmental Stewardship

We regularly clean public roads to minimise dust emissions caused by continuous vehicular movement. We also conduct tree plantation drives across our projects to promote greener construction sites and improve the surrounding environment.





✓ PINK WATER LILY  
LODHA AMARA

### BIODIVERSITY APPROACH AND MEASURES

Biodiversity is not just a matter of ecological importance but also has economic, social, and cultural significance. Incorporating biodiversity in residential areas will help enhance the quality of life for residents, promote local ecological services, and contribute to a more sustainable future.

**50,430+**

Trees across Lodha developments in the last 5 years

**538+**

Species of flora

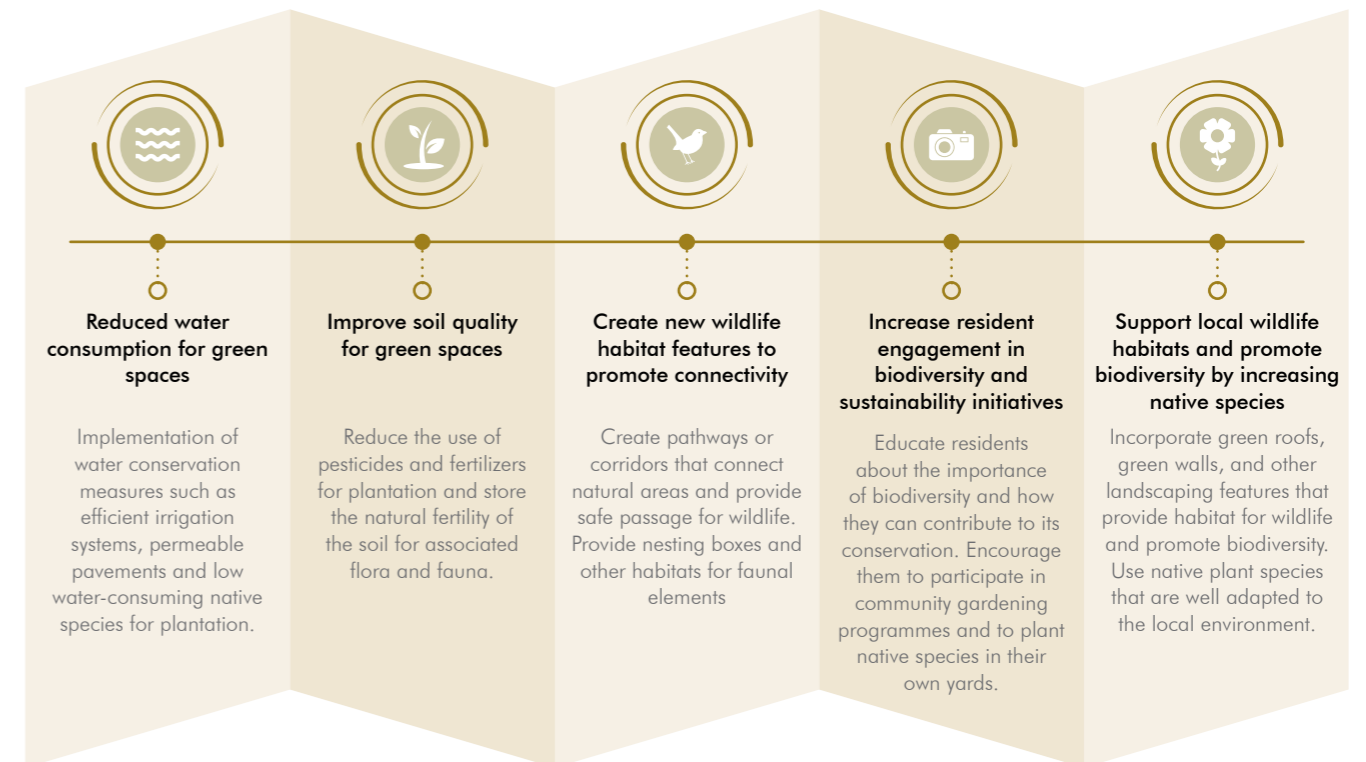
**178+**

Species of fauna

**20+**

Rare, endangered species

Following is the set of goals to measure our progress towards the conservation of biodiversity and help guide the implementation of actions to achieve them.





### Biodiversity Assessments

We conduct biodiversity assessments with the objective of documenting the existing biodiversity, evaluating landscape development initiatives, providing a gap analysis for effective biodiversity conservation, designing and developing policies for new sites, and creating awareness programmes through nature trails, talks, and presentations.

Our recent surveys revealed that our projects provide a habitat for a wide range of species, including indigenous and culturally significant trees like Arjun, Bael, Neem, and Sacred Fig, as well as rare and endangered, species of flora like Sita Ashok and Teak. The green spaces, such as plantations, lawns, and

hedges, provide habitat for various birds, pollinator species, and butterflies like Sailors, Striped Tigers, Pansies, and Nawab. Specific ecosystems like the riverfront at Palava and Belmondo supported wader species such as Cormorants, Moorhen, Sandpipers, and Herons.

Such assessments help us improve and develop strategies for enhancing the biodiversity within our projects. We continue to develop in harmony with the surrounding environment and strive to minimise the impact of our activities on the local environment.

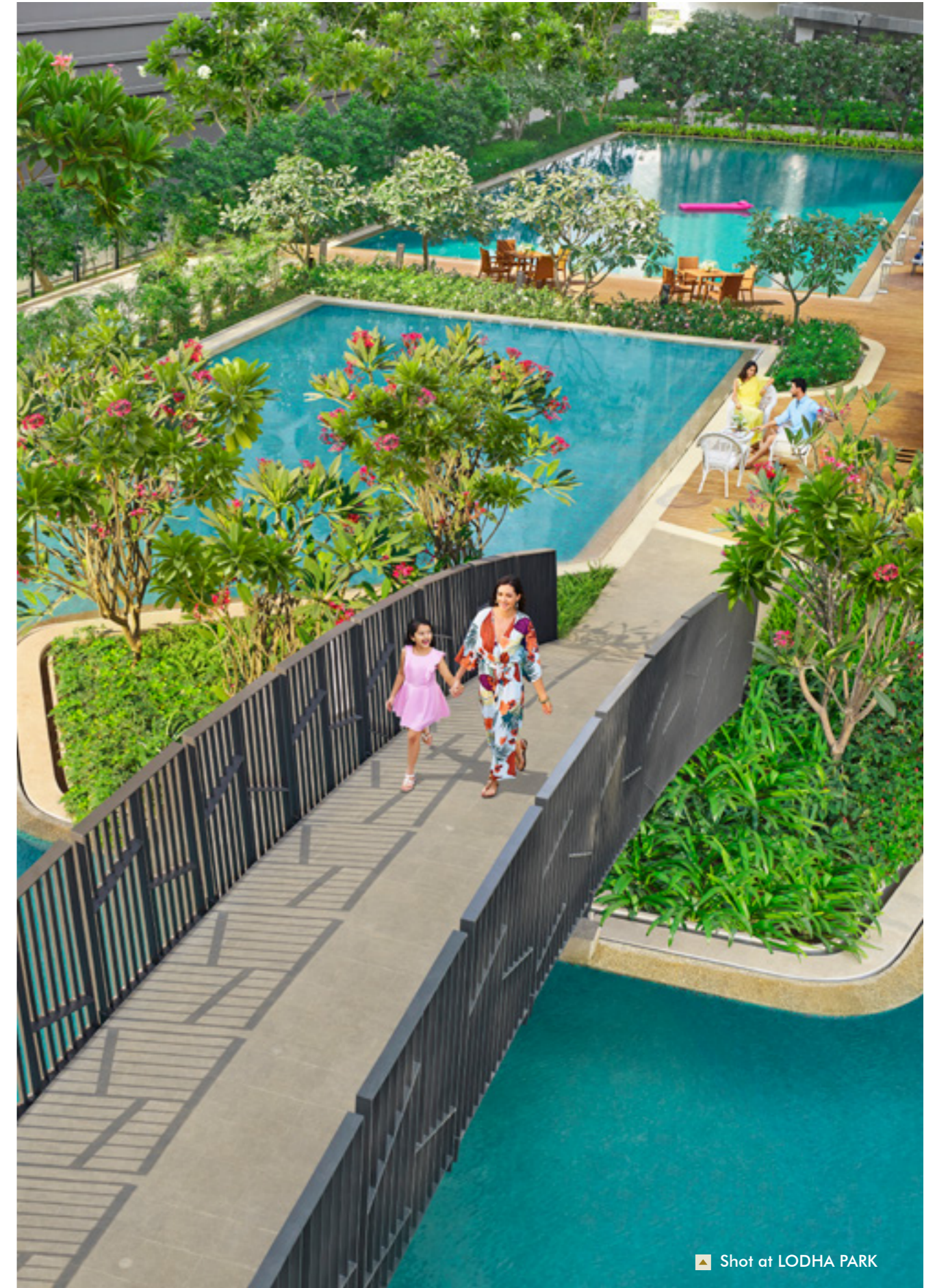
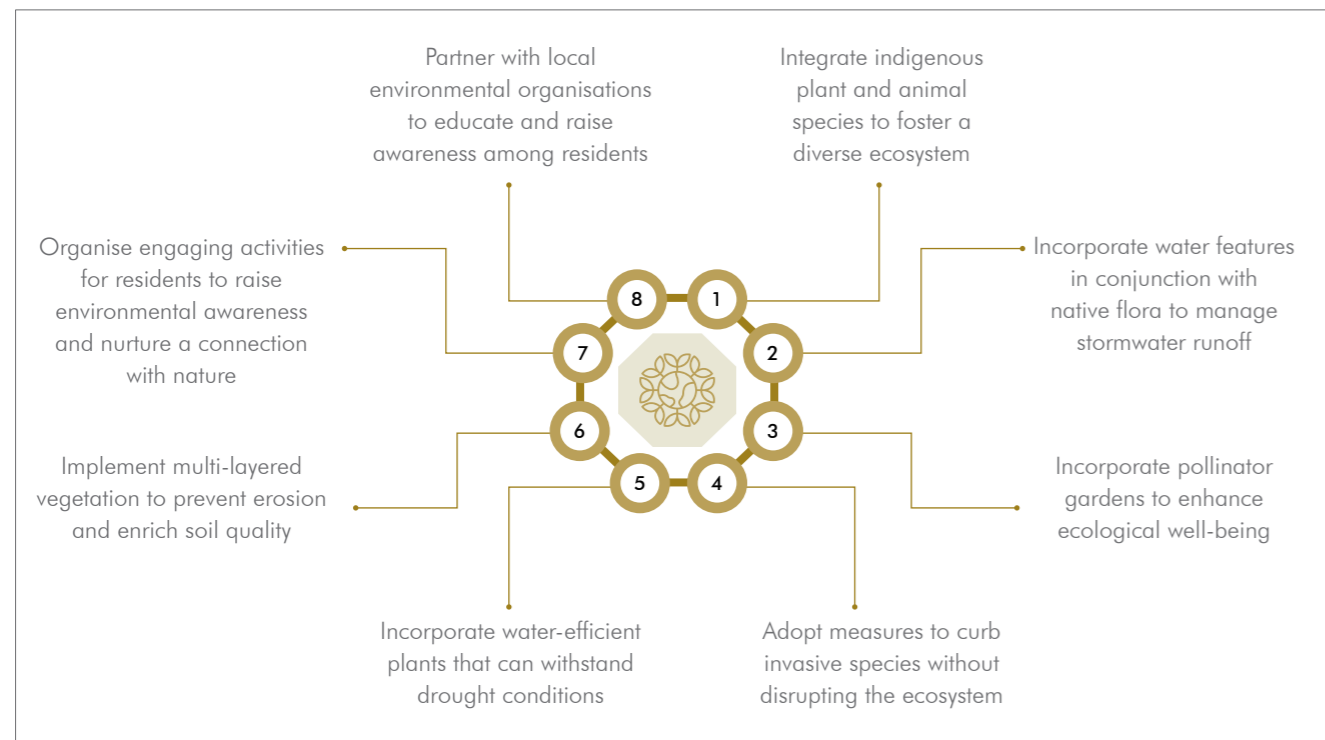
### Innovative Biodiversity App

We are passionate about promoting biodiversity and engaging our residents, especially children. Towards this objective, we are developing a biodiversity app that will enable kids to learn and interact with the flora and fauna

The app will provide a fun and interactive way for kids to learn about the flora and fauna available within the projects where they reside and encourage them to explore their surroundings. It will also create awareness about the local biodiversity. By providing knowledge about the importance of biodiversity and the measures for protecting the natural environment, we hope to inspire the next generation of environmental stewards.

### Biodiversity Action Plan

Incorporating biodiversity in the design of real estate in residential areas is important for creating healthy, sustainable communities. We are committed to cover 100% of our sites under Biodiversity Action Plan by 2027.



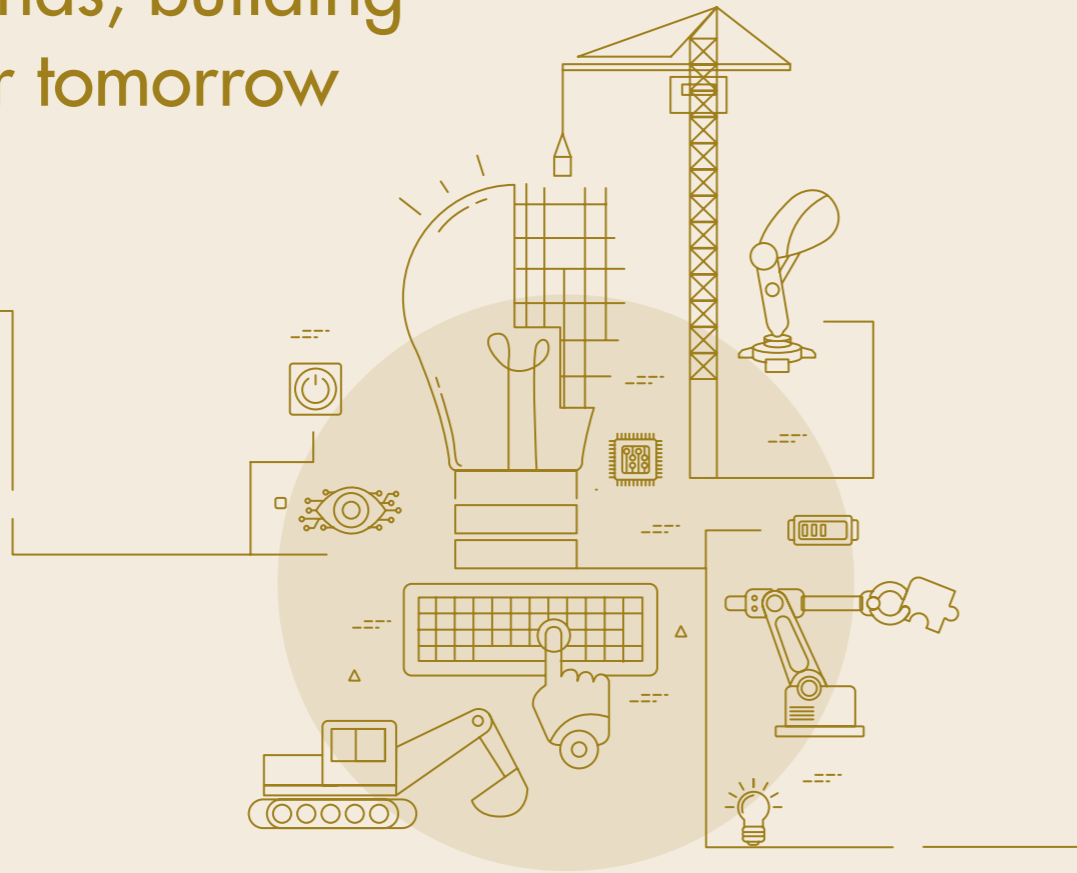
Shot at LODHA PARK





## INTELLECTUAL CAPITAL

# Best minds, building a better tomorrow



Innovation, digitisation, and technology are our key enablers and are supported by robust pillars of our intellectual and digital capability, strong brand engagement tools and strategic partnerships. It empowers us to be future-ready and live up to our commitment to customer-centricity.

Our strong brand identity, founded on core values of quality, innovation, and customer-centricity, has enabled us to create a positive reputation for our company.

Our passion is to create landmarks that are benchmarked against the highest global standards, and are built on a legacy of trust spanning 4 decades. We build premium and luxury homes across segments and every one of our developments delivers the highest level of design and craftsmanship, uncompromising quality, and unparalleled service – putting Lodha developments in the league of the world’s finest.

Our vision of ‘Building a Better Life’ extends across geographies, markets, price points, and consumer segments. By forging the finest global partnerships, deploying the best people and processes, being nimble in delivering our customers’ needs, and benchmarking the highest global standards, Lodha has been able to create some of the

### PERFORMANCE HIGHLIGHTS

# 4.64

Customer satisfaction score

world’s finest developments – with self-contained eco-systems, great outdoor spaces, and robust infrastructure, offering every facility and convenience at your doorstep.

Our ability to deliver scale, our innovative design, superior execution, differentiated branding and marketing, coupled with our efficient and enthusiastic on-ground sales staff, all come together to create the best value for our customers across residential, retail, and office spaces – winning their trust and appreciation time after time.

### CAPITAL INTERLINKAGES

#### Intellectual Capital



**Financial Capital**

Bring in low-cost solutions to help optimise costs



**Human Capital**

Using digital technology to enable seamless human resource management



**Social and Relationship capital**

We partner with various institutions to implement innovative solutions



**Manufacturing capital**

Implement process innovation to increase construction efficiency



**Natural capital**

Progress towards Net Zero through Lodha Net Zero Urban Accelerator



### BUILDING A BRAND THAT TRANSFORMS LIVES

Lodha's enabling environments inspire residents to give their best each day and become more than they thought they could be. Designed to orchestrate a seamless life, our passion lies in the intersection of design and well-being. We strive to deliver unrivaled features, amenities, world-class service standards at every touchpoint and delightful events & experiences to ensure we enable enriched lives for our consumers.

The brand strategy is founded on the pillars of luxury, innovation and sustainability—a brand that is transforming lives and building a better life for people, planet and community. It is a brand that is focused on customer centric approach, deep understanding of consumers and always thriving at driving initiatives addressing consumer impediment in the sector. Our efforts are driven by a purpose to create a positive impact on society, in a manner that resonates with our audience.

We have made significant investments in our customer relationship management initiatives. These investments enable us to effectively engage and inform our existing customers about the latest developments and projects. By doing so, we aim to foster long-term relationships with our valued customers and establish ourselves as a reliable and trustworthy brand.

To effectively connect with our target audience and foster engagement, we employ a combination of traditional and new-age media platforms. Our approach takes into account the dynamic nature of consumer segments and the ever-evolving media landscape.



### Innovative E-Cart Branding

We collaborated with Times OOH for a branding campaign, which involves the use of passengers' e-carts at Terminal 2 of the Mumbai International Airport.

As a brand that is committed to building a better life for its customers, we are always looking for innovative means to engage with them and positively impact their lives. The branding of e-carts at the airport represents a unique opportunity for us to reach out to our target audience in an engaging and memorable way. The strategically placed minimalist yet effective communication on the side and back panels of each e-cart reinforces our brand's message and values to the passengers, thereby creating a lasting impression.

**35+**  
E-carts deployed

**9,96,690+**

Cumulative social media followers

**1,13,03,100+**

Total website visits

**68,38,140+**

Unique website visitors

**Our efforts are guided by our purpose: to make a positive impact on society in a way that genuinely resonates with our consumers.**

### TRANSFORMING PRODUCTS AND PROCESSES

Our focus on innovation encompasses everything from design to materials to project execution. This helps us to improve our processes and the way we reimagine and create superior customer experiences and next generation sustainable assets.

We use technology focused on addressing some of the key challenges faced by the real estate industry such as resource scarcity, demand for climate resilient structures, energy efficiency, rising input costs, and so on to create the World's finest developments.

#### Design initiatives

We have one of the strongest in-house design teams in the country that helps us create the blueprints for the world's finest developments. Our talented team focuses on design management and delivery through collaborations with some of the finest global and national leaders in architecture and design.

Our large portfolio of mixed-use developments help us gain operational and behavioural insights that make the design development richer and is sensitive to the evolving needs of the end users. These insights are gained through our customer engagement portals as well as feedback from the construction teams. We follow a design process that is comprehensive and respects the interlinkages between municipal development plans, our townships infrastructure and building designs.

Refer Manufactured Capital to know more about our product designs

We deploy technology at each stage and aspect of design and invest directly or engage with designers who use the latest software tools such as:



#### Design development

Autodesk, Lumion, Revit, 3DS Max for drawing development



#### Infrastructure design

Since resilience and infrastructure robustness is also our key goal we use software like Bentley suite, Epanet, etc. to achieve an optimal output.



#### Augmented reality

Vray rendering engine, along with 3D Vista for virtual tours, to visualise our designing process



#### Document management

Npulse, Aconex, which helps to manage complex design data, version control, and document distribution



#### Building performance

We also use software like Ansys, Design Builder, IES, Velux, etc. for performance modelling of the designs

**This digitisation of our design process has enabled us to achieve greater accuracy, efficiency and collaboration among our design teams.**



**BEST-IN-CLASS CONSTRUCTION PRACTICES**

We have a proven track record of delivering high-quality developments at scale. Our extensive industry experience and in-house capabilities have enabled us to refine our processes and develop responsible, efficient methods for creating exceptional spaces that exceed customers' expectations.

We leverage the very best talent and global partnerships to ensure that our projects are built to the highest standards of quality and sustainability. With a strong focus on responsible processes, we consider environmental and social factors at every stage of our projects, creating truly exceptional communities.



**Modular Partition Walls**

We use modular partition walls in many of our commercial and residential projects. Modular partition walls are prefabricated wall panels that are manufactured in a factory and assembled on-site. These walls are easy to install, cost-effective, and offer several benefits over traditional walls offering better sound insulation and fire protection, making them a safer and more secure option for occupants.

Our extensive industry experience has enabled us to refine our processes and develop responsible, efficient methods for creating exceptional spaces that exceed our customers' expectations.



**Prefabricated Cages**

We use prefabricated cages for reinforced concrete construction (RCC) in some of our projects. This method involves building cages offsite and then transporting them to the construction site for installation. The use of pre-fabricated cages for RCC increases efficiency and reduces labour costs while enhancing precision. They are designed to be more durable and structurally sound than traditional on-site methods. This can lead to stronger and more resilient buildings, a foremost priority for us at Lodha.



**Leveraging Technology in Construction**

We employ latest cutting-edge technologies to improve the efficiency and accuracy of our construction projects. We are currently testing 3D lasers, heavy-duty concrete scanners, and concrete auto levellers to enhance our survey work. The 3D lasers provide precise digital models for measurement and visualisation, while the heavy-duty concrete scanners detect materials for safer and more efficient drilling and cutting. The concrete auto levellers ensure consistent and accurate levelling of concrete surfaces.

We believe that use of modern surveying equipment will significantly benefit our construction projects and we will continue to explore and implement advanced technologies to maintain our high-quality standards.

modularity guidelines to all formwork vendors and setting up a central formwork facility which controls the formwork assets across projects. Procurement and stocking of materials are changed from typology-based to component-based. We train modification carpenters on ways to reduce wastage. Scraping of materials is undertaken at a component level, resulting in the increased utilisation of small-sized panels and extrusions. Steps are being taken to refurbish and galvanise MS items like props and brackets.



**Streamlining Construction through BIM**

We have been early adopters of Building Information Modelling (BIM) technology in our construction projects. BIM allows us to create 3D models of our buildings that can be visualised from different perspectives, improving design, collaboration, and construction efficiency. BIM helps us plan and optimise the construction process, reduce material wastage, identify potential hazards and improve accuracy in material estimates. This has resulted in significant cost savings, improved project quality and enhanced customer satisfaction.



**Integrating modularised aluminium shuttering to enhance quality and reduce emissions**

We utilise aluminium shuttering in our construction process to enhance the quality and efficiency of our projects. This versatile and durable material is ideal for creating formwork when casting concrete, providing a precise finish for building walls, columns and slabs. It is lightweight, easy to assemble and disassemble, and offers a sustainable solution to construction by reducing the need for timber and minimising waste generation.

We modularised the aluminium formwork, commonly used in high-rise buildings for speed and quality of construction, to allow usability beyond typical buildings. This innovative approach was implemented by issuing



**Employing Compact Crushers**

We use compact crushers in our construction sites to crush concrete debris, which can then be reused in lean concrete. This environmentally-friendly solution reduces waste and promotes sustainability. On-site recycling of concrete debris also improves project efficiency by reducing transportation costs and time. Furthermore, using recycled concrete in lean concrete helps to reduce the amount of cement required, resulting in a lower carbon footprint.



We have one of the strongest in-house design teams in the country that helps us create the blueprints for the world's finest developments.

▼ LODHA DIVINO



### SEAMLESS DIGITAL CUSTOMER EXPERIENCE

In engaging with our customers, we use a data-driven approach that provides timely and accurate insights on current and emergent customer values and aspirations. This helps us understand and respond to change, which is critical to the sustainability of our business and the ongoing relevance and reputation of our brand, products and services.

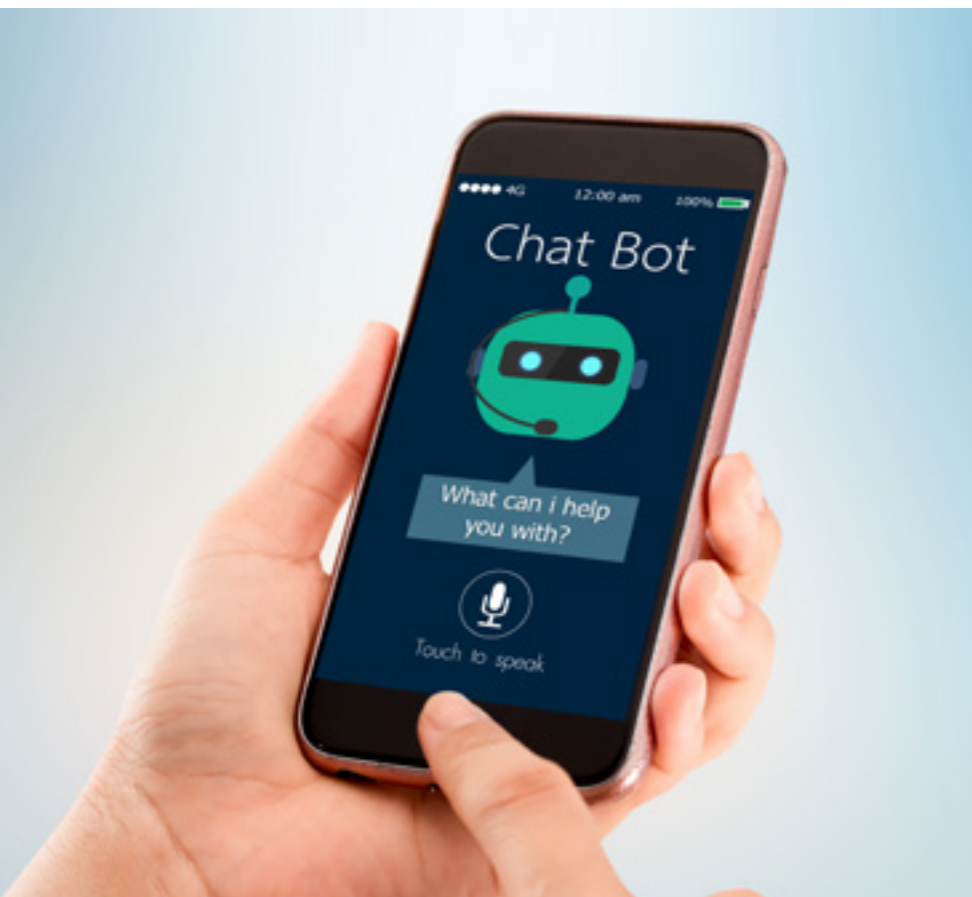
We have launched several new products and digital experiences in line with our focus on customer centricity. We have introduced an end-to-end digital customer experience that provides an end-to-end home buying experience, virtually.

This approach not only enhances customer satisfaction but also drives advocacy and loyalty for our brand.

Our consistent year-on-year customer satisfaction scores serve as a testament to our commitment to excellence and customer-centric values. We take great pride in our ability to simplify the home-buying process and deliver a seamless, enjoyable experience for our customers.

**4.64/5**  
Customer satisfaction score

**30,700+**  
Chatbot interactions in last one year



### CUSTOMER EXPERIENCE INNOVATIONS



#### Lodha Customer portal

Interactive platform for customers to access property listings, payments and customer support.



#### 24x7 Chat bots

Quick & efficient assistance to customers throughout the journey.

less than 1 second of response time



#### Cloud Phone system

All in one cloud communication system enabling seamless customer interaction.



#### BelleVue

Mobile based digital platform for providing facility management, home improvement products and services and 'near-commerce' services to customers.

### SALES INNOVATIONS



Home buyers have an option to rent out their property and generate a return on investment while staying protected from potential price fluctuations in the secondary market. This means that home buyers can begin earning rental income on their property from the very first day of purchase, without the added burden of searching for tenants or managing the property themselves. Easy lease also taps into tenants living in our developments, creating a sustainable channel of leads for generating business by converting them into home buyers.

**₹12.2 bn**  
Pre-sales in FY23

#### Impact

Lodha Easylease comes with a range of benefits for both the home buyer and the tenant. For the home buyer, it provides a dependable stream of rental income, helping to offset the cost of their mortgage payments. For the tenant, it offers a convenient and affordable option of renting a high-quality property at a desirable location.

#### Output

**929**  
Home buyers benefited



A one-of-a-kind customer loyalty programme in the real estate industry, provides customers with an opportunity to upgrade their unit or buy a new one as an investment.

**₹14.1 Bn**  
Pre-sales in FY23

#### Impact

Lodha Priva is a testament to our commitment towards customer satisfaction. By providing this unique loyalty programme, we are reinforcing our relationship with our customers, and fostering a culture of trust and transparency in our business operations.

#### Output

**1,144**  
Members part of loyalty programme



### CP Portal

Our CP portal provides services and features that enable channel partners to understand customer preferences and enhance the sales experience. The customer analytics dashboard offers project-wise analytics for targeted marketing and identifying leads.

### Impact

Creating leads is streamlined, allowing partners to connect with potential customers and share project information. Real-time feedback on walk-ins and bookings provide insights into customer behaviour and preferences.

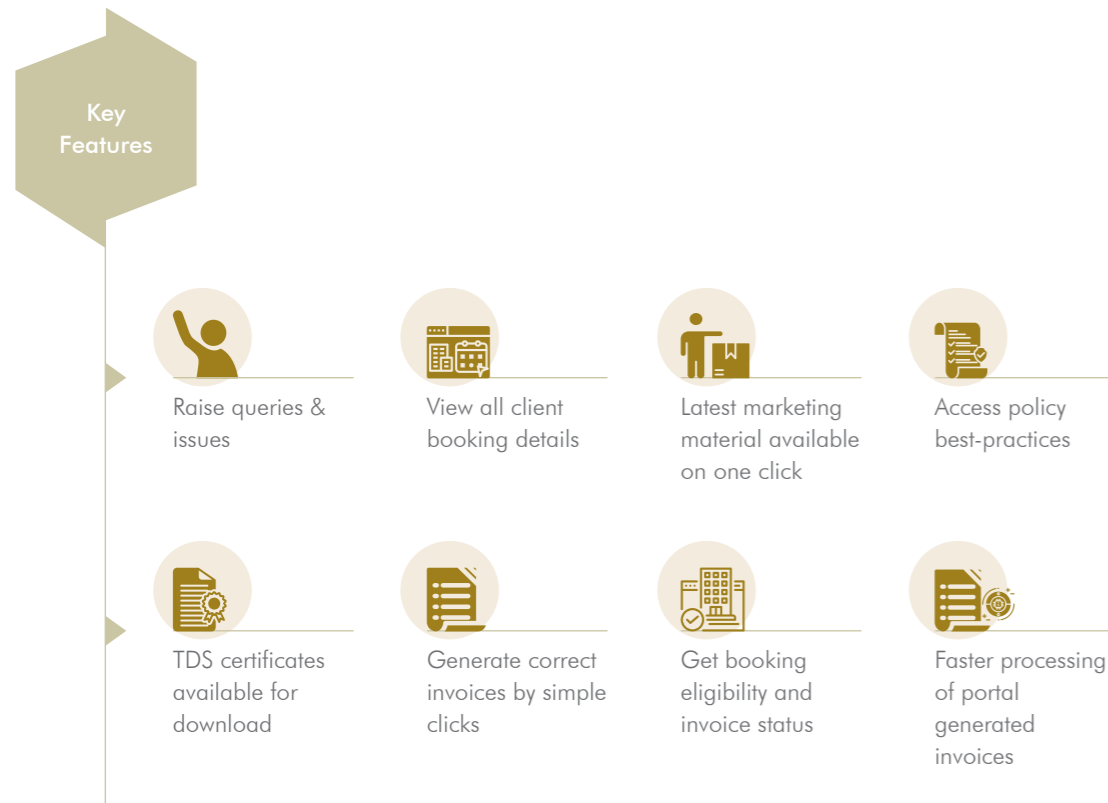
Our channel partners get access to the latest offers on our properties, including discounts and deals. They can also easily raise invoices for eligible bookings and access resources such as TDS certificates, marketing materials, and best practices to help them make informed decisions.

### Output

**27,500+**

CPs registered on the portal

### Key features of the CP Portal



# SRIJAN

### Impact

We have seen a significant increase in pre-sales from our top distributors.

The Srijan programme is designed to drive sales volumes by providing channel partners with necessary tools, resources, and training to become better sales representatives for Lodha.

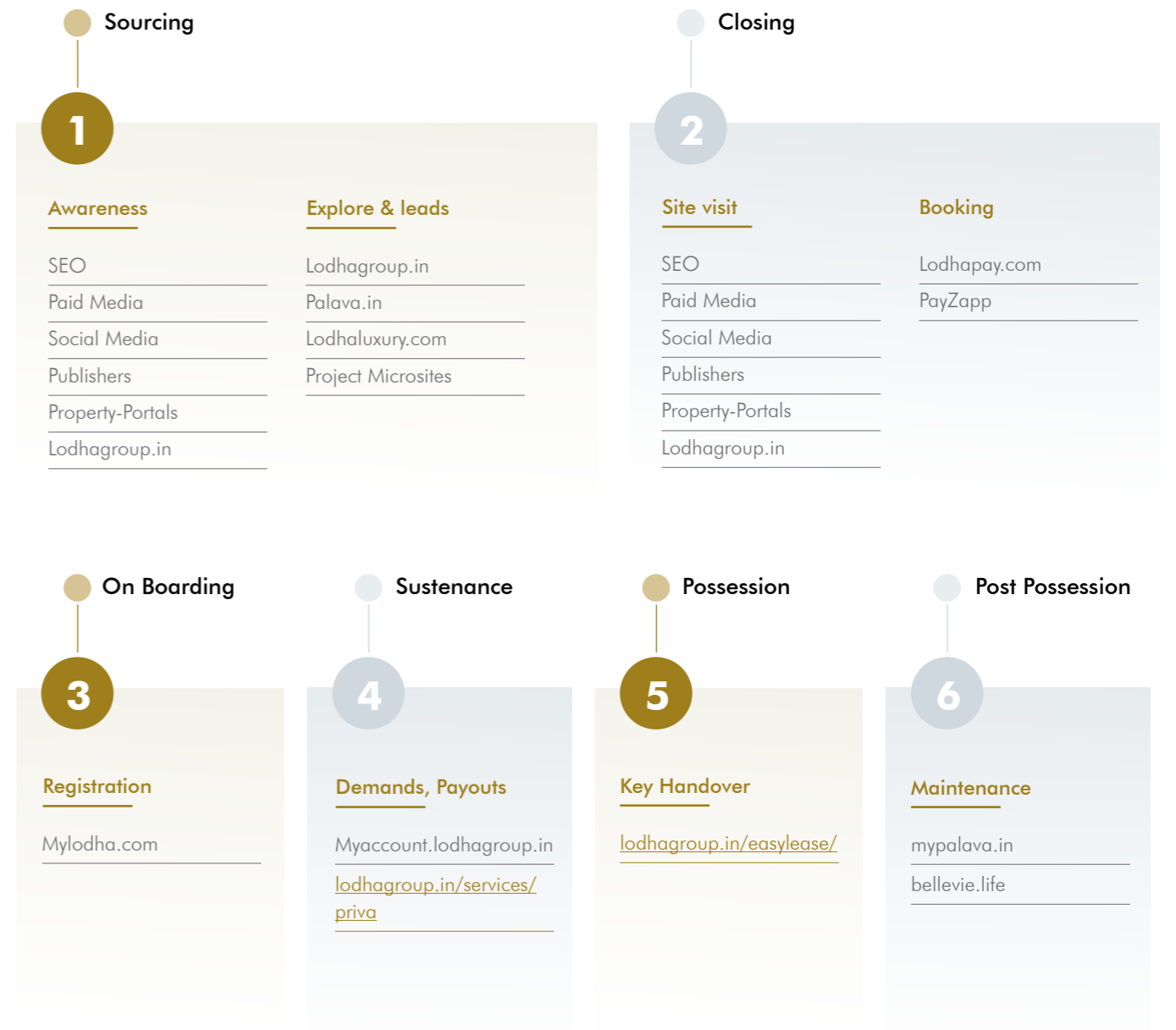
**25%**

Srijan CPs contribution to Lodha's sales

**25.6 days**

Average TAT from invoice raised to payment to Srijan CPs

### INNOVATION SNAPSHOT ACROSS THE CUSTOMER LIFECYCLE





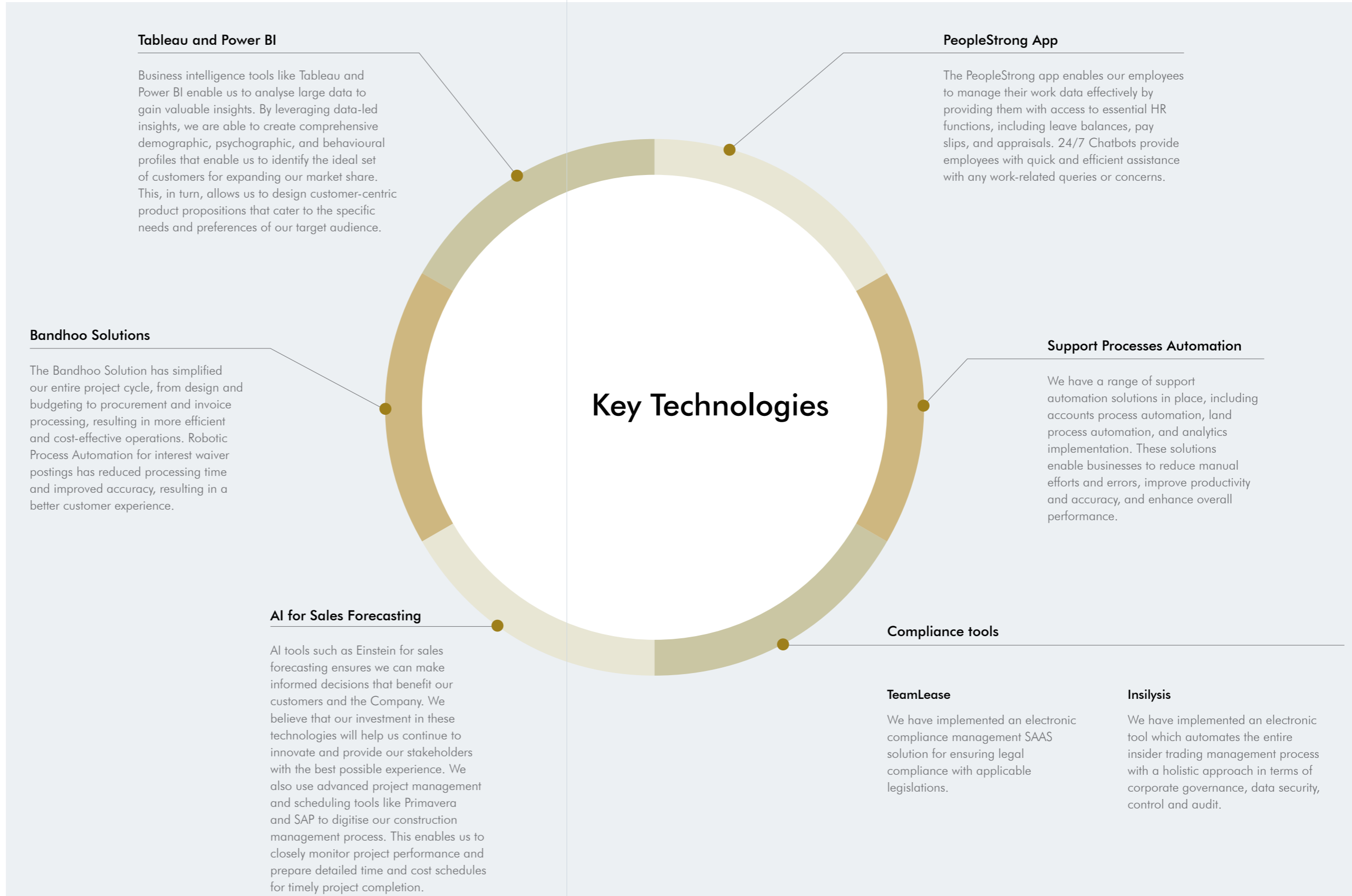
**INTEGRATING TECHNOLOGY TO ENSURE OPERATIONAL EXCELLENCE**

We have long since understood the capability of digital transformation in radically improving our business processes and impacting our customers positively. Our state-of-the-art and ahead of time processes, digitised operations, efficient product designs and in-house capabilities enable us to build the world's finest developments, create sustainable and vibrant communities, and cater to the requirements of a digital-first generation of customers.

Our primary focus has been on embedding our integrated systems as a platform for business improvement and scalability. The platform has improved business processes, automation, and analytics while also supporting our continued compliance emphasis.

We deploy advanced technological tools such as data analytics, artificial intelligence and project management software which provide valuable insights, help us to take informed decisions, and streamline operations, enabling stronger bottom lines, exceptional customer experience and talent retention.

Through our data analytics initiatives, we are able to gain a deeper understanding of customer behaviour and identify trends and patterns that provide valuable insights. With this information, we can make informed decisions about our marketing strategies, product development, and sales tactics, ultimately driving sales and increasing our market share.





**BUILDING PARTNERSHIPS FOR A SUSTAINABLE FUTURE**

Reducing the global carbon footprint and addressing other critical environmental challenges is key for building a sustainable future for all. Cross-sector solutions, meaningful partnerships, research and development alliances, and increased economic viability can all lead to improved collaboration.

Our primary objective is to considerably reduce emissions in order to have a net positive impact on the environment and we aim to deliver operationally net zero developments (Scope 3 downstream) by 2035. To achieve this objective, we have successfully launched the Lodha Net Zero Urban Accelerator in partnership with RMI.

The accelerator aims to achieve this goal while improving resilience, health, affordability, and access to energy services.

**The Net Zero Urban Accelerator was founded with an overarching goal to make net zero the new normal for new developments and maximise the building sector's contribution toward India's 2070 net-zero emissions target.**



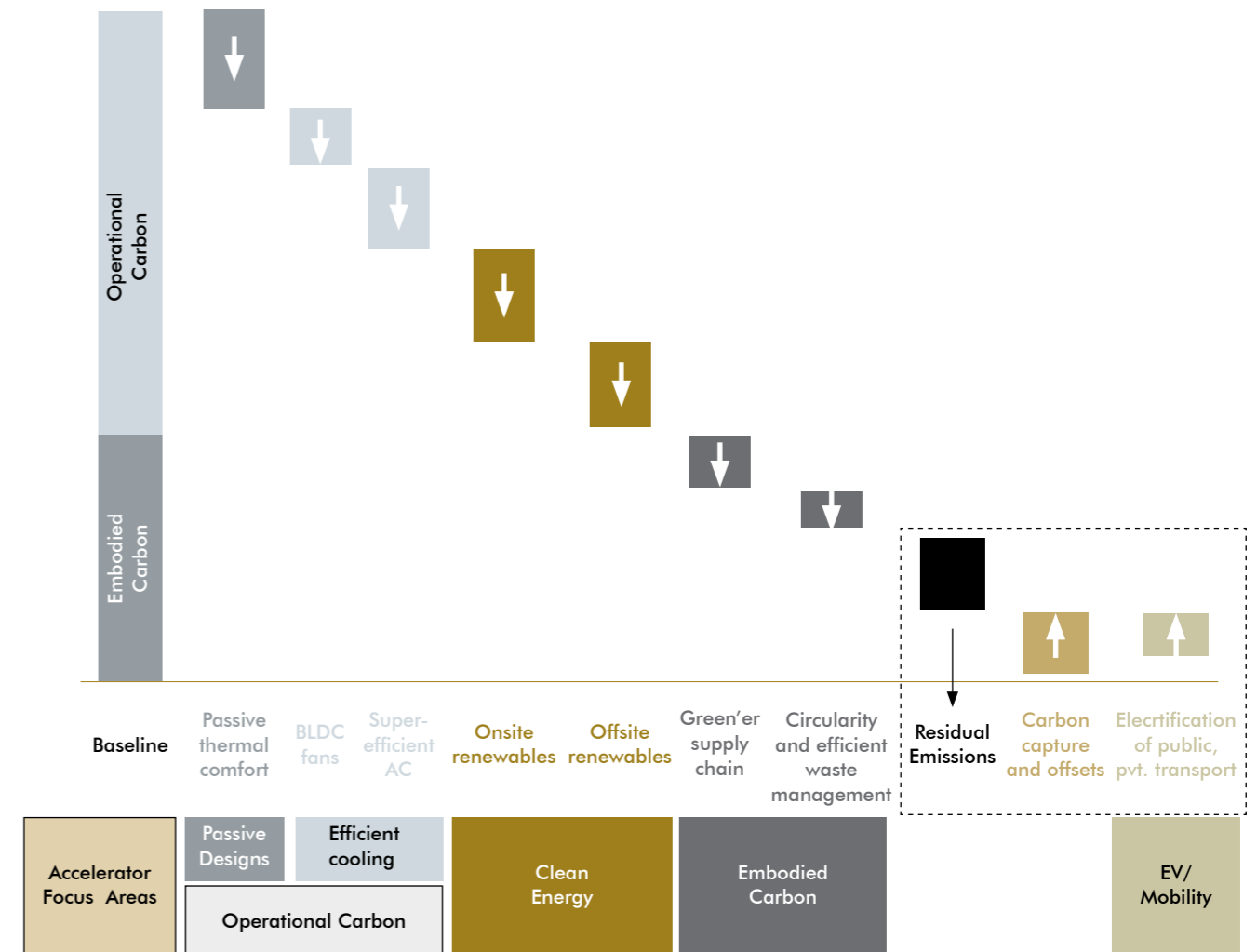
Shot at PALAVA CITY

**Addressing the Full Spectrum of Emissions**

The Lodha Net Zero Urban Accelerator addresses the full spectrum of emissions in the urban built environment, including embodied emissions, operational emissions, and supply-side emissions. In the first year of operation, the Accelerator has conducted various needs assessment studies to define the baseline emissions and identify the significant sub-sectors (focus areas) contributing to it.

The graph below illustrates various initiatives for investigation and collaborative innovation around five broad focus areas (Embodied Carbon, Passive Design Solutions, Efficient equipment, Clean Energy, and Electric Mobility). These focus areas were integrated into whole system roadmaps and tactical playbooks for portfolio decarbonisation.

Annual GHG Emissions Reduction Options



\*Picture not to scale - for representational purposes only



### Unlocking Efficiency through Optimal Operations

By evolving in the way we design, construct, and operate buildings, the accelerator intends to make net zero the new normal for new developments. We intend to prioritise reducing energy and material demand through cost-

effective, low-embodied-carbon design interventions. The energy and carbon lock-in effects associated with inefficient construction can be avoided by low carbon material selection and supply chain decarbonisation, and buildings can ultimately run optimally to release a tremendous compounding effect that minimises the energy and carbon

intensity of buildings. According to estimates, these shortlisted measures will accelerate the life-cycle carbon emissions reduction for our new construction and assets by 30-40% in the next two years. We continue to explore opportunities to cut future annual emissions.

Focus Area	Key shortlisted initiatives	Estimated Life Cycle Carbon savings (tCO2e)	Progress of PoC
Embodied Carbon	Piloting greener concrete mixes	Up to 3%	
	Pilot low-carbon alternatives (like LC2 and LC3)		
	Waste reduction and material recycling (Aluminum, Blockwork, Steel and others)	Up to 1%	
Passive Design	Passive thermal comfort design techniques Performance glazing (Glazing, enhanced natural ventilation, High SRI paints, Nature-based solutions and others)	Up to 5%	
Energy Efficiency	Efficient cooling (BLDC fans, Super-efficient ACs)	Up to 7%	
Clean Energy	Renewables integration	Up to 12%	
EV/Mobility	Electrification of public and private transport	NA	
Behaviour change	Changing the consumer attitude, awareness and perception towards design, construction and operation of buildings	Up to 5%	

### Knowledge Sharing for a Sustainable Future

Detailed work plans were developed, and resource banks (containing policies, guidelines, toolkits, experimental results, benchmarking studies, LCA assessments, and so on) were outlined to disseminate information in the public domain for the benefit of the greater stakeholder community. Over the past year, the accelerator team has participated and presented its work in various convenings, including at the India Urban Housing Conclave, inaugurated by the Honorable Prime Minister, the Global funders conference around cooling, hosted by Clean Cooling Collaborative and the

India Smart Utility Week, the annual flagship event of India Smart Grid Forum, amongst others.

### Redefining the Accelerator's Vision for a Better Life

Over the next year, the Accelerator will design and implement these innovative initiatives. Moving forward, the Accelerator intends to integrate the engagement with the supply-chain and policymakers by establishing a leadership collaborative with developers, manufacturers, and solution providers to jumpstart market transformation to maximise the building sector's contribution to India's 2070 net-zero emissions target.

The Accelerator was launched with a vision to decarbonise our portfolio of buildings in its first phase. However, establishing the Accelerator has always been about looking at the country and positioning the ongoing work to facilitate India's building sector decarbonisation. The Accelerator's vision will be redefined to focus on decarbonising India's building stock by embarking on a journey of offering differentiated products and establishing leadership and communication that eventually will lead towards building a better life.







▲ LODHA MALABAR

### Collaborations to Create the Finest Developments

All our projects, incorporate best global practices; from the design to planning and execution stages. We collaborate with some of the finest designers and consultants in the world, who assist us in developing some of the most iconic structures and townships.

### Our Partners

#### Architect Hafeez Contractor

One of India's leading Architectural Practice established in 1982. The firm has the widest range of successfully designed and completed projects which include residential, hospitality, work place, mixed use, institutional, public buildings, museums, airports, stations and integrated townships in India and overseas including India's tallest building.



Founded in 1973, India's most respected landscape design firm; Prabhakar B Bhagwat is today globally respected for its design ethics, conceptual thinking and the consistently high quality of work delivered at all scales and typologies.

#### xyntheo

A purpose-driven advisory firm that helps the world's largest organisations uncover people and planet-positive ways to grow. Build Ahead coalition by Xyntheo

is dedicated to collectively tackling the challenge of achieving a net-zero built environment in India.



An architecture design studio founded by Kiran Kapadia with a strong emphasis on design and professionalism. It is passion combined with perseverance and the constant quest to find innovative solutions that is the driving force at KA.

#### BURO HAPPOLD

An international, integrated consultancy of engineers, designers and advisers. For over 46 years, Buro Happold has provided engineering consultancy services for buildings, cities, infrastructure and environment, and delivered creative, value-led solutions with sustainability at the topmost priority, for the benefit of people, places and planet.



A consulting firm that specialises in landscape architecture, master planning and urban design, STX harnesses the creativity, experience and expertise of its staff to serve as a trusted partner for clients and to give form and definition to projects. Since 1995, STX has been transforming landscapes through creative solutions, resulting in dynamic spaces that are seamlessly integrated and memorable. Carefully and thoughtfully synthesising its unique knowledge, talent and vision with the aspirations of each project, STX crafts timeless spaces that captivate and inspire.



An independent non-profit organisation founded in 1982 that transforms global energy systems through market-driven solutions to secure a clean, prosperous, zero-carbon future for all.



Consistently recognised for excellence in design and sustainability, Pei Cobb Freed & Partners is one of the world's pre-eminent architecture and planning practices, with projects in progress across the globe.



Established in 1962, Tata Consulting Engineers Limited (TCE) is India's leading integrated engineering consultant providing concept to commissioning services in power, infrastructure and resources sectors.



A structural engineering firm headquartered in New York City. Founded in 1923, they have designed numerous landmark projects across the world, and have established a strong reputation for design and technical excellence.





## HUMAN CAPITAL

**Build the Best.  
Be the Best.**



Our ability to build the best is shaped by a talented pool of people. With a proactive attitude and relentless enthusiasm to conquer challenges, we are continuously paving the roadmap for our success.

We empower our employees to upskill themselves and explore new possibilities of personal and professional growth. Our industry-best people practices have created an environment where innovation can truly flourish.

(GRI 2-7, 2-30, 201-3, 205-2, 401-1, 401-3, 403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-7, 403-8, 403-9, 403-10, 404-1, 406-1)

Our employees have always been one of our most valued stakeholders and key differentiators. Aligned with our Employee Value Proposition (EVP) of 'Build the Best, Be the Best' and our Vision of 'Building A Better Life', we persistently strive to foster joyous, meaningful and impactful experiences for our employees and provide them with a safe, flexible and inclusive workplace. We seek to foster an environment in which our employees feel inspired, appreciated, engaged and have professional growth and holistic wellbeing opportunities.

### PERFORMANCE HIGHLIGHTS

**3.32**  
Culture score (out of 4)

**4,200**  
Employee strength\*

**1,700+**  
Employees hired

**1,13,420**  
Learning man- hours

**18.8%**  
Gender diversity

**44,600**  
Safety training man-hours

**46 Mn +**  
Safe man-hours

### CAPITAL INTERLINKAGES

#### Human Capital



#### Financial Capital

Continual investments in training resulting in higher revenue per employee and improved project delivery timelines.



#### Social and Relationship Capital

Building long-term and trust-based relations with business partners and customers through our employees.



#### Manufactured Capital

Project sites governed by safety protocols and ISO 45001-2018 certified



#### Intellectual Capital

Opportunity to participate in innovative and industry transforming initiatives such as the real estate digital services platform, Lodha Net Zero Urban Accelerator

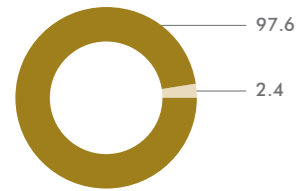


#### Natural Capital

Reward and recognition programmes for new and scalable energy and water conservation ideas.



Headcount (Headcount %)



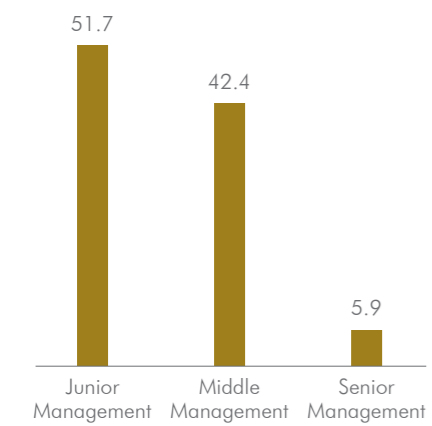
- Permanent employees
- Other than permanent employees

Gender wise breakup FY23 (in %)

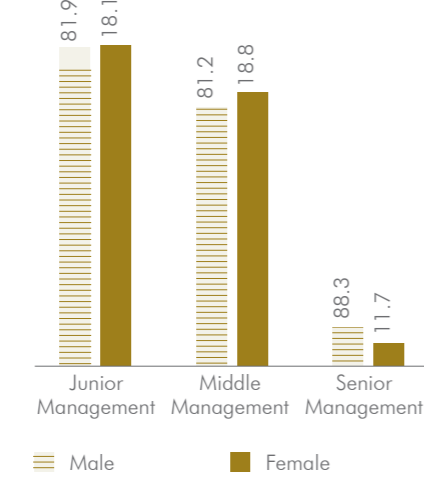


- Male
- Female

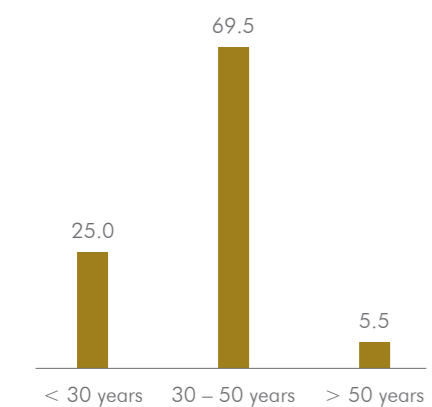
Level wise break up FY 23\* (in %)



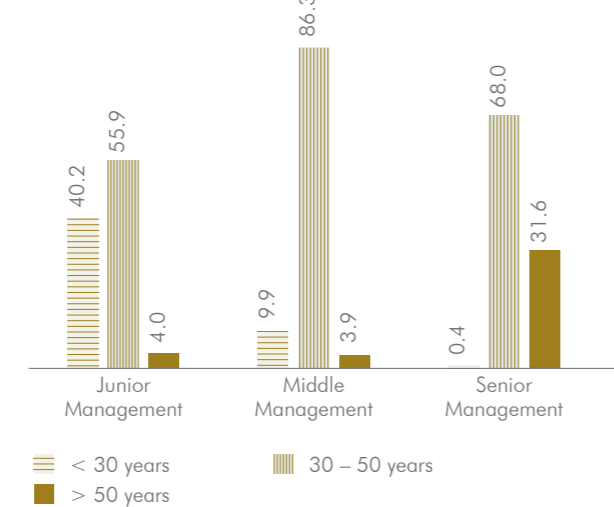
Gender and Level wise break up FY 23\* (in %)



Age wise break up FY 23\* (in %)



Age and Level wise break up FY 23\* (in %)



\*Permanent Employees

## WE CARE

Our "We Care" initiatives are designed to ensure that our employees feel cared, respected and valued. We Care encompasses three elements - Employee Engagement, Employee Well being and Leadership connects.

### Employee Engagement

Our employee engagement initiatives are designed to build a work culture to ensure that employees are motivated and invested in our collective success. We have facilitated an array of engagement activities that build, enhance and promote connected, empathetic, and cohesive workplace culture.

### Lodha Premier League (LPL)



LPL was spread across 21 days, with over 1400 employees, 184 teams and over 170 matches.





**Team Get-Together**

Over the years, our annual team outings have played a significant role in helping employees unwind and reduce stress, while also enhancing inter-team collaboration. These gatherings provide a platform for leaders to motivate employees, cultivating a shared sense of purpose and driving increased productivity within the workplace.

**Celebrations and Festivals**

Celebrations are an integral part of our life at Lodha. Together we celebrate our achievements, festivals, birthdays and professional and personal milestones. These occasions allow employees to connect with each other and also motivate to achieve more.

**Employee Well-being**

We strive to ensure a good work- life balance, physical, mental and financial wellbeing of our employees . We have several initiatives and policies in place towards ensuring holistic wellbeing of our employees.

**1.3%**  
FY23 absenteeism rate

**Physical and mental well-being**

**Wellness Wednesday**

Every month wellness sessions are conducted at all locations and ensured both physical and mental wellbeing of our employees. In FY 23 these sessions included Zumba dance, Desk Yoga, Mental Health workshops, Eye & Dental Check Up camps & more.

**Tata Mumbai Marathon 2023**

We participated in 'Tata Mumbai Marathon 2023' marking our 11th year of participation. For us this is an opportunity to promote wellness and also give an opportunity to employees to give back to society as they can contribute the registration charges to an NGO of their choice.

**Golden Hour**

'Golden Hour' aims to provide comprehensive emergency medical support to our employees, within the first 60 minutes after a trauma, injury or sudden illness.

**Quality healthcare**

	Group Mediclaim Policy
	Group Personal Accident Policy
	On-site Health Camps
	Quality healthcare services with Discounted Health check-ups in collaboration with M-Fine App for employees

Tie-up with doctors from renowned Hinduja Hospital

- Curated sessions on anxiety, depression, and mental wellbeing for employees and their family members
- Counseling and consultation

**Financial well-being**

**Awareness sessions**

On financial literacy and management

**12 months salary**

Paid to legal heirs in case of demise of an employee

**Timely support**

In financial crises

**Parental benefits**

**New parent leaves**

Parental and adoption leave

**Maternity benefits**

Travel reimbursement, flexi work hours, weekly nutritional goodie basket, cafeteria service at workstation

**26**  
Weeks of maternity leave

**12**  
Weeks of maternity adoption leave

**5**  
Days paternity/ paternal adoption leave

**157**  
Employees availed parental leave

**125**  
Male employees availed paternity/adoption leave

**24**  
Female employees availed maternity/ adoption leave

**100%**  
Employees returned from parental leave

**83.4%**  
Employees retained

**88%**  
Retention of female employees

**82%**  
Retention of male employees



### Leadership Connects

This program provides a platform to our leaders to meet employees in both formal and informal setups and facilitate coaching and mentoring.

#### Coffee with Abhishek

Quarterly virtual interactive session where our MD & CEO shares his vision, goals and business updates with all employees. It also provides opportunity to employees to share their thoughts and experiences.

**4**  
Sessions  
**90%+**  
Employees attended

#### Leadership Speaks

The monthly interactive session provides a platform to employees to share ideas, thoughts, concerns and solutions with the leadership team on varied topics eg career planning, continuous learning, culture and many others.

**4**  
Sessions  
**80%+**  
Employees attended

#### Skip-a-Level

These meetings give employees an opportunity to meet with the manager's manager and have an open and unfiltered discussion on workplace matters.

#### Town-halls

We conduct regular departmental townhalls and team meetings where leaders provide important updates and share future roadmaps. This has helped in both effective communication and alignment within our teams.



We regularly conduct learning sessions for our employees

### Lodha Culture Survey

We conduct biennial culture surveys to ascertain employees' perception, expectations and satisfaction and feedback on our culture codes and potential improvement areas.

**70% (↑62%)**

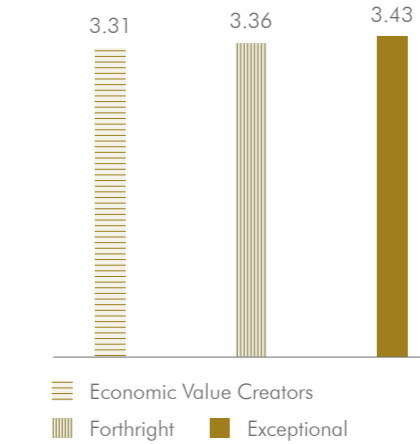
Participation rate

**3.32 (↑9%)**

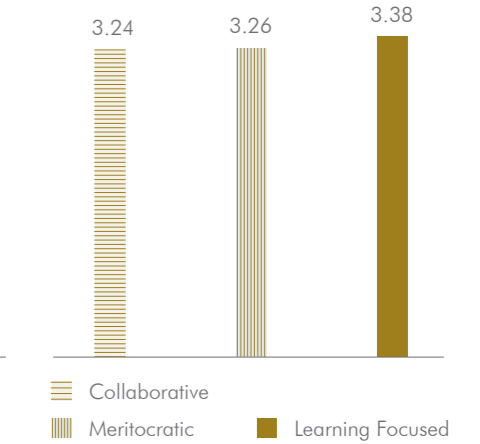
Score

\*On a 4 point scale

#### Top 3 Culture Code Lodha Culture Score\*



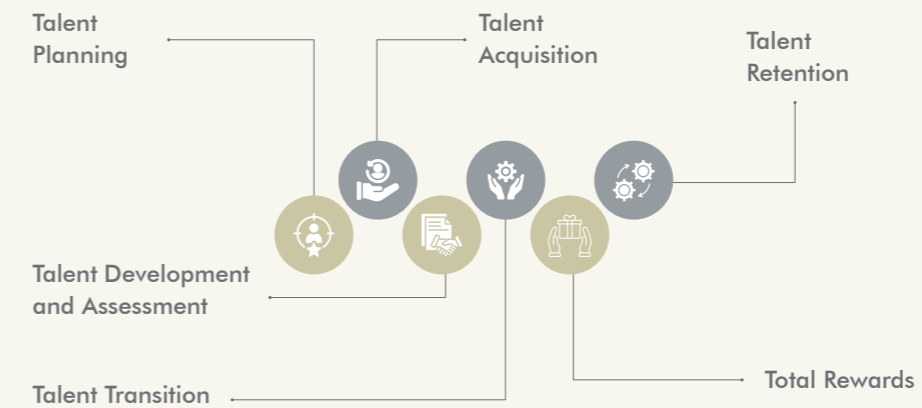
#### Bottom 3 Culture Code Lodha Culture Score\*



### TALENT MANAGEMENT

We have always believed that our employees are central to our continued success and hence their growth and development has been one of our top priorities.

Six pillars of our talent management framework.



The six pillars are supported by robust talent infrastructure, people, policies & systems, are aligned to long & short term business strategies and key external factors and ensure both fairness and equity at all the stages of employee life cycle.

Our talent management approach coupled with our culture and our We Care approach has enabled us to create a workplace which is both fulfilling and conducive to professional and personal growth, and workforce that is engaged, productive and highly motivated.



Talent Acquisition and On-Boarding

Our 'talent-first' paradigm which emphasises inclusivity, diversity and fairness has enabled us to attract and retain the best talent.

Our talent acquisition strategy is built on two fundamental blocks of meritocracy and cultural alignment.

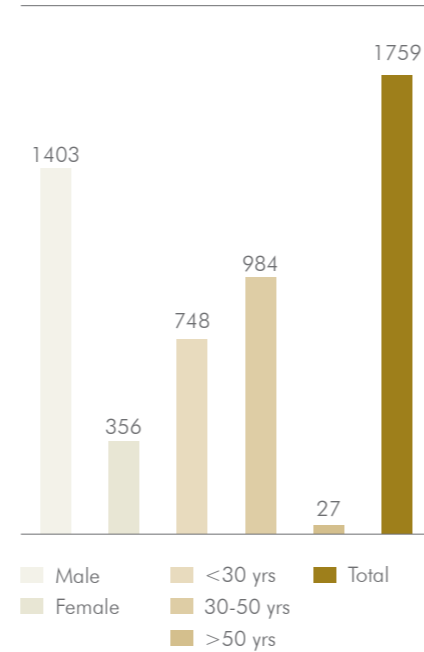
80+

Cross departmental Talent Acquisition Champions (TAC) assess candidates on culture fitment based on Lodha DNA parameters and mentor new hires for 12 months post onboarding.

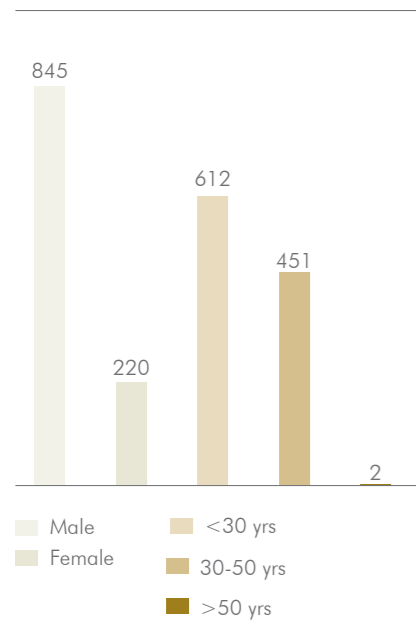
Trainings to new joinees on

- Prevention of Sexual Harassment at Workplace Policy
- Prevention of Personal Harassment at Workplace Policy
- Anti-Money Laundering, Anti-Bribery and Anti-Corruption Policy
- Whistle Blower Policy
- Transparency, Ethics policy
- Code of Conduct

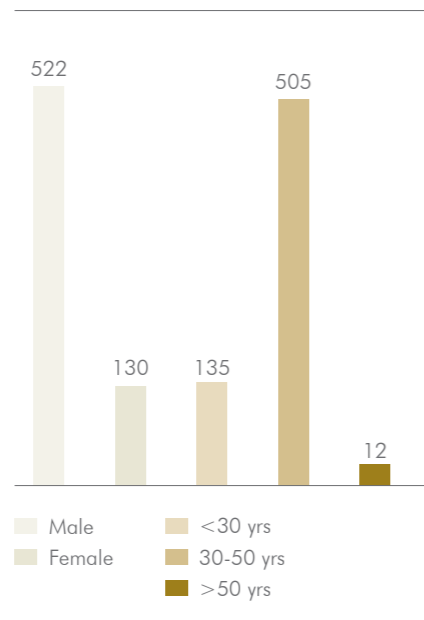
Talent hired FY23\*



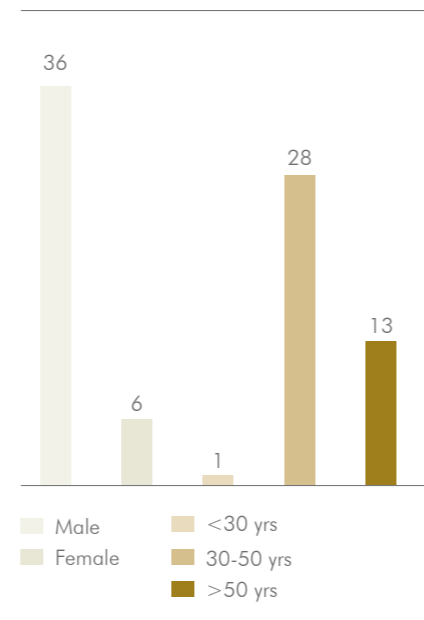
Junior Management : Gender & Age group wise breakup\*



Middle Management : Gender & Age group wise breakup\*

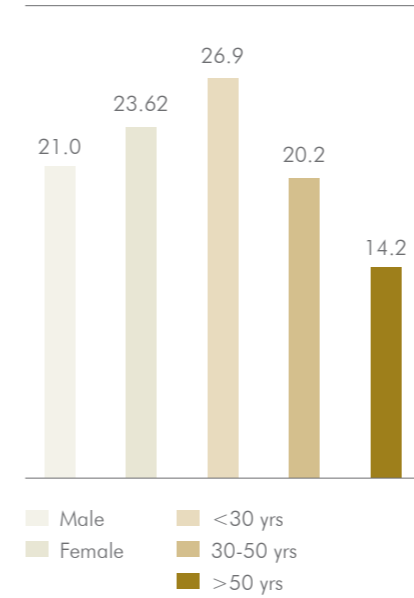


Senior Management : Gender & Age group wise breakup\*



\*Permanent Employees

Learning hours per employee FY23\*



Capability Building

We use a three-tier approach to enhance and build technical and behavioural capabilities of our employees

We extensively utilise our internal talent pool to impart knowledge and skills to our teams, in addition to various off-the-shelf and customised development programs by external subject matter experts.



Some capability programmes conducted during FY23

Programme Name	People Manager Series	Development Journey - Construction Management	Next Big Leadership Program
<b>Description</b>	Focused intervention to train people managers in effective team management and focus on team growth, development and overall wellbeing.	This programme aims at grooming aspiring young engineers to become Project Managers and Deputy Construction Heads. The programme includes technical and behavioural training sessions, cross-site functional exposures, and leadership connects. More than 70% of the employees who completed this programme had a significant change in their role	A leadership development programme designed to groom high performing and high potential employees for leadership roles. This journey includes learning programmes, live projects, stretch assignments, leadership connect and group mentoring. Within a year more than 28% of the employees had a significant change in their role.
<b>Coverage</b>	<b>277</b> Employees	<b>39</b> Employees	<b>21</b> Employees

\*Permanent Employees



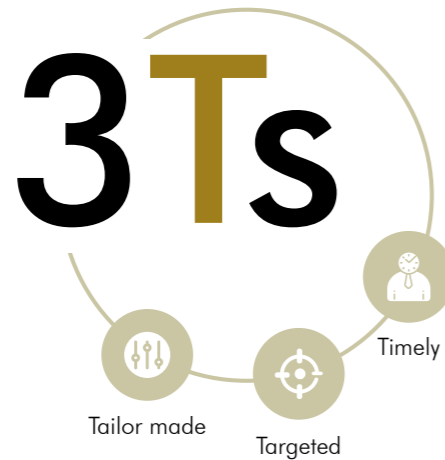
### Learning and Development

We encourage a learning culture for our employees throughout their association with the Company where we provide opportunities to employees to enhance their behavioural, functional and technical competencies through various interventions such as classroom and online training, on-the job learning, cross functional projects, short term deployment, coaching, mentoring etc.

Our employee learning framework, has a holistic perspective and recognises that cultural fit as important as technical and behavioural capabilities.

We regularly conduct awareness and refresher courses ethical business practices and key initiatives like human rights, code of conduct, and sustainability for all our employees.

Our training programmes are customised on the fundamental of 3Ts.



**97.6%**  
Employees covered in  
FY 23 under L&D initiatives

**₹1,644**  
Learning Expense per  
employee

**21.5**  
Learning hours per  
employee

### Lodha Development Center

Lodha Development Centre (LDC) was launched to impart hands-on-training to employees with a view to infuse 'DO IT RIGHT FIRST TIME' attitude & adopt latest technology, drive efficiency, and effectiveness.



Inauguration of Lodha Development Centre

### Internal Mobility

Our internal mobility framework helps our employees to learn new skills and grow through experiencing and also meet their career aspirations.

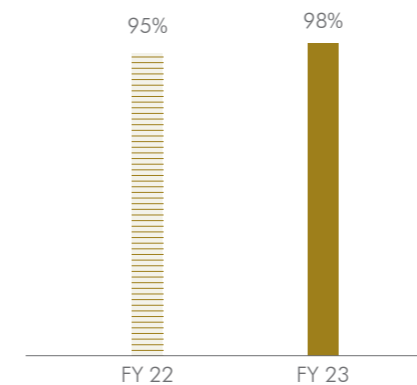
**25% (592)**  
Open positions closed  
internally

**31%**  
↑ internal moves  
over last FY

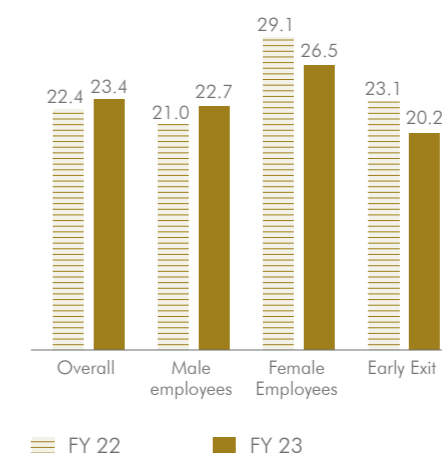
### Employee retention

We have improved our key talent retention from FY 22 and have consistently kept it at 90% or higher for last 4 years.

### Key Talent Retention%



### Attrition%

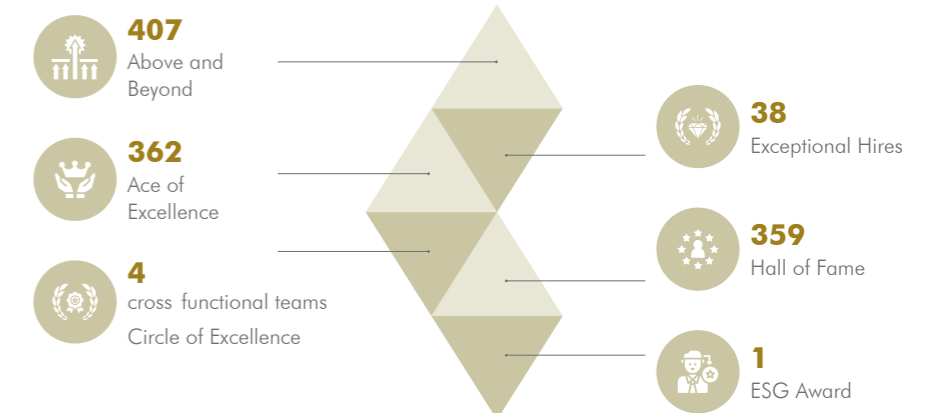


### Managing Performance

Our Performance Management philosophy is based on top-down approach for cascading of goals and includes bi-annual (mid year and annual) performance review & feedback and annual multi-dimensional performance feedback for employees.

### Rewards and Recognition

Our R&R framework **LACE (Lodha Associate Celebrate Excellence)** continues to build a culture of appreciation and enhance morale, performance and engagement levels of our employees.



### Succession Planning

Our succession planning framework is combination of

- Career planning - an employee-centric approach to identify the career aspiration of employees and
- Career management - an organisation-centered practice for achievement of business objectives

We further support it by effective job design, varied internal development opportunities and our organisational structure.

**100 %**  
of eligible employees had annual  
performance evaluation

**100 %**  
of employees had career  
conversations during the year



OCCUPATIONAL  
HEALTH AND SAFETY

# 'Zero Hospitalisations and Zero Fatalities'

We continuously strive towards enhancing the well-being of our employees. Our efforts to build safety capability at all levels is in line with our business goal of 'zero hospitalisation and zero fatalities'.

We have adopted robust workplace health and safety policy framework for ensuring a safe and incident-free workplace, along with effective investment in health promotion and disease prevention at all levels of the business.

We consistently demonstrate our resolve in this regard by proactive and regular review of our operations, updating policies and procedures, creating awareness and educating our workforce on safety practices.



### Certifications

**ISO 45001**  
(Occupational Health and Safety Management Systems)



**ISO 14001**  
(Environmental Management System)



### Proactive Safety Approach

Our sites are governed by safety protocols to prevent unforeseen incidents or accidents.

Regular inspections and review of operations	Wide dissemination of EHS information
Strengthening of policies & procedures	EHS training to workforce

### ENVIRONMENT, HEALTH AND SAFETY (EHS) COMMITTEE










Our safety governance structure is driven by the Environment Health & Safety Committee which works closely with worker representatives to ensure their involvement in our health and safety initiatives and programmes.

The committee meets weekly to review EHS Performance and ensures efficacy of various EHS initiatives. It is responsible for conducting a thorough evaluation of all incidents and dangerous occurrences including near misses, and shares the findings with the stakeholders for mitigation and corrective action.

The committee has implemented an EHS reward and recognition system to encourage employees and workers to follow the "right" EHS behaviour.

### Safety Protocols

All our worksites adhere to our stringent safety protocols, ensuring prevention of any unforeseen incidents or accidents.

 EHS induction training	 Preventive maintenance
 Visitor protocols	 Regular inspections to eliminate unsafe working conditions
 Awareness sessions	 Biometric access control
 Medical screenings for workers	 Permit to Work system for hot areas
 Mandatory PPEs for workers	



**Zero Tolerance Substance Abuse Policy**

Policy applicable to all stakeholders of the company, including employees, contractors, sub-contractors, vendors, and visitors.

**Zero**

Tolerance for substance abuse

**2,800+**

Internal inspections were done during FY 23

**Continuous improvement**

- Usage of PVC sleeves /plastic cable routers to prevent tripping hazards.
- Usage of fabricated working platforms made of scrap that provides a stable and safe surface to work
- Fabricated fire hose reel drums – ease of usage in the event of a fire.

**Results**

**0.054**

Lost Time Injury Frequency Rate (LTIFR) for FY 23

**83,807**

Worker coverage of medical screening

**44,600**

Hours of EHS training completed

**3,100+**

Awareness / training sessions on safety conducted

**Worker Participation in Environment, Health and Safety**

Workers at all levels are consulted and participate in the development, planning, implementation, evaluation and improvement of our EHS management system.

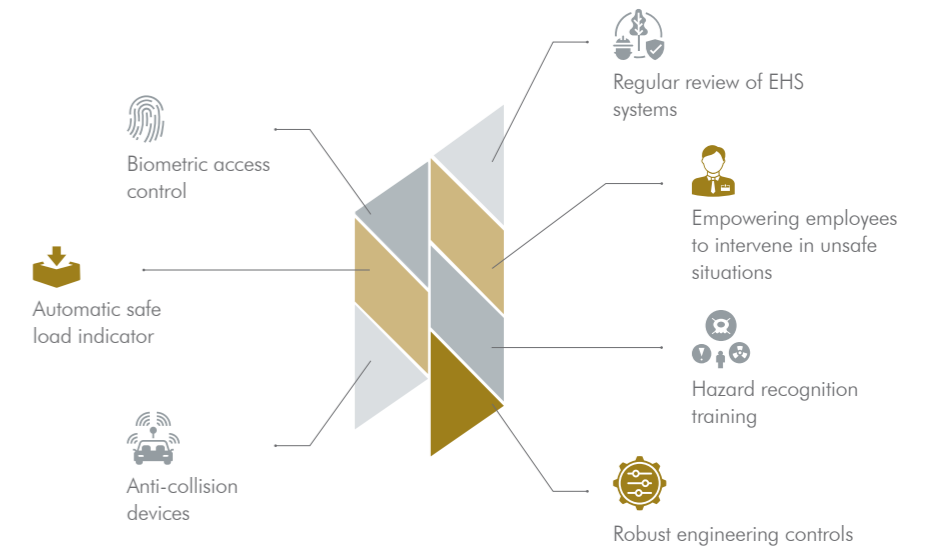
Workers are encouraged to participate in the process of identification of hazards, assessment of risks and determination of controls; Contractor Engineers/ Supervisors/worker representatives participate in the investigation of near misses, incidents, etc.



**Everyone Goes Home Safe Every Day**

**We have implemented several safety process improvements to ensure safety of our employees and workers.**

**Safety Process Improvements**



**Regular Audits**

Quarterly audits help us identify improvement areas and ensure compliance with regulations & standards.

We have also started plant and machinery audits to identify areas for improvement to reduce the risk of accidents and ensure efficient operation of equipment

**Stop Work policy**

Employees, contractors and authorised visitors can stop work immediately if they perceive imminent danger within the workplace.

**Health Care**

First Aid facilities, Qualified Doctor and Nurses, Ambulance & Emergency Care

**5**

Stop work orders

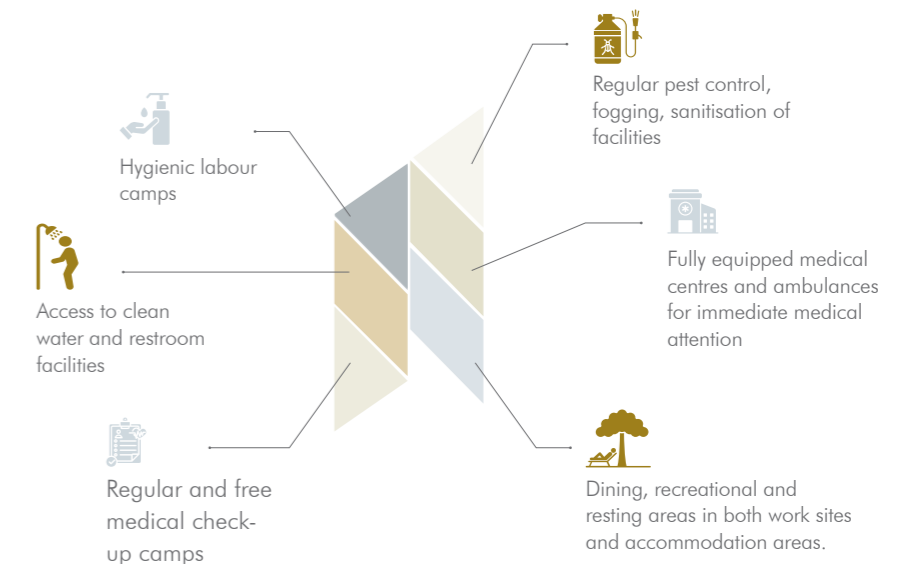
**107**

Mock drills conducted

**Emergency Preparedness Plan**

While ensuring the safety and security of our employees, stakeholders and assets, we are also prepared to face any emergency situation and have necessary plans, equipment and people in a state of readiness to address such situations as and when they arise. Our emergency preparedness plan for all our facilities includes a dedicated team responsible for effective implementation and execution of the plan.

**Welfare Measures**





## DIVERSITY AND INCLUSION

We believe that diversity and inclusion bring experience, knowledge and skills, which when properly harnessed, can significantly increase our ability to proactively respond to a dynamic changing business environment.

Our workforce represents diversity in gender, educational background, expertise, geographic origin, age, disability, family responsibility, marital status, religion and socioeconomic status. This rich diversity in our workforce is one of our greatest strengths and plays a pivotal role in our continued success.

We are focused on cultivating a workplace culture that is equitable, merit-based and free from all forms of biases and ensuring that all employees feel cared, respected, included and have opportunities to grow and flourish.

**18.8%**

Improved overall Gender diversity

**4**

Employees with foreign nationality

**1**

Differently-abled employee

**97.6%**

Senior management hired from local communities

Gender Diversity	Generational Diversity	People with Disability
<ul style="list-style-type: none"> <li>Build an inclusive and equitable culture</li> <li>Platform for regular connect and pulse check</li> </ul>	<ul style="list-style-type: none"> <li>Knowledge sharing platforms - leverage employee experience</li> </ul>	<ul style="list-style-type: none"> <li>Building suitable infrastructure</li> <li>Identifying suitable roles</li> </ul>

### Supporting Our Women Employees

We strive towards creating a comfortable, safe and secure work environment for our women employees.

Our women workforce strengthens our organisational culture, and gives us a competitive edge in the market. They enable us to create long-term sustainable value for our stakeholders.

### Diversity and Inclusion Policy and Initiatives

We have a structured Diversity and Inclusion policy to drive related initiatives and policies across the Company. The policy covers all aspects of employment lifecycle.

Some Initiatives:



#### Creche Facilities

Available for employee's children between 6 months to 6 years



#### Women Safety

Local travel support through partnerships with taxi aggregators



#### Exit Discussion

Exit discussion with senior HR team.



#### Maternity Leave

6 months, fully paid maternity leave (extendable) Flexible work arrangements post joining.



#### Maternity Benefits

Weekly nutritional goodie baskets

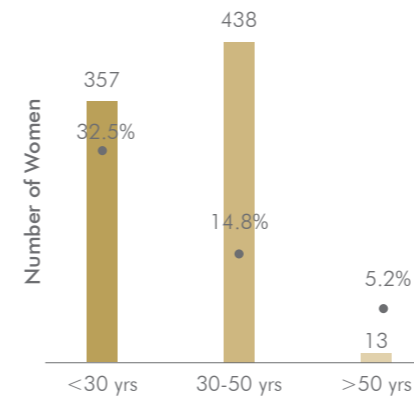


#### Development Programs

Specially designed development programmes including individualised learning programs, mentorship, live projects and regular feedback

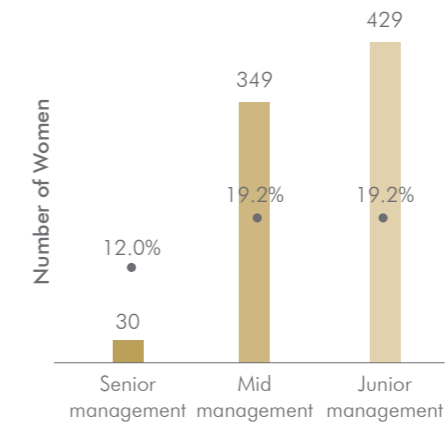
### Gender Diversity data FY23

#### Age Group



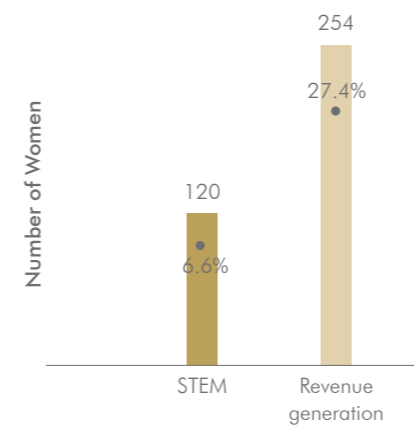
• % of Women in the category

#### Management Level



• % of Women in the category

#### Key Department



• % of Women in the category

'Awarded Best Organisation for Women 2023' by Economics Times.





**HUMAN RIGHTS**

As a responsible organisation, we respect and commit to uphold the human rights of all our stakeholders.

We are committed to adhering to internationally recognised human rights and proactively take measures to ensure that there is no infringement of human rights across our operations, supply chains, communities and business relationships.

We have zero tolerance for all forms of discrimination and harassment.

- 1 **Human** Rights policy
- 2 **Code** of conduct
- 3 **Equal** Employment opportunity policy
- 4 **Diversity** and inclusion policy
- 5 **Supplier** Code of conduct
- 6 **Whistle** blower policy
- 7 **Prevention** Of sexual harassment policy (POSH)
- 8 **Prevention** Of personal harassment policy (POPH)

Our commitment to human rights is reiterated through our Human Rights Policy which is applicable to employees, subsidiaries, suppliers and other stakeholders.

The Supplier Code of conduct sets out the responsibility of suppliers, vendors etc to uphold and respect human rights in their respective workplaces. Our corporate policies supporting and promoting human rights.

**Our Commitment towards Human Rights**

Our Human Rights policy sets out clear guidelines for our operations and suppliers to uphold internationally recognised human rights, including

▶ <b>Equal</b> employment opportunities	▶ <b>Freedom</b> from discrimination and harassment	▶ <b>Right</b> to a safe and healthy work environment
▶ <b>Prohibition</b> of employment of <ul style="list-style-type: none"> <li>• child labour</li> <li>• forced/ bonded/ unpaid labour</li> </ul>	▶ <b>Prevention</b> of <ul style="list-style-type: none"> <li>• modern day slavery</li> <li>• human trafficking</li> </ul>	▶ <b>Right</b> to fair remuneration
▶ <b>Freedom</b> of association	▶ <b>Right</b> to collective bargaining	

**Identifying and Mitigating the Risk**

We have a comprehensive system to identify, evaluate and address existing and potential human rights-related risks within our own operations as and in our value chain.

To mitigate these risks we take a proactive approach, ensuring no infringement of human rights within our operations, supply chains, communities or business relationships.

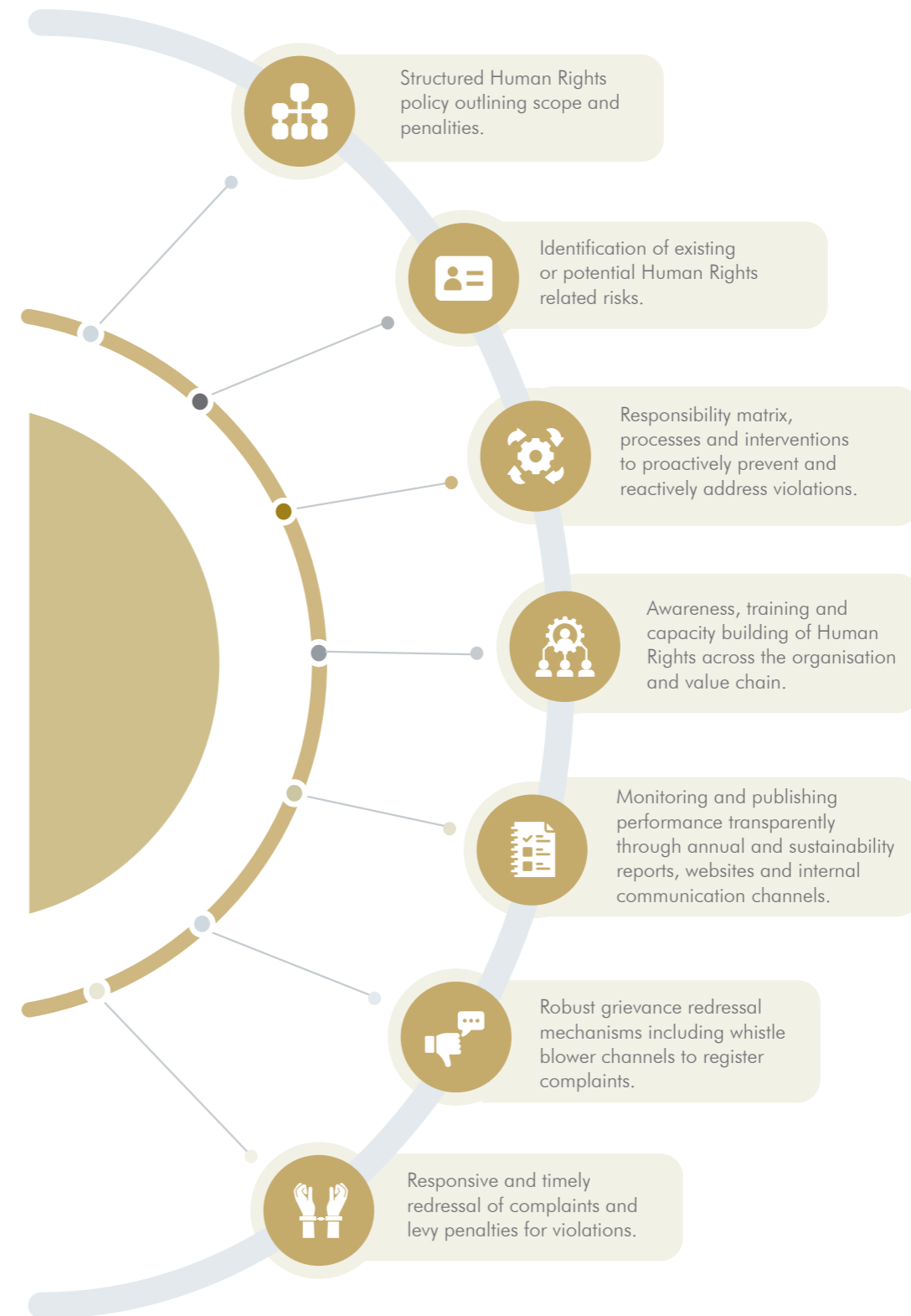
**Reporting and Redressal of Human Rights Violations**

We have institutionalised a system which allows for both reporting and redressal of human rights violations in a timely manner.

Employees can raise concerns regarding their employment through our grievance redressal mechanism.

Stakeholders can report grievances anonymously under the whistle blower mechanism.

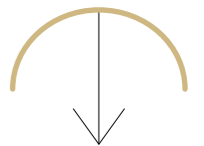
**Human Rights Grievance Redressal process**



**No major risk was identified for any of the stakeholders**



In FY 22, we conducted Human Rights due diligence for our employees and contract labourers employed within our premise. Our key suppliers were assessed against pre-determined human rights-related criteria (included in ESG assessment), to be eligible for consideration in the procurement process.



**No incident/ complaint/ grievance was reported on human rights violation**



**Zero-Tolerance for Discrimination and Harassment**



Zero tolerance for discrimination



Zero tolerance for harassment

**Prevention of Harassment at Workplace**

We have robust policies to prevent any form of sexual harassment at workplace and provide every employee with a safe, secure, and enabling environment.

**100%**

Employees trained on POSH and POPH

**No**

Complaint was reported to POSH committee about any sexual and/or personal harassment

Employees are trained on POSH policy and are encouraged to report any incident of sexual harassment to the POSH committee.

**Equal Employment Opportunity**

We provide equal employment opportunities and create an inclusive work environment.

We have implemented policies and processes to ensure that we continue to provide a workplace free from discrimination and a 'equal opportunity' merit based environment.

**Adherence to applicable labour laws**

We respect and support human rights in accordance with the Indian Constitution & applicable labour laws.

**No** to child labour

**No** to forced/ bonded/ unpaid labour

**No** to modern day slavery or human trafficking

**Yes** to fair and timely payment to employees and workers

**Measure and sustain change [GRI-2-24]**

We regularly measure and track the progress towards the key deliverables and organisation goals in areas like:



Adherence to our commitment on Human Rights



Gender diversity %



Preventing any form of discrimination and harassment



Enhancing employee engagement and satisfaction



Health and Safety

Annually, these metrics appear in the HR scorecards and some are also reported at various board level committees like ESG Committee, & Nomination and Remuneration Committee.

Metrics on gender diversity, health and safety and aspects of employee engagement are also included in the annual KRAs of Lodha Leadership team is regularly reported and reviewed.

**100%**

Employees were covered in learning sessions on Human Rights, Code of Conduct, Policies on Ethical Business Practices and Sustainability.







## SOCIAL AND RELATIONSHIP CAPITAL

# Building a Sustainable and Equitable Future for All



For us, the road to 'Building a Better Life' starts with stronger bonds with stakeholders, resting on key pillars of mutual trust, respect and transparency.

We contribute to nation building by creating a positive impact on society at large through our initiatives aimed at empowering women and securing the future of India's youth.

(GRI 2-6, 204-1, 308-1, 408-1, 409-1, 412-3, 413-2, 417-2, 417-3, 418-1, 419-1)

We make a meaningful impact in the areas of women empowerment, education, health and well-being through various initiatives that benefit our external stakeholders such as supply chain partners, our customers, and the local community.

As responsible corporate citizens, we are committed to safeguarding our country's present and future opportunities, particularly for children, youth and future generations, by investing in excellent education and sponsoring talent.

Our commitment is reflected in everything we do, from our community engagement programmes to our customer service initiatives. We believe that by placing a greater emphasis on social and environmental impact, we can create a more sustainable and equitable future for all.

### PERFORMANCE HIGHLIGHTS

**4L+**  
Lives impacted

**₹ 223.0 Mn**  
CSR expense

**4.64**  
CSAT score

### CAPITAL INTERLINKAGES

#### Social and Relationship Capital

Financial Capital	Human Capital	Manufactured Capital	Intellectual Capital	Natural Capital
₹ 223.0 Mn CSR expenditure	1,200+ volunteers contributing towards social impact	Customer satisfaction score of <b>4.64</b>	Innovative township and city development offerings impacting community development both within and near the developments	Mobilising and enabling our stakeholders to reduce their carbon footprint



**CLOSER TO THE COMMUNITY**

We are steadfastly committed to creating a positive and sustainable impact on society, not just through our community-facing initiatives aligned with the United Nations' Sustainable Development Goals (SDGs) but also through our community initiatives and the way we conduct business - which contribute directly and indirectly in enabling livelihoods.

Our initiatives are carefully designed to empower individuals and uplift their overall quality of life, thereby helping to create a better, more equitable world. Our focus is on women empowerment and education.

**Women Empowerment**

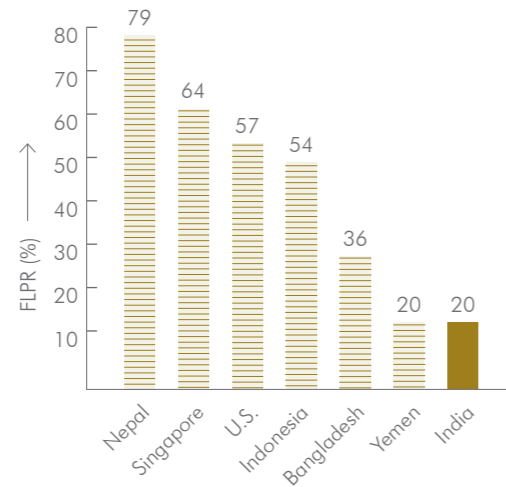
The female workforce participation in our country is less than 20% and comes at a huge economic and social cost. We firmly believe that empowering women is one of the most effective ways to unlock the next phase of growth for India.

Our focus on creating an enabling environment for women to enter the formal workforce begins by incentivising and supporting employers to hire more women. Also, we are creating a conducive environment to help women become employable with the help of necessary support systems to thrive professionally.

**Our vision**

To advance social and economic development of India by enabling women to obtain formal employment with regular monthly salary and less than 30 minutes commute time.

**Female workforce participation**



India could lose up to USD 6 trillion in GDP by 2050 if we do not utilise the female workforce.

**Our approach**



**Skill and prepare women for formal employment**



**Offer financial incentives and logistical support to corporates to increase their female workforce**



**Provide supportive services to working women to lower attrition, increase productivity and enable growth**



**Advocate for policies that create enabling conditions for women at the workplace**



Through Unnati, we are developing a platform which enables women get into the formal work force and earn a fair income.

**BPO, ITeS & Education**

Focus sectors for Unnati to bring more women into the formal workforce.

**Renuka Keswani**

- 37 years old

Renuka followed her ambitions of independence and self-reliance despite personal circumstances that drove her to work at a young age. She began teaching young pre-primary kids at the age of 15, while also continuing her own schooling.

Her commitment to learning and hard work paid off, as she landed a data-entry position with a financial institution after graduating. Her journey, however, was far from easy. She was compelled to take a sabbatical from employment after marriage and children owing to family responsibilities. This absence resulted in a five-year gap in her job, but she refused to give up on her dreams and was ready to return to work.

With the Unnati programme, she gained newfound strength and motivation. The programme has been instrumental in restoring her self-confidence and enhancing her communication skills. With a workplace close to home, where she can balance her responsibilities with ease, she is committed to making her dreams a reality.



First batch of women enrolled under Unnati programme



**Quality Education**

As India's economy quadruples, we will face a massive shortage of high quality managerial and technical talent. We are committed to addressing this gap as it is important to increase the quantum and quality of high calibre students in our country. There is also a need for a higher level of civic, social, and national commitment among India's most capable citizens. Unlike other countries such as Singapore, the USA, and Australia, India lacks well-defined programmes for academically talented students.

The Lodha Genius Programme is a joint initiative between Lodha and Ashoka University, India's premier liberal arts university, known for its interdisciplinary approach to education, world-class faculty, and commitment to social impact. The program seeks to address the acute shortage of high-quality talent in the country by supporting academically bright school students and provides them with the knowledge, skills, and network they need to succeed in today's complex, interconnected world.

We aim to significantly increase the proportion of young Indians who have the ability to become high quality technical and managerial resources and enable/inspire them to give back to the nation and society.

India has academically bright students, who are unable to reach their full potential due to lack of resources and opportunities, mental health and family issues. Supporting these students from a young age and teaching

them to use their talent for personal success and contributing to the nation will result in tremendous socio-economic growth.

The Lodha Genius Programme is open to students in grades 9 to 12 who demonstrate exceptional academic performance, leadership potential and a passion for learning. The programme will entail on-campus seminars and projects at Ashoka University, alongwith continued off-campus mentoring. Students will be trained by world-renowned mathematicians and scientists from the best institutions in India and abroad. Through continued mentorship, support and peer learning, the programme will build a strong foundation for the success of the students.

**100**  
Students



▼ Lodha Genius Programme

**Building Social Infrastructure through our K12 Schools**

Through our social infrastructure assets, we strive to give back to society and serve the community. We have started this journey by establishing schools within our project developments with the intention to impart quality education to young Indians and empower them to become 'leaders of tomorrow'. Presently, our educational portfolio boasts of seven K12 schools, and we are rapidly expanding to increase our reach and intensify our impact on society.

**Lodha Scholarship Endowment Fund**

The Lodha Scholarship Endowment Fund has been instituted with an aim to provide financial support can be provided to meritorious students every year. The programme offers financial assistance to students from Std. V to Std. XII living in the Mumbai Metropolitan Region (MMR) whose annual household income is less than ₹ 4,50,000. The scholarship covers 75% of the fee and other expenses. The programme is implemented in collaboration with the schools which identify and refer the students. With our endowment fund, we seek to alleviate the financial burden that can impede educational opportunities, ensuring that every child has an equal chance to thrive academically and pursue their aspirations.

**₹ 900,000**

Disbursed towards the scholarship

**375**

Students supported through scholarship

**>400**

Women offered job opportunities as teaching professionals

**>11,000**

Students benefitted through quality education



Our educational institutions align with Lodha's vision of 'Building a Better Life' and are committed to shaping the future of the nation by nurturing and empowering young minds.

It gives us immense pride and joy to have our efforts recognised.

Lodha World School, Thane

**#17** in Mumbai Times School Survey 2022

**#4** in Thane Education World India Rankings 22-23

Lodha World School, Palava

**#18** in Mumbai Times School Survey 2022

**#2** in Kalyan Education World India Rankings 22-23

Lodha Oakwood School Lodha World School, LSG The Shri Ram Universal School

**Top Emerging Schools** in Mumbai Times School Survey 2022



**Building Resilient Communities**

**Improving Lifestyles**

Purchasing a home is a universal aspiration, entailing, a substantial investment. We strive to make this dream achievable for as many people as possible, while continuing to maintain our high standards of quality.

We provide a plethora of amenities like green spaces, club houses, sports infrastructure etc., at our affordable

housing projects at Taloja, Thane and Upper Thane, which significantly improve the liveability quotient of the community at large, at highly competitive price points.

Our commitment to providing quality affordable housing options is enabled by our cost effective process, which benefits our customers financially, and helps them live a flourished life with a more sustainable future.

With these initiatives we have observed a substantial impact on not just liveability scores, but also a downward impact on crime levels in the neighbourhood.

**Generating livelihoods**

We are a significant generator of employment. We directly employ over 4,305 professionals and over 80,000+ jobs are created across construction, property management and supply chain.

Through Lodha Foundation we run continuous learning programmes to bridge the learning gaps in the youth from our local communities in terms of digital literacy and life skills.

The organisation also contributes to nation building with 8% of its revenues contributed in the form of taxes.

**12**

CSR programmes conducted by Lodha Foundation every month

**19%**

Of the total revenue contributed to nation building

**3%**

Of the total revenue tax contributed by employees and suppliers

**15%**

Of the total revenue tax paid to the government

**1,030**

Young adults are skilled and empowered to build enabling livelihoods for themselves

**1%**

Of the total revenue strengthen ULBs

**2%**

Of the total revenue paid to service delivery



Shot at CROWN TALOJA





**Supporting changemakers**

Our leadership, employees and residents play a critical role in realising our vision of 'Building a Better Life' through our community initiatives. We have created the 'Guardians of Change' programme, a platform that allows our residents and employees participate in and contribute to our community initiatives by donating their time and expertise.

**Empowering Local Communities through School Adoption**

We have adopted a local Zilla Parishad school in Khoni village to improve the quality of education and infrastructure. The initiative brought together our employees, residents of Palava, and students of Lodha World School to curate and conduct enriching learning experiences for the underserved children of the community.

**8,400**  
Volunteering hours



This year, volunteers conducted a reading programme and distributed books and learning materials to students.

Through this initiative, we aim to empower young underserved children by providing them with better education opportunities and infrastructure. Our commitment to this cause is evident through its collaboration with local residents, employees, and students

of Lodha World School to conduct enriching learning experiences for the children, providing them with the tools they need to succeed.

**200+**  
Students participated in the reading programme



**Our other community initiatives**

We are committed to the well-being of the communities surrounding our micro-markets, such as Malabar Hill, Dombivli, and Thane. We have implemented a mobile health clinic programme to ensure that families in distress have access to quality healthcare services. These mobile clinics are run by medical professionals, equipped with necessary equipment to offer primary healthcare services to the communities.

This programme ensures that families who may not have access to healthcare services due to financial or geographic barriers are still able to receive the care they need. By providing these services, we aim to improve the overall health and well-being of our community and empower them to lead healthier and more fulfilling lives.

**14,153**  
Number of citizens benefitted from the mobile health vans

**4 L +**  
Citizens benefitted from the sanitation drive



**CREATING AN ENRICHING LIFE FOR OUR CUSTOMERS**

We are deeply invested in the communities we build and strive to develop a lifestyle that provides individuals and families opportunities to thrive, build fulfilling social bonds and achieve their full potential. Right from the common spaces we build to how they are run and programmed – all are intended to achieve the same purpose.

Ensuring unparalleled customer experience remains one of our foremost priorities, and we continue to implement various measures to strengthen this commitment.

**Delivering a Customer-Centric Experience**

Our relationship with our customers commences when they start looking

for a quality home or work space and continues long after as we maintain the developments and deliver superior after-sales services.

Through a range of personalised and immersive customer engagement initiatives, we are committed to nurturing their well-being with meaningful and supportive engagements that build lasting relationships.



**CUSTOMER ENGAGEMENT**

**01 In-house Customer Support Team**

We have a dedicated customer support team, well equipped to handle customer queries and issues in a timely and efficient manner.

A dedicated Relationship Manager (RM) is assigned to each customer and serves as the primary point of contact for any questions, concerns, or issues that the customer may have. The RM proactively communicates with customers every 60 days to keep them informed about the progress of their project and to address any concerns they may have. This regular communication helps to build trust and a strong relationship between the customer and the Company.

**354 In-house customer care team**

Through these strategic initiatives, we have further solidified ourselves as a customer-centric organisation that values customer satisfaction and prioritises customer experience above all else.

**02 Pre-Possession Walkthrough**

Another key initiative of our customer engagement process is the Pre-Possession Walkthrough. This is a guided tour of the project that is conducted close to the actual possession date. During the walkthrough, customers can view all amenities and the actual flats, which helps to ensure that they have a clear understanding of what to expect when they take possession of their unit. This tour also provides an opportunity for customers to ask any questions they may have and to provide feedback to the Company.

We have taken strides towards fully digitising customer journeys, thereby eliminating manual errors and enhancing efficiency. We have also launched a dynamic app that serves as an interactive digital platform, providing customers with increased convenience and accessibility.

**03 My Lodha Community Portal**

We also provide customers with easy access to self-information at all times through our community portal. This portal allows customers to access all the information pertaining to their unit, including the status of the project, payment information, and other important details.

Customers can also contact their relationship managers via phone, email, or in-person meetings to resolve any queries or concerns they may have.

**04 Customer Satisfaction Surveys (CSAT)**

The CSAT survey is an effective tool to measure customer satisfaction at the time of handing over the unit is a proactive approach that enables us to ensure customer satisfaction and improve our services to meet the evolving needs and expectations of its customers. The survey provides valuable insights into the customer’s overall experience, including their interactions with the sales team, the quality of the property, the level of customer service provided by the Company, and the handover process itself. Our focus on customer satisfaction is a key part of our strategy to build trust and loyalty with our customers.

**4.64 CSAT score**



### Encouraging Sustainable Living

Our commitment to a sustainable living is evident in our efforts towards green mobility. We prioritise the promotion of sustainable transportation options in our communities, including bicycle sharing, buses, and electric vehicle (EV) charging infrastructure.

We integrate dedicated bicycle lanes and parking spaces for bicycles in our residential projects to encourage residents to use bicycles for commuting and recreation. This not only reduces the community's carbon footprint but also promotes a healthy lifestyle.

We develop residential projects in areas with easy access to public transportation, such as metro stations and bus stops, reducing the need for private vehicles, to further promote sustainable mobility.

We also provide charging infrastructure for EVs to our residents, encouraging the use of clean energy and supporting the

government's vision for a sustainable future. Our efforts towards green mobility are an important step towards creating eco-friendly communities that promote healthy lifestyles and sustainability.

#### 'Building a Sustainable Future' Campaign

We also launched a 'Building a Sustainable Future' campaign in collaboration with 'Better India', to educate and engage residents across the seven Lodha projects to engage in waste segregation and minimise plastic consumption.

Residents enthusiastically participated in the campaign, collecting plastic waste that was upcycled into school benches. Through this initiative, we donated these benches to the adopted Zilla Parishad school at Khoni, further supporting education and infrastructure of the underserved community.

**1,000+**

Residents engaged in initiative

**309 kgs**

Plastic upcycled

**765 kg CO<sub>2</sub>**

Emissions averted

**100**

Benches donated to the school

### Prioritising Health and Well-being

Ensuing health and well being of our customers is a top priority for us. With that in mind we ensure that our projects have plenty of green spaces and clean and safe drinking water. Recognising the importance of a healthy lifestyle, we ensure that our developments provide access to varied options for physical activities and healthy nutritional diets. Our food and beverage offerings with club-style pricing focus on value and wellness.

Our efforts to provide easy access to public transportation have also been instrumental in reducing travel time and improve the lives of our customers.

#### Hospitality and Property Management

Our commitment to delivering the best-in-class amenities is evident in our luxury residential projects that are at par with international standards. Our focus is to build a strong community that values the unique experience of being part of a Lodha development.

We believe that a well-defined approach to hospitality services is crucial to creating a distinct proposition for Lodha developments and building a strong brand in the long run.

We strive to set a benchmark for hospitality standards in our developments.

We also conduct cultural activities and provide top-notch sports coaching and academic counselling for children.

#### Secure Living Spaces

Our foremost priority is to provide a safe and comfortable living environment for all residents. We have implemented a range of emergency response facilities including security and surveillance initiatives, safety training, mock drills, and ease of access to building entry/exit/emergency exits, which ensure safety of residents at all our properties.

Our commitment to structural safety is evidenced by the efficient design features we incorporate in our buildings. Our structures are designed to withstand various calamities, such as fire, wind, flood, and seismic activity, providing our residents with a secure living space. We strive to maintain the highest standards of structural integrity and safety, and we continuously invest in innovative solutions to achieve this.



THE RESERVE, LODHA BELMONDO



### ENGAGEMENT WITH VALUE CHAIN PARTNERS

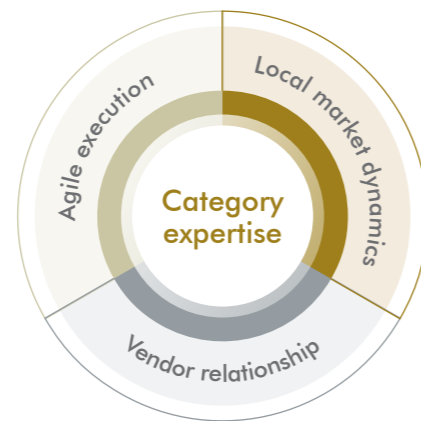
We are committed to building a network of suppliers who will evolve and grow with our operations, leveraging technological advances, expertise and new skills. We have developed a robust framework consisting of sound policies and supportive interventions to facilitate a transparent and seamless supply chain. This framework encompasses training and development, safe and conducive workplaces, and fair contractual terms that aim to nurture and empower suppliers.

By nurturing strong relationships with suppliers and supporting their growth and development, we are able to create a reliable and efficient supply chain that delivers exceptional value to our customers.

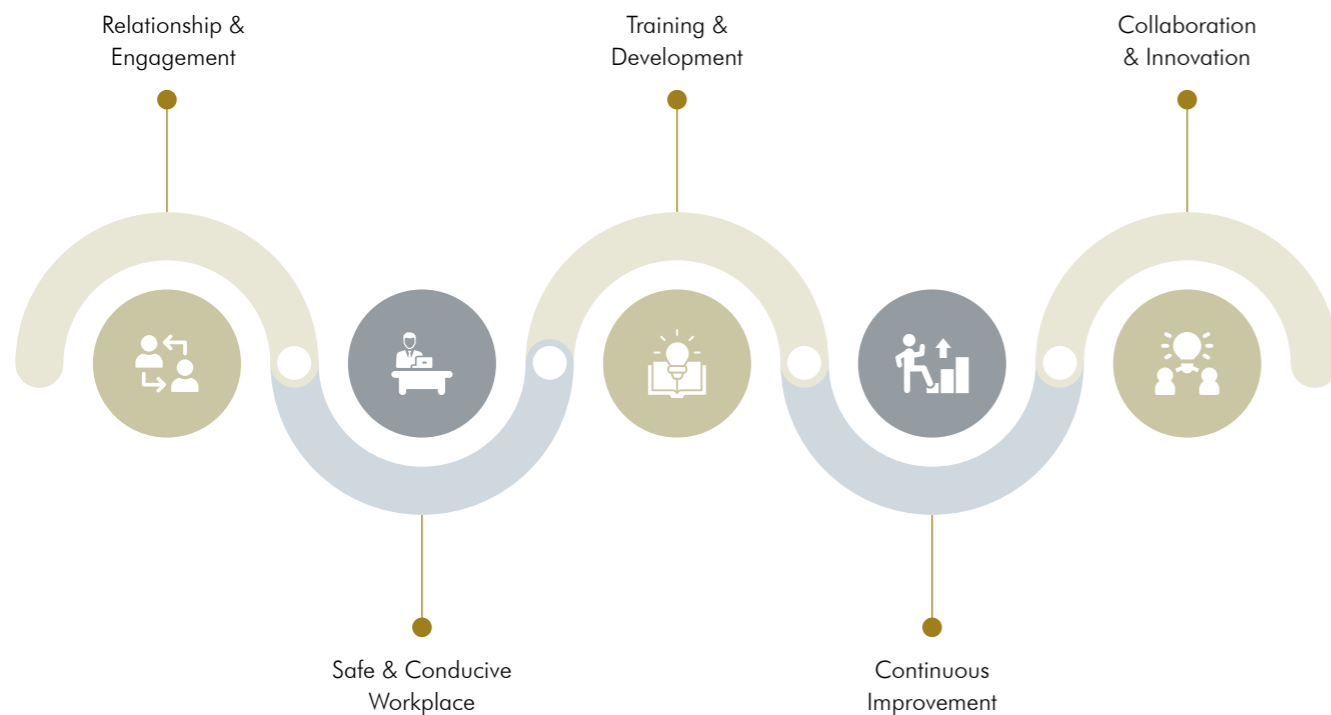
### Seamless procurement practices

Our efficient procurement processes have well-defined central & local procurement team roles to capitalise on centralised expertise and localised connect. The teams collaborate to consolidate requirements, plan materials, reduce inventory, and prevent wastage. Our efficient procurement processes are designed to minimise waste and reduce costs with data analysis and vendor collaboration.

- Capture synergistic opportunities through economies of scale
- Enhanced local coordination with vendor development & issue resolution
- Supplier market excellence



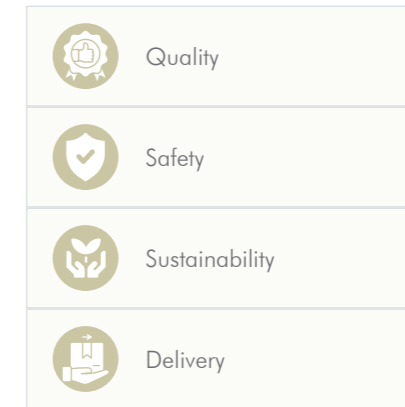
### Robust framework with sound policies



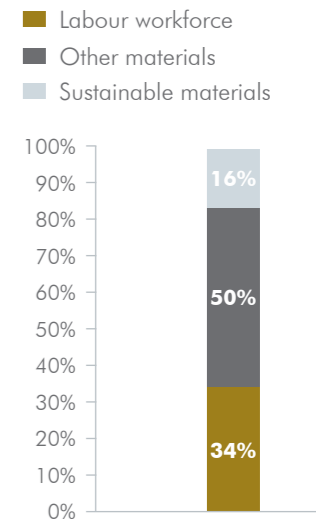
### Extensive performance evaluation across the engagement lifecycle

We have implemented comprehensive vendor performance guidelines in FY23, which are designed to assess major vendors across key parameters such as quality, safety, delivery, sustainability, and other relevant factors. The assessment process involves evaluating vendors based on the stage of work.

As the nature of our supply chain is multi-tiered, we consider supply chain opacity as an emerging risk due to increase in number of suppliers and evolving regulations on transparent reporting. To mitigate the regulatory impact of this risk on our business, we plan to implement a monitoring system to track suppliers' performance on established standards.



### Constructon spends break-up



### Sustainable procurement

We have a robust procurement policy that supports sustainable sourcing and a circular economy model. We prioritise buying from local communities and strategically creating job opportunities for vendors and allied service providers to positively impact their economic growth. We carefully evaluate and monitor vendor performance to maintain our high standards for quality, safety, and sustainability. Our approach supports the vendors and contributes to the socioeconomic well-being of the region.

MSME procurement	Local sourcing	Awareness Sessions	Sustainability Assessment	Sustainable materials
MSME procurement 35% of the input material was directly sourced from medium and small scale enterprises	Geo-mapping was done for ~72% of total material procurement and within this we found that ~72% of material is procured from within 400 km radius	Conducted webinars for all our major vendors to increase their awareness on Sustainability aspects	Conducted survey on awareness and sustainability practices with key vendors covering ~40% spend by value. In the next FY, we aim to increase the coverage by including the larger supplier base	Sustainable and recycled material contribute to ~25% of the construction spends on material





### Supplier Relationship Management

During this year, we further strengthened relationships with our key vendors by initiating a series of structured open house meetings. These meetings helped us articulate our strategic and sustainable roadmap, and also actively seek out feedback and insights from our vendors. By leveraging these interactions, we foster a culture of collaboration and partnership that is rooted in transparency, accountability, and mutual respect.



### Strategic Partnership Approach

With the objective to have better control on planning and cost, we are exploring avenues for long-term framework agreements with strategic vendors for major categories. This will enable us to enhance our supply chain resilience with a pool of highly capable vendors, explore more avenues for value engineering, reduce the vendor appointment and mobilisation timeline, and have better control on the quality, safety and statutory compliances.



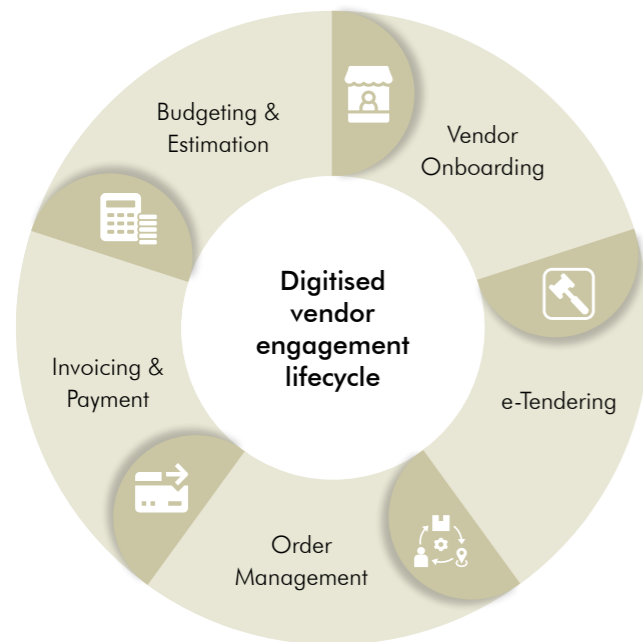
### Ethical and Humane Supply Chain

We, at Lodha, firmly believe in ethical and socially responsible business practices. Hence, we ensure that our suppliers uphold similar values and principles. We have updated our empanelment process to include acceptance of our Transparency and Ethics Policy along with our Supplier Code of Conduct which is available online at [www.lodhagroup.in/sustainability/](http://www.lodhagroup.in/sustainability/)



### Digitisation of the value chain

We have been progressively digitising the vendor engagement lifecycle to achieve overall operational improvement, efficiency, and better governance & transparency.



### ENGAGING WITH INVESTORS

We are committed to providing clear and concise disclosures that allow our stakeholders to make informed decisions about their investments. We firmly believe that transparency, honesty, and consistency are key elements in building value with our shareholders. In order to achieve this, we are committed to providing accurate and up-to-date information to the financial market, including current and potential investors, analysts, and other stakeholders.

We have established various channels to facilitate meaningful interactions

with our investors and analysts. These include investor and analyst conferences, periodic meetings, our integrated annual report, press releases or media updates, and earnings calls.

In all of our interactions with the investor community, we strive to highlight our strong operating and financial performance, as well as our commitment to sustainability disclosures.

**Working together towards a shared vision for success, we foster a sense of partnership and mutual respect with our investors.**



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304-2	Significant impacts of activities, products and services on biodiversity	BRSR Natural Capital - Biodiversity approach and measures	115	15	-	-
304-3	Habitats protected or restored	Natural Capital - Biodiversity approach and methods	115	15	-	-
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	Natural Capital - Biodiversity approach and methods	115	15	-	-



GRI	GRI Description	Section of the Report	Page No.	Mapping with SDGs	Mapping with TCFD	Mapping with BRSR
<b>GRI 305: EMISSIONS 2016</b>						
305-1	Direct (Scope 1) GHG emissions	Natural Capital - GHG Emissions and Intensity	108, 242	13	-	Principle 6 - EI 6
		BRSR				
305-2	Energy indirect (Scope 2) GHG emissions	Natural Capital - GHG Emissions and Intensity	108, 242	13	-	Principle 6 - EI 6
		BRSR				
305-3	Other indirect (Scope 3) GHG emissions	BRSR	108, 245	13	-	Principle 6- LI 4
305-4	GHG emissions intensity	Natural Capital - GHG Emissions and Intensity	108	13	-	Principle 6- EI 6
		BRSR				
305-5	Reduction of GHG emissions	BRSR	243	13	-	Principle 6- EI 7
<b>GRI 306: WASTE 2020</b>						
306-1	Waste generation and significant waste-related impacts	Natural Capital - Waste management approach and measures	111, 243, 244	-	-	Principle 6 EI 8
		BRSR				
306-2	Management of significant waste-related impacts	Natural Capital - Waste management approach and measures	111, 243, 244	-	-	-
306-3	Waste generated	Natural Capital -Waste management approach and measures'	111, 243, 244	-	-	Principle 6- EI 8(a)
		BRSR				
306-4	Waste diverted from disposal	Natural Capital -Waste management approach and measures	111	12	-	-
306-5	Waste directed to disposal	Natural Capital -Waste management approach and measures	111	12	-	-
<b>GRI 308: SUPPLIER ENVIRONMENTAL ASSESSMENT 2016</b>						
308-1	New suppliers that were screened using environmental criteria	BRSR	246	-	-	Principle 6- LI 9
308-2	Negative environmental impacts in the supply chain and actions taken	BRSR	246	-	-	Principle 6- LI 8
<b>GRI 401: EMPLOYMENT 2016</b>						
401-1	New employee hires and employee turnover	Human Capital - Performance highlights	137	-	-	Section A: General disclosures- Part IV
		BRSR				
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	BRSR	231	8	-	Principle 3- EI 2
401-3	Parental leave	Human Capital	141	-	-	-



GRI	GRI Description	Section of the Report	Page No.	Mapping with SDGs	Mapping with TCFD	Mapping with BRSR
<b>GRI 403: OCCUPATIONAL HEALTH &amp; SAFETY 2018</b>						
403-1	Occupational health and safety management system	Human Capital - Occupational Health and Safety	148	3,8	-	Principle 3- EI 10
		BRSR				
403-2	Hazard identification, risk assessment, and incident investigation	BRSR	233	3,8	-	Principle 3- EI 10 (b), 10(c), 12
403-3	Occupational health services	BRSR	233	3,8	-	Principle 3- EI 12
403-4	Worker participation, consultation, and communication on occupational health and safety	Human Capital - Occupational Health and Safety	150	3,8	-	-
403-5	Worker training on occupational health and safety	Human Capital - Occupational Health and Safety	149	3,8	-	Principle 3- EI 8
		BRSR				
403-6	Promotion of worker health	BRSR	233	3,8	-	Principle 3- EI 10(a) & 10 (b)
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	BRSR	234	3,8	-	Principle 3- EI 12
403-8	Workers covered by an occupational health and safety management system	BRSR	233	3,8	-	Principle 3- EI 10 (a)
403-9	Work-related injuries	BRSR	234	3,8	-	Principle 3- EI 11
403-10	Work-related ill health	BRSR	234	3,8	-	Principle 3- EI 13
<b>GRI 404: TRAINING &amp; EDUCATION 2016</b>						
404-1	Average hours of training per year per employee	Human Capital - Capability building	145	4	-	-
404-2	Programs for upgrading employee skills and transition assistance programs	BRSR	232, 235	4	-	Principle 3- EI 8, Principle 3 - LI 4
404-3	Percentage of employees receiving regular performance and career development reviews	BRSR	233	8	-	Principle 3- EI 9
<b>GRI 405: DIVERSITY &amp; EQUAL OPPORTUNITY 2016</b>						
405-1	Diversity of governance bodies and employees	Human Capital - Gender Diversity Data	153	-	-	Section A: General disclosures- Part IV
		BRSR				
405-2	Ratio of basic salary and remuneration of women to men	BRSR	238, 239	5	-	Principle 5- EI 2 and EI 3
<b>GRI 406: NON DISCRIMINATION 2016</b>						
406-1	Incidents of discrimination and corrective actions taken	BRSR	240	5	-	Principle 5- EI 6

GRI	GRI Description	Section of the Report	Page No.	Mapping with SDGs	Mapping with TCFD	Mapping with BRSR
<b>GRI 407: FREEDOM OF ASSOCIATION &amp; COLLECTIVE BARGAINING 2016</b>						
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	BRSR	232	-	-	Principle 3- El 7
<b>GRI 408: CHILD LABOUR 2016</b>						
408-1	Operations and suppliers at significant risk for incidents of child labor	Human Capital - Our commitment to Human Rights	154	8	-	-
<b>GRI 409: FORCED OR COMPULSORY LABOUR 2016</b>						
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Human Capital - Our commitment to Human Rights	154	8	-	-
<b>GRI 410: SECURITY PRACTICES</b>						
410-1	Security personnel trained in human rights policies or procedures	Human Capital - Our commitment to Human Rights	154	8	-	-
<b>GRI 415: PUBLIC POLICY 2016</b>						
415-1	Political contributions	Consolidated Financial Statements - Note 46	418	-	-	-
<b>GRI 417: MARKETING &amp; LABELLING 2016</b>						
417-3	Incidents of non-compliance concerning marketing communications	BRSR	249	-	-	Principle 9- El 3
<b>GRI 418: CUSTOMER PRIVACY 2016</b>						
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	BRSR	249	-	-	Principle 9- El 3



# DIRECTORS' REPORT

To the Members,

The Directors are pleased to present the 28<sup>th</sup> Annual Report (and the 2<sup>nd</sup> Integrated Annual Report) of the Company for the financial year ended March 31, 2023.

## OVERVIEW OF OPERATIONS

We are among the largest residential real estate developers in India with presence across luxury, premium, mid-income and affordable segments through over 30 operating projects. We also develop commercial spaces comprising corporate offices, IT campuses, boutique offices and high street retail as part of our large developments. We not only develop these projects but also manage them post completion. Recently, we added a digital layer to our already established property management business through BelleVue, an integrated digital platform, to provide wider ambit of services to residents residing in our developments. We are focused on three of the largest cities of India - MMR where we are No. 1 player with a dominant market share and a growing presence in Pune and Bengaluru which we entered in FY23. We are also developing digital infrastructure parks across India mainly through our joint venture with India Opportunities Fund SSA Scheme I and Ivanhoe Warehousing Inc, funds managed by Bain Capital and Ivanhoe Cambridge (an arm of CDPQ).

### Best ever year

FY23 continued to build on the momentum seen in the previous year and emerged as the best ever year for the Company on several parameters. The Company achieved its best ever pre-sales of ₹ 120.6 Bn (34% YoY) as well as best ever collections at ₹ 106.1 Bn (23% YoY). The year also marked our entry into a new city i.e. Bengaluru where we acquired a JDA project. Company continued to reduce its net debt on a consistent basis through organic means with net debt for the year ending at ₹ 70.7 Bn (reduction of ₹ 22.3 Bn).

During the financial year, the Company launched 12 new projects and subsequent phases of existing projects. Some of the key launches during the year included Lodha Malabar, Lodha Bellevue, Lodha Divino, Ascenza, Crown Kolshet, Villa Royale Palava in MMR, and Lodha Giardino & Lodha Panache in Pune etc.

In FY23, the Company continued to add new projects in the under-represented micro markets of MMR & Pune where our brand is already well recognized and also marked our foray into Bengaluru market with acquisition of our first project. Our ability of quick turnaround from land acquisition to launch of the project has made us the preferred partner for the landowners to

do JDA on their land assets. This enabled the Company to add 12 new projects for 14 million square feet area amounting to nearly ₹ 200.0 Bn GDV during the year across various micro-markets of MMR, Pune & Bengaluru largely through JDAs.

In terms of completion, the Company received occupation certificates for 9.3 million square feet. Significant ramp up in construction was seen in FY23 as effects of the pandemic waned. With construction now in full swing, we expect significant completion to continue FY24 onwards..

### Focusing on green growth

Over the past year, we made major advances towards transitioning to net zero and creating a sustainable future for our stakeholders. We have switched our electricity needs to renewable sources in our entire operations and assets through a mix of direct purchase and on-site generation of renewable energy. With this we aim to achieve net zero carbon in our operations (scope 1, 2) within FY24, well ahead of our target (For more details refer the Net Zero Carbon Roadmap on page 107 of the Integrated Report). We also design all our projects as green buildings, our present certified/pre-certified portfolio is over 20 million sqft with an additional 30 million sqft under review for certification.

This year, we took significant steps across the focus areas of the Lodha Net Zero Urban Accelerator viz embodied carbon reduction, passive designs, equipment efficiency, clean energy and green mobility. We partnered with Xynteo on the 'Build Ahead Coalition' that also aims to unite multiple stakeholders from the construction value chain in India to achieve net zero built environment in India. With an unwavering focus we continue to work towards creating a development template for the real estate industry which will demonstrate that growth decoupled from emissions is possible.

We were also ranked in the top-tier of various global leading sustainability benchmarks this year including S&P Global Corporate Sustainability Assessment (CSA), GRESB, Sustainalytics, and others. For more details on our performance across sustainability benchmarks refer the sustainable growth section on page 57 of the Integrated Report.

## HIGHLIGHTS OF OPERATING & FINANCIAL RESULTS

### Operating Results

Particulars	UoM	Year ended March 31, 2023	Year ended March 31, 2022
Pre Sales (Developable Area)	Million square feet (Mn Sq ft)	9.4	8.0
Pre Sales	Number of units	8,303	7,237
Pre Sales Value	₹ Billion (Bn)	120.6	90.2
Collections	₹ Billion (Bn)	106.1	86.0
Completed Developable Area	Million square feet (Mn Sq ft)	9.3	5.3
Completed units	Number of units	9,623	4,551

### Financial Results

#### Standalone Financial Highlights

Particulars	(₹ Bn)	
	FY 2022-23	FY 2021-22
Revenue from operations	87.3	83.5
Total Income	89.9	84.5
EBIDTA before exceptional items	18.4	19.6
Finance Cost	6.0	3.9
Profit Before tax	1.9	16.0
Profit for the year	3.0	11.3

Revenue from operations increased by ~5% YoY to ₹ 87.3 Bn, primarily due to significant ramp up in construction activity leading to higher project completions and consequently higher receipt of occupancy certificates.

Profit for FY23 was ₹ 3.0 Bn as compared to profit of ₹ 11.3 Bn during the previous FY. The sharp decrease in profit was on account of exceptional item recognized in books pertaining to provision created on UK loans.

#### Consolidated Financial Highlights

The Audited Consolidated Financial Statements for the financial year ended March 31, 2023 have been prepared in accordance with Indian Accounting Standard (Ind AS) - 110 on 'Consolidated Financial Statement' read with Ind AS-28 on 'Investments in Associates and Joint Ventures', notified under the Act, read with the Indian Accounting Standards Rules as applicable and same are in compliance with the Companies Act, 2013.

Particulars	(₹ Bn)	
	FY 2022-23	FY 2021-22
Revenue from operations	94.7	92.3
Total Income	96.1	95.3
EBIDTA before exceptional items	20.7	21.8
Finance Costs	4.8	6.8
Profit Before tax	4.5	17.2
Profit for the year	4.9	12.1

Revenue from operations increased by ~3% YoY to ₹ 94.7 bn, primarily due to significant increase in pre-sales and area completed. Finance costs (other than included in Costs of Project) decreased by ~30% to ₹ 4.8 Bn in FY23, primarily on account of sharp reduction in debt levels and lower interest rates.

Profit for the year was ₹ 4.9 Bn as compared to ₹12.1 Bn in FY22. The sharp decrease in profit was due to recognition of exceptional item pertaining to provision created for UK Loans.

The consolidated financial results and the results of operations are further discussed in the Management Discussion and Analysis which forms part of this Integrated Annual Report.

#### DIVIDEND AND RESERVES

The Board of Directors at its meeting held on April 22, 2023, has recommended payment of ₹2/- i.e., 20% per equity share of ₹10/- each of the Company on pre bonus paid-up equity share capital (being adjusted proportionately after bonus allotment to ₹1/- i.e., 10% per equity share) aggregating to ₹1.0 Bn as maiden dividend for the FY23. The dividend, is subject to the approval of shareholders at the ensuing Annual General Meeting of the Company, will be paid on or after September 18, 2023. The record date for the purpose of payment of final dividend is September 08, 2023. As per the Income Tax Act 1961, dividend paid or distributed by the Company shall be taxable in the hands



of the Shareholders. The Company shall accordingly, make the payment of the final dividend after deduction of tax at source.

The Company has not transferred any amount to General Reserve during the year.

## DIVIDEND DISTRIBUTION POLICY

In terms of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('Listing Regulations') the Board of Directors of the Company (the 'Board') formulated and adopted the Dividend Distribution Policy (the 'Policy') which sets out the parameters and circumstances to be considered by the Board in determining the distribution of dividend to its shareholders and/or retaining profits earned by the Company. The Policy is available in the investor section of the Company's website at [www.lodhagroup.in/investor-relations](http://www.lodhagroup.in/investor-relations).

## SHARE CAPITAL

### Authorised share capital

As on March 31, 2023, the authorised capital of the Company was ₹ 13,076.4 Mn divided into 1,29,49,45,750 equity shares of ₹ 10 each aggregating to ₹ 12,949.5 Mn and 1,26,96,250 Preference Shares of ₹ 10 each aggregating to ₹ 127.0 Mn. The authorised equity share capital increased by ₹ 372.2 Mn on account of merger of certain subsidiaries with the Company.

### Offer for sale by promoters / promoter group to eligible QIBs

The promoters and certain members of the promoter group sold 3,45,70,506 equity shares of the Company through an Offer for Sale by way of a QIP to eligible qualified institutional buyers on December 12, 2022, taking the public shareholding of the Company to 25% as mandated under the SEBI regulations.

### Shares allotted pursuant to exercise of Stock Options

During the year, the Company issued and allotted 219,800 equity shares of ₹ 10 each and 62,712 equity shares of ₹ 10 each to eligible employees pursuant to exercise of stock options granted under Macrotech Developers Limited Employee Stock Option Scheme 2021 (ESOP Scheme 2021-I) and Macrotech Developers Limited Employee Stock Option Scheme 2021-II (ESOP Scheme 2021-II) respectively. Consequently, the issued, subscribed and paid up equity share capital of the Company has increased from ₹ 4,815.1 Mn to ₹ 4,817.9 Mn.

## MAJOR CORPORATE EVENTS

### Achievement of Minimum Public Shareholding

On December 12, 2022, your Company achieved Minimum Public Shareholding of 25% as stipulated under regulation 19(2) (b) of the Securities Contracts (Regulation) Rules, 1957, by way of an Offer for sale of 3,45,70,506 equity shares of the Company by promoters and certain members of the promoter group of the

Company to eligible qualified institutional buyers at ₹ 1,026 per share. This was achieved well ahead of the statutory timeline of April 18, 2024.

### Merger Schemes

Details on the merger schemes approved, filed and withdrawn during FY23 are provided in note 64 to the Standalone financial statements. Five wholly owned subsidiaries of the Company viz Bellissimo Constructions and Developers Private Limited, Homescapes Constructions Private Limited, Primebuild Developers and Farms Private Limited, Palava Institute of Advanced Skill Training Private Limited and Center for Urban Innovation Private Limited merged with the Company with effect from May 20, 2023, pursuant to approvals granted by the National Company Law Tribunal, Mumbai bench.

### Debentures

During the year under review, the Company has redeemed NCDs aggregating to ₹ 7,428.7 Mn. The Company has issued Senior, Secured, Redeemable, Listed, Rated NCDs aggregating to ₹ 3.7 Bn during FY 23. The total debentures outstanding as on March 31, 2023 is ₹ 12,382 Mn.

### Early redemption of Senior Notes by subsidiary

Lodha Developers International Limited, Mauritius, wholly owned subsidiary of the Company fully prepaid the US\$ 225 million, Singapore Stock Exchange listed 14% Senior Secured Notes in two instalments, in March 2022 and September 2022, six months prior to its contractual redemption date.

### Credit Ratings

The Company is rated by three domestic rating agencies namely, ICRA Limited and CRISIL Ratings Limited and India Ratings & Research Private Limited.

- ICRA Limited assigned a first time credit rating of ICRA A+ (Stable) for the Company's line of credit facility of ₹ 6.0 Bn.
- CRISIL assigned a long term rating of CRISIL A/Stable and a short term rating of CRISIL A1
- India Ratings upgraded the Company to A/positive in May 2022, a two notch upgrade from their previous rating of 'BBB+/ Positive' in December 2021.

### Exceptional ESG Scores

We were ranked amongst the top ~1% of the 867 global real estate companies in the S&P Global Corporate Sustainability Assessment (CSA 2022) and we received a score of 75 out of 100 in our second year of participation. This is a significant improvement over FY22 where we were placed in the top 13%. We also received an overall ESG risk rating of 13.8 by Sustainalytics, and were placed in the "low-risk" category of ESG risk severity. In addition to these, scored well in other sustainability assessments like GRESB where we received 5-star rating with a score of 95/100 in the "Residential: Multi-family: High-rise" category and were placed 3<sup>rd</sup> in Asia.

## Employee Stock Option Schemes

The Company has two Employee Stock Option schemes, namely ESOP Scheme 2021-I and ESOP Scheme 2021-II (ESOP Schemes). The primary objective of both schemes is to reward employees for their association, performance and contribution to the achievement of goals of the Company and to attract, retain and motivate key talent by rewarding good performance and motivating them to contribute to the overall corporate growth and profitability of the Company. The NRC administers and monitors the Company's ESOP schemes.

Both ESOP schemes are in compliance with ESOP regulations. The Company has received a certificate from Shravan A. Gupta & Associates, Secretarial Auditor of the Company, certifying that the schemes are implemented in accordance with the ESOP Regulations and the resolutions passed by the members. The certificate is available for inspection by members in electronic mode. Details of ESOPs granted and vested are available in note 63 of the Standalone financial statements.

Disclosures as required under the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (SBEB 2021), with respect to the Company's ESOP Schemes, as on March 31, 2023 are available on our website at [www.lodhagroup.in/investor-relations](http://www.lodhagroup.in/investor-relations).

## Issuance of Bonus Equity shares

The Company has allotted 48,18,05,547 bonus equity shares of face value ₹ 10 each to the existing equity shareholders of the Company, in the ratio of 1:1, by utilising the securities premium reserve and capital redemption reserve aggregating to ₹ 4,818.1 Mn, pursuant to shareholders approval granted by postal ballot on May 23, 2023. The Company's issued and paid up equity share capital after the allotment of bonus shares has increased to 96,36,11,094 equity shares of face value ₹ 10 each fully paid. The Company has also made necessary adjustments to vested and unvested stock options granted under the Company's ESOP schemes as per the SBEB 2021.

## DIRECTORS AND KEY MANAGERIAL PERSONNEL

### Appointments

Mr. Rajeev Bakshi was appointed as an Additional Director under the category of Independent Director of the Company with effect from June 29, 2022 by the Board of Directors on the recommendation of the NRC in accordance with Section 161(1) of the Act and the Articles of Association. His appointment as an Independent Director for a period of 5 years with effect from June 29, 2022, was approved by the shareholders at the previous Annual General Meeting (AGM) held on August 10, 2022.

Ms Harita Gupta was appointed as an Additional Director under the category of Independent Director of the Company with effect from September 20, 2022 by the Board of Directors on the recommendation of the NRC in accordance with Section 161(1) of the Act and the Articles of Association. Her appointment as

an Independent Director for a period of 5 years was approved by the shareholders by postal ballot with effect from September 20, 2022.

Mr Abhishek Lodha completed his present term as Managing Director & CEO of the Company on February 28, 2023 and was reappointed for a further term of five years by the Board w.e.f. March 1, 2023, based on the recommendation of the NRC and by the shareholders at the previous AGM held on August 10, 2022.

Mr Rajendra Lodha completed his present term as Whole time Director of the Company on February 28, 2023 and was reappointed for a further term of five years by the Board w.e.f. March 1, 2023, based on the recommendation of the NRC and by the shareholders at the previous AGM held on August 10, 2022.

Ms Raunika Malhotra was appointed as Whole time director for a period of two years by the Board of Directors with effect from June 26, 2023, based on the recommendation of the NRC and holds office till the conclusion of the ensuing AGM. Necessary resolution for her reappointment forms part of the accompanying AGM notice.

### Retiring by rotation

Mr. Rajinder Pal Singh retires by rotation and being eligible, offers himself for re-appointment.

A brief resume, nature of expertise, details of directorships held in other companies, of the Directors proposed to be appointed/re-appointed, along with their shareholding in the Company, as stipulated under the Secretarial Standards and Listing Regulations, is appended as an Annexure to the Notice of the ensuing AGM.

### Key Managerial Personnel

Key Managerial Personnel as per Section 203 of the Act as on March 31, 2023 are:

- Mr. Abhishek Lodha, Managing Director & CEO
- Mr. Rajendra Lodha, Whole time Director
- Ms. Raunika Malhotra, Whole time Director
- Mr. Sushil Kumar Modi, Chief Financial Officer
- Ms. Sanjyot Rangnekar, Company Secretary & Compliance Officer

### Declarations by Independent Directors

The Company has received declarations from all Independent Directors of the Company confirming that they continue to meet the criteria of independence, as prescribed u/s 149 of the Act and the Listing Regulations and that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. The Independent Directors have also confirmed that they have complied with the Company's Code of Conduct.



## Policy on appointment and Remuneration of Directors, Key Managerial Personnel and Other Employees and Board Diversity Policy

The Board has adopted a Nomination & Remuneration Policy on appointment and remuneration of Directors, Key Managerial Personnel & Senior Management and also a Board Diversity Policy. Salient features of the NRC Policy are annexed as **Annexure 1** to the Board's Report. These policies are available on our website at [www.lodhagroup.in/investor-relations](http://www.lodhagroup.in/investor-relations).

## Board Evaluation and familiarisation programme

The Board carried out an annual evaluation of its own performance, board committees, and individual directors pursuant to the provisions of the Act and the Listing Regulations. Further details on the evaluation framework, criteria, process and outcome are provided in the Corporate Governance Report which forms part of this Integrated Annual Report. All Directors participated in the performance evaluation process. The results of evaluation were discussed in the NRC and Board meeting held on April 22, 2023, where it was concluded that there was a high level of board effectiveness with no areas of major concerns and the Board committees and the directors were performing their duties adequately.

A note on the familiarisation programme adopted by the Company for orientation and training of Directors is provided in the Corporate Governance report which forms part of this Integrated Annual Report.

## BOARD COMMITTEES AND MEETINGS OF THE BOARD

In compliance with the statutory requirements, the Company has constituted five mandatory Committees viz. Audit Committee, Nomination & Remuneration Committee, CSR Committee, Risk Management Committee and Stakeholders' Relationship Committee. The Company has also constituted three operating/special purpose committees for better administration viz an Executive Committee, an ESG Committee and a Committee for Fund Raise.

All the recommendations made by all Board Committees, including the Audit Committee, were accepted by the Board. A detailed update on such Board Committees, its composition, governance of committees, terms and reference, number of Board and Committee meetings held during FY23 and attendance of the Directors at each meeting is provided in the Corporate Governance Report, which forms part of this Integrated Annual Report.

## SUBSIDIARIES, JOINT VENTURES, ASSOCIATES

As on March 31, 2023, the Company had 17 consolidating subsidiaries, 20 subsidiaries considered as joint ventures under IND AS 28 and 3 associates (including 1 associate considered as subsidiary under IND AS 110). A statement containing the salient features of financial statements and details of performance of the Company's subsidiaries and associates is attached to the financial statements of the Company in Form AOC-1.

## Subsidiaries incorporated during FY23:

1. Bellissimo In city FC Mumbai 1 Private Limited
2. Bellissimo In city FC NCR 1 Private Limited

## Entities which ceased to be subsidiaries of the Company on account of mergers during FY23:

1. Anantnath Constructions and Farms Private Limited
2. Sitaldas Estate Private Limited
3. MMR Social Housing Private Limited
4. Bellissimo Estate Private Limited
5. Renovar Green Consultants Private Limited
6. Kora Constructions Private Limited
7. Luxuria Complex Private Limited
8. Odeon Theatres and Properties Private Limited
9. Palava Industrial and Logistics Park Private Limited

## Subsidiaries which became joint ventures of the Company during FY23:

1. Palava Induslogic 4 Private Limited
2. Palava Induslogic 2 Private Limited
3. Bellissimo In city FC Mumbai 1 Private Limited

## Entities which ceased to be subsidiaries of the Company on account of mergers in FY24:

1. Bellissimo Constructions & Developers Private Limited
2. Homescapes Constructions Private Limited
3. Center for Urban Innovation Private Limited
4. Palava Institute for Advanced Skill Training Private Limited
5. Primebuild Developers and Farms Private Limited

The financial statements of each of the subsidiary companies are available on the Company's website at <https://www.lodhagroup.in/investor-relations/>. A copy of the same will also be available electronically for inspection by the members during the AGM. Physical copies of annual financial statements of the subsidiary, associate and joint venture companies will also be made available to the investors of the Company and those of the respective companies upon request.

Pursuant to Regulation 16(1)(c), Cowtown Infotech Services Private Limited (Cowtown) was a material subsidiary of the Company during FY23 however did not qualify as a material subsidiary in terms of Regulation 24(1) of the Listing Regulations. A copy of the Secretarial Audit Report of Cowtown is provided in **Annexure 2** to the Boards' report. It does not contain any qualification, reservation, adverse remark or disclaimer. Cowtown continues to remain a material subsidiary of the Company.

## AUDITORS & AUDITOR'S REPORTS

### Statutory Auditors

MSKA & Associates, Chartered Accountants were re-appointed as Statutory Auditors of the Company at the AGM held on September 3, 2021, for a second term of five consecutive years and hold office upto the conclusion of the AGM for FY26.

The statutory auditor's report for FY23 does not contain any qualifications, reservations or adverse remarks and is enclosed with the financial statements with this Integrated Annual Report.

### Internal Auditors

The Company has an Internal Audit department which is led by the Chief Internal Auditor. The scope of internal audit is based on an internal audit plan approved annually by the Audit Committee.

### Secretarial Auditors

The Company had appointed Shraavan A. Gupta & Associates Practicing Company Secretary to conduct Secretarial Audit for FY23. The Secretarial Auditor has confirmed compliance by the Company of all the provisions of applicable corporate laws. The Report does not contain any qualification, reservation, disclaimer or adverse remark. The Secretarial Audit Report is annexed as **Annexure 2** to the Board's report. The Board has reappointed Shraavan A. Gupta & Associates Practicing Company Secretary as Secretarial Auditor of the Company for FY24.

### Cost auditors and cost audit

The Company is required to maintain cost records and have the cost records audited by a cost auditor as specified u/s 148 of the Act. Cost records have been prepared and maintained by the Company for FY2. The Cost audit report for FY23 does not contain any qualification, reservation, disclaimer or adverse remark.

The Board on the recommendation of the Audit Committee has approved the appointment of D. C. Dave & Co, Cost Accountants, as Cost Auditors, for FY24. The resolution for ratification of remuneration payable to the Cost Auditors for FY24 forms part of the accompanying AGM notice.

### Reporting of Frauds by Auditors

None of the Auditors of the Company have reported any fraud as specified under the second proviso of Section 143(12) of the Act.

## RISK MANAGEMENT & ADEQUACY OF INTERNAL FINANCIAL CONTROLS

### Risk Management

Your Company has adopted a Risk Management policy which is based on three pillars: Business Risk Assessment, Operational Controls Assessment and Policy compliance. The policy lays down broad guidelines for timely identification, assessment and prioritisation and mitigating risks.

The Company has constituted a Risk Management Committee consisting of members of the Board and key executives of the

Company to identify and assess business risks and opportunities. The scope of the Risk Management Committee includes identifying and reviewing risks at both enterprise level and at project level, risk mitigation planning, implementation and monitoring. The Audit committee evaluates internal financial controls and risk management systems. Further details on the Risk Management processes and systems are provided in the MD&A and other parts of the Integrated Annual Report.

### Adequacy of Internal Financial Controls

The Company has a robust internal financial control system commensurate with the size, scale and complexity of its operations. It has put in place adequate controls, procedures and policies for ensuring orderly and efficient conduct of its business including adherence to policies, safeguarding its assets, prevention and detection of frauds and errors, accuracy and completeness of accounting records. The internal controls over financial reporting are identified by the management and are checked for effectiveness across all locations and functions by the management and tested by the Auditors on sample basis. No reportable material weaknesses were observed during the year under review. The Board is of the opinion that the Company's internal financial controls were adequate and effective during FY23.

### Compliance Management

The Company has in place a robust automated Compliance Framework based on the inventory of all applicable laws and compliance obligations, which are regularly monitored and updated basis the changing requirements of law.

## CORPORATE SOCIAL RESPONSIBILITY

Our CSR initiatives and activities are aligned with the requirements of Section 135 of the Act. The CSR Committee has been constituted in accordance with Section 135 of the Act. The Annual Report on Corporate Social Responsibility alongwith salient features of the CSR Policy is annexed as **Annexure 6** to the Board's Report. The CSR Policy is available on our website at [www.lodhagroup.in/investor-relations](http://www.lodhagroup.in/investor-relations).

## OTHER STATUTORY DISCLOSURES

### Whistle Blower Policy - Vigil Mechanism

The Company has adopted a Whistle Blower Policy and has established the necessary vigil mechanism for directors, employees and other stakeholders to voice genuine concerns and report concerns about unethical conduct in conformation with Section 177 of the Act and the Listing Regulations, This Policy is available on the Company's website at [www.lodhagroup.in/investor-relations](http://www.lodhagroup.in/investor-relations). Further details on whistle blower policy are provided in the Corporate Governance Report which forms part of this Integrated Annual Report.

### Annual Return

The Annual Return of the Company as on March 31, 2023 in Form MGT - 7 in accordance with Section 92(3) of the Act and



Rules is available on our website at <https://www.lodhagroup.in/investor-relations/>

### Particulars of loans, guarantees and investments

In compliance with the provisions of the Act and Listing Regulations, the Company extends financial assistance in the form of investment, loan and guarantees to its subsidiaries, from time to time in order to meet business requirements. Neither the Company nor any subsidiary has extended any financial assistance to promoter or promoter group entities which has been written off during last 3 years. Particulars of loans, guarantees and investments are detailed in Notes to the standalone financial statements provided in this Integrated Annual Report.

### Related Party Transactions

Transactions/contracts/arrangements, falling within the purview of provisions of Section 188(1) of the Act, entered by the Company with related parties as defined under the provisions of Section 2(76) of the Act, during the financial year under review, were in the ordinary course of business and have been transacted at arm's length basis. Material contracts, arrangements or transactions with related parties referred to in Section 188, entered during FY23 in Form AOC-2 are provided in **Annexure 3**. The Related Party Transactions Policy is available on our website at [www.lodhagroup.in/investor-relations](http://www.lodhagroup.in/investor-relations). Disclosures as required pursuant to para A of Schedule V of the Listing regulations form part of the Standalone Audited Financial Statements for FY23.

### Particulars of employees

Disclosures relating to remuneration of Directors u/s 197(12) of the Act read with Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed as **Annexure 4** to the Board's report.

Particulars of employee remuneration, as required u/s 197(12) of the Act and read with Rule 5(2) and Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this Integrated Annual Report. In terms of the provisions of the first proviso to Section 136(1) of the Act, the Integrated Annual Report is being sent to the shareholders excluding the aforementioned information. The information will be available for inspection at the registered office of the Company on all working days upto the date of AGM and a copy of the same will also be available electronically for inspection by the members during the AGM. Any member interested in obtaining such information may write to the Company Secretary at the registered office of the Company.

### Prevention of Sexual Harassment at Workplace

In compliance with the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act 2013, the Company has an Internal Complaints Committee (ICC) for providing a redressal mechanism pertaining to sexual harassment at the workplace where any such incident can be reported to the ICC as per the process defined under the policy. Details regarding the policy, including the details of the complaints received and disposed of, are provided elsewhere in this Integrated Annual Report.

### GENERAL DISCLOSURES

Your Directors state that for the FY23, no disclosures are required in respect of the following items and accordingly confirm as under:

- a. The Company has neither revised the financial statements nor the report of Board of Directors.
- b. There are no material changes or commitments affecting the financial position of the Company between March 31, 2023 and the date of this report.
- c. The Company has not accepted any deposits.
- d. No significant or material orders were passed by the Regulators/Courts/Tribunals which impact the going concern status and Company's operations in future.
- e. There was no change in the nature of the business of the Company.
- f. There has been no issue of equity shares with differential rights as to dividend, voting or otherwise.
- g. The Company has complied with applicable Secretarial Standards issued by the Institute of the Company Secretaries of India.
- h. The Company was not required to transfer any amount to Investor Education and Protection Fund under section 125 of the Act.
- i. No petition/ application has been admitted under Insolvency and Bankruptcy Code, 2016, by the National Company Law Tribunal.

### CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The details of energy conservation, technology absorption and foreign exchange earnings and outgo as required u/s 134(3) of the Act and Rules is annexed as **Annexure 5** to the Board's report.

## INTEGRATED ANNUAL REPORT

SEBI has recommended voluntary adoption of 'Integrated Annual Reporting' (IR) by the top 500 listed companies in India with effect from 2017-18. The 2<sup>nd</sup> Integrated Annual Report of the Company is guided by the principles of International <IR> Framework developed by the International Integrated Annual Reporting Council ("IIRC"). The report encompasses both financial and non-financial information to enable stakeholders to take well informed decisions and have a better understanding of the Company's long term perspective.

## MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis report for the year under review forms part of the Integrated Annual Report.

## CORPORATE GOVERNANCE REPORT

The Corporate Governance report pursuant to regulation 34 of the Listing Regulations for the year under review forms part of the Integrated Annual Report. A certificate from Shravan A Gupta & Associates, Practicing company secretary and our secretarial auditor, confirming compliance with conditions of Corporate Governance is annexed as **Annexure 7** to the Board's report.

## BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

The Business Responsibility and Sustainability Report pursuant to regulation 34 of the Listing Regulations, describing the initiatives taken by the Company from environmental, social and governance perspective for FY 23 forms part of the Integrated Report.

## DIRECTORS' RESPONSIBILITY STATEMENT

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

- a. in the preparation of the annual accounts for the FY ended March 31, 2023, the applicable accounting standards read with the requirements set out under Schedule III to the Act, have been followed and there are no material departures thereof.
- b. they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2023 and of the profit of the Company for the FY ended on that date;
- c. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. they have prepared the annual accounts on a going concern basis;
- e. they have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively.
- f. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## ACKNOWLEDGEMENT

Your Directors would like to express their grateful appreciation for the assistance and support extended by all stakeholders.

For and on behalf of the Board  
**Macrotech Developers Limited**

Date: June 06, 2023  
Place: Mumbai

**Mukund Chitale**  
Chairman  
DIN: 00101004

**Abhishek Lodha**  
Managing Director & CEO  
DIN: 00266089



## ANNEXURE 1

### SALIENT FEATURES OF THE NOMINATION & REMUNERATION POLICY [GRI 2-19]

#### 1. Objectives of the policy

To set out the criteria for identifying persons who are qualified to become Directors and persons who may be appointed in Senior Management and Key Managerial positions, including their remuneration.

#### 2. Objectives of appointment of Directors, KMP and Senior Management Personnel

- a. The NRC shall ascertain the integrity, qualification, expertise and experience of the person identified for appointment as Director, KMP or Senior Management and recommend his/her appointment to the Board.
- b. A person to be appointed as Director, KMP or Senior Management should possess adequate qualification, expertise and experience for the position he / she is considered for.
- c. The candidate should possess impeccable reputation for integrity, deep expertise and insights in sectors / areas relevant to the Company, ability to contribute to the Company's growth.

#### 3. Additional criteria for proposed directors

- a. Should be eligible for appointment as a Director on the Board and should not be disqualified in terms of Section 164 and other applicable provisions of the Act and the Listing Regulations.
- b. Should have attained minimum age of 25 years
- c. Should not hold directorship in more than twenty companies (including private and public limited companies) or ten public limited companies incorporated in India of which not more than seven shall be Indian listed companies.
- d. Should be able to devote sufficient time and efforts in discharge of duties and responsibilities effectively.
- e. Re-appointment/ extension of term of any Board members shall be on the basis of their performance evaluation report

#### 4. Additional criteria for independent directors

- a. Meet the baseline definition and criteria of "independence" as set out in Section 149 of the Act and the Listing Regulations
- b. Should not hold the position of Independent Director in more than seven Indian listed companies and if serving as Whole-time Director in any Indian listed company then in not more than three Indian listed companies.
- c. Should not hold any Board/ employment position with a competitor. The Board may waive this requirement at its discretion

#### 5. Remuneration to Directors, KMP and Senior Management Personnel

##### General

Overall limits of remuneration of the Board members including Executive Board members are governed by the provisions of Section 197 of the Act and the Rules and shall be approved by the shareholders of the Company and shall be subject to availability of profits of the Company. The Board can determine the remuneration within the overall limit approved by the shareholders, on the recommendation of the NRC.

Remuneration should be reasonable and sufficient to attract, retain and motivate top talent aligned to the requirements of the Company (taking into consideration the challenges faced by the Company and its future growth imperatives) and shall be consistent with recognised best practices.

Where any insurance is taken by the Company on behalf of its Directors, for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration.

#### 6. Executive Directors' Remuneration

- a. Increments may be recommended by the NRC to the Board which should be within the limits approved by the shareholders

- b. The Company may implement reward & retention schemes from time to time as per organizational needs. These shall be subject to approval of the NRC.
- c. Executive Directors shall not be entitled to sitting fees for attending meetings of the Board and its Committees.
- d. If in any three financial years during the tenure of the director, the Company has inadequate profits / losses, the Board may on the recommendation of the NRC and subject to approval of the shareholders, pay minimum remuneration to the Director in terms of Schedule V of the Act.

## 7. Independent Directors' Remuneration

- a. Independent Directors shall be entitled to a commission as may be approved by the Board in addition to sitting fees for attending Board / committee meetings. The NRC shall recommend to the Board the quantum of commission for each director based on the outcome of the evaluation process, including factors relating to attendance and time spent in the Board and committee meetings, individual contribution at meetings and contributions made by directors other than in meetings.
- b. The Company may pay a fair and reasonable expenditure, as may have been incurred by the director while performing his role as a director of the company, in addition to sitting fees and commission.
- c. Independent directors shall not be entitled to any stock options
- d. The remuneration payable shall be inclusive of any remuneration payable for services rendered by such Director in any other capacity unless the services rendered are of a professional nature and the Committee is of the opinion that the Director possesses requisite qualification for the practice of the profession.
- e. Where in any three financial years during the tenure of a director, the Company has inadequate profits / losses, the Board may on the recommendation of the NRC and

subject to approval of the shareholders, pay remuneration to a director in terms of Schedule V of the Act.

## 8. Remuneration to Key managerial personnel (other than Executive Directors), Senior Management and other employees

- a. The remuneration to key managerial personnel and senior management shall be sufficient to attract and retain talented and qualified individuals suitable for a role.
- b. Senior Management shall be assigned grades according to their qualifications, work experience and competencies and their role and responsibility in the organization. Individual remuneration shall be based on various factors such as job profile, skill sets, seniority, experience, performance and other benchmarking parameters.
- c. Remuneration to key managerial personnel shall be a balance of fixed and a performance linked variable pay component as per the Company Policies. The performance linked variable pay shall be linked to individual and business performance. They shall also be entitled to annual increments which shall be reviewed and approved by the NRC annually. Additionally they may be paid / offered other benefits / perquisites, housing grants and ESOPs as per Company policies.

## 9. Policy implementation

The NRC is responsible for recommending the remuneration policy to the Board. The Board is responsible for approving and overseeing implementation of the remuneration policy.

## 10. Modification and amendment

Any changes or modification to this Policy shall be recommended by the NRC to the Board for its approval. This Policy may be reviewed and amended by the Board as and when any changes are to be incorporated due to changes in the regulations or as thought necessary or appropriate by the Board.

For and on behalf of the Board  
**Macrotech Developers Limited**

Date: June 06, 2023  
Place: Mumbai

**Mukund Chitale**  
Chairman  
DIN: 00101004

**Abhishek Lodha**  
Managing Director & CEO  
DIN: 00266089



ANNEXURE 2

**FORM NO MR-3**

**SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023**

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

To

The Members

**MACROTECH DEVELOPERS LIMITED**

**CIN: L45200MH1995PLC093041**

412, Floor 4, 17 G Vardhaman Chamber,  
Cawasji Patel Road, Horniman Circle,  
Fort Mumbai 400001

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

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2023, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Company for the financial year ended on 31<sup>st</sup> March, 2023 according to the provisions of:

- (i) The Companies Act 2013 and the Rules made thereunder
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of foreign direct investments, overseas direct investments, external commercial borrowings; - **(Foreign Direct Investment and External Commercial Borrowings are not applicable to the Company during the Audit Period).**

- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act');
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading Regulations) 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
  - (e) The Securities and Exchange Board of India (Issue and Listing of Non- Convertible Securities) Regulations, 2021
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 - **Not Applicable during the audit period and**
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 - **Not Applicable during the audit period**
- (vi) The other laws as are applicable specifically to the Company are compiled as per representation made by the management of company during the audit period.

**I have also examined compliance with the applicable clauses of the following:**

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India

(ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments made there under.

During the audit period, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

**I further report that**, during the audit period:

The Board of Directors of the Company is duly constituted with proper balance of, Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that does not took place during the audit period were carried out in compliance with the provisions of the Companies Act, 2013 and listing Regulations.

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

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

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

**I further report that, during the period, the Company has:**

a. Allotted 990 Senior, Listed, Rated, Secured, Transferable, Redeemable, Non-Convertible Debentures ("Secured NCDs") of Rs. 10,00,000 each (Rupees Ten Lakhs each), aggregating up to ₹ 99,00,00,000 (Rupees

Ninety Nine Crore only), on a private placement basis on 05<sup>th</sup> September, 2022.

- b. Allotted 1010 Senior, Listed, Rated, Secured, Transferable, Redeemable, Non-Convertible Debentures of ₹ 10,00,000 each (Rupees Ten Lakhs each), aggregating up to ₹ 101,00,00,000 (Rupees One Hundred and One Crore only), on a private placement basis as on 20<sup>th</sup> September, 2022.
- c. Allotted 1000 Senior, listed, rated, secured, redeemable, transferable, rupee denominated non-convertible debentures ("Secured NCDs") of ₹ 10,00,000 each (Rupees Ten Lakhs each), aggregating up to ₹ 100,00,00,000 (Rupees One Hundred Crore only), on a private placement basis as on 23<sup>rd</sup> December, 2022
- d. Allotted 680 Senior, listed, rated, secured, redeemable, transferable, rupee denominated non-convertible debentures ("Secured NCDs") of ₹ 10,00,000 each (Rupees Ten Lakhs each), aggregating up to ₹ 68,00,00,000 (Rupees Sixty-Eight Crore only), on a private placement basis as on 30<sup>th</sup> December, 2022
- e. Promoter and promoter group, has made offer for sale of 3,45,70,506 equity shares of face value of ₹ 10 each aggregating to approximately ₹ 35,469.34 million through qualified institution placement.

**Shravan A. Gupta & Associates**

Practicing Company Secretary  
P.R. No. 2140/2022

**Shravan A. Gupta**

ACS: 27484, CP: 9990  
Place: Mumbai  
UDIN : A027484E000154371  
Date: April 20, 2023

**Note:** This report is to be read with our letter of even date which is annexed as 'ANNEXURE A' and forms an integral part of this report.



Annexure - A

To  
The Members  
**MACROTECH DEVELOPERS LIMITED**  
**CIN: L45200MH1995PLC093041**  
412, Floor 4, 17 G Vardhaman Chamber,  
Cawasji Patel Road, Horniman Circle,  
Fort Mumbai 400001

My report of even date is to be read along with this letter:

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the process and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, I have obtained Management Representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of the procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**Shravan A. Gupta & Associates**  
Practicing Company Secretary  
PR. No. 2140/2022

**Shravan A. Gupta**  
ACS: 27484, CP: 9990  
Place: Mumbai  
UDIN : A027484E000154371  
Date: April 20, 2023

## Form No. MR-3

### SECRETARIAL AUDIT REPORT

#### FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2023

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

To,  
The Members,  
**Cowtown Infotech Services Private Limited**  
412, Floor - 4, 17G Vardhaman Chamber,  
Cawasji Patel Road, Horniman Circle,  
Fort, Mumbai – 400001

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s Cowtown Infotech Services Private Limited** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conduct/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officer, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in our opinion, the company has, during the audit year covering the financial year ended on **March 31, 2023**, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minutes books, forms and returns filed and other records maintained by the Company for the financial year ended on **March 31, 2023**, according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder:- **Not Applicable for the year under review**
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings:- **Not Applicable for the year under review**
- v. I have observed that the Company is not a listed company and hence, the Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 are not applicable.

I further report that, the compliance by the Company of applicable financial laws such as direct and indirect tax laws and maintenance of financial records and books of accounts have not been reviewed in this Audit since the same have been subject to review by the statutory financial auditors, tax auditors, and other designated professionals.

#### **I have also examined compliance with the applicable clauses of the following:**

- Secretarial Standards issued by The Institute of Company Secretaries of India During the year under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

#### **I further report that, during the year under review:**

- The Board of Directors of the Company is duly constituted with adequate count of total number of directors. There are changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Act.
- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and



no dissenting views have been recorded. I further report that based on the information provided that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period, there were no specific events/actions having major bearing on Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

**For Sharatkumar K Shetty & Associates**

Practicing Company Secretary

**Sharatkumar Shetty**

CP No. 18123

Membership No.: 31888

Place: Mumbai

Date: 24/05/2023

UDIN: A031888E000367289

Peer Review No – 2326/2022

**Note:** This report is to be read with our letter of even date which is annexed as 'ANNEXURE A' and forms an integral part of this report.

---

**Annexure A**

To,

The Members,

**Cowtown Infotech Services Private Limited**

412, Floor - 4, 17G Vardhaman Chamber,

Cawasji Patel Road, Horniman Circle, Fort, Mumbai – 400001

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices we followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The secretarial audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For Sharatkumar K Shetty & Associates**

Practicing Company Secretary

**Sharatkumar Shetty**

CP No. 18123

Membership No.: 31888

Place: Mumbai

Date: 24/05/2023

UDIN: A031888E000367289

Peer Review No – 2326/2022

**FORM NO. AOC-2****Particulars of material contracts or arrangement or transactions at arm's length basis (Pursuant to Clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014**

This form pertains to the disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

**1. Details of contracts or arrangements or transactions not at arm's length basis:**

There were no contracts or arrangement or transactions entered into during the financial year ended March 31, 2023, which were not at arm's length basis.

**2. Details of material contracts or arrangement or transactions at arms' length basis**

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any	Amount paid as advance, if any ₹ in Mn
Cowtown Infotech Services Private Limited Wholly Owned Subsidiary	Construction and Development Cost	Ongoing	As per agreement	N.A	N.A
Cowtown Infotech Services Private Limited Wholly Owned Subsidiary	Purchase of trading and Building materials	Ongoing	As per agreement	N.A	N.A

For and on behalf of the Board  
**Macrotech Developers Limited**

Date: June 06, 2023  
Place: Mumbai

**Mukund Chitale**  
Chairman  
DIN: 00101004

**Abhishek Lodha**  
Managing Director & CEO  
DIN: 00266089



ANNEXURE 4

## PARTICULARS OF REMUNERATION

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

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

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

Name	Ratio of remuneration of each director to median remuneration of the employees of the Company <sup>4&amp;5</sup>	% increase in remuneration in FY23
<b>Executive Directors</b>		
Mr. Abhishek Lodha	56.61	3.13%
Mr. Rajendra Lodha <sup>1</sup>	56.61	182.86%
Ms Raunika Malhotra <sup>4</sup>	27.92	8.50%
<b>Independent Directors</b>		
Mr. Mukund Chitale	5.77	0.50%
Mr. Ashwani Kumar	5.12	0.11%
Mr. Lee Polisano	4.78	1.21%
Mr. Rajeev Bakshi <sup>2</sup>	3.68	N.A.
Ms. Harita Gupta <sup>2</sup>	2.52	N.A.
<b>Non-Executive Non Independent Director</b>		
Mr. Rajinder Pal Singh <sup>3</sup>	N.A.	N.A.
<b>Chief Financial Officer</b>		
Mr. Sushil Kumar Modi <sup>4</sup>	N.A.	7.00%
<b>Company Secretary</b>		
Ms. Sanjyot Rangnekar <sup>4</sup>	N.A.	8.50%

**Notes:**

- Mr Rajendra Lodha voluntarily chose not to receive any remuneration or performance linked incentive during FY22. The limit approved by the shareholders in FY18 was ₹ 80 Mn.
- Mr. Rajeev Bakshi and Ms. Harita Gupta were appointed as independent directors in FY23 and therefore % increase over previous year is not applicable.
- Remuneration was paid by a subsidiary of the Company.
- For all employees and KMPs, remuneration is taken at cost to company and excludes all one time payments and notional amortisation value of stock options.
- Employees who have worked for part of the fiscal are not considered in this working for the purpose of calculation of median.

2. The percentage increase in the median remuneration of the employees in the financial year

There was an increase of 8.57% in the median remuneration of employees in FY23.

3. The number of permanent employees on the rolls of the Company

There were 4,200 permanent employees on the rolls of the Company as on March 31, 2023.

4. Average percentage increase already made in the salaries of employees other than the managerial personnel in FY 2022-23 and its comparison with the percentage increase in the managerial remuneration and justification thereof

The average annual percentage increase in the salaries of employees other than key managerial personnel was 10.82% as against an average annual percentage increase of 27.71% to KMPs. This was primarily on account of increase in remuneration of Mr Rajendra Lodha who had voluntarily decided to not receive any remuneration in FY22.

5. Affirmation that the remuneration is as per the remuneration policy of the Company

The Company affirms that the remuneration paid is as per the Nomination & Remuneration policy of the Company.

For and on behalf of the Board  
**Macrotech Developers Limited**

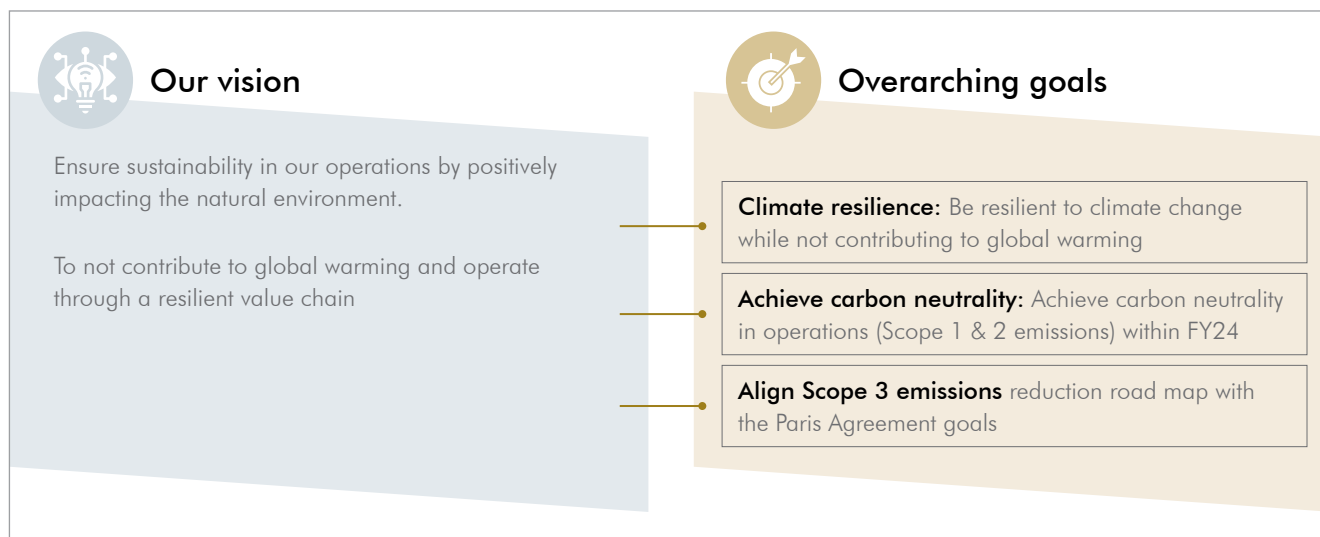
Date: June 06, 2023  
Place: Mumbai

**Mukund Chitale**  
Chairman  
DIN: 00101004

**Abhishek Lodha**  
Managing Director & CEO  
DIN: 00266089

## CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

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



### A. Conservation of Energy

We recognize the importance of conserving energy to minimize our environmental impact, reduce operational costs, and promote sustainable development. This approach not only contributes to a greener environment but also provide our clients with comfortable, eco-friendly living and working spaces, underlining our commitment to responsible and sustainable real estate development.

#### 1. Steps taken or impact on conservation of energy

Our environmental sustainability strategy rests on the pillars of resilience and decarbonization. We have developed Lodha Net Zero Urban Accelerator in partnership with Rocky Mountain Institute (RMI), a leading global think tank, to specifically focus on decarbonization of the built environment.

The accelerator takes a whole systems approach and addresses full spectrum of emissions in the urban built environment, including embodied emissions, operational emissions, supply-side emissions and even emissions beyond the operational boundaries of the buildings. Apart from the emission reduction and energy conservation measures that are being piloted in the Lodha Net Zero Urban Accelerator, we have already adopted certain approaches that help us conserve energy in our operations and products, listed as follows:

- a. **Energy modelling at the design stage:** We use energy modelling software to simulate and analyze the energy performance of a building during the design phase. This helps in identifying the potential energy-saving opportunities and optimize the building design for maximum energy efficiency.
- b. **Energy-efficient appliances and equipment:** We use high efficiency energy equipment like star rated air conditioners and geysers, LED lights, premium efficiency motors, high coefficient of performance in chillers, lighting control systems etc to ensure that the energy consumption is optimized and energy costs remain low.
- c. **Deploying building management systems:** Building management systems and efficient equipment controls including timers and sensors help optimally utilize energy for desired functional and comfort requirements in buildings and outdoor areas.
- d. **Sustainable building materials:** We work towards lowering lifecycle emissions of the buildings by using sustainable, low carbon building materials such as greener concrete mixes, recycled steel, aluminium, etc.
- e. **Passive design measures:** At the design stage, we use software such as Design Builder, Ansys, and more to conduct in-depth analyses of ventilation,



heat gain, and shading. This enables us to appropriately orient our buildings to maximize the benefits of natural ventilation and daylighting while minimizing solar heat gains, reducing the need for artificial lighting and heating systems. By conducting such studies, we gain critical insights into leveraging cross ventilation, stack effect, and strategically placed windows and vents, enabling us to minimize our reliance on active air conditioning systems and promote a more sustainable approach to real estate development.

- f. **Stakeholder engagement:** We engage with our customers to create awareness about energy efficiency and other sustainable practices as that not only leads to a lower environment footprint but also results in comfort and affordability for everyone, thereby also helping the nation towards energy security and resilience.

## 2. Steps taken by the company for utilizing alternate sources of energy

We have adopted several renewable energy alternatives at our projects and construction sites and offices, such as solar water heating, rooftop solar PV systems, and renewable energy for construction.

### a. Renewable energy sources at projects:

- i. Our projects feature renewable energy measures, such as solar water heating and solar rooftop photovoltaics. In Palava itself, over 4 MW of solar power installations have already been completed over residential societies, helping them offset most of their common area electricity needs.
- ii. Over 3 MW of cumulative on-site solar installations are active/work-in-progress over central amenities and commercial projects at our larger developments. These plants will cater to the energy requirements of city infrastructures, such as multi-level car parks, pump rooms, clubhouses, and more.

- b. **Renewable energy sourcing at construction sites and standing assets:** Over 90% of electricity utilized at all our construction sites and standing assets is exclusively sourced from renewable energy sources. We procure this renewable energy through some captive plants, and largely through a mix of onsite generation through third party renewable energy developers and direct purchase of renewable energy from the electricity distribution companies.

## 3. Capital investment on energy conservation equipment

- a. All our projects are developed as Green Buildings projects. The expenditure on green features in all such projects are considered inclusive in the base costs and are not separately accounted.
- b. We spent an additional of ~ ₹ 14.0 Mn on the Lodha Net Zero Urban Accelerator that helps us with identifying initiatives to enable decarbonization of our products.

## B. Technology Absorption

### 1. Efforts made towards technology absorption

- a. **Climate Risk Assessment:** We have conducted a detailed climate risk assessment using latest technological tools and global climate models (GCMs) for Shared-Socioeconomic Pathways SSP-2 and SSP-5 scenarios as per the latest IPCC reports. This exercise helped us to understand the risk with a high level of granularity and to ascertain that mitigation provisions are in place.
- b. **Embodied carbon reduction roadmap:** We have conducted life cycle assessment studies of a few representative projects to establish the embodied carbon footprint of our products. We used software tools and public databases to further calibrate our study. The outcome of this study helped us release our embodied carbon reduction roadmap during this year and enabled us to create a toolkit that can be used to calculate and mitigate the embodied carbon emissions of any of our buildings.
- c. **Digitization and Data Analytics:** We have implemented a SaaS based sustainability data management platform for recording and analyzing the ESG data such as energy consumption, water consumption, waste generation, etc. This platform helps us make data-driven decisions and improve overall sustainability of the projects.
- d. **Design and analysis software:** Use of design software and performance analysis tools help us design and deliver eco-friendly and optimal designs which leads to user comfort and operational cost optimization.
- e. **Stakeholder engagement:** We continue to explore latest technologies with our vendors and partners to ensure that the next gen solutions can be tried and tested prior to scaling up across portfolio. This includes equipment as well as construction technology that can lead to lower

carbon and enhanced speed and quality of development. We also partnered with Xynteo on the 'Build Ahead Coalition' that aims to create a platform for organisations to work together across the construction value chain. Collective effort through this coalition will enable adoption of low-carbon materials and use of new technologies and practices to accelerate decarbonisation.

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

The adoption of various technology initiatives result in numerous benefits for the entire ecosystem as explained below:

- a. More resilient and adaptable designs, improving the overall quality, comfort and longevity of projects.
- b. Proactively addressing the climate risks avoids costly retrofits and repairs in the future.
- c. Optimisation of the use of materials and resources potentially reduces the construction costs.
- d. By identifying inefficiencies and potential

improvements, data analytics contributes in reducing operational costs.

- e. Green buildings invariably have lower running costs because they use energy and water more efficiently.
- f. Green buildings approach encourages locally sourced materials reducing the need of imports.

## 3. Imported Technology

Certain software tools mentioned above are imported however there is an ardent focus on utilizing local materials and most of the energy efficient equipment and construction technology is sourced from within India. Various equipments do have components that are imported, however there is a gradual convergence of Supply Chain towards local manufacturing.

## C. Foreign Exchange Earnings & Outgo

During FY23, foreign exchange earnings and outgo was ₹ 25.3 Mn and ₹ 161.3 Mn respectively.

For and on behalf of the Board  
**Macrotech Developers Limited**

**Mukund Chitale**  
Chairman  
DIN: 00101004

**Abhishek Lodha**  
Managing Director & CEO  
DIN: 00266089

Date: June 06, 2023  
Place: Mumbai



## ANNUAL REPORT ON CSR ACTIVITIES OF THE COMPANY

### 1. A brief outline on Corporate Social Responsibility (CSR) Policy of the Company:

The Company strives to be a socially responsible company and strongly believes in development which contributes to nation building in an impactful manner and is beneficial for the society at large. We believe that aligning social activities with our business objectives is critical for ensuring sustainable growth. Guided by our vision of 'Building A Better Life', we contribute to nation building by creating a positive impact on society at large through our initiatives aimed at empowering women and securing the future of India's youth.

#### Our flagship initiatives:

**The Lodha Genius Programme** is a joint initiative between Lodha and Ashoka University, India's premier arts university, known for its interdisciplinary approach to education, world-class faculty, and commitment to social impact. The program seeks to address the acute shortage of high-quality talent

in the country by supporting academically bright school students and provides them with the knowledge, skills, and network they need to succeed in the world.

In the same spirit, we have provided a generous grant to Ananta University for infrastructure, programs and scholarships to meritocratic students to develop/hone talent in the design field.

Our **Unnati program** aims to bring women into the formal workforce with regular monthly salaries and less than a 30 minute commute. As part of this program, we are providing employers who commit to hire women subsidized real estate, provide support in skill training and mentoring women to join/stay in formal employment, and provide other support infrastructure (crèches) so that they do not have to drop out of the workforce.

### 2. Composition of the CSR committee

Sr. No.	Name of Director	Designation/Nature of Directorship	No of meetings of the CSR Committee during the year	
			Held	Attended
1.	Mr. Ashwani Kumar	Chairman, Independent Director	1	1
2.	Mr. Rajinder Pal Singh	Member, Non-Independent, Non-Executive Director	1	1
3.	Ms. Raunika Malhotra	Member, Executive Director	1	1

### 3. Web-link where composition of the CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company:

[www.lodhagroup.in/investor-relations](http://www.lodhagroup.in/investor-relations)

### 4. Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable:

Not applicable

### 5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility) Rules, 2014 and amount required for set off for the FY, if any:

Financial year	Amount available for set off from preceding FY	Amount required to be set off for the FY, if any*
FY21	₹ 0.9 mn	Nil
FY22	₹ 8.5 mn	Nil

\*the Company has an excess spend of ₹ 87.4 Mn for FY 23. Thus an amount of ₹ 96.8 Mn is available for set off in succeeding financial years.

6. Average net profit of the Company as per Section 135(5): ₹ 6,127.7 Mn

Sl. No.	Particulars	Amount in ₹ Mn
a.	Two percent of average net profit of the Company as per section 135(5)	122.6
b.	Surplus arising out of the CSR projects or programmes or activities of the previous FYs	Nil
c.	Amount required to be set off for the FY, if any	Nil
d.	<b>Total CSR obligation for the FY (7a+7b-7c)</b>	<b>122.6</b>

8. a. CSR amount spent or unspent for the financial year

Total Amount Spent for the FY. (in ₹ Mn)	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of transfer	Name of the Fund	Amount transfer	Date of Transfer
210.0	Not applicable		Not applicable		

b. Details of CSR amount spent against ongoing projects for the financial year

Nil

c. Details of CSR amount spent against other than ongoing projects for the financial year

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/No)	State	District	Amount spent for the project (in ₹ Mn)	Mode of implementation – Direct (Yes/No)	Name	CSR registered Number
1.	Contribution to Trust	Various sectors covered by Schedule VII of the Act	Yes	Maharashtra	Palava, Dombivali & MMR	60.0	No	Sitaben Shah Memorial Trust	SR00006175
2.	Contribution to Anant National University	Education	No	Gujarat	Ahmedabad	150.0	No	Anant National University	CSR00002869

d. Amount spent in Administrative Overheads: Nil

e. Amount spent on impact assessment, if applicable: Not Applicable

f. Total amount spent for the FY (8b+8c+8d+8e): ₹ 210.0 Mn

g. Excess amount for set off, if any:

Sl. No.	Particulars	Amount ₹ Mn
i.	Two percent of average net profit of the Company as per section 135(5)	122.6
ii.	Total amount spent for the FY	210.0
iii.	Excess amount spent for the FY [(ii)-(i)]	87.4
iv.	Surplus arising out of the CSR projects or programmes or activities of the previous FY, if any	Nil
v.	Amount available for set off in succeeding FY [(iii)-(iv)]	87.4



9. a. Details of Unspent CSR amount for the preceding three financial years: Not applicable
- b. Details of CSR amount spent in the FY for ongoing projects of the preceding FY(s): Not applicable
10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the FY (asset-wise details): Not Applicable
11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per Section 135(5): Not Applicable

For and on behalf of the Board  
**Macrotech Developers Limited**

Date: June 06, 2023  
Place: Mumbai

**Abhishek Lodha**  
MD & CEO  
DIN: 00266089

**Harita Gupta**  
Chairperson of CSR Committee  
DIN: 01719806

## SALIENT FEATURES OF THE CSR POLICY

[Pursuant to Section 135 of the Act & Rules made thereunder]

### Mission Statement

Guided by the vision of 'Building A Better Life'; the Company has been making significant efforts in improving and uplifting the areas it works in and the communities it works with. Our CSR mission is to contribute to the social and economic development of the community through our initiatives centered around Education and Women Empowerment. We have adopted a Corporate Social Responsibility policy in compliance with the requirements of the Act and the Companies (Corporate Social Responsibility) Rules, 2014.

### Salient features of the CSR Policy

#### A. Policy Objectives

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

#### B. Implementation

All CSR projects/activities will be over and above the normal course of the Company's business and will be implemented as permissible under the applicable provisions of the Act.

#### C. Governance

CSR implementation shall be periodically reviewed and monitored by the CSR Committee of the Board constituted as per the requirements of Section 135 of the Act.

#### D. CSR focus areas

The company has chosen to embark on several initiatives aligned with the UN SDGs and endeavours to continuously learn from its experiences and adapt its policies and implementation strategies on an ongoing basis. The Company may undertake the following activities under the ambit of CSR:

##### 1. Education

- Provide quality education to talented, young children and hone them into next generation leaders through our Lodha Genius Programme
- Vocational training and skill enhancement

##### 2. Women Empowerment

- Bring women into the formal workforce with regular income stream and less than a 30 minute commute through our Unnati Programme

##### 3. Social transformation:

- Promoting healthcare and sanitation
- Making available safer drinking water

The Company may contribute to other areas of interest as permitted under Schedule VII of the Act from time to time.

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



## CERTIFICATE ON CORPORATE GOVERNANCE

To  
**The Members**  
**Macrotech Developers Limited**

We have examined the compliance of the conditions of Corporate Governance by Macrotech Developers Limited ('the Company') for the year ended on March 31, 2023, as stipulated under Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and para C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). The compliance of the conditions of Corporate Governance is the responsibility of the management of the Company. Our examination was limited to the review of procedures and implementation thereof, as adopted by the Company for ensuring compliance with conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on March 31, 2023.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**Shravan A. Gupta & Associates**  
**Practicing Company Secretary**

**Shravan A. Gupta**  
ACS: 27484, CP: 9990  
Place: Mumbai  
UDIN: A027484E000367221  
Date: May 24, 2023

# MANAGEMENT DISCUSSION & ANALYSIS

## Review of Global Economy

The financial year 2023 saw impact of the Covid especially in countries like China, heightened geopolitical tensions led by Russia-Ukraine war, the resultant high inflation and the global fight on inflation spearheaded by all Central Banks. However, in the new financial year, while we have come out of the Covid challenge, most of the other issues continue to linger on, albeit with lower intensity.

Despite the challenges faced by the global economies, Global GDP growth thus far has surprisingly remained in the positive territory though slowing down considerably as compared to the previous year. Unprecedented monetary tightening done by the central banks has had somewhat less than expected impact on the overall economic activity. This has strengthened the view that the developed economies led by US are likely to have a 'soft landing' or a 'no landing' rather than a recession or 'hard landing'. IMF's latest forecast: Growth will slow from 3.4 in CY22 to 2.8 percent in 2023 before accelerating to 3.0 per cent in 2024.

In line with earlier commodity cycles, most commodity prices which had shot up in the early part of the previous financial year have eased off noticeably. Prices for most of the commodities such as metals etc. are expected to be below the average levels seen in 2022.

After rising sharply over 2021 and much of 2022, inflation in most of the world has started slowing down, mostly driven by falling energy and food prices and fading supply chain pressures. This is paving the way for a reduction in the pace and intensity of interest rate hikes by the world's major central banks, suggested at their recent meetings. However, while the inflation has been moderating in the face of steep policy rate hikes initiated by the Central Banks, the pace of moderation remains unsatisfactory for policy makers and it remains above the comfort level of most inflation targeting economies. This has made policy makers fear that inflation is becoming sticky prompting them to keep the interest rates higher for longer resulting in a downward bias to global growth forecasts. Also, with no end in sight for the Russia Ukraine war, any further worsening in the geopolitical tensions could once again disrupt global trade and supply chain leading to another round of high inflation especially in the energy prices.

As per IMF estimates, annual average inflation for various economies is expected to decline in 2023 vs. 2022. However, it is expected to remain above the pre-pandemic levels as well as the targets of the central banks. For advanced economies, it is projected to decline from 7.3% in 2022 to 4.7% in 2023. In emerging market and developing economies, projected annual inflation declines from 9.8% in 2022 to 8.6% in 2023 and 6.5% in 2024. With softening of inflation, it is expected that the

monetary tightening initiated by the Central Banks will at the very least hit a pause during the year.

## Review of Indian Economy

The financial year 2023 started on a rather gloomy note with the Russia-Ukraine conflict and the resultant energy price inflation – often India's Achilles heel. India has weathered the storms of the previous year remarkably well and remained an oasis of calm in troubled global macro conditions. Led by efficient vaccination roll out, India emerged stronger than some of the other larger economies. To fight the inflationary pressures, global central banks led by the US Fed have raised benchmark policy rates substantially. This also forced RBI to raise policy rates by an unprecedented 250 bps in the financial year 2023 – fastest increase in policy rates in last two decades. However, given the fiscal prudence adopted by the Indian Government during the early part of the pandemic period, Indian macro conditions remain conducive of robust growth in spite of the above normal inflation seen recently which remain manageable to a large degree. Despite the challenges, Indian economy managed to grow by 7.2% in FY23 (Source: NSO), showcasing the structural nature of growth.

The Indian economy appears to have moved on after its encounter with the pandemic, staging a full recovery in FY22 ahead of many nations and largely ascending to the pre-pandemic growth path in FY23 and beyond. At the same time three key challenges remain entrenched largely from global macro side which will pose hindrance to India's growth potential. First, inflation is likely to remain at an elevated level even though it may have already peaked. Secondly, aggressive tightening of monetary policies across the central banks of advanced economies is likely to cause a global slowdown this year, impacting trade and may also result in capital outflows and a rising imbalance in the balance of payment account. Third, higher energy prices is likely to keep the current account deficit at a higher level thus pressuring the currency. Additionally, on the domestic front - uneven spread of the recovery has meant that parts of the economy have still not reached their pre-pandemic levels leading to slower rural recovery.

The government's focus has rightly been on sectors such as infrastructure, construction, and manufacturing that create jobs for workers across all skills. Production-Linked Incentive (PLI) Schemes for various industries rolled out over the past few years have started to bear fruit. Though still in infancy, these sectors have huge potential to effectively kick-start the manufacturing engine for the country thus diversifying the growth drivers for the country. Growth is expected to be brisk in FY24 on the back of robust credit growth, positive capital investment cycle given the demand as well as the strengthening of the balance sheets of the corporate and banking sectors. Further support to economic growth will come from the expansion of public digital



platforms and path-breaking measures such as PM GatiShakti, the National Logistics Policy, increased spending on various transportation infrastructure and the PLI schemes to boost manufacturing output. RBI expects GDP growth for FY24 to be 6.5% which will translate into general optimism in the economy and job sentiments.

### Indian Real Estate Industry Overview

Real estate sector in general and housing sector in particular has always played a critical role in shaping the global economies. The multiplier effect of housing sector through direct and indirect as well as through induced impact is significantly large on both the GDP as well as employment generation. There are a number of ancillary industries which support the growth of real estate construction sector, like cement, steel, other non-ferrous metals, tiles, glass, brick, and certain consumer durables etc. Further, the industries that provide the inputs to these ancillary industries also gain momentum. Hence, due to the inter-linkages among all the sectors of economy, the overall economic impact of a real estate far exceeds the direct impact especially in employment generation.

India by virtue of its demography and development cycle is at a place where demand for quality urban housing is immense. This is only going to strengthen with each passing year as India graduates from being a low income economy to a middle income economy. As per industry estimates, India would see creation of 100 million new households who will become 'home ownership capable' by virtue of rise in income levels by the end of the decade. This creates a 'once in a lifetime' opportunity for the Indian real estate industry.

Due to the structural nature of demand, Indian real estate industry has continued to gain momentum during FY23 despite the uncertainties posed by global economic slowdown as well as steep interest rate hikes. While the market for office spaces staged a comeback in the post-pandemic period with 'back to office' normalization, the residential market further gained on the momentum seen in FY22. Despite the 250 bps repo rate hike, the robust performance of the sector especially in the housing segment signifies the strength of the underlying demand for property.

### Indian Housing Market overview

Indian housing market went from strength to strength surpassing previous peaks seen during the last year. As per property research firm, Anarock Research, housing sales in 2022 grew by more than 50% YoY to 3,65,000 units, surpassing the previous peak seen in 2014 at 3,40,000 units. What is heartening to note is that this happened in a year when there was still some residual impact of the pandemic in the beginning of the year and mortgage rates went up sharply by more than 200 bps. This reinforces the view that housing demand in India is structural in nature. Sales once again exceeded launches in the top 7 cities making the available inventory at the lowest level since 2014. Launches for the year in the top 7 cities stood at around 3,60,000 units.

Rising sales coupled with falling inventory has brought the inventory levels down to 21 months in Q42023 from 32 months in

Q42014. The supply side consolidation in the industry continues to strengthen which augers well for all the participants – consumers, reputed developers as well as financial institutions. The disciplined supply has meant moderately rising capital values of homes. As per various industry reports, residential prices have increased by around 5-7% across various geographies. This positive nominal price growth has kick started the virtuous price demand cycle where, while the nominal increases have incentivised end user demand to go up but price growth being below the wage growth has continued to keep the affordability intact.

The importance of the 'brand' in real estate has continued its upward journey. Housing is increasingly becoming a branded 'consumer product'. A strong housing brand in consumer's minds stands for superior product quality, avenue for life style upgrade, an aspirational address and above all certainty of timely delivery. The above can only be delivered by branded tier 1 developers, leading to the demand side consolidation. Branded tier-1 developers with strong execution capability are expected to leverage this opportunity to gain even more market share by bringing newer products suitable for the demand dynamics whilst offering quality, and a sustainable environment as well as social ecosystem.

### MMR housing market overview

Mumbai Metropolitan Region (MMR) is the largest residential market in India with over 30% contribution to absorption volume and around 45% by value. Given the higher capital values and profit margins, MMR is also the most profitable market with likely accounting for over 50% of the profit pool of the residential market in Indian top-7 cities.

As per Anarock Research, MMR reported an absorption of more than 1,10,000 units, showing a growth of 44% compared to the previous year. In value terms, MMR recorded absorption of ₹ 1,570.0 bn showing a growth of 60% on a YoY basis. Similarly it recorded a launch of more than 1.25 lakh units in 2022 showing a growth of 119% compared to previous year. The strong pace of absorption has meant that the overall available inventory in the MMR is now just above 20 months of sales. Pricing growth has remained stable in the MMR market witnessing around 7% YoY growth which has kept the affordability intact given salary growth seen across most industry has been in the range of 8% to 10%.

### Pune housing market overview

Pune is a hub for manufacturing activities across various industries such as automobiles, defence, engineering goods etc. It also has a presence of a large number of IT Services companies. The diversified nature of job providers has made Pune an attractive and steadily growing residential market. Pune market stood third in terms of both new launches and home sales across the top 7 cities – comprising total share of 18% and 16% respectively of overall top -7 cities. As per Anarock Research, Pune reported a 59% YoY growth in unit absorption and achieved sales of over 57,000 units. Similar to MMR, available inventory in Pune is now around 20 months of sales. Home prices in the Pune market have witnessed a growth of 5% YoY in 2022.

### Bengaluru housing market overview

Bengaluru often termed as the Silicon Valley of India is home to large number of IT and Tech companies. It has witnessed significant wealth creation on the back of new age technology companies and thus making the city one of the most attractive housing markets in the country. As per Anarock Research, residential market of Bengaluru has witnessed almost equivalent number of launches and absorption of approximately 49,000 units in 2022 showing a growth of 60% and 50% respectively. Disciplined supply has made Bengaluru the city with the lowest inventory levels amongst the top 7 cities at 14 months of sales. Home prices in the Bengaluru market have witnessed a growth of approximately 7% YoY in 2022.

### Indian logistics and warehousing overview

India's logistics and warehousing industry is undergoing a dramatic transformation from a small unorganized 'godown' led industry, into a prominent asset class. Strong growth in organised retail and e-commerce, rising consumption, change in consumer buying patterns as well as 'China+1' strategy adopted by various global MNCs have all led to a need to create an efficient supply chain infrastructure. Rollout of GST has further accelerated the formalization of the sector. Companies have started the move to be present near consumption centres rather than production centres as was the case historically. With impetus provided to manufacturing industry through various PLI schemes and diversification by global manufacturers through China + 1 strategy means that demand for industrial and light manufacturing is also on the rise.

There is currently a scramble to reduce delivery timelines by all e-commerce as well as organized retail players, substantially boosting demand for the in-city fulfilment centres. With the pandemic vaulting the e-commerce sector on a high growth trajectory and the entry of players such as the Tata Group and the Reliance Group in this highly competitive space, in-city warehouses have started becoming mainstream phenomena much earlier than anticipated.

As per Anarock Research, Grade-A warehousing space absorption is expected to grow by 15% CAGR over 2021-25 in volume terms to 85 mn sqft. On the back of strong demand, rentals are also rising by an estimated 4%-8% per annum across various top cities.

### Opportunities

India has strong structural drivers in place for housing demand and it is at an early stage of a multi-year upcycle. Impact of cyclical factors such as interest rates etc. will be felt from time to time, however the structural nature of demand will overpower them to a large degree similar to the way industry has performed this year in spite of the steep mortgage rate hikes.

### Structural nature of demand

Housing in India is expected to be both the participant as well as the driver of GDP growth over the course of the decade. Real estate contribution to GDP in India currently stands

at approximately at 7% as compared to developed and mid-income economies where the contribution is in mid-teens. As India sees its per capita incomes grow from US\$ 2000 to approximately US\$ 5000 by end of the decade, it will move from being a low income to a mid-income economy. By then, real estate sector is also likely to find its rightful share in the economy. During the course of the decade, India is likely to witness more than doubling of the households, currently categorized as mid-income or high-income households, from 75 million to 175 million households. These 100 million new households will have incomes of above ₹ 0.5 mn and thus will be capable of owning a home. This creates a huge opportunity for the housing sector with demand coming through over the course of next decade as well. This addition in new 'home ownership capable' households will happen on account of several factors which are well understood now. Key among them are –

- Rising household incomes
- Rapid urbanization boosting urban population
- Nuclearization of families
- Improving education levels leading to rising number of STEM graduates

Our company by virtue of being one of the largest residential player in the country will be a disproportionate beneficiary of this opportunity.

### Significant affordable & mid-income opportunity

Affordable & mid-income housing is poised for a significant expansion as the bulk of the household addition as explained above is expected to happen in this segment. Given our focus on the segment and our experience in delivering large scale affordable & mid-income projects makes us well prepared to capture this opportunity. We are not only among the early entrants in this segment but also the pioneers of providing high quality amenities at scale in this segment. This has helped us create a brand image of luxury even for our affordable & mid-income projects. We have two separate brands for our affordable housing projects – 'CASA by Lodha' and 'Crown – Lodha Quality Homes'. This helps us in better targeting of our different segment of customers. The current share of affordable & mid-income housing in our housing pre-sales is over 60% which is likely to inch to 70% over the course of next 3 to 5 years.

### Supply & demand consolidation

This is one of the megatrends of the industry which started in 2016-17 period and has started gaining momentum over the past 3 years or so. This consolidation is unique as it is happening from both demand side as well as supply side. Due to the past experiences, consumers today have become very brand conscious and prefer to buy only from branded tier-1 developers, thus leading to demand side consolidation towards branded players. Similarly, lenders prefer to lend only to handful of branded developers. In absence of formal credit as well as customer advances, significant supply side consolidation is underway. As per Anarock Research, more than 50% of incremental supply is now coming from branded developers.



By virtue of having a strong consumer brand, our Company is able to not only get a larger share of pre-sales but also is garnering raw material i.e. land through JDA partnership mode. This will help us achieve above industry growth over medium term in a predictable manner.

### Expansion into new micro-markets and cities

The ongoing consolidation is helping larger players with strong brands to expand into newer micro-markets and cities, especially companies with superior execution capabilities. Over the course of last two years, our Company has expanded into Eastern and Western suburbs of MMR as well as Pune. We have also entered the city of Bengaluru which is currently in a 'seed phase' for us with significant scale up likely after brand and team building over the next three years. Over the medium term, our aim will be to get to a 20% market share in the MMR and 15% market share in Pune. We would explore other cities to enter in a gradual manner after achieving scale in existing cities.

### Product innovation

In an environment where consumers are increasingly tilting towards strong brands, it is also necessary to be in tune with their preferences. Our strong 'customer super-team' comprising of our consumer facing teams of sales, marketing and customer experience helps us be close to consumers. We are also among few residential focused companies which have their own construction management team with deep engineering talent. With this combination, we are able to quickly innovate and bring in products in synch with consumer preferences. For e.g. we saw a change in customer preference of owning homes with decks during Covid and we were among the first in supplying the market with such a product in a very short time period. Similarly, we have brought in the Villa plots in the MMR – also among the first to get such a product. Product innovation not only helps us garner more sales but also helps us churn our land asset in parallel catering to multiple product demands in tandem, thus significantly boosting our ROEs.

### Threats and challenges

While we remain well placed to capture the opportunities, few challenges may have an impact on the industry in the near term. We always keep a watchful eye for any of challenges which, if they fructify, can impact the upward trajectory of the industry. Our strong management team in consultation with the board takes mitigating actions in light of such challenges. Some of these challenges in the near term could be:

- Further increase in interest rates by the Central Banks including RBI to tackle the sticky high inflation
- Escalation of geo-political tensions leading to another round of supply chain disruption
- Significant slowdown in India
- Souring of job sentiment
- Significant increase in home prices effected by developers which in turn starts to impact affordability

### Strengths

Our company is one of the largest residential real estate companies by pre-sales with over more than four decades of experience of delivering high quality homes with world class lifestyle. Over time we have built a consumer brand which is perceived as luxury by consumers in all the segments. We are mainly focussed on the housing segment with expanding presence in logistics and warehousing as well as facilities management. We also develop commercial real estate, as part of mixed-use developments in and around our larger residential projects to bring vibrancy to our residential developments and provide 'walk-to-work' options for our residential customers.

Over time we have built unique strengths which have helped us grow to become the largest residential real estate company and will enable us to continue our growth trajectory. Some of these are as follows:

1. Strong consumer brand
  - Ability to sell at scale at launch and continue to sell during sustenance
  - Nearly 20% of new sales to existing customers
  - Premium pricing as compared to market
2. Superior in-house execution capability with ~50% of our over 4,000 employees focussed on engineering and, design dedicated to delivering world's finest developments
3. Unique ability to develop townships and generate growing 'annuity like' cash flows from them
4. Presence across price points starting from ₹2.5 mn to ₹1 bn+ per unit, serving a wide part of the demand
5. Strong focus on sustainability and transparency
6. Ample raw material
  - Large existing land holding
  - Partner of choice for land owners for JDA partnership
7. Innovation in product as well as sales and marketing strategies
8. Exceptional management capabilities with decentralized organization structure

### Strategies

To maximize shareholder value, our company is focused on delivering twin objectives of 20% CAGR in pre-sales and 20% ROE over the medium term. In order to achieve the twin objectives, the Company is focussing on the following –

#### **Achieve reasonable market share in each micro-market of the cities where we operate**

The ongoing consolidation has thrown growth opportunities for stronger brands like us pan India. However, in order to have strong profitability, it is important to achieve a certain scale in every city we operate. Prior to our IPO in 2021, we were present

at scale in only 3 of the 7 micro-markets of MMR with insignificant presence in the rest of the 4 micro-markets and the city of Pune. Given our brand is already well recognized in these micro-markets, our current focus is to expand in the 4 micro-markets of MMR and Pune and get to our deserved market share which we believe is bare minimum 15%. Our strong brand and execution capability is enabling us to grow in capital light mode through JDAs in these under-served markets. In the last two years, we have added 23 projects in the under-served micro-markets with a cumulative GDV of ₹ 350 Bn, largely through JDAs.

### **Two phase expansion strategy in new cities**

We will enter new cities every 3 to 4 years after achieving scale in existing cities. In order to de-risk such entry into any new city, we will have two-phase entry strategy for every new city. The first phase of the entry will be more like a three to four year 'seed phase' where we will focus on brand as well as team building and learn the local consumer preferences along with building supplier networks. We intend to start limited number of projects largely through the JDA route and focus on delivering superior product as well as customer experience. This will establish our brand in a capital efficient organic manner. The subsequent phase will involve rapid scale up when the brand is already established thus greatly reducing the risk and capital intensity of the business.

### **Continue debt reduction to create a strong balance sheet**

Our overall growth target is secondary to our strategy of having a strong resilient balance sheet. In this regard, we will continue to reduce our net debt such that it is always below 1x of our operating cash flow or 0.5x of equity, whichever is lower. We will likely achieve these thresholds during the course of FY24. However, we will continue to reduce our leverage thereafter and create a headroom, which will enable us to capture the abundant opportunities that may come our way in a cyclically bad year for the sector.

### **Capital light expansion strategy through optimum mix of JDA project**

We intend to leverage our brand and leadership position to grow our business by entering into JDAs with landowners and other smaller developers. We believe that such an approach will enable us to be more capital efficient and reduce our upfront land acquisition costs. We intend to follow this strategy in the MMR, Pune and Bengaluru, especially in micro-markets where we have a limited presence. In the steady state, we intend to have approximately 40% of our pre-sales from JDA projects. While projects with owned land generate ROE in the range of 15%-20%, JDA projects generate over 30% ROE. Thus an optimum mix of JDA projects would enable us to achieve our objective of 20% ROE while pursuing the 20% CAGR in pre-sales.

### **Focus on generating annuity income with good ROEs**

In order to diversify our business, we are focusing on multiple business segments which will generate sizeable annuity income streams and create significant shareholder value over time.

### **Logistics & warehousing business**

We are developing warehousing, logistics and, light industrials, catering to digitization of economy. To significantly scale up in this segment, we have formed a pan-India platform with Bain Capital (through India Opportunities Fund) and Ivanhoe Cambridge (arm of CDPQ) which will develop over 25 million square feet of warehousing and in-city fulfilment space over the next 3-4 years. Our efforts in this segment will also enable us accelerated monetisation of large land assets around our townships and thus enhancing capital efficiency.

### **Facilities management with a digital layer**

We have a growing facilities management business on the back of rising number of households staying in Lodha developments. We are managing nearly 60,000 homes and given our long association, have developed deep understanding of our customers and their spending pattern. Leveraging technology, we are adding a digital layer to already established facility management business to provide seamless customer experience through an integrated platform offering several services e.g. home improvement services, real estate services, 'near commerce' etc. Over time, we will have the potential to onboard other developments of non-competing developers (in addition to our own captive developments) and add a critical mass of consumers. This will enable us to generate recurring fee income with improving ROE.

### **Select high quality office & retail assets**

While we are primarily a residential real estate company, we also develop retail and office spaces as part of our mixed use developments. In the past, we have developed retail assets and monetized the same. In order to bring diversity to our income stream, we intend to retain some of these assets, which we believe have high probability of significant capital appreciation (in addition to their rental yield) on account of their superior location, product quality or tenant mix. Given these assets would be developed along with our residential developments on larger land parcels suitable for mixed use developments, capital intensity of the same would be significantly lower helping us generate strong ROEs.

### **Business Performance Overview**

For the FY23, our company has achieved Pre-sales of ₹ 120.6 Bn registering a growth of 34% over FY22. 32% of the sales came from launches at new locations. The strong pre-sales performance at new locations as well as existing locations signify strong consumer intent to own a home despite steep increase in mortgage rates.

#### **Pre-sales**

Performance for our key micro-markets in terms of pre-sales is as follows:

**South & Central Mumbai** – In the South Central Mumbai where the Company has a significant market share, it achieved a



pre-sales of ₹ 39.1 Bn (23% YoY growth). This was on the back of strong performance of the new launch at Malabar Hill as well as strong performance at existing projects such as Lodha Park, The World Towers etc. We have new launches planned in this micro-market even in FY24 which will help us grow further.

**Extended Eastern Suburbs:** On the back of the strong performance seen in the two townships located in the Extended Eastern Suburbs of Mumbai, the Company achieved pre-sales of ₹ 22.6 Bn (16% YoY growth). We have continuously innovated in this micro-market and brought new products. In FY23, we launched plotted development at Palava which has been well received by consumers. Similarly, the launch of our 'Crown' brand at Palava which is aimed at the first time home buyers has done well. We expect significant ramp-up in Pre-sales momentum at both our townships on account of completion of several landmark infrastructure projects which will substantially improve the connectivity of the townships. Palava will benefit immensely due to commissioning of the Airoli-Katai Naka expressway in FY24 which will bring the IT hub of Airoli within approximately 20 minutes of driving distance. Some of the other notable infrastructure projects likely to get commissioned over next 2 to 3 years are – Navi Mumbai Airport, Mumbai Trans-harbour link, Kalyan – Talaja metro line. Similarly, our other township of Upper Thane is likely to benefit due to completion of Thane-Dombivli Link Road in FY24 which will bring the Upper Thane township within ten minutes driving distance of Dombivli suburban railway station thus connecting it to Mumbai through the suburban train system. Additionally, phase-1 of Mumbai - Nagpur samruddhi Mahamarg is already operational from Nagpur to Shirdi with phase-2 from Shirdi to Mumbai is likely to be operational over the next 12 months. Upper Thane being on this expressway will greatly benefit by becoming a gateway to Mumbai for the entire North Maharashtra in addition to being in close proximity to Mumbai. All these projects have the ability to propel Palava and Upper Thane at a significantly faster growth path in the medium term.

**Thane:** The Company achieved ₹ 12.6 Bn of pre-sales. We are in the process of augmenting supply in the micro-market given completion of few of the existing projects. In this regard, we have added two new projects in FY23 with a cumulative GDV of nearly ₹ 15.0 Bn. Our focus will be to add more GDV in coming years considering brand Lodha has a very high resonance in consumer mind in this market.

**Eastern Suburbs of Mumbai:** Eastern Suburbs of Mumbai is one of the MMR micro-markets where we had no presence prior to our IPO as we had depleted our inventory. In line with our strategy of expanding into underserved micro-markets where our brand is well recognised, we started adding projects since FY22. On the back of multiple new launches in Vikhroli, Powai and Matunga, we achieved total pre-sales of ₹ 12.3 Bn in FY23 showing 764% YoY growth.

**Western Suburbs of Mumbai:** Similar to Eastern Suburbs, we started expanding meaningfully in this market only after our IPO. On the back of new launches in the micro-market in FY23, we achieved total pre-sales of ₹ 13.7 Bn. This micro-market is going to be one of the growth drivers for pre-sales over

the next 3-5 years.

**Pune:** Pune is one of the success stories of our expansion strategy. We entered Pune with our first project Lodha Belmondo in the middle of last decade. Over the latter half of the previous decade, we built our brand in the city on an organic basis through superior customer experience and product delivery. During this period we learnt about the market and built our team and ecosystem in the city. On the back of the established brand, team and ecosystem, we started expanding rapidly in the city since 2021 immediately post Covid. In FY23, we achieved presales of ₹ 11.3 Bn (103% YoY) and are well on track to be among the top-3 developers by FY24 on the back of further new launches.

**Other micro-markets:** From other micro-markets, the Company achieved pre-sales of ₹ 832.2 Mn mainly from extended western suburbs of MMR.

**Land and annuity asset monetization:** We have been able to monetize our surplus land assets around our townships on a consistent basis and generate recurring cashflow from the same. For FY23, we sold land worth ₹ 6.8 Bn mainly for Digital Infrastructure usage. This creates a virtuous cycle for our nearby township residential business due to job creation or infrastructure development. We also monetized annuity commercial assets of ₹ 1.5 Bn.

**Completions:** Construction activity picked up after pandemic-led disruptions seen in the last 3 years. However, there were minor disruptions due to extreme commodity price volatility on the back of Russia-Ukraine war. For the FY23, we achieved completion of 9.3 msf area (58% YoY). Key completions during the year were in our townships at Palava and Upper Thane, Mira road, One Lodha Place, Crown Thane etc.

**Collections:** In line with strong sales growth, collections at ₹ 106.1 Bn also showed strong growth of 23% YoY. Collections will continue to grow in line with the growth in pre-sales and execution.

**Business Development:** In line with our strategy of expanding into all the micro-markets, the Company added 12 projects largely through JDAs for nearly ₹ 200 Bn GDV. On account of our short timespan from acquisition of land to launch of project coupled with strong sales velocity, we have emerged as a partner of choice for various land owners in MMR and Pune. FY23 also marked as the year in which we entered Bengaluru and signed up a JDA project. We continue to have a robust business development pipeline across the MMR and Pune which gives us a strong visibility of growth in a capital light manner while we continue growing in Bangalore in measured way.

**Digital Infrastructure:** Our efforts to grow our digital infrastructure vertical is progressing well. FY23 saw several watershed milestones getting achieved. We concluded our platform deal with Bain Capital and Ivanhoe Cambridge during the year. The year also witnessed us monetizing our financial stake in our first JV with ESR. We also signed up few marquee tenants for warehousing space at our Palava Industrial and Logistics Park. We have a further strong leasing pipeline with advance ongoing

discussions underway with several marquee tenants, giving us the visibility to start generating leasing income from FY24. Over the next 3-4 years, this platform will develop over 25 million square feet of logistics, warehousing and in-city fulfilment centre space enabling us to earn significant annuity income. As the operating partner for the platform, we will also receive fee income in the form of asset management fees, developer manager fees, facility management fees and land acquisition fees.

### **Achieving Minimum Public Shareholding (MPS) through secondary sale of shares via QIP:**

Subsequent to two primary issuances of capital in FY22 through an IPO in April 2021 and through a QIP in November 2021, Company achieved the regulatory threshold of 25% public shareholding in FY23, well in advance of the timeline, through a secondary sale of shares by the Promoters of the company. The promoters raised approximately ₹ 35.5 Bn by selling approximately 7.2% of the equity share capital of the Company through a Qualified Institutional Placement (QIP) by way of offer for sale.

## **Sustainability**

Sustainability is ingrained in our vision of Building a Better Life. We give utmost importance to building responsibly and mitigating our environmental impact, while contributing to a more sustainable future for all our stakeholders. Over the past year, we continued to make significant strides towards transition to a low-carbon world and anticipate to become a Net Zero company by operations (scope 1, 2 emissions) within FY 24.

Our initiatives under the Lodha Net Zero Urban Accelerator are progressing well and we expect that they will help us achieve our decarbonisation goals well ahead of time. This was a very active year for the Accelerator where we progressed on initiatives around green concrete, circularity in the supply chain, data analysis and modelling, engagement with varied set of partners across the focus areas of the Accelerator. We expect to start publishing studies this year that can help guide the

decarbonisation of built environment. During the year, we also partnered with Xynteo on the 'Build Ahead Coalition' that aims to unite multiple stakeholders from the construction value chain to achieve net zero built environment in India.

In the previous year, we brought all our residential projects under the ambit of green certifications and this year we submitted the documentation for close to 30 million square feet of our developments, of which, we have received certificates for close to two-thirds of our developments. We anticipate that all our all active projects will be green certified during the course of FY24. We also completed our physical climate risk analysis and we have presented the forecast climate data through a climate risk toolkit to be taken into consideration by our designers while designing new projects.

With our continued efforts to make Lodha an equitable and preferred workplace for women, we are committed to achieve our gender diversity target of 44% by 2027. As a company engaged in construction activity, health & safety is always at the forefront of our operational agenda. Our stringent safety protocols and policies ensure a safe working environment for our workers across sites. Our goal of building a stronger nation is being serviced through our efforts towards unleashing the potential of young minds through Lodha Genius Programme in partnership with Ashoka University, as well as empowering women through Project Unnati.

We are determined to create a sustainable and equitable world for all our stakeholders. Our commitment towards growing sustainably also reflects in our exceptional performance in leading global sustainability benchmarks. We were ranked amongst the top ~1% of the 867 global real estate companies in the S&P Global Corporate Sustainability Assessment (CSA 2022). We received an overall ESG risk rating of 13.8 by Sustainalytics and were placed in the "low-risk" category of ESG risk severity. We also scored well in other sustainability benchmarks like GRESB where we received a 5-star rating in the Development Benchmark.

## **Financial Performance Overview**

### **Our results of operations**

The following table provides select financial data from our consolidated statements of profit and loss for financial years ended March 31, 2023 and March 31, 2022, respectively, the components of which are also expressed as a percentage of total revenue for such periods.

Particulars	For the year ended March 31			
	2023		2022	
	(in ₹ Bn)	(% of Total income)	(in ₹ Bn)	(% of Total income)
<b>INCOME</b>				
Revenue from Operations	94.7	98.5%	92.3	96.9%
Other Income	1.4	1.5%	2.9	3.1%
<b>Total Income</b>	<b>96.1</b>	<b>100.0%</b>	<b>95.3</b>	<b>100.0%</b>



Particulars	For the year ended March 31			
	2023		2022	
	(in ₹ Bn)	(% of Total income)	(in ₹ Bn)	(% of Total income)
<b>EXPENSES</b>				
Cost of Projects	60.6	63.1%	60.6	63.7%
Employee Benefits Expense	4.2	4.4%	3.5	3.7%
Other Expenses	9.2	9.5%	6.4	6.7%
<b>EBITDA</b>	<b>20.7</b>	<b>21.5%</b>	<b>21.8</b>	<b>22.9%</b>
<b>Adjusted EBITDA*</b>	<b>29.7</b>	<b>30.9%</b>	<b>32.4</b>	<b>35.1%</b>
Finance Costs	4.8	5.0%	6.8	7.1%
Depreciation, amortisation and impairment expense	0.9	1.0%	0.7	0.8%
<b>Total Expenses</b>	<b>79.8</b>	<b>83.0%</b>	<b>78.1</b>	<b>82.0%</b>
<b>Profit before exceptional item and tax</b>	<b>16.3</b>	<b>17.0%</b>	<b>17.2</b>	<b>18.0%</b>
Exceptional Items	(11.8)	(12.2%)	-	-
Share of Net Loss in Associate	(0.1)	(0.1%)	0.0	-
<b>Profit Before Tax</b>	<b>4.5</b>	<b>4.7%</b>	<b>17.2</b>	<b>18.0%</b>
Tax Credit/ (Expense):	0.4	0.4%	5.1	5.3%
<b>Profit for the Year</b>	<b>4.9</b>	<b>5.1%</b>	<b>12.1</b>	<b>12.7%</b>

\*Adjusted EBITDA = After Grossing up of Finance cost included in cost of project.

## Cash Flows

The table below summarises our cash flows for the consolidated operations for the year ended March 31, 2023 and 2022.

Particulars (Amounts in ₹ Bn)	For the year ended March 31	
	2023	2022
Net cash generated from operating activities	27.5	20.0
Net Cash Flows from Investing Activities	17.8	11.4
Net Cash Flows from / (used in) Financing Activities	(37.1)	(28.9)
<b>Net Increase / (Decrease) in Cash and Cash Equivalents</b>	<b>8.2</b>	<b>2.5</b>

## Indebtedness

As of March 31, 2023, our consolidated indebtedness is as set out below:

Category of borrowings	As at	
	31-Mar-23	31-Mar-22
Gross India Debt	90.4	111.2
Gross Overseas Debt - Senior notes (Secured)	-	4.1
Cash & Cash Equivalent	19.7	18.2
<b>Net India Debt</b>	<b>70.7</b>	<b>93.0</b>
<b>Total Gross Debt</b>	<b>90.4</b>	<b>115.4</b>
<b>Total Net Debt</b>	<b>70.7</b>	<b>97.1</b>

## Key Financial Ratios-

Ratios (Definition)	FY23	FY22	% Change	Reason for change
<b>Trade Receivables Turnover</b> (Revenue from Operations/ Average Trade Receivables)	13.68	14.21	-4%	Decrease in Trade Receivables Turnover Ratio is mainly due to increase in trade receivable compared to last year.

Ratios (Definition)	FY23	FY22	% Change	Reason for change
<b>Inventory Turnover Ratio -</b> Cost of project / Average of Inventory	1.22	1.24	-2%	Decrease in Inventory Turnover Ratio is mainly due to increase in Inventory.
<b>Interest Coverage Ratio -</b> (Earnings before Interest Expenses <sup>#</sup> , Depreciation and Tax (excludes Exceptional Item) / Interest cost)	2.25	2.03	11%	Improvement in Interest coverage ratio is mainly on account of decrease in Interest cost.
<b>Current Ratio -</b> (Current Assets/ Current Liabilities)	1.50	1.47	2%	Improvement in Current ratio is due to increase in Current Assets.
<b>Debt-Equity Ratio -</b> Debt / Total Equity (Share Capital + Applicable Reserves)	0.74	0.98	-25%	Improvement in Debt Equity ratio is due to reductions in Total Debt.
<b>Operating Profit Margin (%) -</b> Earnings before Interest Expenses <sup>#</sup> , Tax, & Exceptional Item less Other Income / Revenue from Operation	31.38%	35.08%	-11%	Decrease in Operating Profit Ratio is due to decrease in profit before tax compare to last year.
<b>Net Profit Ratio -</b> Profit After tax / Total Income	5.09%	12.69%	-60%	Decrease in Net Profit Ratio is due to decrease in profit after tax compare to last year on account of exceptional items.
<b>Return on Net Worth Ratio -</b> Profit after tax / Average of total Equity	3.95%	14.74%	-73%	Decrease in Return on Equity Ratio is due to decrease in profit after tax compare to last year on account of exceptional items.

<sup>#</sup>Interest cost represents finance cost debited to statement of Profit and Loss and interest cost charged through cost of projects

## Risks and Mitigation

### Rise in interest rates

**Risk:** In order to contain inflation, global central banks have increased policy rates significantly throughout FY23. RBI has also raised Repo rate by 250 bps in FY23, steepest ever hike in a year. This has also led to mortgage rates rising by over 200 bps. Any further steep rise in mortgage rate could impact the industry volumes adversely.

**Mitigation:** While mortgage rates have risen steeply to 8.5%-9%, volumes have continued to grow at a rapid pace with a modest price increase. This suggests a strong structural nature of the demand for quality housing. Given the safe nature of mortgage lending, there is a strong competition among the lenders in this segment. On account of this, transmission of policy rate hikes has lagged and it is likely that complete transmission may not happen even going ahead. Additionally, given the cycling down of the inflation, it is possible that the RBI will pause its monetary tightening and look to reduce policy rates in the latter half of the year. Coupled with the strong structural demand drivers, consolidation in the industry and partial transmission of policy rate hikes, the impact of the further increase in policy rates will be muted. In order to help our consumers to get on the housing ladder, we had rolled out a scheme where we bear the impact of increase in mortgage rates (upto 150 bps from 6.99%) for two years. Beyond two years, wages increasing by 8%-10% annually will be able to address increased EMI consequent to

increase in interest rate. The cost of absorption for us has been less than 30 bps of pre-sales annually making it like an insurance against the rise in mortgage rates with a minimal cost to us. We can likely restart this scheme in some form in case there is a significant increase in mortgage rates. This will greatly reduce any residual adverse impact from rising mortgage rates.

### Slowing economic growth

**Risk:** India's housing demand is closely linked to job sentiments which in turn is related to overall health of the economy. On account of the steep increase in policy rates, we have seen global growth come down with talks of some of the developed economies getting into a recessionary zone. Slowing global growth coupled with RBI's policy rate hikes, have seen slowing down of the Indian economy. Any worsening of job sentiments in a slowing economy either due to loss of white collar jobs or inadequate salary growth could lead to slower housing demand.

**Mitigation:** Indian housing is a domestic industry with domestic demand drivers with limited impact of global economy. While there has been impact of slower global growth on the Indian economy, it is still expected to be the fastest growing economy with approximately 6.5% growth rate for FY24. While the growth in hiring has come down, it is still in positive territory – thus keeping the job sentiments still robust. The strong structural drivers for housing, consolidation in the industry coupled with the all-time best affordability will likely negate any adverse impact of economic slowdown to a large extent. We remain watchful of the



situation on the ground and our strategy around sizing as well as timing of new launches on the one hand and ability to adjust the same should enable us to address any such eventuality if it plays out. This will reduce the risk of slowdown to a large degree on our business health.

### Cyclicality of the Industry

**Risk:** Real estate is considered to be a capital intensive industry impacted by overall macro cycles and thus being cyclical in nature. Currently, the cycle is at the start of a multi-year upswing. However, due to slowing economy, the cycle may take a short pause, impacting the overall business for the industry.

**Mitigation:** Cyclicality of the industry can be mitigated by keeping a robust balance sheet. We are on a journey to reduce our net debt to be below 1x of our operating cash flow or 0.5x of equity, whichever is lower. We will likely achieve these thresholds during the course of FY24. However, we will continue to reduce our leverage thereafter and create a headroom. This will enable us to capture the abundant opportunities that may come our way in a cyclically bad year for the sector.

### Worsening of Geopolitical tensions

**Risk:** Any flare up of the geopolitical tensions especially in Russia-Ukraine war could have an impact on the global growth and return of energy price inflation which in turn feeds into overall inflation making the task of policymaking tougher. Any material escalation could once again impact the global supply chain and have adverse impact on global trade.

**Mitigation:** While signs of any further flare up in geopolitical tension are not presently visible, if it happens, will likely see a knee-jerk reaction in prices of commodities in general and energy in particular. However, as our experience of the past year has shown, such dislocations may not sustain for a longer term. Construction cycle by virtue of being a 3-4 years cycle will likely adjust with minimal impact from such an issue. Secondly, real estate has a completely local supply chain barring high speed elevators which are imported. Thus, supply chain disruptions may not have any material impact on the business. As an ongoing effort, we continue to increase diversification in our sourcing of materials which helps us address such events.

### Concentration Risk

**Risk:** Historically, we have been present in the residential segment within three micro-markets of MMR in a meaningful manner. Any adverse impact on the residential segment or the three micro-markets of MMR could result in adverse outcome for our company.

**Mitigation:** We are diversifying our geographical presence by expanding in all the micro-markets of MMR as well in the city of Pune. We have also entered Bengaluru in FY23 which will start contributing significantly after three years of 'seed phase'. This geographical diversification also diversifies our customer profiles. Mumbai is home to corporate head offices, BFSI, high value consulting, entertainment, large SME base with some minimal IT services. Our expansion in Pune has provided us diversification

into customer base which is employed into manufacturing, defence, automobile and mid-end IT services. On the other hand, our expansion into Bengaluru which is the technology hub of India, provides us diversification into customer base which is employed into the high-end IT services, and new age start-up ecosystem. Similarly to bring further diversification, we are developing digital infrastructure which includes warehousing, logistic etc. as well as scaling up our facilities management business. While we will continue to be residential focussed company, we will generate a sizeable annuity income from digital infrastructure and facilities management business.

### Outlook

While the FY20-22 period saw unprecedented disruption on account of the pandemic, FY23 was largely a normal year in terms of operating environment. However, it saw the fastest ever monetary tightening seen in the last two decades. The demand has remained robust and intent of Indian consumers to own a home remains strong as ever. Consolidation of the industry continues to accelerate with more than 50% of incremental new supply now coming from branded developers. This consolidation is expected to continue even going forward especially in context of rising interest rates. Early read through of FY24 demand suggest continuation of the strength seen in the housing demand in FY23. Your company is on track to deliver 20% growth in pre-sales on a consistent and predictable manner and FY24 will follow the same trajectory. We would see launch of new projects in underserved micro-markets of MMR and Pune as well as select project launches in Bengaluru. High visibility of project launches in new micro-markets will likely help us achieve our growth objectives. We also have a robust business development pipeline largely through JDAs for the FY24 which will serve us well to deliver growth beyond FY24 as well. On the back of robust demand and easing of interest rates in the latter half of the year, we expect pricing growth to remain in 6%-8% range for the year which will further boost sentiments towards owning a home.

We are also rapidly scaling up our digital infrastructure platform in partnership with Bain Capital and Ivanhoe Cambridge (an arm of CDPQ). We expect the lease rentals from the platform to commence in FY24 which is expected to ramp up significantly over the next 3-5 years.

### Internal Controls

The Company has a robust internal financial control system commensurate with the size, scale and complexity of its operations. It has put in place adequate controls, procedures and policies for ensuring orderly and efficient conduct of its business including adherence to policies, safeguarding its assets, reasonable framework aimed at prevention and detection of frauds and errors, accuracy and completeness of accounting records. Appropriate frameworks have been designed to have internal controls over financial reporting, which ensures the integrity of financial statements of the Company and reduces possibility of malpractice.

Design of key processes and various policies are reviewed periodically, from the point of view of adequacy of controls. The Company has in place an Internal Audit (IA) function headed by the Chief Internal Auditor. The internal audit plan for the year is approved by the Audit Committee at the start of the financial year.

The Management Audit Committee (MAC) meeting reviews the detailed internal audit reports prior to placing the same before the Audit Committee. The MAC is chaired by the MD & CEO and co-chaired by the CFO and the other functional heads are invitees to the meeting as and when required. The Audit Committee oversees the scope and coverage of the IA plan, and evaluates the overall results of these audits during the quarterly Audit Committee meetings. The functional leadership team members join the meeting as and when necessary to provide updates on developments regarding the status of controls and compliance within their respective functions.

Internal controls are tested for effectiveness, across all project sites and functions by the Internal Audit team, which is reviewed by the management for corrective action from time to time and deviations, if any, are reported to the Audit Committee periodically.

A certificate from the CEO and CFO form part of the Corporate Governance Report, confirming the existence and effectiveness of internal controls, and reiterating their responsibility to report Deficiencies to the Audit Committee and rectify the same.

### Human Resources

At Macrotech, we believe that our people and our “We Care” culture strengthen our processes and operations and are central to our continued success. We are committed to build and further enhance skills of our people and provide them with a safe, inclusive, caring and an unbiased environment. Our workplace culture fosters creativity, agility, innovation and meritocracy. We respect and are committed to uphold human rights of all our stakeholders - employees, subsidiaries, suppliers and other partners.

We had 4,200 permanent employees as on March 31, 2023 – an increase of 25% over FY22. For more details on our employee practices and processes refer to the Human Capital section on pg 136 and the BRSR on pg 219 of the Integrated Report.



# BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

## SECTION A: GENERAL DISCLOSURES

### I. Details of the listed entity GRI 2-1, 2-2, 2-3, 2-5

1.	Corporate Identification Number (CIN) of the Listed Entity	L45200MH1995PLC093041
2.	Name of the Listed Entity	MACROTECH DEVELOPERS LIMITED
3.	Year of Incorporation	1995
4.	Registered office address	412, Floor- 4, 17G Vardhaman Chamber Cawasji Patel Road, Horniman Circle, Fort, Mumbai MH 400001
5.	Corporate office address	Lodha Excelus, Apollo Mills Compound, N.M.Joshi Marg, Mahalaxmi, Mumbai 400011
6.	E-mail id	investor.relations@lodhagroup.com
7.	Telephone	+91 22 6773 7373
8.	Website	<a href="http://www.lodhagroup.in">www.lodhagroup.in</a>
9.	Financial year for which reporting is being done	2022-2023
10.	Name of the Stock Exchange(s) where shares are listed	BSE Limited and National Stock Exchange of India Limited
11.	Paid-up capital	₹ 4.8 Bn
12.	Name and contact details of the person who may be contacted in case of any queries on the BRSR report	Ms Sanjyot Rangnekar Company Secretary and Compliance Officer Tel: +91 22 6773 7373 Email: Sanjyot.Rangnekar@lodhagroup.com Address: 10 <sup>th</sup> Floor, Lodha Excelus, Apollo Mills Compound, N M Joshi, Marg, Mahalaxmi, Mumbai 400011
13.	Reporting boundary	Disclosures are made on a consolidated basis for Macrotech Developers Limited and its subsidiaries. GRI Assurance: DNV Business Assurance Private Limited has carried out an independent third party assurance of the sustainability disclosures brought out in the Report 2022-23. The scope and basis of assurance have been described in their Assurance Statement

### II. Products/services GRI 2-2, 2-6

#### 14. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Construction	Development of a. Residential Projects, b. Commercial Projects and c. Digital Infrastructure park	100%

#### 15. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1	Construction and development of real estate and allied activities	410	100%

### III. Operations GRI 2-2, 2-6

#### 16. Number of locations where plants and/or operations/offices of the entity are situated:

S. No.	Location	Number of plants*	Number of offices	Total
1	National	34	2	36
2	International	0	1	1

Notes: 1. The company does not have any plants. Total number of project offices is 34.

2. The Company has a representative sales office in Dubai.

#### 17. Markets served by the entity

##### a. Number of locations

S. No.	Location	Total
1	National (No. of States)	2
2	International (No. of Countries)	0

Note: The Company does not have any international projects. However the Company has a representative sales office in Dubai.

##### b. What is the contribution of exports as a percentage of the total turnover of the entity?

Nil

##### c. A brief on types of customers

In our "for-sale" business, our customers are generally individuals. In our commercial annuity and digital infrastructure park business, our customers are financial institutions, business houses, high net worth individuals etc.

### IV. Employees GRI 2-2, 2-7, 2-8

#### 18. Details as at the end of Financial Year:

##### a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
<b>EMPLOYEES</b>						
1.	Permanent (D)	4,200	3,443	82.0%	757	18.0%
2.	Other than Permanent (E)	105	54	51.4%	51	48.6%
3.	<b>Total employees (D + E)</b>	<b>4,305</b>	<b>3,497</b>	<b>81.2%</b>	<b>808</b>	<b>18.8%</b>
<b>WORKERS</b>						
4.	Permanent (F)	0	0	0	0	0
5.	Other than Permanent (G)	12,709	12,709	100%	0	0
6.	<b>Total workers (F + G)</b>	<b>12,709</b>	<b>12,709</b>	<b>100%</b>	<b>0</b>	<b>0</b>

Note: Workers at our construction sites are employed by our contractors and their sub-contractors. There are no workers on our pay roll.

##### b. Differently abled Employees and workers:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
<b>DIFFERENTLY ABLED EMPLOYEES</b>						
1.	Permanent (D)	1	1	100%	0	0
2.	Other than Permanent (E)	0	0	0	0	0
3.	<b>Total differently abled employees (D + E)</b>	<b>1</b>	<b>1</b>	<b>100%</b>	<b>0</b>	<b>0</b>
<b>DIFFERENTLY ABLED WORKERS</b>						
4.	Permanent (F)	0	0	0	0	0
5.	Other than Permanent (G)	0	0	0	0	0
6.	<b>Total differently abled workers (F + G)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>



19. Participation/Inclusion/Representation of women [GRI 405-1]

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	9	2	22.2%
Key Management Personnel	5	2	40.0%

20. Turnover rate for permanent employees and workers [GRI 401-1]

	FY 2023 (Turnover rate in current FY)			FY 2022 (Turnover rate in previous FY)			FY 2021 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	22.7%	26.5%	23.4%	21.0%	29.1%	22.4%	31.5%	27.5%	30.9%
Permanent Workers	Not applicable								

**V. Holding, Subsidiary and Associate Companies (including joint ventures)**

21. (a) Names of holding / subsidiary / associate companies / joint ventures [GRI 2-2]

S.No.	Name of the holding/ subsidiary/ associate companies/ joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Sambhavnath Infrabuild And Farms Private Limited	Holding	-	No
2	Apollo Complex Private Limited	Subsidiary	100%	No
3	Bellissimo Buildtech LLP	Subsidiary	100%	No
4	Bellissimo Constructions And Developers Private Limited <sup>2</sup>	Subsidiary	100%	No
5	Bellissimo In City FC NCR 1 Private Limited	Subsidiary	100%	No
6	Brickmart Constructions And Developers Private Limited	Subsidiary	100%	No
7	Center For Urban Innovation Private Limited <sup>2</sup>	Subsidiary	100%	No
8	Cowtown Infotech Services Private Limited	Subsidiary	100%	Yes
9	Cowtown Software Design Private Limited	Subsidiary	100%	No
10	Digirealty Technologies Private Limited	Subsidiary	100%	No
11	G Corp Homes Private Limited	Subsidiary	100%	Yes
12	Homescapes Constructions Private Limited <sup>2</sup>	Subsidiary	100%	No
13	Lodha Developers International Limited	Subsidiary	100%	No

S.No.	Name of the holding/ subsidiary/ associate companies/ joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
14	Lodha Developers International (Netherlands) B.V	Subsidiary	100%	No
15	Lodha Developers U.S., Inc	Subsidiary	100%	No
16	National Standard (India) Limited	Subsidiary	73.94%	Yes
17	One Place Commercial Private Limited	Subsidiary	100%	Yes
18	Palava City Management Private Limited	Subsidiary	100%	No
19	Palava Induslogic 3 Private Limited	Subsidiary	100%	No
20	Palava Institute Of Advanced Skill Training Private Limited <sup>2</sup>	Subsidiary	100%	No
21	Primebuild Developers And Farms Private Limited <sup>2</sup>	Subsidiary	100%	No
22	Roselabs Finance Limited	Subsidiary	74.25%	No
23	Sanathnagar Enterprises Limited	Subsidiary	72.7%	Yes
24	Simtools Private Limited <sup>3</sup>	Associate	49.85%	No
25	Thane Commercial Tower A Management Private Limited	Subsidiary	100%	No
26	Bellissimo Digital Infrastructure Development Management Private Limited	Joint Venture	60%	No
27	Bellissimo Digital Infrastructure Investment Management Private Limited	Joint Venture	60%	No
28	Bellissimo In City FC Mumbai 1 Private Limited	Joint Venture	33.34%	No
29	Palava Induslogic 2 Pvt Ltd	Joint Venture	100%	No
30	Palava Induslogic 4 Private Limited	Joint Venture	33.34%	No
31	Grosvenor Street Apartments Limited <sup>1</sup>	Joint Venture	51%	No
32	Lincoln Square Apartments Limited <sup>1</sup>	Joint Venture	51%	No
33	Lodha Developers 1GSQ Holdings Limited <sup>1</sup>	Joint Venture	53.45%	No
34	Lodha Developers 1GSQ Limited <sup>1</sup>	Joint Venture	53.45%	No
35	Lodha Developers 48CS Limited <sup>1</sup>	Joint Venture	53.45%	No
36	Lodha Developers Dorset Close Limited <sup>1</sup>	Joint Venture	53.45%	No
37	Lodha Developers International (Jersey) III Limited <sup>1</sup>	Joint Venture	53.45%	No



S.No.	Name of the holding/ subsidiary/ associate companies/ joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
38	Lodha Developers UK Limited <sup>1</sup>	Joint Venture	51%	No
39	New Court Holdings Limited <sup>1</sup>	Joint Venture	51%	No
40	1 GSQ Leaseco Limited <sup>1</sup>	Joint Venture	51%	No
41	1 GS Residences Limited <sup>1</sup>	Joint Venture	53.43%	No
42	1 GS Investments Limited <sup>1</sup>	Joint Venture	53.45%	No
43	1 GS Properties Investments Limited <sup>1</sup>	Joint Venture	51%	No
44	1GS Quarters Holdings Limited <sup>1</sup>	Joint Venture	53.45%	No
45	Mayfair Square Apartments Limited <sup>1</sup>	Joint Venture	45.9%	No
46	Mayfair Square Residences Limited <sup>1</sup>	Joint Venture	45.9%	No

Notes:

1. Subsidiaries as per Companies Act 2013, considered under "joint control" as per Ind AS 110

2. Wholly owned subsidiaries merged with the Company w.e.f. 20.05.2023

3. Associate company, considered a subsidiary due to control under Ind AS 110

## VI. CSR Details

### 22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No)

Yes

(ii) Turnover ₹ **87.3 Bn**

(iii) Net worth ₹ **122.2 Bn**

## VII. Transparency and Disclosures

### 23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct [GRI 2-16]

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/ No) (If Yes, then provide web-link for grievance redress policy)	FY 2023			FY 2022		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes <a href="http://www.lodhagroup.in/sustainability">www.lodhagroup.in/sustainability</a>	Nil	Nil	-	Nil	Nil	-
Investors	Yes <a href="http://www.lodhagroup.in/investor-relations">www.lodhagroup.in/investor-relations</a>	Nil	Nil	-	Nil	Nil	-
Shareholders	<a href="http://www.lodhagroup.in/investor-relations">www.lodhagroup.in/investor-relations</a>	4	Nil	-	Nil	Nil	-

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2023			FY 2022		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Employees and workers	Yes <a href="http://www.lodhagroup.in/sustainability">www.lodhagroup.in/sustainability</a>	778	19	All pending cases closed as on date.	996	42	All cases closed
Customers	Yes <a href="http://www.lodhagroup.in/sustainability">www.lodhagroup.in/sustainability</a>	4,609	96	All pending cases closed as on date. 16 customer complaints were converted into litigation and 4 customer litigations were closed successfully.	4,455	Nil	61 customer complaints were converted into litigation and 31 customer litigations were closed successfully.
Value Chain Partners	Yes <a href="http://www.lodhagroup.in/sustainability/">www.lodhagroup.in/sustainability/</a>	2,730	51	All pending cases closed as on date.	-	-	-

Notes:  
Number of customer complaints includes complaints received /addressed of any nature.

**24. Overview of the entity’s material responsible business conduct issues [GRI 3-2, 3-3]**

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications

Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
Environmental stewardship	Risk and Opportunity	<p><b>Risk:</b> Health impacts of heat stress, water stress and flooding (water borne diseases and displacement); Increase in peak energy demand; Impact on affordability (energy and water)</p> <p><b>Opportunity:</b> Minimized urban heat island effect; Improved health and well being of residents; Resilient project portfolio with sustained value growth of real estate</p>	<ol style="list-style-type: none"> <li>Developed a climate risk toolkit for aiding in masterplanning and development of new land parcels and properties; toolkits include mitigation measures against potential risks</li> <li>Robust infrastructure deployment on projects</li> <li>Energy and water sufficiency roadmaps for large developments</li> <li>Transition to renewable energy</li> </ol>	Positive



Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
Workforce development	Risk and Opportunity	<p><b>Risk:</b> Inability to attract or retain the right talent or higher attrition due to increasing number of career options</p> <p><b>Opportunity:</b> Attract the best talent by providing growth opportunities and nurturing environment</p>	We provide a workplace which is both fulfilling and conducive to professional and personal growth through our talent management approach coupled with our culture and our We Care approach	Positive
Stakeholder collaboration & development	Risk and Opportunity	<p><b>Risk:</b></p> <ol style="list-style-type: none"> <li>1. Environment - Higher scope 3 emissions in use of sold products (downstream) and embodied carbon emissions (upstream)</li> <li>2. Social - Communication gaps with stakeholders and delay in issues faced by them</li> <li>3. Governance - Value chain partners' non-compliance with sustainability related norms and regulations</li> </ol> <p><b>Opportunity:</b></p> <ol style="list-style-type: none"> <li>1. Reduced costs, attracting pro environment customers,</li> <li>2. Creating long term sustainable relationships with stakeholders through continuous engagement</li> <li>3. Promoting inclusive growth by educating VCPs about the changing regulations and benefits of integrating sustainability with business</li> </ol>	We continue to strengthen our engagement with stakeholders through various platforms and channels. For more details refer the Stakeholder Engagement section on page 38 of the Integrated Report	Positive
Responsible Business Conduct	Risk and Opportunity	<p><b>Risk:</b> Regulatory risks and uncertainties</p> <p><b>Opportunity:</b> Build stakeholders trust by leading ethically and through high degree of transparency and accountability</p>	<ol style="list-style-type: none"> <li>1. Strong board with diverse experience to guide management through the business cycles</li> <li>2. Strong risk management framework</li> </ol>	Positive
Data Protection & Technology	Risk and Opportunity	<p><b>Risk:</b></p> <ol style="list-style-type: none"> <li>1. Prolific digitisation and evolving technological landscape</li> <li>2. Regulations becoming stringent on data protection and increasing threats to information security</li> </ol> <p><b>Opportunity:</b> Early mover advantages by piloting promising technologies</p>	<ol style="list-style-type: none"> <li>1. Testing technologies in collaboration with industry partners and policy makers thereby limiting the cost impacts.</li> <li>2. Technology transformation to achieve operational excellence and superior customer experience</li> <li>3. Continuous enhancement of reliability and security of our systems</li> </ol>	Positive

**SECTION B: MANAGEMENT AND PROCESS DISCLOSURES**

**Policy and Management**

**1. a. Whether your entity’s policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)**

		<b>P1</b>	<b>P2</b>	<b>P3</b>	<b>P4</b>	<b>P5</b>	<b>P6</b>	<b>P7</b>	<b>P8</b>	<b>P9</b>
1	a. Whether your entity’s policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	c. Web Link of the Policies, [GRI 2-23]	<a href="http://www.lodhagroup.in/sustainability">www.lodhagroup.in/sustainability</a>								
2	Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3	Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4	Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	ISO 45001: 2018 ISO 14001:2015, IGBC, GBCI And LEED								
5	Specific commitments, goals and targets set by the entity with defined timelines, if any. [GRI 3-3]	<p>We have set specific Environmental, Social and Governance (ESG) goals and have defined our strategy to deliver consistent, competitive, profitable, and responsible growth. Top goals include:</p> <ol style="list-style-type: none"> <li>1. Net Zero:                             <ol style="list-style-type: none"> <li>a. Scope 1 &amp; 2: Accelerated decarbonisation trajectory with a target of getting to Net Zero by 2027</li> <li>b. Scope 3:                                     <ol style="list-style-type: none"> <li>i) Achieve 51% reduction in Scope 3 emission intensities by 2030</li> <li>ii) Emissions reduction pathway aligned with 1.5°C goal, i.e. achieving Net Zero by 2050</li> </ol> </li> </ol> </li> <li>2. Diversity &amp; Inclusion:                             <p>Achieve gender diversity target of 44% by 2027 (excluding construction workforce)</p> </li> <li>3. Health &amp; Safety: Ensuring a safe working environment as sties to achieve zero fatality, zero hospitalization, and lowest LTIFR in the industry</li> </ol> <p>For more details refer the Sustainable Growth section on page 54 of the Integrated Report</p>								
6	Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	<p>We constantly monitor our performance against our ESG Goals’ and take adequate actions wherever required.</p> <ol style="list-style-type: none"> <li>1. a) Scope 1 &amp; 2: Renewable energy transition at 90% of our construction sites and standing assets; Anticipating to become operationally Net Zero (scope 1, 2) by FY24</li> <li>b) 17.8% YoY reduction in scope 3 emission intensities in FY23; Launched Lodha Net Zero Urban Accelerator, in partnership with RMI</li> <li>2. Gender diversity at 27.2% in FY23 (excluding construction workforce)</li> <li>3. 0.054 lost time injury frequency rate (LTIFR) and one fatality in FY23</li> </ol> <p>For more details refer the Sustainable Growth section on page 54 of the Integrated Report</p>								



## Governance, leadership and oversight

### 7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure) [GRI 2-22]

Refer the MD & CEO's statement on page 22 of the Integrated Report.

### 8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies). [GRI 2-9, 2-13]

The ESG Committee of the Board is responsible for the following:

- Approve, note and ratify ESG goals, targets and strategy and monitor performance thereof including the ESG initiatives to ensure long-term value creation for stakeholders
- Periodically review implementation, execution, progress and impact of the Company's ESG initiatives and targets
- Review of ESG reporting in line with various national and global sustainability/ ESG indices and guidelines.
- Do all acts, deeds and things incidental and deemed necessary for achievement of ESG goals, targets and strategy of the Company. Composition of the ESG Committee is provided in the Corporate Governance Report on page 270 of this Report.

### 9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details. [GRI 2-9, 2-11, 2-13, 2-14]

Mr Abhishek Lodha, Managing Director & CEO is responsible for decision making on sustainability related issues. The Company has also constituted an ESG Committee with terms of reference as set out in point no 8 above.

### 10. Details of Review of NGRBCs by the Company:

	Indicate whether review was undertaken by Director/ Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other –please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Yes. The review of performance of the Company against policies and follow up action was done by the Managing Director & CEO.									Quarterly								

### 11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency. [GRI 2-5]

Yes. Price Waterhouse Coopers Services LLP has done on Assessment evaluating the working of our Sustainable Design polices and the CSR policy along with the Human Rights Due Diligence evaluating our Human Rights, Diversity and inclusion policies' implementation in the Company in FY22.

DNV Business Assurance Private Limited has provided a limited assurance on non-financial sustainability disclosures based on GRI standards for FY23.

### 12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:

Not applicable

## SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURES

## PRINCIPLE 1

Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

## Essential Indicators

## 1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics/ principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	4	All 9 principles	100%
Key Managerial Personnel	4	All 9 principles	100%
Employees other than BoD and KMPs	645	All 9 principles	99.8%
Workers	331	Business Ethics, Environment, Health and Safety and Well-being	100%

Note: Impact of training

- Awareness and understanding on organization commitment towards ethical business practices, human rights, health and safety.
- Building awareness on organization commitment and targets on ESG.
- Zero cases of any violation on ethical business practices, human rights, discrimination and harassment.

## 2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 and as disclosed on the entity's website):

Nil

## 3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

NA

## 4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy. [GRI 205 - 1]

Yes. The Company has adopted an Anti Money laundering, Anti corruption and Anti Bribery policy. The Policy is applicable to all our stakeholders and seeks to ensure that there are adequate procedures to prevent any involvement in any activity related to bribery, facilitation payments, corruption or money laundering etc. Employees affirm the policy annually and other stakeholders like vendors, channel partners etc at the time of onboarding and at the time of entering into contracts with the Company. The policy is available on our website at [www.lodhagroup.in/sustainability](http://www.lodhagroup.in/sustainability). There were no breaches on account of bribery or corruption or money laundering in FY23.

## 5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption: [GRI 205 - 3]

	FY 2023	FY 2022
Directors	0	0
KMPs	0	0
Employees	0	0
Workers	0	0

## 6. Details of complaints with regard to conflict of interest [GRI 2-15]

	FY 2023		FY 2022	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	0	0	0	0
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	0	0	0	0

In FY 23, the Company did not receive any complaint with regard to conflict of interest from any stakeholder.



7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

Nil

### Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:

S.No.	Total number of awareness programmes held	Topics/ principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
1	12	Product sustainability, Stakeholder engagement, Environment Protection, Inclusive growth	52

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board?(Yes/No) If Yes, provide details of the same. [GRI 2-15]

Yes. The Company receives annual declarations from its Directors and KMPs on the entities they are interested in and ensures requisite approvals as required under the applicable laws as well as the Company's policies are in place before transacting with such entities / individuals. The Nomination & Remuneration Committee considers potential conflict of interest scenarios at the time of induction of directors to the Board. Interested directors do not vote or participate in decision on matters where they have or may have a conflict of interest.

## PRINCIPLE 2

**Businesses should provide goods and services in a manner that is sustainable and safe**

### Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively

	FY 2023	FY 2022	Details of improvements in environmental and social impacts
<b>R&amp;D</b>	7.3%	6.9%	In-house innovations in product design and strategic partnerships to ensure environmentally sustainable buildings, which has led to increase in our green certified portfolio. We are also addressing our full-spectrum of emissions through the Lodha Net Zero Urban Accelerator in partnership with Rocky Mountain Institute (RMI).
<b>Capex</b>	15.9%	16%	Significant use of sustainable products in our developments, ensuring considerations of circularity by use of recycled materials and operational efficiency in the form of system renewable energy, recycled steel, fly ash and ggbs, AAC blocks, star rated air conditioners and geysers, sewage treatment plants, performance facade systems etc.

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No) [GRI 308-1]

Yes, We have a strong procurement policy that supports sustainable sourcing and a circular economy model. We prioritise hiring from local communities and strategically creating job opportunities for vendors and allied service providers to positively impact their economic growth. We carefully evaluate and monitor vendor performance to maintain our high standards for quality, safety, and sustainability. Our approach supports the vendors and contributes to the socioeconomic development in the region. The policy is available on our website [www.lodhagroup.in/sustainability](http://www.lodhagroup.in/sustainability). For more details refer the Social and Relationship section on page 158 of the Integrated Report.

b. If yes, what percentage of inputs were sourced sustainably?

Geomapping was done for ~72% of total material procurement and within this we found that ~72% of material is procured from within 400 km radius.

For more details refer the Social and Relationship section on page 158 of the Integrated Report.

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for: a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.[GRI 306-2]

Not applicable

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes/ No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

Not applicable

**Leadership Indicators**

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format

S.No.	NIC Code	Name of Product/ Service	% of total Turn over contributed	Boundary for which the Life Cycle Perspective/ Assessment was conducted	Whether conducted by independent external agency (Yes/ No)	Results communicated in public domain (Yes/ No) If yes, provide the weblink.
1	410	Construction of buildings	5%	1.81	yes	Yes, <a href="http://www.lodhagroup.in/blogs/embodyed-carbon-in-high-rise-buildings-insights-from-a-baselining-study?utm_source=blog-lodha&amp;utm_medium=blog-lodha&amp;utm_campaign=lodha">www.lodhagroup.in/blogs/embodyed-carbon-in-high-rise-buildings-insights-from-a-baselining-study?utm_source=blog-lodha&amp;utm_medium=blog-lodha&amp;utm_campaign=lodha</a>

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same

S.No.	Name of Product / Service	Description of the risk / concern	Action Taken
1	Construction of buildings	The LCA confirmed that the embodied carbon emissions outweigh the overall emissions in the near-term. It is therefore imperative for us to engage with the supply chain and also devise innovative designs to reduce these upstream Scope 3 emissions.	Actions taken for embodied carbon reduction: - Published EC base lining for concrete buildings - Piloted higher GGBS content cement mix at UT; Planning LC2/3 pilot in FY24 - Central formwork yard helping reduce significant AI related emissions -Piloting agrocrete blocks at Premier project



3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

S.No.	Indicate input material	Recycled or re-used input material to total material	
		FY 2023	FY 2022
1	Steel	9.54	7.2
2	Fly ash and Ground granulated blastfurnace slag (ggbfs)	0.57	0.19

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed:

Not applicable

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Not applicable

### PRINCIPLE 3

Businesses should respect and promote the well-being of all employees, including those in their value chains

#### Essential Indicators

1. a. Details of measures for the well-being of employees [GRI 401-2]

Category	Total (A)	% of employees covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
<b>Permanent employees</b>											
Male	3,443	3,443	100%	3,443	100%	0	0	3,443	100%	940	27.3%
Female	757	757	100%	757	100%	757	100%	0	0	387	51.1%
<b>Total</b>	<b>4,200</b>	<b>4,200</b>	<b>100%</b>	<b>4,200</b>	<b>100%</b>	<b>757</b>	<b>18.0%</b>	<b>3,443</b>	<b>81.9%</b>	<b>1,327</b>	<b>31.6%</b>
<b>Other than Permanent employees</b>											
Male	54	26	48.1%	26	48.1%	0	0.0	26	48.1%	32	59.3%
Female	51	16	31.4%	16	31.4%	16	31.4%	0	0.0	37	72.5%
<b>Total</b>	<b>105</b>	<b>42</b>	<b>40.0%</b>	<b>42</b>	<b>40.0%</b>	<b>16</b>	<b>15.2%</b>	<b>26</b>	<b>24.8%</b>	<b>69</b>	<b>65.7%</b>

Health Insurance, Accident Insurance, Parental leave is applicable only for permanent employees and full time consultants.

- b. Details of measures for the well-being of workers

The Company ensures that all workers have a "Fit for Work" medical certificate before induction. Labour welfare facilities e.g. accommodation, food, recreation facilities, rest rooms, drinking water, toilets and urinals and health care facilities eg first aid facilities, qualified doctors and nurses, ambulance & emergency care are provided by the company. Regular pest control, fogging, sanitisation is conducted at sites. For more details refer the Human Capital section on page 136 of the Integrated Report.

2. Details of retirement benefits for current FY and previous FY [GRI 201-3]

S.No	Benefits	FY 2023			FY 2022		
		No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
1	PF	100%	100%	Yes	100%	100%	Yes
2	Gratuity	100%	NA	NA	100%	NA	NA
3	ESI	1.3%	100%	Yes	6%	100%	Yes

Note: ESIC is applicable to employees as per the threshold limit prescribed under the ESIC Act.

3. Accessibility of workplace

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Yes

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

The Company has an Equal Opportunity Policy which echoes our commitment to creating equal opportunities in employment and an inclusive work culture. The policy is available on our website at <https://www.lodhagroup.in/sustainability>

5. Return to work and Retention rates of permanent employees and workers that took parental leave. [GRI 401-3]

Gender	Permanent employees		Permanent workers	
	Return to work rate %	Retention rate %	Return to work rate %	Retention rate %
Male	100%	82.6%	NA	NA
Female	100%	88.0%	NA	NA
<b>Total</b>	<b>100%</b>	<b>83.4%</b>	<b>NA</b>	<b>NA</b>

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief. [GRI 102-33]

	Yes/No(If Yes, then give details of the mechanism in brief)
Permanent Workers	This is not applicable as the Company does not have any permanent workers.
Other than Permanent Workers	Yes. Grievances can be registered in the complaint registers provided at all our sites or online on our Stakeholders’ Grievance redressal portal. These complaints are acted upon and closed by the site staff. Details are shared with Project EHS associates on a monthly basis. EHS Associates conduct Camp inspections and check the complaint register periodically to ensure timely closeout. Report on outstanding complaints is reviewed in monthly project committee meetings.
Permanent Employees	Yes. Grievances may be raised with the Human Resources Business Partners assigned to the department / project site. Employees can also raise grievances online on the Stakeholders Grievance redressal portal. The Company also provides a whistleblower mechanism where complaints on violation of our Code of Conduct or on illegal or unethical practices may be raised anonymously as per our Whistleblower Policy.
Other than Permanent Employees	

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity [GRI 2-30]

Employees are allowed to associate with any trade union or seek collective bargaining agreements. As on March 31, 2023, no employees were part of any independent trade union or collective bargaining agreements.

8. Details of training given to employees and workers [GRI 404-1]

Category	FY 2023					FY 2022				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
<b>Employees</b>										
Male	3,497	2,123	60.7%	3,359	96.1%	2,782	939	33.7%	1,982	71.2%
Female	808	313	38.7%	786	97.3%	577	29	5.0%	530	91.8%
<b>Total</b>	<b>4,305</b>	<b>2,436</b>	<b>56.6%</b>	<b>4,145</b>	<b>96.3%</b>	<b>3,359</b>	<b>968</b>	<b>28.8%</b>	<b>2,512</b>	<b>74.7%</b>
<b>Workers</b>										
Male	12,709	12,709	100%	8,598	67.7%	10,879	10,879	100%	10,098	92.8%
Female	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
<b>Total</b>	<b>12,709</b>	<b>12,709</b>	<b>100%</b>	<b>8,598</b>	<b>67.7%</b>	<b>10,879</b>	<b>10,879</b>	<b>100%</b>	<b>10,098</b>	<b>92.8%</b>



9. Details of performance and career development reviews of employees and worker [GRI 404-3]

Category	FY 2023			FY 2022		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
<b>Employees</b>						
Male	3,497	3,469	99.2%	2,804	2,804	100%
Female	808	773	95.7%	586	586	100%
<b>Total</b>	<b>4,305</b>	<b>4,242*</b>	<b>98.5%</b>	<b>3,390</b>	<b>3,390</b>	<b>100%</b>

\*Trainees and Interns are not included

10. Health and safety management system

- a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system? [GRI 403-1]

Yes. The Company is certified for ISO 45001:2018 which is an Internationally well recognized and accepted Occupational Health and Safety (OHS) Management System Standard, implemented at all of our facilities and projects in India. These certified locations constitute 100% of office footprint and 100% of people footprint operating from these locations. The Company has a well-defined Occupational Health and Safety Management System which includes (OHS) policy, OHS Manual and supporting processes to ensure the safety and well-being of its employees and workers.

- b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity? [GRI 403-2]

As a part of ISO 45001:2018 Occupational Health and Safety Management System, the Company has a documented procedure to carry out assessment of work-related hazards and risks by conducting hazard identification and risk assessment sessions, daily site inspections, weekly management walkabouts, audits, etc for all routine and non-routine activities carried out at all our facilities and projects. Hazard and risk identification is carried out by the process owners in consultation with the safety experts. The process owners are responsible to ensure adequate controls are identified and implemented to control the identified OHS risks. For more details refer the Occupational Health and Safety section on page 148 of the Integrated Report.

- c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Yes/ No) [GRI 403-2]

Yes. The Company has an OHS observations (unsafe condition and unsafe act) and incident (accidents, near misses) reporting system and management process to ensure that all observations are closed, and work-related incidents are investigated and corrective and preventive actions are implemented. Company has a Stop Work Policy and empowered all employees and workers to act immediately to remove themselves and co-workers from OHS risks. For more details refer the Occupational Health and Safety section on page 148 of the Integrated Report.

- d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes. We take a holistic approach to well-being of our employees. Our well-being programs cover various aspects such as mental health, ergonomic health, physical health, and safety at home, delivered through digital channels, hospital insurance services and occupational health services. We have instituted programs for employees and their families to help cope with the mental stress and anxiety. Our employees have various health benefits including medical insurance, 24x7 free doctor consultations, in-house nutritionist and numerous other initiatives which ensure their physical, mental and emotional well-being. Maternity benefits, crèche policy and other exclusive wellness initiatives ensure that our women employees have a conducive work environment and are able to strike a work life balance. Regular health campaigns/awareness sessions are conducted in worker camps by the qualified doctors/NGOs. Regular medical check-ups for workers are organized. Company has implemented "Substance Abuse Policy" at all our projects. For more details refer the Human Capital section on page 136 of the Integrated Report.

11. Details of safety related incidents [GRI 403-9, 403-10]

Safety Incident/Number	Category	FY 2023	FY 2022
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	0.062	0.152
Total recordable work-related injuries	Employees	0	0
	Workers	8	17
No. of fatalities	Employees	0	0
	Workers	1	1
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

12. Describe the measures taken by the entity to ensure a safe and healthy work place. [GRI 403-2, GRI 3-3, GRI 403-9, GRI 403-10]

Occupational health and safety risks identified are typical to our nature of operations including workplace ergonomic risks arising due to computer usage at work stations, indoor air quality, workplace illumination, noise and fire risk typical to an office building; and general risks including slips, trips, falls, electrical shock, etc.

Hazard identification and risk assessment process is conducted to identify each such risk and ensure that proper mitigation measures are put in place to create a healthy and safe work environment. A similar approach for hazard identification is followed at our projects where the OHS risks are fall of persons/ materials, Working at height, manual and mechanical material handling, electrical and mechanical hazards, fire, collapse of soil/scaffolding/structures, failure of equipment/machinery, slips and trips, air quality, noise, illumination, etc.; measures include creating awareness through induction, OHS trainings, deployment of competent work force, implementation of preventive measures as per Risk Assessment of the activity, adopting safe work methods, adopting zero tolerance to OHS violations, implementation of disciplinary and reward programs, etc.

Some of the mitigation measures to prevent or mitigate significant occupational health & safety impacts include,

- Provision and maintenance of fire detection, alarm and suppression systems.
- Regular mock drills for fire as well as medical emergencies
- Regular site OHS inspections and audits
- Provision of ergonomically designed chairs and workstations to prevent musculoskeletal disorders (MSD's) and low radiation computer monitors for better visual health
- Digital monitoring of indoor air quality and periodic cleaning of the HVAC ducts to avoid sick building syndrome.
- Monitoring of air quality & noise monitoring at construction sites which is conducted by third party vendor to ensure emission is within MPCB permissible limit.
- Regular training on occupational health & safety training to sensitize employees on OHS aspects to inculcate a culture of safety
- Employee engagement campaigns on health & safety topics such as Everyone home safe, fire safety, road safety, emergency evacuation, ergonomics among others.

13. Number of complaints on the following made by employees and workers [GRI 2-16]

	FY 2023			FY 2022		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	1,948	0	All complaints are addressed	975	0	All complaints are addressed
Health & Safety	124	0		23	0	

14. Assessments for the year [GRI 3-3]

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%



15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions [GRI 403-10]

There were no significant risks/ concerns arising out of the health & safety assessments carried out during the year. There were a few slip, trip and fall related incidents during the year which were investigated and closed with necessary corrective and preventive actions. For further details on the safety measures taken at our sites, refer the Occupational Health and Safety section on page 148 of the Integrated Report.

### Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (a) employees and (b) workers (Y/N)

a. Employees (Y/N)

Yes. A monthly compensation equivalent to the last drawn salary of the deceased employee for a period of 12 months is paid to the nominee of the deceased employee. For more details refer the Human Capital section on page 136 of the Integrated Report.

b. Workers (Y/N)

Yes. As a part of the contract, the contractor is liable to pay statutory compensation to a worker. Additionally, the Company also pays a one-time compensation equivalent to twelve months wages to the nominee of the deceased worker.

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners

Contractors are required to submit valid PF and ESIC registrations and copies of attendance & wage registers, workmen compensation policy and challans as a proof of payment of statutory dues on an ongoing basis.

3. Provide the number of employees / workers having suffered high consequence work- related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2023	FY 2022	FY 2023	FY 2022
Employees	0	0	0	0
Workers	1	1	0	0

Note: In case of contract workers, it is the responsibility of the contractor to provide compensation/rehabilitation/alternate employment. There was one worker fatality during the year. We ensured that the compensation has been paid by the contractor to the nominee of the worker.

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)

No, the Company does not have any formal policy on transition assistance, however, support is provided on case to- case basis.

5. Details on assessment of value chain partners

	% of value chain partners (by value of business done with such partners) that were assessed*
Health and safety practices	39%
Working Conditions	

\*suppliers and contractors

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners

The value chain partners are required to maintain safe working conditions as per the Supplier's Code of Conduct as well as the general conditions of the contract. The contractors who are working at our project sites are governed by our safety policy. All aspects related to health and safety measures and working conditions including risk identification and corrective measures are common for the entire project, as enumerated in preceding questions.

**PRINCIPLE 4**

**Businesses should respect the interests of and be responsive to all its stakeholders**

**Essential Indicators**

**1. Describe the processes for identifying key stakeholder groups of the entity. [GRI 2-29]**

All individuals/ groups of individuals or entities which are affected by our operations, product and/or services, or can influence and /or have interest in our operations, product and/or services are mapped as stakeholders. Key stakeholders are identified basis the influence which a stakeholder has on the Company and vice versa. We further categorise our stakeholders as internal or external basis the nature of their association with the Company. Key stakeholder mapping:

- Internal stakeholders – Employees and contractual support staff
- External stakeholders – Investors, lenders, customers, channel partners, suppliers and other value chain partners, local communities, Government and the media.

For more details refer the Stakeholder Engagement section on page 38 of the Integrated Report.

**2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group [GRI 2-12, 2-29]**

S.No.	Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication	Frequency of engagement	Purpose and scope of engagement including key topics and concerns raised during such engagement
1	Investors and Lenders	No	<ul style="list-style-type: none"> <li>• Investor and analyst conferences</li> <li>• Periodic meetings</li> <li>• Annual report</li> <li>• Press releases or media updates</li> <li>• Earnings calls</li> </ul>	Ongoing	<ul style="list-style-type: none"> <li>• Focus on strong operating and financial performance.</li> <li>• Focus on highlighting sustainability commitments and disclosures</li> </ul>
2	Media	No	<ul style="list-style-type: none"> <li>• Press conferences</li> <li>• Press releases</li> <li>• Leadership conversations and interviews</li> <li>• Industry events</li> <li>• Product launches</li> <li>• Familiarization visits</li> <li>• Social media</li> <li>• Participate in industry news with trend stories</li> <li>• Mitigate crisis situations</li> <li>• Performance updates</li> </ul>	Ongoing	<ul style="list-style-type: none"> <li>• Enhancing traditional and digital media presence</li> <li>• Enhanced perception for the brand</li> <li>• Broadening media horizon with national news</li> </ul>
3	Local Communities	Yes	<ul style="list-style-type: none"> <li>• Community meetings</li> <li>• CSR initiatives</li> </ul>	Ongoing	<ul style="list-style-type: none"> <li>• Enabling sustainable livelihoods</li> <li>• Providing access to education</li> <li>• Empowering women and promoting equality</li> </ul>
4	Employees	No	<ul style="list-style-type: none"> <li>• Coffee with CEO</li> <li>• Townhalls</li> <li>• HR connect</li> <li>• Project reviews</li> <li>• Offsites</li> <li>• Rewards &amp; recognition</li> <li>• Employee engagement surveys</li> <li>• Lodha World newsletter</li> </ul>	Ongoing	<ul style="list-style-type: none"> <li>• Attracting &amp; retaining diversity in talent</li> <li>• Providing a learning environment</li> <li>• Providing engaging &amp; enriching culture</li> <li>• Providing career &amp; growth opportunities</li> </ul>



S.No.	Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication	Frequency of engagement	Purpose and scope of engagement including key topics and concerns raised during such engagement
5	Channel Partners	No	<ul style="list-style-type: none"> <li>Channel partner meets</li> <li>Product training</li> <li>Lodha CP portal</li> <li>Website</li> <li>Business reviews</li> </ul>	Continuous	<ul style="list-style-type: none"> <li>Generating business and leads</li> <li>Expanding reach of innovative business models and offerings</li> </ul>
6	Suppliers	No	<ul style="list-style-type: none"> <li>One-on-one meetings</li> <li>Training and awareness drives on sustainability topics</li> <li>Townhalls</li> <li>CEO meets</li> </ul>	Continuous	<ul style="list-style-type: none"> <li>Ensuring quality &amp; and meeting project schedules</li> <li>Expanding reach &amp; impact of sustainability initiatives by integrating sustainability principles across the supply chain</li> </ul>
7	Contractual Support Staff	Yes	<ul style="list-style-type: none"> <li>Periodical review meetings</li> <li>CSR interventions</li> <li>EHS training</li> <li>Skill building trainings</li> </ul>	Continuous	<ul style="list-style-type: none"> <li>Building responsible citizenry</li> <li>Socio-economic upliftment</li> </ul>
8	Customers	Yes	<ul style="list-style-type: none"> <li>Sponsored events</li> <li>Mailers &amp; newsletters</li> <li>Brochures</li> <li>Brand campaigns</li> <li>Sales pitches</li> <li>Customer visits</li> <li>Website</li> <li>Webinars</li> <li>Media and social media</li> <li>Customer satisfaction</li> <li>Surveys</li> <li>Community events</li> </ul>	Continuous	<ul style="list-style-type: none"> <li>Understanding customer requirements</li> <li>Identifying opportunities to improve our products &amp; services</li> </ul>

For more details refer the Stakeholder engagement section on page 38 of the Integrated Report.

## Leadership Indicators

- 1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board. [GRI 2-29]**

Our ESG team leads engage and consult with the relevant stakeholders and beneficiaries to identify the focus areas prevalent to economic, environmental and social topics which are used as key inputs to design and define the Company's sustainability strategy. The findings from these consultations and the strategized initiatives are presented to the ESG Committee. Chairman of the ESG Committee also provides updates to the Board and seeks their inputs. Feedback of the committee and the Board is then incorporated in the final execution of initiatives.

- 2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

Yes, stakeholder consultation is used to support the identification and management of environmental and social topics. For instance, before the Lodha Unnati and the Lodha Genius Programme were conceptualized we used extensive stakeholder consultation in

designing the programs. For Unnati, we conducted surveys within the local communities, key informant interviews and focus group discussions with women in our low cost housing developments to understand their skill levels, employability and aspirations. We did the same with employers to understand job roles in which women can be placed in their company. For the Lodha Genius Programme, we conducted surveys and interviews with academically gifted students, their teachers and parents. After understanding the issues they face in nurturing and helping that talent flourish is what we pinned down as key interventions for the programme.

### 3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/marginalized stakeholder groups.

The local business development team engages with marginalized stakeholder groups from communities closer to our projects. Apart from that the CSR team frequently engages with the local communities to understand their challenges. Our CSR initiatives are derived from the feedback obtained from the communities and are planned after understanding their challenges of the local communities.

The Lodha Unnati program is aimed at women in marginalized sections of society and our engagement has been focused on women who either have not worked or while working have been earning below ₹ 15000 per month. For the Lodha Genius Programme as well, we reached out to large networks of NGO schools (Akanksha Foundation, Teach for India etc) and Government schools (Jawahar Narvodaya Vidyalaya) to find the brightest students in our country. These schools have children from the most marginalized sections of society.

## PRINCIPLE 5

### Businesses should respect and promote human rights

#### Essential Indicators

#### 1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity

Category	FY 2023			FY 2022		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
<b>Employees</b>						
Permanent	4,200	4,200	100%	3,359	3357	99.94%
Other than permanent	105	105	100%	97	96	98.97%
<b>Total Employees</b>	<b>4,305</b>	<b>4,305</b>	<b>100%</b>	<b>3,456</b>	<b>3,453</b>	<b>99.91%</b>
<b>Workers</b>						
Permanent	0	0	0	0	0	0
Other than permanent	12,709	12,709	100%	Data was not available for FY22		
<b>Total Workers</b>	<b>12,709</b>	<b>12,709</b>	<b>100%</b>			

#### 2. Details of minimum wages paid to employees and workers [GRI 405-2]

Category	Total (A)	FY 2023				Total (D)	FY 2022			
		Equal to Minimum Wage		More than Minimum Wage			Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
<b>Employees</b>										
<b>Permanent</b>	4,200	0	0	4,200	100%	3,359	0	0	3,359	100%
Male	3,443	0	0	3,443	100%	2,782	0	0	2,782	100%
Female	757	0	0	757	100%	577	0	0	577	100%
<b>Other than Permanent</b>	105	0	0	105	100%	97	0	0	97	100%
Male	54	0	0	54	100%	55	0	0	55	100%
Female	51	0	0	51	100%	42	0	0	42	100%



Category	FY 2023					FY 2022				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
<b>Workers</b>										
<b>Permanent</b>	0	0	0	0	0	0	0	0	0	0
Male	0	0	0	0	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0
<b>Other than Permanent</b>	12,709	0	0	12,709	100%	10,879	0	0	10,879	100%
Male	12,709	0	0	12,709	100%	10,879	0	0	10,879	100%
Female	0	0	0	0	0	0	0	0	0	0

3. Details of remuneration/salary/wages [GRI 2-19, 2-20, 2-21]

	Number	Male	Number	Female
		Median remuneration/salary/wages of respective category (₹ Mn)		Median remuneration/salary/wages of respective category (₹ Mn)
Board of Directors(BoD)				
- Executive Directors	2	49.5	1	24.4
- Non Executive director	1	9.0	-	-
- Independent Directors	4	4.3	1	2.2
Key Managerial Personnel	1	47.2	1	10.7
Employees other than BoD and KMP	3439	0.8	755	0.8
Workers	-	-	-	-

- Ratio of Annual total compensation of highest-paid employee to the median annual total compensation for all employees(excluding the highest-paid individual): 127.72
- Ratio of % increase in annual total compensation of highest-paid employee to the median % increase for all employees (excluding the highest-paid individual) : 1.02

Ratio of basic salary and remuneration of women to men

S. No.	Employee Category	Average Basic Salary of Men (₹ Mn)	Average Basic Salary of Women (₹ Mn)	Average Remuneration of Men (₹ Mn)	Average Remuneration of Women (₹ Mn)	Ratio of Basic Salary of Women to Men	Ratio of Basic Remuneration of Women to Men
1	Senior Management	8.5	6.9	10.5	8.1	81%	78%
2	Middle Management	1.4	1.3	1.7	1.5	90%	90%
3	Junior Management	0.6	0.5	0.6	0.6	93%	101%
4	Consultants - PT	3.8	0.00	3.8	0.00	0%	0%
5	Consultants - FT	3.8	2.2	4.1	2.8	58%	69%
6	Intern	0.1	0.1	0.1	0.1	113%	113%
7	Temporary	0.4	0.5	0.4	0.5	126%	126%

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No) [GRI 2-12]

Yes

5. Describe the internal mechanisms in place to redress grievances related to human rights issues. [GRI 2-16]

Redressal mechanism has been provided to our stakeholders by encouraging them to raise concerns or make disclosures in relation to any actual or potential violation of the Lodha Code of Conduct and other policies or law including human rights violations. The Stakeholder grievance policy is available on our website [www.lodhagroup.in/investor-relations](http://www.lodhagroup.in/investor-relations).

6. Number of complaints on the following made by employees and workers [GRI 406-1]:

	FY 2023			FY 2022		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	0	0	-	0	0	-
Discrimination at workplace	0	0	-	0	0	-
Child Labour	0	0	-	0	0	-
Forced Labour/ Involuntary Labour	0	0	-	0	0	-
Wages	0	0	-	0	0	-
Other human rights related issues	0	0	-	0	0	-

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases [GRI 2-25]

During the pendency of an inquiry, on a written request made by the aggrieved woman, the Internal Complaints Committee may recommend any of the following: 1) transfer the aggrieved woman or the respondent to any other workplace / site / department / cell 2) grant leave to the aggrieved woman as deemed necessary in addition to the leave she would be otherwise entitled 3) grant such other relief to the aggrieved woman as may be prescribed by the Internal Complaints Committee

8. Do human rights requirements form part of your business agreements and contracts? (Yes/No) [GRI 2-23, GRI 2-2]

Yes. Our Supplier’s Code of Conduct which is affirmed by business partners at the time of empanelment. The Code reiterates the requirement for business partners to adhere to human rights requirements.

9. Assessments for the year

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child Labour	100%
Forced Labour/Involuntary Labour	100%
Sexual Harassment	100%
Discrimination at Workplace	100%
Wages	100%

10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above

There were no significant risks / concerns arising from human rights assessments.

**Leadership Indicators**

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/ complaints

We are committed to providing a safe and positive work environment to our employees. Employees have access to several forums where they can highlight matters or concerns faced at the workplace. There has been no human rights grievance/complaint resulting in introduction/modification of business process.



## 2. Details of the scope and coverage of any Human rights due-diligence conducted

We have completed human rights assessment by an independent external agency covering our operations including employees and contractual worker (100% of our workforce) in FY 22. The topics covered include child labour, forced labour, harassment, discrimination, work-life balance, training and education, occupational health and safety etc. The assessment was conducted in combination of online and in-person interviews.

## 3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes

## 4. Details on assessment of value chain partners

	% of value chain partners (by value of business done with such partners) that were assessed*
Sexual Harassment	
Discrimination at Workplace	
Child Labour	39%
Forced Labour/Involuntary Labour	
Wages	

\* suppliers and contractors

## 5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

There were no significant risks / concerns.

## PRINCIPLE 6

Businesses should respect and make efforts to protect and restore the environment

### Essential Indicators

#### 1. Details of total energy consumption (in Joules or multiples) and energy intensity [GRI 302-1, 302-3]

Parameter	FY 2023		FY 2022	
	Value	Unit	Value	Unit
Total electricity consumption (A)	92,594	GJ	80,526	GJ
Total fuel consumption (B)	8,317	GJ	3237	GJ
Energy consumption through other sources (C)	0	GJ	0	GJ
<b>Total energy consumption (A+B+C)</b>	<b>1,00,911</b>	<b>GJ</b>	<b>83,764</b>	<b>GJ</b>
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees)	10.66	GJ/₹ Crore	9.07	GJ/₹ Crore

Det Norske Veritas (DNV) conducted an independent assessment and has given limited assurance for FY23.

#### 2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

No

#### 3. Provide details of the following disclosures related to water [GRI 303-3, 303-5]

Parameter	FY 2023		FY 2022	
	Water withdrawal by source (in kilolitres)			
(i) Surface water	0	Kilolitres	1,45,039	Kilolitres
(ii) Groundwater	0	Kilolitres	0	Kilolitres
(iii) Third party water	5,62,873	Kilolitres	5,11,039	Kilolitres

Parameter	FY 2023		FY 2022	
	Value	Unit	Value	Unit
(iv) Seawater / desalinated water	0	Kilolitres	0	Kilolitres
(v) Others by the entity	0	Kilolitres	0*	Kilolitres
<b>Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)</b>	<b>5,62,873</b>	<b>Kilolitres</b>	<b>6,56,078</b>	<b>Kilolitres</b>
Total volume of water consumption (in kilolitres)	5,62,873	Kilolitres	6,56,078	Kilolitres
Water intensity per rupee of turnover (Water consumed / turnover)	59.44	Kilolitres/ ₹ Cr	71.06	Kilolitres/ ₹ Cr

Det Norske Veritas (DNV) conducted an independent assessment and has given limited assurance for FY23.

\*Note: 1. The number has been updated since the quantity was generated from the originally sources freshwater and not fresh water withdrawal. As a result, the total volume of freshwater has been reduced by 68,367 kiloliters.

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation [GRI 303-1, 303-2]

All our standing assets have chilled water systems. The excess treated water is used in cooling towers of these chilled water systems. Hence at all our facilities, 100% water withdrawn is consumed and there is no local discharge.

5. Please provide details of air emissions (other than GHG emissions) by the entity

Parameter	FY 2023		FY 2022	
	Value	Unit	Value	Unit
(i) NOx	0.08	mg/m3	0.08	mg/m3
(ii) SOx	0.08	mg/m3	0.08	mg/m3
(iii) Particulate matter (PM)	0.06	mg/m3	0.06	mg/m3
(iv) Persistent organic pollutants (POP)	NA	mg/m3	NA	mg/m3
(v) Volatile organic compounds (VOC)	NA	mg/m3	NA	mg/m3
(vi) Hazardous air pollutants (HAP)	NA	mg/m3	NA	mg/m3

Det Norske Veritas (DNV) conducted an independent assessment and has given limited assurance for FY23.

We conduct a six monthly assessment of outdoor air quality at our sites, and consistently maintain values below the limits specified in the table below and ensure that the emission parameters are within the limits prescribed by Maharashtra Pollution Control Board (MPCB).

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity [GRI 305-1, 305-2, 305-4]

Parameter	Unit	FY 2023		FY 2022	
		Scope 1 GHG emissions	Scope 2 GHG emissions	Scope 1 GHG emissions	Scope 2 GHG emissions
Total GHG Emissions	Metric tonnes of CO2 equivalent	1,587.5	8,361.9	1,134.8	14,277.5
Total Scope 1 and Scope 2 emissions	Metric tonnes of CO2 equivalent/ ₹ Cr	1.05		1.67	
	per rupee of turnover				

Scope 2 emissions are market-based.

Det Norske Veritas (DNV) conducted an independent assessment and has given limited assurance for FY23.



7. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details [GRI 305-5]

We have undertaken the following measures to reduce our greenhouse gas emissions:

- a) Energy usage reduction through efficiency improvement – Smart Systems and Passive Designs for company owned assets
- b) Purchasing renewable energy from the electricity utility for company owned assets and site operations
- c) Enhancing on-site solar generation capacities to support the operations and proportionately reducing the renewable energy purchase from the electricity utility in the upcoming years
- d) By investing in energy efficiency and making a switch to renewable energy in operations, we have reduced 50% of our Scope 1,2 emissions in the last 4 years To reduce our upstream Scope 3 emissions, we are focusing on active procurement of material with low embodied carbon.

We aim to minimise the emissions related to use of sold products during the entire life cycle by reducing the energy demand through passive means and deployment of energy efficiency measures, complemented by progressive increase of renewable energy use on the projects. Our flagship initiative 'LODHA NET ZERO URBAN ACCELERATOR' aims to promote Net Zero initiatives in the real estate sector. The program not only focuses on the reduction of embodied carbon but also on reduction of emissions happening during the use of sold products.

A) Reduction in embodied carbon from purchased goods and services -

Embodied carbon, or upfront carbon contributes to around 15%-30% of lifecycle emissions in the built environment. -

The accelerator will continue to engage with industry leaders and stakeholders to influence and control the supply chain emissions by committing growing demand for greener materials.

B) Emission reduction strategy - Use of Sold Products

i) Energy Efficiency

a) Ultra-efficient Equipment -

The accelerator is working towards the best achievable efficiencies of the equipment starting with a focus on Cooling, which is one of the biggest contributors of emissions during the operational stage of the built environment. - The accelerator is leveraging the pioneering work done during the Global Cooling Prize conducted by RMI recently to work towards mainstreaming climate-friendly residential cooling solutions without warming the planet.

b) Passive Design

- i) Energy efficiency can be achieved by eliminating the need of energy by taking an integrated design approach and deploying passive design. The accelerator will significantly reduce avoidable operational energy through passive measures, not only in the building, but also in the development and areas around it.
- ii) Energy Transition - Renewable energy integration is a key driver of decarbonization, and the accelerator is working towards a rapid transition across the spectrum - from deploying renewable energy in operations as well as in the final product - The Accelerator will help create an integrated renewable energy transition roadmap by enabling aggregation, economy, and access to green energy in all aspects of development and end use

8. Provide details related to waste management by the entity [GRI 306-3,306-4, 306-5]

a. Total Waste generated

Parameter	FY 2023	FY 2022
	(in metric tonnes)	(in metric tonnes)
<b>Waste category</b>		
A. Plastic waste	31.88	46.44
B. E-waste	0.01	9.00
C. Bio-medical waste	0.08	0.13
D. Construction and demolition waste <sup>1</sup>	81,370.29	2,229.88
E. Battery waste <sup>2</sup>	NA	NA
F. Radioactive waste	0	0
G. Other Hazardous waste. (Thermcol, Chemicals, etc.)	7.05	2.84
H. Other Non-hazardous waste generated Organic Waste, Miscellaneous waste	359.37	7.42
<b>Total (A+B + C + D + E + F + G+ H)</b>	<b>81,768.68</b>	<b>2,295.71</b>

Parameter	FY 2023	FY 2022
	(in metric tonnes)	(in metric tonnes)
<b>b. For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)</b>		
<b>Category of waste</b>		
i. Recycled	4,560.07	2,292.73
ii. Re-used	55,413.14	0
iii. Other recovery operations	0	0
<b>Total</b>	<b>59,973.21</b>	<b>2,292.73</b>
<b>c. For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)</b>		
<b>Category of waste</b>		
i. Incineration	0	0
ii. Landfilling	21,788.33	0
iii. Other disposal operations	7.14	2.97
<b>Total</b>	<b>21,795.47</b>	<b>2.97</b>

<sup>1</sup> We started measuring the debris and soil waste from FY23. FY22 numbers do not include the debris and soil waste.

<sup>2</sup> All batteries are covered under a buyback program with the vendors. Therefore, battery waste is not measured.

Det Norske Veritas (DNV) conducted an independent assessment and has given limited assurance for FY23.

9. Briefly describe the waste management practices adopted in your establishment. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes. [GRI 306-2]

Waste expected from a project is determined after a thorough examination of project activities. Waste generated from a project is segregated according to type and stored in designated yards. Waste is further segregated for reuse or recycling depending on the quality of waste. Waste requiring treatment before disposal is given to an approved vendor.

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format [GRI 304-1]

Not applicable.

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year [GRI 2-27]

S. No.	Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
1	Proposed redevelopment project under scheme 33(9) at Plot Bearing C.S. No. 137/74 , Parel Siwri Division , F / south Ward , At Dr. E.Borges Road , Parel , Mumbai 400012	EC22B038M H176854	2023-02-14	Yes	Yes	<a href="#">Link</a>
2	Environmental clearance for proposed redevelopment construction project on plot bearing C.S.No. 31,1, Malabar cumbala hill division, D ward, Situated at walkeshwar road, Mumbai	EC22BO38 MH110647	2022-08-29	Yes	Yes	<a href="#">Link</a>



12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format: [GRI 302-1]

We are fully compliant with applicable environment laws/ regulations / guidelines in India. There were no non compliances during the year.

## Leadership Indicators

1. Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources [GRI 2-27]

Parameter	FY 2023		FY 2022	
	Value	Unit	Value	Unit
<b>From renewable sources</b>				
Total electricity consumption (A)	55,658	GJ	15,464	GJ
Total fuel consumption (B)	0	GJ	0	GJ
Energy consumption through other sources (C)	0	GJ	0	GJ
<b>Total energy consumed from renewable sources (A+B+C)</b>	<b>55,658</b>	<b>GJ</b>	<b>15,464</b>	<b>GJ</b>
<b>From non-renewable sources</b>				
Total electricity consumption (D)	36,936	GJ	64,062	GJ
Total fuel consumption (E)	8,317	GJ	3,237	GJ
Energy consumption through other sources (F)	0	GJ	0	GJ
<b>Total energy consumed from non-renewable sources (D+E+F)</b>	<b>45,253</b>	<b>GJ</b>	<b>67,299</b>	<b>GJ</b>

Det Norske Veritas (DNV) conducted an independent assessment and has given limited assurance for FY23.

2. Provide the following details related to water discharged

All our standing assets have chilled water systems. The excess treated water is used in cooling towers of these chilled water systems. Hence at all our facilities 100% water withdrawn is consumed and there is no local discharge.

3. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres): [GRI 303-4]

Not applicable

4. Please provide details of total Scope 3 emissions & its intensity

Parameter	FY 2023		FY 2022	
	GHG Emissions	Unit	GHG Emissions	Unit
Total GHG Emissions	9,20,211	Metric tonnes of CO <sub>2</sub> equivalent	7,76,034	Metric tonnes of CO <sub>2</sub> equivalent
Total Scope 3 emissions per rupee of turnover (tCO <sub>2</sub> / ₹ Cr)	97.16		84.05	
Total Scope 3 emission intensity (tCo <sub>2</sub> e per sqm of area developed)	106.86		130.14	

Note: Scope 3 emissions for FY22 have been revised (and increased) because we have moved to lifecycle emissions approach from annual emissions approach which was considered last year.

5. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

We do not have any project in ecologically sensitive areas.

**6. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives**

<b>S.No.</b>	<b>Initiative undertaken</b>	<b>Details of the initiative (Web-link, if any, may be provided along-with summary)</b>	<b>Outcome of the initiative</b>
1	Installation of BEE 5 star air conditioning units in apartments	Installation of 5-star AC units in our residential apartments yields superior performance and lower energy consumption, ultimately benefiting both the environment and customers in the long term	Results in reduction of 3574 tCO <sub>2</sub> e on an annual basis.
2	Installation of solar hot water systems and BEE 4 star rated geysers	By using solar energy to heat water, our buildings have reduced dependence on non-renewable sources which results in lower carbon footprint and reduced energy costs. Using water heaters with high BEE ratings also significantly reduces energy consumption, lowers costs, and benefits the environment by reducing CO <sub>2</sub> emissions	Results in reduction of 420 tCO <sub>2</sub> e on an annual basis
3	Installation of LED lighting	LED lighting uses less energy, lasts longer, and produces less heat than traditional lighting, making it a more sustainable and cost-effective option.	Results in reduction of 18,268 tCO <sub>2</sub> e on an annual basis.
4	Premium efficiency motors	Installation of premium efficiency motors in pumps and motor results in significant reduction in energy consumption	Results in reduction of 605 tCO <sub>2</sub> e on an annual basis.
5	High performance glass facade	Energy-saving building envelope design with better glazing than the one recommended in the ECBC in residential segment and better than ECBC+ in commercial segment. A well-designed facade reduces energy consumption by improving insulation and controlling heat gain and loss through the building envelope.	Results in reduction of 234 tCO <sub>2</sub> e on an annual basis.
6	Water resilience - Onsite wastewater treatment	We have incorporated sewage treatment plants (STPs) in all our projects to recycle sewage, which is reused for flushing and irrigation. This process significantly reduces our dependence on potable water, thereby conserving precious water resources. Total STP installations in FY22-23 totals to 4342 kilolitres.	4342 kiloliters of water will be effectively treated within the premises per day, diverting it away from the municipal nallah.

**7. Does the entity have a business continuity and disaster management plan?**

Yes. We have a well-established business continuity and disaster management framework. All applications hosted on our premises have multiple backup solutions for power, connectivity etc. We also have a Disaster Recovery Centre in a located in a different seismic zone. The Business Continuity policy is available on our website [www.lodhagroup.in/sustainability](http://www.lodhagroup.in/sustainability).

**8. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.**

Our supply chain results in significant Scope 3 GHG emissions. We have undertaken various steps with our value chain partners to gradually abate these emissions. For more details refer the Natural Capital section on page 96 and the Social & Relationship Capital on page 158 of the Integrated Report.

**9. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.**

Our Supplier Code of Conduct is applicable to all suppliers and is an integral part of new contracts and new vendor empanelment process. We have surveyed top 100 suppliers who contribute more than ~40% of our construction spent on ESG parameters. For further details refer the Social and Relationship Capital Section on page 158 of this Integrated Report.



**PRINCIPLE 7**

**Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent**

**Essential Indicators**

1. a. Number of affiliations with trade and industry chambers/ associations. [GRI 2-28]  
2
- b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to [GRI 2-28]

S.No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Indian Green Building Council (IGBC)	National
2	United States Green Building Council (USGBC)	International

2. Provide details of corrective action taken or underway on any issues related to anti- competitive conduct by the entity, based on adverse orders from regulatory authorities.

The Company did not receive any adverse orders from regulatory authorities on issues related to anti-competitive conduct.

**Leadership Indications**

1. **Details of public policy positions advocated by the entity:**

Nil

**PRINCIPLE 8**

**Businesses should promote inclusive growth and equitable development**

**Essential Indicators**

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year. [GRI 413-1]

During the year, we have not undertaken any projects which require Social Impact Assessment (SIA).

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity

During the year we have not undertaken any project which required Rehabilitation and Resettlement.

3. Describe the mechanisms to receive and redress grievances of the community [GRI 2-25, GRI 413-1]

Local communities can raise their grievances via dedicated email id as per the Stakeholder Grievance Redressal Policy. We also facilitate easy accessibility by providing the alternative to reach out to our business development officers at our local site offices. Grievances may also be raised on our stakeholder grievance portal.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers [GRI 204-1]

	FY 2023	FY 2022
Directly sourced from MSMEs/ small producers	35%	40%
Sourced directly from within the district and neighbouring districts	72%	70%

Note: This also includes high value materials procured through contractors.

**Leadership Indications**

**1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments**

It is not applicable as there was no Social Impact Assessment required to be conducted during FY23.

**2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies**

Nil

**3. a. Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)**

No

**b. From which marginalized /vulnerable groups do you procure?**

NA

**c. What percentage of total procurement (by value) does it constitute?**

NA

**4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:**

Not applicable

**5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.**

Not applicable

**6. Details of beneficiaries of CSR Projects**

S.No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1	Lodha Unnati Program	560	30%
2	Providing quality education	10,000	40%
3	Lodha Genius Program	100	2%

**PRINCIPLE 9**

Businesses should engage with and provide value to their consumers in a responsible manner

**Essential Indicators**

**1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback. [GRI 2-25]**

Customers are provided with multiple mechanisms to report complaints or feedback. Customers are provided with a dedicated email id where all concerns / grievances can be raised. Our Stakeholder Grievance Redressal policy sets out the mechanism to receive, address and ensure that customer complaints are dealt with on priority. Our C-SAT score for FY23 was 4.64, indicating a high level of satisfaction with our products and services.

**2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:**

Not applicable



3. Number of consumer complaints in respect of the following:

	FY 2023		Remarks	FY 2022		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	0	0	-	0	0	-
Advertising	0	0	-	0	0	-
Cyber-security	0	0	-	0	0	-
Delivery of essential services	0	0	-	0	0	-
Restrictive Trade Practices	0	0	-	0	0	-
Unfair Trade Practices	0	0	-	0	0	-
Other	4,609	96	All 96 pending cases closed as on date. 16 customer complaints were converted into litigation and 4 customer litigations were closed successfully.	4,455	0	61 customer complaints were converted into litigation and 31 customer litigations were closed successfully.

Note: The complaints are transactional in nature and some of the examples are understanding gap offers given at time of booking, possession timelines, Interest being charged for delayed payments

4. Details of instances of product recalls on account of safety issues:

Not applicable

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy. [GRI 2-23]

Yes. Our commitment to privacy is supported with IT policies on software usage, password management, information security. We also have Lodha cyber security incident report process. The policy is available on our website at <https://www.lodhagroup.in/sustainability/>

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services

Not applicable

**Leadership Indicators**

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

Information related to our products can be availed on our website [www.lodhagroup.in](http://www.lodhagroup.in). Additionally, we also use different platforms to update and inform customers of our new projects and offerings. A dedicated Relationship Manager (RM) is assigned to each customer and serves as the primary point of contact for any questions, concerns, or issues that the customer may have We provide customers with easy access to self-information at all times through our community portal. This portal allows customers to access all the information

pertaining to their unit, including the status of the project, payment information, other important details and information about new and upcoming projects. Our super app 'Bellevie' will also act as a one stop solution, offering customers access to premium quality brands across home products and services along with wide ranging society management services.

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

We launched a 'Building a Sustainable Future' campaign in collaboration with 'Better India', to educate and engage residents across seven Lodha projects to engage in waste segregation and minimise plastic consumption.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

Not applicable

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

Not applicable

5. Provide the following information relating to data breaches:

a. Number of instances of data breaches along-with impact

Nil

b. Percentage of data breaches involving personally identifiable information of customers

Nil

Policy - Principle mapping

P1	P2	P3	P4	P5	P6	P7	P8	P9
Anti Bribery Anti Corruption Policy	Contracts policy	Associate Wellbeing handbook	CSR Policy	Human Rights Policy	Environmental Sustainability policy	Lodha code of conduct	CSR Policy	Lodha Code of conduct
Code of conduct for Board & Senior Management	Environment Management Apex Manual	Diversity & inclusion policy	Stakeholder engagement policy	Human Rights Risk Management Policy	Environment Management System Procedures		Diversity & inclusion policy	Stakeholders engagement Policy
Fair disclosure code	Environmental Sustainability policy	Employee Health & Safety Policy	Stakeholders grievance redressal policy				Equal Opportunities Policy	
Group Tax policy	Supplier Code of conduct	Equal Opportunities Policy						
Information security policy	Sustainable procurement policy	Human Rights policy						
Insider Trading code		Human Rights Risk Management Policy						
Lodha Code of conduct		Prevention of sexual harrasment policy						
Nomination & Remuneration policy		Prevention of personal harrasment policy						
Policy for determination of materiality		Whistle blower policy						
Policy on Board diversity								
Policy on Board evaluation								
Related Party Transactions Policy								
Risk Management Policy								
Shareholders' Rights Charter								
Transparency & Ethics Policy								
Whistle blower policy								



# CORPORATE GOVERNANCE REPORT

The Report on Corporate Governance reflects the ethos of the Company and its continuous commitment to transparency, integrity, fairness, accountability, ethical business practices and professionalism across its operations. The philosophy of Corporate Governance is a principle based approach as codified in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), encompassing the fundamentals of rights and roles of various stakeholders of the Company, timely information, equitable treatment, role of stakeholders disclosure and transparency and board responsibility.

This Corporate Governance Report is divided into the following sections:

- A. Corporate governance philosophy
- B. Board of directors
- C. Board committees
- D. General body meetings
- E. Codes, policies and frameworks
- F. Means of communication
- G. General shareholder information
- H. Other disclosures

We believe that a high standard of corporate governance is vital for creating and enhancing long term stakeholder value. We seek to achieve our vision and objectives in a legally compliant, transparent and ethical manner. Our philosophy flows from our core values – being forthright, exceptional, customer-centric, economic value creators, nimble, learning-focused, empowered, meritocratic and collaborative. Our actions are governed by our values and principles, which are reinforced at all levels within the Company. We believe that responsible corporate conduct is integral to the way we do our business. We are committed to doing things the right way which means taking business decisions with integrity and in a transparent manner and acting in a way that is ethical and is in compliance with applicable legislations. The Lodha Code of Conduct ('the Code') is an extension of our values and reflects our continued commitment to ethical business practices across our operations. To succeed, we believe, requires highest standards of corporate behaviour towards everyone we work with, the communities we touch and the environment on which we have an impact. Corporate Governance at Lodha follows a top down approach, by having a strong Board, robust management processes, internal controls, code of conduct, standard operating procedures etc.



## Pillars of Corporate Governance

- Diverse Board which plays a crucial role in overseeing and safeguarding long term interests of stakeholders
- Strong senior management team which provides support to the Board in ensuring Corporate Governance across the organisation through policies and procedures
- Compliance with relevant laws in letter and substance
- Well defined corporate structure that establishes checks and balances and delegates decision making to appropriate levels in the organisation
- Transparent procedures and practices and informed decision making
- Accurate and timely disclosure of information to stakeholders

## B. Board of Directors

### Role and responsibilities of the Board

The Board of Directors of the Company guides, monitors and oversees strategy, performance, governance practices and risk management systems. The Board has a fiduciary responsibility to protect and enhance shareholder value by providing strategic direction to the Company and ensuring alignment of Company's goals with stakeholders' expectations. The Board exercises strategic oversight and independent judgement over business operations, ensuring compliance with the legal framework, integrity of financial accounting and reporting systems and credibility in the eyes of the stakeholders through proper and timely disclosures.

### Separate Posts of Chairman and Managing Director & CEO

The positions of the Chairman and that of the Managing Director & CEO of the Company are held by separate persons as mandated under global governance standards. The Chairman of the Board is an independent director and Managing Director & CEO is a promoter director.

### Delegation of Board powers

The Board has delegated certain powers (including the power to sub-delegate) to the Managing Director & CEO, the Chief Financial Officer, other heads of department and to various Board Committees. The Board supervises the execution of delegated powers and is ultimately responsible for the fulfilment of the Board’s duties by them.

### Role of the Company Secretary and Compliance officer in the governance process

The Company Secretary and Compliance Officer plays a key role in ensuring that the Board (including its committees) procedures are followed and regularly reviewed as per the corporate governance standards given in the Act, SEBI Rules and Regulations, Secretarial Standards and Global standards. The Company Secretary and Compliance Officer ensures that all the relevant information, details and documents are made available to the Board and senior management for effective decision making process. The Company Secretary and Compliance

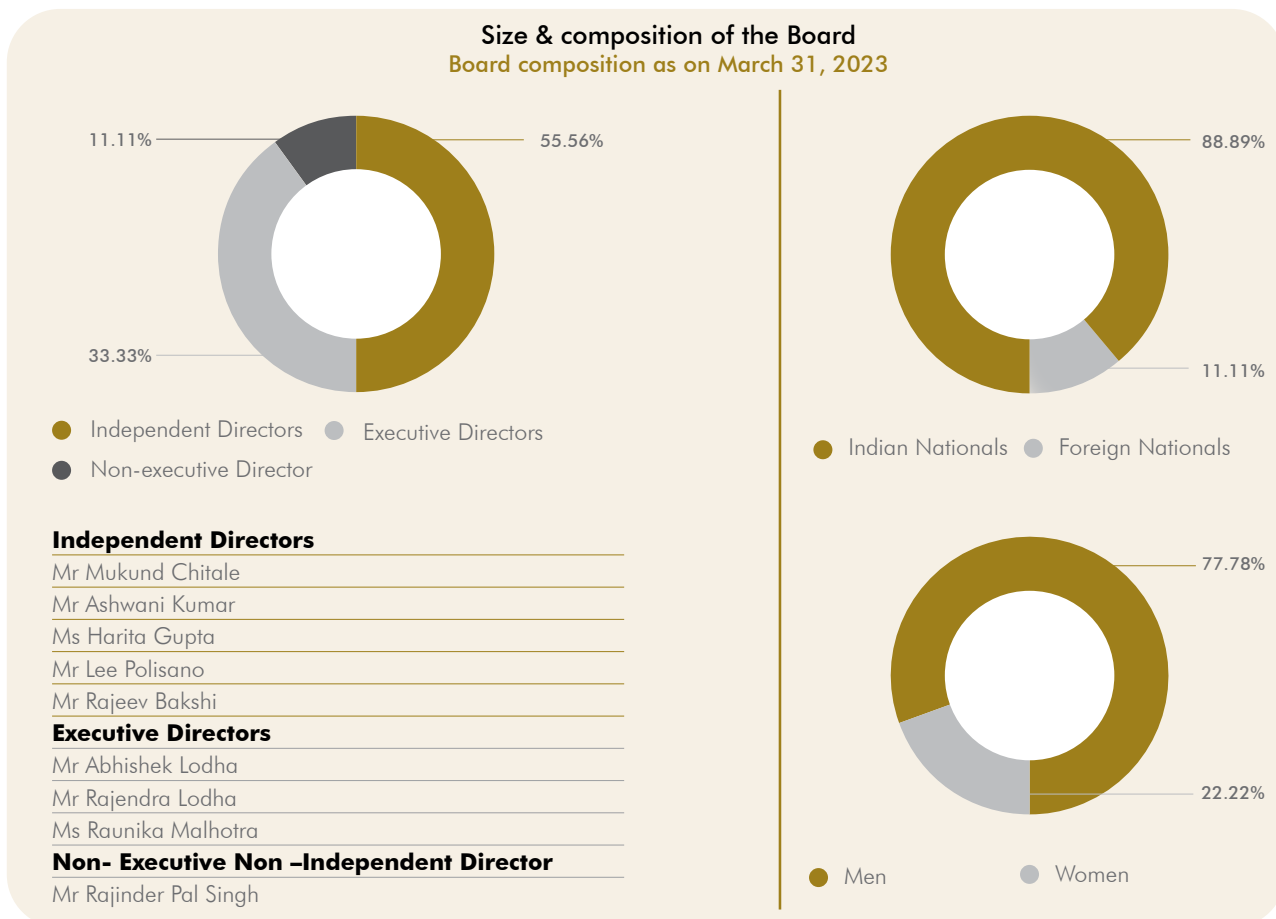
officer acts an interface between the Board, Management and external stakeholders for governance matters.

### Board composition

The Company recognises the importance of a diverse Board and believes that it will leverage differences in thought, perspective, experience, age, knowledge and skills including expertise in financial, industry, business, leadership, information technology, marketing, governance, ESG, risk management, cybersecurity etc. which will help us in retaining our competitive advantage.

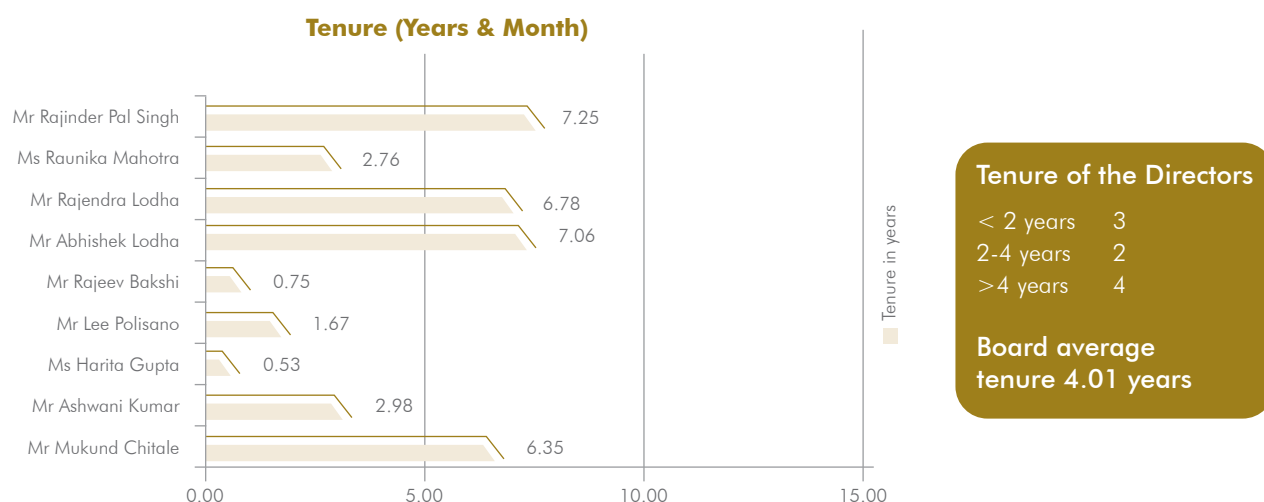
As on March 31, 2023, the Board comprised nine Directors, out of which three are Executive Directors (including two promoter directors), one is a non-executive, non- independent Director and five are independent directors. The Chairman of the Board is an Independent Director.

The profiles of Board members encompassing details of nationality, age, date of (re)appointment, tenure on Board, term ending date, shareholding, Board memberships in Indian listed companies, committee details as per Regulation 26 of the Listing Regulations and areas of expertise are provided in other sections of this report. There are no inter-se relationships between our Board members. The Company does not have any material pecuniary relationship with any of the non-executive directors.





## Tenure analysis of the Board



## Changes to the Board during FY23

Mr Abhishek Lodha, Managing Director & CEO was reappointed for a further period of five years w.e.f March 1, 2023 to February 29, 2028 pursuant to approval of the members at the AGM held on August 10, 2022.

Mr Rajendra Lodha, Whole time director was reappointed for a further period of five years w.e.f March 1, 2023 to February 29, 2028 pursuant to approval of the members at the AGM held on August 10, 2022.

Mr Rajeev Bakshi was appointed as an Independent Director of the Company for a first term of 5 years, commencing from June 29, 2022 upto June 28, 2027.

Ms Harita Gupta was appointed as an Independent Director of the Company for a first term of 5 years, commencing from September 20, 2022 upto September 19, 2027.

## Details of Directors as on March 31, 2023



**Mr Mukund Chitale**

**Independent Director - Chairman**  
**DIN: 00101004**

Nationality	Indian
Age	74 years
Date of appointment	November 23, 2016
Tenure on Board	6 years 4 months
Term ending date	November 22, 2026
Shareholding	1,020 Shares (% negligible)
Directorships in other Indian Listed companies with category of directorship (excluding Macrotech Developers Limited)	1. Atul Limited (Independent Director) 2. Bhageria Industries Limited (Independent Director) 3. Larsen & Toubro Limited (Independent Director)
Directorships in other Indian public unlisted companies excluding Section 8 companies.	R R Kabel Limited
Committee positions in Audit & Stakeholders' Relationship Committees in other Indian public companies (listed and unlisted) excluding Macrotech Developers Limited. (Membership includes positions as Chairperson of committees.)	Chairman - 2 Member - 4
Educational qualifications	Chartered Accountant (Fellow member of ICAI)
Areas of expertise	  



**Mr Abhishek Lodha**  
**Managing Director & CEO**  
**DIN: 00266089**

Nationality	Indian	
Age	44 years	
Date of appointment	March 9, 2016	
Tenure on Board	7 years	
Term ending date	February 29, 2028	
Shareholding	Direct – Nil Indirect- 62.98%	
Directorships in other Indian Listed companies with category of directorship (excluding Macrotech Developers Limited)	Nil	
Directorships in other Indian public unlisted companies excluding Section 8 companies.	Nil	
Committee positions in Audit & Stakeholders' Relationship Committees in other Indian public companies (listed and unlisted) excluding Macrotech Developers Limited. (Membership includes positions as Chairperson of committees.)	Chairman - Nil	Member - Nil
Educational qualifications	Master's degree in science [(industrial and systems engineering (supply chain & logistics)] from Georgia Institute of Technology.	
Areas of expertise		



**Mr Rajendra Lodha**  
**Whole Time Director**  
**DIN: 00370053**

Nationality	Indian	
Age	57 years	
Date of appointment	June 21, 2016	
Tenure on Board	6 years 9 months	
Term ending date	February 29, 2028	
Shareholding	200 Shares (% negligible)	
Directorships in other Indian Listed companies with category of directorship (excluding Macrotech Developers Limited)	Nil	
Directorships in other Indian public unlisted companies excluding Section 8 companies.	Nil	
Committee positions in Audit & Stakeholders' Relationship Committees in other Indian public companies (listed and unlisted) excluding Macrotech Developers Limited. (Membership includes positions as Chairperson of committees.)	Chairman - Nil	Member - Nil
Educational qualifications	Bachelor's degree in civil engineering from M.B.M. Engineering College, University of Jodhpur, Jodhpur	
Areas of expertise		









**Mr Rajeev Bakshi**  
**Independent Director**  
**DIN: 00044621**

Nationality	Indian
Age	66 years
Date of appointment	June 29, 2022
Tenure on Board	9 months
Term ending date	June 28, 2027
Shareholding	Nil
Directorships in other Indian Listed companies with category of directorship (excluding Macrotech Developers Limited)	1. Dalmia Bharat Sugar and Industries Limited (Independent Director) 2. Cummins India Limited (Independent Director)
Directorships in other Indian public companies Directorships in other Indian public unlisted companies excluding Section 8 companies.	1. Raymond Consumer Care Limited
Committee positions in Audit & Stakeholders' Relationship Committees in other Indian public companies (listed and unlisted) excluding Macrotech Developers Limited. (Membership includes positions as Chairperson of committees.)	Chairman - Nil Member - 2
Educational qualifications	IIM Bangalore and a science and economics graduate from St Stephens College, Delhi
Areas of expertise	  






**Mr Lee Polisano**  
**Independent Director**  
**DIN: 09254797**

Nationality	American
Age	71 years
Date of appointment	July 30, 2021
Tenure on Board	1 year 8 months
Term ending date	July 29, 2026
Shareholding	Nil
Directorships in other Indian Listed companies with category of directorship (excluding Macrotech Developers Limited)	Nil
Directorships in other Indian public companies Directorships in other Indian public unlisted companies excluding Section 8 companies.	Nil
Committee positions in Audit & Stakeholders' Relationship Committees in other Indian public companies (listed and unlisted) excluding Macrotech Developers Limited. (Membership includes positions as Chairperson of committees.)	Chairman - Nil Member - Nil
Educational Qualifications	Fellow member of the American Institute of Architects and a member of the Royal Institute of British Architects
Areas of expertise	  






**Ms Harita Gupta**  
**Independent Director**  
**DIN: 01719806**

Nationality	Indian
Age	61 years
Date of original appointment	September 20, 2022
Tenure on Board	6 months
Term ending date	September 19, 2027
Shareholding	150 shares (% negligible)
Directorships in other Indian Listed companies with category of directorship (excluding Macrotech Developers Limited)	Nil
Directorships in other Indian public companies Directorships in other Indian public unlisted companies excluding Section 8 companies.	1. India First Life Insurance Company Limited
Committee positions in Audit & Stakeholders' Relationship Committees in other Indian public companies (listed and unlisted) excluding Macrotech Developers Limited. (Membership includes positions as Chairperson of committees.)	Chairman - Nil                      Member 1
Educational qualifications	Masters' of Science (Chemistry) from IIT New Delhi and a Bachelors' of Science from Stella Maris College, Chennai
Areas of expertise	  



**Ms Raunika Malhotra**  
**Executive Director**  
**DIN: 06964339**

Nationality	Indian
Age	44 years
Date of original appointment	June 26, 2020
Tenure on Board	2 years 9 months
Term ending date	June 25, 2023
Shareholding	1020 Shares (% negligible)
Directorships in other Indian Listed companies with category of directorship (excluding Macrotech Developers Limited)	Nil
Directorships in other Indian public companies Directorships in other Indian public unlisted companies excluding Section 8 companies.	Nil
Committee positions in other Indian public companies Committee positions in Audit & Stakeholders' Relationship Committees in other Indian public companies (listed and unlisted) excluding Macrotech Developers Limited. (Membership includes positions as Chairperson of committees.)	Chairman - Nil                      Member - Nil
Educational qualifications	Bachelor's degree in engineering (electronics and telecommunication branch) from the University of Pune and a post-graduate diploma in industrial engineering from the National Institute of Industrial Engineering, Mumbai.
Areas of expertise	  

## Key Board skills, expertise, competencies

Following skill / expertise / competencies have been identified by the Board for its effective functioning. These skills/ competencies are broad-based, encompassing multiple domains of expertise/ experience. Each Director may possess varied combinations of attributes/ experience. The Board reviews its composition, skills and diversity from time to time to ensure that it remains aligned with statutory as well as business requirements. While all the Board members broadly possess the identified skills/ competence, the core domain expertise of the Board members is as below:

<b>Governance</b>		Experience in developing governance practices, serving the best interests of all stakeholders, maintaining board and management accountability, building long-term effective stakeholder engagements and driving corporate ethics and values.
<b>Diversity of Perspective</b>		Provides a diversity of views to the board that is valuable to manage customers, employees, key stakeholders and shareholders.
<b>Financial &amp; Risk Management</b>		Leadership experience in handling financial management along with an understanding of accounting and financial statements, controls and reporting Ability to identify key risks for the business in a wide range of areas including legal and regulatory.
<b>Industry &amp; sector experience or knowledge</b>		Knowledge and experience in real estate sector to provide strategic guidance to the Management
<b>Sustainability &amp; technology</b>		Experience in sustainability and technology and its integration into regular business practices for long term value creation
<b>Sales and Marketing</b>		Experience in developing strategies to grow sales and market share, build brand awareness and equity, and enhance enterprise reputation

## Board Membership Criteria and Selection Process

The NRC is responsible for identifying and evaluating a suitable candidate for appointment as director on the Board. While selecting a director, the Committee considers various criteria for example:

- Background including age, professional experience, educational, cultural and geographical background
- Skills, abilities and capabilities and knowledge
- Personal accomplishments
- Understanding of the global market, sector and industry in which the company operates
- Expertise in marketing, finance, sustainability, technology and other areas relevant to the business

## Independent Directors

Independent Directors are required to meet the criteria of independence as laid down in Section 149(6) of the Act and Regulation 16 of the Listing Regulations.

At the time of appointment, and thereafter at the beginning of each financial year or whenever there is any change in the circumstances which may affect their status as an independent director Independent Directors are required to submit a declaration confirming their independence under Section 149(6) of the Act and Regulation 16 of the Listing Regulations. They are also required to affirm that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Such declarations of independence received from the Independent Directors are noted and taken on record by the Board.

Accordingly, based on the declarations received from all Independent Directors, in the opinion of the Board, the Independent Directors of the Company fulfil the conditions specified in Act and Listing Regulations and are independent of the management.

Further, the Independent Directors have also confirmed that they have enrolled themselves in the Independent Directors' Databank maintained by the Indian Institute of Corporate Affairs.

The roles, responsibilities and duties of independent directors, are consistent with the Listing Regulations and Section 149 of the Act.

The Company has issued letters of appointment to all the Independent Directors. This letter inter alia sets out the roles, functions, duties and responsibilities, details regarding remuneration, training and development and performance evaluation process. The detailed terms and conditions of the appointment of Independent Directors are included in Nomination and Remuneration Policy which is available in the investor section on the Company's website at [www.lodhagroup.in/investor-relations/corporate-governance.php](http://www.lodhagroup.in/investor-relations/corporate-governance.php).

## Meeting of Independent Directors

The Independent Directors meet once a year, without the presence of non-independent directors or management representatives so as to form an independent judgement of the functioning of the Board, the Board committees and the management. The independent directors inter-alia discuss the issues arising out of committee meetings and Board discussions including the quality, quantity and timely flow of

information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties. The Independent Directors met once during FY23.

### Familiarisation program for Board members

The Familiarization program aims to provide insight to the Independent Directors to understand the business of the Company. Upon induction / appointment, the Independent Directors are familiarized with their roles, responsibilities and duties. New non-executive directors inducted to the Board are introduced to our Company culture through orientation sessions. Executive directors and senior management provide an overview of operations, and familiarize the new directors on matters related to our values and commitments. The Company periodically presents updates at the Board/ Committee meetings to familiarise the Directors with the Company's strategy, business performance. Details of the familiarisation programme for the Independent directors are available in the Investor section on the Company's website at [www.lodhagroup.in/investor-relations/corporate-governance.php](http://www.lodhagroup.in/investor-relations/corporate-governance.php).

### Board Evaluation

Annual Board Evaluation is an important component of our corporate governance framework. This involves a comprehensive assessment of Board and committee and Directors' performance to enhance the overall effectiveness of the Board. The Board firmly believes that a robust Board Evaluation helps in delivering greater value to the Company and all its stakeholders.

### a. Evaluation process

The Board carries out an annual evaluation of its own performance, board committees, and individual directors pursuant to the provisions of the Act and the Listing regulations. The Evaluation process focuses on various aspects of the functioning of the Board and Committees such as composition of the Board, Board oversight and effectiveness, performance of Board Committees, Board skills and structure, etc. Separate exercise was carried out to evaluate the performance of individual Directors on various parameters and procedure as prescribed in Company's "Policy on Evaluation of Performance of Board". Performance of the board was evaluated after seeking inputs from all the directors. The performance of the committees was evaluated by the Board after seeking inputs from the committee members. The Board and the NRC reviewed the performance of individual directors on the basis of various parameters as stated.

In a separate meeting of independent directors held on March 29, 2023, performance of non-independent directors and the board as a whole was evaluated, taking into account the views of executive directors and non-executive directors. Performance evaluation of independent directors was done by the entire board, excluding the independent director being evaluated. Evaluation of the Chairman was done by all directors other than the Chairman.

All Directors participated in the performance evaluation process. The results of evaluation were discussed in the NRC and Board meeting held on April 22, 2023

### b. Evaluation Framework and Evaluation Criteria

Sr No.	Evaluation Category	Evaluation Criteria
1.	Board of Directors	Evaluation by the Board on various criteria such as structure, composition, quality, diversity, experience, competencies, performance of specific duties and obligations, quality of decision making, board practices and overall effectiveness of Board as a whole
2.	Board Committees	Evaluation by the Board after seeking inputs from the committee members on the basis of criteria such as committee composition, effectiveness of committee in terms of defined Committee charters
3.	Individual Directors	Evaluation by the Board on parameters such as meeting attendance, time devotion and contribution, engagement with colleagues on the Board, preparedness for meetings, quality of discussion, entrepreneurial leadership, ability to express disagreement & divergent views and independent judgment etc.
4.	Board Chairman	Evaluation of Chairman on certain additional parameters such as leadership development, Board management, Corporate governance etc.
5.	Independent Directors	Independent Directors were evaluated by the Board on performance indicators including: <ul style="list-style-type: none"> <li>• Devotion of sufficient time and attention towards professional obligations for independent decision making and for acting in the best interests of the Company.</li> <li>• Providing strategic guidance to the Company with a view to ensuring long-term viability and strength.</li> <li>• Bringing external expertise and independent judgment bringing in objectivity in the Board's deliberations</li> </ul>



### c. Evaluation process outcome

The Board Evaluation process indicates that there is a high level of board effectiveness with no areas of major concerns. The quality, quantity and timeliness of flow of information between the company management and the Board is adequate for the Board to effectively and reasonably perform its duties. The Board committees and the directors are performing their duties adequately. The Board's suggestions to further enhance its effectiveness have been noted and taken up for implementation.

### Succession Planning

The Company has adopted a Succession policy to ensure an orderly succession for the board of and senior management.

### Board Meetings

The Board meets at regular intervals inter alia to discuss and decide on Company's business policy and strategy.

### Meeting schedule and agenda

Board meetings are generally held within 30 days (regulatory requirement 45/60 days) from the end of the quarter. Time gap between two consecutive meetings does not exceed 120 days.

The Audit Committee and other committee meetings are generally held on the same dates as Board meetings to

ensure an immediate update to the Board. The Chairman of the respective committees briefs the Board in detail about the proceedings of the respective committee meetings. The Board meets at least once a quarter to review the quarterly results and other items on the agenda. Additional meetings are held when necessary. Directors are required to attend minimum one Board meeting a year as per section 167 of the Act.

The Company Secretary, in consultation with the Managing Director & CEO, prepares the Board and Committee meetings' agenda. The detailed agenda, along with explanatory notes and annexures, as applicable are sent to the Board and Committee members, at least a week before the meetings except for the meetings called at a shorter notice. In special and exceptional circumstances, additional or supplementary item(s) are permitted to be taken up as 'any other item'. CFO and other Senior Management members are invited to the meetings to present updates on the items being discussed at the meeting.

Eight Board Meetings were held during the FY23. These were held on April 26, 2022, June 29, 2022, July 25, 2022, August 29, 2022, November 1, 2022, December 6, 2022, January 24, 2023, and March 31, 2023. The maximum interval between any two meetings was well within the maximum permitted gap of 120 days. The requisite quorum was present at all meetings.

### Attendance details of Directors for the year ended March 31, 2023 are given below

Name of the Director	No. of meetings held during tenure	No. of meetings attended	% attendance	Attendance at previous AGM
Mr Mukund Chitale	8	8	100%	Yes
Mr Abhishek Lodha	8	8	100%	Yes
Mr Rajendra Lodha	8	6	75%	Yes
Mr Rajinder Pal Singh	8	8	100%	Yes
Mr Ashwani Kumar	8	7	88%	Yes
Mr Lee Anthony Polisano	8	6	75%	Yes
Mr Rajeev Bakshi <sup>1</sup>	7	7	100%	Yes
Ms Harita Gupta <sup>2</sup>	4	3	75%	NA <sup>2</sup>
Ms Raunika Malhotra	8	6	75%	Yes

#### Notes:

1. Appointed w.e.f. June 29, 2022
2. Appointed w.e.f. September 20, 2022

### Average attendance of Directors at Board meetings during FY23 was 88.89%

### Information to the Board

The Board has unrestricted access to all Company related information. Company executives and external experts who can provide additional insights / clarifications on the items being discussed are invited to Board and committee meetings. Agenda items relating Unpublished Price Sensitive Information are placed before the Board / committee

members at shorter notice, as per the general consent taken from the Board from time to time. The Company provides inter alia the following information to the Board, which is given either as part of the agenda or by way of presentations during the meetings:

- Annual operating plans and budgets, capital budgets and other updates
- Quarterly, half-yearly and annual financial results of the Company and its operating divisions or business segments.

- Detailed presentations on business strategy and future outlook of the Company
- Oversight of the performance of the business
- Significant sale of investments, subsidiaries or assets which are not in the normal course of business
- Details of acquisition, restructuring or joint ventures
- Sale of investments, subsidiaries or assets which are material in nature and not in normal course of business
- Minutes of previous Board meetings and committee meetings, circular resolutions and minutes of subsidiaries
- Quarterly compliance certificates with exception reports, if any
- Information / approval of related party transactions
- Updates on regulatory and business environment
- Updates on ESG and CSR activities

#### Confirmations related to Directors

None of the Directors on the Board:

- Hold directorships in more than twenty companies;
- Hold directorships in more than ten public companies;
- Serves as Director or as Independent Director (IDs) in more than seven listed entities; and
- Who are Executive Directors serve as IDs in more than three listed entities.
- Are related to each other and there are no inter-se relationships between the Directors.
- Are members of more than ten committees and Chairperson of more than five committees as specified in Regulation 26 of the Listing Regulations.

#### Directors' remuneration

The Board has approved a Policy on Nomination & Remuneration for Directors, KMPs and other Senior Management and includes the criteria of making payments to non-executive directors in terms of the Act and the Listing Regulations. The Company confirms that the remuneration paid to the Directors is as per terms laid out in the policy. The policy is available on the Company's website at [www.lodhagroup.in/investor-relations/corporate-governance.php](http://www.lodhagroup.in/investor-relations/corporate-governance.php)

#### Executive Directors' remuneration

The NRC determines and recommends to the Board, the compensation payable to the directors. Remuneration to Executive Directors comprises of a fixed (salary, perquisites and allowances) and a variable component linked to financial and operating performance of the Company including milestones achieved on ESG front as approved by the NRC / Board. Annual increments are recommended by the NRC

within the limits approved by the Board and the shareholders. Executive Directors (other than promoter directors) are eligible for ESOP grants as per Company policies in addition to the remuneration drawn by such director.

#### Independent Directors' remuneration

The compensation payable to the independent directors is limited to a fixed amount per year as determined and approved by the Board, subject to an overall cap of 1% of net profit for the year, calculated as per the provisions of the Act. The Board reviews the performance of independent directors annually.

The Board, while deciding the basis for determining the compensation of the independent directors, takes various things into consideration for eg. participation in Board and committee meetings, other responsibilities, such as membership or chairmanship of committees, time spent in carrying out other duties, roles and functions as prescribed in Schedule IV of the Act, Listing Regulations and such other factors as the Board deems fit. Shareholders at the AGM held on August 10, 2022, approved a sum not exceeding 1% of the net profit of the Company per annum for a period of five years, calculated in accordance with the provisions of Section 198 of the Companies Act, 2013, to be paid and distributed among the independent directors of the Company in a manner decided by the Board. This payment will be made with respect to the profits of the Company for each year and shall also be paid in the event of inadequacy of profits as per Schedule V of the Act. Additionally, independent directors may also be reimbursed for expenses incurred in the performance of their official duties.

The Company pays sitting fees of ₹ 25,000 per meeting to its Independent Directors for attending meetings of the Board, ₹ 20,000 for attending Audit Committee meetings and ₹ 15,000 per meeting for attending meetings of other Board committees. The Chairman of the Board and the Audit Committee is paid a sitting fee of ₹ 50,000 per meeting.

We confirm that none of the non-executive directors received remuneration amounting to 50% of the total remuneration paid to non-executive directors during FY23.

#### Non-Executive Director's remuneration

The non-executive, non independent director is paid a remuneration from one of the subsidiary of the Company.

#### Directors & Officers Liability insurance

The Company has taken a Directors' & Officers' liability insurance policy to indemnify directors and officers for claims brought against them to the fullest extent permitted under applicable law. This, among other things, indemnifies our directors and officers for certain expenses, judgments, fines and settlement amounts incurred by them in any action or proceedings arising out of their services as directors or officers.

Details of remuneration paid to Directors during FY23 and shares held as on March 31, 2023 is given below

Name of Director ₹ million	Sitting fees	Salary, Allowances & perquisites <sup>1</sup>	Performance linked incentive	Commission	Total	No of shares held
<b>Executive Directors</b>						
Mr Abhishek Lodha	-	49.5	Nil <sup>2</sup>	-	49.5	-
Mr Rajendra Lodha	-	48.5	-	-	48.5	200
Ms Raunika Malhotra <sup>4</sup>	-	20.8 <sup>3</sup>	11.7	-	32.5	1,020
<b>Non Executive Directors</b>						
Mr Rajinder Pal Singh	-	9.0 <sup>5</sup>	-	-	9.0	-
<b>Independent Directors</b>						
Mr Mukund Chitale	1.0	-	-	4.0	5.0	1,020
Mr Ashwani Kumar	0.5	-	-	4.0	4.5	-
Mr Lee Anthony Polisano	0.2	-	-	4.0	4.2	-
Mr Rajeev Bakshi	0.2	-	-	3.0	3.2	-
Ms Harita Gupta	0.1	-	-	2.1	2.2	150

**Notes:**

- Salary & Allowances:
  - includes Company's contribution to provident fund. Liability for gratuity and leave encashment is provided on actuarial basis for the Company as a whole. The amount pertaining to each Director is not ascertainable and therefore not included.
  - Value of perquisites is calculated in accordance with the Income Tax Act 1961. In accordance with the definition of perquisites under the Income tax Act 1961, remuneration includes the value of stock options exercised during the period, if any but does not include value of stock options granted during the year.
- Mr Abhishek Lodha voluntarily chose not to receive any performance linked incentive during FY23.
- Excludes notional amortisation value of stock options and includes housing grants vested in FY23.
- Ms Raunika Malhotra was granted the following stock options:

	Date of Grant	No. of options granted	Exercise price per grant	Vesting Schedule	Exercise period
ESOP Scheme 2021	April 10, 2021	75,000	₹ 388.80	Year 1- 40% Year 2- 30% Year 3- 30%	5 years from the date of vesting
ESOP Scheme 2021-II Plan A	October 19, 2021 June 3, 2022	56,030 1512	₹ 684.87 ₹ 719.19	Bullet vest at the end of year 3	3 years from the date of vesting
ESOP Scheme 2021-II Plan B	October 19, 2021 June 3, 2022	774 800	₹ 10 ₹ 10	Bullet vest at the end of year 1	2 years from the date of vesting

The unexercised vested options can be carried forward throughout the exercise period. The options which are not exercised will lapse after the expiry of the exercise period.

- Remuneration was paid by Cowtown Infotech & Services Private Limited, a subsidiary of the Company
- Independent Directors and Mr Abhishek Lodha and Mr Rajendra Lodha (being promoters) are not entitled to receive any stock options.
- There were no other material pecuniary relationships or transactions of Non-executive directors with the Company other than as stated above.
- None of the Executive Directors are eligible for payment of any severance fees
- The office of Executive directors of Mr. Abhishek Lodha and Mr. Rajendra Lodha may be terminated by the Company or by them by giving 6 months' prior notice in writing and that of Ms. Raunika Malhotra may be terminated by the Company or by her by giving 3 months' prior notice in writing.

**C. Board Committees**

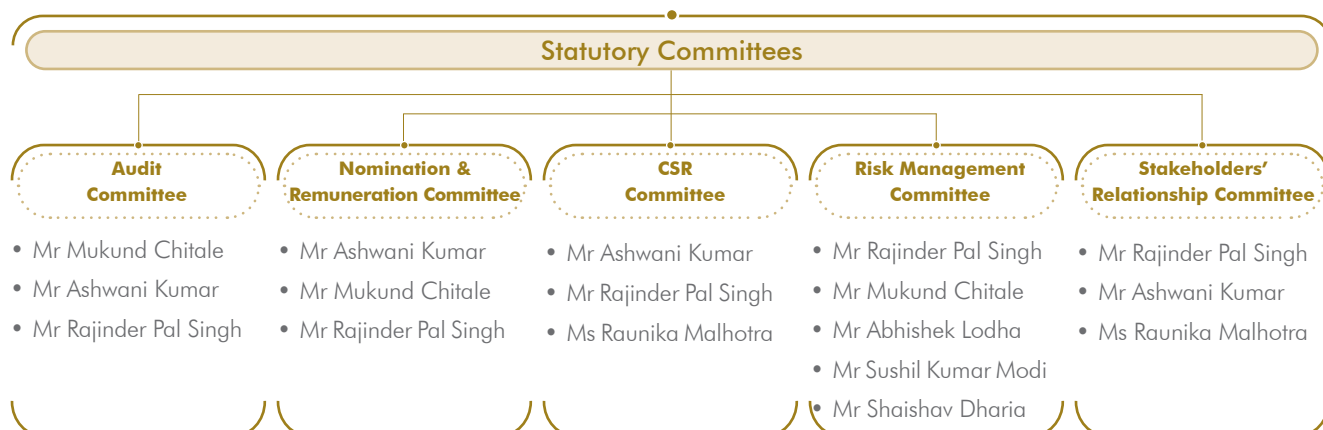
In compliance with the statutory requirements, the Board has constituted various sub-committees with specific terms of reference and scope. The objective is to focus effectively on specific areas and ensure expedient resolution and decision-making. The committees operate according to their respective charters/ terms of reference. The recommendations of all committees are submitted to the Board for approval. During the year, all recommendations of the committees were approved by the Board. Generally, committee meetings are held prior to the Board meeting and the chairperson of the respective committees updates the Board about the deliberations, recommendations and decisions taken by the committees.

The composition and charters of the Board Committees are available on the Company's website at [www.lodhagroup.in/investor-relations/board-of-directors.php](http://www.lodhagroup.in/investor-relations/board-of-directors.php).



## Board committees as on March 31, 2023

### A. Statutory Committees



### B. Other Committees



## Statutory Committees

### Audit Committee



**Mr Mukund Chitale**  
Chairman

### Composition of the Audit Committee as March 31, 2023

1. Mr Mukund Chitale - Chairman
2. Mr Ashwani Kumar
3. Mr Rajinder Pal Singh

All members of the Committee are eminent professionals and have relevant experience in financial matters. The composition of the Audit Committee is in line with Section 177 of the Act and regulation 18 of the Listing Regulations. The Company Secretary is secretary to the Committee. The Audit Committee was reconstituted by the Board on April 22, 2023. The Committee now comprises Mr Mukund Chitale (Chairman), Mr Rajeev Bakshi and Mr Ashwani Kumar, all independent directors.

## Audit Committee Charter

1. Oversee the Company's financial reporting process and disclosure of its financial information to ensure that its financial statements are correct, sufficient and credible;
2. Review the quarterly / annual financial statements and auditor's reports thereon before submission to the Board for approval,
3. Recommend to the Board the appointment, remuneration and terms of appointment of the statutory auditor and monitor their independence and performance and effectiveness of audit process;
4. Evaluation of internal financial controls
5. Review the statement of uses/ application of funds raised through a capital issue
6. Approve transactions with related parties;
7. Oversee the functioning of the vigil mechanism and Whistle blower mechanism
8. Review the inter-corporate loans and investments and utilisation of loans and/ or advances from/investment by the holding company in the subsidiary exceeding specified limits
9. Review the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
10. Look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders and creditors;
11. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.
12. Review compliance with the provisions of the Insider Trading Regulations and verify that the systems for internal control are adequate and are operating effectively

The Committee is governed by its charter which is available on the Company's website at [www.lodhagroup.in/investor-relations/corporate-governance.php](http://www.lodhagroup.in/investor-relations/corporate-governance.php).

## Audit Committee meetings and conduct

- The Audit committee meets at least four times a year. The meetings are generally held concurrently with Board meetings. The Committee may also meet separately for approval of special business items.
- The key audit observations and significant findings are reviewed by the Committee quarterly
- The internal audit plan and audit observations are reviewed by the Committee from time to time
- The Committee invites the Managing Director & CEO, the Chief Financial Officer, the Head of Accounts and other senior employees of the Company to its meetings as deemed necessary.

Nine Audit Committee meetings were held during FY23. These were held on April 26, 2022, May 23, 2022, June 29, 2022, July 25, 2022, August 29, 2022, November 1, 2022, January 18, 2023, January 24, 2023 and March 31, 2023. The maximum interval between any two meetings was well within the maximum permitted gap of 120 days. The requisite quorum was present at all meetings.

Name of the Director	No. of meetings held during tenure	No. of meetings attended	% attendance	Attendance at previous AGM
Mr Mukund Chitale	9	9	100%	Yes
Mr Ashwani Kumar	9	9	100%	Yes
Mr Rajjinder Pal Singh	9	9	100%	Yes

**Average attendance of Directors at Audit Committee meetings during FY23 was 100 %**

### Key matters considered by the Audit Committee during FY23

Particulars	Frequency
Review and recommendation of standalone and consolidated financial statements of the Company.	Q
Review the adequacy of internal controls	A
Review of internal audit reports and internal audit plans	Q
Review the internal audit report on internal financial controls	A
Review with statutory auditors on nature and scope of audit	A
Review the remuneration payable to statutory auditors	A
Review of related party transactions during preceding quarter	Q
Approve related party transactions from time to time	P
Grant omnibus approval for the related party transactions proposed to be entered into by the Company.	A
Review of inter-corporate loans and investments	Q
Review and monitor statutory auditors independence, performance and effectiveness of audit process.	A
Monitoring of ombudsperson report on whistle blower incidents	Q
Review the scheme of amalgamation of wholly owned subsidiaries with the Company	P
Review of utilisation of QIP proceeds	Q
Review the Cost audit report and recommend to the Board for approval	A
Review and recommendation of standalone and consolidated financial statements of the Company.	Q
Review the adequacy of internal controls	A

A = Annual  
Q = Quarterly  
P = Periodically

**All recommendations made by the Audit Committee during FY23 were accepted by the Board.**

### Nomination & Remuneration Committee (NRC)



**Mr Ashwani Kumar**  
Chairman

#### Composition of the NRC on March 31, 2023

1. Mr Ashwani Kumar - Chairman
2. Mr Mukund Chitale
3. Mr Rajinder Pal Singh

The composition of the NRC is in line with Section 178 of the Act and regulation 19 of the Listing Regulations. The Company Secretary is secretary to the Committee. The NRC was reconstituted by the Board on April 22, 2023. The Committee now comprises Mr Rajeev Bakshi (Chairman), Ms Harita Gupta and Mr Rajinder Pal Singh.



## NRC Charter

1. Formulate a policy relating to the appointment and remuneration of directors, Key Managerial Personnel (KMP) etc;
2. Recommend to the Board, persons who are qualified to become Directors and who may be appointed in the senior management and KMPs
3. Review and evaluate the structure, size and composition of the Board
4. Formulate criteria for evaluation of the performance of the independent directors and the Board;
5. Devise a policy on Board diversity;
6. Identify persons who qualify to become directors or who may be appointed in senior management and recommend to the Board their appointment and removal,
7. Evaluate the performance of the Board, Board committees and individual directors
8. Recommend to the Board remuneration payable to KMPs and senior management
9. Administer the Company's ESOP schemes formulated under the SEBI (Share Based Employee Benefits) Regulations, 2021

The Committee is governed by its charter which is available on the Company's website at [www.lodhagroup.in/investor-relations/corporate-governance.php](http://www.lodhagroup.in/investor-relations/corporate-governance.php).

Five NRC meetings were held during FY23. These were held on April 26, 2022, June 3, 2022, June 29, 2022, October 27, 2022 and January 24, 2023. The requisite quorum was present at all meetings.

Name of the Director	No. of meetings held during tenure	No. of meetings attended	% attendance	Attendance at previous AGM
Mr Mukund Chitale	5	5	100%	Yes
Mr Ashwani Kumar	5	5	100%	Yes
Mr Rajinder Pal Singh	5	5	100%	Yes

**Average attendance of Directors at NRC meetings during FY23 was 100 %**

### Key matters considered by the NRC during FY23

Particulars	Frequency
Recommend the appointment of Mr Rajeev Bakshi and Ms Harita Gupta as independent directors for a period of five years	P
Recommend the reappointment of Mr Abhishek Lodha as Managing Director & CEO for a period of five years	P
Recommend the reappointment of Mr Rajendra Lodha as Whole time director for a period of five years	P
Approve / modify various long term incentive plans and policies under ESOP schemes	P
Approve stock grants to eligible employees under the ESOP Scheme 2021 and ESOP Scheme 2021-II	P
Review and recommend annual rotation of rotational directors	A
Review and recommend remuneration to senior management	A
Evaluate the performance of the Board and Board Committees and KMPs individual directors	A

A = Annual

Q = Quarterly

P = Periodically

**All recommendations made by the NRC during FY23 were accepted by the Board.**

## CSR Committee



**Mr Ashwani Kumar**  
**Chairman**

### Composition of the CSR Committee on March 31, 2023

1. Mr Ashwani Kumar - Chairman
2. Ms Raunika Malhotra
3. Mr Rajinder Pal Singh

The composition of the CSR Committee is in line with Section 135 of the Act. The Company Secretary is secretary to the Committee. The CSR Committee was reconstituted by the Board on April 22, 2023. The Committee now comprises Ms Harita Gupta (Chairperson), Mr Rajinder Pal Singh and Ms Raunika Malhotra.

### CSR Committee Charter

1. To formulate and recommend to the board of directors, a CSR policy which shall indicate the activities to be undertaken by the Company as per Schedule VII of the Act ;
2. To review and recommend the amount of expenditure to be incurred on the activities to be undertaken by the Company;
3. To monitor the CSR policy from time to time

The Committee is governed by its charter which is available on the Company's website at [www.lodhagroup.in/investor-relations/corporate-governance.php](http://www.lodhagroup.in/investor-relations/corporate-governance.php).

One meeting was held during FY23 i.e. on April 26, 2022. The requisite quorum was present at the meeting. All recommendations made by the CSR Committee during FY23 were accepted by the Board.

Name of the Director	No. of meetings held during tenure	No. of meetings attended	% attendance
Mr Ashwani Kumar	1	1	100%
Mr Rajinder Pal Singh	1	1	100%
Ms Raunika Malhotra	1	1	100%

**Average attendance of Directors at CSR Committee meetings during FY23 was 100 %**

### Annual Report on CSR activities for FY23

The CSR report for FY23 is attached as Annexure 6 to the Board's report.

## Stakeholders' Relationship Committee (SRC)



**Mr Rajinder Pal Singh**  
**Chairman**

1. Mr Rajinder Pal Singh - Chairman
2. Mr Ashwani Kumar
3. Ms Raunika Malhotra

The composition of the SRC is in line with Section 178 of the Act and regulation 20 of the Listing Regulations. The Company Secretary is secretary to the Committee.

### SRC Charter

1. Ensure proper and timely attendance and redressal of security holders' queries and grievances;
2. Review of measures taken for effective exercise of voting rights by shareholders;
3. Monitor and review investor service standards of the Registrar & Transfer agent
4. Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;
5. To dematerialize, rematerialize, sub-divide, consolidate and or replace share / security certificates and to issue duplicate certificates etc

The Committee is governed by its charter which is available on the Company's website at [www.lodhagroup.in/investor-relations/corporate-governance.php](http://www.lodhagroup.in/investor-relations/corporate-governance.php).

One meeting was held during FY23 i.e. on November 1, 2022. The requisite quorum was present at the meeting.

Name of the Director	No. of meetings held during tenure	No. of meetings attended	% attendance	Attendance at previous AGM
Mr Rajinder Pal Singh	1	1	100%	Yes
Mr Ashwani Kumar	1	1	100%	Yes
Ms Raunika Malhotra	1	1	100%	Yes

### Grievance Redressal Process



\*Investors' complaints are also being processed through the centralized web base complaints redressal system implemented by SEBI ("SCORES"). Through SCORES, investors can view online, the actions taken and current status of their score complaints.

### Nature of Complaints and Redressal Status

During FY23, the queries received by the Company were general in nature, which included issues relating to non-receipt of annual reports etc., which were resolved to the satisfaction of the shareholders.

Number of Investor Complaints pending at the beginning of the year	0
Number of Investor Complaints during FY23	4
Number of Investor Complaints disposed off during FY23	4
Number of Investor Complaints outstanding at the end of the year	0



## Risk Management Committee (RMC)



**Mr Rajinder Pal Singh**  
**Chairman**

### Composition of the RMC on March 31, 2023

1. Mr Rajinder Pal Singh - Chairman
2. Mr Mukund Chitale
3. Mr Abhishek Lodha
4. Mr Sushil Kumar Modi (Chief Financial Officer)
5. Mr Shaishav Dharia (CEO - Palava / Development Director)

The composition of the RMC is in line with regulation 21 of the Listing Regulations. The Company Secretary is secretary to the Committee.

### RMC Charter

- a. Ensure that appropriate methodology, processes and systems are in place to identify, monitor, evaluate and mitigate risks associated with the business of the Company including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks etc
- b. Monitor and approve the Enterprise Risk Management framework, risk management policy and evaluate adequacy of risk management systems and internal controls;
- c. To review the risk management processes and practices periodically to factor in changing industry dynamics and evolving complexity;

The Committee is governed by its charter which is available on the Company's website at [www.lodhagroup.in/investor-relations/corporate-governance.php](http://www.lodhagroup.in/investor-relations/corporate-governance.php).

Two meetings were held during FY23 i.e. on August 29, 2022 and February 22, 2023. The requisite quorum was present at the meetings.

Name of the Director	No. of meetings held during tenure	No. of meetings attended	% attendance
Mr Rajinder Pal Singh	2	2	100%
Mr Mukund Chitale	2	2	100%
Mr Abhishek Lodha	2	2	100%

**Average attendance of Directors at the RMC meetings during FY23 was 100%**

## Non - Statutory Committees

### ESG Committee



**Mr Lee Polisano**  
**Chairman**

### Composition of the ESG Committee on March 31, 2023

1. Mr Lee Polisano - Chairman
2. Mr Mukund Chitale
3. Mr Abhishek Lodha

The Company Secretary is secretary to the Committee.

### ESG Charter

1. Approve, note and ratify ESG goals, targets and strategy and monitor performance thereof including the ESG initiatives to ensure long-term value creation for stakeholders
2. Periodically review implementation, execution, progress and impact of the Company's ESG initiatives and targets
3. Review of ESG reporting in line with various national and global sustainability/ ESG indices and guidelines.

The Committee is governed by its charter which is available on the Company's website at [www.lodhagroup.in/investor-relations/corporate-governance.php](http://www.lodhagroup.in/investor-relations/corporate-governance.php).

One meeting was held during FY23 i.e. March 29, 2023. The requisite quorum was present at the meeting.

Name of the Director	No. of meetings held during tenure	No. of meetings attended	% attendance
Mr Lee Polisano	1	1	100%
Mr Mukund Chitale	1	1	100%
Mr Abhishek Lodha	1	1	100%

**Average attendance of Directors at the ESG meeting during FY23 was 100%**

### Executive Committee

The Company has constituted a functional Committee known as the Executive Committee to cater to various day-to-day requirements and to facilitate seamless operations. The Committee comprises three members. The Company Secretary acts as Secretary to the Committee. Meetings of the Executive Committee are generally held as and when deemed necessary.

### Committee for Fund Raise

The Company has constituted a "Committee for Fund Raise" to facilitate capital raise activities as may be required from time to time. The Company Secretary acts as Secretary to the Committee. Meetings of the Committee for Fund Raise are generally held as and when deemed necessary.

## D. General Body Meetings

The details of the special resolutions passed during the last three Annual/Extra Ordinary General Meetings are as follows:

Date	Location	Resolutions passed by a special majority
August 10, 2022 15.30 hrs (IST)	Through Video Conference	<ol style="list-style-type: none"> <li>1. Reappointment of Mr Abhishek Lodha as Managing Director &amp; CEO for a term of 5 years with effect from March 1, 2023</li> <li>2. Reappointment of Mr Rajendra Lodha as Whole time Director for a term of 5 years with effect from March 1, 2023</li> <li>3. Appointment of Mr Rajeev Bakshi as an Independent Director for a first term of 5 years with effect from June 29, 2022.</li> <li>4. Payment of remuneration by way of commission to Independent Directors</li> </ol>
November 12, 2021 15.30 hrs (IST)	Through Video Conference	A special majority - Approve raising of funds and issuance of securities upto ₹ 4,000 crore.
September 3, 2021 15.30 hrs (IST)	Through Video Conference	<ol style="list-style-type: none"> <li>1. Reappointment of Mr Mukund Chitale as an Independent Director for a second term of 5 years</li> <li>2. Reappointment of Ms. Raunika Malhotra as a Whole Time Director with effect from June 26, 2021.</li> <li>3. Appointment of Mr Lee Polisano as an Independent Director for a first term of 5 years with effect from July 30, 2021.</li> <li>4. Approve the 'Macrotech Developers Limited Employee Stock Option Scheme 2021 – II'</li> <li>5. To approve extension of benefits of the ESOP Scheme 2021-II to employees of the holding company and subsidiaries of the Company</li> </ol>
*September 30, 2020 11.00 hrs (IST)	Lodha Excelus, Apollo Mills Compound, N.M. Joshi Marg, Mahalaxmi, Mumbai-400011	Nil

\*Prior to listing

### Extraordinary General Meetings (EGM)

The Company did not conduct any EGM in FY23.

### Postal Ballot

#### Resolution passed through Postal Ballot:

#### 1. Appointment of Ms Harita Gupta as Non Executive Independent Director (Special Resolution)

During the year, Ms Harita Gupta was appointed as an Independent Director of the Company by the members of the Company through postal ballot, for a period of 5 years from September 20, 2022 upto September 19, 2027.

#### Details of Postal Ballot:

Postal Ballot Notice dated September 20, 2022, was sent through e-mail only, to all those members who had registered their e-mail addresses with the Company/depositories as on Friday, September 16, 2022.

Members of the Company exercised their votes by e-voting during the period from 9.00 am on September 23, 2022 till 5.00 p.m. on October 22, 2022.

Mr. Shravan Gupta (membership no. 27484), a Practicing Company Secretary, acted as the Scrutinizer to conduct the Postal Ballot and e-voting process in a fair and transparent manner and submitted his report on October 23, 2022, after completion of scrutiny and result of the e-voting was announced on the same day. The summary of voting result is given below:

Resolution	% Favour	% Against
Appointment of Ms. Harita Gupta (DIN:01719806) as Non-Executive Independent Director of the Company for the period of 5 years	99.99	0.0001

#### 2. Issue Bonus shares to equity shareholders (Ordinary Resolution)

The shareholders of the Company approved issuance of bonus equity shares in the proportion of 1 new fully paid-up bonus equity share of ₹ 10/- each for every 1 existing fully paid-up equity share of ₹ 10/- each held by the Members as on May 31, 2023, through postal ballot on May 23, 2023.



### Details of Postal Ballot:

Postal Ballot Notice dated April 22, 2023, was sent through e-mail only, to all those members who had registered their e-mail addresses with the Company/depositories as on Friday, April 21, 2022.

Members exercised their votes by e-voting during the period from 9.00 am on April 24, 2022 till 5.00 p.m. on May 23, 2022.

Mr. Shravan Gupta (membership no. 27484), a Practicing Company Secretary, acted as the Scrutinizer to conduct the Postal Ballot and e-voting process in a fair and transparent manner, who submitted his report on May 23, 2023, after the completion of scrutiny and result of the e-voting was announced on the same day. The summary of voting result is given below:

Resolution	% Favour	% Against
Issue of Bonus Shares in the proportion of 1 new fully paid-up bonus equity share of ₹ 10/- each for every 1 existing fully paid-up equity share of ₹ 10/- each held by the Members	99.99	0.01%

### Procedure for Postal Ballot:

In accordance with General Circular Nos. 14/2020 dated April 08, 2020, 17/2020 dated April 13, 2020, 22/2020 dated June 15, 2020, 33/2020 dated September 28, 2020, 39/2020 dated December 31, 2020, 10/2021 dated June 23, 2021, 20/2021 dated December 08, 2021 and 03/2022 dated May 05, 2022, 11/2022 dated December 28, 2022, issued by the Ministry of Corporate Affairs ("MCA Circulars"), resolution was proposed to be passed by means of Postal Ballot, only by way of remote e-voting process ("e-voting"). The Company had engaged the services of Link Intime India Private Limited to provide e-voting facility.

In accordance with MCA Circulars, the postal ballot notices were also uploaded on Company's website [www.lodhagroup.in](http://www.lodhagroup.in) and on the website of Link Intime India Private Limited <https://instavote.linkintime.co.in/>. Arrangements were also made for other members to register their email address to receive the postal ballot notice and cast their vote online.

No special resolution is proposed to be conducted through Postal Ballot as on the date of this report.

## E. Codes, policies and frameworks

The Company has adopted several corporate and sustainability policies and codes stipulated under the Act, the Listing regulations and sustainability guidelines. Key policies are described in this section. List of policies/ codes adopted by the Company are provided in **Annexure D** to this report.

### Lodha Code of Conduct

The Company has adopted a Code of Conduct which is an extension of our values and reflects our continued commitment to ethical and transparent business practices across our operations. It sets out the behaviour expected of our employees and other stakeholders, inter alia with respect to bribery, corruption, conflict of interest, antitrust/anti-competitive practices, money laundering, insider trading, EHS, whistleblowing etc.

The Code is applicable to all employees, consultants, Directors and other stakeholders. All stakeholders dealing with the Company are encouraged to adhere to the Company's Code of Conduct. A declaration signed by the Managing Director & CEO, affirming compliance with the Code of Conduct by Board Members and Senior Management for the FY23 is annexed as **Annexure A** to this report. An annual confirmation is also sought from all employees where employees are expected to confirm compliance to the Code annually.

### Whistleblower policy

The Company has adopted a Whistle Blower Policy and a Stakeholder grievance policy which sets out a process for stakeholders to voice genuine concerns about unethical conduct that may breach the Company's Code of Conduct. The policy aims to ensure that genuine complainants are able to raise their concerns in full confidence, without any fear of retaliation or victimisation and also allows for anonymous reporting of complaints.

The Ombudsperson administers the entire formal process from reviewing and investigating concerns raised, undertaking all appropriate actions for resolution thereof and regular monitoring of process. All employees of the Company (full-time or part-time) as well as external stakeholders (e.g. associate, strategic partners, vendors, suppliers, contractors and customers etc.) have full access to the Ombudsperson through secure hotline, email or even meetings in person.

No whistle blower complaints were received during FY23.

### Code on prevention of Insider Trading

In compliance with the SEBI (Prohibition of Insider Trading) Regulations, 2015 ('PIT Regulations'), the Company has formulated the Code of Conduct for Prevention of Insider Trading ("PIT Code") to regulate and monitor trading in securities of the Company by Designated Persons (DPs) and their immediate relatives. The PIT Code, inter alia, lays down the procedures to be followed by DPs while trading/dealing

in Company securities and while sharing Unpublished Price Sensitive Information (UPSI). The PIT Code inter alia sets out the obligations and responsibilities of DPs, obligation to maintain the digital database, mechanism for prevention of insider trading and handling of UPSI, transactions which are prohibited and manner in which permitted transactions in the securities of the Company shall be carried out etc.

The Company has constituted an Insider Trading Monitoring Committee for dealing with and deciding on remedial / penal actions in the event of breaches of the PIT Code. A report on insider trading, covering trading by DPs and initiatives/ actions taken by the Company under the PIT Code is also placed before the Audit Committee Chairman/ Audit Committee periodically. There were 18 instances of breaches of the Code during FY23.

### Shareholder Rights Charter

The Company has adopted a Shareholder Rights Charter which sets out key principles and policies in relation to protection of shareholder rights. The Charter is based on the principles of equitable treatment to all shareholders and is in line with the Act and Listing Regulations. The Charter seeks to:

- Endorse our commitment to the protection of all shareholders including minority shareholders
- Raise awareness amongst shareholders of their rights under applicable laws
- Promote full, fair relationship with all shareholders; and
- Promote compliance with applicable laws and regulations.

## F. Means of communication

### a. Quarterly and Annual financial results and Annual Reports

The quarterly and annual financial results are submitted to the Stock Exchanges and published in leading English and Marathi daily newspapers like Business Standard/Financial Express and Navshakti. Annual reports containing audited standalone and consolidated financial statements of the Company together with Directors' Report, Auditors' Report and other important information are circulated to the members through e-mail, post and/or courier. Owing to continuing COVID-19 pandemic situation and in accordance with the Circulars issued by the Ministry of Corporate Affairs (MCA) and Securities and Exchange Board of India (SEBI), the Notice and Annual Report for FY21 and FY22 were sent to the members only through e-mail and others entitled thereto and submitted to the Stock Exchanges. These are also uploaded in the Investor Section of the Company's website at <https://www.lodhagroup.in/investor-relations/index.php>

### b. Earnings calls and investor presentations

The Company organises earnings calls with analysts and investors on the day after announcement of results, which is also uploaded on the Company's website. The audio recording and the transcript of the earnings call are posted on the website and intimated to the stock exchanges. Presentations made to institutional investors and financial analysts on the financial results are filed with the stock exchanges and uploaded in the Investor Section of the Company's website at <https://www.lodhagroup.in/investor-relations/financials.php>

### c. Official press releases & corporate announcements

Official press releases, corporate announcements and other material information is disseminated to NSE Electronic Application Processing System (NEAPS) / BSE Listing Centre and in media. All other filings like shareholding pattern, corporate governance report, financial results etc. are filed electronically with NEAPS and BSE Listing centre. All these are uploaded in the Investor Section of the Company's website at <https://www.lodhagroup.in/investor-relations/index.php>

### d. Website

Members can also access corporate policies, Board committee charters, financial information, shareholding information, etc. in the Investor Section of the Company's website at <https://www.lodhagroup.in/investor-relations/index.php>

## G. General Shareholder information

### Company information

**Date of incorporation:** September 25, 1995

**CIN:** L45200MH1995PLC093041

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

**Corporate Office:** Lodha Excelus, L 2, N M Joshi Marg, Mahalaxmi, Mumbai 400 011

### Details of 28<sup>th</sup> Annual General Meeting

Date : September 15, 2023

Day : Friday

Time : 15.30 hrs IST

Venue : Through video conference/other audio visual means

### Financial Year

The financial year of the Company is a period of twelve months beginning on April 01, every calendar year and ending on March 31 the following calendar year.

### Credit rating:-

Refer page 185 of the Integrated Annual Report

### Equity and Debt Listing:-

The Company's equity shares are listed on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) w.e.f. April 19, 2021 (ISIN NE670K01029). Non-Convertible Debentures (NCDs) are listed on BSE Limited. Annual listing fees for the year 2023-24 have been paid to both Stock Exchanges.

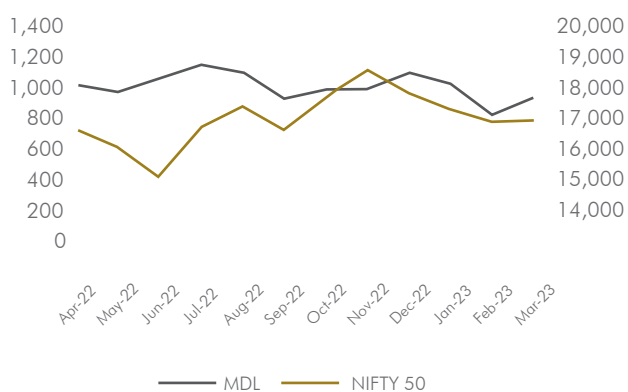
Name & address of the Stock Exchange	Scrip code/Symbol
<b>BSE Limited</b> P.J. Towers, Dalal Street, Mumbai 400 001	543287   LODHA Debt Segment: 974163, 974199, 974473, 974511
<b>The National Stock Exchange of India Limited</b> Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (East), Mumbai 400051	LODHA (Equity)

Details of the Debenture Trustee for privately placed NCDs are provided in the communication addresses section.

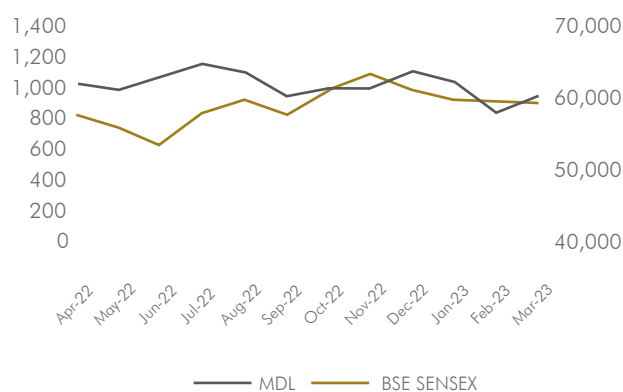
### Stock market data for the year ended March 31, 2023

Month	BSE			NSE		
	High (In ₹)	Low (In ₹)	Volume (Nos in lakh)	High (In ₹)	Low (In ₹)	Volume (Nos in lakh)
Apr-22	1,248.00	980.00	3.22	1,221.90	965.50	52.66
May-22	1,078.00	814.85	8.43	1,048.00	814.20	47.21
Jun-22	1,119.00	970.00	2.26	1,115.00	968.55	100.03
Jul-22	1,191.00	1,035.85	2.33	1,189.00	1,032.15	41.56
Aug-22	1,173.45	1,010.00	47.15	1,154.00	1,015.00	160.36
Sep-22	1,116.20	921.00	1.36	1,119.85	920.00	43.23
Oct-22	1,045.00	908.60	1.28	1,042.00	908.00	55.42
Nov-22	1,044.00	920.70	3.79	1,040.00	923.00	123.28
Dec-22	1,111.60	987.05	2.85	1,114.00	987.00	113.04
Jan-23	1,143.00	1,000.00	1.25	1,142.00	1,000.00	62.42
Feb-23	1,053.90	711.00	3.71	1,054.40	711.00	121.31
Mar-23	1,087.35	780.65	10.05	1,087.65	777.00	239.91

### Performance of Company's stock vis a vis NSE NIFTY



### Performance of Company's stock vis a vis BSE SENSEX





### By number of shares as on March 31, 2023

Range	No. of Shareholders	%	No. of Shares	%
1 – 500	53,229	98.2266	19,01,901	0.3948
501 – 1000	335	0.6182	2,55,303	0.0530
1001 - 2000	176	0.3248	2,55,841	0.0531
2001 - 3000	63	0.1163	1,60,143	0.0332
3001 - 4000	28	0.0517	1,00,740	0.0209
4001 - 5000	27	0.0498	1,24,162	0.0258
5001 - 10000	60	0.1107	4,49,802	0.0934
10001 and Above	272	0.5019	47,85,40,982	99.3259
<b>Total</b>	<b>54,190</b>	<b>100.0000</b>	<b>48,17,88,874</b>	<b>100.0000</b>

### Registrar & Transfer Agent

All the work related to share registry, both in physical and electronic form, is handled by the Company's Registrar and Transfer Agent at the address mentioned in the communication addresses section

### Book closure date / record date

Friday, September 08, 2023 to Friday, September 15, 2023 (both days inclusive)

### Dividend payment date

On or after Monday, September 18, 2023

### Outstanding GDRs/ADRs/ Warrants/ Convertible Instruments

The Company has not issued any GDRs / ADRs/Warrants/ Convertible Instruments in the past and hence there are no GDRs/ADRs/Warrants outstanding as on March 31, 2023.

### Commodity price risk or foreign exchange risk and hedging activities

The details of foreign currency exposure and hedging are disclosed in note no. 57 to the standalone financial statements.

### By category of shareholders as on March 31, 2023

Category	No. of shares	% Issued Capital
<b>Promoter and Promoter Group</b>		
Corporate Bodies	24,58,34,532	51.02
Promoter - Trust	11,54,72,762	23.97
Promoters	200	0.00
<b>Total Promoter Shareholding</b>	<b>36,13,07,494</b>	<b>74.99</b>
<b>Public Shareholding</b>		
<b>Institutional Investors</b>		
Alternate Investment Funds	35024	0.01
Foreign Portfolio Investors	9,14,47,210	18.98
NBFCs	34,43,298	0.71
Insurance companies	1,25,66,837	2.61
Mutual Funds	50,95,673	1.06
<b>Non Institutional Investors</b>		
Limited Liability Partnerships	2,69,366	0.06
Clearing Members	19,383	0.00
Hindu Undivided Family	1,01,986	0.02

Category	No. of shares	% Issued Capital
Non Resident Indians	66,739	0.01
Other Bodies Corporate	8,91,078	0.18
Public	65,44,768	1.36
<b>Total Public Shareholding</b>	<b>12,04,81,380</b>	<b>25.01</b>
<b>Total</b>	<b>48,17,88,874</b>	<b>100.00</b>

### Dematerialization of shares and liquidity

The shares of the Company are in compulsory dematerialized segment and are available for trading in the depository systems of both the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). As at March 31, 2023, all the shares of the Company (except one share) are held in dematerialised mode.

### Securities transfer system

The entire issued and paid up equity share capital (except one share) is in electronic form and shares are freely transferable through the depositories.

In terms of requirements to amendments to Regulation 40 of Listing Regulations w.e.f April 1, 2019, transfer of securities in physical form shall not be processed unless the securities are held in dematerialised form with a depository. Further, SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/ CIR/2022/8 dated January 25, 2022, mandated all listed companies to issue securities in dematerialized form only, while processing the service request of issue of duplicate securities certificate, claim from Unclaimed Suspense Account, renewal/ exchange of securities certificate, endorsement, sub-division/splitting of securities certificate, consolidation of securities certificates/ folios, transmission and transposition.

Pursuant to Regulation 40(9) and Regulation 61(4) of the Listing Regulations, the Company obtains yearly certificate from a practicing Company Secretary certifying that all transfers are completed within the statutory period. A copy of the certificates so received is submitted to both Stock Exchanges, where the securities of the Company are listed.

### Plant locations

The Company's projects are located in the Mumbai Metropolitan Region, Pune and Bengaluru.

## Communication Details:

	Contact	Telephone	Email	Address
Grievance Redressal	<b>Ms Sanjyot Rangnekar</b> Company Secretary & Compliance Officer Macrotech Developers Limited	T: +91 22 67737373 F: +91 22 23024550	<a href="mailto:Investor.relations@lodhagroup.com">Investor.relations@ lodhagroup.com</a>	Lodha Excelus, L2, N M Joshi Marg, Mahalaxmi, Mumbai 400 011
Investor Relations	<b>Mr Anand Kumar</b> Head Investor Relations Macrotech Developers Limited	T: +91 22 67737373 F: +91 22 23024550	<a href="mailto:Investor.relations@lodhagroup.com">Investor.relations@ lodhagroup.com</a>	Lodha Excelus, L2, N M Joshi Marg, Mahalaxmi, Mumbai 400 011
Registrar & Share Transfer Agent	<b>Ms Sayali Borchate</b> Link Intime India Private Limited	T: +918108116767 F: +91 22 49186060	<a href="mailto:rnt.helpdesk@linkintime.co.in">rnt.helpdesk@ linkintime.co.in</a>	C101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai - 400 083
Debenture Trustees	<b>Ms Sheetal Mehta</b> IDBI Trusteeship Services Limited	T: +91 22 4080 7062	<a href="mailto:sheetal@idbitrustee.com">sheetal@ idbitrustee.com</a>	Asian Building, Ground Floor, 17 R. Kamani Marg, Ballard Estate, Mumbai - 400 001

## H. Other disclosures

### Compliance with discretionary requirements

#### Separate positions of Chairman and Managing Director & CEO

Separate individuals hold the positions of Chairman of the Board, and the Managing Director & CEO.

#### Integrated Reporting as per framework prescribed by International Integrated Reporting Council (IIRC)

This is the second Annual Integrated Report published by the Company, in accordance with the IIRC's Integrated reporting Framework.

#### Cyber security incidents

The Company did not have any cyber security incidents or breaches or loss of data or documents during FY23.

#### Material Related Party Transactions

All transactions entered into with related parties as defined under the Act and the Listing Regulations during FY23 were in the ordinary course of business and on an arms' length basis and do not attract the provisions of Section 188 of the Act.

Except as disclosed in AoC- 2 which is part of the Directors' report section of this Annual Report, there were no materially significant Related Party Transactions that could potentially conflict with the interests of the Company at large. None of the transactions with any of the related parties were in conflict with the interest of the Company.

Please refer Note 49 regarding disclosure of related party transactions forming part of the Standalone Financial Statements forming part of the Annual Report.

Requisite disclosures with respect to the related party transactions are placed before the Audit Committee on quarterly basis in terms of Regulation 23(3) of the Listing Regulations and other applicable laws for approval/information. Prior omnibus approval is obtained for Related Party Transactions which are repetitive in nature.

The Board of Directors has also formulated a Policy on dealing with Related Party Transactions pursuant to the provisions of the Act and the Listing Regulations. The Policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and related parties.

The Related Party Transactions policy is available in the investor section of the Company's website at [www.lodhagroup.in](http://www.lodhagroup.in)

#### Whistle Blower Policy and Vigil Mechanism

The Company's Whistle Blower Policy is in line with the provisions of sub sections 9 and 10 of Section 177 of the Act and Regulation 22 of the Listing Regulations. The Company has established a vigil mechanism for employees, directors and other stakeholders to report concerns about fraudulent acts or unethical behaviour. No person has been denied access to the Chairman of the Audit Committee.

The policy is available in the Sustainability section of the Company's website at [www.lodhagroup.in](http://www.lodhagroup.in).

#### Fees paid to Statutory Auditor and /or other entities in the Auditor's network by the Company

	₹ Mn
Audit fees	21.0
Tax audit fees	1.0
Other services	8.7
<b>Total</b>	<b>30.7</b>

### Compliance with Regulation 39(4) of SEBI Listing Regulations

There are no unclaimed shares. Hence the compliance mechanism laid down under Regulation 39 (4) of the SEBI Listing Regulations read together with Schedule V and VI is not applicable.

### CEO and CFO certification

The certificate required under Regulation 17(8) of the Listing Regulations, duly signed by the CEO and CFO of the Company was placed before the Board. The same is provided as **Annexure C** to this report.

### Compliance with mandatory requirements of the Listing Regulations

The Company has complied with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of Listing regulations. The Company has obtained a certificate of compliance from Shравan A. Gupta & Associates, Practising Company Secretary which is attached as **Annexure 7** to Director's report.

### Disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount

The Company and its subsidiaries have not advanced any loans and/or advances to firms/companies in which the Directors are interested.

### Shareholders' Rights

The Company has established a robust grievance framework to ensure that shareholders' grievances are addressed.

The Company proactively engages with shareholders through earning calls, presentations, meetings, conferences and regular roadshows etc. The transcripts of earnings call and Annual General Meetings are uploaded on Company's website. In addition, all major press releases issued by the Company are simultaneously disseminated to the Stock Exchanges and on its website.

As 97.11% shareholders of the Company have provided registered email addresses, the Company follows a medium of electronic communication with them, towards its continuing endeavour in the area of 'Go Green' initiatives.

### Details of regulatory non compliances with regard to Capital Markets during the last three years

There were no instances of non compliances by the Company and no penalties and / or strictures have been imposed by

Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years.

### Details of utilisation of funds raised through preferential allotment or qualified institutions placement as specified in Regulation 32 (7A)

The Company achieved Minimum Public Shareholding of 25% as stipulated under regulation 19(2) (b) of the Securities Contracts (Regulation) Rules, 1957 by way of an Offer for sale of 3,45,70,506 equity shares of the Company by promoters and certain members of the promoter group of the Company to eligible qualified institutional buyers on December 12, 2022. As MPS compliance was achieved by way of a secondary sale of shares of the Company by the promoters and certain members of the promoter group to eligible QIBs by way of an Offer for sale QIP, regulation 32 (7A) is not applicable

### Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company is committed towards creating a workplace that is free from any form of harassment and discrimination and has a 'zero-tolerance' approach towards any act of harassment.

The Company has a comprehensive policy which is framed in compliance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Complaints Committee (ICC) has been constituted as per procedure prescribed in the law. All complaints are investigated and conducted as per law and Company policy. The investigation reports and recommendations are forwarded to the MD & CEO for action.

The list of ICC members has been prominently displayed across all offices in publicly accessible areas. Awareness and training sessions about the Prevention of Sexual Harassment at workplace are conducted for all associates.

During FY23, no cases were filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The policy is available in the Sustainability section of the Company's website at [www.lodhagroup.in](http://www.lodhagroup.in)

### Subsidiaries

The Company monitors performance of its subsidiaries in the following manner:

- Financial Statements, in particular investments made by unlisted subsidiary companies, are reviewed by the Audit Committee.
- Minutes of the Board Meetings of unlisted subsidiaries are placed before the Board on a quarterly basis.



- A statement containing significant transactions and arrangements entered into by unlisted subsidiary companies is placed before the Board.

The financial statements of the subsidiaries are available in the Investor Section of the Company's website at [www.lodhagroup.in](http://www.lodhagroup.in)

The detailed annual report of listed subsidiaries are available on the respective websites of National Standard India Limited, Sanathnagar Enterprises Limited and Roselabs Finance Limited.

The Board of Directors have formulated a Policy for determining material subsidiaries pursuant to the provisions of the Listing Regulations. As on March 31, 2023, the Company has 1 material subsidiary. The policy is available in the Investor section of the Company's website at [www.lodhagroup.in](http://www.lodhagroup.in)

#### **Details of material subsidiaries of the listed entity**

**Name:** Cowtown Infotech Services Private Limited

**Date of Incorporation:** December 02, 1985

**Place of Incorporation RoC** - Mumbai, Maharashtra, India

**Name of the statutory auditors** MSKA & Associates, Chartered Accountants (Firm Registration No. 105047W)

**Date of appointment of the statutory auditors** September 29, 2021

#### **Certificate from Practicing Company Secretary pursuant to Schedule V of the Listing Regulations**

A certificate has been received from Shravan A. Gupta & Associates, Practising Company Secretaries, pursuant to Schedule V of the Listing Regulations, that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as director of the Company by the SEBI, MCA or any such statutory authority. The same is annexed as **Annexure B** to this report.

#### **Extent to which discretionary requirements as specified in Part E of Schedule II have been adopted**

Adoption of the discretionary requirements by the Company is reviewed and adopted by the Company from time to time.

**Board:-** An Independent director has been appointed as Chairman of the Board

**Shareholders' Rights:-** As the quarterly and half yearly financial results are published in the newspapers and are also posted on the Company's website, the same are not being sent separately to the shareholders.

**Audit Qualifications:-** The auditors' report on financial statements of the Company are unmodified.

**Reporting of Internal Auditor:-** Internal auditor directly reports to the audit committee.

## ANNEXURE A

### Declaration

I hereby confirm that the Company has received confirmations from all members of the Board and Senior Management that they are in compliance with the Company's Code of Conduct for the financial year ended March 31, 2023.

#### For Macrotech Developers Limited

##### Abhishek Lodha

Managing Director & CEO

Date: April 01, 2023

Place: Mumbai

## ANNEXURE B

### Certificate by Practicing Company Secretary on Non Disqualification of Directors

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,  
The Members

#### Macrotech Developers Limited

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Macrotech Developers Limited having CIN L45200MH1995PLC093041 and having registered office at 412, Floor-4, 17G Vardhaman Chamber, Cawasji Patel Road, Horniman Circle, Fort, Mumbai 400 001, India (hereinafter referred to as 'the Company'), produced before me/us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other statutory authority for FY23.

Name of Director	DIN	Original date of appointment in the Company
Mr Mukund Chitale	00101004	November 23, 2016
Mr Abhishek Lodha	00266089	March 9, 2016
Mr Rajinder Pal Singh	02943155	January 1, 2016
Mr Ashwani Kumar	02870681	April 8, 2020
Mr Rajendra Lodha	00370053	June 21, 2016
Ms Raunika Malhotra	06964339	June 26, 2020
Mr Lee Polisano	09254797	July 30, 2021
Mr Rajeev Bakshi	00044621	June 29, 2022
Ms Harita Gupta	01719806	September 20, 2022

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company.

Our responsibility is to express an opinion on non disqualification of the director of the Company based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**Shravan A. Gupta & Associates**  
**Practicing Company Secretary**

**Shravan A. Gupta**

ACS: 27484, CP: 9990

Place: Mumbai

UDIN: A027484E000367186

Date: May 24, 2023

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## ANNEXURE C

### Certificate by Chief Executive Officer & Chief Financial Officer

1. We have reviewed the Financial Statements and the cash flow statement of Macrotech Developers Limited for the financial year 2022-23 and to the best of our knowledge and belief we certify that:
  - a. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - b. these statements together present a true and fair view of the affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. To the best of our knowledge and belief, there are no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps taken or proposed to be taken to rectify these deficiencies.
4. We confirm that there are no:
  - a. significant changes in internal control over financial reporting during the year;
  - b. significant changes in accounting policies during the year;
  - c. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**Abhishek Lodha**

Managing Director & CEO

Place: Mumbai

Date: April 22, 2023

**Sushil Kumar Modi**

Chief Financial Officer



## ANNEXURE D

### Corporate Policies & Codes

All policies are available on our website at [www.lodhagroup.in/investor-relations](http://www.lodhagroup.in/investor-relations).

Name of the Policy	Brief description
Corporate Social Responsibility Policy	This policy is built upon the Company's vision of "Building a Better Life" and focuses on improving and uplifting the areas it operates in and the social and economic development of the communities it touches.  The revised policy was adopted by the Board on February 13, 2021
Related Party transactions policy	This policy seeks to ensure that proper reporting, approval and disclosure processes are in place for all related party transactions keeping in mind the potential or actual conflicts of interest that may arise because of entering into these transactions.  The revised policy was adopted by the Board on January 25, 2022
Risk Management Policy	This policy seeks to ensure sustainable business growth with stability and to promote a proactive approach in reporting, evaluating and resolving risks associated with the business.  The revised policy was adopted by the Board on February 13, 2021
Nomination & Remuneration Policy	The policy sets out the criteria for appointment of directors and persons who may be appointed in Senior Management and Key Managerial positions and to determine the remuneration payable to them from time to time.  The revised policy was adopted by the Board on January 25, 2022.
Board diversity Policy	The policy sets out the approach to ensuring diversity on the Board of Directors of the Company to leverage differences in thought, perspective, knowledge, skill, regional and industry experience, cultural and geographical background, age, race and gender etc  The revised policy was adopted by the Board on February 13, 2021
Policy for evaluation of the performance of the board of directors	The policy sets out the procedure for annual evaluation of the performance of the Board of Directors of the Company.  The revised policy was adopted by the Board on February 13, 2021
Policy on succession planning for the board and senior management of the Company	This policy seeks to put in place a plan for orderly succession for the board of and senior management.  The revised policy was adopted by the Board on February 13, 2021
Code of conduct for board of directors and senior management personnel	The Board of Directors and Senior Management of the Company affirms compliance and adherence with various codes and policies adopted by the Company.  The revised Code was adopted by the Board on February 13, 2021
Policy for determination of materiality	This policy applies to ascertain the requirement of disclosure of events or information affecting the Company to stock exchange(s). The policy was adopted by the Board on February 13, 2021 and is effective from April 19, 2021
Policy for determination of material subsidiaries	The policy lays down a framework to determine material subsidiary company(s) and ensure effective governance.  The policy was adopted by the Board on February 13, 2021 and is effective from April 19, 2021
Fair disclosure Code & Policy for enquiry in case of leak/ suspected leak of UPSI	The Code provides a framework for disclosure of unpublished price sensitive information. The Policy sets out the procedure to deal with leak of UPSI.  The Code and Policy were adopted by the Board on February 13, 2021 and are effective from April 19, 2021

<b>Name of the Policy</b>	<b>Brief description</b>
Code of conduct for prevention of Insider trading	The Code provides a framework for regulating, monitoring and reporting of trading by insiders
	The policy was adopted by the Board on February 13, 2021 and is effective from April 19, 2021
Dividend Distribution Policy	This policy sets out parameters for distribution of dividend to shareholders by taking a balanced approach to capital allocation and capital management.
	The revised policy was adopted by the Board on July 25, 2022.
Group Tax Policy	Our Group tax policy has been framed with the objective of complying with taxation laws of the countries in which we have presence, abiding by evolving global transfer pricing principles and not using tax structures with the intent of tax avoidance. As a policy, we do not undertake aggressive tax planning or tolerate tax evasion or tolerate the facilitation of tax evasion by any person(s) acting on the behalf of the group.
Whistle blower Policy	This policy provides a framework for encouraging its employees to report matters without the risk of subsequent victimization or discrimination or disadvantage.
	The revised policy was adopted by the Board on June 6, 2023.
Policy on preservation and archival of documents	The policy sets out the parameters for preservation and archival of documents.
	The policy was adopted by the Board on February 13, 2021.
Shareholders Rights Charter	The Charter is based on the principles of equitable treatment to all shareholders and sets out key principles and policies in relation to protection of shareholder rights.

# STANDALONE FINANCIAL STATEMENTS

## INDEPENDENT AUDITOR'S REPORT

To the Members of **Macrotech Developers Limited**

### Report on the Audit of the Standalone Financial Statements

#### Opinion

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

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("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 Companies (Indian Accounting Standards) Rules, 2015 ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and profit, other comprehensive loss, 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 Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the year ended March 31, 2023. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Sr. No	Key Audit Matter	How the Key Audit Matter was addressed in our audit
1	<p><b>Revenue Recognition</b></p> <p>Refer Note 1(B)(II)(11) of standalone financial statements with respect to the accounting policies followed by the Company for recognizing revenue from sale of residential and commercial properties.</p> <p>The Company applies Ind AS 115 "Revenue from contracts with customers" for recognition of revenue from sale of commercial and residential real estate, which is being recognised at a point in time upon the Company satisfying its performance obligation and the control of the underlying asset gets transferred to the customer which is linked to the application and receipt of the occupancy certificate.</p> <p>Since significant judgement is involved in identifying performance obligations and determining when control of the asset underlying the performance obligation is transferred to the customer basis which revenue is recognised as per Ind AS 115, we have considered revenue recognition as a key audit matter.</p>	<p>Our audit procedures in respect of this area, among others, included the following:</p> <ul style="list-style-type: none"> <li>• Read the Company's revenue recognition accounting policies and evaluated the appropriateness of the same with respect to principles of Ind AS 115 and their application to the significant customer contracts;</li> <li>• Obtained and understood the Company's process for revenue recognition including identification of performance obligations and determination of transfer of control of the property to the customer;</li> <li>• Evaluated the design and implementation and verified, on a test check basis, the operating effectiveness of key internal controls over revenue recognition including controls around transfer of control of the property;</li> <li>• Verified the sample of revenue contract for sale of residential and commercial units to identify the performance obligations of the Company under these contracts and assessed whether these performance obligations are satisfied over time or at a point in time based on the criteria specified under Ind AS 115;</li> </ul>



Sr. No	Key Audit Matter	How the Key Audit Matter was addressed in our audit
2	<p><b>Inventory Valuation</b></p> <p>Refer Note 1(B)(II) 5 to the standalone financial statements which includes the accounting policies followed by the Company for valuation of inventory.</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>As at March 31, 2023, the Company's properties under development and inventory of completed properties amounts to ₹2,41,910 million and ₹43,148 million respectively.</p> <p>Determination of the NRV involves estimates based on 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> <p>The cost of the inventory is calculated using actual land acquisition costs, construction costs, development related costs and interest capitalized for eligible project.</p> <p>We have considered the valuation of inventory as a key audit matter on account of the significance of the balance to the standalone financial statements and involvement of significant judgement in estimating future selling prices and costs to complete the project.</p>	<ul style="list-style-type: none"> <li>• Verified, on a test check basis, revenue transaction with the underlying customer contract, Occupancy Certificates (OC) and other documents evidencing the transfer of control of the asset to the customer based on which the revenue is recognized; and</li> <li>• Assessed the adequacy and appropriateness of the disclosures made in standalone financial statements in compliance with the requirements of Ind AS 115 - 'Revenue from contracts with customers'.</li> </ul> <p>Our audit procedures in respect of this area, among others, included the following:</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 same on a test check basis, by comparing the estimated selling price to recent market prices in the same projects or comparable properties;</li> <li>• Compared the estimated construction cost to complete the project with the Company's updated budgets and</li> <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>

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

The Company's Board of Directors is responsible for the other information. The other information comprises the Director's Report and Management Discussion and Analysis but does not include the standalone financial statements and our auditor's report thereon.

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

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

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 Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, 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 standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, 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.

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

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

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

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the Standalone Financial Statements.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flow

dealt with by this Report are in agreement with the books of account.

- (d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure C".
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 42(c) to the standalone financial statements;
  - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv. (1) The Management has represented 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, 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.
  - (2) The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (Funding Parties), with the understanding, whether recorded in writing

- or otherwise, as on the date of this audit report, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (3) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, and according to the information and explanations provided to us by the Management in this regard, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (1) and (2) above, contain any material mis-statement.
- v. The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared
- is in accordance with section 123 of the Act to the extent it applies to declaration of dividend. (Refer Note 70 to the Standalone financial statements).
- vi. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the company only w.e.f. April 1, 2023, reporting under this clause is not applicable.
3. In our opinion, according to information, explanations given to us, the remuneration paid by the Company to its directors is within the limits prescribed under Section 197 of the Act and the rules thereunder.

**For M S K A & Associates  
Chartered Accountants**

ICAI Firm Registration No. 105047W

**Bhavik L. Shah**

Partner

Membership No.122071

UDIN: 23122071BGXNQU1084

Place: Mumbai  
Date: April 22, 2023



## ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF MACROTECH DEVELOPERS LIMITED

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

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the year ended March 31, 2023 and are therefore, the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**For M S K A & Associates**  
**Chartered Accountants**  
ICAI Firm Registration No. 105047W

**Bhavik L. Shah**  
Partner

Place: Mumbai  
Date: April 22, 2023

Membership No. 122071  
UDIN: 23122071BGXNQU1084

## ANNEXURE B TO INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF MACROTECH DEVELOPERS LIMITED FOR THE YEAR ENDED MARCH 31, 2023

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

- i. (a) A. The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment, Investment property and relevant details of Right-of-Use Assets.
- B. The Company has maintained proper records showing full particulars of Intangible Assets.
- (b) All the Property, Plant and Equipment, Investment property and Right-of-Use Assets have not been physically verified by the management during the year but there is regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) as disclosed in the financial statements are held in the name of the Company.
- (d) According to the information and explanations given to us, the Company has not revalued its Property, Plant and Equipment (including Right-of-Use Asset) or Intangible Assets or both during the year. Accordingly,
- the requirements under paragraph 3(i)(d) of the Order are not applicable to the Company.
- (e) According to the information and explanations given to us, no proceeding has been initiated or pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988, as amended and rules made thereunder. Accordingly, the provisions stated in paragraph 3(i) (e) of the Order are not applicable to the Company.
- ii. (a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification, coverage & procedure of such verification is reasonable and appropriate. No material discrepancies were noticed on such verification.
- (b) During the year, the Company has been sanctioned working capital limits in excess of ₹ 5 crores in aggregate from Banks/financial institutions on the basis of security of current assets. Quarterly returns / statements filed with such Banks/ financial institutions are in agreement with the books of account.
- iii. (a) According to the information and explanation provided to us, the Company has provided loans or provided advances in the nature of loans, or given guarantee, or provided security to any other entity.

- (A) The details of such loans or advances and guarantees or security to subsidiaries, joint ventures and associates in accordance with provisions of the Companies Act, 2013 are as follows:

	<b>Guarantees (₹ in million)</b>	<b>Security (₹ in million)</b>	<b>Loans (₹ in million)</b>	<b>Advances in the nature of loans (₹ in million)</b>
Aggregate amount granted/provided during the year (Net)				
- Subsidiaries	13,200	-	2,141	-
- Joint Ventures	-	-	-	-
- Associates	-	-	-	-
Balance Outstanding as at balance sheet date in respect of above cases				
- Subsidiaries	6,702	-	8,972	-
- Joint Ventures	-	-	-	-
- Associates	-	-	-	-

**AND**

- (B) The details of such loans or advances and guarantees or security to parties other than subsidiaries, joint ventures and associates are as follows:

	<b>Guarantees (₹ in million)</b>	<b>Security (₹ in million)</b>	<b>Loans (₹ in million)</b>	<b>Advances in the nature of loans (₹ in million)</b>
Aggregate amount granted/provided during the year (Net)				
- Others	-	-	3,014	-
Balance Outstanding as at balance sheet date in respect of above cases				
- Others	-	-	3,036	-

- (b) According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that the terms and conditions in relation to investments made, guarantees provided, securities given and grant of all loans and advances in the nature of loans during the year are not prejudicial to the interest of the Company.
- (c) In case of the loans and advances in the nature of loan, schedule of repayment of principal and payment of interest have been stipulated and the borrowers have been regular in the payment of the principal and interest.
- (d) There are no amounts overdue for more than ninety days as at the balance sheet date other than those already provided for in respect of the loan granted to Company/ Firm/ LLP/ Other Parties.
- (e) According to the information and explanation provided to us, the loan or advance in the nature of loan granted to 8 subsidiaries has fallen due during the year and the same have been renewed. The details of the same are as follows:

<b>Aggregate amount of loans or advances in the nature of loans granted during the year (₹ in million)</b>	<b>Aggregate overdue amount settled by renewal or extension or by fresh loans granted to same parties (₹ in million)</b>	<b>Percentage of the aggregate to the total loans or advances in the nature of loans granted during the year (₹ in million)</b>
5,156	3,188	62%

- (f) According to the information and explanation provided to us, the Company has not granted loans and / or advances in the nature of loans during the year which are either repayable on demand or without specifying any terms or period of repayment. Hence, the requirements under paragraph 3(iii)(f) of the Order are not applicable to the Company.
- iv. According to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act, in respect of loans, investments, guarantees and security made. Further, as the Company is engaged in the business of providing infrastructural facilities, the provisions of Section 186 [except for sub-section 1] are not applicable to the Company.
- v. According to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the rules framed there under.
- vi. We have broadly reviewed the books of account relating to material, labour and other items of cost maintained by the Company pursuant to Rules made by the Central Government for the maintenance of cost records under Section 148(1) of the Act and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, duty of customs, cess, and other statutory dues have generally been regularly deposited by the Company with appropriate authorities during the year. The Company's operations during the year did not give rise to any liability for value added tax, service tax and excise duty.



Further no undisputed statutory dues were in arrears, as at March 31, 2023 for a period of more than six months from the date they became payable.

- (b) According to the information and explanation given to us and examination of records of the Company, details of statutory dues referred to in sub-Clause (a) above which have not been deposited as on March 31, 2023 on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount demanded (₹ in million)	Amount paid under protest (₹ in million)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax(including interest)	6	1	Assessment year 2007-2008	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax(including interest)	0*	-	Assessment year 2008-2009	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax(including interest)	25	4	Assessment year 2009-2010	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax(including interest)	38	8	Assessment year 2012-2013	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax(including interest)	41	14	Assessment year 2013-2014	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax(including interest)	291	37	Assessment year 2014-2015	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax(including interest)	2	0**	Assessment year 2014-2015	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax(including interest)	50	1	Assessment year 2015-2016	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax(including interest)	41	7	Assessment year 2016-2017	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax(including interest)	194	5	Assessment year 2017-2018	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax(including interest)	44	-	Assessment year 2017-2018	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax(including interest)	353	36	Assessment year 2018-2019	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax(including interest)	200	-	Assessment year 2018-2019	Income Tax Appellate Tribunal
Income Tax Act, 1961	Penalty u/s 271D & E	0 ***	-	Assessment year 2009-2010	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Penalty u/s 271D & E	150	-	Assessment year 2016-2017	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Penalty u/s 271D & E	65	-	Assessment year 2017-2018	Commissioner of Income Tax (Appeals)

Name of the statute	Nature of dues	Amount demanded (₹ in million)	Amount paid under protest (₹ in million)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Penalty u/s 271D & E	0 ***	-	Assessment year 2018-2019	Commissioner of Income Tax (Appeals)
Goods & Service Tax Act, 2017	Goods & Service Tax	9	1	Financial year – 2017-2018	Appellate Tribunal
Goods & Service Tax Act, 2017	Goods & Service Tax	9	-	Financial year – 2017-2018	Commissioner (Appeals)
Goods & Service Tax Act, 2017	Goods & Service Tax	193	9	Financial year – 2017-2018	Joint Commissioner (Appeals)
Goods & Service Tax Act, 2017	Goods & Service Tax	5	0*****	Financial year – 2018-2019	Joint Commissioner (Appeals)
Goods & Service Tax Act, 2017	Goods & Service Tax	17	17	Financial year – 2017-2018	Delhi High Court
Goods & Service Tax Act, 2017	Transition Credit	1,011	66	Financial year – 2017-2018	Joint Commissioner (Appeals)
MVAT Act, 2002	Value Added Tax	102	3	Financial year – 2009-2010	Appellate Tribunal
MVAT Act, 2002	Value Added Tax	139	6	Financial year – 2010-2011	Appellate Tribunal
MVAT Act, 2002	Value Added Tax	128	6	Financial year – 2011-2012	Appellate Tribunal
MVAT Act, 2002	Value Added Tax	1	-	Financial year – 2012-2013	Joint Commissioner (Appeals)
MVAT Act, 2002	Value Added Tax	311	16	Financial year – 2012-2013	Appellate Tribunal
MVAT Act, 2002	Value Added Tax	180	10	Financial year – 2013-2014	Appellate Tribunal
MVAT Act, 2002	Value Added Tax	18	1	Financial year – 2014-2015	Joint Commissioner (Appeals)
MVAT Act, 2002	Value Added Tax	24	3	Financial year – 2015-2016	Joint Commissioner (Appeals)
MVAT Act, 2002	Value Added Tax	67	2	Financial year – 2016-2017	Joint Commissioner (Appeals)
MVAT Act, 2002	Value Added Tax	38	2	Financial year – 2017-2018	Joint Commissioner (Appeals)
Finance Act, 1994	Service Act	11	0*****	Financial year – 2014-15 to 2017-18	Commissioner Service Tax (Appeals)
Finance Act, 1994	Service Act	53	2	Financial year – 2015-16 to 2017-18	Commissioner Service Tax (Appeals)
Finance Act, 1994	Service Act	48	2	Financial year – 2016-17 to 2017-18	Commissioner Service Tax (Appeals)
Maharashtra Stamp Act, 1958	Stamp Duty	4,738	2,025	August 01, 2011 to February 28, 2017	Bombay High Court
Maharashtra Stamp Act, 1958	Stamp Duty	194	-	Financial Year 2013-2014	Bombay High Court

\*Represents Income Tax demand of ₹25,100/-

\*\* Represents amount paid under protest of ₹3,30,218/- towards Income Tax demand

\*\*\* Represents Income Tax demand of ₹3,02,250 /-

\*\*\*\* Represents Income Tax demand of ₹31,303/-

\*\*\*\*\* Represents amount paid under protest of ₹2,25,960 /- towards Goods and Service Tax demand

\*\*\*\*\* Represents amount paid under protest of ₹4,00,000 /- towards Service Tax demand

- viii. According to the information and explanations given to us, there are no transactions which are not accounted in the books of account which have been surrendered or disclosed as income during the year in Tax Assessment of the Company. Also, there are no previously unrecorded income which has been now recorded in the books of account. Hence, the provision stated in paragraph 3(viii) of the Order is not applicable to the Company.
- ix. (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings or in payment of interest thereon to any lender.
- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion and according to the information explanation provided to us, money raised by way of term loans during the year have been applied for the purpose for which they were raised.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the standalone financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) According to the information and explanation given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, or joint ventures.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, or joint ventures. Hence, reporting under the paragraph 3(ix)(f) of the Order is not applicable to the Company.
- x. (a) In our opinion and according to the information and explanation given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Hence, the provisions stated in paragraph 3 (x)(a) of the Order are not applicable to the Company.
- (b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully, partly, or optionally convertible debentures during the year. Hence, the provisions stated in paragraph 3 (x)(b) of the Order are not applicable to the Company.
- xi. (a) Based on our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we report that no material fraud by the Company nor on the Company has been noticed or reported during the course of our audit.
- (b) We have not come across of any instance of material fraud by the Company or on the Company during the course of audit of the standalone financial statement for the year ended March 31, 2023, accordingly the provisions stated in paragraph 3(xi)(b) of the Order is not applicable to the Company.
- (c) As represented to us by the Management, there are no whistle-blower complaints received by the Company during the year.
- xii. The Company is not a Nidhi Company. Accordingly, the provisions stated in paragraph 3(xii) (a) to (c) of the Order are not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv. (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered internal audit reports of the Company issued till date, for the period under audit.
- xv. According to the information and explanations given to us, in our opinion, during the year the Company has not entered into non-cash transactions with directors or persons connected with its directors and hence, provisions of Section 192 of the Act are not applicable to Company.
- xvi. (a) The Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions stated in paragraph 3 (xvi)(a) of the Order are not applicable to the Company.
- (b) The Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions stated in paragraph 3 (xvi)(b) of the Order are not applicable to the Company.
- (c) The Company is not a Core investment Company (CIC) as defined in the regulations made by Reserve Bank of India. Hence, the reporting under paragraph 3 (xvi)(c) of the Order is not applicable to the Company.



- (d) According to the information and explanation provided to us, as per the definition of Group under Core Investment Companies (Reserve Bank) Directions 2016, there are two Core Investment Company (CIC) within the Group which are not required to be registered with the Reserve Bank of India.
- xvii. Based on the overall review of standalone financial statements, the Company has not incurred cash losses in the current financial year and in the immediately preceding financial year. Hence, the provisions stated in paragraph 3 (xvii) of the Order are not applicable to the Company.
- xviii. There has been no resignation of the statutory auditors during the year. Hence, the provisions stated in paragraph 3 (xviii) of the Order are not applicable to the Company.
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, 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 the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. According to the information and explanations given to us and based on our verification, the provisions of Section 135 of the Act are applicable to the Company. The Company has made the required contributions during the year and there are no unspent amounts which are required to be transferred either to a Fund or to a Special Account as per the provisions of Section 135 of the Act read with schedule VII. Accordingly, reporting under paragraph 3(xx)(a) and paragraph 3(xx)(b) of the Order is not applicable to the Company.
- xxi. The reporting under paragraph 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said paragraph has been included in the report.

**For M S K A & Associates  
Chartered Accountants**

ICAI Firm Registration No. 105047W

**Bhavik L. Shah**

Partner

Membership No. 122071

UDIN: 23122071BGXNQ1084

Place: Mumbai

Date: April 22, 2023

## **ANNEXURE C TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF MACROTECH DEVELOPERS LIMITED**

[Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of Macrotech Developers Limited on the Financial Statements for the year ended March 31, 2023]

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

#### **Opinion**

We have audited the internal financial controls with reference to standalone financial statements of Macrotech Developers Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2023, based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI) (the "Guidance Note").

#### **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 with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements 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 with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

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

#### **Meaning of Internal Financial Controls With reference to Standalone Financial Statements**

A Company's internal financial control with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial

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

### **Inherent Limitations of Internal Financial Controls With reference to Standalone financial statements**

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, 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 with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**For M S K A & Associates  
Chartered Accountants**  
ICAI Firm Registration No. 105047W

**Bhavik L. Shah**

Partner

Membership No.122071

UDIN: 23122071BGXNQU1084

Place: Mumbai

Date: April 22, 2023



# STANDALONE BALANCE SHEET

AS AT 31ST MARCH, 2023

₹ in million

Particulars	Notes	As at 31-March-23	As at 31-March-22
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, Plant and Equipment	2	11,991	8,296
Investment Property	3	2,451	3,608
Goodwill	4	4,668	4,668
Other Intangible Assets	4	442	546
<b>Financial Assets</b>			
Investments	5	3,451	2,227
Loans	6	12,457	31,888
Other Financial Assets	7	882	1,532
Non-Current Tax Assets (net)	8	2,072	2,457
Deferred Tax Assets (Net)	40	2,152	-
Other Non-Current Assets	9	227	261
<b>Total Non-Current Assets</b>		<b>40,793</b>	<b>55,483</b>
<b>Current Assets</b>			
Inventories	10	2,86,029	2,59,091
<b>Financial Assets</b>			
Investments	11	346	3,896
Loans	12	9,017	11,282
Trade Receivables	13	7,281	5,111
Cash and Cash Equivalents	14	12,745	3,344
Bank Balances other than Cash and Cash Equivalents	15	4,252	6,866
Other Financial Assets	16	34,965	20,199
Other Current Assets	17	7,971	10,346
<b>Total Current Assets</b>		<b>3,62,606</b>	<b>3,20,135</b>
<b>Total Assets</b>		<b>4,03,399</b>	<b>3,75,618</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share Capital	18	4,818	4,815
Optionally Convertible Debentures	19	-	-
Other Equity			
Security Premium	20	65,615	65,411
Retained Earnings	21	50,786	47,104
Other Reserves	22	4,471	4,431
<b>Equity attributable to owners of the Company</b>		<b>1,25,690</b>	<b>1,21,761</b>
<b>Non-Current Liabilities</b>			
<b>Financial Liabilities</b>			
Borrowings	23	15,743	20,683
Lease Liability	51	3,529	-
Trade Payables	24		
Due to Micro and Small Enterprises		34	-
Due to Others		15	25
Other Financial Liabilities	25	1,145	1,529
Provisions	26	216	166
Deferred Tax Liabilities (Net)	40	-	1,703
Other Non-Current Liabilities	27	-	933
<b>Total Non-Current Liabilities</b>		<b>20,682</b>	<b>25,039</b>
<b>Current Liabilities</b>			
<b>Financial Liabilities</b>			
Borrowings	28	86,548	87,642
Lease Liability	51	83	-
Trade Payables	29		
Due to Micro and Small Enterprises		692	298
Due to Others		22,011	13,594
Other Current Financial Liabilities	30	43,930	22,034
Provisions	31	72	54
Current Tax Liabilities	32	329	-
Other Current Liabilities	33	1,03,362	1,05,196
<b>Total Current Liabilities</b>		<b>2,57,027</b>	<b>2,28,818</b>
<b>Total Liabilities</b>		<b>2,77,709</b>	<b>2,53,857</b>
<b>Total Equity and Liabilities</b>		<b>4,03,399</b>	<b>3,75,618</b>

Significant Accounting Policies  
See accompanying notes to the Standalone Financial Statements

1  
1-71

As per our attached Report of even date  
For M S K A & Associates  
Chartered Accountants  
Firm Registration Number: 105047W

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

**Bhavik L. Shah**  
(Partner)  
Membership No. 122071

**Mukund Chitale**  
(Chairman)  
DIN: 00101004

**Sushil Kumar Modi**  
(Chief Financial Officer)

**Abhishek Lodha**  
(Managing Director and CEO)  
DIN: 00266089

**Sanjyot Rangnekar**  
(Company Secretary)  
Membership No. F4154

Place : Mumbai  
Date : April 22, 2023

# STANDALONE STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31ST MARCH, 2023

₹ in million

Particulars	Notes	For the Year ended 31-March-23	For the Year ended 31-March-22
<b>I INCOME</b>			
Revenue From Operations	34	87,346	83,533
Other Income	35	2,549	914
<b>Total Income</b>		<b>89,895</b>	<b>84,447</b>
<b>II EXPENSES</b>			
Cost of Projects	36	55,831	54,373
Employee Benefits Expense	37	4,112	3,443
Finance Costs	38	5,979	3,944
Depreciation, Impairment and Amortisation Expense	2,3&4	1,242	561
Other Expenses	39	9,014	6,139
<b>Total Expense</b>		<b>76,178</b>	<b>68,460</b>
<b>III Profit Before Exceptional Item and Tax</b>		<b>13,717</b>	<b>15,987</b>
Exceptional Items	65	(11,774)	-
<b>IV Profit Before Tax</b>		<b>1,943</b>	<b>15,987</b>
<b>V Tax Credit / (Expense)</b>	40		
Current Tax		(2,692)	128
Deferred Tax		3,803	(4,779)
<b>Total Tax Credit / (Expense)</b>		<b>1,111</b>	<b>(4,651)</b>
<b>VI Profit for the year</b>		<b>3,054</b>	<b>11,336</b>
<b>VII Other Comprehensive Income (OCI)</b>			
<b>A Items that will not be reclassified to Statement of Profit and Loss</b>			
Gain on Property Revaluation		-	37
Remeasurements of Defined Benefit Plans		(43)	14
Income Tax Effect		15	(13)
		<b>(28)</b>	<b>38</b>
<b>B Items that will be reclassified to Statement of Profit and Loss</b>			
<b>Total Other Comprehensive Income (Net of Tax) (A+B)</b>		<b>(28)</b>	<b>38</b>
<b>VII Total Comprehensive Income for the year (VI + VII)</b>		<b>3,026</b>	<b>11,374</b>
<b>IX Earnings per Equity Share (in ₹)</b>	60		
(Face value of ₹ 10 per Equity Share)			
Basic		6.34	24.78
Diluted		6.33	24.75

Significant Accounting Policies

1

See accompanying notes to the Standalone Financial Statements

1-71

As per our attached Report of even date  
For M S K A & Associates  
Chartered Accountants  
Firm Registration Number: 105047W

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

**Bhavik L. Shah**  
(Partner)  
Membership No. 122071

**Mukund Chitale**  
(Chairman)  
DIN: 00101004

**Sushil Kumar Modi**  
(Chief Financial Officer)

**Abhishek Lodha**  
(Managing Director and CEO)  
DIN: 00266089

**Sanjyot Rangnekar**  
(Company Secretary)  
Membership No. F4154

Place : Mumbai  
Date : April 22, 2023

# STATEMENT OF CASH FLOW

FOR THE YEAR ENDED 31ST MARCH, 2023

₹ in million

Particulars	For the Year ended 31-March-23	For the Year ended 31-March-22
<b>(A) Operating Activities</b>		
<b>Profit Before Tax</b>	<b>1,943</b>	<b>15,987</b>
<b>Adjustments for :</b>		
Depreciation, impairment and Amortisation Expense	1,242	561
Net Foreign Exchange Loss / (Gain)	828	538
Provision for Doubtful Receivables /Advances	11,807	-
Sundry Balances / Excess Provisions Written Off/ (Back) (Net)	(178)	(76)
(Profit) / Loss on Sale of Property, Plant and Equipment	(12)	2
Profit on Sale of Investments	(1,185)	(30)
Reversal of Diminution in Value of Investment	-	(87)
(Gains) / Loss arising from Fair Valuation of Financial Instruments	73	(107)
Dividend Income	-	(53)
Provision for Share based payment	766	394
Interest Income	(1,787)	(1,083)
Finance Costs	14,942	16,240
<b>Operating Profit Before Working Capital Changes</b>	<b>28,439</b>	<b>32,286</b>
<b>Working Capital Adjustments:</b>		
(Increase)/Decrease in Trade and Other Receivables	(14,615)	(6,706)
(Increase)/Decrease in Inventories	(3,318)	11,814
(Increase)/Decrease in Trade and Other Payables	2,609	(16,334)
<b>Cash Generated From Operating Activities</b>	<b>13,115</b>	<b>21,060</b>
Income Tax (Paid)/Refund	(2,039)	(1,454)
<b>Net Cash Flows From Operating Activities</b>	<b>11,076</b>	<b>19,606</b>
<b>(B) Investing Activities</b>		
Purchase of Property, Plant And Equipment (including Intangible)	(901)	(446)
Proceeds from Sale of Property, Plant And Equipment	150	2
Purchase of Non-Current Investments	(1,829)	(126)
Proceeds from Sale of Non-Current Investments	1,749	1,079
(Purchase) / Sale of Current Investments	3,533	8,668
Proceeds from / Investment in Bank Deposits (Net)	3,264	(7,470)
Loans (Given)/ Received back (Net)	10,684	(18,164)
Interest Received	246	160
Dividend Received	-	53
<b>Net Cash Flows/ (used) From Investing Activities</b>	<b>16,897</b>	<b>(16,244)</b>
<b>(C) Financing Activities</b>		
Proceeds from issue of Equity Shares including Premium	100	63,453
Proceeds from Borrowings	47,414	51,025
Repayment of Borrowings	(53,854)	(93,739)
Repayment of Lease Liability	(176)	-
Repayment of Optionally Convertible Debentures	-	(6,765)
Finance Costs paid	(12,056)	(15,997)
<b>Net Cash Flow used in Financing Activities</b>	<b>(18,572)</b>	<b>(2,023)</b>
<b>(D) Net Increase in Cash and Cash Equivalents (A+B+C) :</b>	<b>9,401</b>	<b>1,339</b>
Add: Cash and Cash Equivalents at the beginning of the year	3,344	2,005
<b>Cash and Cash Equivalents at end of year (Refer Note 14)</b>	<b>12,745</b>	<b>3,344</b>



# STATEMENT OF CASH FLOW

FOR THE YEAR ENDED 31ST MARCH, 2023

## Notes:

- Cash flow statement has been prepared under the indirect method as set out in Ind AS - 7 specified under Section 133 of the Companies Act 2013.
- Reconciliation of liabilities arising from financing activities under Ind AS 7

	31-March-23	31-March-22
<b>Borrowings</b>		
Balance at the beginning of the year	1,08,325	1,52,861
Cash flow	(6,440)	(42,714)
Non cash changes *	406	(1,822)
<b>Balance at the end of the year</b>	<b>1,02,291</b>	<b>1,08,325</b>

\* Represents amortization of Debenture Premium. Previous year figure includes merger impact of Palava Dwellers Pvt. Ltd. [Refer Note 64 (a)]

	31-March-23	31-March-22
<b>Lease Liability</b>		
Balance at the beginning of the year	-	-
Addition during the year	3,595	-
Cash flow	(176)	-
Non cash changes	193	-
<b>Balance at the end of the year</b>	<b>3,612</b>	<b>-</b>

Significant Accounting Policies 1  
See accompanying notes to the Standalone Financial Statements 1-71

As per our attached Report of even date  
For M S K A & Associates  
Chartered Accountants  
Firm Registration Number: 105047W

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

**Bhavik L. Shah**  
(Partner)  
Membership No. 122071

**Mukund Chitale**  
(Chairman)  
DIN: 00101004

**Abhishek Lodha**  
(Managing Director and CEO)  
DIN: 00266089

**Sushil Kumar Modi**  
(Chief Financial Officer)

**Sanjyot Rangnekar**  
(Company Secretary)  
Membership No. F4154

Place : Mumbai  
Date : April 22, 2023

# STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31ST MARCH, 2023

## (A) EQUITY SHARE CAPITAL

₹ in million

Particulars	As at 31-March-23	As at 31-March-22
<b>Balance at the beginning of the reporting period</b>	<b>4,815</b>	<b>3,959</b>
Change during the year on account of prior period changes	-	-
<b>Restated Balance at the beginning of the reporting year</b>	<b>4,815</b>	<b>3,959</b>
Issued during the year	3	856
<b>Balance at the end of the reporting year</b>	<b>4,818</b>	<b>4,815</b>

## (B) OTHER EQUITY

₹ in million

Particulars	Reserves and Surplus						Other Reserve through OCI	Total
	Share Premium	Share Based Payment Reserve	Capital Reserve	Debenture Redemption Reserve	Capital Redemption Reserve	Retained Earnings	Revaluation Reserve	
<b>As at 31-March-22</b>	<b>65,411</b>	<b>394</b>	<b>(918)</b>	<b>619</b>	<b>3</b>	<b>47,104</b>	<b>4,333</b>	<b>1,16,947</b>
Profit for the year	-	-	-	-	-	3,054	-	3,054
Other Comprehensive Income (net of tax)	-	-	-	-	-	(28)	-	(28)
Transfer from / (to)	107	(107)	-	(619)	-	619	-	-
Addition during the year	97	766	-	-	-	-	-	863
Deferred Tax on Intangible Assets (pursuant to court order)	-	-	-	-	-	37	-	37
<b>As at 31-March-23</b>	<b>65,615</b>	<b>1,053</b>	<b>(918)</b>	<b>-</b>	<b>3</b>	<b>50,786</b>	<b>4,333</b>	<b>1,20,872</b>

₹ in million

Particulars	Reserves and Surplus						Other Reserve through OCI	Total
	Share Premium	Share Based Payment Reserve	Capital Reserve	Debenture Redemption Reserve	Capital Redemption Reserve	Retained Earnings	Revaluation Reserve	
<b>As at 1-April-21</b>	<b>2,136</b>	<b>-</b>	<b>(161)</b>	<b>5,829</b>	<b>3</b>	<b>29,476</b>	<b>4,304</b>	<b>41,587</b>
Impact of Merger [Refer Note 64]	-	-	(757)	-	-	(102)	29	(830)
<b>As at 1-April-21 (restated)</b>	<b>2,136</b>	<b>-</b>	<b>(918)</b>	<b>5,829</b>	<b>3</b>	<b>29,374</b>	<b>4,333</b>	<b>40,757</b>
Profit for the year	-	-	-	-	-	11,336	-	11,336
Addition during the year (Refer Note 66)	64,140	394	-	-	-	-	-	64,534
Other Comprehensive Income (net of tax)	-	-	-	-	-	9	-	9
Equity Issue expenses (Net of Tax) (Refer Note 66)	(865)	-	-	-	-	-	-	(865)
Deferred Tax on Intangible Assets (pursuant to court order)	-	-	-	-	-	10	-	10
Transfer from / (to)	-	-	-	(5,210)	-	5,210	-	-

# STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31ST MARCH, 2023

₹ in million

Particulars	Reserves and Surplus						Other Reserve through OCI	Total
	Share Premium	Share Based Payment Reserve	Capital Reserve	Debenture Redemption Reserve	Capital Redemption Reserve	Retained Earnings	Revaluation Reserve	
Premium paid for OCD (Net of Tax)*	-	-	-	-	-	(1,405)	-	(1,405)
Impact of Merger on NCD issued by the Company (including deferred tax of ₹589 million) [Refer Note 64(a)]	-	-	-	-	-	2,570	-	2,570
<b>As at 31-March-22</b>	<b>65,411</b>	<b>394</b>	<b>(918)</b>	<b>619</b>	<b>3</b>	<b>47,104</b>	<b>4,333</b>	<b>1,16,946</b>

\*During the previous year, outstanding Optionally Convertible Debentures (OCD) issued by erstwhile Palava Dwellers Private Limited of ₹4,604 million has been redeemed at a premium of ₹2,160 million. The premium on OCD of ₹2,160 million less tax thereon of ₹755 million, net ₹1,405 million has been adjusted against retained earning in accordance with Indian Accounting Standard 32 - Financial Instruments: Presentation.

As per our attached Report of even date  
For M S K A & Associates  
Chartered Accountants  
Firm Registration Number: 105047W

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

**Mukund Chitale**  
(Chairman)  
DIN: 00101004

**Abhishek Lodha**  
(Managing Director and CEO)  
DIN: 00266089

**Bhavik L. Shah**  
(Partner)  
Membership No. 122071

**Sushil Kumar Modi**  
(Chief Financial Officer)

**Sanjyot Rangnekar**  
(Company Secretary)  
Membership No. F4154

Place : Mumbai  
Date : April 22, 2023



# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

## 1 SIGNIFICANT ACCOUNTING POLICIES

### A Company's Background

Macrotech Developers Limited (the Company) is a public limited company domiciled and incorporated in India under the Companies Act, 1956 vide CIN - L45200MH1995PLC093041. The Company's registered office is located at 412 , Floor - 4, 17 G Vardhaman Chamber, Cawasji Patel Road, Horniman Circle, Fort, Mumbai - 400001. The Company is primarily engaged in the business of real estate development.

The Financial Statements are approved by the Company's Board of Directors at its meeting held on April 22, 2023.

### B Significant Accounting Policies

#### I Basis of Preparation

The Standalone financial statements of the Company have been prepared in accordance with Indian Accounting Standards ('Ind AS') notified under section 133 of the Companies Act 2013, read together with the Companies (Indian Accounting Standards) Rules, 2015 and amendments if any.

These financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for land as classified under Property, Plant and Equipment and certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below. The accounting policies have been applied consistently over all the year presented in these financial statements.

The financial statements are presented in Indian Rupees (₹) and all values are rounded to the nearest million except when otherwise indicated. Transactions and balances with values below the rounding off, have been reflected as "0" in the relevant notes to these financial statements.

#### II Summary of Significant Accounting Policies

##### 1 Current and Non-Current Classification

The Company presents assets and liabilities in the Standalone Balance Sheet based on current/ non-current classification. An asset is treated as current when it is:

- i) Expected to be realised or intended to be sold or consumed in normal operating cycle.
- ii) Held primarily for the purpose of trading

- iii) Expected to be realised within twelve months after the reporting period, or
- iv) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- i) It is expected to be settled in normal operating cycle
- ii) It is held primarily for the purpose of trading
- iii) It is due to be settled within twelve months after the reporting period, or
- iv) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The operating cycle of the Company's real estate operations varies from project to project depending on the size of the project, type of development, project complexities and related approvals. Accordingly, project related assets and liabilities are classified into current and non-current based on the operating cycle of the project. All other assets and liabilities have been classified into current and non-current based on a period of twelve months.

## 2 Property, Plant and Equipment

### i. Recognition and measurement

All property, plant and equipment except freehold land are stated at historical cost less accumulated depreciation. Building was recorded at fair value as deemed cost as at the date of transition to Ind AS. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost includes freight, duties, taxes, borrowing cost and incidental expenses related to the acquisition and installation of the asset.

Freehold Land is measured at fair value. Valuations are performed with sufficient frequency to ensure that the carrying value of revalued asset does not defer materially from its fair value. Revaluation surplus is recorded in Other Comprehensive Income and credited to the Revaluation reserve in Other Equity.

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

## ii. Subsequent costs

Subsequent expenditure is capitalised only when it is probable that the future economic benefits of the expenditure will flow to the Company. All other repairs and maintenance are charged to the Standalone Ind AS Statement of Profit and Loss during the reporting period in which they are incurred.

## iii. Derecognition

The carrying amount of an item of Property, Plant and Equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an item of Property, Plant and Equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the Standalone Statement of Profit and Loss when the item is derecognized.

## iv. Capital work in progress

Cost of assets not ready for intended use, as on the Balance Sheet date, is shown as capital work in progress.

## v. Depreciation

Depreciation is calculated on a written down value basis over the estimated useful lives of the assets as specified in Schedule II of Companies Act, 2013 except for Site/Sales Offices, Sample Flats and Aluminium Formwork wherein the estimated useful lives is determined by the management. Management believes that such estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Sr. No.	Property, Plant and Equipment	Useful life (Years)
i)	Site/Sales Offices and Sample Flats	8
ii)	Freehold Building	60
iii)	Plant and Equipment	6 to 15
iv)	Office Equipment	5
v)	Computers	
	(a) Servers and networks	6
	(b) End user devices, such as, desktops, laptops, etc.	3
vi)	Furniture and Fixtures	10
vii)	Vehicles	
	(a) Motor cycles, scooters and other mopeds	10
	(b) Motor buses, motor lorries, motor cars and motor taxis	8

Depreciation on addition to property plant and equipment is provided on pro-rata basis from the date of acquisition.

Depreciation on assets sold during the year is charged to the Standalone Statement of Profit and Loss up to the month preceding the month of sale.

Depreciation methods, useful lives and residual values are reviewed periodically at each financial year end and adjusted prospectively, as appropriate.

## 3 Investment Properties

The Property that is held for long term rental yield or for capital appreciation or both, and that is not occupied by the Company is classified as an Investment Property.

Investment properties are measured initially at cost, including transaction and borrowing costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

The Company depreciates investment properties over the useful life of 60 years from the date of original purchase as prescribed under Schedule II to the Companies Act, 2013.

Investment properties are derecognized either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss in the period of derecognition.

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted, if appropriate.

## 4 Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and impairment losses.

The useful lives of intangible assets are assessed as either finite or indefinite. Currently the company has not identified any Intangible assets other than goodwill to have indefinite life.

Intangible assets with finite lives are amortised over the useful economic life. The useful economic life and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. The amortisation expense on intangible assets with finite lives is recognised in the Standalone Statement of Profit and Loss.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

disposal proceeds and the carrying amount of the asset and are recognised in the Standalone Statement of Profit and Loss when the asset is derecognised.

Intangible assets are amortized proportionately over a period of five years or over the useful economic life of the assets as determined by the management, whichever is lower.

Intangible assets with indefinite life are tested for impairment annually. Impairment losses, if any, are recognised in Standalone Statement of Profit and Loss.

## 5 Inventories

Stock of Building Materials and Traded Goods is valued at lower of cost and net realizable value. Cost is generally ascertained on weighted average basis.

Finished Stock is valued at lower of Cost and Net Realizable Value.

Land and Property Development Work-in-Progress is valued at lower of estimated cost and net realisable value.

Cost for this purpose includes cost of land, shares with occupancy rights, Transferrable Development Rights, premium for development rights, borrowing costs, construction / development cost and other overheads incidental to the projects undertaken.

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

## 6 Provisions and Contingencies

"The Company recognizes provisions when a present obligation (legal or constructive) as a result of a past event exists and it is probable that an outflow of resources embodying economic benefits will be required to settle such obligation and the amount of such obligation can be reliably estimated.

"If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

A disclosure of contingent liability is also made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

## 7 Impairment of Non-Financial Assets (excluding Inventories, Investment Properties and Deferred Tax Assets)

"Non-financial assets are subject to impairment tests whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. Where the carrying value of an asset exceeds its recoverable amount (i.e. the higher of value in use and fair value less costs to sell), the asset is written down accordingly.

Where it is not possible to estimate the recoverable amount of an individual asset, the impairment test is carried out on the smallest group of assets to which it belongs for which there are separately identifiable cash flows; its cash generating units ('CGUs').

## 8 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

### Financial Assets

Initial recognition and measurement

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

- those to be measured subsequently at fair value (either through Other Comprehensive Income, or through profit or loss)
- those measured at amortised cost

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- i) Debt instruments at amortised cost
- ii) Debt instruments at fair value through other comprehensive income (FVTOCI)
- iii) Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- iv) Equity instruments measured at fair value through other comprehensive income (FVTOCI)



# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

## Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

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

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit or loss. The losses arising from impairment if any, are recognised in the statement of profit or loss.

## Debt instruments at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent solely payments of principal and interest.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company does not have any debt instruments which meets the criteria for measuring the debt instrument at FVTOCI.

## Debt instrument at FVTPL

Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'Accounting Mismatch'). The Company has not designated any debt instrument at FVTPL.

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

## Equity investments

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

All equity investments in subsidiaries, associates and joint ventures are measured at cost.

## Derecognition of Financial Assets

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

- i) The rights to receive cash flows from the asset have expired, or
- ii) The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

## Impairment of Financial Assets

The Company assess on a forward looking basis the expected credit losses associated with its financial assets carried at amortised cost and FVTOCI debts instruments.

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

The impairment methodology applied depends on whether there has been significant increase in credit risk. For trade receivables, the Company is not exposed to any credit risk as the legal title of residential and commercial units is handed over to the buyer only after all the installments are recovered.

For financial assets carried at amortised cost, the carrying amount is reduced and the amount of the loss is recognised in the Standalone statement of profit and loss. Interest income on such financial assets continues to be accrued on the reduced carrying amount and is accrued using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. The interest income is recorded as part of finance income. Financial asset together with the associated allowance are written off when there is no realistic prospect of future recovery and all collateral has been realised or has been transferred to the Company. If, in a subsequent year, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or decreased.

## Financial Liabilities

### Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at FVTPL, loans and borrowings, or payables, as appropriate.

All financial liabilities are recognised initially at fair value and in the case of financial liability not recorded at fair value through Profit and Loss net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and financial guarantee contracts.

### Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

#### Financial liabilities at fair value through profit or loss

Financial liabilities measured at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to Statement of Profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

### Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Standalone Statement of Profit and Loss.

### Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

## Derecognition of Financial Liabilities

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

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

## Reclassification of Financial Assets and Financial Liabilities

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

## Offsetting of Financial Instruments

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

## 9 Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- i) In the principal market for the asset or liability, or-
- ii) In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic

benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- i) Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- ii) Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- iii) Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

## 10 Cash and Cash Equivalents

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

## 11 Revenue Recognition

The Company has applied five step model as set out in Ind AS 115 to recognise revenue in this Standalone Financial Statements. The Company satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

- a. The customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs; or
- b. The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or



# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

- c. The Company's performance does not create an asset with an alternative use to the Company and the entity has an enforceable right to payment for performance completed to date.

For performance obligations where any of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

Revenue is recognised either at point of time and over a period of time based on the conditions in the contracts with customers.

The specific revenue recognition criteria are described below:

## (I) Income from Property Development

The Company has determined that the existing terms of the contract with customers does not meet the criteria to recognise revenue over a period of time. Revenue is recognized at point in time with respect to contracts for sale of residential and commercial units as and when the control is passed on to the customers which is linked to the application and receipt of occupancy certificate.

The Company provides rebates to the customers. Rebates are adjusted against customer dues and the revenue to be recognized. To estimate the variable consideration for the expected future rebates the company uses the "most-likely amount" method or "expected value method".

## (II) Contract Balances

### Contract Assets

The Company is entitled to invoice customers for construction of residential and commercial properties based on achieving a series of construction-linked milestones. A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the company performs by transferring goods or services to a customer before the payment is due, a contract asset is recognized for the earned consideration that is conditional. Any receivable which represents the Company's right to the consideration that is unconditional is treated as a trade receivable.

### Contract Liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised

when the payment is made. Contract liabilities are recognised as revenue when the Company performs under the contract.

## (III) Sale of Materials, Land and Development Rights

Revenue is recognized at point in time with respect to contracts for sale of Materials, Land and Development Rights as and when the control is passed on to the customers.

## (IV) Interest Income

For all debt instruments measured at amortised cost. Interest income is recorded using the effective interest rate (EIR).

## (V) Rental Income

Rental income arising from operating leases is accounted over the lease terms.

## (VI) Dividends

Revenue is recognised when the Company's right to receive the payment is established.

## 12 Foreign Currency Translation

### Initial Recognition

Foreign currency transactions during the year are recorded in the reporting currency at the exchange rates prevailing on the date of the transaction.

### Conversion

Foreign currencies denominated monetary items are translated into rupees at the closing rates of exchange prevailing at the date of the balance sheet. Non-monetary items, which are carried in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction.

### Exchange Differences

Exchange differences arising, on the settlement of monetary items or reporting of monetary items at the end of the year at closing rates, at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

## 13 Current Income Tax

Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable profit

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

for the period. The tax rates and tax laws used to compute the amount are those that are enacted by the reporting date and applicable for the period

## Deferred Tax

Deferred tax is recognized using the balance sheet approach. Deferred tax assets and liabilities are recognized for all deductible and taxable temporary differences arising between the tax bases of assets and liabilities and their carrying amount in financial statements, except when the deferred tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of transaction.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates that have been enacted or substantively enacted at the reporting date.

Deferred tax asset in respect of carry forward of unused tax credits and unused tax losses are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

The Company recognizes deferred tax liabilities for all taxable temporary differences except those associated with the investments in subsidiaries where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Minimum Alternate Tax (MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal tax during the specified period.

## Presentation of Current and Deferred Tax:

Current and deferred tax are recognized as income or an expense in the Statement of Profit and Loss, except when they relate to items that are recognized in OCI, in which case, the current and deferred tax income/ expense are recognized in

OCI. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. In case of deferred tax assets and deferred tax liabilities, the same are offset if the Company has a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Company.

## 14 Borrowing Costs

Borrowing costs that are directly attributable to real estate project development activities are inventorised / capitalized as part of project cost.

Borrowing costs are inventorised / capitalised as part of project cost when the activities that are necessary to prepare the inventory / asset for its intended use or sale are in progress. Borrowing costs are suspended from inventorisation / capitalisation when development work on the project is interrupted for extended periods and there is no imminent certainty of recommencement of work.

All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds.

## 15 Leases

The Company evaluates each contract or arrangement, whether it qualifies as lease as defined under Ind AS 116.

### Company as a Lessee

The Company assesses, whether the contract is, or contains, a lease at the inception of the contract or upon the modification 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.

The Company at the commencement of the lease contract recognizes a Right-of-Use (RoU) asset at cost and corresponding lease liability, except for leases with a term of twelve months or less (short-term leases) and leases for which the underlying asset is of low value (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.

The cost of the right-of-use assets comprises the amount of the initial measurement of the lease liability, adjusted for any lease payments made at or prior to the commencement

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

date of the lease, any initial direct costs incurred by the Company, any lease incentives received and expected costs for obligations to dismantle and remove right-of-use assets when they are no longer used.

Subsequently, the right-of-use assets is measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The right-of-use assets are depreciated on a straight-line basis from the commencement date of the lease over the shorter of the end of the lease term or useful life of the right-of-use asset.

Right-of-use assets are assessed for impairment whenever there is an indication that the balance sheet carrying amount may not be recoverable using cash flow projections for the useful life.

For lease liabilities at commencement date, the Company measures the lease liability at the present value of the future lease payments as from the commencement date of the lease to end of the lease term. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, the Company's incremental borrowing rate for the asset subject to the lease in the respective markets.

Subsequently, the Company measures the lease liability by adjusting carrying amount to reflect interest on the lease liability and lease payments made.

The Company remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever there is a change to the lease terms or expected payments under the lease, or a modification that is not accounted for as a separate lease

The portion of the lease payments attributable to the repayment of lease liabilities is recognized in cash flows used in financing activities. Also, the portion attributable to the payment of interest is included in cash flows from financing activities. Further, Short-term lease payments, payments for leases for which the underlying asset is of low-value and variable lease payments not included in the measurement of the lease liability is also included in cash flows from operating activities.

Company as a Lessor

In arrangements where the Company is the lessor, it determines at lease inception whether the lease is a finance lease or an operating lease. Leases that transfer substantially all of the risk and rewards incidental to ownership of the underlying asset to the counterparty (the lessee) are accounted for as finance leases. Leases that do not transfer substantially all of the risks and rewards of ownership are accounted for as operating leases. Lease payments received under operating leases are recognized as income in the

statement of profit and loss on a straight-line basis over the lease term or another systematic basis. The Company applies another systematic basis if that basis is more representative of the pattern in which benefit from the use of the underlying asset is diminished.

## 16 Retirement and Other Employee Benefits

Retirement and other Employee benefits are accounted in accordance with Ind AS 19 – Employee Benefits.

### a) Defined Contribution Plan

The Company contributes to a recognised provident fund for all its employees. Contributions are recognised as an expense when employees have rendered services entitling them to such benefits.

### b) Gratuity (Defined Benefit Scheme)

The Company provides for its gratuity liability based on actuarial valuation as at the balance sheet date which is carried out by an independent actuary using the Projected Unit Credit Method. Actuarial gains and losses are recognised in full in the Other Comprehensive Income for the period in which they occur.

### c) Compensated absences (Defined Benefit Scheme)

Liability in respect of earned leave expected to become due or expected to be availed within one year from the balance sheet date is recognized on the basis of undiscounted value of benefit expected to be availed by the employees. Liability in respect of earned leave expected to become due or expected to be availed beyond one year after the balance sheet date is estimated on the basis of actuarial valuation performed by an independent actuary using the projected unit credit method.

## 17 Business Combinations under Common Control

Business Combinations involving entities or business under common control are accounted for using the pooling of interest method.

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



# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

difference, if any, between the amount recorded as share capital issued plus any additional consideration in the form of cash or other assets and amount of share capital of the transferor is transferred to capital reserves.

## 18 Earnings Per Share

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

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

## 19 Goodwill

Goodwill is initially measured at cost being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interest over the fair value of net identifiable tangible and intangible assets acquired and liabilities assumed. If the consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognised in OCI and accumulated in equity as capital reserve. After initial recognition, goodwill is measured at the cost less any accumulated impairment losses.

Where goodwill forms part of a cash-generating unit and part of the operation within that unit is disposed off, the goodwill associated with the operation disposed off is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed off in this circumstance is measured based on the relative values of the operation disposed off and the portion of the cash-generating unit retained.

Goodwill is tested annually for impairment, or more frequently if event or changes in circumstances indicates that it might be impaired. For the purpose of impairment testing, goodwill recognised in a business combination is allocated to each of the Company's cash generating units (CGUs) that are expected to benefit from the combination. A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of

the cash inflows from other assets or group of assets. The impairment loss is recognised for the amount by which the CGUs carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost of disposal and value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

## 20 Employee Stock Option Plan

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. That cost is recognised, together with a corresponding increase in share-based payment reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense. Upon exercise of share options, the proceeds received are allocated to share capital up to the par value of the shares issued with any excess being recorded as securities premium.

## 21 Joint Development Agreement

The Company executes projects through Joint Development Arrangements (JDA), wherein the land owner provides land and the Company undertakes to develop properties on such land (i.e. development right) and in lieu of land owner providing land, the Company has agreed to transfer certain percentage of constructed area or certain percentage of the revenue proceeds or certain percentage of surplus to the land owner. Transfer of such constructed area or revenue or surplus in exchange of such development rights/ land is being estimated at fair value as per the terms of the agreement and accounted for on launch of the project as the cost of development right (Inventory) with its corresponding liability. Subsequent to initial recognition, such liability is remeasured on each reporting period depending on the type of the arrangement, to reflect the changes in the estimate, if any.

## 22 Dividend distribution to equity holders

Dividends paid / payable along with applicable taxes are recognised when it is approved by the shareholders. In case of interim dividend, it is recognised when it is approved by the Board of Directors and distribution is no longer at the discretion of the Company. A corresponding amount is accordingly recognised directly in equity.

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

## 2 Property, Plant and Equipment

Particulars	₹ in million											
	Land - Freehold	Site / Sales Offices and Sample Flats	Building / Premises	Leasehold Improvements	Plant and Equipment	Furniture and Fixtures	Office Equipments	Computers	Vehicles	Right of Use Assets	Total	Capital Work in Progress
<b>Gross Carrying Amount</b>												
As at 01-April-21	6,759	1,490	310	87	3,160	340	357	325	60	-	12,888	63
Additions	-	-	-	-	361	20	20	83	26	-	510	-
Increase on account of Revaluation	37	-	-	-	-	-	-	-	-	-	37	-
Disposals / Adjustments	-	-	-	-	(4)	-	-	(29)	-	-	(33)	(63)
As at 31-March-22	6,796	1,490	310	87	3,517	360	377	379	86	-	13,402	-
Additions	-	-	-	-	632	10	111	123	18	3,825	4,719	-
Disposals / Adjustments	-	-	(5)	-	(31)	-	-	-	-	-	(36)	-
As at 31-March-23	6,796	1,490	305	87	4,118	370	488	502	104	3,825	18,085	-
<b>Depreciation and Impairment</b>												
As at 01-April-21	-	1,385	46	87	2,248	295	318	316	40	-	4,735	-
Depreciation charge for the year	-	34	16	-	295	12	20	14	9	-	400	-
Disposals / Adjustments	-	-	-	-	-	-	-	(29)	-	-	(29)	-
As at 31-March-22	-	1,419	62	87	2,543	307	338	301	49	-	5,106	-
Depreciation charge for the year	-	23	12	-	443	15	36	51	14	415	1,009	-
Disposals / Adjustments	-	-	(3)	-	(18)	-	-	-	-	-	(21)	-
As at 31-March-23	-	1,442	71	87	2,968	322	374	352	63	415	6,094	-
Net Carrying Amount												
As at 31-March-23	6,796	48	234	-	1,150	48	114	150	41	3,410	11,991	-
As at 31-March-22	6,796	71	248	-	974	53	39	78	37	-	8,296	-

### Note:

The Company carries a parcel of land at revalued amount and surplus arising from the revaluation is recognised under the head 'Revaluation Surplus' through OCI. The carrying amount of the Land that would have been recognised had the asset being carried under the cost model at 31-March-23 is ₹ 694 million. (31-March-22: ₹ 694 million)

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

## 3 Investment Property

₹ in million

Particulars	Land	Building	Total
<b>(A) Gross Carrying Amount</b>			
<b>As at 01-April-21</b>	<b>1,032</b>	<b>3,758</b>	<b>4,790</b>
Disposals / Adjustments	-	-	-
<b>As at 31-March-22</b>	1,032	3,758	4,790
Disposals / Adjustments	(1,032)	-	(1,032)
<b>As at 31-March-23</b>	-	3,758	3,758
<b>(B) Depreciation and Impairment</b>			
<b>As at 01-April-21</b>	-	<b>1,051</b>	<b>1,051</b>
Depreciation charge for the year	-	131	131
<b>As at 31-March-22</b>	-	<b>1,182</b>	<b>1,182</b>
Depreciation charge for the year	-	125	125
<b>As at 31-March-23</b>	-	<b>1,307</b>	<b>1,307</b>
<b>(C) Net Carrying Amount (A-B)</b>			
<b>As at 31-March-23</b>	-	<b>2,451</b>	<b>2,451</b>
As at 31-March-22	1,032	2,576	3,608

### (i) Income and expenditure of Investment Properties

₹ in million

Particulars	For the Year ended 31-March-23	For the Year ended 31-March-22
Rental and Facilities Income	686	700
Less : Direct Operating expenses for properties that generate Rental and Facilities Income	(66)	(63)
<b>Profit from Investment properties before Depreciation and Impairment</b>	<b>620</b>	<b>637</b>
Depreciation and Impairment	125	131
<b>Profit from Investment Properties</b>	<b>495</b>	<b>506</b>

### (ii) Fair value measurement

The fair value of the properties is ₹7,641 million (31-March-2022: ₹8,675 million). These values are considered as per valuations performed by an independent valuer with experience of valuing investment properties. The Fair value was arrived at considering various factors which includes prevailing market rates.

### (iii) Buildings hypothecated with Banks

₹ in million

Particulars	31-March-23	31-March-22
Carrying amount of Buildings hypothecated with Banks/ Others against borrowings	2,378	2,497



# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

## 4 Intangible Assets

₹ in million

Particulars	Goodwill	Other Intangible Assets		
		Software	Brand	Total
<b>(A) Gross Carrying Amount</b>				
<b>As at 01-April-21</b>	<b>16,898</b>	<b>150</b>	<b>1,030</b>	<b>1,180</b>
Additions	-	1	-	1
<b>As at 31-March-22</b>	<b>16,898</b>	<b>151</b>	<b>1,030</b>	<b>1,181</b>
Additions	-	5	-	5
Disposals / Adjustments	(2,533)	-	-	-
<b>As at 31-March-23</b>	<b>14,365</b>	<b>156</b>	<b>1,030</b>	<b>1,186</b>
<b>(B) Amortisation and Impairment</b>				
<b>As at 01-April-21</b>	<b>12,230</b>	<b>149</b>	<b>456</b>	<b>605</b>
Amortisation charge for the year	-	2	28	30
<b>As at 31-March-22</b>	<b>12,230</b>	<b>151</b>	<b>484</b>	<b>635</b>
Amortisation charge for the year	-	3	106	109
Disposals / Adjustments	(2,533)	-	-	-
<b>As at 31-March-23</b>	<b>9,697</b>	<b>154</b>	<b>590</b>	<b>744</b>
<b>(C) Net Carrying Amount (A-B)</b>				
<b>As at 31-March-23</b>	<b>4,668</b>	<b>2</b>	<b>440</b>	<b>442</b>
As at 31-March-22	4,668	0	546	546

Note: Brand arising out of merger was capitalized in accordance with the merger scheme, which has been approved by the Hon'ble High Court of Bombay.

## 5 Non-Current Investments

₹ in million

Particulars	Face Value in ₹ (unless otherwise stated)	As at 31-March-23	As at 31-March-22
<b>(i) Unquoted Equity Shares, Fully paid up, at cost</b>			
<b>Subsidiaries</b>			
Bellissimo Constructions and Developers Pvt. Ltd.			
Numbers		1,000	1,000
Amount	10	0	0
Center for Urban Innovation Pvt. Ltd.			
Numbers		10,000	10,000
Amount	10	0	0
Cowntown Infotech Services Pvt. Ltd.			
Numbers		2,230	2,230
Amount	1,000	4	4
Cowntown Software Design Pvt. Ltd.			
Numbers		10,000	10,000
Amount	10	0	0
Lodha Developers International Ltd.			
Numbers		10,102	10,102
Amount	1 USD	1	1
Lodha Developers International (Netherlands) B.V			
Numbers		20,21,000	20,21,000
Amount	1 EUR	166	166

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

## 5 Non-Current Investments (Contd..)

₹ in million

Particulars	Face Value in ₹ (unless otherwise stated)	As at 31-March-23	As at 31-March-22
Lodha Developers U.S., Inc.			
Numbers		40,000	40,000
Amount	1 USD	-	3
Apollo Complex Pvt. Ltd.			
Numbers		10,000	10,000
Amount	10	0	0
One Place Commercial Pvt. Ltd.			
Numbers		500	500
Amount	100	0	0
Palava City Management Pvt. Ltd.			
Numbers		50,000	50,000
Amount	10	1	1
Primebuild Developers And Farms Pvt. Ltd.			
Numbers		1,000	1,000
Amount	10	0	0
Brickmart Constructions and Developers Pvt. Ltd.			
Numbers		1,000	1,000
Amount	10	0	0
Homescapes Constructions Pvt.Ltd.			
Numbers		1,000	1,000
Amount	10	0	0
Palava Institute of Advanced Skill Training Pvt. Ltd.			
Numbers		10,000	10,000
Amount	10	0	0
G Corp Home Pvt. Ltd.			
Numbers	10	21,41,817	-
Amount		211	-
Digirealty Technologies Pvt. Ltd.			
Numbers		1,000	1,000
Amount	10	0	0
Palava Induslogic 4 Pvt. Ltd.			
Numbers		-	1,000
Amount	10	-	0
Bellissimo Digital Infrastructure Investment Management Pvt. Ltd.			
Numbers		-	1,000
Amount	10	-	0
Bellissimo Digital Infrastructure Development Management Pvt. Ltd.			
Numbers		-	1,000
Amount	10	-	0
Thane Commercial Tower A Management Pvt. Ltd.			
Numbers		10,000	10,000
Amount	10	0	0
Bellissimo In City FC NCR 1 Pvt. Ltd.			
Numbers		10,000	-
Amount	10	0	-

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

## 5 Non-Current Investments (Contd..)

Particulars	Face Value in ₹ (unless otherwise stated)	₹ in million	
		As at 31-March-23	As at 31-March-22
Palava Induslogic 3 Pvt. Ltd.			
Numbers		50,01,000	-
Amount	10	50	-
<b>Joint Venture</b>			
Altamount Road Property Pvt. Ltd.			
Numbers		-	13,58,246
Amount	10	-	446
Lodha Developers International (Jersey) III Ltd.*			
Numbers		500	500
Amount	1 GBP	0	0
Bellissimo In City FC Mumbai 1 Pvt. Ltd.			
Numbers		2,30,65,001	-
Amount	10	231	-
Palava Induslogic 3 Pvt. Ltd.			
Numbers		-	50,01,000
Amount	10	-	50
Palava Induslogic 4 Pvt. Ltd.			
Numbers		4,89,99,910	-
Amount	10	490	-
Palava Induslogic 2 Pvt. Ltd.			
Numbers		2,98,435	2,98,435
Amount	10	3	3
Bellissimo Digital Infrastructure Development Management Pvt. Ltd.			
Numbers		14,04,546	-
Amount	10	28	-
Lodha Developers 1GSQ Holding Ltd.*			
Numbers	1 GBP	500	500
Amount		0	0
Lodha Developers UK Ltd.			
Numbers		6,120	6,120
Amount	1 GBP	1	1
		<b>1,186</b>	<b>675</b>
<b>(ii) Unquoted Equity Shares, Partly paid up, at Cost</b>			
<b>Subsidiaries</b>			
Digirealty Technologies Pvt. Ltd.			
Numbers (Paid up ₹5 per share)		80,00,000	-
Amount	10	40	-
		<b>40</b>	<b>-</b>
<b>(iii) Unquoted Equity Shares, Fully paid up at Fair Value through Profit and Loss</b>			
<b>Others</b>			
Kidderpore Holdings Ltd.			
Numbers		13,824	13,824
Amount	10	0	0



# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

## 5 Non-Current Investments (Contd..)

₹ in million

Particulars	Face Value in ₹ (unless otherwise stated)	As at 31-March-23	As at 31-March-22
Shreeniwas Abode and House Ltd.			
Numbers		58,056	58,056
Amount	1	0	0
		<b>0</b>	<b>0</b>
<b>(iv) Quoted Equity Shares, Fully paid up, at cost</b>			
<b>Subsidiary</b>			
Roselabs Finance Ltd.			
Numbers		74,24,670	74,24,670
Amount	10	64	64
Sanathnagar Enterprises Ltd.			
Numbers		22,89,981	22,89,981
Amount	10	6	6
National Standard (India) Ltd.			
Numbers		1,47,88,099	1,47,88,099
Amount	10	149	149
		<b>219</b>	<b>219</b>
<b>(v) Unquoted Preference Shares, Fully paid up, at cost</b>			
<b>Subsidiary</b>			
<b>Non Convertible Non Cumulative Preference Shares</b>			
One Place Commercials Pvt. Ltd.			
Numbers		10,000	10,000
Amount	10	0	0
		<b>0</b>	<b>0</b>
<b>Joint Venture</b>			
<b>Non Convertible Redeemable Preference Shares</b>			
Lodha Developers UK Ltd.			
Numbers		12,90,000	12,90,000
Amount	1 GBP	131	117
<b>Optionally Convertible Preference Shares</b>			
Lodha Developers UK Ltd.			
Numbers		9,180	9,180
Amount	1 GBP	1	1
		<b>132</b>	<b>118</b>
<b>(vi) Compulsory Convertible Preference Shares, fully paid up, at amortised cost</b>			
<b>Joint Venture</b>			
Bellissimo Digital Infrastructure Development Management Pvt. Ltd.			
Numbers		14,04,546	-
Amount	10	28	-
		<b>28</b>	<b>-</b>

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

## 5 Non-Current Investments (Contd..)

₹ in million

Particulars	Face Value in ₹ (unless otherwise stated)	As at 31-March-23	As at 31-March-22
<b>(vii) Non Cumulative Compulsory Convertible Preference Shares, fully paid up at fair value through profit and loss</b>			
Housr Technologies Pvt. Ltd.			
Numbers		27	27
Amount	10	5	5
		<b>5</b>	<b>5</b>
<b>(viii) Unquoted Non Convertible Redeemable Debentures, Fully paid up, at amortised cost</b>			
<b>Joint Venture</b>			
Lodha Developers UK Ltd.			
Numbers		5,41,000	5,41,000
Amount	1 GBP	55	54
Altamount Road Property Pvt. Ltd.			
Numbers		-	17,15,000
Amount	100	-	172
<b>Others</b>			
Krisha Enterprises Pvt. Ltd.			
Numbers		410	410
Amount	10,00,000	410	410
		<b>465</b>	<b>636</b>
<b>(ix) Unquoted Optionally Convertible Debentures, Fully paid up, at Fair Value through Profit and Loss</b>			
<b>Joint Venture</b>			
Palava Induslogic 2 Pvt. Ltd.			
Numbers		5,75,22,565	5,75,22,565
Amount	10	575	575
		<b>575</b>	<b>575</b>
<b>(x) Unquoted Compulsorily Convertible Debentures, Fully paid up, at Fair Value through Profit and Loss</b>			
<b>Joint Venture</b>			
Palava Induslogic 4 Pvt. Ltd.			
Numbers		5,52,55,217	-
Amount	10	553	-
Bellissimo In City FC Mumbai 1 Pvt. Ltd.			
Numbers		2,48,10,000	-
Amount	10	248	-
		<b>801</b>	<b>-</b>
<b>Total (i To x)</b>		<b>3,451</b>	<b>2,227</b>
Aggregate cost of quoted investments		219	219
Aggregate market value of quoted investments		64,342	1,02,072
Aggregate value of unquoted investments		3,232	2,008

\* Subsidiaries of Lodha Developers UK Limited

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

## 6 Non-Current Loans

(Unsecured considered good unless otherwise stated)

₹ in million

Particulars	As at 31-March-23	As at 31-March-22
<b>Loans/ Intercorporate Deposits to Related Parties :</b>		
Subsidiaries	12,102	12,746
Joint Venture	13,405	18,484
Less : Provision for Loan which have significant increase in credit risk	(13,281)	(65)
Loan to employees	231	723
<b>Total</b>	<b>12,457</b>	<b>31,888</b>

## 7 Other Non-Current Financial Assets

(Unsecured considered good unless otherwise stated)

₹ in million

Particulars	As at 31-March-23	As at 31-March-22
Fixed Deposits with maturity of more than 12 months*	882	1,532
<b>Total</b>	<b>882</b>	<b>1,532</b>
*Lien against bank guarantee and Debt Service Reserve Account	882	532

## 8 Non-Current Tax Assets (net)

₹ in million

Particulars	As at 31-March-23	As at 31-March-22
Advance Income Tax (Net of Provision)	2,072	2,457
<b>Total</b>	<b>2,072</b>	<b>2,457</b>

## 9 Other Non-Current Assets

(Unsecured considered good unless otherwise stated)

₹ in million

Particulars	As at 31-March-23	As at 31-March-22
Capital Advances	321	321
Indirect Tax Receivable	227	261
	548	582
Less : Provision for Advances which have significant increase in credit risk	(321)	(321)
<b>Total</b>	<b>227</b>	<b>261</b>

## 10 Inventories (At Lower of Cost and Net Realisable Value)

₹ in million

Particulars	As at 31-March-23	As at 31-March-22
Building Materials	971	1,107
Land and Property Development Work-in-Progress (Refer Note 43)	2,41,910	2,20,057
Finished Stock	43,148	37,927
<b>Total</b>	<b>2,86,029</b>	<b>2,59,091</b>
The carrying amount of Inventories charged as securities against borrowings.	94,477	1,72,165



# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

## 11 Current Investments

₹ in million

Particulars	Face Value in ₹ (unless otherwise stated)	As at 31-March-23	As at 31-March-22
<b>(i) Quoted Investment at fair value through Profit and Loss</b>			
<b>Equity Shares</b>			
Dhenu Buildcon Infra Ltd			
Numbers		3,02,088	3,02,088
Amount	10	1	1
<b>Mutual Fund:</b>			
L & T Debt Fund *			
Numbers		-	92,90,664
Amount	10	-	188
Fearing Capital India Evolving Fund			
Numbers		77,772	77,772
Amount	1,000	232	231
L & T Liquid Fund-Growth *			
Numbers		3	3
Amount	1,000	0	0
L & T Short Term Bond Fund-Growth *			
Numbers		5,55,521	1,03,40,500
Amount	10	11	224
Baroda Mutual Fund			
Numbers		-	49,988
Amount	10	-	1
Baroda Business Cycle Fund - Direct Growth			
Numbers		-	99,995
Amount	10	-	1
Baroda BNP Paribas Liquid fund			
Numbers		-	40,784
Amount	1,000	-	100
Aditya Birla Sun Life Savings Fund *			
Numbers		1,82,704	-
Amount	10	85	-
Nippon India Liquid Fund *			
Numbers		3,048	1,44,040
Amount	10	17	750
Union Liquid Fund			
Numbers		-	48,775
Amount	10	-	100
Kotak Liquid Fund			
Numbers		-	3,25,449
Amount	1,000	-	1,400
ABSL Liquid Fund			
Numbers		-	26,23,949
Amount	10	-	900
		<b>346</b>	<b>3,896</b>
*Includes on account of Lien against Bank Guarantee, Debt Service Reserve Account, Margin and Letter of Credit			
Aggregate Cost of quoted investments		187	3,687
Aggregate market value of quoted investments		346	3,896

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

## 12 Current Loans

(Unsecured considered good unless otherwise stated)

₹ in million

Particulars	As at 31-March-23	As at 31-March-22
Loan/ Intercorporate Deposits to Related Parties :		
Subsidiaries	4,372	7,432
Joint Ventures	-	680
Other Loans	4,645	3,170
Loan Receivable which have significant increase in credit risk	348	473
	9,365	11,755
Less: Provision for Loan which have significant increase in credit risk	(348)	(473)
<b>Total</b>	<b>9,017</b>	<b>11,282</b>

## 13 Trade Receivables

₹ in million

Particulars	As at 31-March-23	As at 31-March-22
<b>Unsecured</b>		
Considered Good	7,281	5,111
Receivables which have significant increase in credit risk	18	31
	7,299	5,142
Less : Provision for Receivables which have significant increase in credit risk	(18)	(31)
<b>Total</b>	<b>7,281</b>	<b>5,111</b>
(i) Trade Receivables charged as securities against specific borrowings	4,268	4,613
(ii) Trade Receivables are disclosed net of advances, as per agreed terms.		

## Trade Receivables Ageing Schedule

₹ in million

Particulars	Undisputed Trade receivables – considered good	Undisputed Trade Receivables – which have significant increase in credit risk	Disputed Trade Receivables – considered good	Disputed Trade Receivables – which have significant increase in credit risk
<b>As at 31 March 2023</b>				
Less than 6 months	3,390	-	-	-
6 months - 1 year	1,059	-	-	-
1- 2 years	737	-	-	-
2 - 3 years	319	-	-	-
More than 3 years	1,776	-	-	18
<b>Total</b>	<b>7,281</b>	<b>-</b>	<b>-</b>	<b>18</b>
<b>As at 31 March 2022</b>				
Less than 6 months	2,180	-	-	-
6 months - 1 year	681	-	-	-
1- 2 years	366	-	-	-
2 - 3 years	976	-	-	0
More than 3 years	908	-	-	31
<b>Total</b>	<b>5,111</b>	<b>-</b>	<b>-</b>	<b>31</b>

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

## 14 Cash and Cash Equivalents

₹ in million

Particulars	As at 31-March-23	As at 31-March-22
Cash on Hand	3	5
Balances with Banks	12,742	3,338
Fixed Deposits with original maturity of less than 3 months	-	1
<b>Total</b>	<b>12,745</b>	<b>3,344</b>

## 15 Bank Balances other than Cash and Cash Equivalents

₹ in million

Particulars	As at 31-March-23	As at 31-March-22
Fixed Deposits with original maturity of less than 12 Months*	4,252	6,866
<b>Total</b>	<b>4,252</b>	<b>6,866</b>
*Lien against bank guarantee, Debt Service Reserve Account, Margin and Letter of Credit (LC)	2,985	4,838

## 16 Other Current Financial Assets

(Unsecured considered good unless otherwise stated)

₹ in million

Particulars	As at 31-March-23	As at 31-March-22
Interest Receivables	91	126
Deposits	29,251	9,495
Accrued Revenue	4,895	10,412
Other Financial Assets	728	166
<b>Total</b>	<b>34,965</b>	<b>20,199</b>

## 17 Other Current Assets

(Unsecured considered good unless otherwise stated)

₹ in million

Particulars	As at 31-March-23	As at 31-March-22
Advances/ Deposits to / for :		
Suppliers and Contractors	1,654	3,408
Employees	46	50
Prepaid Expenses	4,461	4,570
Indirect Tax Receivables	1,334	1,843
Other Advances	476	475
<b>Total</b>	<b>7,971</b>	<b>10,346</b>



# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

## 18 Share Capital

₹ in million

Particulars	As at 31-March-23	As at 31-March-22
<b>(A) Authorised Share Capital:</b>		
<b>(i) Equity Shares of ₹ 10 each</b>		
<b>Numbers</b>		
Balance at the beginning of the year	1,29,49,45,750	1,29,49,45,750
Increase during the year	-	-
<b>Balance at the end of the year</b>	<b>1,29,49,45,750</b>	<b>1,29,49,45,750</b>
<b>Amount</b>		
Balance at the beginning of the year	12,949	12,949
Increase during the year	-	-
<b>Balance at the end of the year</b>	<b>12,949</b>	<b>12,949</b>
<b>(ii) Preference Shares of ₹ 10 each</b>		
<b>Numbers</b>		
Balance at the beginning of the year	1,26,96,250	1,26,96,250
Increase during the year	-	-
<b>Balance at the end of the year</b>	<b>1,26,96,250</b>	<b>1,26,96,250</b>
<b>Amount</b>		
Balance at the beginning of the year	127	127
Increase during the year	-	-
<b>Balance at the end of the year</b>	<b>127</b>	<b>127</b>
<b>(B) Issued Equity Capital</b>		
<b>Equity Shares of ₹ 10 each issued, subscribed and fully paid up</b>		
<b>Numbers</b>		
Balance at the beginning of the year	48,15,06,362	39,58,78,000
Increase during the year	2,82,512	8,56,28,362
<b>Balance at the end of the year</b>	<b>48,17,88,874</b>	<b>48,15,06,362</b>
<b>Amount</b>		
Balance at the beginning of the year	4,815	3,959
Increase during the year	3	856
<b>Balance at the end of the year</b>	<b>4,818</b>	<b>4,815</b>

Pursuant to the approval of the shareholders of the Company, during the Financial Year ended 31-March-18, the Company had allotted 282,770,000 fully paid up Equity Shares of face value ₹10 each as bonus shares by utilising the security premium.

### (C) Terms/ rights attached to equity shares

The Company has only one class of equity shares having par value of ₹ 10 per share.

Each Shareholder is entitled for one vote per share. The shareholders have the right to receive interim dividends declared by the Board of Directors and final dividend proposed by the Board of Directors and approved by the Shareholders.

In the event of liquidation, the shareholders will be entitled in proportion to the number of equity shares held by them to receive remaining assets of the Company, after distribution of all preferential amounts.

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

## 18 Share Capital (Contd..)

₹ in million

Particulars	As at	
	31-March-23	31-March-22
<b>(D) Shares held by Holding Company and/ or their subsidiaries</b>		
<b>Equity Shares :</b>		
a) Sambhavnath Infrabuild and Farms Pvt. Ltd.		
Numbers	13,66,63,977	13,66,83,320
Amount	1,367	1,367
b) Sambhavnath Trust		
Numbers	11,54,72,762	12,85,80,480
Amount	1155	1,286
c) Hightown Constructions Pvt. Ltd.		
Numbers	9,67,38,145	10,95,92,990
Amount	967	1,096
d) Homecraft Developers and Farms Pvt. Ltd.		
Numbers	1,24,32,410	2,10,21,010
Amount	124	210
<b>Total Numbers</b>	<b>36,13,07,294</b>	<b>39,58,77,800</b>
<b>Total Amount</b>	<b>3,613</b>	<b>3,959</b>
<b>(E) Details of shareholders holding more than 5% shares in the company</b>		
<b>Equity Shares :</b>		
a) Sambhavnath Infrabuild and Farms Pvt. Ltd.		
Numbers	13,66,63,977	13,66,83,320
% of Holding	28.37%	28.39%
b) Sambhavnath Trust		
Numbers	11,54,72,762	12,85,80,480
% of Holding	23.97%	26.70%
c) Hightown Constructions Pvt. Ltd.		
Numbers	9,67,38,145	10,95,92,990
% of Holding	20.08%	22.76%

## (F) Shares held by Promoters

₹ in million

Particulars	As at 31-March-23		
	Number of shares	% of total shares	% change during the year
(a) Sambhavnath Infrabuild and Farms Pvt. Ltd.	13,66,63,977	28.37%	-0.02%
(b) Sambhavnath Trust	11,54,72,762	23.97%	-2.74%
(c) Hightown Constructions Pvt. Ltd.	9,67,38,145	20.08%	-2.68%
(d) Homecraft Developers and Farms Pvt. Ltd.	1,24,32,410	2.58%	-1.79%
(e) Rajendra Lodha	200	0.00%	Nil

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

## 18 Share Capital (Contd..)

₹ in million

Particulars	As at 31-March-22		
	Number of shares	% of total shares	% change during the year
(a) Sambhavnath Infrabuild and Farms Pvt. Ltd.	13,66,83,320	28.39%	-39.13%
(b) Sambhavnath Trust	12,85,80,480	26.70%	-5.78%
(c) Hightown Constructions Pvt. Ltd.	10,95,92,990	22.76%	22.76%
(d) Homecraft Developers and Farms Pvt. Ltd.	2,10,21,010	4.37%	4.37%
(e) Rajendra Lodha	200	0.00%	Nil

## (G) ESOP Scheme- Refer Note 63

## 19 Optionally Convertible Debentures\*

₹ in million

Particulars	As at 31-March-23	As at 31-March-22
Balance at the beginning of the year	-	4,604
Less: Repayment during the year	-	4,604
<b>Balance at the end of the year</b>	<b>-</b>	<b>-</b>

\*Issued by erstwhile Palava Dwellers Private Limited (PDPL) in financial year 2018-19. These OCDs were classified as equity instrument based on the terms of issue and during the year, based on the option available, PDPL has redeemed the OCDs (refer note 64).

## 20 Security Premium

₹ in million

Particulars	As at 31-March-23	As at 31-March-22
Balance at the beginning of the year	65,411	2,136
Increase during the year	204	64,140
Less: Adjusted for Equity issue expenses (Net of Tax)	-	865
<b>Balance at the end of the year</b>	<b>65,615</b>	<b>65,411</b>

## 21 Retained Earnings

₹ in million

Particulars	As at 31-March-23	As at 31-March-22
Balance at the beginning of the year	47,104	29,374
Increase during the year	3,682	17,730
<b>Balance at the end of the year</b>	<b>50,786</b>	<b>47,104</b>



# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

## 22 Other Reserves

₹ in million

Particulars	As at 31-March-23	As at 31-March-22
<b>(i) Capital Redemption Reserve</b>		
Balance at the beginning of the year	3	3
Increase during the year	-	-
<b>Balance at the end of the year</b>	<b>3</b>	<b>3</b>
<b>(ii) Capital Reserve</b>		
Balance at the beginning of the year	(918)	(918)
Increase/(Decrease) during the year	-	-
<b>Balance at the end of the year</b>	<b>(918)</b>	<b>(918)</b>
<b>(iii) Debenture Redemption Reserve</b>		
Balance at the beginning of the year	619	5,829
Transfer during the year	(619)	(5,210)
<b>Balance at the end of the year</b>	<b>-</b>	<b>619</b>
<b>(iv) Revaluation Reserve</b>		
Balance at the beginning of the year	4,333	4,304
Increase during the year (Net of Tax)	-	29
<b>Balance at the end of the year</b>	<b>4,333</b>	<b>4,333</b>
<b>(v) Share Based Payment Reserve</b>		
Balance at the beginning of the year	394	-
Increase during the year	766	394
Transfer during the year	(107)	-
<b>Balance at the end of the year</b>	<b>1,053</b>	<b>394</b>
<b>Total Other Reserves (i) to (v)</b>	<b>4,471</b>	<b>4,431</b>

### The nature and purpose of other reserves:

- Capital Redemption Reserve - Amount transferred from retained earnings on redemption of issued shares.
- Capital Reserve - Reserve created on account of merger.
- Debenture Redemption Reserve (DRR)- Pursuant to the notification GSR 574(E) dated 16-August-19, in reference to amendment in rule 18, sub rule 7 of the Companies (Share Capital and Debentures) Rules, 2014, the company has not transferred amount from retained earnings to DRR, during the year ended as on 31-March-20 and onwards. Further, DRR has been retained on outstanding Debentures issued upto 31-March-19 and balance has been transferred to Retained Earnings.
- Revaluation Reserve - Gains arising on the revaluation of certain class of Property, Plant and Equipment.
- Share Based Payment Reserve - The fair value of the equity-settled share based payment transactions is recognised in standalone Statement of Profit and Loss with corresponding credit to Share Based Payment Reserve Account.

## 23 Non-Current Borrowings

₹ in million

Particulars	As at 31-March-23	As at 31-March-22
<b>A Secured</b>		
i) Non Convertible Debentures	1,676	-
ii) Term Loans :		
Banks	3,731	4,684
Others	13,119	17,254
	<b>18,526</b>	<b>21,938</b>
Less: Current maturities of non-current borrowings	(2,783)	(1,506)
<b>Total</b>	<b>15,743</b>	<b>20,432</b>

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

## 23 Non-Current Borrowings (Contd..)

₹ in million

Particulars	As at 31-March-23	As at 31-March-22
<b>B Unsecured</b>		
Loans/ Intercorporate Deposits from Related Parties	-	246
Others		5
<b>Total</b>	<b>15,743</b>	<b>251</b>
<b>A Non Convertible Debentures*</b>		
Secured by :		
(i) Charge on certain land and building situated at Mumbai and Thane	1,680	-
(ii) Charge over project receivables.		
Terms of Repayment :		
Repayable at par		
Repayment ending from December-2025 to June-2026		
Effective Rate of Interest :		
Rate of Interest range from 9.12% to 9.65%		
<b>B Term Loan from banks and others *</b>		
Secured by :		
(i) Charge on certain land and building situated at Mumbai and Thane	16,947	22,012
(ii) Charge over project receivables.		
(iii) Personal Guarantee of a Director		
(iv) Guarantee for ₹ 965 million (31-March-22: ₹1,081 million) by relative of a Director and by Holding Company		
Terms of Repayment :		
Repayment ending from August-2024 to February-2028		
Effective Rate of Interest :		
Rate of Interest range from 9.50% to 10.90% p.a.		
<b>C Related Parties</b>		
Repayment ending on June-2023	-	246

\*Above figures represent outstanding borrowings before adjusting loan issue cost and premium on debentures.

## 24 Non-Current Trade Payables

₹ in million

Particulars	As at 31-March-23	As at 31-March-22
Dues to Micro and Small Enterprises (Refer Note 59)	34	-
Due to Others (Refer Note 59)	15	25
<b>Total</b>	<b>49</b>	<b>25</b>

Note: Disclosure of outstanding dues of Micro and Small Enterprise under Trade Payables is based on the information available with the Company regarding the status of the suppliers as defined under the Micro, Small and Medium Enterprises Development Act, 2006 and relied upon by the auditor.

## 25 Other Non-Current Financial Liabilities

₹ in million

Particulars	As at 31-March-23	As at 31-March-22
Deposits	308	245
Other liabilities	837	1,284
<b>Total</b>	<b>1,145</b>	<b>1,529</b>

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

## 26 Non-Current Provisions

₹ in million

Particulars	As at 31-March-23	As at 31-March-22
<b>Employee Benefits (Refer Note 44)</b>		
Gratuity	214	164
Leave Obligation	2	2
<b>Total</b>	<b>216</b>	<b>166</b>

## 27 Other Non-Current Liabilities

₹ in million

Particulars	As at 31-March-23	As at 31-March-22
Deferred Lease Income	-	933
	<b>-</b>	<b>933</b>

## 28 Current Borrowings

₹ in million

Particulars	As at 31-March-23	As at 31-March-22
<b>A Secured :</b>		
i) Non Convertible Debentures	1,990	9,823
ii) Term Loans :		
Banks	25,040	27,253
Others	30,509	34,801
iii) Cash Credit	6,572	4,086
iv) Current maturities of non-current borrowings	2,783	1,506
	<b>66,894</b>	<b>77,469</b>
<b>B Unsecured</b>		
i) Non Convertible Debentures	8,716	8,311
ii) Loans/ Intercorporate Deposits from Related Parties	10,938	1,862
	<b>19,654</b>	<b>10,173</b>
<b>Total</b>	<b>86,548</b>	<b>87,642</b>

₹ in million

Particulars	As at 31-March-23	As at 31-March-22
<b>A Non Convertible Debentures*</b>		
<b>Secured by :</b>		
(i) Charge on land and building situated at Mumbai and Thane	2,000	9,846
(ii) Charge over project receivables.		
(iii) Personal Guarantee of a Director		
Terms of Repayment :		
Repayable at par		
Repayment at the end of the term upto September-2025		
Effective Rate of Interest :		
Rate of Interest range from 10.34 % to 11.05 %		
<b>B Term Loan from banks and others*</b>		
<b>1 Secured by :</b>	19,859	24,372
(i) Charge on certain land and building situated at Thane.		
(ii) Charge over project receivables.		
(iii) Personal Guarantee of a Director		



# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

## 28 Current Borrowings (Contd..)

₹ in million

Particulars	As at 31-March-23	As at 31-March-22
(iv) Corporate Guarantee by Holding Company for ₹873 million (31-March-22: ₹5,785 million)		
(v) Corporate guarantee by DM partner ₹1,460 million (31-March-22: ₹Nil)		
Terms of Repayment :		
Repayment ending from May-2024 to March-2028.		
Effective Rate of Interest :		
Rate of Interest range from 8.25 % to 11.85 %		
<b>2 Secured by :</b>	18,653	25,321
(i) Charge on certain land and building situated at Mumbai of Company/Subsidiary		
(ii) Charge over project receivables		
(iii) Personal Guarantee of a Director		
(iv) Corporate Guarantee by Holding Company for ₹1,393 million (31-March-22: ₹2,063 million)		
(iv) Corporate Guarantee given by Subsidiary Company for ₹4,673 million (31-March-22: ₹Nil)		
(v) Corporate guarantee by land owner in case of a JDA project for ₹538 million (31-March-22: ₹687 million)		
Terms of Repayment :		
Repayment ending from May-2024 to March-2028.		
Effective Rate of Interest :		
Rate of Interest range from 9.25 % to 10.15 %		
<b>3 Secured by :</b>	14,678	12,693
(i) Charge on certain land of Palava		
(ii) Charge over project receivables.		
(iii) Personal Guarantee of a Director		
(iv) Corporate Guarantee by Holding Company for ₹5,000 million (31-March-22 ₹5,000 million)		
Terms of Repayment :		
Repayment ending from June-2023 to September-2026		
Effective Rate of Interest :		
Rate of Interest range from 9.70 % to 9.90 %		
<b>4 Secured by :</b>		
(i) Charge on certain land of Pune	2,800	-
(ii) Charge over project receivables.		
Terms of Repayment :		
Repayment ending on September-2027		
Effective Rate of Interest: Rate of Interest 9.85 %		
<b>C Cash Credit/ Overdraft Facility</b>	6,572	4,086
<b>Secured by :</b>		
(i) Charge on land and building situated at Mumbai and Thane		
(ii) Charge on certain land of Palava		
(iii) Charge over project receivables.		
(iv) Personal Guarantee of a Director		
Terms of Repayment :		
Repayable on demand		
Effective Rate of Interest :		
Rate of Interest range from 9.40 % to 9.70 %		
<b>D Related Parties</b>		
<b>Non-Convertible Debentures</b>	8,716	8,311
Effective Rate of Interest : 15%		
Terms of Repayment :		
Repayment ending on April-2026		

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

## 28 Current Borrowings (Contd..)

₹ in million

Particulars	As at 31-March-23	As at 31-March-22
<b>Loans / Intercorporate deposits</b>	10,938	1,863
Effective Rate of Interest :		
Rate of Interest range upto 14.50 %		
Terms of Repayment :		
Repayment ending on March-2024		

\*Above figures represent outstanding borrowings before adjusting loan issue cost and premium on debentures.

The Company does not have any charges or satisfaction which is yet to be registered with Registrar of Companies as on Balance sheet date, beyond the statutory period.

The Company has availed various borrowings from banks or financial institutions on the basis of security of current assets. Quarterly returns or statements of current assets filed by the Company with the banks or financial institutions are in agreement with the books of account.

## 29 Current Trade Payables

₹ in million

Particulars	As at 31-March-23	As at 31-March-22
Dues to Micro and Small Enterprises (Refer Note 59)	692	298
Due to Related Parties (Refer Note 49)	11,850	7,067
Due to Others (Refer Note 59)	10,161	6,527
<b>Total</b>	<b>22,703</b>	<b>13,892</b>

Note: Disclosure of outstanding dues of Micro and Small Enterprise under Trade Payables is based on the information available with the Company regarding the status of the suppliers as defined under the Micro, Small and Medium Enterprises Development Act, 2006 and relied upon by the auditor.

## 30 Other Current Financial Liabilities

₹ in million

Particulars	As at 31-March-23	As at 31-March-22
Interest accrued but not due	175	391
Other Payables :		
Deposits	60	62
Employee Payables	1,121	865
Payable on Cancellation of allotted units	137	360
Deferred Liability against Purchase of Land	18,164	16,271
Other Liabilities (includes payable for development rights)	24,273	4,085
<b>Total</b>	<b>43,930</b>	<b>22,034</b>

## 31 Provisions

₹ in million

Particulars	As at 31-March-23	As at 31-March-22
<b>Employee Benefits (Refer Note 44)</b>		
Gratuity	63	51
Leave Obligation	9	3
<b>Total</b>	<b>72</b>	<b>54</b>

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

## 32 Current Tax Liabilities

₹ in million

Particulars	As at 31-March-23	As at 31-March-22
Provision for Income Tax (Net of Advance Tax)	329	-
<b>Total</b>	<b>329</b>	<b>-</b>

## 33 Other Current Liabilities

₹ in million

Particulars	As at 31-March-23	As at 31-March-22
Advances Received from Customers	71,509	73,915
Duties and Taxes	530	437
Accrued Liability and Society Payables	31,323	30,844
<b>Total</b>	<b>1,03,362</b>	<b>1,05,196</b>

## 34 Revenue From Operations

₹ in million

Particulars	For the Year ended 31-March-23	For the Year ended 31-March-22
Income From Property Development (Refer Note 62)	80,301	75,554
Sale of Building Materials	43	62
Sale of Land / Development Rights	5,205	6,812
Rent Income	881	935
Other Operating Revenue	916	170
<b>Total</b>	<b>87,346</b>	<b>83,533</b>

## 35 Other Income

₹ in million

Particulars	For the Year ended 31-March-23	For the Year ended 31-March-22
Profit on Sale of Investments	1,185	30
Gains arising from fair valuation of financial Instruments	(73)	107
Interest Income	2,093	1,244
Profit on Sale of Property, Plant and Equipment (net)	12	-
Foreign Exchange Gain/ (Loss) (net)	(828)	(538)
Dividend Income on Current Investments	-	53
Miscellaneous Income	160	18
<b>Total</b>	<b>2,549</b>	<b>914</b>



# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

## 36 Cost of Projects

₹ in million

Particulars	For the Year ended 31-March-23	For the Year ended 31-March-22
Opening Stock		
Land and Property Development - Work-in-Progress	2,20,057	2,19,974
Finished Stock	37,927	46,462
Add : Transfer on account of Merger: (Refer Note 64)	-	452
Add: Expenditure during the year :		
Land, Construction and Development Cost	57,781	21,926
Consumption of Building Materials	11,134	6,867
Purchase of Building Material	50	61
Other Construction Expenses	2,424	2,004
Overheads Allocated	11,681	14,710
	<b>3,41,054</b>	<b>3,12,456</b>
Less: Transfers and Others	(165)	(99)
	<b>3,40,889</b>	<b>3,12,357</b>
Less: Closing Stock		
Land and Property Development - Work-in-Progress	(2,41,910)	(2,20,057)
Finished Stock	(43,148)	(37,927)
	<b>(2,85,058)</b>	<b>(2,57,984)</b>
<b>Total</b>	<b>55,831</b>	<b>54,373</b>

## 37 Employee Benefits Expense

₹ in million

Particulars	For the Year ended 31-March-23	For the Year ended 31-March-22
(Net of Recovery)		
Salaries and Wages	5,804	5,276
Contribution to Provident and Other Funds	185	136
Share Based Payment to Employees (Refer Note 63)	766	394
Staff Welfare	75	51
	<b>6,830</b>	<b>5,857</b>
Less: Allocated to Cost of Projects	(2,718)	(2,414)
<b>Total</b>	<b>4,112</b>	<b>3,443</b>

## 38 Finance Costs

₹ in million

Particulars	For the Year ended 31-March-23	For the Year ended 31-March-22
Interest Expense on Borrowings and others	14,415	15,956
Other Finance Costs	527	284
	<b>14,942</b>	<b>16,240</b>
Less: Allocated to Cost of Projects	(8,963)	(12,296)
<b>Total</b>	<b>5,979</b>	<b>3,944</b>

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

## 39 Other Expenses

₹ in million

Particulars	For the Year ended 31-March-23	For the Year ended 31-March-22
Rent	93	19
Rates and Taxes	313	231
Insurance	12	12
Electricity	118	-
Postage / Telephone / Internet	39	46
Printing and Stationery	18	8
Legal and Professional	850	337
Payment to Auditors as:		
Audit Fees	21	22
Taxation Matters	1	1
Other Services *	9	8
Advertising Expenses	1,077	796
Brokerage and Commission	1,398	1,028
Business Promotion	375	353
Travelling and Conveyance	195	105
Infrastructure and Facility Expenses	1,594	1,218
Bank Charges	28	75
Donation	267	97
Sundry Balances / Excess Provisions Written Off/(back) (net)	(178)	(76)
Provision/ (Reversal) for Diminution in Value of Investment	-	(87)
Stamp Duty and Registration Charges	2,523	1,691
Provision for / (Write back of) Doubtful Receivables /Advances (net)	33	-
Loss on Sale of Assets	-	2
Write off of loan**	-	10,715
Less: Provision for loss allowances recognized in earlier years	-	(10,715)
Compensation	178	234
Miscellaneous Expenses	50	19
<b>Total</b>	<b>9,014</b>	<b>6,139</b>

\* Other Services does not include fees of ₹15 million for the year ended 31-March-2022 in respect of services towards IPO / QIP which have been adjusted against security premium being share issue expenses.

\*\* In respect of Loan given for UK business operations which had been provided in the previous years.

## 40 Tax Expense:

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

₹ in million

Particulars	For the Year ended 31-March-23	For the Year ended 31-March-22
<b>(i) Income tax recognised in statement of profit and loss</b>		
<b>Current Income Tax (expense) / benefit :</b>		
Current Income Tax	(2,818)	(151)
Adjustments in respect of current Income Tax of earlier years	126	279
<b>Total</b>	<b>(2,692)</b>	<b>128</b>
<b>Deferred Tax (expense) / benefit :</b>		
Origination and reversal of temporary differences	4,871	(5,116)
MAT Credit Receivable	(738)	150

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

## 40 Tax Expense: (Contdd..)

₹ in million

Particulars	₹ in million	
	For the Year ended 31-March-23	For the Year ended 31-March-22
Adjustments in respect of Deferred Tax of earlier years (including MAT Credit of earlier years)	(330)	187
<b>Total</b>	<b>3,803</b>	<b>(4,779)</b>
<b>Income Tax (expense) / benefit reported in the Statement of Profit or Loss</b>	<b>1,111</b>	<b>(4,651)</b>
<b>(ii) Income tax expenses recognised in OCI section</b>		
Deferred Tax benefit on remeasurements of defined benefit plans	15	(4)
Gain on Property Revaluation	-	(9)
<b>Income tax charged to OCI</b>	<b>15</b>	<b>(13)</b>

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

₹ in million

Particulars	₹ in million	
	For the Year ended 31-March-23	For the Year ended 31-March-22
<b>Accounting Profit/ (loss) Before Tax</b>	<b>1,943</b>	<b>15,987</b>
<b>Income tax expense calculated at corporate tax rate</b>		
Tax effect of adjustment to reconcile expected income tax expense to reported	(679)	(5,586)
<b>Deductible expenses for tax purposes:</b>		
Item for which Tax at Special Rate / Exempted Income	1,974	580
Other deductible expenses	149	142
<b>Non-deductible expenses for tax purposes:</b>		
Permanent disallowance of Expenses	(51)	(156)
Donation /CSR Expenses	(41)	(34)
Other non-deductible expenses	(37)	(64)
Adjustments in respect of Current Tax of earlier years	126	280
Adjustments in respect of Deferred Tax of earlier years (including MAT Credit of earlier years)	(330)	187
<b>Total</b>	<b>1,111</b>	<b>(4,651)</b>

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

#### Deferred tax relates to the following:

₹ in million

Particulars	Balance sheet	
	31-March-23	31-March-22
Accelerated depreciation and amortisation for Tax purposes	(1,190)	(1,246)
Expenses allowed but not charged to Statement of Profit and Loss	(2,624)	(2,715)
Expenses disallowed but charged to Statement of Profit and Loss	1,513	153
Carried Forward Business Loss / Unabsorbed Depreciation	-	580
Deferred Tax on Revaluation of Land	(1,247)	(1,300)
Deferred Tax on Gratuity and Leave Encashment	129	151
Expected credit losses of Financial Assets	4,641	23
MAT Credit	426	1,380
Share Issue Expenses	-	301
Others	504	970
<b>Net Deferred Tax Assets</b>	<b>2,152</b>	<b>(1,703)</b>



# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

## 40 Tax Expense: (Contd..)

₹ in million

Particulars	Profit & loss	
	For the Year ended 31-March-23	For the Year ended 31-March-22
Accelerated depreciation and amortisation for Tax purposes	56	(9)
Expenses allowable but not charged to Statement of Profit and Loss	91	81
Expenses disallowed but charged to Statement of Profit and Loss	1,360	-
Carried Forward Business Loss / Unabsorbed Depreciation	(580)	(95)
Effect of adoption of Ind AS115	-	(936)
Deferred Tax on Revaluation of Land	53	(9)
Expected credit losses of Financial Assets	4,618	(3,618)
Deferred Tax on Gratuity and Leave Encashment	(22)	-
Tax impact on OCD	-	(755)
MAT Credit (Including for earlier years)	(954)	353
Share Issue expenses	(301)	-
Others	(518)	209
<b>Deferred Tax (Expense)/ Income</b>	<b>3,803</b>	<b>(4,779)</b>

## d. Reconciliation of Deferred Tax Assets / (Liabilities)

₹ in million

Particulars	Balance sheet	
	31-March-23	31-March-22
<b>Opening balance</b>	(1,703)	1,349
Tax income/(expense) during the year recognised in Statement of Profit and Loss	3,803	(4,779)
Tax impact on OCD and NCD	-	1,344
Share Issue expenses	-	389
Tax income/(expense) during the year recognised in OCI	15	(14)
Deferred Tax on Intangible Assets - Brand	37	8
<b>Closing balance</b>	<b>2,152</b>	<b>(1,703)</b>

## 41 Significant Accounting Judgements, Estimates And Assumptions

### Judgements, Estimates And Assumptions

The Company makes certain judgement, estimates and assumptions regarding the future. Actual experience may differ from these judgements, estimates and assumptions. The estimates and assumptions that have significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

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

The Company determines the estimated useful life of its Property, Plant and Equipments, Investment Properties and Intangible Assets for calculating depreciation/ amortisation. The estimate is determined after considering the expected usage of the assets or physical wear and tear. The company periodically reviews the estimated useful life and the depreciation/ amortisation method to ensure that the method and period of depreciation/ amortisation are consistent with the expected pattern of economic benefits from these assets.

#### (ii) Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions conducted at arm's length, for similar assets or observable market prices less incremental

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

## 41 Significant Accounting Judgements, Estimates And Assumptions (Contd..)

costs for disposing of the asset. An assessment is carried to determine whether there is any indication of impairment in the carrying amount of the Company's assets. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount.

### (iii) Income Taxes

Significant judgments are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

### (iv) Defined Benefit Plans (Gratuity And Leave Obligation Benefits)

The costs of providing pensions and other post-employment benefits are charged to the Standalone Statement of Profit and Loss in accordance with Ind AS 19 'Employee benefits' over the period during which benefit is derived from the employees' services. The costs are assessed on the basis of assumptions selected by the management. These assumptions include salary escalation rate, discount rates, expected rate of return on assets and mortality rates.

### (v) Fair Value Measurement Of Financial Instruments

When the fair values of financial assets and financial liabilities recorded in the Standalone Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques, including the discounted cash flow model, which involve various judgements and assumptions.

### (vi) Revaluation of Property, Plant and Equipment

The Company measures Land classified as property, plant and equipment at revalued amounts with changes in fair value being recognised in Other Comprehensive Income (OCI). The Company has engaged an independent valuer to assess the fair value periodically. Land is valued by reference to market-based evidence, using comparable prices adjusted for specific market factors such as nature, location and condition of the property.

### (vii) Valuation of inventories

The determination of net realisable value of inventory includes estimates based on 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 cost.

### (viii) Leases - Estimating the incremental borrowing rate

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

## 42 Commitments and contingencies

### a. Leases

**Operating lease commitments — Company as lessee (Refer Note. 51)**

**Operating lease commitments — Company as lessor**

The Company has entered into cancellable and non-cancellable operating leases on its commercial premises. These leases have terms of between 3 and 55 years. All leases include a clause to enable upward revision of the rental charge on an annual basis according to prevailing market conditions. Rent Income recognized by the Company during the year:

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

## 42 Commitments and contingencies (Contd..)

Particulars	₹ in million	
	31-March-23	31-March-22
Cancellable operating lease	62	102
Non-Cancellable operating lease	819	833
	<b>881</b>	<b>935</b>

Future minimum rentals receivable under non-cancellable operating leases as at 31 March are as follows:

Particulars	₹ in million	
	31-March-23	31-March-22
Within one year	620	522
After one year but not more than five years	683	946
More than five years	351	511
	<b>1,654</b>	<b>1,979</b>

### b. Commitments

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

Particulars	₹ in million	
	31-March-23	31-March-22
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances).	252	389
	<b>252</b>	<b>389</b>

(ii) Other Commitment - Investments (on partly paid share) amounting to ₹40 million (31-March-2022 ₹Nil)

(iii) The Company has entered into joint development agreements (JDA) with land owners for development of projects. Under these agreements, the Company is required to share built up area/ revenue/ surplus from such developments in exchange of development rights as stipulated under the agreements.

### c. Contingent liabilities

#### Claims against the company not acknowledged as debts

Particulars	₹ in million	
	31-March-23	31-March-22
(i) Disputed Demands of Customers excluding amounts not ascertainable.	603	913
(ii) Corporate Guarantees Given*	10,475	14,961
(iii) Disputed Taxation Matters	514	1,488
(iv) Disputed Land related Legal cases	467	787
	<b>12,059</b>	<b>18,149</b>

\*Represents outstanding amount of the loan / balances guaranteed.

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

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

d. The Company is committed to provide business and financial support to certain subsidiaries, which are in losses and are dependant on Parent Company for meeting out their cash requirement.



# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

## 43 Land and Property Development Work-in-Progress includes :

Particulars	₹ in million	
	31-March-23	31-March-22
Land for which conveyance is pending.	1,598	3,290
Land held in the name of Individuals on behalf of the Company	134	3,393
Land already acquired for which Memorandum of Understanding / consent letters are pending	418	605
	<b>2,150</b>	<b>7,288</b>

## 44 Gratuity and Leave Obligation

The Company has a funded defined benefit gratuity plan and is governed by the Payment of Gratuity Act, 1972. Under the Act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the employee's length of service and salary at retirement age.

The following tables summarise the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet for the respective plans:

### Leave Obligation

Changes in the present value of the defined benefit obligation

Particulars	₹ in million	
	31-March-23	31-March-22
<b>Defined benefit obligation as at beginning of the year</b>	5	7
Interest cost	0	0
Current service cost	6	1
Actuarial gain and losses	(0)	(0)
Experience adjustments	(0)	(3)
<b>Defined benefit obligation as at end of the year</b>	<b>11</b>	<b>5</b>

### Gratuity Benefits

Changes in the present value of the defined benefit obligation are, as follows

Particulars	₹ in million		
	Obligation	Fund	Total
<b>Defined benefit obligation as at 01-April-21</b>	<b>264</b>	<b>(59)</b>	<b>205</b>
Current service cost	46	-	46
Interest cost	17	(4)	13
Return on plan assets	-	0	0
Transfer in/(out) obligation	(2)	0	(2)
Actuarial gain and losses	(14)	-	(14)
Experience adjustments	(1)	-	(1)
Benefits paid	(34)	-	(34)
<b>Defined benefit obligation as at 31-March-22</b>	<b>276</b>	<b>(63)</b>	<b>213</b>
Current service cost	51	-	51
Interest cost	19	(6)	13
Return on plan assets	-	1	1
Actuarial gain and losses	(10)	-	(10)
Experience adjustments	53	-	53
Benefits paid	(45)	-	(45)
<b>Defined benefit obligation as at 31-March-23</b>	<b>344</b>	<b>(68)</b>	<b>276</b>

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

## 44 Gratuity and Leave Obligation (Contd..)

The major category of plan assets relating to gratuity out of the total plan assets are as follows:

₹ in million

Particulars	As at 31-March-23	As at 31-March-22
<b>Unquoted investments:</b>		
Policy of insurance	(68)	(63)
<b>Total</b>	<b>(68)</b>	<b>(63)</b>

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

(in %)

Particulars	As at 31-March-23	As at 31-March-22
<b>Discount rate:</b>		
Gratuity	7.55	7.25
Leave Obligation	7.55	7.25
<b>Future salary increases:</b>		
Gratuity	5.00	5.00
Leave Obligation	5.00	5.00

Mortality Rate : Indian Assured Lives Mortality (2012-14) Table

### Gratuity:

#### Assumptions

Sensitivity Level

₹ in million

Particulars	As at 31-March-23		As at 31-March-22	
	Increase	Decrease	Increase	Decrease
Impact on defined benefit obligation				
Discount rate @ 0.5%	329	361	263	292
Future Salary @ 0.5%	355	334	287	266

### Leave Obligation:

#### Assumptions

Sensitivity Level

₹ in million

Particulars	As at 31-March-23		As at 31-March-22	
	Increase	Decrease	Increase	Decrease
Impact on defined benefit obligation				
Discount rate @ 0.5%	11	12	5	5
Future Salary @ 0.5%	12	11	5	5

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

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

₹ in million

Particulars	As at 31-March-23	As at 31-March-22
Within the next 12 months (next annual reporting period)	24	23
Between 2 and 5 years	82	64
Between 5 and 10 years	125	102
<b>Total expected payments</b>	<b>231</b>	<b>189</b>

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

## 44 Gratuity and Leave Obligation (Contd..)

The average duration of the defined benefit plan obligation w.r.t. gratuity at the end of the reporting year is 12.00 years (31-March-22: 12.42 years).

## 45 Financial Instrument measured at Amortised Cost

The carrying amount of financial assets and financial liabilities measured at amortised cost in the standalone financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

## 46 Fair value measurement

The following table provides the carrying amounts and fair value measurement hierarchy of the Company's financial assets and financial liabilities, including their levels in the fair value hierarchy.

₹ in million

Particulars	Carrying Value			Fair value measurement using		
	Fair Value through Profit & Loss (FVTPL)	Amortized Cost	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
<b>As at 31-March-2023</b>						
<b>Financial Assets</b>						
Investments						
Investment in Mutual Funds	345	-	345	345	-	-
Investment in Equity Shares	1	-	1	1	-	-
Investment in Preference Shares	5	28	33	-	5	-
Investment in Debentures	1,376	465	1,841	-	-	1,376
Loans	-	21,474	21,474	-	-	-
Trade Receivables	-	7,281	7,281	-	-	-
Cash and Cash Equivalents	-	12,745	12,745	-	-	-
Bank Balances other than Cash and Cash Equivalents	-	4,252	4,252	-	-	-
Other Financial Assets	-	35,847	35,847	-	-	-
	<b>1,727</b>	<b>82,092</b>	<b>83,819</b>	<b>346</b>	<b>5</b>	<b>1,376</b>
<b>Financial Liabilities</b>						
Borrowings	-	1,02,291	1,02,291	-	-	-
Lease Liability	-	3,612	3,612	-	-	-
Trade Payables	-	22,752	22,752	-	-	-
Other Financial Liabilities	-	45,075	45,075	-	-	-
	<b>-</b>	<b>1,73,730</b>	<b>1,73,730</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>As at 31-March-2022</b>						
<b>Financial Assets</b>						
Investments						
Investment in Mutual Funds	3,895	-	3,895	3,895	-	-
Investment in Equity Shares	1	-	1	1	-	-
Investment in Preference Shares	5	-	5	-	5	-
Investment in Debentures	575	636	1,211	-	-	575
Loans	-	43,170	43,170	-	-	-
Trade Receivables	-	5,111	5,111	-	-	-
Cash and Cash Equivalents	-	3,344	3,344	-	-	-



# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

## 46 Fair value measurement

₹ in million

Particulars	Carrying Value			Fair value measurement using		
	Fair Value through Profit & Loss (FVTPL)	Amortized Cost	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
	Bank Balances other than Cash and Cash Equivalents	-	6,866	6,866	-	-
Other Financial Assets	-	21,731	21,731	-	-	-
	<b>4,476</b>	<b>80,858</b>	<b>85,334</b>	<b>3,896</b>	<b>5</b>	<b>575</b>
<b>Financial Liabilities</b>						
Borrowings	-	1,08,325	1,08,325	-	-	-
Lease Liability	-	-	-	-	-	-
Trade Payables	-	13,917	13,917	-	-	-
Other Financial Liabilities	-	23,563	23,563	-	-	-
	<b>-</b>	<b>1,45,805</b>	<b>1,45,805</b>	<b>-</b>	<b>-</b>	<b>-</b>

The following table presents the changes in level 3 items:

₹ in million

Particulars	Debentures
<b>As at 01-April-21</b>	<b>-</b>
Addition/ (disposal) of financial asset	575
Gain/ (loss) recognised in statement of profit and loss	-
<b>As at 31-March-22</b>	<b>575</b>
Addition/ (disposal) of financial asset	801
Gain/ (loss) recognised in statement of profit and loss	-
<b>As at 31-March-23</b>	<b>1,376</b>

## 47 Financial risk management objectives and policies

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

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

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

The Company has evolved a risk mitigation framework to identify, assess and mitigate financial risk in order to minimize potential adverse effects on the company's financial performance. There have been no substantive changes in the company's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated herein.

### (a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risks: interest rate risk, currency risk and other price risk. Financial instruments affected by market risk includes borrowings, investments, trade payables, trade receivables, loans and derivative financial instruments.

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

## 47 Financial risk management objectives and policies (Contd..)

### (i) Interest rate risk

The Company is exposed to cash flow interest rate risk mainly from long-term borrowings at variable rate. Currently the company has external borrowings (excluding short-term overdraft facilities) which are fixed and floating rate borrowings. The Company achieves the optimum interest rate profile by refinancing when the interest rates go down. However this does not protect Company entirely from the risk of paying rates in excess of current market rates nor eliminates fully cash flow risk associated with variability in interest payments. The Company considers that it achieves an appropriate balance of exposure to these risks.

The Company's interest-bearing financial instruments are reported as below:

₹ in million

Particulars	As at 31-March-23		As at 31-March-22	
	Fixed Rate Instruments	Variable Rate Instruments	Fixed Rate Instruments	Variable Rate Instruments
Financial Assets	41,673	251	53,153	732
Financial Liabilities	19,654	82,637	17,676	90,649

### Fair value sensitivity analysis for fixed rate instruments

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

### Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 100 basis points in interest rate would have resulted in variation in the interest expense for the Company by the amounts indicated in the table below:

₹ in million

Impact on retained earnings/ Equity	For the Year ended 31-March-23	For the Year ended 31-March-22
Impact of increase in interest rate by 100 basis point	829	914
Impact of decrease in interest rate by 100 basis point	(829)	(914)

The Company capitalises interest to the cost of inventory to the extent permissible, hence, the amount indicated above may have an impact on reported profits over the life cycle of projects to which such interest is capitalised. This calculation also assumes that the change occurs at the balance sheet date and is calculated based on risk exposures outstanding as at that date. The year end balances are not necessarily representative of the average debt outstanding during the period.

### ii) Foreign currency risk

Foreign Currency Risk is the risk that the Fair Value or Future Cash Flows of an exposure will fluctuate because of changes in foreign currency rates. Exposures can arise on account of the various assets and liabilities which are denominated in currencies other than Indian Rupee.

The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company operating activities including investment in overseas projects.

₹ in million

Particulars	As at 31-March-23			
	GBP	USD	Other Currency	Total
Loan	7,773	-	-	7,773
Investments	187	-	-	187
Trade Payable	(6)	(147)	(32)	(185)
<b>Net Asset / (Liability)</b>	<b>7,954</b>	<b>(147)</b>	<b>(32)</b>	<b>7,775</b>

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

## 47 Financial risk management objectives and policies (Contd..)

₹ in million

Particulars	As at 31-March-22			
	GBP	USD	Other Currency	Total
Loan	25,864	85	-	25,950
Investments	172	-	-	172
Trade Payable	(2)	(164)	(13)	(179)
<b>Net Asset / (Liability)</b>	<b>26,034</b>	<b>(78)</b>	<b>(13)</b>	<b>25,943</b>

### Sensitivity Analysis

The sensitivity of profit or loss to change in the reasonably possible strengthening (weakening) of the Indian Rupee against GBP/ US dollars as mentioned below:

₹ in million

Impact on retained earnings/ Equity	For the Year ended 31-March-23		For the Year ended 31-March-22	
	GBP	USD	GBP	USD
Impact of 10% increase in exchange rate	795	(15)	2,603	(8)
Impact of 10% decrease in exchange rate	(795)	15	(2,603)	8

### b) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the Company's customer base, including the default risk of the industry and country, in which customers operate, has less influence on the credit risk.

The Company has entered into contracts for the sale of residential and commercial units on an installment basis. The installments are specified in the contracts. The Company is exposed to credit risk in respect of installments due. However, the possession of residential and commercial units is handed over to the buyer only after all the installments are recovered. In addition, installment dues are monitored on an ongoing basis with the result that the Company's exposure to credit risk is not significant. The Company evaluates the concentration of risk with respect to trade receivables as low, as none of its customers constitutes significant portions of trade receivables as at the year end.

Credit risk from balances with banks and financial institutions is managed by Company's treasury in accordance with the Company's policy. The company limits its exposure to credit risk by only placing balances with local banks and international banks of good repute. Given the profile of its bankers, management does not expect any counterparty to fail in meeting its obligations.

### c) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value. The Company has an established liquidity risk management framework for managing its short term, medium term and long term funding and liquidity management requirements. The Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Company manages the liquidity risk by maintaining adequate funds in cash and cash equivalents.



# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

## 47 Financial risk management objectives and policies (Contd..)

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

### As at 31-March-23

₹ in million				
Particulars	Less than 1 year	1 to 5 years	More than 5 years	Total
Borrowings *	26,183	78,076	-	1,04,259
Lease Liability	293	4,408	-	4,701
Trade payables	22,703	49	-	22,752
Other financial liabilities	20,714	32,428	-	53,142
	<b>69,893</b>	<b>1,14,961</b>	<b>-</b>	<b>1,84,854</b>

### As at 31-March-22

₹ in million				
Particulars	Less than 1 year	1 to 5 years	More than 5 years	Total
Borrowings *	19,273	82,039	7,479	1,08,791
Lease Liability	-	-	-	-
Trade payables	13,892	25	-	13,917
Other financial liabilities	19,373	4,191	-	23,564
	<b>52,538</b>	<b>86,255</b>	<b>7,479</b>	<b>1,46,272</b>

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

## 48 Capital management

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

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings less cash and cash equivalents and bank balances other than cash and cash equivalents.

₹ in million		
Particulars	31-March-23	31-March-22
Borrowings	1,02,291	1,08,325
Less: Cash and Cash Equivalents	(12,745)	(3,344)
Less: Bank balances other than Cash and Cash Equivalents	(4,252)	(6,866)
<b>Net Debt</b>	<b>85,294</b>	<b>98,115</b>
Equity Share Capital	4,818	4,815
Other Reserves (Excluding Revaluation Reserves)	1,16,539	1,12,613
<b>Total capital</b>	<b>1,21,357</b>	<b>1,17,428</b>
<b>Capital and net debt</b>	<b>2,06,651</b>	<b>2,15,544</b>
<b>Gearing ratio</b>	<b>41.3%</b>	<b>45.5%</b>

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements.

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

## 49 Related Party Transactions

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

### A. List of related parties: (As identified by the management)

#### I Person having Control or joint control or significant influence

Abhishek Lodha

#### II Close family members of person having Control \* (with whom the company had transactions)

Mangal Prabhat Lodha

Manjula Lodha

Vinti Lodha

\*Pursuant to an arrangement

#### III Holding Company

Sambhavnath Infrabuild and Farms Pvt. Ltd.

#### IV Subsidiary of Holding Company (with whom the company had transactions)

Bellissimo Properties Development Pvt. Ltd.

Odeon Construction and Developers Pvt. Ltd.

#### V Subsidiaries

- 1 Anantnath Constructions and Farms Pvt. Ltd. (Merged with the Company w.e.f 30-Apr-22)
- 2 Apollo Complex Pvt. Ltd.
- 3 Bellissimo Constructions and Developers Pvt. Ltd.
- 4 Bellissimo Digital Infrastructure Investment Management Pvt. Ltd. (w.e.f. 07-February-22 upto 10-May-22)
- 5 Bellissimo Digital Infrastructure Development Management Pvt. Ltd. (w.e.f. 17-February-22 upto 10-May-22)
- 6 Bellissimo Estate Pvt. Ltd. (Merged with the Company w.e.f 30-Apr-22)
- 7 Brickmart Constructions and Developers Pvt. Ltd.
- 8 Center for Urban Innovation Pvt. Ltd.
- 9 Copious Developers and farms Pvt. Ltd. (Merged with the Company w.e.f. 18-June-21)
- 10 Cowtown Infotech Services Pvt. Ltd.
- 11 Cowtown Software Design Pvt. Ltd.
- 12 Digirealty Technologies Pvt. Ltd. (w.e.f. 07-December-21)
- 13 Palava Induslogic 3 Pvt. Ltd.
- 14 Palava Industrial & Logistics Park Pvt. Ltd. (Merged with the Company w.e.f 30-Apr-22)
- 15 Palava Induslogic 2 Pvt. Ltd.(w.e.f. 19-February-21 Upto 28-September-21)
- 16 Homescapes Constructions Pvt.Ltd.
- 17 Kora Constructions Pvt. Ltd. (w.e.f. 22-November-21) (Merged with the Company w.e.f 30-Apr-22)
- 18 Lodha Developers International (Netherlands) B.V.
- 19 Lodha Developers International Ltd.
- 20 Lodha Developers U.S., Inc.

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

## 49 Related Party Transactions (Contd..)

- 21 Lodha Developers Canada Ltd. (Dissolved w.e.f. 20-August-21)
- 22 Luxuria Complex Pvt. Ltd. (Merged with the Company w.e.f 30-Apr-22)
- 23 MMR Social Housing Pvt. Ltd. (Merged with the Company w.e.f 30-Apr-22)
- 24 National Standard (India) Ltd.
- 25 Odeon Theatres and Properties Pvt. Ltd. (Merged with the Company w.e.f 30-Apr-22)
- 26 One Place Commercials Pvt. Ltd.
- 27 Palava City Management Pvt. Ltd.
- 28 Palava Dwellers Pvt. Ltd. (Merged with the Company w.e.f. 31-December-21)
- 29 Palava Institute of Advanced Skill Training Pvt. Ltd.
- 30 Palava Induslogic 4 Pvt. Ltd. (w.e.f. 08-February-22 upto 26-May-22)
- 31 Primebuild Developers And Farms Pvt. Ltd.
- 32 Ramshyam Infracon Pvt. Ltd. (Merged with the Company w.e.f. 18-June-21)
- 33 Renovar Green Consultants Pvt. Ltd. (Merged with the Company w.e.f 30-Apr-22)
- 34 Roselabs Finance Ltd.
- 35 Sanathnagar Enterprises Ltd.
- 36 Simtools Pvt. Ltd.
- 37 Sitaldas Estate Pvt. Ltd. (Merged with the Company w.e.f 30-Apr-22)
- 38 Thane Commercial Tower A Management Private Limited (w.e.f. 16-March-22 )
- 39 G Corp Homes Pvt. Ltd. (w.e.f. 28-June-22)
- 40 Bellissimo In City FC NCR 1 Pvt. Ltd. (w.e.f. 30-Nov-22)
- 41 Bellissimo In City FC Mumbai 1 Pvt. Ltd (w.e.f 20-September-22 upto 30-November-22)
- 42 Bellissimo Buildtech LLP

## VI Joint Venture

- 1 Altamount Road Property Pvt. Ltd. (upto 13-September-22)
- 2 Lodha Developers UK Ltd.
- 3 Grosvenor Street Apartments Ltd. \*
- 4 Lodha Developers 1GSQ Holdings Ltd.\*
- 5 Lodha Developers 1GSQ Ltd. \*
- 6 Lodha Developers 48 CS Ltd. \*
- 7 Lodha Developers Dorset Close Ltd. \*
- 8 Lodha Developers International (Jersey) III Ltd. \*
- 9 1GS Investments Ltd. \*
- 10 1GS Residences Ltd. \*
- 11 1GS Properties Investments Ltd. (Formerly GS Penthouse Limited) (w.e.f 23-September-20) \*
- 12 New Court Developers Ltd. \* (upto 14-October-21)
- 13 New Court Holdings Ltd. \*
- 14 Lincoln Square Apartments Ltd. \*
- 15 1GS Quarter Holding Ltd.\* (w.e.f 23-November-21)



# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

## 49 Related Party Transactions (Contd..)

- 16 1GSQ Leaseco Ltd \*
- 17 Palava Induslogic 2 Pvt. Ltd. (w.e.f. 28-September-21)
- 18 Palava Induslogic 3 Pvt. Ltd.(w.e.f. 16-December-21)
- 19 Mayfair Square Apartments Limited (w.e.f. 27-April-2022)\*
- 20 Mayfair Square Residences Limited (w.e.f. 27-April-2022)\*
- 21 Bellissimo Digital Infrastructure Development Management Pvt. Ltd. (w.e.f. 10-May-22)
- 22 Bellissimo Digital Infrastructure Investment Management Pvt. Ltd. (w.e.f. 10-May-22)
- 23 Bellissimo In City FC Mumbai 1 Pvt. Ltd (w.e.f 30-November-22)
- 24 Palava Induslogic 4 Pvt. Ltd. (w.e.f. 27 May-22)

\*Subsidiaries of Lodha Developers UK Ltd.

## VII Associates

- Kora Construction Pvt. Ltd. (Upto 22-November-21)

## VIII Others (Entities controlled by person having control or joint control, KMP, with whom the company had transactions)

- 1 Sambhavnath Trust
- 2 Bellissimo Healthy Constructions and Developers Pvt. Ltd.
- 3 Sitaben Shah Memorial Trust
- 4 PLP Architecture International Ltd.

## IX Key Management Person (KMP)

- 1 Abhishek Lodha (Managing Director and CEO)
- 2 Rajendra Lodha (Whole Time Director)
- 3 Mukund M. Chitale (Independent Director and Chairman)
- 4 Raunika Malhotra (Whole Time Director)
- 5 Ashwani Kumar (Independent Director)
- 6 Rajinder Pal Singh (Non Executive Director)
- 7 Sushil Kumar Modi (CFO)
- 8 Lee Anthony Polisano (Independent Director) (w.e.f. 30-July-21)
- 9 Rajeev Bakshi (Independent Director) (w.e.f. 29-June-22)
- 10 Harita Gupta (Independent Director) (w.e.f. 20-Sept-22)

## X Relative of KMP (with whom the company had transactions)

- 1 Nitu Lodha
- 2 Sahil Lodha

## XI Directors of Holding Company

- 1 Ashish Gaggar (Upto 20-May-21)
- 2 Manoj Vaishya (w.e.f. 20-May-21)
- 3 Govind Agarwal

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

## 49 Related Party Transactions (Contd..)

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

(i) Outstanding Balances:

₹ in million				
Sr. No.	Nature of Transactions	Relationship	As at 31-March-23	As at 31-March-22
1	Loans taken	Subsidiaries	19,654	10,174
		Fellow Subsidiaries	-	246
2	Loans given	Subsidiaries *	10,656	20,136
		Joint Venture **	5,942	19,140
3	Other Financial Assets	Subsidiaries	19,494	5,260
		Joint Venture	204	-
4	Investments	Subsidiaries	692	972
		Joint Venture	2,344	841
5	Trade Payables	Subsidiaries	11,570	7,067
		Holding Company	152	-
6	Trade Receivables	Joint Venture/Subsidiaries	417	403
		Others	659	-
7	Other Financial Liabilities	Subsidiaries	28	373
8	Other Non- Current Liabilities	Joint Venture	-	933
9	Guarantee given	Subsidiaries	10,373	14,664
		Joint Venture	102	297
10	Guarantee taken	Holding Company	8,231	12,770
		Subsidiaries	4,673	-

\*Net of Provision ₹5,820 million(31-March-22: ₹42 million)

\*\*Net of Provision ₹7,461 million (31-March-22: ₹23 million)

(ii) Disclosure in respect of transactions with parties:

₹ in million				
Sr. No.	Nature of Transactions	Relationship	For the year ended 31-March-23	For the year ended 31-March-22
<b>1</b>	<b>Income From Property Development</b>			
	Sitaben Shah Memorial Trust	Others	764	406
	Sambhavnath Trust	Others	24	-
<b>2</b>	<b>Reversal of Income from Property Development</b>			
	Primebuild Developers And Farms Pvt. Ltd.	Subsidiary	4,454	725
	Bellissimo Constructions and Developers Pvt. Ltd.	Subsidiary	0	733
<b>3</b>	<b>Sale of Building Materials *</b>			
	Palava City Management Pvt. Ltd.	Subsidiary	0	-
	Cowtown Infotech Services Pvt. Ltd.	Subsidiary	-	0
	One Place Commercials Pvt. Ltd.	Subsidiary	1	1
<b>4</b>	<b>Sale of Land</b>			
	Palava Induslogic 4 Pvt. Ltd.	Joint Venture	2,720	-
	Palava Induslogic 3 Pvt. Ltd.	Joint Venture	-	1,035
	Altamount Road Property Pvt. Ltd.	Joint Venture	120	1,848

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

## 49 Related Party Transactions (Contd..)

₹ in million

Sr. No.	Nature of Transactions	Relationship	For the year ended 31-March-23	For the year ended 31-March-22
<b>5</b>	<b>Interest Income</b>			
	One Place Commercials Pvt. Ltd.	Subsidiary	298	86
	Sambhavnath Infrabuild and Farms Pvt. Ltd.	Holding Company	-	263
	Altamount Road Property Pvt. Ltd..	Joint Venture	5	19
	Cowtown Infotech Services Pvt. Ltd.	Subsidiary	1,000	391
<b>6</b>	<b>Salary and Wages Recovered *</b>			
	National Standard (India) Ltd.	Subsidiary	1	1
	Sanathnagar Enterprises Ltd.	Subsidiary	1	1
	Roselabs Finance Ltd.	Subsidiary	0	0
	Bellissimo Digital Infrastructure Development Management Pvt. Ltd.	Joint Venture	139	-
<b>7</b>	<b>Other Operating Income (Rent Income) *</b>			
	Altamount Road Property Pvt. Ltd.	Joint Venture	5	18
	Cowtown Software Design Pvt. Ltd.	Subsidiary	450	447
<b>8</b>	<b>Other Operating Income</b>			
	Bellissimo Digital Infrastructure Development Management Pvt. Ltd.	Joint Venture	44	-
	Bellissimo In City FC Mumbai1 Pvt. Ltd.	Joint Venture	0	-
	Palava Induslogic 2 Pvt. Ltd.	Joint Venture	79	-
	Palava Induslogic 4 Pvt. Ltd.	Joint Venture	65	-
<b>9</b>	<b>Other Income</b>			
	Lodha Developers International Ltd.	Subsidiary	83	-
	Lodha Developers 1GSQ Limited	Joint Venture	3	-
	Lodha Developers 48CS Limited	Joint Venture	1	-
<b>10</b>	<b>Land, Construction and Development Cost</b>			
	Brickmart Constructions and Developers Pvt. Ltd.	Subsidiary	330	97
	Cowtown Infotech Services Pvt. Ltd.	Subsidiary	12,572	8,901
<b>11</b>	<b>Purchase of Trading and Building Materials *</b>			
	National Standard (India) Ltd.	Subsidiary	119	3
	Cowtown Infotech Services Pvt. Ltd.	Subsidiary	9,972	6,615
	Brickmart Constructions and Developers Pvt. Ltd.	Subsidiary	65	648
	One Place Commercials Pvt. Ltd.	Subsidiary	0	-
	Odeon Construction and Developers Pvt. Ltd.	Fellow subsidiary	91	-
	Sambhavnath Infrabuild and Farms Pvt. Ltd.	Holding Company	167	-



# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

## 49 Related Party Transactions (Contd..)

₹ in million

Sr. No.	Nature of Transactions	Relationship	For the year ended 31-March-23	For the year ended 31-March-22
<b>12</b>	<b>Interest expenses</b>			
	Cowtown Infotech Services Pvt. Ltd.	Subsidiary	750	222
	National Standard (India) Ltd.	Subsidiary	102	67
	Bellissimo Constructions and Developers Pvt. Ltd.	Subsidiary	-	134
	Primebuild Developers And Farms Pvt. Ltd.	Subsidiary	935	306
	Brickmart Constructions and Developers Pvt. Ltd.	Subsidiary	111	-
	Cowtown Software Design Pvt. Ltd.	Subsidiary	64	-
	Homescapes Constructions Pvt.Ltd.	Subsidiary	-	948
<b>13</b>	<b>Infrastructure and Facility *</b>			
	Cowtown Software Design Pvt. Ltd.	Subsidiary	675	643
<b>14</b>	<b>Rent Expenses</b>			
	One Place Commercials Pvt. Ltd. (rent paid has been disclosed as Right of use assets and Lease liabilities in accordance with Ind AS 116)	Subsidiary	176	-
<b>15</b>	<b>Donation/ Corporate Social Responsibility Expenses</b>			
	Sitaben Shah Memorial Trust	Others	60	31
<b>16</b>	<b>Investments</b>			
	Altamount Road Property Pvt. Ltd.	Joint Venture	-	24
	Primebuild Developers And Farms Pvt. Ltd.	Subsidiary	-	0
	Brickmart Constructions and Developers Pvt. Ltd.	Subsidiary	-	0
	Homescapes Constructions Pvt.Ltd.	Subsidiary	-	0
	Digirealty Technologies Pvt. Ltd.	Subsidiary	40	0
	Palava Induslogic 4 Pvt. Ltd.	Joint Venture	1,043	0
	Bellissimo Digital Infrastructure Investment Management Pvt. Ltd.	Joint Venture	-	0
	Bellissimo Digital Infrastructure Development Management Pvt. Ltd.	Joint Venture	56	0
	Thane Commercial Tower A Management Pvt. Ltd.	Subsidiary	-	0
	One Place Commercials Pvt. Ltd.	Subsidiary	-	0
	Lodha Developers U.S., Inc.	Subsidiary	(3)	-
	Bellissimo In City FC NCR 1 Pvt. Ltd.	Subsidiary	0	-
	Bellissimo In City FC Mumbai 1 Pvt. Ltd.	Joint Venture	479	-
<b>17</b>	<b>Sale of Investments</b>			
	Sambhavnath Infrabuild and Farms Pvt. Ltd.	Holding Company	-	643
	Bellissimo Properties Development Pvt. Ltd.	Fellow subsidiary	-	198
<b>18</b>	<b>Redemption of Investments</b>			
	Altamount Road Property Pvt. Ltd.	Joint Venture	172	-
	Sambhavnath Infrabuild and Farms Pvt. Ltd.	Holding Company	-	13,257

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

## 49 Related Party Transactions (Contd..)

₹ in million

Sr. No.	Nature of Transactions	Relationship	For the year ended 31-March-23	For the year ended 31-March-22
<b>19</b>	<b>Loan/ Advances Given/ (Returned) -Net</b>			
	Roselabs Finance Ltd.	Subsidiary	(6)	4
	Sanathnagar Enterprises Ltd.	Subsidiary	(6)	6
	Homescapes Constructions Private Ltd	Subsidiary	(100)	105
	Lodha Developers UK Ltd.	Joint Venture	(6,617)	6,222
	Simtools Pvt. Ltd.	Subsidiary	(7)	19
	Lodha Developers International Ltd.	Subsidiary	0	9
	Sambhavnath Infrabuild and Farms Pvt. Ltd.	Holding Company	-	(63)
	Lodha Developers International (Jersey) III Ltd.	Joint Venture	1,134	(0)
	Lodha Developers International (Netherlands) B. V.	Subsidiary	0	(0)
	Lodha Developers US Inc	Subsidiary	(85)	1
	One Place Commercials Pvt. Ltd.	Subsidiary	481	2,133
	Altamount Road Property Pvt. Ltd.	Joint Venture	-	(5)
	Bellissimo Constructions and Developers Pvt. Ltd.	Subsidiary	(346)	681
	Palava Industrial & Logistics Park Pvt. Ltd.	Subsidiary	-	592
	Palava Induslogic 3 Pvt. Ltd.	Subsidiary	(0)	632
	Palava Induslogic 2 Pvt. Ltd.	Joint Venture	(48)	48
	Palava Institute of Advanced Skill Training Pvt. Ltd.	Subsidiary	0	0
	G Corp Homes Pvt. Ltd.	Subsidiary	272	-
	Cowtown Infotech Services Pvt. Ltd.	Subsidiary	(4,997)	8,097
	Center for Urban Innovation Pvt. Ltd.	Subsidiary	-	0
	Digirealty Technologies Pvt. Ltd.	Subsidiary	(0)	4
	Primebuild Developers And Farms Pvt. Ltd.	Subsidiary	255	-
<b>20</b>	<b>Loan/ Advances Taken / (Returned)-Net</b>			
	National Standard (India) Ltd.	Subsidiary	615	1,523
	Cowtown Infotech Services Pvt. Ltd.	Subsidiary	4,638	(6,054)
	Cowtown Software Design Pvt. Ltd.	Subsidiary	4,106	-
	Bellissimo Buildtech LLP	LLP	-	(57)
	Bellissimo Healthy Constructions and Developers Pvt. Ltd.	Others	-	(832)
	Homescapes Constructions Pvt.Ltd.	Subsidiary	-	(3,926)
	Primebuild Developers And Farms Pvt. Ltd.	Subsidiary	(283)	(3,063)
	Bellissimo Properties Development Pvt. Ltd.	Fellow subsidiary	(246)	(523)
<b>21</b>	<b>Advance Received / (Returned)</b>			
	Homescapes Constructions Pvt.Ltd.	Subsidiary	-	(4,500)
	Bellissimo Constructions and Developers Pvt. Ltd.	Subsidiary	-	(126)
<b>22</b>	<b>Deposit Given/ (Returned)</b>			
	One Place Commercials Pvt. Ltd.	Subsidiary	376	-
	Cowtown Infotech Services Pvt. Ltd.	Subsidiary	13,731	-

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

## 49 Related Party Transactions (Contd..)

₹ in million

Sr. No.	Nature of Transactions	Relationship	For the year ended 31-March-23	For the year ended 31-March-22
<b>23</b>	<b>Provision for Doubtful Debt</b>			
	Lodha Developers International (Jersey) III Ltd.	Joint Venture	6,626	-
	Lodha Developers International (Netherlands) B.V.	Subsidiary	2,788	-
	Lodha Developers International Ltd.	Subsidiary	2,360	-
<b>24</b>	<b>Security cum Corporate Guarantee Given</b>			
	One Place Commercials Pvt. Ltd.	Subsidiary	13,200	-
<b>25</b>	<b>Security cum Corporate Guarantee Taken</b>			
	One Place Commercials Pvt. Ltd.	Subsidiary	5,300	-
	Sambhavnath Infrabuild and Farms Pvt. Ltd.	Holding Company	-	5,000

\*including taxes as applicable

## C. KMP, Directors of Holding Co. ,Controlling Shareholder and his Relatives:

### (i) Outstanding Balances :

₹ in million

Sr. No.	Particulars	Relationship	As at 31-March-23	As at 31-March-22
1	Other Financial Liabilities	Person having Control/Close family member of person having control	1	-
		Person having Control	0	-
		Close family member of person having control	0	-
		KMP	22	-
2	Other Current Liabilities	Person having Control/Close family member of person having control	315	348
		Person having Control	302	245
		Close family member of person having control	1,117	1,144
		Others	300	-
3	Trade Payable	KMP	15	10
4	Guarantee Taken	Person having Control	52,040	82,333

### (ii) Disclosure in respect of transactions :

₹ in million

Sr. No.	Nature of Transactions	Relationship	As at 31-March-23	As at 31-March-22
1	<b>Income from Property Development</b>			
	Sahil Lodha	Relative of KMP	-	378
2	<b>Reversal of Income from Property Development</b>			
	Sahil Lodha	Relative of KMP	378	-
	Rajendra Lodha	KMP	129	108



# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

## 49 Related Party Transactions (Contd..)

₹ in million

Sr. No.	Nature of Transactions	Relationship	As at 31-March-23	As at 31-March-22
3	<b>Commission and Sitting Fees</b>			
	Mukund Chitale	KMP	5	5
	Rajeev Bakshi	KMP	3	-
	Lee Anthony Polisano	KMP	4	4
	Harita Gupta	KMP	2	-
	Ashwini Kumar	KMP	4	4
4	<b>Remuneration paid</b>			
	Mangal Prabhat Lodha	Close family member of person having control	17	45
	Abhishek Lodha	Person having Control	49	48
	Manjula Lodha	Close family member of person having control	-	7
	Vinti Lodha	Close family member of person having control	12	10
	Rajendra Lodha	KMP	49	-
	Rajinder Pal Singh	KMP	-	6
	Raunika Malhotra**	KMP	52	69
	Sushil Kumar Modi**	KMP	106	106
	Manoj Vaishya (w.e.f. 20-May-21)**	Directors of Holding Company	8	5
	Ashish Gaggar (Upto 20-May-21)	Directors of Holding Company	-	2
	Govind Agarwal**	Directors of Holding Company	7	5
5	<b>Project Expenses (Consultancy)</b>			
	PLP Architecture International Ltd.	KMP having substantial Interest	29	-
6	<b>Advances received against Agreement to Sell</b>			
	Sambhavnath Trust	Others	300	-
7	<b>Guarantee/ Security Taken</b>			
	Abhishek Lodha	Person having Control	24,570	42,500

\*\*Including ESOP amortization

## D. Terms and conditions of outstanding balances with related parties

### a) Receivables from Related parties

The trade receivables from related parties arise mainly from sale transactions and services rendered and are received as per agreed terms. The receivables are unsecured in nature and interest is charged on over due receivables. No provisions are held against receivables from related parties.

### b) Payable to related parties

The payables to related parties arise mainly from purchase transactions and services received and are paid as per agreed terms.

### c) Loans to related party

The loans to related parties are unsecured bearing effective interest rate.

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

## 50 Segment information

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

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

## 51 Leases

a The following is carrying value of right of use assets (Building) :

₹ in million

Particulars	As at	
	31-March-23	31-March-22
Opening Balance	-	-
Additions during the previous year	3,825	-
Deletion during the previous year	-	-
Depreciation of Right of use assets	(415)	-
<b>Closing Balance</b>	<b>3,410</b>	<b>-</b>

b The following is the carrying value of lease liability :

₹ in million

Particulars	As at	
	31-March-23	31-March-22
Opening Balance	-	-
Additions during the year	3,595	-
Finance cost accrued during the year	193	-
Payment of lease liabilities during the year	(176)	-
<b>Closing Balance</b>	<b>3,612</b>	<b>-</b>
Current portion of Lease Liability	83	-
Non-current portion of Lease Liability	3,529	-
<b>Total</b>	<b>3,612</b>	<b>-</b>

The maturity analysis of lease liabilities are disclosed in Note no. 47

The following are the amounts recognized in statement of profit and loss

₹ in million

Particulars	31-March-23	31-March-22
Depreciation	415	-
Interest expense on lease liabilities	192	-
<b>Total amount recognised in profit and loss</b>	<b>607</b>	<b>-</b>

c Amount recognized in profit and loss as expenses in respect of Cancellable / Short term lease is ₹ 93 million (31-March-22 : ₹19 million)

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

## 52 Disclosures required by Clause 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Loan and Advances in the nature of Loans

₹ in million

Particulars	As at 31-March-23	As at 31-March-22	Maximum Balance during the current year	Maximum Balance during the previous year
<b>Holding Company</b>				
Sambhavnath Infrabuild and Farms Pvt. Ltd.	-	-	-	63
<b>Subsidiaries</b>				
Sanathnagar Enterprises Ltd.	160	166	167	166
Simtools Pvt. Ltd.	226	233	242	233
Lodha Developers International Ltd.	1,831	4,358	4,475	4,426
Lodha Developers International (Netherlands) B. V.	0	3,087	3,171	3,092
Lodha Developers US Inc	-	85	85	85
One Place Commercials Pvt. Ltd.	2,639	2,158	7,237	2,158
Roselabs Finance Ltd.	43	49	57	49
Palava Institute of Advanced Skill Training Pvt. Ltd.	0	0	0	0
Cowtown Infotech Services Pvt. Ltd.	4,250	9,247	11,629	9,247
Bellissimo Construction & Developers Pvt. Ltd.	335	681	681	857
Center for Urban Innovation Pvt. Ltd.	0	0	0	0
Homescapes Constructions Pvt. Ltd.	8	108	197	1,090
Digirealty Technologies Pvt. Ltd.	4	4	4	4
G Corp Home Pvt. Ltd.	272	-	272	-
Primebuild Developers And Farms Pvt. Ltd	255	-	2,973	-
Palava Induslogic 3 Pvt. Ltd.	632	-	636	-
Apollo Complex Pvt. Ltd.	0	-	0	-
<b>Joint Venture</b>				
Palava Induslogic 2 Pvt. Ltd.	-	48	48	48
Palava Induslogic 3 Pvt. Ltd.	-	633	-	632
Lodha Developers International (Jersey) III Ltd.	5,780	11,592	13,824	11,779
Lodha Developers UK Ltd.	162	6,892	6,892	6,892

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

₹ in million

Particulars	31-March-23	31-March-22
Donations given to Political Parties	30	23

54 Pursuant to the Taxation Laws (Amendment) Act, 2019, with effect from 01-April-19 domestic companies have the option to pay corporate income tax at a rate of 22% plus applicable surcharge and cess ('New Tax Rate') subject to certain conditions. The Company continued to compute tax as per old tax rate for the financial year 2022-23. The Company shall evaluate and decide as to when and whether it should apply New Tax Rate in the books of account for the future years.

55 In case of pending appeals filed by the Income Tax Department against the favourable orders, the management is confident that the outcome would be favourable and hence no contingent liability is disclosed.

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

## 56 Details of Corporate Social Responsibility Expenditure (CSR)

₹ in million

Particulars	31-March-23	31-March-22
Gross Amount required to be spent for CSR Activity	123	46
Amount Spent during the year * (Refer Note 49)	210	55

\*The amount spent during the year has been incurred for the purposes other than construction / acquisition of any asset and does not carry any provision.

During the year, the Company has an excess spent of ₹87 million (31-March-22: ₹9 million). Thus an amount of ₹97 million (31-March-22: ₹10 million) is available for setoff in succeeding years.

## 57 Unhedged Foreign Currency exposures / Balances

Particulars	Currency	31-March-23		31-March-22		
		₹ in million	Foreign Currency in million	₹ in million	Foreign Currency in million	
Advances to Suppliers / Vendors	AED	87	4	78	4	
	SGD	0	0	0	0	
	USD	4	0	2	0	
	CNY	7	1	7	1	
	RMB	1	0	1	0	
	EUR	2	0	0	0	
	GBP	3	0	4	0	
	CAD	-	-	0	0	
	ZAR	0	0	0	0	
	AUD	-	-	0	0	
Investments	GBP	187	2	172	2	
	GBP	7,773	76	25,864	362	
Loans Given	USD	-	-	85	1	
	CAD	-	-	-	0	
<b>Total Assets</b>		<b>8,065</b>		<b>26,214</b>		
<b>Liabilities</b>	AED	1	0	1	0	
	SGD	17	0	1	0	
	Trade Payables	USD	147	2	164	2
		RMB	1	0	1	0
		EUR	12	0	10	0
		GBP	6	0	2	0
<b>Total Liabilities</b>		<b>184</b>		<b>179</b>		

**58** Pursuant to the Order of the Collector of Stamps, levying of stamp duty and penalty in respect of Agreement to Lease entered with Mumbai Metropolitan Regional Development Authority (MMRDA) for Wadala Truck Terminal plot and the Order of the Hon'ble Bombay High Court, the Company had deposited ₹ 2,025 million with the Office of the Collector of Stamps. The Order of Chief Controlling Revenue Authority (CCRA) in appeal upholding the Order of Collector of Stamps levying penalty ₹ 2,713 million has been stayed by the Hon'ble Bombay High Court through an order dated 08-December-17.



# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

## 59 Trade Payables

### (a) Details of dues to Micro, Small and Medium Enterprises :

₹ in million

Particulars	As at 31-March-23	As at 31-March-22
Amount unpaid as at year end - Principal	726	298
Amount unpaid as at year end - Interest	Nil	Nil
The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 (the 'Act') along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	Nil	Nil
The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Act.	Nil	Nil
The amount of interest accrued and remaining unpaid at the end of each accounting year.	Nil	Nil
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Act.	Nil	Nil

### (b) Trade Payables Ageing Schedule

₹ in million

Particulars	MSME	Others	Disputed dues - MSME	Disputed dues - Others
<b>As at 31 March 2023</b>				
Unbilled	-	607	-	-
Not due	102	132	-	-
Less than 1 year	479	14,801	-	-
1 - 2 years	59	4,910	-	-
2 - 3 years	78	816	-	-
More than 3 years	8	760	-	-
<b>Total</b>	<b>726</b>	<b>22,026</b>	<b>-</b>	<b>-</b>
<b>As at 31 March 2022</b>				
Unbilled	-	285	-	-
Not due	103	433	-	-
Less than 1 year	111	10,499	-	-
1 - 2 years	5	810	-	-
2 - 3 years	12	565	-	-
More than 3 years	67	1,027	-	-
<b>Total</b>	<b>298</b>	<b>13,619</b>	<b>-</b>	<b>-</b>

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

### 60 Basic and Diluted Earnings Per Share

Particulars	As at 31-March-23	As at 31-March-22
<b>Basic earnings per share:</b>		
Net Profit for the year (₹ in million)	<b>3,054</b>	<b>11,336</b>
Weighted average no. of Equity Shares outstanding during the year	48,16,59,102	45,75,20,100
Face Value per Equity Share (in ₹)	10.00	10.00
Basic earnings per share (in ₹)	6.34	24.78
<b>Diluted earnings per share:</b>		
Net Profit for the year (₹ in million)	<b>3,054</b>	<b>11,336</b>
Weighted average no. of Equity Shares outstanding during the year	48,22,76,708	45,80,85,510
Diluted Earnings Per Share (in ₹)	6.33	24.75

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

## 61 Ratios analysis and its element:

Sr. No.	Particulars	31/March/23			31/March/22			Reason for Change more than 25% (Refer note below)
		Numerator	Denominator	Ratio	Numerator	Denominator	Ratio	
1	<b>Current Ratio</b> - (Current Assets / Current Liabilities)	3,62,606	2,57,027	1.41	3,20,135	2,28,818	1.40	1%
2	<b>Debt-Equity Ratio</b> - (Paid-up Debt / Total Equity [Share Capital + Applicable Reserves])	1,02,291	1,21,357	0.84	1,08,325	1,17,428	0.92	-9%
3	<b>Debt Service Coverage Ratio</b> - [Earnings before Interest Expenses, Depreciation and Tax (excludes Exceptional Item) / (Interest Expenses# + Principal Repayment (excluding refinancing, prepayment and group debt)]	29,706	32,658	0.91	30,193	39,760	0.76	20%
4	<b>Return on Equity Ratio</b> - (Profit after tax / Average of total Equity)	3,054	1,19,393	0.03	11,336	81,406	0.14	-82% a
5	<b>Inventory Turnover Ratio</b> - (Cost of Sales / Average Finished Inventory)	55,831	41,577	1.34	54,373	43,276	1.26	7%
6	<b>Trade Receivables Turnover Ratio</b> - (Revenue from operations) / Average Trade receivables)	87,346	6,196	14.10	83,533	5,695	14.67	-4%
7	<b>Trade Payables Turnover Ratio</b> - (Cost of project / Average Trade payables)	55,831	18,335	3.05	54,373	13,505	4.03	-24%
8	<b>Net Capital Turnover Ratio</b> - (Revenue from operations / Working Capital)	87,346	1,05,579	0.83	83,533	91,317	0.91	-10%
9	<b>Net Profit Ratio</b> - (Profit after tax / Total Income)	3,054	89,895	0.03	11,336	84,447	0.13	-75% b
10	<b>Return on Capital Employed</b> - ((Profit before tax (+) finance costs) / (Total Equity (+) Borrowings (-/+)) Deferred Tax Asset/Liability))	16,690	2,21,496	0.08	29,632	2,27,456	0.13	-42% c
11	<b>Return on Investment</b> - (Income from investments * / Average Investments *)	1,112	2,536	0.44	229	2,515	0.09	382% d

# Interest cost represents Finance cost debited to Statement of Profit and Loss and Interest cost charged through cost of projects.

\* Investments excludes related parties.

### Notes

- Reduction in Return on Equity Ratio is due to decrease in profit after tax compared to last year.
- Reduction in Net Profit Ratio is due to decrease in profit after tax compared to last year.
- Reduction in Return on Capital employed is due to decrease in profit before tax and finance cost compared to last year.
- Return on Investment increased due to higher income on investments as compared to last year.

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

## 62 Disclosure under Ind AS 115 -Revenue from Contracts with Customers

Disclosures with respect to Ind AS 115 are as follows:

(a) Contract Assets and Contract Liabilities

₹ in million

Particulars	As at	
	31-March-23	31-March-22
Trade receivables (Refer Note 13)	7,281	5,111
Contract Assets- Accrued revenue (Refer Note 16)	4,895	10,412
Contract Liabilities-Advance from customers (Refer Note 33)	71,509	73,915

(b) Movement of Contract Liabilities

₹ in million

Particulars	As at	
	31-March-23	31-March-22
Amounts included in contract liabilities at the beginning of the year	73,915	78,767
Amount received during the year	77,895	70,702
Performance obligations satisfied in current year <sup>#</sup>	(80,301)	(75,554)
<b>Amounts included in contract liabilities at the end of the year</b>	<b>71,509</b>	<b>73,915</b>

<sup>#</sup>Includes as on 31-March-23 ₹ 48,645 million, (31-March-22 ₹ 34,460 million) recognised out of opening contract liabilities.

(c) Closing balances of assets recognised from costs incurred to obtain a contract with a customer.

₹ in million

Particulars	As at	
	31-March-23	31-March-22
Closing balances of assets recognised	4,349	4,570
Amortisation recognised during the year	3,921	2,719

(d) The transaction price of the remaining performance obligations as at 31-March-23 ₹135,084 million, (31-March-22: ₹127,559 million). The same is expected to be recognised within 1 to 4 years.



# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

## 63 Share Based Payments

ESOP Scheme 2021 was originally approved as “Lodha Developers Limited - Employee Stock Option Plan 2018” for issue of options to eligible employees (as defined therein) pursuant to the resolution passed by the Board of Directors on February 16, 2018 and by Shareholders on March 20, 2018. The scheme was amended, and the nomenclature of the scheme was updated to “Macrotech Developers Limited - Employee Stock Option Plan 2021” (“ESOP Scheme 2021”) pursuant to the resolution passed by the Board and Shareholders on February 13, 2021. The Board has decided on June 22, 2021, not to grant any further options under the ESOP Scheme 2021.

Further, Pursuant to the resolution passed by Board on June 22, 2021 and approved by shareholders on September 03, 2021, the Company had also instituted the ESOP Scheme 2021 – II. The Company has formulated two Plans under the Scheme viz Plan-1 and Plan-2.

### 1. Details of number of options outstanding have been tabulated below:

₹ in million

Plan	Date of grant	Number of options outstanding		Vesting Period	Exercise Period	Exercise Price
		As at 31-March-23	As at 31-March-22			
ESOP Scheme 2021	10-Apr-21	8,70,200	10,90,000	Tranche-1: 1 year for 40%, Tranche-2: 2 years for 30% and Tranche-3: 3 years for 30% from date of Grant	5 years from Date of Vesting	388.8
ESOP Scheme 2021 – II (Plan-1)	19-Oct-21	17,57,300	18,17,089	3 years from date of Grant	3 years from Date of Vesting	684.87
ESOP Scheme 2021 – II (Plan-2)	19-Oct-21	19,157	87,606	1 year from date of Grant	2 years from Date of Vesting	10
ESOP Scheme 2021 – II (Plan-2)	03-Jun-22	2,38,899	-	1 year from date of Grant	2 years from Date of Vesting	10
ESOP Scheme 2021 – II (Plan-1)	03-Jun-22	2,83,361	-	3 years from date of Grant	3 years from Date of Vesting	719.19
ESOP Scheme 2021 – II (Plan-1)	27-Oct-22	1,09,534	-	3 years from date of Grant	3 years from Date of Vesting	734.64

### 2. Movement of options granted

₹ in million

Particulars	For the year ended 31-March-23		For the year ended 31-March-22	
	Weighted Average exercise price per share	Number of Options	Weighted Average exercise price per share	Number of Options
Opening Balance	557	2,99,46,950	-	-
Add: Granted	458	65,35,050	556	3,10,67,380
Less: Forfeited/ Lapsed	615	8,72,370	532	11,20,430
Less: Exercised	305	28,25,120	-	-
Closing Balance	558	3,27,84,510	557	2,99,46,950

Weighted average remaining contractual life of the share option outstanding at the end of year is 4.52 years (Previous Year: 5.60 years).

Weighted average fair value of options granted during the year is ₹ 1,075.99 (31-March-22: ₹ 528.57).

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

3. The value of the underlying share options has been determined by an independent valuer. The following assumptions were used for calculation of fair value of grants in accordance with Black Scholes model:

₹ in million

Particulars	For the year ended 31-March-23			For the year ended 31-March-22				
	ESOP Scheme 2021 - II			ESOP Scheme 2021			ESOP Scheme 2021 - II	
	Plan-1	Plan-2	Plan-1	Tranche 1	Tranche 2	Tranche 3	Plan-1	Plan-2
Grant date	03-Jun-22	03-Jun-22	27-Oct-22	10-Apr-21	10-Apr-21	10-Apr-21	19-Oct-21	19-Oct-21
Risk-free interest rate (%)	7%	7%	7%	6%	6%	6%	6%	6%
Expected life of options (years) [(year to vesting) + (contractual option term)/2]	4.5	2.0	4.5	3.5	4.5	5.5	4.5	2.0
Expected volatility (%)	45.95%	46.42%	45.96%	46.21%	44.96%	43.66%	45.47%	51.11%
Dividend yield	-	-	-	-	-	-	-	-

The risk free rates are determined based on the average of high and low of the last 12 months of the 10-Year government securities yield in effect at the time of the grant. Expected volatility of the option is based on historical volatility, during a period equivalent to the option life, of the observed market prices of the Industry's publicly traded equity shares. Volatility calculation is based on historical stock prices using standard deviation of daily change in stock price of the Industry's publicly traded equity shares. The historical period is taken into account to match the expected life of the option. Dividend yield has been calculated taking into account recent dividend activity.

4. The expense arising from ESOP Schemes during the year is ₹ 766 million (31-March-22: ₹ 395 million)

- 64 (a) The National Company Law Tribunal, Mumbai Bench (NCLT) had approved the Scheme of Amalgamation of Palava Dwellers Pvt. Ltd. a wholly owned subsidiary. The certified copy of the scheme had been filed with the Registrar of Companies, Mumbai on 31-December-2021 and became effective from Appointed date 01-April-19.

The amalgamation referred to above, being a "common control" transaction, has been accounted for using the 'Pooling of Interest' method as prescribed under Ind AS 103 – "Business Combination" for common control transactions. In accordance with the requirements of para 9 (iii) of Appendix C to Ind AS 103, the standalone financial statements of the Company in respect of the prior periods have been restated as if amalgamation had occurred from the beginning of the preceding period, irrespective of the actual date of the combination.

- (b) The Scheme of demerger of Evoq Tower into Homescapes Constructions Private Limited, a wholly owned subsidiary, filed on 08-April-2022 has been withdrawn pursuant to NCLT order dated 21-November-2022.
- (c) National Company Law Tribunal, Mumbai Bench (NCLT) has approved the scheme of Merger by Absorption of Anantnath Constructions and Farms Private Limited, Sitaldas Estate Private Limited, MMR Social Housing Private Limited, Bellissimo Estate Private Limited, Renovar Green Consultants Private Limited, Kora Constructions Private Limited, Luxuria Complex Private Limited, Odeon Theatres and Properties Private Limited and Palava Industrial and Logistics Park Private Limited with the Company on 20-April-2022. The certified copy of the scheme has been filed with the Registrar of Companies, Mumbai on 30-April-2022 and became effective.

The amalgamation referred to above, being a "common control" transaction, has been accounted for using the 'Pooling of Interest' method as prescribed under Ind AS 103 – "Business Combination" for common control transactions. In accordance with the requirements of para 9 (iii) of Appendix C to Ind AS 103, the standalone financial results of the Company in respect of the prior periods have been restated as if amalgamation had occurred from the beginning of the preceding period, irrespective of the actual date of the combination.

- (d) The Company has filed a scheme of Merger by absorption of wholly owned subsidiaries namely Bellissimo Constructions and Developers Private Limited, Homescapes Constructions Private Limited, Primebuild Developers and Farms Private Limited, Palava Institute of Advanced Skill Training Private Limited and Center for Urban Innovation Private Limited with the Company

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

before National Company Law Tribunal, Mumbai Bench(NCLT) on 15-November-2022 . The scheme has been approved by NCLT on 12-April-2023 and is reserved for order. Pending receipt of order and filling of the same with Registrar of Companies, no impact of the said scheme has been given in the financial statements for the year ended 31-March-2023.

## 65 Exceptional Items

The Company has given loans to Lodha Developers UK Limited (LD UK) and its subsidiaries from time to time for UK projects and has accrued interest thereon. The current economic uncertainty in European countries alongside adverse geopolitical developments, high inflation coupled with recessionary economic outlook etc. has led to reduction in expected realisable value of outstanding loans along with accrued interest. Accordingly, a provision of ₹11,774 million has been recognised as an "Exceptional Item" during the year against the same.

## 66 IPO and QIP Issue

During the year, the Company achieved Minimum Public Shareholding of 25% on 12-December-2022 (ahead of the 3 year period ending 18-April-2024, stipulated under the Securities Contracts (Regulation) Rules, 1957), consequent to an offer for sale of 3,45,70,506 equity shares of the Company to Qualified Institutional Buyers by certain promoters and members of the promoter group of the Company.

During the previous year, the Company raised money through Initial Public Offer (IPO) by way of issue of its equity shares comprising a fresh issue of 5,14,40,328 equity shares having a face value of ₹ 10 each at premium of ₹476 per share aggregating ₹25,000 million. Pursuant to the IPO, the equity shares of the Company are listed on BSE Limited and National Stock Exchange of India Limited with effect from 19-April-21. IPO expenses of ₹723 million less income tax thereon ₹ 224 million, net ₹ 499 million net of taxes had been adjusted against Securities Premium in accordance with Indian Accounting Standard 32 - Financial Instruments: Presentation.

During the previous year, the Company had allotted 34,188,034 equity shares having a face value of ₹10 each at premium of ₹1,160 per share through Qualified Institutional Placement (QIP) aggregating ₹40,000 million. QIP Expenses of ₹530 million less income tax thereon ₹165 million, net ₹366 million net of taxes had been adjusted against Securities Premium in accordance with Indian Accounting Standard 32 - Financial Instruments: Presentation.

## 67 Other Information

- (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 has not traded or invested in Crypto currency or Virtual Currency during the year.
- (iv) The Company has 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.
- (v) The Company has 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 Company 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.

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

- (vi) The Company does not have any transaction which is not recorded in the books of account 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).

## 68 (i) Recent Development

The Ministry of Corporate Affairs (MCA) has notified, Companies (Indian Accounting Standard) Amendment Rules, 2023 on 31-March-2023 to amend certain Ind AS's which are effective from 01-April-2023. Summary of such amendments are given below:

### (a) Amendment to Ind AS 1 Presentation of financial statements - Disclosure of Accounting Policies:

The amendment replaces the requirement to disclose 'significant accounting policies' with 'material accounting policy information'. The amendments also provide guidance under what circumstance, the accounting policy information is likely to be considered material and therefore requiring disclosure. The Company is currently revisiting their accounting policy information disclosures to ensure consistency with the amended requirements.

### (b) Amendments to Ind AS 8 Accounting policies, changes in accounting estimates and errors:

Definition of Accounting Estimates: The amendment added the definition of accounting estimates, clarifies that the effects of a change in an input or measurement technique are changes in accounting estimates, unless resulting from the correction of prior period errors. These amendments clarify how entities make the distinction between changes in accounting estimate, changes in accounting policy and prior period errors. The distinction is important, because changes in accounting estimates are applied prospectively to future transactions and other future events, but changes in accounting policies are generally applied retrospectively to past transactions and other past events as well as the current period. The amendments are not expected to have a material impact on the Company's financial statements.

### (c) Amendments to Ind AS 12 Income taxes - Deferred Tax related to Assets and Liabilities arising from a Single Transaction:

The amendment to Ind AS 12, requires to recognise deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. They will typically apply to transactions such as leases of lessees and decommissioning obligations and will require the recognition of additional deferred tax assets and liabilities.

The amendment should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, entities should recognise deferred tax assets (to the extent that it is probable that they can be utilised) and deferred tax liabilities at the beginning of the earliest comparative period for all deductible and taxable temporary differences associated with (i) right-of-use assets and lease liabilities, and (ii) decommissioning, restoration and similar liabilities, and the corresponding amounts recognised as part of the cost of the related assets.

The cumulative effect of recognising these adjustments is recognised in retained earnings, or another component of equity, as appropriate.

The Company is currently assessing the impact of the amendments.

### (d) The other amendments to Ind AS notified by these rules are primarily in the nature of clarifications.

## (ii) Subsequent Events

There are no subsequent events which require disclosure or adjustment to Standalone Financial Statements.



# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

## 69 Bonus Issue

The Board of Directors has recommended a Bonus Issue of Equity Shares in the ratio of 1 (One) fully paid-up Equity Share of ₹10 each for every 1 (One) existing fully paid-up Equity Share of ₹10 each held by the shareholders of the Company (as on the record date to be decided by the Company), subject to the approval of shareholders through Postal Ballot.

## 70 Dividend

The Board of Directors has recommended final dividend of ₹ 2.00 i.e. 20% per fully paid up pre bonus equity share of ₹ 10/- each (to be adjusted proportionately for bonus issue) for the financial year ended 31-March-2023. This payment of dividend is subject to approval of members of the Company at ensuing Annual General Meeting of the Company.

71 The figures for the corresponding previous year have been regrouped/ reclassified, wherever considered necessary, to make them comparable with current year classification.

As per our attached Report of even date  
For M S K A & Associates  
Chartered Accountants  
Firm Registration Number: 105047W

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

### Mukund Chitale

(Chairman)  
DIN: 00101004

### Abhishek Lodha

(Managing Director and CEO)  
DIN: 00266089

### Bhavik L. Shah

(Partner)  
Membership No. 122071

### Sushil Kumar Modi

(Chief Financial Officer)

### Sanjyot Rangnekar

(Company Secretary)  
Membership No. F4154

Place : Mumbai  
Date : April 22, 2023

# CONSOLIDATED FINANCIAL STATEMENTS

## INDEPENDENT AUDITOR'S REPORT

To the Members of **Macrotech Developers Limited**

### Report on the Audit of the Consolidated Financial Statements

#### Opinion

We have audited the accompanying consolidated financial statements of Macrotech Developers Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), and its jointly controlled entities, which comprise the Consolidated Balance Sheet as at March 31, 2023, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the Consolidated Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on consideration of reports of other auditors on separate financial statements and on the other financial information of subsidiaries and jointly controlled entities, the aforesaid consolidated 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 Companies (Indian Accounting Standards) Rules, 2015 ("Ind AS") and other accounting principles generally accepted in India, of their consolidated state of affairs of the Group and its jointly

controlled entities as at March 31, 2023, of consolidated profit and other comprehensive loss, consolidated changes in equity and its consolidated cash flows for the year then ended.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group and its jointly controlled entities in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by Institute of Chartered Accountant of India ("ICAI"), and the relevant provisions of the Act and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained and on consideration of audit reports of other auditors referred to in paragraph (a) of the "Other Matters" section below, is sufficient and appropriate to provide a basis for our opinion.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended March 31, 2023. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Sr. No	Key Audit Matter	How the Key Audit Matter was addressed in our audit
1	<p><b>Revenue Recognition</b></p> <p>Refer Note 1(B)(III)(11) of consolidated financial statements with respect to the accounting policies followed by the Group for recognizing revenue from sale of residential and commercial properties.</p> <p>The Group applies Ind AS 115 "Revenue from contracts with customers" for recognition of revenue from sale of commercial and residential real estate, which is being recognised at a point in time upon the Group satisfying its performance obligation and the control of the underlying asset gets transferred to the customer which is linked to the application and receipt of the occupancy certificate.</p> <p>Since significant judgement is involved in identifying performance obligations and determining when control of the asset underlying the performance obligation</p>	<p>Our audit procedures in respect of this area, among others, included the following:</p> <ul style="list-style-type: none"> <li>• Read the Group's revenue recognition accounting policies and evaluated the appropriateness of the same with respect to principles of Ind AS 115 and their application to the significant customer contracts;</li> <li>• Obtained and understood the Group's process for revenue recognition including identification of performance obligations and determination of transfer of control of the property to the customer;</li> <li>• Evaluated the design and implementation and verified, on a test check basis, the operating effectiveness of key internal controls over revenue recognition including controls around transfer of control of the property;</li> </ul>

Sr. No	Key Audit Matter	How the Key Audit Matter was addressed in our audit
	<p>is transferred to the customer basis which revenue is recognised as per Ind AS 115, we have considered revenue recognition as a key audit matter.</p>	<ul style="list-style-type: none"> <li>• Verified the sample of revenue contract for sale of residential and commercial units to identify the performance obligations of the Group under these contracts and assessed whether these performance obligations are satisfied over time or at a point in time based on the criteria specified under Ind AS 115;</li> <li>• Verified, on a test check basis, revenue transaction with the underlying customer contract, Occupancy Certificates (OC) and other documents evidencing the transfer of control of the asset to the customer based on which the revenue is recognized; and</li> <li>• Assessed the adequacy and appropriateness of the disclosures made in consolidated financial statements in compliance with the requirements of Ind AS 115 - 'Revenue from contracts with customer'.</li> </ul>
2	<p><b>Inventory</b></p> <p>Refer Note 1(B)(III)(5) to the consolidated financial statements which includes the accounting policies followed by the Group for valuation of inventory.</p> <p>The Group's properties under development and completed properties are stated at the lower of cost and Net Realizable Value (NRV).</p> <p>As at March 31, 2023, the Group's properties under development and inventory of completed properties amounts to ₹ 2,45,057 million and ₹ 55,066 million respectively.</p> <p>Determination of the NRV involves estimates based on 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> <p>The cost of the inventory is calculated using actual land acquisition costs, construction costs, development related costs and interest capitalized for eligible project.</p> <p>We have considered the valuation of inventory as a key audit matter on account of the significance of the balance to the consolidated financial statements and involvement of significant judgement in estimating future selling prices and costs to complete the project.</p>	<p>Our audit procedures in respect of this area, among others, included the following:</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 Group'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 same on a test check basis, by comparing the estimated selling price to recent market prices in the same projects or comparable properties;</li> <li>• Compared the estimated construction cost to complete the project with the Group's updated budgets and</li> <li>• Assessed the adequacy and appropriateness of the disclosures made in the consolidated financial statements with respect to Inventory in compliance with the requirements of applicable Indian Accounting Standards and applicable financial reporting framework.</li> </ul>

### Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the Director's report and Management Discussion and Analysis but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements, or our

knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, 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 Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group including its Jointly Controlled Entities in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its jointly controlled entities are responsible for assessing the ability of the Group and of its jointly controlled entities 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 Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its jointly controlled entities are responsible for overseeing the financial reporting process of the Group and of its jointly controlled entities.

### Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 Standards on Auditing ("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 consolidated financial statements.

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the Consolidated Financial Statements.

### Other Matters

a. We did not audit the financial statements of 10 subsidiaries, whose financial statements reflect total assets of ₹ 8,937 million as at March 31, 2023, total revenues of ₹ 408 million and net cash outflow amounting to ₹ 19 million for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net loss of ₹ Nil for the year ended March 31, 2023, as considered in the consolidated financial statements, in respect of 15 subsidiaries and of one jointly controlled entity, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and jointly controlled entity, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and jointly controlled entity, is based solely on the reports of the other auditors.

Certain of these subsidiaries and jointly controlled entities are located outside India whose financial statements have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries and jointly controlled entities located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries and jointly controlled entities located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

b. The consolidated financial statements includes the Group's share of net loss of ₹ 3 million for the year ended March 31, 2023, as considered in the consolidated financial statements, in respect of 2 jointly controlled entities, whose financial statements have not been audited by us.



These financial statements are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these jointly controlled entities, and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid jointly controlled entities, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

### Report on 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 consolidated financial statements.
  - b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
  - c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - d. In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
  - e. On the basis of the written representations received from the directors of the Holding Company as on March 31, 2023 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies and jointly controlled entities incorporated in India, none of the directors of the Group companies and its jointly controlled entities incorporated in India are disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f. With respect to the adequacy of internal financial controls with reference to consolidated financial statements of the Group, and its jointly controlled entities incorporated in India and the operating effectiveness of such controls, refer to our separate report in "Annexure B".
  - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, and its jointly controlled entities – Refer Note 43 (c) to the consolidated financial statements.
    - ii. Provision has been made in the consolidated financial statements, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies and jointly controlled entities incorporated in India.
    - iv. (1) The respective Managements of the Holding Company and its subsidiaries, and jointly controlled entities which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries, and jointly controlled entities respectively that, to the best of their 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 Holding Company or any of such subsidiaries, and jointly controlled entities to or in any other person(s) or entity(ies), including foreign entities with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that such parties shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiaries, and jointly controlled entities ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
    - (2) The respective Managements of the Holding Company and its subsidiaries, and jointly

controlled entities which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries, and jointly controlled entities respectively that, to the best of their knowledge and belief, no funds have been received by the Holding Company or any of such subsidiaries, and jointly controlled entities from any person(s) or entity(ies), including foreign entities with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that the Holding Company or any of such subsidiaries, and jointly controlled entities shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (3) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries, and jointly controlled entities which are companies incorporated in India whose financial statements have been audited under the Act, and according to the information and explanations provided to us by the Management of the Holding company in this regard, nothing has come to our or other auditors' notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (1) and (2) above, contain any material mis-statement.
- v. The Board of Directors of the Holding Company have proposed final dividend for the year which is subject to the approval of their respective members at the ensuing Annual General Meeting. The

dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend. (Refer Note 66 to the consolidated financial statements)

- vi. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Holding Company, and its subsidiary companies, and jointly controlled entities incorporated in India only w.e.f. April 1, 2023, reporting under this clause is not applicable.
2. In our opinion, according to information, explanations given to us, the remuneration paid by the Group, and its jointly controlled entities to its directors is within the limits prescribed under Section 197 of the Act and the rules thereunder.
3. According to the information and explanations given to us and based on the CARO reports issued by us for the Holding Company and on consideration of CARO reports issued by the statutory auditors of subsidiaries and jointly controlled entities included in the consolidated financial statements of the Group to which reporting under CARO is applicable, we report that there are no Qualifications/adverse remarks.

Further, as per information and explanation given to us by the Holding Company, the consolidated financial statements include 1 jointly controlled entity for the year ended March 31, 2023, and covered under that Act but for which the respective reports under Section 143(11) of the Act have not yet issued by the respective statutory auditors.

**For M S K A & Associates  
Chartered Accountants**

ICAI Firm Registration No. 105047W

**Bhavik L. Shah**

Partner

Membership No. 122071

UDIN: 23122071BGXNQV6933

Place: Mumbai

Date: April 22, 2023

## ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF MACROTECH DEVELOPERS LIMITED

### Auditor's Responsibilities for the Audit of the Consolidated 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 consolidated 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 with reference to consolidated financial statements 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 ability of the Group and its jointly controlled entities 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 consolidated 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 Group and its jointly controlled entities to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its jointly controlled entities to express

an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended March 31, 2023 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**For M S K A & Associates**  
**Chartered Accountants**

ICAI Firm Registration No. 105047W

**Bhavik L. Shah**

Partner

Membership No. 122071

UDIN: 23122071BGXNQV6933

Place: Mumbai

Date: April 22, 2023

## **ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF MACROTECH DEVELOPERS LIMITED**

[Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of Macrotech Developers Limited on the consolidated Financial Statements for the year ended March 31, 2023]

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

#### **Opinion**

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2023, we have audited the internal financial controls with reference to consolidated financial statements of Macrotech Developers Limited (hereinafter referred to as "the Holding Company") and its subsidiary companies (the Holding Company and its subsidiaries together referred to as "the Group"), and its jointly controlled entities, which are companies incorporated in India, as of that date.

In our opinion, and to the best of our information and according to the explanations given to us, the Holding Company, its subsidiary companies and jointly controlled entities, which are companies incorporated in India, have, in all material respects, where applicable, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2023, based on the internal financial controls with reference to consolidated financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("the ICAI").

#### **Management's Responsibility for Internal Financial Controls**

The respective Board of Directors of the Holding Company, its subsidiary companies and jointly controlled entities, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control with reference to consolidated financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Holding company, its subsidiary companies and jointly controlled entities, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements 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 with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, 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 consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements of the Holding Company, its subsidiary companies and jointly controlled entities, which are companies incorporated in India.

#### **Meaning of Internal Financial Controls With Reference to Consolidated Financial Statements**

A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial



control with reference to consolidated financial statements 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 consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated financial statements.

### **Inherent Limitations of Internal Financial Controls With Reference to Consolidated Financial Statements**

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, 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 with reference to consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Other Matter**

1. Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to 1 jointly controlled entity, which is company incorporated in India, whose financial statements are unaudited and hence we are unable to comment on the adequacy and operating effectiveness of the internal financial controls in respect of such jointly controlled entity. In our opinion and according to the information and explanation given to us by the management, the said jointly controlled entity is not material to the Group.
2. Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to 6 subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

**For M S K A & Associates  
Chartered Accountants**

ICAI Firm Registration No. 105047W

**Bhavik L. Shah**

Partner

Membership No. 122071

UDIN: 23122071BGXNQV6933

Place: Mumbai

Date: April 22, 2023

# CONSOLIDATED BALANCE SHEET

AS AT 31ST MARCH, 2023

₹ in million

	Notes	As at 31-March-23	As at 31-March-22
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, Plant and Equipment	2	11,429	11,187
Investment Property	3	1,539	2,651
Goodwill	4	5,303	5,388
Other Intangible Assets	4	4	2
Investments accounted for using the Equity Method	5	227	511
<b>Financial Assets</b>			
Investments	6	1,887	1,333
Loans	7	6,592	19,748
Other Financial Assets	8	1,074	1,862
Deferred Tax Assets (net)	40	2,432	743
Non - Current Tax Assets (net)	9	2,873	3,256
Other Non-Current Assets	10	692	479
<b>Total Non-Current Assets</b>		<b>34,052</b>	<b>47,160</b>
<b>Current Assets</b>			
Inventories	11	3,01,167	2,73,583
<b>Financial Assets</b>			
Investments	12	346	3,896
Loans	13	4,875	11,993
Trade Receivables	14	7,393	6,451
Cash and Cash Equivalents	15	13,108	4,771
Bank Balances other than Cash and Cash Equivalents	16	5,134	7,686
Other Financial Assets	17	15,709	17,299
Other Current Assets	18	9,765	11,949
<b>Total Current Assets</b>		<b>3,57,497</b>	<b>3,37,628</b>
<b>Total Assets</b>		<b>3,91,549</b>	<b>3,84,788</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share Capital	19	4,818	4,815
<b>Other Equity</b>			
Securities Premium	20	65,620	65,416
Retained Earnings	21	51,533	46,076
Other Reserves	22	4,655	4,743
<b>Equity attributable to Owners of the Company</b>		<b>1,26,626</b>	<b>1,21,050</b>
Non-Controlling Interests		596	568
<b>Total Equity</b>		<b>1,27,222</b>	<b>1,21,618</b>
<b>Non-Current Liabilities</b>			
<b>Financial Liabilities</b>			
Borrowings	23	22,568	27,156
Lease Liability	60	100	-
Trade Payables	24		
Due to Micro Enterprises and Small Enterprises		894	650
Due to Others		403	573
Other Financial Liabilities	25	1,219	1,529
Provisions	26	223	169
Other Non-Current Liabilities	27	-	933
Deferred Tax Liabilities (net)	40	332	1,911
<b>Total Non-Current Liabilities</b>		<b>25,739</b>	<b>32,921</b>
<b>Current Liabilities</b>			
<b>Financial Liabilities</b>			
Borrowings	28	67,918	88,211
Lease Liability	60	17	-
Trade Payables	29		
Due to Micro Enterprises and Small Enterprises		4,593	2,786
Due to Others		15,072	11,078
Other Financial Liabilities	30	44,280	22,264
Provisions	31	79	55
Current Tax Liabilities	32	367	19
Other Current Liabilities	33	1,06,262	1,05,836
<b>Total Current Liabilities</b>		<b>2,38,588</b>	<b>2,30,249</b>
<b>Total Liabilities</b>		<b>2,64,327</b>	<b>2,63,170</b>
<b>Total Equity and Liabilities</b>		<b>3,91,549</b>	<b>3,84,788</b>
Significant Accounting Policies	1		
See accompanying notes to the Consolidated Financial Statements	1 - 71		

As per our attached report of even date  
For M S K A & Associates  
Chartered Accountants  
Firm Registration Number: 105047W

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

**Bhavik L. Shah**  
(Partner)  
Membership No. 122071

**Mukund Chitale**  
(Chairman)  
DIN: 00101004

**Sushil Kumar Modi**  
(Chief Financial Officer)

**Abhishek Lodha**  
(Managing Director and CEO)  
DIN: 00266089

**Sanjyot Rangnekar**  
(Company Secretary)  
Membership No. F4154

Place : Mumbai  
Date : April 22, 2023

# CONSOLIDATED STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31ST MARCH, 2023

₹ in million

Particulars	Notes	For the Year ended 31-March-23	For the Year ended 31-March-22
<b>I INCOME</b>			
Revenue from Operations	34	94,704	92,332
Other Income	35	1,408	2,921
<b>Total Income</b>		<b>96,112</b>	<b>95,253</b>
<b>II EXPENSES</b>			
Cost of Projects	36	60,640	60,626
Employee Benefits Expense	37	4,239	3,544
Finance Costs	38	4,791	6,803
Depreciation, Impairment and Amortisation Expense	2, 3 & 4	928	748
Other Expenses	39	9,163	6,376
<b>Total Expenses</b>		<b>79,761</b>	<b>78,097</b>
<b>III Profit Before Exceptional item and Share of Net Profit/(Loss) in Associate and Joint Venture (I-II)</b>		<b>16,351</b>	<b>17,156</b>
Share of Net Profit/(Loss) in Associates and Joint Venture	5	(52)	9
<b>IV Profit Before Exceptional Items and Tax</b>		<b>16,299</b>	<b>17,165</b>
Exceptional Items	48	(11,774)	-
<b>V Profit Before Tax</b>		<b>4,525</b>	<b>17,165</b>
<b>VI Tax Credit/(Expense):</b>	40		
Current Tax		(2,841)	(114)
Deferred Tax		3,211	(4,966)
<b>Total Tax Expense</b>		<b>370</b>	<b>(5,080)</b>
<b>VII Profit for the year</b>		<b>4,895</b>	<b>12,085</b>
<b>VIII Other Comprehensive Income (OCI)</b>			
<b>A Items that will not be reclassified to Statement of Profit and Loss</b>			
Gain on Property Revaluation		-	37
Re-measurement of defined benefit plans		(44)	14
Income Tax effect		15	(13)
		<b>(29)</b>	<b>38</b>
<b>B Items that will be reclassified to Statement of Profit and Loss</b>			
Foreign Currency Translation Reserve		(127)	(47)
<b>Total Other Comprehensive Income / (Loss) (net of tax) (A+B)</b>		<b>(156)</b>	<b>(9)</b>
<b>IX Total Comprehensive Income for the year (VII+VIII)</b>		<b>4,739</b>	<b>12,076</b>
<b>Profit for the year attributable to:</b>		<b>4,895</b>	<b>12,085</b>
(i) Owners of the Company		4,867	12,024
(ii) Non Controlling Interest		28	61
		<b>4,895</b>	<b>12,085</b>
<b>Other Comprehensive Income / (Loss) for the year attributable to:</b>		<b>(156)</b>	<b>(9)</b>
(i) Owners of the Company		(156)	(9)
(ii) Non Controlling Interest		-	-
		<b>(156)</b>	<b>(9)</b>
<b>Total Comprehensive Income for the year attributable to:</b>		<b>4,739</b>	<b>12,076</b>
(i) Owners of the Company		4,711	12,015
(ii) Non Controlling Interest		28	61
		<b>4,739</b>	<b>12,076</b>
<b>Earnings per Equity Share (in ₹):</b>			
(Face value of ₹ 10 per Equity Share)			
Basic		10.10	26.28
Diluted		10.09	26.25
<b>Significant Accounting Policies</b>	1		
<b>See accompanying notes to the Consolidated Financial Statements</b>	1 - 71		

As per our attached report of even date  
For M S K A & Associates  
Chartered Accountants  
Firm Registration Number: 105047W

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

**Bhavik L. Shah**  
(Partner)  
Membership No. 122071

**Mukund Chitale**  
(Chairman)  
DIN: 00101004

**Sushil Kumar Modi**  
(Chief Financial Officer)

**Abhishek Lodha**  
(Managing Director and CEO)  
DIN: 00266089

**Sanjyot Rangnekar**  
(Company Secretary)  
Membership No. F4154

Place : Mumbai  
Date : April 22, 2023

# CONSOLIDATED STATEMENT OF CASH FLOW

FOR THE YEAR ENDED 31ST MARCH, 2023

₹ in million

	For the Year ended 31-March-23	For the Year ended 31-March-22
<b>(A) Operating Activities</b>		
<b>Profit before tax</b>	<b>4,525</b>	<b>17,165</b>
<b>Adjustments for :</b>		
Depreciation, Impairment and Amortisation Expense	928	748
(Profit)/ Loss on Sale of Property, Plant and Equipment	(12)	2
Share of Net (Profit)/ Loss in Associate and Joint Venture	52	(9)
Provision for Doubtful Receivables /Advances	11,774	-
Net Foreign Exchange Differences	1,028	545
Interest Income	(961)	(2,964)
Finance Costs	13,890	19,923
Provision for Share based payment	765	394
Gain on Sale of Investments	(1,185)	(30)
Gain on Sale of Investment Property	-	(80)
Reversal of diminution in value of investment	-	(87)
Sundry Balances / Excess Provisions written off/ (back) (net)	(231)	(80)
Provision for/ (Write back of) Doubtful Receivables and Advances / Deposits	54	-
(Gains)/ Loss arising from fair valuation of financial instruments	73	(148)
Dividend on Current Investments	-	(53)
<b>Working Capital Adjustments:</b>		
(Increase)/ Decrease in Trade and Other Receivables	452	(9,423)
(Increase)/Decrease in Inventories	(2,045)	12,726
Increase/(Decrease) in Trade and Other payables	503	(16,868)
<b>Cash Generated from / (used in) Operating Activities</b>	<b>29,610</b>	<b>21,761</b>
Income Tax (paid)/ refund (net)	(2,110)	(1,778)
<b>Net Cash Flows from / (used in) Operating Activities</b>	<b>27,500</b>	<b>19,983</b>
<b>(B) Investing Activities</b>		
Sale of Property, Plant and Equipment	149	115
Purchase of Property, Plant and Equipment	(904)	(445)
Net (Investment) / Divestment in Bank Deposits	3,340	(7,773)
Sale / (Purchase) of Non-Current Investments (net)	865	165
Sale / (Purchase) of Current Investments (net)	3,477	9,264
Interest received	805	838
Loans (Given)/ Received back (Net)	10,046	9,173
Dividend on Current Investments Received	-	53
<b>Net Cash Flows from Investing Activities</b>	<b>17,778</b>	<b>11,390</b>
<b>(C) Financing Activities</b>		
Finance Costs Paid	(11,757)	(19,427)
Proceeds from Borrowings	55,167	42,446
Proceeds from Issue of Share Capital (Including Security Premium)	100	63,465
Repayment of Part of Optionally Convertible Debentures	-	(6,778)
Payment of Lease Liability	(5)	-
Repayment of Borrowings	(80,560)	(1,08,584)
<b>Net Cash Flows from/ (used in) Financing Activities</b>	<b>(37,055)</b>	<b>(28,878)</b>
<b>(D) Net Increase in Cash and Cash Equivalents (A+B+C) :</b>	<b>8,223</b>	<b>2,495</b>
Cash and Cash Equivalents at the beginning of the year	4,771	2,276
Cash and Cash Equivalents acquired on account of Acquisition of Subsidiary	114	-
<b>Cash and Cash Equivalents at year end (Note 15)</b>	<b>13,108</b>	<b>4,771</b>

**Note :**

- a. Cash flow statement has been prepared under the indirect method as set out in Ind AS - 7 specified under Section 133 of the Companies Act 2013.



# CONSOLIDATED STATEMENT OF CASH FLOW

FOR THE YEAR ENDED 31ST MARCH, 2023

b. Reconciliation of liabilities arising from financing activities under Ind AS 7

	₹ in million	
	<b>31-March-23</b>	<b>31-March-22</b>
<b>Borrowings</b>		
Balance at the beginning of the year	1,15,367	1,81,929
Cash flow	(25,393)	(66,138)
Non cash changes*	512	(424)
<b>Balance at the end of the year</b>	<b>90,486</b>	<b>1,15,367</b>

\*Current year figure is on account of acquisition of subsidiary. Previous year figure includes forex impact.

	₹ in million	
	<b>31-March-23</b>	<b>31-March-22</b>
<b>Lease Liability</b>		
Balance at the beginning of the year	-	-
Addition during the year	117	-
Cash flow	(5)	-
Non cash changes	5	-
<b>Balance at the end of the year</b>	<b>117</b>	<b>-</b>

Significant Accounting Policies

1

See accompanying notes to the Consolidated Financial Statements 1 - 71

As per our attached Report of even date  
For M S K A & Associates  
Chartered Accountants  
Firm Registration Number: 105047W

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

**Bhavik L. Shah**  
(Partner)  
Membership No. 122071

**Mukund Chitale**  
(Chairman)  
DIN: 00101004

**Sushil Kumar Modi**  
(Chief Financial Officer)

**Abhishek Lodha**  
(Managing Director and CEO)  
DIN: 00266089

**Sanjyot Rangnekar**  
(Company Secretary)  
Membership No. F4154

Place : Mumbai  
Date : April 22, 2023

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31ST MARCH, 2023

## (A) EQUITY SHARE CAPITAL

Particulars	₹ in million	
	As at 31-March-22	As at 31-March-23
<b>Balance at the beginning of the reporting year</b>	4,815	3,959
Changes in Equity Share Capital due to prior period errors	-	-
<b>Restated Balance at the beginning of the reporting year</b>	4,815	3,959
Issued during the year	3	856
<b>Balance at the end of the reporting year</b>	4,818	4,815

## (B) OTHER EQUITY

Particulars	Reserves and Surplus					Other Reserves through OCI			Total Equity attributable to Shareholders of the Group	Non Controlling Interest	Total
	Capital Redemption Reserve	Capital Reserve on Merger	Share Premium	Debt Redemption Reserve	Share Based Payment Reserve	Retained Earnings	Revaluation Reserve	Foreign Currency Translation Reserve			
<b>As at 1-April-22</b>	4	(718)	65,416	620	394	46,076	4,333	110	1,16,235	568	1,16,803
Profit for the year	-	-	-	-	-	4,867	-	-	4,867	28	4,895
Other comprehensive income/(loss)(Net of Tax)	-	-	-	-	-	(29)	-	(127)	(156)	-	(156)
<b>Total Comprehensive Income for the year</b>	-	-	-	-	-	4,838	-	(127)	4,711	28	4,739
Transfer (from) / to	-	-	107	(620)	(107)	620	-	-	-	-	-
Reduction on account of acquisition	-	-	-	-	-	(1)	-	-	(1)	-	(1)
Addition during the year (Refer Note 61)	-	-	97	-	766	-	-	-	863	-	863
<b>As at 31-March-23</b>	4	(718)	65,620	-	1,053	51,533	4,333	(17)	1,21,808	596	1,22,404
<b>As at 1-April-21</b>	4	(1)	2,128	5,830	-	29,609	4,304	157	42,031	5,269	47,300
Profit for the year	-	-	-	-	-	12,024	-	-	12,024	61	12,085
Other comprehensive loss (Net of Tax)	-	-	-	-	-	9	29	(47)	(9)	-	(9)
<b>Total Comprehensive Income for the year</b>	-	-	-	-	-	12,033	29	(47)	12,015	61	12,076
Tax impact of NCD on account of merger of subsidiary	-	-	-	-	-	589	-	-	589	-	589
Premium paid for OCD (Net of Tax)*	-	-	-	-	-	(1,405)	-	-	(1,405)	(4,604)	(6,009)

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31ST MARCH, 2023

## (B) OTHER EQUITY (Contd..)

Particulars	Reserves and Surplus				Other Reserves through OCI			Total Equity attributable to Shareholders of the Group	Non Controlling Interest	Total
	Capital Redemption Reserve	Capital Reserve on Merger	Share Premium	Debenture Redemption Reserve	Share Based Payment Reserve	Retained Earnings	Revaluation Reserve			
Transfer (from) / to	-	-	-	(5,210)	-	5,210	-	-	-	-
Impact on acquisition of non controlling interest	-	(717)	-	-	-	40	-	(677)	(158)	(835)
Addition during the year (Refer Note 62)	-	-	64,153	-	394	-	-	64,547	-	64,547
Equity issue expenses (Net of Taxes)	-	-	(865)	-	-	-	-	(865)	-	(865)
<b>As at 31-March-22</b>	<b>4</b>	<b>(718)</b>	<b>65,416</b>	<b>620</b>	<b>394</b>	<b>46,076</b>	<b>4,333</b>	<b>110</b>	<b>568</b>	<b>1,16,803</b>

₹ in million

\* During the previous year, outstanding Optionally Convertible Debentures (OCD) issued by erstwhile Palava Dwellers Private Limited of ₹4,604 million had been redeemed at a premium of ₹2,160 million. The premium on OCD of ₹2,160 million less tax thereon of ₹755 million, net ₹ 1,405 million had been adjusted against retained earning in accordance with Indian Accounting Standard 32 - Financial Instruments: Presentation.

Significant Accounting Policies

1

See accompanying notes to the Consolidated Financial Statements

1 - 71

As per our attached report of even date  
For M S K A & Associates  
Chartered Accountants  
Firm Registration Number: 105047W

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

**Mukund Chitale**  
(Chairman)  
DIN: 00101004

**Abhishek Lodha**  
(Managing Director and CEO)  
DIN: 00266089

**Bhavik L. Shah**  
(Partner)

**Sushil Kumar Modi**  
(Chief Financial Officer)

**Sanjyot Rangnekar**  
(Company Secretary)  
Membership No. F4154

Membership No. 122071

Place : Mumbai

Date : April 22, 2023

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

## 1 SIGNIFICANT ACCOUNTING POLICIES

### A Group's Background

The Consolidated financial statements comprise financial statements of Macrotech Developers Limited (the Company), its subsidiaries (collectively, the Group), associates and jointly controlled entity for the year ended 31-March-2023.

The Company is a public limited company domiciled and incorporated in India under the Companies Act, 1956 vide CIN - L45200MH1995PLC093041. The Company's registered office is located at 412 , Floor - 4, 17 G Vardhaman Chamber, Cawasji Patel Road, Horniman Circle, Fort, Mumbai - 400001. The Group is primarily engaged in the business of real estate development.

The Consolidated Financial Statements are approved by the Company's Board of Directors at its meeting held on 22-April-2023.

### B Significant Accounting Policies

#### I Basis of Preparation

The Consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards ('Ind AS') notified under section 133 of the Companies Act 2013, read together with the Companies (Indian Accounting Standards) Rules, 2015 and amendment if any.

These financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for land as classified under Property, Plant and Equipment and certain financial assets and financial liabilities that are measured at fair values at the end of each reporting year, as stated in the accounting policies set out below. The accounting policies have been applied consistently over all the years presented in these financial statements.

The financial statements are presented in Indian Rupees (₹) and all values are rounded to the nearest million except when otherwise indicated. Transactions and balances with values below the rounding off, have been reflected as "0" in the relevant notes to these financial statements.

#### II Principles of Consolidation and Equity Accounting

##### (i) Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity, when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to

affect the returns through its power to direct the relevant activities of the entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control. They are deconsolidated from the date that control ceases.

The results and financial position of foreign operations that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities are translated at the closing rate at the date of the balance sheet;
- income and expenses are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
- All resulting exchange differences are recognised in other comprehensive income.

The Group combines the financial statements of the Company and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealized gains or losses on transactions between Group companies are eliminated.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the Consolidated Statement of Profit and Loss, Consolidated Statement of Changes in Equity and Consolidated Balance Sheet respectively.

##### (ii) Associates/ Joint Venture

Associates or Joint Ventures are all entities over which the Group has significant influence or Joint control but not control. This is generally the case where the group holds between 20% and 50% of the voting rights or where decisions over the relevant activities are unanimous in case of joint venture. Investments in associates and joint ventures are accounted for using the equity method of accounting after initially being recognized at cost.

Under the equity method of accounting, the excess of cost of investment over the proportionate share in equity of the associate/ joint venture as at the date of acquisition of stake is identified as goodwill or capital



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

reserve as the case may be and included in the carrying value of the investment in the associate/ joint venture.

The carrying amount of the investment is adjusted thereafter to recognize the Group's share of the post-acquisition profits or losses of the investee in Consolidated Statement of Profit and Loss, and the Group's share of other comprehensive income of the investee in Consolidated Other Comprehensive Income. However, the share of losses is accounted for only to the extent of the cost of investment. Subsequent profits of such associates/ joint ventures are not accounted for unless the accumulated losses (not accounted for by the Group) are recouped. Additional losses are provided for to the extent that the Group has incurred obligations or made payments on behalf of the associate and joint venture to satisfy obligations of the associate and joint venture that the Group has guaranteed or to which the Group is otherwise committed.

Unrealised gains or losses on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in these entities.

## III Summary of Significant Accounting Policies

### 1 Current and Non-Current Classification

The Group presents assets and liabilities in the Consolidated Balance Sheet based on current/ non-current classification. An asset is treated as current when it is:

- i) Expected to be realised or intended to be sold or consumed in normal operating cycle.
- ii) Held primarily for the purpose of trading
- iii) Expected to be realised within twelve months after the reporting period, or
- iv) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- i) It is expected to be settled in normal operating cycle
- ii) It is held primarily for the purpose of trading
- iii) It is due to be settled within twelve months after the reporting period, or

- iv) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

The operating cycle of the Group's real estate operations varies from project to project depending on the size of the project, type of development, project complexities and related approvals. Accordingly, project related assets and liabilities are classified into current and non-current based on the operating cycle of the project. All other assets and liabilities have been classified into current and non-current based on a period of twelve months.

## 2 Property, Plant and Equipment

### i. Recognition and measurement

All property, plant and equipment except freehold land and building are stated at historical cost less accumulated depreciation. Building was recorded at Fair Value as Deemed cost as at the date of transition to Ind AS. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost includes freight, duties, taxes, borrowing cost and incidental expenses related to the acquisition and installation of the asset.

Freehold Land is measured at fair value. Valuations are performed with sufficient frequency to ensure that the carrying value of revalued asset does not defer materially from its fair value.

Revaluation surplus is recorded in Other Comprehensive Income (OCI) and credited to the Revaluation reserve in Other Equity.

### ii. Subsequent costs

Subsequent expenditure is capitalised only when it is probable that the future economic benefits of the expenditure will flow to the Group. All other repairs and maintenance are charged to the Consolidated Ind AS Statement of Profit and Loss during the reporting period in which they are incurred.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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### iii. Derecognition

The carrying amount of an item of Property, Plant and Equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an item of Property, Plant and Equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the Consolidated Statement of Profit and Loss when the item is derecognized.

### iv. Capital work in progress

Cost of assets not ready for intended use, as on the Balance Sheet date, is shown as capital work in progress.

### v. Depreciation

Depreciation is calculated on a written down value basis over the estimated useful lives of the assets as specified in Schedule II of Companies Act, 2013 except for Site/Sales Offices, Sample Flats and Aluminium Formwork wherein the estimated useful lives is determined by the management. Management believes that such estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Sr. No.	Property, Plant and Equipment	Useful life (Years)
i)	<b>Site/Sales Offices and Sample Flats</b>	8
ii)	<b>Freehold Building</b>	60
iii)	<b>Plant and Equipment</b>	6 to 15
iv)	<b>Office Equipment</b>	5
v)	<b>Computers</b>	
	(a) Servers and networks	6
	(b) End user devices, such as, desktops, laptops, etc.	3
vi)	<b>Furniture and Fixtures</b>	10
vii)	<b>Vehicles</b>	
	(a) Motor cycles, scooters and other mopeds	10
	(b) Motor buses, motor lorries, motor cars and motor taxis	8

Depreciation on addition to property plant and equipment is provided on pro-rata basis from the date of acquisition.

Depreciation on assets sold during the year is charged to the Consolidated Statement of Profit and Loss up to the month preceding the month of sale.

Depreciation methods, useful lives and residual values are reviewed periodically at each financial year end and adjusted prospectively, as appropriate.

### 3 Investment Properties

The Property that is held for long term rental yield or for capital appreciation or both, and that is not occupied by the Group is classified as an Investment Property.

Investment properties are measured initially at cost, including transaction and borrowing costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

The Group depreciates investment properties over the useful life of 60 years from the date of original purchase as prescribed under Schedule II to the Companies Act, 2013.

Investment properties are derecognized either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss in the period of derecognition.

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted, if appropriate.

### 4 Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and impairment losses.

The useful lives of intangible assets are assessed as either finite or indefinite. Currently the company has not identified any Intangible assets other than Goodwill to have indefinite life.

Intangible assets with finite lives are amortised over the useful economic life. The useful economic life and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. The amortisation expense on intangible assets with finite lives is recognised in the Consolidated Statement of Profit and Loss.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Consolidated Statement of Profit and Loss when the asset is derecognised.

Intangible assets are amortized proportionately over a period of five years or over the useful economic life of the assets as determined by the management, whichever is lower.

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Intangible assets with indefinite life are tested for impairment annually. Impairment losses, if any, are recognised in Consolidated Statement of Profit and Loss.

## 5 Inventories

- i) Stock of Building Materials and Traded Goods is valued at lower of cost and net realizable value. Cost is generally ascertained on weighted average basis.
- ii) Completed unsold inventory is valued at lower of Cost and Net Realizable Value.
- iii) Land and Property Development Work-in-Progress is valued at lower of estimated cost and net realisable value.
- iv) Cost for this purpose includes cost of land, shares with occupancy rights, Transferrable Development Rights, premium for development rights, borrowing costs, construction / development cost and other overheads incidental to the projects undertaken.

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

## 6 Provisions and Contingencies

The Group recognizes provisions when a present obligation (legal or constructive) as a result of a past event exists and it is probable that an outflow of resources embodying economic benefits will be required to settle such obligation and the amount of such obligation can be reliably estimated.

If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

A disclosure of contingent liability is also made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

## 7 Impairment of Non-Financial Assets (excluding Inventories, Investment Properties and Deferred Tax Assets)

Non-financial assets are subject to impairment tests whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. Where the

carrying value of an asset exceeds its recoverable amount (i.e. the higher of value in use and fair value less costs to sell), the asset is written down accordingly.

Where it is not possible to estimate the recoverable amount of an individual asset, the impairment test is carried out on the smallest group of assets to which it belongs for which there are separately identifiable cash flows; its cash generating units ('CGUs').

## 8 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

### Financial Assets

#### Initial recognition and measurement

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

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss)
- those measured at amortised cost

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

#### Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- i) Debt instruments at amortised cost
- ii) Debt instruments at fair value through other comprehensive income (FVTOCI)
- iii) Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- iv) Equity instruments measured at fair value through other comprehensive income (FVTOCI)

#### Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

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

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit or loss. The losses arising from impairment if any, are recognised in the statement of profit or loss.

## Debt instruments at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent solely payments of principal and interest.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Group does not have any debt instruments which meets the criteria for measuring the debt instrument at FVTOCI.

## Debt instrument at FVTPL

Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'Accounting Mismatch'). The Group has not designated any debt instrument at FVTPL.

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

## Equity investments

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

All Equity Investments in Associates and Joint Venture are measured at Cost.

## Derecognition of Financial Assets

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

- i) The rights to receive cash flows from the asset have expired, or
- ii) The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement' and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

## Impairment of Financial Assets

The Group assess on a forward looking basis the expected credit losses associated with its financial assets carried at amortised cost and FVTOCI debts instruments. The impairment methodology applied depends on whether there has been significant increase in credit risk. For trade receivables, the Group is not exposed to any credit risk as the legal title of residential and commercial units are transferred to the buyer only after all the installments are recovered.



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For financial assets carried at amortised cost, the carrying amount is reduced and the amount of the loss is recognised in the consolidated statement of profit and loss. Interest income on such financial assets continues to be accrued on the reduced carrying amount and is accrued using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. The interest income is recorded as part of finance income. Financial asset together with the associated allowance are written off when there is no realistic prospect of future recovery and all collateral has been realised or has been transferred to the Group. If, in a subsequent year, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or decreased.

## Financial Liabilities

### Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at FVTPL, loans and borrowings, or payables, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of financial liability not recorded at fair value through Profit or Loss, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and financial guarantee contracts.

### Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

#### Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as

FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to Statement of Profit and loss. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Group has not designated any financial liability as at fair value through profit and loss.

### Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Consolidated Statement of Profit and Loss.

### Financial guarantee contracts

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

### Derecognition of Financial Liabilities

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

### Reclassification of Financial Assets and Financial Liabilities

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets

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which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Group's management determines change in the business model as a result of external or internal changes which are significant to the Group's operations. Such changes are evident to external parties. A change in the business model occurs when the Group either begins or ceases to perform an activity that is significant to its operations. If the Group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

## Offsetting of Financial Instruments

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

## 9 Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- i) In the principal market for the asset or liability, or-
- ii) In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available

to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- i) Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- ii) Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- iii) Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

## 10 Cash and Cash Equivalents

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

## 11 Revenue Recognition

The Group has applied five step model as set out in Ind AS 115 to recognise revenue in this Consolidated Financial Statements. The Group satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

- a. The customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs; or
- b. The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- c. The Group's performance does not create an asset with an alternative use to the Group and the entity has an enforceable right to payment for performance completed to date.

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For performance obligations where any of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

Revenue is recognised either at point of time and over a period of time based on the conditions in the contracts with customers.

The specific revenue recognition criteria are described below:

## (I) Income from Property Development

The Group has determined that the existing terms of the contract with customers does not meet the criteria to recognise revenue over a period of time. Revenue is recognized at point in time with respect to contracts for sale of residential and commercial units as and when the control is passed on to the customers which is linked to the application and receipt of occupancy certificate.

The Group provides rebates to the customers. Rebates are adjusted against customer dues and the revenue to be recognized. To estimate the variable consideration for the expected future rebates the Group uses the "most-likely amount" method or "expected value method".

## (II) Contract Balances

Contract Assets:

The Group is entitled to invoice customers for construction of residential and commercial properties based on achieving a series of construction-linked milestones. A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the payment is due, a contract asset is recognized for the earned consideration that is conditional. Any receivable which represents the Group's right to the consideration that is unconditional is treated as a trade receivable.

Contract Liabilities:

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made. Contract liabilities are recognised as revenue when the Group performs under the contract.

## III) Sale of Materials, Land and Development Rights

Revenue is recognized at point in time with respect to contracts for sale of Materials, Land and Development Rights as and when the control is passed on to the customers.

## IV) Interest Income

For all debt instruments measured at amortised cost. Interest income is recorded using the effective interest rate (EIR).

## V) Rental Income

Rental income arising from operating leases is accounted over the lease terms.

## VI) Dividends

Revenue is recognised when the Group's right to receive the payment is established.

## 12 Foreign Currency Translation

### Initial Recognition

Foreign currency transactions during the period / year are recorded in the reporting currency at the exchange rates prevailing on the date of the transaction.

### Conversion

Foreign currencies denominated monetary items are translated into rupees at the closing rates of exchange prevailing at the date of the balance sheet. Non-monetary items, which are carried in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction.

### Exchange Differences

Exchange differences arising, on the settlement of monetary items or reporting of monetary items at the end of the period / year at closing rates, at rates different from those at which they were initially recorded during the period / year, or reported in previous financial statements, are recognized as income or as expenses in the period / year in which they arise.

## 13 Current Income Tax

Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable profit for the period. The tax rates and tax laws used to compute the amount are those that are enacted by the reporting date and applicable for the period

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## Deferred Tax

Deferred tax is recognized using the balance sheet approach. Deferred tax assets and liabilities are recognized for all deductible and taxable temporary differences arising between the tax bases of assets and liabilities and their carrying amount in financial statements, except when the deferred tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of transaction.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates that have been enacted or substantively enacted at the reporting date.

Deferred tax asset in respect of carry forward of unused tax credits and unused tax losses are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

The Group recognizes deferred tax liabilities for all taxable temporary differences except those associated with the investments in subsidiaries where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Minimum Alternate Tax (MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the Group will pay normal tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Group will pay normal tax during the specified period.

## Presentation of Current and Deferred Tax:

Current and deferred tax are recognized as income or an expense in the Statement of Profit and Loss, except when they relate to items that are recognized in Other Comprehensive Income, in which case, the current and deferred tax income/expense are recognized in Other Comprehensive Income. The Group offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off

the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. In case of deferred tax assets and deferred tax liabilities, the same are offset if the Group has a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Group.

## 14 Borrowing Costs

Borrowing costs that are directly attributable to real estate project development activities are inventorised / capitalized as part of project cost.

Borrowing costs are inventorised / capitalised as part of project cost when the activities that are necessary to prepare the inventory / asset for its intended use or sale are in progress. Borrowing costs are suspended from inventorisation / capitalisation when development work on the project is interrupted for extended periods and there is no imminent certainty of recommencement of work.

All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that the group incurs in connection with the borrowing of funds.

## 15 Leases

The Group evaluates each contract or arrangement, whether it qualifies as lease as defined under Ind AS 116.

### Group as a Lessee

The Group assesses, whether the contract is, or contains, a lease at the inception of the contract or upon the modification 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.

The Group at the commencement of the lease contract recognizes a Right-of-Use (RoU) asset at cost and corresponding lease liability, except for leases with a term of twelve months or less (short-term leases) and leases for which the underlying asset is of low value (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.

The cost of the right-of-use assets comprises the amount of the initial measurement of the lease liability, adjusted for any lease payments made at or prior to the commencement date of the lease, any initial direct costs incurred by the Group, any lease incentives received and expected costs



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for obligations to dismantle and remove right-of-use assets when they are no longer used.

Subsequently, the right-of-use assets is measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The right-of-use assets are depreciated on a straight-line basis from the commencement date of the lease over the shorter of the end of the lease term or useful life of the right-of-use asset.

Right-of-use assets are assessed for impairment whenever there is an indication that the balance sheet carrying amount may not be recoverable using cash flow projections for the useful life.

For lease liabilities at commencement date, the Group measures the lease liability at the present value of the future lease payments as from the commencement date of the lease to end of the lease term. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, the Group's incremental borrowing rate for the asset subject to the lease in the respective markets.

Subsequently, the Group measures the lease liability by adjusting carrying amount to reflect interest on the lease liability and lease payments made.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever there is a change to the lease terms or expected payments under the lease, or a modification that is not accounted for as a separate lease

The portion of the lease payments attributable to the repayment of lease liabilities is recognized in cash flows used in financing activities. Also, the portion attributable to the payment of interest is included in cash flows from financing activities. Further, Short-term lease payments, payments for leases for which the underlying asset is of low-value and variable lease payments not included in the measurement of the lease liability is also included in cash flows from operating activities.

## Group as a Lessor

In arrangements where the Group is the lessor, it determines at lease inception whether the lease is a finance lease or an operating lease. Leases that transfer substantially all of the risk and rewards incidental to ownership of the underlying asset to the counterparty (the lessee) are accounted for as finance leases. Leases that do not transfer substantially all of the risks and rewards of ownership are accounted for as operating leases. Lease payments received under operating leases are recognized as income in the statement of profit and loss on a straight-line basis over the lease term or another systematic basis. The Group applies another

systematic basis if that basis is more representative of the pattern in which benefit from the use of the underlying asset is diminished.

## 16 Retirement and Other Employee Benefits

Retirement and other Employee benefits are accounted in accordance with Ind AS 19 – Employee Benefits.

### a) Defined Contribution Plan

The Group contributes to a recognised provident fund for all its employees. Contributions are recognised as an expense when employees have rendered services entitling them to such benefits.

### b) Gratuity (Defined Benefit Scheme)

The Group provides for its gratuity liability based on actuarial valuation as at the balance sheet date which is carried out by an independent actuary using the Projected Unit Credit Method. Actuarial gains and losses are recognised in full in the other comprehensive income for the period in which they occur.

### c) Compensated absences

Liability in respect of earned leave expected to become due or expected to be availed within one year from the balance sheet date is recognized on the basis of undiscounted value of benefit expected to be availed by the employees. Liability in respect of earned leave expected to become due or expected to be availed beyond one year after the balance sheet date is estimated on the basis of actuarial valuation performed by an independent actuary using the projected unit credit method.

## 17 Business Combinations under Common Control

Business Combinations involving entities or business under common control are accounted for using the pooling of interest method.

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

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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of cash or other assets and amount of share capital of the transferor is transferred to capital reserves.

## 18 Earnings Per Share

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

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

## 19 Goodwill

Goodwill is initially measured at cost being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interest over the fair value of net identifiable tangible and intangible assets acquired and liabilities assumed. If the consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognised in OCI and accumulated in equity as capital reserve. After initial recognition, goodwill is measured at the cost less any accumulated impairment losses.

Where goodwill forms part of a cash-generating unit and part of the operation within that unit is disposed off, the goodwill associated with the operation disposed off is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed off in this circumstance is measured based on the relative values of the operation disposed off and the portion of the cash-generating unit retained.

Goodwill is tested annually for impairment, or more frequently if event or changes in circumstances indicates that it might be impaired. For the purpose of impairment testing, goodwill recognised in a business combination under common control is allocated to each of the Company's cash generating units (CGUs) that are expected to benefit from the combination. A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or group

of assets. The impairment loss is recognised for the amount by which the CGUs carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost of disposal and value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

## 20 Employee Stock Option Plan

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense. Upon exercise of share options, the proceeds received are allocated to share capital up to the par value of the shares issued with any excess being recorded as securities premium.

## 21 Joint Development Arrangements (JDA)

The Group executes projects through Joint Development Arrangements (JDA), wherein the land owner provides land and the Group undertakes to develop properties on such land (i.e. development right) and in lieu of land owner providing land, the Group has agreed to transfer certain percentage of constructed area or certain percentage of the revenue proceeds or certain percentage of surplus to the land owner. Transfer of such constructed area or revenue or surplus in exchange of such development rights/ land is being estimated at fair value as per the terms of the agreement and accounted for on launch of the project as the cost of development right (Inventory) with its corresponding liability. Subsequent to initial recognition, such liability is remeasured on each reporting period depending on the type of the arrangement, to reflect the changes in the estimate, if any.

## 22 Dividend distribution to equity holders

Dividends paid / payable along with applicable taxes are recognised when it is approved by the shareholders. In case of interim dividend, it is recognised when it is approved by the Board of Directors and distribution is no longer at the discretion of the Company. A corresponding amount is accordingly recognised directly in equity.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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## 2 Property, Plant and Equipment

Particulars	₹ in million											
	Freehold Land	Site / Sales Office and Sample Flat	Freehold Buildings	Leasehold Improvements	Plant and Equipments	Office Equipments	Computers	Furniture and Fixtures	Vehicles	Right to Use	Total	Capital Work in Progress
<b>(A) Gross Carrying Amount</b>												
Cost as at 01-April-21	6,759	1,549	3,986	75	3,922	371	378	345	60	-	17,445	63
Additions	-	-	-	-	361	20	82	20	26	-	509	-
Increase in Revaluation	37	-	-	-	-	-	-	-	-	-	37	-
Disposals / Adjustments	-	-	-	-	(4)	(0)	(29)	-	-	-	(33)	(63)
As at 31-March-22	6,796	1,549	3,986	75	4,279	391	431	365	86	-	17,958	-
Additions	-	-	-	-	633	111	126	11	18	123	1,022	-
Increase in Revaluation	-	-	-	-	-	-	-	-	-	-	-	-
Disposals / Adjustments	-	-	(6)	-	(33)	-	-	-	-	-	(39)	-
As at 31-March-23	6,796	1,549	3,980	75	4,879	502	557	376	103	123	18,941	-
<b>(B) Depreciation and Impairment</b>												
As at 01-April-21	-	1,443	882	75	2,781	330	369	299	40	-	6,219	-
Depreciation charge for the year	-	34	154	-	336	21	14	12	9	-	580	-
Disposals / Adjustments	-	-	-	-	-	-	(28)	-	-	-	(28)	-
As at 31-March-22	-	1,477	1,036	75	3,117	351	355	311	49	-	6,771	-
Depreciation charge for the year	-	22	143	-	477	37	51	15	14	4	763	-
Disposals / Adjustments	-	-	(4)	-	(18)	-	-	-	-	-	(22)	-
As at 31-March-23	-	1,499	1,175	75	3,576	388	406	326	63	4	7,512	-
<b>(C) Net Carrying Amount (A-B)</b>												
As at 31-March-22	6,796	50	2,805	-	1,303	114	151	50	40	119	11,429	-
As at 31-March-22	6,796	72	2,950	-	1,162	40	76	54	37	-	11,187	-

Note:

- The Group carries a parcel of land at revalued amount and surplus arising from the revaluation is recognised under the head 'Revaluation Surplus' through OCI. During the year, the Company has obtained fair valuation report from registered valuer for such land. The carrying amount of the Land that would have been recognised had the asset being carried under the cost model at 31-March-23 is ₹ 694 million. (31-March-22: ₹ 694 million)

Particulars	₹ in million	
	As at 31-March-23	As at 31-March-22
2 Carrying amount of Buildings hypothecated with Banks against loans.	2,472	2,598

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

## 3 Investment Property

₹ in million

Particulars	Land	Building	Total
<b>(A) Gross Carrying Amount</b>			
<b>Cost as at 01-April-21</b>	<b>1,032</b>	<b>2,226</b>	<b>3,258</b>
Disposals/ Adjustments	-	(39)	(39)
<b>As at 31-March-22</b>	<b>1,032</b>	<b>2,187</b>	<b>3,219</b>
Additions	-	-	-
Disposals / Adjustments	(1,032)	-	(1,032)
<b>As at 31-March-23</b>	<b>-</b>	<b>2,187</b>	<b>2,187</b>
<b>(B) Depreciation and Impairment</b>			
<b>As at 01-April-21</b>	<b>-</b>	<b>491</b>	<b>491</b>
Depreciation charge for the year	-	83	83
Disposals/ Adjustments	-	(6)	(6)
<b>As at 31-March-22</b>	<b>-</b>	<b>568</b>	<b>568</b>
Depreciation charge for the year	-	80	80
<b>As at 31-March-23</b>	<b>-</b>	<b>648</b>	<b>648</b>
<b>(C) Net Carrying Amount (A-B)</b>			
<b>As at 31-March-23</b>	<b>-</b>	<b>1,539</b>	<b>1,539</b>
As at 31-March-22	1,032	1,619	2,651

### (i) Income and expenditure of Investment Properties

₹ in million

Particulars	31-March-23	31-March-22
Rental and Facilities Income	686	700
Less : Direct Operating expenses for properties that generate Rental and Facilities Income	(66)	(63)
<b>Profit from Investment properties before depreciation</b>	<b>620</b>	<b>637</b>
Depreciation and Impairment	80	83
<b>Profit from Investment Properties</b>	<b>540</b>	<b>554</b>

### (ii) Fair value measurement

The fair value of the properties is ₹ 3,883 million and ₹ 4,748 million as at March 31, 2023 and March 31, 2022 respectively. These values are considered as per valuations performed by an independent valuer with experience of valuing investment properties. The Fair value was arrived at considering various factors which includes prevailing market rates.

₹ in million

Particulars	As at 31-March-23	As at 31-March-22
<b>(iii) Carrying amount of Buildings hypothecated with Banks/ Others against borrowings.</b>	<b>1,466</b>	<b>1,540</b>



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

## 4 Intangible Assets

₹ in million

Particulars	Goodwill	Other Intangible Assets (Software)
<b>(A) Gross Carrying Amount</b>		
<b>Cost as at 01-April-21</b>	<b>18,538</b>	<b>207</b>
Additions	3	1
<b>As at 31-March-22</b>	<b>18,541</b>	<b>208</b>
Additions	-	5
Disposals / Adjustments	(2,533)	-
<b>As at 31-March-23</b>	<b>16,009</b>	<b>213</b>
<b>(B) Amortisation and Impairment</b>		
<b>As at 01-April-21</b>	<b>13,071</b>	<b>203</b>
Amortisation charge for the year	82	3
<b>As at 31-March-22</b>	<b>13,153</b>	<b>206</b>
Impairment/ Amortisation charge for the year	82	3
Disposals / Adjustments	(2,529)	-
<b>As at 31-March-23</b>	<b>10,706</b>	<b>209</b>
<b>(C) Net Book Value (A-B)</b>		
<b>As at 31-March-23</b>	<b>5,303</b>	<b>4</b>
As at 31-March-22	5,388	2

## 5 Investments accounted for using the Equity Method

₹ in million

Particulars	Face Value in ₹	As at 31-March-23	As at 31-March-22
The following entity has been included in the consolidated financial statements using the equity method:			
Altamount Road Property Pvt. Ltd.			
Numbers		-	13,58,246
Amount	10	-	459
Palava Induslogic 4 Pvt. Ltd. #			
Numbers		4,89,99,910	-
Amount	10	-	-
Palava Induslogic 2 Pvt. Ltd. #			
Numbers		2,98,435	2,98,435
Amount	10	-	3
Palava Induslogic 3 Pvt. Ltd.			
Numbers		-	50,01,000
Amount	10	-	49
Bellissimo Digital Infrastructure Development Management Pvt. Ltd. #			
Numbers		14,04,546	-
Amount	10	-	-
Bellissimo In City FC Mumbai 1 Pvt. Ltd.			
Numbers		2,30,65,001	-
Amount	10	227	-
Lodha Developers UK Ltd.#			
Numbers		6,120	6,120
Amount	1 GBP	-	-

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

## 5 Investments accounted for using the Equity Method (Cond.)

₹ in million

Particulars	Face Value in ₹	As at 31-March-23	As at 31-March-22
Lodha Developers 1GSQ Holding Ltd.#			
Numbers		500	500
Amount	1 GBP	-	-
Lodha Developers International (Jersey) III Ltd.#			
Numbers		500	500
Amount	1 GBP	-	-
<b>Total Equity Accounted Investments</b>		<b>227</b>	<b>511</b>

#Investment value is Nil after considering fair value of retained interest and group's share of losses in joint venture.

### Summarised financial information of associate/ joint venture:

₹ in million

Particulars	As at 31-March-23	As at 31-March-22
Current Assets	17,773	49,274
Non-Current Assets	8,536	3,873
Current Liabilities	(3,679)	(8,479)
Non-Current Liabilities	(36,405)	(52,112)
<b>Equity</b>	<b>(13,775)</b>	<b>(7,444)</b>

₹ in million

Particulars	For the Year ended 31-March-23	For the Year ended 31-March-22
Revenue	27,669	37,636
Expenses	31,857	45,500
<b>Loss before Tax</b>	<b>(4,188)</b>	<b>(7,864)</b>
Tax Credit/ (Expense)	111	185
<b>Loss for the year</b>	<b>(4,077)</b>	<b>(7,679)</b>
<b>Group's share of Profit/ (Loss) for the year*</b>	<b>(52)</b>	<b>9</b>

\*Losses restricted to the extent of investment amount

## 6 Non-Current Investments

₹ in million

Particulars	Face Value in ₹	As at 31-March-23	As at 31-March-22
<b>(A) Unquoted Equity Shares, Fully paid up at fair value through Profit and Loss</b>			
Shreeniwas Abode and House Ltd.			
Numbers		58,056	58,056
Amount	1	0	0
Kidderpore Holdings Ltd.			
Numbers		13,824	13,824
Amount	10	0	0
<b>Total (A)</b>		<b>0</b>	<b>0</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

## 6 Non-Current Investments (Contd..)

₹ in million

Particulars	Face Value in ₹	As at 31-March-23	As at 31-March-22
<b>(B) Preference Shares</b>			
<b>Non Convertible Redeemable Preference Shares</b>			
<b>Joint Venture, fully paid up at cost</b>			
Lodha Developers UK Ltd.			
Numbers		12,90,000	12,90,000
Amount	1 GBP	131	117
<b>Optionally Convertible Preference Shares</b>			
<b>Joint Venture, fully paid up at cost</b>			
Lodha Developers UK Ltd.			
Numbers		9,180	9,180
Amount	1 GBP	1	1
<b>Non Cumulative Compulsory Convertible Preference Shares,</b>			
<b>fully paid up at fair value through profit and loss</b>			
Housr Technologies Pvt. Ltd.			
Numbers		27	27
Amount	10	5	5
<b>Compulsory Convertible Preference Shares, fully paid up, at cost</b>			
Bellissimo Digital Infrastructure Development Management Pvt. Ltd.			
Numbers	10	14,04,546	-
Amount		28	-
<b>Total (B)</b>		<b>165</b>	<b>123</b>

₹ in million

Particulars		As at 31-March-23	As at 31-March-22
<b>(C) Unquoted Non Convertible Redeemable Debentures, Fully paid up at amortised cost</b>			
<b>Joint Venture</b>			
Lodha Developers UK Ltd.			
Numbers		5,41,000	5,41,000
Amount	1 GBP	55	54
Altamount Road Property Pvt. Ltd.			
Numbers		-	17,15,000
Amount	100	-	171
<b>Others</b>			
Krisha Enterprises Pvt Ltd			
Numbers		410	410
Amount	10,00,000	410	410
<b>Total (C)</b>		<b>465</b>	<b>635</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

## 6 Non-Current Investments (Contd..)

		₹ in million	
Particulars		As at 31-March-23	As at 31-March-22
<b>(D) Unquoted Optionally Convertible Debentures, Fully paid up at Fair Value through Profit and Loss</b>			
Palava Induslogic 2 Pvt. Ltd.			
Numbers		5,75,22,565	5,75,22,565
Amount	10	575	575
<b>Total (D)</b>		<b>575</b>	<b>575</b>
<b>(E) Unquoted Compulsory Convertible Debentures, Fully paid up at Fair Value through Profit and Loss</b>			
Palava Induslogic 4 Pvt. Ltd.			
Numbers		5,52,55,217	-
Amount	100	434	-
Bellissimo In City FC Mumbai 1 Pvt. Ltd .			
Numbers		2,48,10,000	-
Amount	10	248	-
<b>Total (E)</b>		<b>682</b>	<b>-</b>
<b>Total Unquoted Investments (A+B+C+D+E)</b>		<b>1,887</b>	<b>1,333</b>
<b>Total Investments</b>		<b>1,887</b>	<b>1,333</b>
Aggregate value of unquoted investments		1,887	1,333
Aggregate amount of impairment in value of investments		-	-

## 7 Non-Current Loans

### (Unsecured considered good unless otherwise stated)

		₹ in million	
Particulars		As at 31-March-23	As at 31-March-22
Loans/ Intercompany Deposits to:			
Related Parties (Refer Note 49)		19,643	19,090
Less: Provision for Loans which have significant increase in credit risk		(13,281)	(65)
Loan to Employees		230	723
<b>Total</b>		<b>6,592</b>	<b>19,748</b>



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

## 8 Other Non-Current Financial Assets

(Unsecured considered good unless otherwise stated)

₹ in million

Particulars	As at 31-March-23	As at 31-March-22
Deposits	-	0
Fixed Deposits with maturity of more than 12 months*	1,074	1,862
<b>Total</b>	<b>1,074</b>	<b>1,862</b>

\*Lien against Bank Guarantee, Debt Service Reserve Account, Margin and Letter of Credit 1,067 874

## 9 Non - Current Tax Assets (net)

₹ in million

Particulars	As at 31-March-23	As at 31-March-22
Advance Income Tax (Net of Provisions)	2,873	3,256
<b>Total</b>	<b>2,873</b>	<b>3,256</b>

## 10 Other Non-Current Assets

(Unsecured, considered good unless otherwise stated)

₹ in million

Particulars	As at 31-March-23	As at 31-March-22
Deposits	254	-
Indirect Tax Receivables	438	479
Capital Advances	321	321
	<b>1,013</b>	<b>800</b>
Less: Advances which have significant increase in credit risk	(321)	(321)
<b>Total</b>	<b>692</b>	<b>479</b>

## 11 Inventories

₹ in million

Particulars	As at 31-March-23	As at 31-March-22
<b>(at lower of cost and net realisable value)</b>		
Building Materials	1,044	1,138
Land and Property Development Work-in-Progress (Refer note 45)	2,45,057	2,30,442
Finished Stock	55,066	42,003
<b>Total</b>	<b>3,01,167</b>	<b>2,73,583</b>

The carrying amount of Inventories charged as securities against borrowings. 98,926 1,87,606

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

## 12 Current Investments

Particulars	Face Value ₹	₹ in million	
		As at 31-March-23	As at 31-March-22
<b>Quoted Investments at Fair Value through Profit &amp; Loss</b>			
<b>(A) In Mutual Funds</b>			
Faering Capital India Evolving Fund			
Numbers		77,772	77,772
Amount	1,000	232	231
L & T Liquid Fund - Growth*			
Numbers		3	3
Amount	1,000	0	0
Nippon India Liquid Fund*			
Numbers		3,048	1,44,040
Amount	10	17	750
Baroda Mutual Fund			
Numbers		-	49,988
Amount	10	-	1
Baroda Business Cycle Fund - Direct Growth			
Numbers		-	99,995
Amount		-	1
Union Liquid Fund			
Numbers		-	48,775
Amount	10	-	100
L & T Short Term Bond Fund-Growth*			
Numbers		5,55,524	1,03,40,500
Amount	10	11	224
Aditya Birla Sun Life Savings Fund*			
Numbers		1,82,704	-
Amount		85	-
Baroda BNP Paribas Liquid fund			
Numbers		-	40,784
Amount	10	-	100
Aditya Birla Sun Life Liquid Fund*			
Numbers		-	26,23,949
Amount	10	-	900
Kotak Liquid Fund			
Numbers		-	3,25,449
Amount	10	-	1,400
L & T Debt Fund*			
Numbers		-	92,90,664
Amount	10	-	188
		<b>345</b>	<b>3,895</b>
*Includes on account of Lien against Bank Guarantee, Debt Service Reserve Account, Margin and Letter of Credit			
<b>Quoted Investment at fair value through Profit and Loss</b>			
<b>(B) In Equity Shares</b>			
Dhenu Buildcon Infra Ltd.			
Numbers		3,02,088	3,02,088
Amount	10	1	1
		<b>1</b>	<b>1</b>
<b>Total Current Investments</b>		<b>346</b>	<b>3,896</b>
Aggregate cost of quoted investments		187	3,687
Aggregate value of unquoted investments		-	-
Aggregate market value of quoted investments		346	3,896

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

## 13 Current Loans

(Unsecured considered good unless otherwise stated)

₹ in million

Particulars	As at 31-March-23	As at 31-March-22
Loans / Inter Corporate Deposits to Related Parties (Refer Note 49)	-	8,516
Loan to others	4,875	3,477
Loan Receivable which have significant increase in credit risk	348	474
	<b>5,223</b>	<b>12,467</b>
Less: Provision for Loan which have significant increase in credit risk	(348)	(474)
<b>Total</b>	<b>4,875</b>	<b>11,993</b>

## 14 Trade Receivables

₹ in million

Particulars	As at 31-March-23	As at 31-March-22
<b>Unsecured</b>		
Considered good	7,393	6,451
Receivables which have significant increase in credit risk	25	31
	<b>7,418</b>	<b>6,482</b>
Less: Receivables which have significant increase in credit risk	(25)	(31)
<b>Total</b>	<b>7,393</b>	<b>6,451</b>

- (i) Trade Receivables charged as securities against borrowings. 4268 5594
- (ii) Trade Receivables are disclosed net of advances, as per agreed terms.

### Trade Receivables Ageing Schedule

Particulars	Undisputed Trade receivables – considered good	Undisputed Trade Receivables – which have significant increase in credit risk	Disputed Trade Receivables – considered good	Disputed Trade Receivables – which have significant increase in credit risk
<b>As at 31 March 2023</b>				
Less than 6 months	3,183	-	-	-
6 months - 1 year	1,220	-	-	-
1- 2 years	756	-	-	-
2 - 3 years	415	-	-	-
More than 3 years	1,819	-	-	25
<b>Total</b>	<b>7,393</b>	<b>-</b>	<b>-</b>	<b>25</b>
<b>As at 31 March 2022</b>				
Less than 6 months	2,725	-	-	-
6 months - 1 year	702	-	-	-
1- 2 years	1,110	-	-	-
2 - 3 years	1,006	-	-	0
More than 3 years	908	-	-	31
<b>Total</b>	<b>6,451</b>	<b>-</b>	<b>-</b>	<b>31</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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## 15 Cash and Cash Equivalents

₹ in million

Particulars	As at 31-March-23	As at 31-March-22
Cash on Hand	3	6
Balances with Banks	13,105	4,764
Fixed Deposits with original maturity of less than 3 months	-	1
<b>Total</b>	<b>13,108</b>	<b>4,771</b>

## 16 Bank Balances other than Cash and Cash Equivalents

₹ in million

Particulars	As at 31-March-23	As at 31-March-22
Fixed Deposits with original maturity of less than 12 months*	5,134	7,686
<b>Total</b>	<b>5,134</b>	<b>7,686</b>

\*Lien against Bank Guarantee, Debt Service Reserve Account, Margin and Letter of Credit 3,867 5,646

## 17 Other Current Financial Assets

(Unsecured considered good unless otherwise stated)

₹ in million

Particulars	As at 31-March-23	As at 31-March-22
Deposits	9,894	4,245
Interest Receivables (Refer Note 49)	156	2,324
Accrued Revenue (Refer Note 58)	5,037	10,573
Other Financial Assets	622	157
<b>Total</b>	<b>15,709</b>	<b>17,299</b>

## 18 Other Current Assets

(Unsecured, considered good unless otherwise stated)

₹ in million

Particulars	As at 31-March-23	As at 31-March-22
Advances / Deposits to:		
Suppliers / Contractors	2,137	4,106
Employees	47	50
Prepaid Expenses	4,485	4,634
Indirect Tax Receivables	2,566	2,609
Other Advances	530	550
<b>Total</b>	<b>9,765</b>	<b>11,949</b>



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

## 19 Equity Share Capital

₹ in million

Particulars	As at 31-March-23	As at 31-March-22
<b>(A) Authorised Share Capital</b>		
<b>Equity Shares of ₹ 10 each</b>		
<b>Numbers</b>		
Balance at the beginning of the year	1,29,49,45,750	1,29,49,45,750
Increase during the year	-	-
<b>Balance at the end of the year</b>	<b>1,29,49,45,750</b>	<b>1,29,49,45,750</b>
<b>Amount</b>		
Balance at the beginning of the year	12,949	12,949
Increase during the year	-	-
<b>Balance at the end of the year</b>	<b>12,949</b>	<b>12,949</b>
<b>Preference Shares of ₹ 10 each</b>		
<b>Numbers</b>		
Balance at the beginning of the year	1,26,86,250	1,26,86,250
Increase during the year	-	-
<b>Balance at the end of the year</b>	<b>1,26,86,250</b>	<b>1,26,86,250</b>
<b>Amount</b>		
Balance at the beginning of the year	127	127
Increase during the year	-	-
<b>Balance at the end of the year</b>	<b>127</b>	<b>127</b>
<b>(B) Issued Equity Capital</b>		
<b>Equity Shares of ₹ 10 each issued, subscribed and fully paid up</b>		
<b>Numbers</b>		
Balance at the beginning of the year	48,15,06,362	39,58,78,000
Increase during the year	2,82,512	8,56,28,362
<b>Balance at the end of the year</b>	<b>48,17,88,874</b>	<b>48,15,06,362</b>
<b>Amount</b>		
Balance at the beginning of the year	4,815	3,959
Increase during the year	3	856
<b>Balance at the end of the year</b>	<b>4,818</b>	<b>4,815</b>

Pursuant to the approval of the shareholders of the Company, during the Financial Year ended 31-March-18, the Company has allotted 282,770,000 fully paid up Equity Shares of face value ₹ 10 each as bonus shares by utilising the security premium.

### (C) Terms/ rights attached to equity shares

The Company has only one class of equity shares having par value of ₹ 10 per share.

Each Shareholder is entitled for one vote per share. The shareholders have the right to receive interim dividends declared by the Board of Directors and final dividend proposed by the Board of Directors and approved by the Shareholders.

In the event of liquidation, the shareholders will be entitled in proportion to the number of equity shares held by them to receive remaining assets of the Company, after distribution of all preferential amounts.

₹ in million

Particulars	As at 31-March-23	As at 31-March-22
<b>(D) Shares held by holding company and / or their subsidiaries</b>		
<b>Equity Shares</b>		
a) Sambhavnath Infrabuild and Farms Pvt. Ltd.		
Numbers	13,66,63,977	13,66,83,320
Amount	1,367	1,367

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

## 19 Equity Share Capital (Contd..)

Particulars	₹ in million	
	As at 31-March-23	As at 31-March-22
b) Sambhavnath Trust		
Numbers	11,54,72,762	12,85,80,480
Amount	1,155	1,286
c) Hightown Constructions Private Limited		
Numbers	9,67,38,145	10,95,92,990
Amount	967	1,096
d) Homecraft Developers and Farms Private Limited		
Numbers	1,24,32,410	2,10,21,010
Amount	124	210
<b>Total</b>		
<b>Numbers</b>	<b>36,13,07,294</b>	<b>39,58,77,800</b>
<b>Amount</b>	<b>3,613</b>	<b>3,959</b>

Particulars	₹ in million	
	As at 31-March-23	As at 31-March-22
<b>(E) Details of shareholders holding more than 5% shares in the Company</b>		
<b>Equity Shares</b>		
a) Sambhavnath Infrabuild and Farms Pvt. Ltd.		
Numbers	13,66,63,977	13,66,83,320
% of Holding	28.37%	28.39%
b) Sambhavnath Trust		
Numbers	11,54,72,762	12,85,80,480
% of Holding	23.97%	26.70%
c) Hightown Constructions Private Limited		
Numbers	9,67,38,145	10,95,92,990
% of Holding	20.08%	22.76%

## (F) Shares held by Promoters

Particulars	Number of shares	₹ in million	
		% of total shares	% change during the year
<b>As at 31-March-23</b>			
(a) Sambhavnath Infrabuild and Farms Pvt. Ltd.	13,66,63,977	28.37%	-0.02%
(b) Sambhavnath Trust	11,54,72,762	23.97%	-2.74%
(c) Hightown Constructions Private Limited	9,67,38,145	20.08%	-2.68%
(d) Homecraft Developers and Farms Private Limited	1,24,32,410	2.58%	-1.79%
(e) Rajendra Lodha	200	0.00%	Nil
(a) Sambhavnath Infrabuild and Farms Pvt. Ltd.	13,66,83,320	28.39%	39.13%
(b) Sambhavnath Trust	12,85,80,480	26.70%	-5.78%
(c) Hightown Constructions Private Limited	10,95,92,990	22.76%	22.76%
(d) Homecraft Developers and Farms Private Limited	2,10,21,010	4.37%	4.37%
(c) Rajendra Lodha	200	0.00%	Nil

## (G) ESOP Scheme 2021 (Refer note 61)

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

## 20 Securities Premium

₹ in million

Particulars	As at 31-March-23	As at 31-March-22
Balance at the beginning of the year	65,416	2,128
Increase / (Decrease) during the year (Refer Note 68)	204	64,153
Less: Adjusted for Issue expenses (Refer Note 68)	-	865
<b>Balance at the end of the year</b>	<b>65,620</b>	<b>65,416</b>

## 21 Retained Earnings

₹ in million

Particulars	As at 31-March-23	As at 31-March-22
Balance at the beginning of the year	46,076	29,609
Increase during the year	5,457	16,468
<b>Balance at the end of the year</b>	<b>51,533</b>	<b>46,076</b>

## 22 Other Reserves

₹ in million

Particulars	As at 31-March-23	As at 31-March-22
(i) Capital Redemption Reserve	4	4
(ii) Capital Reserve	(718)	(718)
(iii) Debenture Redemption Reserve	-	620
(iv) Foreign Currency Translation Reserve	(17)	110
(v) Revaluation Reserve	4,333	4,333
(vi) Share Based Payment Reserve	1,053	394
<b>Total</b>	<b>4,655</b>	<b>4,743</b>
<b>(i) Capital Redemption Reserve</b>		
Balance at the beginning of the year	4	4
Increase / (Decrease) during the year	-	-
<b>Balance at the end of the year</b>	<b>4</b>	<b>4</b>
<b>(ii) Capital Reserve</b>		
Balance at the beginning of the year	(718)	(1)
Increase / (Decrease) during the year	-	(717)
<b>Balance at the end of the year</b>	<b>(718)</b>	<b>(718)</b>
<b>(iii) Debenture Redemption Reserve</b>		
Balance at the beginning of the year	620	5,830
Transfer during the year	(620)	(5,210)
<b>Balance at the end of the year</b>	<b>-</b>	<b>620</b>
<b>(iv) Foreign Currency Translation Reserve</b>		
Balance at the beginning of the year	110	157
Transfer during the year	(127)	(47)
<b>Balance at the end of the year</b>	<b>(17)</b>	<b>110</b>
<b>(v) Revaluation Reserve</b>		
Balance at the beginning of the year	4,333	4,304
Increase during the year (net of tax)	-	29
<b>Balance at the end of the year</b>	<b>4,333</b>	<b>4,333</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

## 22 Other Reserves (Contd..)

Particulars	₹ in million	
	As at 31-March-23	As at 31-March-22
<b>(vi) Share Based Payment Reserve</b>		
Balance at the beginning of the year	394	-
Increase during the year	766	394
Transfer during the year	(107)	-
<b>Balance at the end of the year</b>	<b>1,053</b>	<b>394</b>

The nature and purpose of other reserves:

- (i) Capital Redemption Reserve - Amount transferred from retained earnings on redemption of issued shares.
- (ii) Capital Reserve - Amount of Share capital issued on merger.
- (iii) Debenture Redemption Reserve (DRR)- Pursuant to the notification GSR 574(E) dated 16-August-19, in reference to amendment in rule 18, sub rule 7 of the Companies (Share Capital and Debentures) Rules, 2014, the company has not transferred amount from retained earnings to DRR, during the year ended as on 31-March-20 and onwards. Further, DRR has been retained on outstanding Debentures, if any, issued upto 31-March-19 and balance has been transferred to Retained Earnings.
- (iv) Foreign Currency Translation Reserve - Gains / losses arising on retranslating the net assets of overseas entities.
- (v) Revaluation Reserve - Gains arising on the revaluation of certain class of Property, Plant and Equipment.
- (vi) Share Based Payment Reserve - The fair value of the equity-settled share based payment transactions is recognised in Consolidated Statement of Profit and Loss with corresponding credit to Share Based Payment Reserve Account.

## 23 Non-Current Borrowings

Particulars	₹ in million	
	As at 31-March-23	As at 31-March-22
<b>Secured</b>		
Non Convertible Debentures	1,676	6,053
Term Loans		
From Banks	7,295	5,104
From Others	16,889	17,259
Senior Notes	-	4,154
<b>Unsecured</b>		
Redeemable Preference Shares*	95	-
Loans / Inter Corporate Deposit from Related Parties (Refer note 49)	-	246
	<b>25,955</b>	<b>32,816</b>
Less: Current Maturities of Non-Current Borrowings (Refer note 28)	(3,387)	(5,660)
<b>Total</b>	<b>22,568</b>	<b>27,156</b>

\*Repayable between 42 to 60 months post approval of underlying project.



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

## 23 Non-Current Borrowings (Contd..)

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

₹ in million

Particulars	As at 31-March-23	As at 31-March-22
<b>1 Non Convertible Debentures</b>	1,680	6,053
<b>Secured by :</b>		
(i) Charge on certain land and building situated at Mumbai and Thane		
(ii) Charge over project receivables.		
<b>Terms of Repayment :</b>		
Repayable at par		
Repayment ending from December-2025 to June-2026		
<b>Effective Rate of Interest :</b>		
Rate of Interest range from 9.12% to 9.65%		
<b>2 Term Loan from banks and others</b>		
<b>Secured by :</b>	24,276	22,432
(i) Charge on certain land and building situated at Mumbai and Thane.		
(ii) Charge over project receivables.		
(iii) Personal Guarantee of a Director.		
(iv) Guarantee for ₹ 965 million (31-March-22 : ₹ 1,081 million) by relative of a Director and by Holding Company		
<b>Terms of Repayment :</b>		
Repayment ending from August-2024 to February-2028		
<b>Effective Rate of Interest :</b>		
Rate of Interest range from 9.50% to 10.90% p.a.		
<b>3 Senior Notes</b>	-	4,154
<b>Secured by :</b>		
(i) Charge on Escrow Account of Lodha Developers International Ltd.		
(ii) The aggregate potential liability of the Parent Guarantor and Subsidiary Guarantor under their Note Guarantees will be capped initially at an amount equal to 125.00 % of the aggregate principal amount of the Notes, being Nil (31-March-22; US\$69 million)		
Terms of Repayment : Loan repaid during the year		
Effective Rate of Interest : Rate of Interest 14% p.a.		
<b>4 Related Parties</b>	-	246
Repayment made during the year		

\*Above note represents outstanding borrowings before adjusting loan issue cost and premium on debentures.

## 24 Non-Current Trade Payables

₹ in million

Particulars	As at 31-March-23	As at 31-March-22
Due to Micro and Small Enterprises (Refer Note 62)	894	650
Due to Others	403	573
<b>Total</b>	<b>1,297</b>	<b>1,223</b>

Note: Disclosure of outstanding dues of Micro and Small Enterprise under Trade Payables is based on the information available with the Group regarding the status of the suppliers as defined under the Micro, Small and Medium Enterprises Development Act, 2006 and relied upon by the auditor.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

## 25 Other Non-Current Financial Liabilities

₹ in million

Particulars	As at 31-March-23	As at 31-March-22
Deposits	383	245
Other Liabilities	836	1,284
<b>Total</b>	<b>1,219</b>	<b>1,529</b>

## 26 Non-Current Provisions

₹ in million

Particulars	As at 31-March-23	As at 31-March-22
Employee Benefits (Refer Note 47)		
Gratuity	219	167
Leave Obligation	4	2
<b>Total</b>	<b>223</b>	<b>169</b>

## 27 Other Non-Current Liabilities

₹ in million

Particulars	As at 31-March-23	As at 31-March-22
Deferred Lease Income	-	933
<b>Total</b>	<b>-</b>	<b>933</b>

## 28 Current Borrowings

₹ in million

Particulars	As at 31-March-23	As at 31-March-22
<b>Secured</b>		
Non Convertible Debentures	1,990	12,149
Term Loans		
From Banks	25,040	27,253
From Others	30,929	38,968
Cash Credit / Overdraft Facility	6,572	4,181
Current Maturity of non-current borrowings	3,387	5,660
<b>Total</b>	<b>67,918</b>	<b>88,211</b>

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

₹ in million

Particulars	As at 31-March-23	As at 31-March-22
<b>A Non Convertible Debentures</b>		
<b>Secured by :</b>	2,000	12,171
(i) Charge on land and building situated at Mumbai and Thane		
(ii) Charge over project receivables.		
(iii) Personal Guarantee of the Director		
<b>Terms of Repayment :</b>		
Repayment at the end of the term upto September-2025		
<b>Effective Rate of Interest :</b>		
Rate of Interest range from 10.34 % to 11.05 %		

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

## 28 Current Borrowings (Contd..)

₹ in million

Particulars	As at 31-March-23	As at 31-March-22
<b>B Term Loan from banks and others</b>		
1 <b>Secured by :</b>	19,859	24,372
(i) Charge on certain land and building situated at Thane.		
(ii) Charge over project receivables.		
(iii) Personal Guarantee of the Director		
(iv) Corporate Guarantee by Holding Company for ₹ 873 million (31-March-2022 : ₹ 5,785 million).		
(v) Corporate guarantee by DM partner ₹ 1,460 million (31-March-22: ₹ Nil)		
<b>Terms of Repayment :</b>		
Repayment ending from May-2024 to March-2028.		
<b>Effective Rate of Interest :</b>		
Rate of Interest range from 8.25 % to 11.85%		
2 <b>Secured by :</b>	18,653	29,489
(i) Charge on certain land and building situated at Mumbai		
(ii) Charge over project receivables.		
(iii) Personal Guarantee of the Director		
(iv) Corporate Guarantee by Holding Company for ₹1,393 million (31-March-22 : ₹2,064 million)		
(v) Corporate Guarantee given by Subsidiary Company for ₹4,673 million (31-March-22 : ₹Nil)		
(vi) Corporate guarantee by land owner in case of a JDA project for ₹538 million (31-March-22 : ₹688 million)		
<b>Terms of Repayment :</b>		
Repayment ending from May-2024 to March-2028.		
<b>Effective Rate of Interest :</b>		
Rate of Interest range from 9.25% to 10.15%		
3 <b>Secured by :</b>	2,800	-
(i) Charge on certain land of Pune		
(ii) Charge over project receivables.		
<b>Terms of Repayment :</b>		
Repayment ending on September-2027		
Effective Rate of Interest: Rate of Interest 9.85 %		
4 <b>Secured by :</b>	14,678	12,693
(i) Charge on certain land of Palava		
(ii) Charge over project receivables.		
(iii) Personal Guarantee of a Director		
(iv) Corporate Guarantee by Company for ₹5,000 million (31-March-22: ₹5,000 million)		
Repayment ending from June-2023 to September-2026		
Effective Rate of Interest : Rate of Interest range from 9.70% to 9.90%		
5 <b>Secured by :</b>	424	-
(i) Charge on certain land and building situated at Bengaluru		
(ii) Charge on Inventory and receivables.		
(iii) Corporate Guarantee by the company		
Terms of Repayment : Repayment ending on August-2025		
Effective Rate of Interest : Rate of Interest 10.45 % p.a.		

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

## 28 Current Borrowings (Contd..)

₹ in million

Particulars	As at 31-March-23	As at 31-March-22
<b>C Cash Credit/ Overdraft Facility</b>		
<b>Secured by :</b>	6,572	4,182
(i) Charge on land and building situated at Mumbai and Thane		
(ii) Charge over project receivables.		
(iii) Personal Guarantee of the Director		
<b>Terms of Repayment :</b>		
Repayable on demand		
<b>Effective Rate of Interest :</b>		
Rate of Interest range from 9.40 % to 9.70 %		

\*Above note represents outstanding borrowings before adjusting loan issue cost and premium on debentures.

The Group does not have any charges or satisfaction which is yet to be registered with Registrar of Companies as on Balance sheet date, beyond the statutory period.

The Group has availed various borrowings from banks or financial institutions on the basis of security of current assets. Quarterly returns or statements of current assets filed by the Group with the banks or financial institutions are in agreement with the books of account.

## 29 Current Trade Payables

₹ in million

Particulars	As at 31-March-23	As at 31-March-22
Due to Micro and Small Enterprises (Refer Note 62)	4,593	2,786
Due to Others	15,072	11,078
<b>Total</b>	<b>19,665</b>	<b>13,864</b>

Note: Disclosure of outstanding dues of Micro and Small Enterprise under Trade Payables is based on the information available with the Group regarding the status of the suppliers as defined under the Micro, Small and Medium Enterprises Development Act, 2006 and relied upon by the auditor.

## 30 Other Current Financial Liabilities

₹ in million

Particulars	As at 31-March-23	As at 31-March-22
Interest accrued but not due	175	545
Other Payables		
Deposits	62	64
Employee Payables	1,140	882
Deferred Liability against Purchase of Land	18,164	16,271
Payable on Cancellation of Allotted Units	162	408
Other Liabilities (includes payable for development rights)	24,577	4,094
<b>Total</b>	<b>44,280</b>	<b>22,264</b>



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

## 31 Current Provisions

₹ in million

Particulars	As at 31-March-23	As at 31-March-22
Employee Benefits (Refer Note 47)		
Gratuity	65	52
Leave Obligation	14	3
<b>Total</b>	<b>79</b>	<b>55</b>

## 32 Current Tax Liabilities

₹ in million

Particulars	As at 31-March-23	As at 31-March-22
Provision for Income Tax (Net of Advance Tax)	367	19
<b>Total</b>	<b>367</b>	<b>19</b>

## 33 Other Current Liabilities

₹ in million

Particulars	As at 31-March-23	As at 31-March-22
Advances received from Customers	73,512	74,312
Duties and Taxes	771	600
Accrued Liability and Society Payables	31,979	30,924
<b>Total</b>	<b>1,06,262</b>	<b>1,05,836</b>

## 34 Revenue from Operations

₹ in million

Particulars	For the Year ended 31-March-23	For the Year ended 31-March-22
Income from Property Development (Refer Note 58)	88,081	83,290
Sale of Land / Development Rights	4,277	6,812
Sale of Building Materials	436	802
Income from Lease Rentals	554	565
Other Operating Revenue	1,356	863
<b>Total</b>	<b>94,704</b>	<b>92,332</b>

## 35 Other Income

₹ in million

Particulars	For the Year ended 31-March-23	For the Year ended 31-March-22
Gains arising from fair valuation of financial instruments	(73)	148
Gain on Sale of Investments	1,185	30
Gain on Sale of Investment Property	-	80
Dividend on Current Investments	-	53
Foreign Exchange (Loss) / Gain (net)	(1,028)	(539)
Gain/(Loss) on Sale of Property, Plant & Equipment	12	(2)
Interest Income	1,226	3,127
Miscellaneous Income (Net)	86	24
<b>Total</b>	<b>1,408</b>	<b>2,921</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

## 36 Cost of Projects

Particulars	₹ in million	
	For the Year ended 31-March-23	For the Year ended 31-March-22
Opening Stock		
Land and Property Development Work-in-Progress	2,30,442	2,28,056
Finished Stock	42,003	53,884
Add : Expenditure during the year		
Land, Construction and Development Cost	59,560	26,023
Consumption of Building Materials	11,211	6,867
Purchase of Building Materials	359	786
Other Construction Expenses	2,516	2,009
Overheads Allocated	11,810	15,533
Add / (Less) :		
Acquisition of Subsidiary	3,027	12
Transfers and Others	(165)	(99)
Less: Closing Stock		
Land and Property Development Work-in-Progress	(2,45,057)	(2,30,442)
Finished Stock	(55,066)	(42,003)
<b>Total</b>	<b>60,640</b>	<b>60,626</b>

## 37 Employee Benefits Expense

Particulars	₹ in million	
	For the Year ended 31-March-23	For the Year ended 31-March-22
Salaries and Wages	5,920	5,372
Contribution to Provident and Other Funds	189	140
Share Based Payment to Employees	766	395
Staff Welfare	75	51
	<b>6,950</b>	<b>5,958</b>
Less: Allocated to Cost of Projects	(2,711)	(2,414)
<b>Total</b>	<b>4,239</b>	<b>3,544</b>

## 38 Finance Costs

Particulars	₹ in million	
	For the Year ended 31-March-23	For the Year ended 31-March-22
Interest Expense on Borrowings and Others	13,284	19,348
Other Finance Costs	606	575
	<b>13,890</b>	<b>19,923</b>
Less: Allocated to Cost of Projects	(9,099)	(13,119)
<b>Total</b>	<b>4,791</b>	<b>6,803</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

## 39 Other Expenses

₹ in million

Particulars	For the Year ended 31-March-23	For the Year ended 31-March-22
Rent	106	19
Rates and Taxes	352	234
Insurance	19	13
Electricity	157	16
Postage / Telephone / Internet	40	46
Printing and Stationery	19	11
Legal and Professional	990	437
Payment to Auditors as:		
Audit Fees	28	28
Taxation matters	1	1
Other services*	9	9
Advertising Expenses	1,090	799
Brokerage and Commission	1,507	1,045
Business Promotion	386	373
Stamp Duty and Registration Charges	2,552	1,731
Travelling and Conveyance	198	107
Bank Charges	29	76
Donations/ CSR	366	102
Sundry Balances / Excess Provisions written back/off (net)	(231)	(167)
Repairs and Maintenance - Others	1,250	1,213
Provision for / (Write back of) Doubtful Receivables and Advances/ Deposits	54	-
Write off of loan**	-	10,715
Less: Provision for loss allowances recognized in earlier years	-	(10,715)
Compensation	179	235
Miscellaneous Expenses	62	48
	<b>9,163</b>	<b>6,376</b>

\*Other Services does not include fees of ₹15 million for the year ended 31-March-2022 in respect of services towards IPO / QIP which have been adjusted against security premium being share issue expenses.

\*\* In respect of Loan given for UK business operations which had been provided in the previous year.

## 40 Tax Expense

a) The major components of Income Tax expense are as follows:

₹ in million

Profit or loss section	For the Year ended 31-March-23	For the Year ended 31-March-22
<b>(i) Income tax expense recognised in the statement of profit and loss:</b>		
<b>Current Income Tax (expense) / benefit :</b>		
Current Income Tax	(2,986)	(345)
Adjustments in respect of current Income Tax of earlier years	145	231
<b>Total</b>	<b>(2,841)</b>	<b>(114)</b>
<b>Deferred Tax (expense) / benefit :</b>		
Origination and reversal of temporary differences	4,271	(5,312)
MAT Credit Receivable	(738)	150

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

## 40 Tax Expense (Contd..)

₹ in million

Profit or loss section	For the Year ended 31-March-23	For the Year ended 31-March-22
Adjustments in respect of deferred tax of earlier years (Including MAT Credit of earlier years)	(322)	196
<b>Total</b>	<b>3,211</b>	<b>(4,966)</b>
<b>Income Tax (expense) / benefit reported in the Statement of Profit and Loss</b>	<b>370</b>	<b>(5,080)</b>
<b>(ii) Income tax expenses recognised in OCI</b>		
Deferred Tax (expense) / benefit on remeasurements of defined benefit plans	15	(13)
<b>Income Tax charged to OCI</b>	<b>15</b>	<b>(13)</b>

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

₹ in million

Particulars	For the Year ended 31-March-23	For the Year ended 31-March-22
<b>Accounting Profit Before Tax</b>	<b>4,525</b>	<b>17,165</b>
Income tax expenses calculated at corporate tax rate	(1,581)	(5,998)
<b>Tax effect of adjustment to reconcile expected income tax expense to reported:</b>		
<b>Deductible expenses for Tax purposes:</b>		
Deduction under the Tax Laws/ Exempted Income	1,974	845
Other deductible expenses	328	-
<b>Non-deductible expenses for Tax purposes:</b>		
Permanent disallowance of Expenses	(52)	(156)
Donation / CSR Expenses	(41)	(34)
Other non-deductible expenses	(81)	(157)
Adjustments in respect of Current Tax of earlier year	145	231
Adjustments in respect of Deferred Tax of earlier year (Including MAT Credit of earlier years)	(322)	188
<b>Tax expense reported in the Statement of Profit and Loss</b>	<b>370</b>	<b>(5,080)</b>

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

₹ in million

Deferred Tax relates to the following:	Balance sheet	
	As at 31-March-23	As at 31-March-22
Accelerated depreciation and amortisation for tax purposes	(1,168)	(1,222)
Expenses allowable but not charged to Statement of Profit and Loss	(2,910)	(2,715)
Expenses disallowable but charged to Statement of Profit and Loss	1,513	153
Carried Forward Business Loss / Unabsorbed Depreciation	23	579
Deferred Tax on Revaluation of Land	(1,247)	(1,299)
Expected credit losses of Financial Assets	4,642	67
MAT credit	462	1,416
Share Issue Expenses	-	301
Others	785	1,552
<b>Net Deferred Tax Assets / (Liabilities)</b>	<b>2,100</b>	<b>(1,168)</b>



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

## 40 Tax Expense (Contd..)

₹ in million

Particulars	Profit and Loss	
	For the Year ended 31-March-23	For the Year ended 31-March-22
Accelerated depreciation and amortisation for tax purposes	54	(12)
Expenses allowable but not charged to Statement of Profit and Loss	(195)	169
Expenses disallowable but charged to Statement of Profit and Loss	1,360	-
Carried Forward Business Loss / Unabsorbed Depreciation	(556)	(158)
Deferred Tax on Revaluation of Land	52	(9)
Effect of adoption of Ind AS 115	-	(936)
Expected credit losses of Financial Assets	4,575	(3,644)
MAT credit (Including for earlier years)	(954)	354
Tax impact on OCD	-	(755)
Others	(1,125)	25
<b>Deferred Tax (Expense) / Income</b>	<b>3,211</b>	<b>(4,966)</b>

### d) Reconciliation of Deferred Tax Assets / (Liabilities) (net) :

₹ in million

Particulars	Balance sheet	
	As at 31-March-23	As at 31-March-22
<b>Balance at the beginning of the year</b>	(1,168)	2,098
Tax income/(expense) during the year recognised in Statement of Profit and Loss	3,211	(4,966)
Tax income/(expense) during the year recognised in OCI	15	(14)
Tax impact on OCD and NCD	-	1,344
Tax impact on Share Issue expenses	-	389
Deferred Tax on brand / acquisition of subsidiary	42	(19)
<b>Balance at the end of the year</b>	<b>2,100</b>	<b>(1,168)</b>

### e) Deferred Tax as per the Balance Sheet

₹ in million

Particulars	As at 31-March-23	As at 31-March-22
Deferred Tax Assets (net)	2,432	743
Deferred Tax Liabilities (net)	(332)	(1,911)
<b>Deferred Tax Assets/ (Liabilities) (net)</b>	<b>2,100</b>	<b>(1,168)</b>

## 41 Significant Accounting Judgements, Estimates and Assumptions

### (i) Useful Life of Property, Plant and Equipments, Intangible Assets and Investment Properties

The Group determines the estimated useful life of its property, plant and equipments, investment properties and intangible assets for calculating depreciation/ amortisation. The estimate is determined after considering the expected usage of the assets or physical wear and tear. The Group periodically reviews the estimated useful life and the depreciation/ amortisation method to ensure that the method and period of depreciation/ amortisation are consistent with the expected pattern of economic benefits from these assets.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

## (ii) Impairment of Non-Financial Assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. An assessment is carried to determine whether there is any indication of impairment in the carrying amount of the Group's assets. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount.

## (iii) Income Taxes

Significant judgments are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

## (iv) Defined Benefit Plans (Gratuity and Leave Encashment Benefits)

The costs of providing pensions and other post-employment benefits are charged to the Consolidated Statement of Profit and Loss in accordance with Ind AS 19 'Employee benefits' over the period during which benefit is derived from the employees' services. The costs are assessed on the basis of assumptions selected by the management. These assumptions include salary escalation rate, discount rates, expected rate of return on assets and mortality rates.

## (v) Fair Value Measurement of Financial Instruments

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques, including the discounted cash flow model, which involve various judgements and assumptions.

## (vi) Revaluation of Property, Plant and Equipment

The Group measures Land classified as property, plant and equipment at revalued amounts with changes in fair value being recognised in Other Comprehensive Income (OCI). The Group has engaged an independent valuer to assess the fair value periodically. Land is valued by reference to market-based evidence, using comparable prices adjusted for specific market factors such as nature, location and condition of the property.

## (vii) Valuation of inventories

The determination of net realisable value of inventory includes estimates based on 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 cost.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

## 42 Company Information

The Subsidiaries, Associates, Joint Venture and Limited Liability Partnership considered in the Consolidated Financial Statement are :

### a) Subsidiaries

₹ in million

Sr No	Name of the Company	Principal activities	Country of Incorporation	Percentage of Holding as on	
				31-March-23	31-March-22
1	Anantnath Constructions and Farms Pvt. Ltd. <sup>1</sup>	Real Estate	India	-	100.00%
2	Apollo Complex Pvt. Ltd.	Real Estate	India	100.00%	100.00%
3	Bellissimo Constructions and Developers Pvt. Ltd.	Real Estate	India	100.00%	100.00%
4	Bellissimo Digital Infrastructure Development Management Pvt. Ltd. <sup>2</sup>	Real Estate	India	-	100.00%
5	Bellissimo Digital Infrastructure Investment Management Pvt. Ltd. <sup>2</sup>	Real Estate	India	-	100.00%
6	Bellissimo In City FC NCR1 Pvt. Ltd. <sup>3</sup>	Real Estate	India	100.00%	-
7	Bellissimo Estate Pvt. Ltd. <sup>1</sup>	Real Estate	India	-	100.00%
8	Brickmart Constructions And Developers Pvt. Ltd.	Real Estate	India	100.00%	100.00%
9	Center for Urban Innovation Pvt. Ltd.	Real Estate	India	100.00%	100.00%
10	Cowtown Infotech Services Pvt. Ltd.	Support service activities	India	100.00%	100.00%
11	Cowtown Software Design Pvt. Ltd.	Support service activities	India	100.00%	100.00%
12	Digirealty Technologies Pvt. Ltd.	Real Estate	India	100.00%	100.00%
13	G Corp Homes Pvt. Ltd. <sup>4</sup>	Real Estate	India	100.00%	-
14	Homescapes Constructions Pvt. Ltd.	Real Estate	India	100.00%	100.00%
15	Kora Constructions Pvt. Ltd. <sup>1</sup>	Real Estate	India	-	100.00%
16	Lodha Developers International (Netherlands) B. V.	Real Estate	Netherlands	100.00%	100.00%
17	Lodha Developers International Ltd.	Marketing and Sales activities	Mauritius	100.00%	100.00%
18	Lodha Developers U.S. Inc.	Marketing and Sales activities	United States	100.00%	100.00%
19	Luxuria Complex Pvt. Ltd. <sup>1</sup>	Real Estate	India	-	100.00%
20	MMR Social Housing Pvt. Ltd. <sup>1</sup>	Real Estate	India	-	100.00%
21	National Standard (India) Ltd.	Real Estate	India	73.94%	73.94%
22	Odeon Theatres and Properties Pvt. Ltd. <sup>1</sup>	Real Estate	India	-	100.00%
23	One Place Commercials Pvt. Ltd.	Real Estate	India	100.00%	100.00%
24	Palava City Management Pvt. Ltd.	Facility Management Services	India	100.00%	100.00%
25	Palava Induslogic 4 Pvt. Ltd. <sup>2</sup>	Real Estate	India	-	100.00%
26	Palava Industrial and Logistics Park Pvt. Ltd. <sup>1</sup>	Real Estate	India	-	100.00%
27	Palava Institute of Advanced Skill Training Pvt. Ltd.	Real Estate	India	100.00%	100.00%
28	Primebuild Developers and Farms Pvt. Ltd.	Real Estate	India	100.00%	100.00%

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

## 42 Company Information (Contd..)

₹ in million

Sr No	Name of the Company	Principal activities	Country of Incorporation	Percentage of Holding as on	
				31-March-23	31-March-22
29	Renover Green Consultants Pvt. Ltd. <sup>1</sup>	Real Estate	India	-	100.00%
30	Roselabs Finance Ltd.	Real Estate	India	74.25%	74.25%
31	Sanathnagar Enterprises Ltd.	Real Estate	India	72.70%	72.70%
32	Simtools Pvt. Ltd.	Real Estate	India	49.85%	49.85%
33	Sitaldas Estate Pvt. Ltd. <sup>1</sup>	Real Estate	India	-	100.00%
34	Thane Commercial Tower A Management Pvt. Ltd.	Real Estate	India	100.00%	100.00%
35	Palava Induslogic 3 Pvt. Ltd.	Real Estate	India	100.00%	-
36	Bellissimo Buildtech LLP	Real Estate	India	100.00%	100.00%

1 Merged with the Company w.e.f. effective date 30-April-22

2 Upto 27-May-22

3 Incorporated on 30-November-22

4 w.e.f 28-June-22

### b) Associate/ Joint Venture

₹ in million

Sr No	Name of the Company	Relationship	Country of Incorporation	Percentage of Holding as on	
				31-March-23	31-March-22
1	Altamount Road Property Pvt. Ltd. <sup>1</sup>	Joint Venture	India	-	49.00%
2	Lodha Developers UK Ltd.	Joint Venture	United Kingdom	51.00%	51.00%
3	Grosvenor Street Apartments Ltd. <sup>#</sup>	Joint Venture	United Kingdom	51.00%	51.00%
4	Lodha Developers 1GSQ Holdings Ltd. <sup>#</sup>	Joint Venture	Jersey Island	53.45%	53.45%
5	Lodha Developers 1GSQ Ltd. <sup>#</sup>	Joint Venture	Jersey Island	53.45%	53.45%
6	Lodha Developers 48 CS Ltd. <sup>#</sup>	Joint Venture	Jersey Island	53.45%	53.45%
7	Lodha Developers Dorset Close Ltd. <sup>#</sup>	Joint Venture	Jersey Island	53.45%	53.45%
8	Lodha Developers International (Jersey) III Ltd. <sup>#</sup>	Joint Venture	Jersey Island	53.45%	53.45%
9	1GSQ Leaseco Ltd. <sup>#</sup>	Joint Venture	United Kingdom	51.00%	51.00%
10	Mayfair Square Apartments Ltd. <sup>#2</sup>	Joint Venture	United Kingdom	45.90%	-
11	Mayfair Square Residence Ltd. <sup>#2</sup>	Joint Venture	United Kingdom	45.90%	-
12	New Court Holdings Ltd. <sup>#</sup>	Joint Venture	United Kingdom	51.00%	51.00%
13	Palava Induslogic 2 Pvt. Ltd.	Joint Venture	India	100.00%	100.00%
14	Palava Induslogic 3 Pvt. Ltd.	Joint Venture	India	-	100.00%
15	Palava Induslogic 4 Pvt. Ltd. <sup>3</sup>	Joint Venture	India	33.33%	-
16	Bellissimo Digital Infrastructure Development Management Pvt. Ltd. <sup>3</sup>	Joint Venture	India	60.00%	-
17	Bellissimo Digital Infrastructure Investment Management Pvt. Ltd. <sup>3</sup>	Joint Venture	India	60.00%	-
18	Bellissimo In City FC Mumbai 1 Pvt. Ltd. <sup>4</sup>	Joint Venture	India	33.33%	-
19	Lincoln Square Apartments Ltd. <sup>#</sup>	Joint Venture	United Kingdom	51.00%	51.00%
20	1GS Investments Ltd. <sup>#</sup>	Joint Venture	United Kingdom	53.45%	53.45%
21	1GS Residences Ltd. <sup>#</sup>	Joint Venture	United Kingdom	53.43%	53.43%
22	1GS Properties Investments Ltd. <sup>#</sup>	Joint Venture	United Kingdom	51.00%	51.00%
23	1GS Quarter Holding Ltd. <sup>#</sup>	Joint Venture	United Kingdom	53.45%	53.45%

1 Upto 13-September-22

2 w.e.f. 27-April-22

3 w.e.f. 10-May-22

4 w.e.f 30-November-22

<sup>#</sup>Subsidiaries of Lodha Developers UK Ltd.



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

## 43 Commitments and Contingencies

### a. Leases

#### Operating Lease Commitments — Company as Lessee (Refer Note 60)

#### Operating Lease Commitments — Company as Lessor

The Group has entered into cancellable and non-cancellable operating leases on its commercial premises. These leases have terms of between 3 and 55 years. All leases include a clause to enable upward revision of the rental charge on an annual basis according to prevailing market conditions.

Rent Income recognized by the group during the year:

Particulars	₹ in million	
	31-March-23	31-March-22
Cancellable operating lease	117	102
Non-Cancellable operating lease	438	455
	<b>555</b>	<b>557</b>

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

Particulars	₹ in million	
	31-March-23	31-March-22
Within one year	245	522
After one year but not more than five years	590	946
More than five years	351	511
	<b>1,186</b>	<b>1,979</b>

### b. Commitments

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

Particulars	₹ in million	
	31-March-23	31-March-22
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances). *	694	552

\*Above amount includes share of Associate/ Joint ventures.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

## 43 Commitments and Contingencies (Contd..)

(ii) The Group has entered into joint development agreements (JDA) with land owners for development of projects. Under these agreements, the group is required to share built up area/ revenue/ surplus from such developments in exchange of development rights as stipulated under the agreements.

### c. Contingent Liabilities

#### Claims against the company not acknowledged as debts

Particulars	₹ in million	
	31-March-23	31-March-22
(i) Disputed Demands of Customers/Vendor excluding amounts not ascertainable.	620	913
(ii) Corporate Guarantees Given*	102	297
(iii) Disputed Taxation Matters	1,052	2,302
(iv) Disputed Land related Legal cases	467	803

\*Represents Outstanding amount of the Loan / Balances guaranteed.

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

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

44 In case of pending appeals filed by the Income Tax Department against the favourable orders, the management is confident that the outcome would be favourable and hence no contingent liability is disclosed.

## 45 Land and Property Development Work-in-Progress includes:

Particulars	₹ in million	
	31-March-23	31-March-22
a Land for which conveyance is pending.	1,598	3,290
b Land held in the name of Individuals on behalf of the Group	134	3,394
c Land already acquired for which Memorandum of Understanding / consent letters are pending	418	605
	<b>2,150</b>	<b>7,289</b>

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

Particulars	₹ in million	
	For the Year ended 31-March-23	For the Year ended 31-March-22
Donations given	107	23

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

## 47 Gratuity and Leave Obligation

The Group has a funded defined benefit gratuity plan and is governed by the Payment of Gratuity Act, 1972. Under the Act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the employee's length of service and salary at retirement age.

The following tables summarises the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet for the respective plans:

### (A) Leave Obligation

₹ in million

Particulars	As at 31-March-23	As at 31-March-22
Changes in the present value of the defined benefit obligation are, as follows:		
<b>Defined benefit obligation at the beginning of the year</b>	<b>5</b>	<b>7</b>
Opening Balance on account of acquisition of subsidiary	6	-
Interest cost	1	0
Current service cost	7	1
Transfer in / (out) obligation	-	0
Actuarial gain and losses	(0)	(0)
Experience adjustments	0	(3)
Benefits paid	(1)	-
<b>Defined benefit obligation at the end of the year</b>	<b>18</b>	<b>5</b>

### (B) Gratuity Benefits

#### (i) Obligation

₹ in million

Particulars	As at 31-March-23	As at 31-March-22
<b>Defined benefit obligation at the beginning of the year</b>	<b>283</b>	<b>265</b>
Opening Balance on account of acquisition of subsidiary	1	-
Current service cost	52	47
Interest cost	20	18
Transfer in/(out) obligation	-	2
Actuarial gain and losses	(10)	(14)
Experience adjustments	53	1
Benefits paid	(47)	(35)
<b>Defined benefit obligation at the end of the year</b>	<b>352</b>	<b>283</b>

#### (ii) Fund

₹ in million

Particulars	As at 31-March-23	As at 31-March-22
<b>Defined benefit plan at the beginning of the year</b>	<b>(64)</b>	<b>(60)</b>
Current service cost	0	(0)
Interest cost	(5)	(4)
Transfer in/(out) obligation	-	-
Return on plan assets	1	0
Experience adjustments	-	(0)
<b>Defined benefit plan at the end of the year</b>	<b>(68)</b>	<b>(64)</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

## 47 Gratuity and Leave Obligation (Contd..)

₹ in million

Particulars	As at 31-March-23	As at 31-March-22
<b>Total Gratuity Benefits (i+ii)</b>		
<b>Defined benefit obligation at the beginning of the year</b>	219	205
<b>Opening Balance on account of acquisition of subsidiary</b>	1	-
Current service cost	52	47
Interest cost	15	14
Transfer in/(out) obligation	-	1
Return on plan assets	1	0
Actuarial gain and losses	(10)	(14)
Experience adjustments	53	1
Benefits paid	(47)	(35)
<b>Defined benefit obligation at the end of the year</b>	<b>284</b>	<b>219</b>

The major category of plan assets relating to gratuity out of total plan assets are as follows:

₹ in million

Particulars	As at 31-March-23	As at 31-March-22
<b>Unquoted investments:</b>		
Policy of insurance	(68)	(64)
<b>Total</b>	<b>(68)</b>	<b>(64)</b>

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

Particulars	31-March-23 %	31-March-22 %
<b>Discount rate:</b>		
Gratuity	7.55%	7.25%
Leave Obligation	7.55%	7.25%
<b>Future salary increases:</b>		
Gratuity	5.00%	5.00%
Leave Obligation	5.00%	5.00%
Mortality Rate : Indian Assured Lives Mortality (2012-14) Table		

(D) Impact on defined benefit obligation

₹ in million

Particulars	31-March-23	31-March-22
<b>Sensitivity Level</b>		
<b>Impact of 0.5% Increase of Discount Rate</b>		
Gratuity	337	269
Leave Obligation	18	5
<b>Impact of 0.5% Decrease of Discount Rate</b>		
Gratuity	365	299
Leave Obligation	18	5



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

## 47 Gratuity and Leave Obligation (Contd..)

Particulars	₹ in million	
	31-March-23	31-March-22
<b>Sensitivity Level</b>		
<b>Impact of 0.5% Increase of Future Salaries</b>		
Gratuity	364	294
Leave Obligation	18	5
<b>Impact of 0.5% Decrease of Future Salaries</b>		
Gratuity	337	273
Leave Obligation	18	5

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

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

Particulars	₹ in million	
	31-March-23	31-March-22
Within the next 12 months (next annual reporting period)	31	25
Between 2 and 5 years	83	65
Between 5 and 10 years	130	104
<b>Total expected payments</b>	<b>244</b>	<b>194</b>

The average duration of the defined benefit plan obligation w.r.t. gratuity at the end of the reporting period is 13.22 years (31- March-22: 12.42 years).

## 48 Exceptional Items

The Group has given loans to Lodha Developers UK Limited (LD UK) and its subsidiaries from time to time for UK projects and has accrued interest thereon. The current economic uncertainty in European countries alongside adverse geopolitical developments, high inflation coupled with recessionary economic outlook etc. has led to reduction in expected realisable value of outstanding loans along with accrued interest. Accordingly, a provision of ₹1,1774 million has been recognised as an "Exceptional Item" during the year against the same.

## 49 Related Party Transactions

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

### A. List of Related Parties:

(As identified by the management)

#### I Person having Control or Joint Control or Significant Influence

Abhishek Lodha

#### II Close family members of person having control\* (with whom the Group had transactions)

Mangal Prabhat Lodha

Manjula Lodha

Vinti Lodha

\*Pursuant to an arrangement

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

## 49 Related Party Transactions (Contd..)

### III Holding Company

Sambhavnath Infrabuild and Farms Pvt. Ltd.

### IV Subsidiaries of Holding Company (with whom the Group had transactions)

- 1 Bellissimo Properties Development Pvt. Ltd.
- 2 Odeon Construction and Development Pvt. Ltd.

### V Others (Entities controlled by person having control, joint control or KMP, with whom the Group had transactions)

- 1 Sambhavnath Trust
- 2 Sitaben Shah Memorial Trust
- 3 Bellissimo Healthy Constructions and Developers Pvt. Ltd.
- 4 PLP Architecture International Ltd.

### VI Associate

Kora Construction Pvt. Ltd. (Upto 22-November-21)

### VII Joint Venture

- 1 Altamount Road Property Private Limited (upto 13-September-22)
- 2 Lodha Developers UK Ltd.
- 3 Grosvenor Street Apartments Ltd.\*
- 4 Lodha Developers 1GSQ Holdings Ltd.\*
- 5 Lodha Developers 1GSQ Ltd. \*
- 6 Lodha Developers 48 CS Ltd. \*
- 7 Lodha Developers Dorset Close Ltd. \*
- 8 Lodha Developers International (Jersey) III Ltd. \*
- 9 1GSQ Leaseco Ltd. \*
- 10 New Court Developers Ltd. \* (upto 14-October-21)
- 11 New Court Holdings Ltd. \*
- 12 Lincoln Square Apartments Ltd. \*
- 13 1GS Quarter Holding Ltd.\* (w.e.f 23-November-21)
- 14 1GS Investments Ltd. \*
- 15 1GS Residences Ltd. \*
- 16 1GS Properties Investments Ltd. (Formerly Known as GS Pent House Ltd.) (w.e.f 23-September-20) \*
- 17 Palava Induslogic 2 Pvt. Ltd. (w.e.f. 28-September-21)
- 18 Palava Induslogic 3 Pvt. Ltd. (w.e.f. 16-December-21)
- 19 Mayfair Square Apartment Ltd. (w.e.f. 27-April-22)
- 20 Mayfair Square Residence Ltd. (w.e.f. 27-April-22)
- 21 Bellissimo Digital Infrastructure Development Management Pvt. Ltd. (w.e.f. 10-May-22)
- 22 Bellissimo Digital Infrastructure Investment Management Pvt. Ltd. (w.e.f. 10-May-22)
- 23 Palava Induslogic 4 Pvt. Ltd. (w.e.f. 10-May-22)
- 24 Bellissimo In City FC Mumbai Pvt. Ltd. (w.e.f. 30-November-22)

\*Subsidiaries of Lodha Developers UK Ltd.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

## 49 Related Party Transactions (Contd..)

### VIII Key Management Person (KMP)

- 1 Abhishek Lodha (Managing Director and CEO)
- 2 Mukund M. Chitale (Independent Director and Chairman)
- 3 Rajendra Lodha (Whole Time Director)
- 4 Rajinder Pal Singh (Non Executive Director)
- 5 Ashwani Kumar (Independent Director)
- 6 Raunika Malhotra (Whole Time Director)
- 7 Sushil Kumar Modi (CFO)
- 8 Lee Anthony Polisano (Independent Director) (w.e.f. 30-July-21)
- 9 Rajeev Bakshi (Independent Director) (w.e.f. 29-June-22)
- 10 Harita Gupta (Independent Director) (w.e.f. 20-September-22)

### IX Relative of KMP (with whom the Group had transactions)

- 1 Nitu Lodha
- 2 Sahil Lodha

### X Directors of Holding Company

- 1 Ashish Gaggar (Upto 20-May-21)
- 2 Manoj Vaishya (w.e.f. 20-May-21)
- 3 Govind Agarwal

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

### (i) Outstanding Balances

₹ in million

Sr. No.	Nature of Transactions	Relationship	As at 31-Mar-23	As at 31-March-22
1	Investments	Joint Ventures	1,699	1,429
2	Loans given	Joint Ventures*	6,362	27,541
3	Trade Receivable	Joint Venture	-	403
		Others	659	59
4	Other Financial Assets	Joint Ventures	204	2,133
5	Loans taken	Subsidiary of Holding Company	-	246
6	Trade Payables	KMP	15	-
7	Other Non - Current Liabilities	Joint Ventures	-	933
8	Other Financial Liabilities	Person having control	0	-
		Close family member of person having control	1	-
		KMP	22	-
9	Other Current Liabilities	Person having control	302	245
		Close family member of person having control	1,432	1,492
		Others	300	-
10	Guarantees taken	Holding Company	8,231	12,770
		Person having control	55,811	94,879
11	Guarantees given	Joint Ventures	102	297

\*Net of Provision ₹13,281 million (31-March-2022: ₹65 million)

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

## 49 Related Party Transactions (Contd..)

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

				₹ in million	
Sr. No.	Nature of Transactions	Relationship	For the Year ended 31-March-23	For the Year ended 31-March-22	
<b>1</b>	<b>Income from Property Development</b>				
	Sitaben Shah Memorial Trust	Others	764	406	
	Sambhavnath Infrabuild and Farms Pvt Ltd	Holding Company	24	-	
	Sahil Lodha	Relative of KMP	-	378	
<b>2</b>	<b>Reversal of Income from Property Development</b>				
	Sahil Lodha	Relative of KMP	378	-	
	Rajendra Lodha	KMP	129	108	
<b>3</b>	<b>Income from Construction Contracts</b>				
	Palava Induslogic 2 Pvt. Ltd.	Joint Venture	117	-	
	Altamount Road Property Pvt. Ltd.	Joint Venture	35	38	
<b>4</b>	<b>Sale of Land</b>				
	Palava Induslogic 4 Pvt. Ltd.	Joint Venture	2,720	-	
	Palava Induslogic 3 Pvt. Ltd.	Joint Venture	-	1,035	
	Palava Induslogic 2 Pvt. Ltd.	Joint Venture	-	1,848	
	Altamount Road Property Pvt Ltd.	-	120	-	
<b>5</b>	<b>Interest Income</b>				
	Lodha Developers UK Ltd.	Joint Venture	36	68	
	Lodha Developers 1GSQ Ltd.	Joint Venture	313	2,190	
	Sambhavnath Infrabuild and Farms Pvt. Ltd.	Holding Company	-	283	
	Altamount Road Property Pvt. Ltd.	Joint Venture	5	19	
<b>6</b>	<b>Salary and Wages Recovered *</b>				
	Bellissimo Digital Infrastructure Development Management Pvt. Ltd.	Joint Venture	139	-	
<b>7</b>	<b>Purchase of Construction materials</b>				
	Odeon Constructions and Development Pvt. Ltd.	Subsidiary of Holding Company	91	-	
	Sambhavnath Infrabuild and Farms Pvt. Ltd.	Holding Company	167	-	
<b>8</b>	<b>Remuneration paid</b>				
	Mangal Prabhat Lodha	Close family members of person having control	17	45	
	Abhishek Lodha	Person having control	49	48	
	Rajendra Lodha	KMP	49	-	
	Rajinder Pal Singh	KMP	9	9	
	Manjula Lodha	Close family members of person having control	-	7	



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

## 49 Related Party Transactions (Contd..)

₹ in million

Sr. No.	Nature of Transactions	Relationship	For the Year ended 31-March-23	For the Year ended 31-March-22
	Vinti Lodha	Relative of KMP	12	10
	Ashish Gaggar (Upto 20-May-21)	Directors of Holding Company	-	2
	Govind Agarwal*	Directors of Holding Company	7	5
	Manoj Vaishya (w.e.f. 20-May-21)*	Directors of Holding Company	8	5
	Sushil Kumar Modi*	KMP	106	106
	Raunika Malhotra*	KMP	52	69
<b>9</b>	<b>Commission and Sitting Fees</b>			
	Mukund Chitale	KMP	5	5
	Rajeev Bakshi	KMP	3	-
	Ashwini Kumar	KMP	4	4
	Harita Gupta	KMP	2	-
	Lee Anthony Polisano	KMP	4	4
<b>11</b>	<b>Donation / Corporate Social Responsibility</b>			
	Sitaben Shah Memorial Trust	Others	73	36
<b>12</b>	<b>Loans / Advances given / (returned) - Net</b>			
	Altamount Road Property Pvt. Ltd.	Joint Venture	-	(5)
	Sambhavnath Infrabuild and Farms Pvt. Ltd.	Holding Company	-	(1,548)
	Lodha Developers International (Jersey) III Ltd.	Joint Venture	1,134	-
	Palava Induslogic 2 Pvt. Ltd.	Joint Venture	(48)	48
	Palava Induslogic 3 Pvt. Ltd.	Joint Venture	-	632
	Lodha Developers TGSQ Ltd.	Joint Venture	(4,394)	(17,908)
	Lodha Developers UK Ltd.	Joint Venture	(6,553)	6,297
<b>13</b>	<b>Loans / Advances taken / (returned) - Net</b>			
	Bellissimo Healthy Constructions and Developers Pvt. Ltd.	Others	-	(832)
	Bellissimo Properties Development Pvt. Ltd.	Subsidiary of Holding Company	(246)	(523)
<b>14</b>	<b>Advance Received / (Returned)</b>			
	Sambhavnath Trust	Others	300	-
<b>15</b>	<b>Provision for Doubtful Receivable</b>			
	Lodha Developers International (Jersey) III Ltd.	Joint Venture	6,626	-
	Lodha Developers TGSQ Ltd.	Joint Venture	2,788	-
	Lodha Developers UK Ltd.	Joint Venture	2,360	-
<b>16</b>	<b>Redemption of Investments</b>			
	Sambhavnath Infrabuild and Farms Pvt. Ltd.	Holding Company	-	13,257

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

## 49 Related Party Transactions (Contd..)

₹ in million

Sr. No.	Nature of Transactions	Relationship	For the Year ended 31-March-23	For the Year ended 31-March-22
<b>17</b>	<b>Other Operating Income (Rent Income)</b>			
	Altamount Road Property Pvt. Ltd.	Joint Venture	5	18
<b>18</b>	<b>Other Operating Income</b>			
	Bellissimo Digital Infrastructure Development Management Pvt. Ltd.	Joint Venture	44	-
	Bellissimo In City FC Mumbai Pvt Ltd	Joint Venture	0	-
	Palava Induslogic 2 Pvt. Ltd.	Joint Venture	107	-
	Palava Induslogic 4 Pvt. Ltd.	Joint Venture	65	-
<b>19</b>	<b>Other Income (Commission)</b>			
	Lodha Developers 1GSQ Ltd.	Joint Venture	3	-
	Lodha Developers 48CS Ltd.	Joint Venture	1	-
<b>20</b>	<b>Investments</b>			
	Altamount Road Property Pvt. Ltd.	Joint Venture	-	24
	Palava Induslogic 2 Pvt. Ltd.	Joint Venture	-	578
	Palava Induslogic 3 Pvt. Ltd.	Joint Venture	-	39
	Palava Induslogic 4 Pvt. Ltd.	Joint Venture	1,043	-
	Bellissimo Digital Infrastructure Development Management Pvt. Ltd.	Joint Venture	57	-
	Bellissimo In City FC Mumbai Pvt Ltd	Joint Venture	479	-
<b>21</b>	<b>Sale of Investments</b>			
	Sambhavnath Infrabuild and Farms Pvt. Ltd.	Holding Company	-	643
	Bellissimo Properties Development Pvt. Ltd.	Subsidiary of Holding Company	-	198
<b>22</b>	<b>Project Expenses (Consultancy)</b>			
	PLP Architecture International Ltd.	KMP having substantial Interest	29	-
<b>23</b>	<b>Guarantees taken</b>			
	Sambhavnath Infrabuild and Farms Pvt. Ltd.	Holding Company	-	5,000
	Abhishek Lodha	Person having control	28390	42,500

\*Including ESOP amortization

### iii) Terms and conditions of outstanding balances with Related Parties

#### a) Receivables from related parties

The trade receivables from related parties arise mainly from sale transactions and services rendered and are received as per agreed terms. The receivables are unsecured in nature and interest is charged on over due receivables. No provisions are held against receivables from related parties.

#### b) Payable to Related Parties

The payables to related parties arise mainly from purchase transactions and services received and are paid as per agreed terms.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

## 49 Related Party Transactions (Contd..)

### c) Loans to Related Parties

The loans to related parties are unsecured bearing effective interest rate.

## 50 Financial Instrument measured at Amortised Cost

The carrying amount of financial assets and financial liabilities measured at amortised cost in the consolidated financial statements are a reasonable approximation of their fair values since the Group does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

## 51 Fair Value Measurement

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

₹ in million

Particulars	Carrying Value			Fair value measurement using		
	Fair Value through Profit & Loss (FVTPL)	Amortised Cost	Total	Quoted prices in active markets Level 1	Significant observable inputs Level 2	Significant Unobservable inputs Level 3
<b>As at 31-March-23</b>						
<b>Financial Assets</b>						
Investment in Mutual Funds	345	-	345	345	-	-
Investment in Equity Shares	1	-	1	1	-	-
Investment in Preference Shares	5	159	164	-	5	-
Investment in Debentures	1,257	1,147	2,404	-	-	1,257
Loans	-	11,467	11,467	-	-	-
Trade Receivables	-	7,393	7,393	-	-	-
Cash and Cash Equivalents	-	13,108	13,108	-	-	-
Bank Balances other than Cash and Cash Equivalents	-	5,134	5,134	-	-	-
Other Financial Assets	-	16,783	16,783	-	-	-
	<b>1,608</b>	<b>55,191</b>	<b>56,799</b>	<b>346</b>	<b>5</b>	<b>1,257</b>
<b>Financial Liabilities</b>						
Borrowings	-	90,486	90,486	-	-	-
Lease Liability	-	117	117	-	-	-
Trade Payables	-	20,962	20,962	-	-	-
Other Financial Liabilities	-	45,499	45,499	-	-	-
	<b>-</b>	<b>1,57,064</b>	<b>1,57,064</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>As at 31-March-22</b>						
<b>Financial Assets</b>						
Investment in Mutual Funds	3,895	-	3,895	3,895	-	-
Investment in Equity Shares	1	-	1	1	-	-
Investment in Preference Shares	5	-	5	-	5	-
Investment in Debentures	575	752	1,327	-	-	575
Loans	-	31,741	31,741	-	-	-
Trade Receivables	-	6,451	6,451	-	-	-
Cash and Cash Equivalents	-	4,771	4,771	-	-	-
Bank Balances other than Cash and Cash Equivalents	-	7,686	7,686	-	-	-

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

## 51 Fair Value Measurement (Contd..)

₹ in million

Particulars	Carrying Value			Fair value measurement using		
	Fair Value through Profit & Loss (FVTPL)	Amortised Cost	Total	Quoted prices in active markets Level 1	Significant observable inputs Level 2	Significant Unobservable inputs Level 3
Other Financial Assets	-	19,161	19,161	-	-	-
	<b>4,476</b>	<b>70,562</b>	<b>75,038</b>	<b>3,896</b>	<b>5</b>	<b>575</b>
<b>Financial Liabilities</b>						
Borrowings	-	1,15,367	1,15,367	-	-	-
Lease Liability	-	-	-	-	-	-
Trade Payables	-	15,087	15,087	-	-	-
Other Financial Liabilities	-	23,793	23,793	-	-	-
	<b>-</b>	<b>1,54,247</b>	<b>1,54,247</b>	<b>-</b>	<b>-</b>	<b>-</b>

The following table presents the changes in level 3 items:

₹ in million

Particulars	Debentures
<b>As at 01-April-21</b>	<b>-</b>
Addition/ (disposal) of financial asset	575
Gain/ (loss) recognised in statement of profit and loss	-
<b>As at 31-March-22</b>	<b>575</b>
Addition/ (disposal) of financial asset	682
Gain/ (loss) recognised in statement of profit and loss	-
<b>As at 31-March-23</b>	<b>1,257</b>

## 52 Financial Risk Management Objectives and Policies

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

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

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

The Group has evolved a risk mitigation framework to identify, assess and mitigate financial risk in order to minimize potential adverse effects on the Group's financial performance. There have been no substantive changes in the Group's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated herein.

### (a) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risks: interest rate risk, currency risk and other price risk. Financial instruments affected by market risk includes borrowings, investments, trade payables, trade receivables, loans and derivative financial instruments.



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

## 52 Financial Risk Management Objectives and Policies (Contd..)

### (i) Interest Rate Risk

The Group is exposed to cash flow interest rate risk mainly from long-term borrowings at variable rate. Currently the Group has external borrowings (excluding short-term overdraft facilities) which are fixed and floating rate borrowings. The Group achieves the optimum interest rate profile by refinancing when the interest rates go down. However this does not protect Group entirely from the risk of paying rates in excess of current market rates nor eliminates fully cash flow risk associated with variability in interest payments. The Group believes that it achieves an appropriate balance of exposure to these risks.

The Company's interest-bearing financial instruments are reported as below:

Particulars	As at 31-Mar-23		As at 31-Mar-22	
	Fixed Rate Instruments	Variable Rate Instruments	Fixed Rate Instruments	Variable Rate Instruments
	Financial Assets	14,450	251	38,756
Financial Liabilities	95	90,391	7,749	1,07,618

₹ in million

### Fair value sensitivity analysis for fixed rate instruments

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

### Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 100 basis points in interest rate would have resulted in variation in the interest expense for the Company by the amounts indicated in the table below.

Impact on retained earnings/ Equity	₹ in million	
	For the year ended Mar-23	For the year ended Mar-22
Impact of increase in interest rate by 100 basis point	904	1,076
Impact of decrease in interest rate by 100 basis point	(904)	(1,076)

The Group capitalises interest to the cost of inventory to the extent permissible, hence, the amount indicated above may have an impact on reported profits over the life cycle of projects to which such interest is capitalised. This calculation also assumes that the change occurs at the balance sheet date and is calculated based on risk exposures outstanding as at that date. The year end balances are not necessarily representative of the average debt outstanding during the period.

### ii) Foreign Currency Risk

Foreign Currency Risk is the risk that the Fair Value or Future Cash Flows of an exposure will fluctuate because of changes in foreign currency rates. Exposures can arise on account of the various assets and liabilities which are denominated in currencies other than Indian Rupee.

The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities including investment in overseas projects.

As a result operations of the Company are adversely affected as rupee appreciates/ depreciates against respective currency.

Particulars	As at March 31-2023				As at March 31-2022			
	GBP	USD	Other Currency	Total	GBP	USD	Other Currency	Total
	Loan	7,773	-	-	7,773	25,930	85	-
Trade Payable	(6)	(258)	(44)	(308)	(2)	(173)	(72)	(246)
Net Asset/ (Liability)	7,767	(258)	(44)	7,465	25,928	(88)	(72)	25,769

₹ in million

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

## 52 Financial Risk Management Objectives and Policies (Contd..)

### Sensitivity Analysis

The sensitivity of profit or loss to change in the reasonably possible strengthening (weakening) of the Indian Rupee against GBP/ US dollars as mentioned below:

₹ in million

Impact on retained earnings/ Equity	For the year ended Mar-23		For the year ended Mar-22	
	GBP	USD	GBP	Total
	Impact of 10% increase in exchange rate	777	(26)	2,593
Impact of 10% decrease in exchange rate	(777)	(26)	(2,593)	(9)

### b) Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the Group's customer base, including the default risk of the industry and country, in which customers operate, has less influence on the credit risk.

The Group has entered into contracts for the sale of residential and commercial units on an installment basis. The installments are specified in the contracts. The Group is exposed to credit risk in respect of installments due. However, the possession of residential and commercial units is handed over to the buyer only after all the installments are recovered. In addition, installment dues are monitored on an ongoing basis with the result that the Group's exposure to credit risk is not significant. The Group evaluates the concentration of risk with respect to trade receivables as low, as none of its customers constitutes significant portions of trade receivables as at the year end.

Credit risk from balances with banks and financial institutions is managed by Group's treasury in accordance with the Group's policy. The Group limits its exposure to credit risk by only placing balances with local banks and international banks of good repute. Given the profile of its bankers, management does not expect any counterparty to fail in meeting its obligations.

### c) Liquidity Risk

Liquidity risk is the risk that the Group will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value. The Group has an established liquidity risk management framework for managing its short term, medium term and long term funding and liquidity management requirements. The Group's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group manages the liquidity risk by maintaining adequate funds in cash and cash equivalents.

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

₹ in million

Particulars	Less than 1 year	1 to 5 years	More than 5 years	Total
<b>As at 31-March-23</b>				
Borrowings *	15,966	75,114	-	91,080
Lease Liability	20	72	103	195
Trade Payables	19,665	1,297	-	20,962
Other financial liabilities	12,784	32,290	-	45,074
	<b>48,435</b>	<b>1,08,773</b>	<b>103</b>	<b>1,57,311</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

## 52 Financial Risk Management Objectives and Policies (Contd..)

₹ in million

Particulars	Less than 1 year	1 to 5 years	More than 5 years	Total
<b>As at 31-March-22</b>				
Borrowings *	21,661	86,693	7,480	1,15,834
Lease Liability	-	-	-	-
Trade Payables	13,864	1,223	-	15,087
Other financial liabilities	19,602	4,191	-	23,793
	<b>55,127</b>	<b>92,107</b>	<b>7,480</b>	<b>1,54,714</b>

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

## 53 Capital Management

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

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group includes within net debt, interest bearing loans and borrowings less cash and cash equivalents and bank balances other than cash and cash equivalents.

₹ in million

Particulars	31-March-23	31-March-22
Borrowings	90,486	1,15,367
Less: Cash and Cash Equivalents	(13,108)	(4,771)
Less: Bank balances other than cash and cash equivalents	(5,134)	(7,686)
<b>Net debt</b>	<b>72,244</b>	<b>1,02,910</b>
Equity Share Capital	4,818	4,815
Other Equity		
Others Reserves (excluding revaluation reserve)	1,17,475	1,11,902
Total Capital	1,22,294	1,16,718
<b>Capital and net debt</b>	<b>1,94,537</b>	<b>2,19,627</b>
Gearing ratio	<b>37.14%</b>	<b>46.86%</b>

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

## 54 Unhedged Foreign Currency Exposure

₹ in million

Particulars	Currency	As at 31-March-23		As at 31-March-22	
		₹ in million	Foreign Currency in million	₹ in million	Foreign Currency in million
<b>ASSETS</b>					
Advances to Suppliers / Contractors / Expenses	USD	52	1	3	0
	Euro	4	0	1	0
	AED	88	4	78	4
	GBP	3	0	4	0
	SGD	1	0	-	1
	CAD	-	-	-	0
	ZAR	-	0	-	0
	CNY	7	1	7	1
	RMB	1	0	1	0
Investments	GBP	187	2	171	2
Loans Given	GBP	7,773	76	25,930	262
	USD	-	-	85	0
<b>TOTAL ASSETS</b>		<b>8,116</b>		<b>26,280</b>	

₹ in million

Particulars	Currency	As at 31-March-23		As at 31-March-22	
		₹ in million	Foreign Currency in million	₹ in million	Foreign Currency in million
<b>LIABILITIES</b>					
Trade Payables	USD	258	3	173	2
	Euro	22	0	66	1
	AED	4	0	4	0
	GBP	6	0	2	0
	SGD	17	0	1	0
	RMB	1	0	1	0
	THB	0	0	0	0
<b>TOTAL LIABILITIES</b>		<b>308</b>		<b>246</b>	

The Group has not entered into any derivative contract during the aforesaid years.

**55** Pursuant to the Taxation Laws (Amendment) Act, 2019, with effect from 01-April-19 domestic companies in India have the option to pay corporate income tax at a rate of 22% plus applicable surcharge and cess ('New Tax Rate') subject to certain conditions. The Company and some of its domestic subsidiary companies are in the process of evaluating as to when and whether they should apply impact of New Tax Rate in books of account. Meanwhile, the Company and some of the subsidiaries continued to compute tax as per old tax rate for the financial year 2019-20 and onwards.

**56** Pursuant to the Order of the Collector of Stamps levying stamp duty and penalty in respect of Agreement to Lease entered in to with Mumbai Metropolitan Regional Development Authority (MMRDA) for Wadala Truck Terminal plot and the Order of the Hon'ble Bombay High Court, the Company had deposited ₹ 2,025 million with the Office of the Collector of Stamps. The Order of Chief Controlling Revenue Authority (CCRA) in appeal upholding the Order of Collector of Stamps levying penalty of ₹ 2,713 million has been stayed by the Hon'ble Bombay High Court through an order dated 8-December-17.



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

**57** Goodwill on consolidation is tested for impairment annually or if there are indications that it might be impaired. The Group uses cash flow projections based on the recent financial forecast approved by the management for the purpose of impairment testing.

**58** Disclosure under Ind AS 115 -Revenue from Contracts with Customers

Disclosures with respect to Ind AS 115 are as follows:

**(a) Contract Assets and Contract Liabilities**

₹ in million

Particulars	As at 31-March-23	As at 31-March-22
Trade receivables (Refer Note 14)	7,393	6,451
Contract Assets - Accrued revenue (Refer Note 17)	5,037	10,573
Contract Liabilities - Advance from customers (Refer Note 33)	73,512	74,312

**(b) Movement of Contract Liabilities**

₹ in million

Particulars	As at 31-March-23	As at 31-March-22
Amounts included in contract liabilities at the beginning of the year	74,312	81,795
Amount received during the year	87,281	75,807
Performance obligations satisfied in current year #	(88,081)	(83,290)
<b>Amounts included in contract liabilities at the end of the year</b>	<b>73,512</b>	<b>74,312</b>

#Includes as on 31-March-23 ₹ 48,665 million (31-March-22: ₹ 34,460 million) recognised out of opening contract liabilities.

**(c) Closing balances of assets recognised from costs incurred to obtain a contract with a customer.**

₹ in million

Particulars	As at 31-March-23	As at 31-March-22
Closing balances of assets recognised	4,474	4,634
Amortisation recognised during the year	4,059	2,776

**(d)** The transaction price of the remaining performance obligations as at 31-March-23 is ₹ 1,35,206 million (31-March-22: ₹1,27,901 million). The same is expected to be recognised within 1 to 4 years.

**59 Basic and Diluted Earnings Per Share**

₹ in million

Particulars	For the year ended 31-March-23	For the year ended 31-March-22
<b>Basic earnings per share:</b>		
a) Profit for the year (₹ in million)	4,867	12,024
b) Weighted average no. of Equity Shares outstanding during the year	48,16,59,102	45,75,20,100
c) Face Value per Equity Share (₹)	10	10
d) Basic earnings per share (₹)	10.10	26.28
<b>Diluted earnings per share:</b>		
a) Profit for the year (₹ in million)	4,867	12,024
b) Weighted average no. of Equity Shares outstanding during the year	48,22,76,708	45,80,85,510
c) Diluted earnings per share (₹)	10.09	26.25

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

## 60 Leases

a The following is carrying value of right of use assets (Building) :

₹ in million

Particulars	As at 31-March-23	As at 31-March-22
Opening Balance	-	-
Additions during the previous year	123	-
Deletion during the previous year	-	-
Depreciation of Right of use assets	4	-
<b>Closing Balance</b>	<b>119</b>	<b>-</b>

b The following is the carrying value of lease liability :

₹ in million

Particulars	As at 31-March-23	As at 31-March-22
Opening Balance	-	-
Additions during the year	117	-
Finance cost accrued during the year	5	-
Payment of lease liabilities during the year	(5)	-
<b>Closing Balance</b>	<b>117</b>	<b>-</b>
Current portion of Lease Liability	17	-
Non-current portion of Lease Liability	100	-
<b>Total</b>	<b>117</b>	<b>-</b>

The maturity analysis of lease liabilities are disclosed in Note No. 52

The following are the amounts recognized in statement of profit and loss

₹ in million

Particulars	31-March-23	31-March-22
Depreciation	4	-
Interest expense on lease liabilities	5	-
<b>Total amount recognised in profit and loss</b>	<b>9</b>	<b>-</b>

c Amount recognized in profit and loss as expenses in respect of Cancellable / Short term lease is ₹106 million (31-March-22 : ₹19 million)

## 61 Share Based Payments

ESOP Scheme 2021 was originally approved as "Lodha Developers Limited - Employee Stock Option Plan 2018" for issue of options to eligible employees (as defined therein) pursuant to the resolution passed by the Board of Directors on February 16, 2018 and by Shareholders on March 20, 2018. The scheme was amended, and the nomenclature of the scheme was updated to "Macrotech Developers Limited - Employee Stock Option Plan 2021" ("ESOP Scheme 2021") pursuant to the resolution passed by the Board and Shareholders on February 13, 2021. The Board has decided on June 22, 2021, not to grant any further options under the ESOP Scheme 2021.

Further, Pursuant to the resolution passed by Board on June 22, 2021 and approved by shareholders on September 03, 2021, the Company had also instituted the ESOP Scheme 2021 – II. The Company has formulated two Plans under the Scheme vis Plan-1 and Plan-2.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

## 61 Share Based Payments (Contd..)

1. Details of number of options outstanding have been tabulated below:

₹ in Million

Plan	Date of grant	Number of options outstanding		Vesting Period	Exercise Period	Exercise Price
		As at	As at			
		31-March-23	31-March-22			
ESOP Scheme 2021	10-Apr-21	8,70,200	10,90,000	Tranche-1: 1 year for 40%, Tranche-2: 2 years for 30% and Tranche-3: 3 years for 30% from date of Grant	5 years from Date of Vesting	388.80
ESOP Scheme 2021 – II (Plan-1)	19-Oct-21	17,57,300	18,17,089	3 years from date of Grant	3 years from Date of Vesting	684.87
ESOP Scheme 2021 – II (Plan-2)	19-Oct-21	19,157	87,606	1 year from date of Grant	2 years from Date of Vesting	10.00
ESOP Scheme 2021 – II (Plan-2)	03-Jun-22	2,38,899	-	1 year from date of Grant	2 years from Date of Vesting	10.00
ESOP Scheme 2021 – II (Plan-1)	03-Jun-22	2,83,361	-	3 year from date of Grant	3 years from Date of Vesting	719.19
ESOP Scheme 2021 – II (Plan-1)	27-Oct-22	1,09,534	-	3 year from date of Grant	3 years from Date of Vesting	734.64

2. Movement of options granted

₹ in Million

Particulars	For the year ended 31-March-23		For the year ended 31-March-22	
	Weighted Average exercise price per share	Number of Options	Weighted Average exercise price per share	Number of Options
Opening Balance	557	29,94,695	-	-
Add: Granted	458	6,53,505	556	31,06,738
Less: Forfeited/ Lapsed	615	87,237	532	1,12,043
Less: Exercised	(305)	2,82,512	-	-
Closing Balance	558	32,78,451	557	29,94,695

Weighted average remaining contractual life of the share option outstanding at the end of year is 4.52 years (Previous Year: 5.60 years).

Weighted average fair value of options granted during the year is ₹ 621.08 (31-March-22: ₹ 528.57).

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

## 61 Share Based Payments (Contd..)

3. The value of the underlying shares has been determined by an independent valuer. The following assumptions were used for calculation of fair value of grants in accordance with Black Scholes model:

₹ in Million

Particulars	For the year ended 31-March-23			For the year ended 31-March-22				
	ESOP Scheme 2021			ESOP Scheme 2021			ESOP Scheme 2021 - II	
	Plan-1	Plan-2	Plan-1	Tranche 1	Tranche 2	Tranche 3	Plan-1	Plan-2
Risk-free interest rate (%)	7%	7%	7%	6%	6%	6%	6%	6%
Expected life of options (years) [(year to vesting) + (contractual option term)/2]	4.5	2.0	4.5	3.5	4.5	5.5	4.5	2.0
Expected volatility (%)	45.95%	46.42%	45.96%	46.21%	44.96%	43.66%	45.47%	51.11%
Dividend yield	-	-	-	-	-	-	-	-

The risk free rates are determined based on the average of high and low of the last 12 months of the 10-Year government securities yield in effect at the time of the grant. Expected volatility of the option is based on historical volatility, during a period equivalent to the option life, of the observed market prices of the Industry's publicly traded equity shares. Volatility calculation is based on historical stock prices using standard deviation of daily change in stock price of the Industry's publicly traded equity shares. The historical period is taken into account to match the expected life of the option. Dividend yield has been calculated taking into account recent dividend activity.

4. The expense arising from ESOP Schemes during the year is ₹ 766 million (31-March-22: ₹ 395 million)

## 62 Trade Payables

- (a) Details of dues to Micro Enterprises and Small Enterprises :

₹ in Million

Particulars	As at 31-March-23	As at 31-March-22
Amount unpaid as at year end - Principal	5,487	3,436
Amount unpaid as at year end - Interest	Nil	Nil
The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 (the 'Act') along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	Nil	Nil
The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Act.	Nil	Nil
The amount of interest accrued and remaining unpaid at the end of each accounting year.	Nil	Nil
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Act.	Nil	Nil



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

## 62 Trade Payables (Contd..)

### (b) Trade Payables Ageing Schedule

₹ in Million				
Plan	MSME	Others	Disputed dues – MSME	Disputed dues – Others
<b>As at 31 March 2023</b>				
Unbilled	-	610	-	-
Not due	1,019	920	-	-
Less than 1 year	2,827	6,036	-	-
1 - 2 years	317	5,098	-	-
2 - 3 years	345	1,047	-	-
More than 3 years	979	1,764	-	-
<b>Total</b>	<b>5,487</b>	<b>15,475</b>	<b>-</b>	<b>-</b>
<b>As at 31 March 2022</b>				
Unbilled	96	422	-	-
Not due	224	613	-	-
Less than 1 year	1,133	5,613	-	-
1 - 2 years	548	1,487	-	-
2 - 3 years	446	1,036	-	-
More than 3 years	989	2,480	-	-
<b>Total</b>	<b>3,436</b>	<b>11,651</b>	<b>-</b>	<b>-</b>

## 63 Segment information

For management purposes, the Group is into one reportable segment i.e. Real Estate development.

The Managing Director is the Chief Operating Decision Maker of the Group who monitors the operating results of the Group for the purpose of making decisions about resource allocation and performance assessment. The Group's performance as single segment is evaluated and measured consistently with profit or loss in the Consolidated financial statements.

## 64 Details of Corporate Social Responsibility Expenditure (CSR)

₹ in Million		
Particulars	For the year ended 31-March-23	For the year ended 31-March-22
Gross Amount required to be spent for CSR Activity	135	50
Amount Spent during the year (Refer note 49)	223	60

\*The amount spent during the year has been incurred for the purposes other than construction / acquisition of any asset and does not carry any provision.

During the year, the Group has an excess spent of ₹89 million (31-March-22 : ₹9 million). Thus an amount of ₹99 million (31-March-22 : ₹10 million) is available for setoff in succeeding years.

**65** The Board of Directors has recommended a Bonus Issue of Equity Shares in the ratio of 1 (One) fully paid-up Equity Share of ₹10 each for every 1 (One) existing fully paid-up Equity Share of ₹10 each held by the shareholders of the Company (as on the record date to be decided by the Company), subject to the approval of shareholders through Postal Ballot.

**66** The Board of Directors has recommended final dividend of ₹2.00 i.e. 20% per fully paid up pre bonus equity share of ₹10/- each (to be adjusted proportionately for bonus issue) for the financial year ended 31-March-2023. This payment of dividend is subject to approval of members of the Company at ensuing Annual General Meeting of the Company.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

## 67 Other Information

- (i) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
- (ii) The Group does not have any transactions with companies struck off.
- (iii) The Group has not traded or invested in Crypto currency or Virtual Currency during the year.
- (iv) The Group has 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 group (Ultimate Beneficiaries) or
  - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (v) The Group has 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.
- (vi) The Group does not have any 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).

## 68 (i) Recent Development

The Ministry of Corporate Affairs (MCA) has notified, Companies (Indian Accounting Standard) Amendment Rules, 2023 on 31-March-2023 to amend certain Ind AS's which are effective from 01-April-2023. Summary of such amendments are given below:

### (a) Amendment to Ind AS 1 Presentation of financial statements - Disclosure of Accounting Policies:

The amendment replaces the requirement to disclose 'significant accounting policies' with 'material accounting policy information'. The amendments also provide guidance under what circumstance, the accounting policy information is likely to be considered material and therefore requiring disclosure. The Company is currently revisiting their accounting policy information disclosures to ensure consistency with the amended requirements.

### (b) Amendments to Ind AS 8 Accounting policies, changes in accounting estimates and errors:

Definition of Accounting Estimates: The amendment added the definition of accounting estimates, clarifies that the effects of a change in an input or measurement technique are changes in accounting estimates, unless resulting from the correction of prior period errors. These amendments clarify how entities make the distinction between changes in accounting estimate, changes in accounting policy and prior period errors. The distinction is important, because changes in accounting estimates are applied prospectively to future transactions and other future events, but changes in accounting policies are generally applied retrospectively to past transactions and other past events as well as the current period. The amendments are not expected to have a material impact on the Group financial statements.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

## (c) Amendments to Ind AS 12 Income taxes - Deferred Tax related to Assets and Liabilities arising from a Single Transaction:

The amendment to Ind AS 12, requires to recognise deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. They will typically apply to transactions such as leases of lessees and decommissioning obligations and will require the recognition of additional deferred tax assets and liabilities.

The amendment should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, entities should recognise deferred tax assets (to the extent that it is probable that they can be utilised) and deferred tax liabilities at the beginning of the earliest comparative period for all deductible and taxable temporary differences associated with (i) right-of-use assets and lease liabilities, and (ii) decommissioning, restoration and similar liabilities, and the corresponding amounts recognised as part of the cost of the related assets.

The cumulative effect of recognising these adjustments is recognised in retained earnings, or another component of equity, as appropriate.

The Company is currently assessing the impact of the amendments.

## (d) The other amendments to Ind AS notified by these rules are primarily in the nature of clarifications.

### (ii) Subsequent Events

There are no subsequent events which require disclosure or adjustment to the Consolidated Financial Statements.

## 69 IPO and QIP Issue

During the year, the Company achieved Minimum Public Shareholding of 25% on 12-December-2022 (ahead of the 3 year period ending 18-April-2024, stipulated under the Securities Contracts (Regulation) Rules, 1957), consequent to an offer for sale of 3,45,70,506 equity shares of the Company to Qualified Institutional Buyers by certain promoters and members of the promoter group of the Company.

During the previous year, the Company raised money through Initial Public Offer (IPO) by way of issue of its equity shares comprising a fresh issue of 5,14,40,328 equity shares having a face value of ₹10 each at premium of ₹ 476 per share aggregating ₹ 25,000 million. Pursuant to the IPO, the equity shares of the Company are listed on BSE Limited and National Stock Exchange of India Limited with effect from 19-April-21. IPO expenses of ₹ 723 million less income tax thereon ₹ 225 million, net ₹499 million net of taxes had been adjusted against Securities Premium in accordance with Indian Accounting Standard 32 - Financial Instruments: Presentation.

During the year, the Company had allotted 34,188,034 equity shares having a face value of ₹10 each at premium of ₹1,160 per share through Qualified Institutional Placement (QIP) aggregating ₹40,000 million. QIP Expenses of ₹530 million less income tax thereon ₹165 million, net ₹366 million net of taxes had been adjusted against Securities Premium in accordance with Indian Accounting Standard 32 - Financial Instruments: Presentation.

## 70 Additional Information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary / Associates/ Joint Venture for the year ended 31-March-23:

₹ in Million

Sr. No	Plan	Net Assets (Total Assets minus Total Liabilities)		Share in Profit and Loss		Other Comprehensive Income (OCI)		Total Comprehensive Income (TCI)	
		As % of Consolidated Net Assets	Net Assets (₹ in million)	As % of Consolidated Profit and Loss	Profit and Loss (₹ in million)	As % of Consolidated OCI	OCI (₹ in million)	As % of Consolidated TCI	TCI (₹ in million)
<b>Parent</b>									
1	Macrotech Developers Ltd.	98.80%	1,25,690	62.39%	3,054	18.07%	(28)	63.85%	3,026

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

70 Additional Information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary / Associates/ Joint Venture for the year ended 31-March-23: (Contd..)

₹ in Million

Sr. No	Plan	Net Assets (Total Assets minus Total Liabilities)		Share in Profit and Loss		Other Comprehensive Income (OCI)		Total Comprehensive Income (TCI)	
		As % of Consolidated Net Assets	Net Assets (₹ in million)	As % of Consolidated Profit and Loss	Profit and Loss (₹ in million)	As % of Consolidated OCI	OCI (₹ in million)	As % of Consolidated TCI	TCI (₹ in million)
<b>Subsidiaries</b>									
<b>Indian</b>									
2	G Corp Homes Pvt. Ltd.	0.13%	167	-0.98%	(48)	(0.00)	0	-1.01%	(48)
3	Bellissimo In City FC NCR 1 Pvt. Ltd.	0.00%	0	0.00%	(0)	-	-	0.00%	(0)
4	Apollo Complex Pvt. Ltd.	0.00%	(0)	0.00%	(0)	-	-	0.00%	(0)
5	Cowtown Infotech Services Pvt. Ltd.	0.53%	669	1.44%	70	0.00	(0)	1.48%	70
6	One Place Commercials Pvt. Ltd.	1.05%	1,336	9.13%	447	-	-	9.44%	447
7	Bellissimo Constructions and Developers Pvt. Ltd.	0.03%	42	1.65%	81	-	-	1.70%	81
8	Bellissimo Buildtech LLP	0.00%	-	0.00%	-	-	-	0.00%	-
9	Cowtown Software Design Pvt. Ltd.	0.04%	53	0.10%	5	0.19%	(0)	0.10%	5
10	National Standard (India) Ltd.	1.92%	2,444	1.68%	82	-	-	1.74%	82
11	Palava City Management Pvt. Ltd.	0.02%	24	0.05%	3	-	-	0.05%	3
12	Palava Induslogic 3 Pvt. Ltd	0.04%	49	0.00%	(0)	-	-	0.00%	(0)
13	Roselabs Finance Ltd.	-0.03%	(43)	0.41%	20	-	-	0.43%	20
14	Sanathnagar Enterprises Ltd.	-0.09%	(120)	-0.06%	(3)	-	-	-0.06%	(3)
15	Digirealty Technologies Pvt. Ltd.	-0.01%	(8)	-0.87%	(42)	-	-	-0.89%	(42)
16	Simtools Pvt. Ltd.	0.01%	15	0.09%	4	-	-	0.09%	4
17	Center for Urban Innovation Pvt. Ltd.	0.00%	(0)	0.00%	(0)	-	-	0.00%	(0)
18	Palava Institute of Advanced Skill Training Pvt. Ltd.	0.00%	(0)	0.00%	(0)	-	-	0.00%	(0)
19	Brickmart Constructions And Developers Pvt. Ltd.	0.00%	0	0.49%	24	-	-	0.50%	24
20	Homescapes Constructions Pvt. Ltd.	-0.01%	(8)	-0.10%	(5)	-	-	-0.10%	(5)
21	Thane Commercial Tower A Management Private Limited	0.00%	0	0.00%	(0)	-	-	0.00%	(0)



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

70 Additional Information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary / Associates/ Joint Venture for the year ended 31-March-23: (Contd..)

₹ in Million

Sr. No	Plan	Net Assets (Total Assets minus Total Liabilities)		Share in Profit and Loss		Other Comprehensive Income (OCI)		Total Comprehensive Income (TCI)	
		As % of Consolidated Net Assets	Net Assets (₹ in million)	As % of Consolidated Profit and Loss	Profit and Loss (₹ in million)	As % of Consolidated OCI	OCI (₹ in million)	As % of Consolidated TCI	TCI (₹ in million)
22	Primebuild Developers And Farms Pvt. Ltd.	0.00%	(2)	11.74%	575	-	-	12.13%	575
	<b>Foreign</b>								
23	Lodha Developers U.S., Inc.	0.00%	0	0.29%	14	-	-	0.30%	14
24	Lodha Developers International Ltd.	-1.44%	(1,834)	-5.60%	(274)	-	-	-5.78%	(274)
25	Lodha Developers International (Netherlands) B. V.	0.31%	399	0.09%	4	-	-	0.09%	4
	<b>Associate / Joint Venture</b>								
26	Lodha Developers 1GSQ Ltd.	0.00%	-	0.00%	-	-	-	0.00%	-
27	Lodha Developers 48CS Ltd.	0.00%	-	0.00%	-	-	-	0.00%	-
28	Lodha Developers Dorset Close Ltd.	0.00%	-	0.00%	-	-	-	0.00%	-
29	Lodha Developers 1GSQ Holdings Ltd.	0.00%	-	0.00%	-	-	-	0.00%	-
30	Grosvenor Street Apartments Ltd.	0.00%	-	0.00%	-	-	-	0.00%	-
31	Lodha Developers International (Jersey) III Ltd.	0.00%	-	0.00%	-	-	-	0.00%	-
32	Lodha Developers UK Ltd.	0.00%	-	0.00%	-	-	-	0.00%	-
33	New Court Holdings Ltd.	0.00%	-	0.00%	-	-	-	0.00%	-
34	Lincoln Square Apartments Ltd.	0.00%	-	0.00%	-	-	-	0.00%	-
35	1GS Investments Ltd.	0.00%	-	0.00%	-	-	-	0.00%	-
36	1GS Properties Investments Ltd.	0.00%	-	0.00%	-	-	-	0.00%	-
37	1GS Quarter Holding Ltd.	0.00%	-	0.00%	-	-	-	0.00%	-
38	1GSQ Leaseco Ltd.	0.00%	-	0.00%	-	-	-	0.00%	-
39	1GS Residences Ltd.	0.00%	-	0.00%	-	-	-	0.00%	-
40	Mayfair Square Apartments Ltd.	0.00%	-	0.00%	-	-	-	0.00%	-
41	Mayfair Square Residences Ltd.	0.00%	-	0.00%	-	-	-	0.00%	-
42	Palava Induslogic 2 Pvt. Ltd.	0.00%	-	-0.06%	(3)	-	-	-0.06%	(3)
43	Palava Induslogic 4 Pvt. Ltd.	0.00%	-	-0.35%	(17)	-	-	-0.36%	(17)

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT 31ST MARCH, 2023

70 Additional Information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary / Associates/ Joint Venture for the year ended 31-March-23: (Contd..)

		₹ in Million							
Sr. No	Plan	Net Assets (Total Assets minus Total Liabilities)		Share in Profit and Loss		Other Comprehensive Income (OCI)		Total Comprehensive Income (TCI)	
		As % of Consolidated Net Assets	Net Assets (₹ in million)	As % of Consolidated Profit and Loss	Profit and Loss (₹ in million)	As % of Consolidated OCI	OCI (₹ in million)	As % of Consolidated TCI	TCI (₹ in million)
44	Bellissimo Digital Infrastructure Development Management Pvt. Ltd.	0.00%	-	-0.58%	(29)	-	-	-0.60%	(29)
45	Bellissimo Digital Infrastructure Investment Management Pvt. Ltd.	0.00%	-	0.00%	-	-	-	0.00%	-
46	Bellissimo In City FC Mumbai 1 Pvt. Ltd.	0.00%	-	-0.07%	(3)	-	-	-0.07%	(3)
<b>Sub-Total</b>			<b>1,28,873</b>		<b>3,959</b>		<b>(28)</b>		<b>3,931</b>
Adjustments arising out of Consolidation		-1.30%	(1,651)	19.11%	936	81.74%	(128)	17.05%	808
<b>Total</b>			<b>1,27,222</b>		<b>4,895</b>		<b>(156)</b>		<b>4,739</b>

71 The figures for the corresponding previous year have been regrouped/ reclassified, wherever considered necessary, to make them comparable with current years classification.

As per our attached Report of even date  
For M S K A & Associates  
Chartered Accountants  
Firm Registration Number: 105047W

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

**Bhavik L. Shah**  
(Partner)  
Membership No. 122071

**Mukund Chitale**  
(Chairman)  
DIN: 00101004

**Sushil Kumar Modi**  
(Chief Financial Officer)

**Abhishek Lodha**  
(Managing Director and CEO)  
DIN: 00266089

**Sanjyot Rangnekar**  
(Company Secretary)  
Membership No. F4154

Place : Mumbai  
Date : April 22, 2023

# FORM AOC - 1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule of Companies (Accounts) Rules, 2014)  
Statement containing salient features of the financial statement of subsidiaries / associate / joint venture companies

## PART "A" : SUBSIDIARIES

Sr. No.	Name of Subsidiary Company	Reporting Currency	Date of Investment	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Total Investments	Turnover / Total Income	Profit/ (Loss) Before Taxation	Provision for Taxation/ Prior period Taxation	Profit/ (Loss) After Taxation	Proposed Dividend	% of Shareholding
1	Apollo Complex Pvt. Ltd.	INR	04-January-2020	0	(0)	0	0	0	-	(0)	-	(0)	-	100.00%
2	Bellissimo Constructions and Developers Pvt. Ltd.	INR	01-February-2019	0	42	460	418	-	253	102	(22)	81	-	100.00%
3	Bellissimo In City FC NCR 1 Pvt. Ltd.	INR	30-November-2022	0	(0)	0	0	-	-	(0)	-	(0)	-	100.00%
4	Brickmart Constructions and Developers Pvt. Ltd.	INR	26-November-2020	0	0	879	879	-	583	32	(8)	24	-	100.00%
5	Center for Urban Innovation Pvt. Ltd.	INR	14-January-2019	0	(0)	0	0	-	-	(0)	-	(0)	-	100.00%
6	Cowtown Infotech Services Pvt. Ltd.	INR	14-May-2007	2	670	33,866	33,194	10,134	24,202	119	(45)	74	-	100.00%
7	Cowtown Software Design Pvt. Ltd.	INR	12-October-2007	0	54	4,414	4,361	-	637	7	(2)	5	-	100.00%
8	Digitreality Technologies Pvt. Ltd.	INR	07-December-2021	40	(48)	5	13	-	0	(42)	-	(42)	-	100.00%
9	G Corp Homes Pvt. Ltd.	INR	28-June-2022	21	146	2,738	2,571	6	81	(45)	4	(41)	-	100.00%
10	Homescapes Constructions Pvt. Ltd.	INR	03-December-2020	0	(8)	1	9	-	3	(3)	(1)	(5)	-	100.00%
11	Lodha Developers International (Netherlands) B. V.	GBP	09-March-2018	171	228	5,571	5,172	-	313	5	(1)	4	-	100.00%
12	Lodha Developers International Ltd.	USD	16-December-2013	1	(1,835)	2,646	4,480	-	336	(274)	-	(274)	-	100.00%
13	Lodha Developers U.S., Inc.	USD	03-October-2017	3	(3)	-	-	-	15	14	(0)	14	-	100.00%
14	National Standard (India) Ltd.	INR	19-May-2011	200	2,244	2,535	91	-	279	120	(38)	82	-	73.94%
15	One Place Commercial Pvt. Ltd.	INR	18-July-2019	0	1,336	13,065	11,729	-	3,430	600	(153)	447	-	100.00%
16	Palava City Management Pvt. Ltd.	INR	29-March-2012	1	24	182	157	-	419	4	(2)	3	-	100.00%
17	Palava Institute of Advanced Skill Training Pvt. Ltd.	INR	14-January-2019	0	(0)	0	0	-	-	(0)	-	(0)	-	100.00%

₹ in million

## FORM AOC - 1 (Contd..)

(Pursuant to first proviso to sub-section (3) of section 129 read with rule of Companies (Accounts) Rules, 2014)  
Statement containing salient features of the financial statement of subsidiaries / associate / joint venture companies

### PART "A" : SUBSIDIARIES

Sr. No.	Name of Subsidiary Company	Reporting Currency	Date of Investment	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Total Investments	Turnover / Total Income	Profit/ (Loss) Before Taxation	Provision for Taxation/ Prior period Taxation	Profit/ (Loss) After Taxation	Proposed Dividend	% of Shareholding
18	Palava Induslogic 3 Pvt. Ltd.	INR	28-January-2021	50	(1)	1,119	1,070	-	-	(0)	-	(0)	-	100.00%
19	Primebuild Developers And Farms Pvt. Ltd.	INR	12-November-2020	0	(2)	270	272	-	1,135	769	(194)	575	-	100.00%
20	Roselabs Finance Ltd.	INR	10-June-2013	100	(143)	1	44	-	2	21	(1)	20	-	74.25%
21	Sanathnagar Enterprises Ltd.	INR	25-May-2010	32	(152)	53	173	-	13	(3)	-	(3)	-	72.70%
22	Simtools Pvt. Ltd.	INR	01-June-2007	3	12	260	246	-	7	7	(2)	4	-	49.85%
23	Thane Commercial Tower A Management Pvt. Ltd.	INR	16-March-2022	0	(0)	0	0	-	-	(0)	-	(0)	-	100.00%

Converted into Indian Rupees at the exchange rate as on 31-March-2023; 1 GBP = ₹101.8728 and 1 USD = ₹82.2169

The above statement also indicates performance and financial position of each subsidiary.

#### Notes:

- 1 There are no subsidiaries are yet to commence operations.
- 2 Subsidiary sold during the year: NIL



# FORM AOC - 1 (Contd..)

## PART "B" : ASSOCIATES AND JOINT VENTURES

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

Sr. No.	Name of Associates / Joint Venture	Latest audited Balance Sheet Date	Date on which the Associate / Joint Venture was associated or acquired	Shares of Associate / Joint Venture held by the company as at the year end		Amount of Investment in Associate / Joint Venture (₹ in million)	Extend of Holding %	Networth attributable to Shareholding as per last audited Balance Sheet (₹ in million)	Profit / (Loss) for the year		Description of how there is significant influence	Reason why the associate is not consolidated
				No.	₹				Considered in Consolidation (₹ in million)	Not Considered in Consolidation (₹ in million)		
1	Lodha Developers 1GSQ Limited	31-March-2023	25-March-2020	1,00,000 Equity Shares of GBP 1 each	-	53.45%	(6,489)	-	(1,043)	Note - A	NA	
2	Lodha Developers 48CS Limited	31-March-2023	25-March-2020	10,000 Equity Shares of GBP 1 each	-	53.45%	(2,307)	-	(133)	Note - A	NA	
3	Lodha Developers Dorset Close Limited	31-March-2023	25-March-2020	1 Equity Shares of GBP 1 each	-	53.45%	(0)	-	(0)	Note - A	NA	
4	Lodha Developers 1GSQ Holdings Limited	31-March-2023	25-March-2020	10,010 Equity Shares of GBP 1 each	-*	53.45%	(17)	-	(2)	Note - A	NA	
5	Lodha Developers International (Jersey) III Ltd.	31-March-2023	25-March-2020	10,000 Equity Shares of GBP 1 each	-*	53.45%	(43)	-	(1)	Note - A	NA	
6	Lodha Developers UK Ltd.	31-March-2022	25-March-2020	12,000 Equity Shares of GBP 1 each	-*	51.00%	1,760	-	213	Note - A	NA	
7	Lincoln Square Apartments Limited	31-March-2023	25-March-2020	10 Equity Shares of GBP 1 each	-	51.00%	(772)	-	(412)	Note - A	NA	
8	1GSQ Leasco Limited	31-March-2023	25-March-2020	10 Equity Shares of GBP 1 each	-	51.00%	(1)	-	(1)	Note - A	NA	
9	New Court Holdings Ltd.	31-March-2023	25-March-2020	10 Equity Shares of GBP 1 each	-	51.00%	(33)	-	0	Note - A	NA	
10	Grosvenor Street Apartments Limited	31-March-2023	25-March-2020	10 Equity Shares of GBP 1 each	-	51.00%	(36)	-	(0)	Note - A	NA	
11	1GS Investments Limited	31-March-2023	07-July-2020	90,010 Equity Shares of GBP 1 each	-	53.45%	3	-	(2)	Note - A	NA	
12	1GS Residences Limited	31-March-2023	07-July-2020	100 Equity Shares of GBP 0.10 each	-	53.43%	(1,104)	-	(2,081)	Note - A	NA	
13	1GS Properties Investments Limited	31-March-2023	23-September-2020	10 Equity Shares of GBP 1 each	-	51.00%	(1)	-	(1)	Note - A	NA	
14	1GS Quarter Holding Ltd.(Formerly GS Penthouse Limited)	31-March-2023	23-November-2021	20 Equity Shares of GBP 1 each	-	53.45%	(17)	-	(2)	Note - A	NA	
15	Mayfair Square Apartments Limited	31-March-2023	27-April-2022	10 Equity Shares of GBP 1 each	-	45.90%	(27)	-	(57)	Note - A	NA	
16	Mayfair Square Residence Limited	31-March-2023	27-April-2022	10 Equity Shares of GBP 1 each	-	45.90%	(36)	-	(74)	Note - A	NA	
17	Bellissimo Digital Infrastructure Development Management Pvt. Ltd.	31-March-2023	27-May-2022	23,40,910 Equity Shares of ₹ 10 each	-*	60.00%	(49)	-	(29)	Note - A	NA	

# FORM AOC - 1 (Contd..)

## PART "B" : ASSOCIATES AND JOINT VENTURES (Contd..)

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

Sr. No.	Name of Associates / Joint Venture	Latest audited Balance Sheet Date	Date on which the Associate / Joint Venture was associated or acquired	Shares of Associate / Joint Venture held by the company as at the year end		Extend of Holding %	Networth attributable to Shareholding as per last audited Balance Sheet (₹ in million)	Profit / (Loss) for the year		Description of how there is significant influence	Reason why the associate is not consolidated
				No.	Amount of Investment in Associate / Joint Venture (₹ in million)			Considered in Consolidation (₹ in million)	Not Considered in Consolidation (₹ in million)		
18	Bellissimo Digital Infrastructure Investment Management Pvt. Ltd.	31-March-2023	27-May-2022	1,000 Equity Shares of ₹ 10 each	-	60.00%	(13)	-	(22)	Note - A	NA
19	Bellissimo In City FC Mumbai 1 Pvt. Ltd.	31-March-2023	30-November-2022	Class A 6,91,95,001 Equity Shares and Class B 1,000 of ₹ 10 each	227	33.33%	356	(3)	(7)	Note - A	NA
20	Palava Induslogic 2 Pvt. Ltd.	31-March-2022	19-February-2021	2,98,435 Equity Shares of ₹ 10 each	-*	100.00%	(46)	(3)	-	Note - A	NA
21	Palava Induslogic 4 Pvt. Ltd.	31-March-2023	27-May-2022	Class A 14,69,99,728 Equity Shares and Class B 1,000 of ₹ 10 each	-	33.33%	753	(17)	(34)	Note - A	NA

\*Investment value is nil after considering fair value of retain interest and group's share of loss in joint venture

The above statement also indicates performance and financial position of each of the Associates/Joint Venture.

Converted into Indian Rupees at the exchange rate as on 31-March-2023: 1 GBP = ₹101.8728

#### Note:

- 1 There are no Associates/ Joint Venture which are yet to commence operations.
  - 2 Investment in Joint Venture, Altamount Road Property Pvt. Ltd., has been sold on 13-September-2022.
- A. There is significant influence due to Joint control.

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

**Mukund Chitale**  
(Chairman)  
DIN: 00101004

**Abhishek Lodha**  
(Managing Director and CEO)  
DIN: 00266089

**Sushil Kumar Modi**  
(Chief Financial Officer)

**Sanjyot Rangnekar**  
(Company Secretary)  
Membership No. F4154

Place: Mumbai  
Date: 22-April-2023

# ANNUAL GENERAL MEETING NOTICE

**Regd. Off.: 412, Floor-4, 17G Vardhaman Chamber, Cawasji Patel Road,  
Horniman Circle, Fort, Mumbai-400001**  
**Tel.: +91 22 61334400 Fax: +91 22 23024550 CIN L45200MH1995PLC093041**  
**Email Id: [investor.relations@lodhagroup.com](mailto:investor.relations@lodhagroup.com) Website: [www.lodhagroup.in](http://www.lodhagroup.in)**

**NOTICE** is hereby given that the 28<sup>th</sup> Annual General Meeting ("**AGM**") of Macrotech Developers Limited ("**Company**") will be held on Friday, September 15, 2023 at 3.30 p.m. (IST) through video conferencing / Other Audio Visual Means to transact the following business. The deemed venue of the meeting shall be at Lodha Excelus, 9<sup>th</sup> floor, N. M. Joshi Marg, Mahalaxmi, Mumbai - 400 011.

## ORDINARY BUSINESS

1. To receive, consider and adopt
  - a. the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2023, together with the Reports of the Board of Directors and the Auditors thereon; and
  - b. the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2023, together with the Report of the Auditors thereon.
2. To declare final dividend of ₹ 1 per equity share for the year ended March 31, 2023.
3. To appoint a director in place of Mr. Rajinder Pal Singh (DIN - 02943155) who retires by rotation and being eligible, offers himself for re-appointment.

## SPECIAL BUSINESS

### 4. Re-appointment of Ms Raunika Malhotra (DIN: 06964339) as a Whole-time Director for a term of 2 years with effect from June 26, 2023.

To consider and if thought fit, to pass the following resolution as a **Special** Resolution:

**"RESOLVED THAT** pursuant to the provisions of Sections 152, 160, 196, 197 and 203 and other applicable provisions of the Companies Act, 2013 ("Act") read with Schedule V of the Act, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, (including any amendments or modifications thereto from time to time) and upon recommendation of the Nomination and Remuneration Committee ("NRC") and approval of the Board of Directors of the Company, approval of the members be and is hereby granted for re-appointment and terms of remuneration of Ms Raunika Malhotra (DIN:

06964339) as a Whole-time Director in respect of whom the Company has received a notice in writing under Section 160 of the Act, from a member proposing her candidature for the office of Director for a period of 2 (two) years with effect from June 26, 2023, liable to retire by rotation, upon the terms and conditions set out in the Explanatory Statement annexed to the Notice convening this AGM, (including the remuneration to be paid in the event of loss or inadequacy of profits) in any financial year during the tenure of her appointment as Whole-time director with liberty to the Board of Directors (hereinafter referred to as "the Board" (including any Committee thereof) to alter and vary the terms and conditions of the said appointment and / or remuneration in such a manner as may be agreed to between the Board and Ms Raunika Malhotra;

**RESOLVED FURTHER THAT** notwithstanding anything contained to the contrary in the Act and rules made thereunder, where in any financial year during the period of 2 years the Company has no profits or inadequate profits, Ms Raunika Malhotra will be paid minimum remuneration within the ceiling limit prescribed under Schedule V of the Act, or any modification or re-enactment thereof;

**RESOLVED FURTHER THAT** in the event of any statutory amendment or modification by the Central Government to Schedule V of the Act and rules made thereunder, the Board be and is hereby authorized to vary and alter the terms of appointment including salary, perquisites and other benefits payable to Ms Raunika Malhotra within such prescribed limit or ceiling as agreed by and between the Board and Ms Raunika Malhotra without any further reference to the members in General Meeting;

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to alter and vary the terms and conditions of the appointment and / or remuneration based on the recommendation of the Nomination & Remuneration Committee subject to the same not exceeding the limits specified under Section 197 read with Schedule V of the Act, for the time being in force and the limit given in the explanatory statements;

**RESOLVED FURTHER THAT** the Board of Directors of the Company, be and is hereby authorised to do all such acts, deeds and things as may be required and to delegate all or any of its powers herein conferred to any Director(s) or Committee of Directors to give effect to the aforesaid resolution."

## 5. Ratification of remuneration to Cost Auditors.

To consider and if thought fit, to pass the following resolution as an **Ordinary** Resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 148 of the Companies Act, 2013 (“Act”) read with Companies (Audit and Auditors) Rules, 2014 (including any amendments or modifications thereto from time to time), remuneration of ₹ 10,00,000 (plus applicable taxes and

### **Registered Office:**

412, Floor-4, 17 G, Vardhaman Chamber,  
Cawasji Patel Road, Horniman Circle,  
Fort, Mumbai-400001  
CIN L45200MH1995PLC093041  
Place: Mumbai  
Date: June 06, 2023

re-imbusement of out of pocket expenses), payable to D. C. Dave & Co., Cost Accountants (Firm Registration No. 000611), appointed by the Board to conduct the audit of the cost records of the Company for the financial year 2023-24, be and is hereby ratified and confirmed;

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

By Order of the Board

**For Macrotech Developers Limited**

**Sanjyot Rangnekar**

Company Secretary & Compliance Officer  
Membership No.: F4154



## Notes:

### 1. Explanatory Statement:

The Statement pursuant to Section 102 (1) of the Companies Act, 2013 ("Act") setting out material facts concerning the business under item nos. 4 to 5 of the Notice is annexed hereto. Further, additional information with respect to item No. 3 and 4 is also annexed hereto as required under Regulation 36(5) of the SEBI Listing Regulations and Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment/ re-appointment at the AGM.

### 2. Sending of Notice and Conduct of Annual General Meeting:

- (i) In view of continuing social distancing norms due to the COVID-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its General Circular Nos. 14/2020, 17/2020, 20/2020, 02/2022 and 10/2022 dated April 8, 2020, April 13, 2020, May 5, 2020, May 5, 2022 and December 28, 2022 respectively allowed companies whose AGMs were due to be held in the year 2023 or become due in the year 2023, to conduct their AGMs on or before September 30, 2023, in accordance with the requirements provided in paragraphs 3 and 4 of the General Circular No. 20/2020 (collectively referred to as "MCA Circulars") and Circular No. SEBI/HO/DDHS/P/ CIR/2022/62 dated May 13, 2022 read with SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023 issued by the Securities and Exchange Board of India ("SEBI") (referred to as "SEBI Circulars") (together MCA Circulars and SEBI Circulars referred to as "Circulars") have permitted convening the Annual General Meeting ("AGM" / "Meeting") through Video Conferencing ("VC") or Other Audio-Visual Means ("OAVM"), without the physical presence of the members at a common venue. In compliance with these Circulars, provisions of the Companies Act, 2013 ('the Act') and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ("Listing Regulations"), the AGM of the Company is being held through VC / OAVM, which does not require physical presence of members at a common venue.
- (ii) In line with the aforesaid MCA Circulars and SEBI Circulars, Notice of the AGM along with the Integrated Annual Report 2022-23 are being sent only through electronic mode to those Members whose email addresses are registered in respect of electronic holdings with the Depository through the concerned Depository Participants and in respect of physical holdings with the Company's Registrar and Share Transfer Agent, Link Intime India Private Limited ("Link Intime"). However, hard copy of Integrated Annual Report along with the

Notice of the 28<sup>th</sup> AGM shall be sent to those members who request for the same. Members may also note that the Notice of the 28<sup>th</sup> AGM and the Integrated Annual Report 2022-23 will also be available on the Company's website at [www.lodhagroup.in](http://www.lodhagroup.in), websites of the Stock Exchanges, i.e. BSE Limited and National Stock Exchange of India Limited, at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively and on the website of Link Intime (agency for providing the Remote e-voting facility) at <https://instavote.linkintime.co.in/>

- (iii) The Members can join the 28<sup>th</sup> AGM through VC/OAVM mode 30 minutes before commencement of the Meeting and at any time during the AGM by following the procedure mentioned in the Notice which shall not be closed for at least 15 minutes after such scheduled time.
- (iv) Members may note that the VC facility, provided by Link Intime allows participation of at least 1,000 members on a first-come-first-basis. The large shareholders (i.e., shareholders holding 2% or more shareholding), promoters, institutional investors, directors, key managerial personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee, auditors, etc., can attend the 28<sup>th</sup> AGM without any restriction on account of first-come-first-served principle.
- (v) Members of the Company under the category of Institutional Shareholders are encouraged to attend and participate in the AGM through VC/OAVM and vote.
- (vi) Corporate Members/ Institutional Investors (i.e. other than individuals, HUFs, NRIs etc.) who are intending to appoint their authorized representatives pursuant to Sections 112 and 113 of the Act, as the case may be, to attend the AGM through VC or OAVM or to vote through remote e-voting are requested to send a certified copy of the Board Resolution to the Scrutinizer by e-mail at [cs.shravangupta@gmail.com](mailto:cs.shravangupta@gmail.com) with a copy marked to [insta.vote@linkintime.co.in](mailto:insta.vote@linkintime.co.in) not later than 48 hours before the scheduled time of the commencement of the Meeting. Corporate Members/ Institutional shareholders (i.e., other than individuals, HUFs, NRIs etc.) can also upload their Board Resolution/Power of Attorney/Authority Letter etc. by clicking on the "Upload Board Resolution /Authority Letter" displayed under the "e-voting" tab in their login.
- (vii) The attendance of the Members attending the 28<sup>th</sup> AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
- (viii) Since the 28<sup>th</sup> AGM will be held through VC/OAVM, the route map of the venue of the Meeting is not annexed hereto.

### 3. Payment of Dividend and Tax Deduction thereon:

- (i) The Company has fixed Friday, September 8, 2023 as the 'Record Date' for determining eligibility for payment of dividend, if declared at the AGM.
- (ii) The dividend, if declared at the meeting, will be paid, subject to deduction of tax at source on or after Monday, September 18, 2023 to those members or their mandates: (i) whose names appear as beneficial owners on Record Date in the list of beneficial owners to be furnished by the depositories (i.e. NSDL and CDSL) in respect of the shares held in electronic form; and (ii) whose names appear as members in the Company's Register of Members on Record Date after giving effect to valid transmission or transposition requests in physical form lodged with the Company or Link Intime India Private Limited, Registrar and Transfer Agent (RTA) on or before Friday, September 8, 2023.
- (iii) Pursuant to the Finance Act, 2020, dividend income is taxable in the hands of members w.e.f. April 01, 2020 and the Company is required to deduct tax at source from the dividend paid to members at the prescribed rates, for various categories. The members are requested to refer to the Finance Act, 2020 and amendments thereof. The members are requested to update their Permanent Account Number (PAN) with the Company/ RTA (in case of shares held in physical mode) and their respective Depository Participants (in case of shares held in demat mode).
- (iv) Resident individual members who are not liable to pay income tax can submit a yearly declaration in Form No. 15G/ 15H along with a self-attested copy of their PAN card, to avail the benefit of non-deduction of tax at source by uploading the same on <https://web.linkintime.co.in/formsreg/submission-of-form-15g-15h.html> by Friday, September 8, 2023 up to 5.00 P.M. (IST). Members are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%. Further, no tax is required to be deducted, if aggregate dividend distributed or likely to be distributed during the Financial Year (FY) to a resident individual member does not exceed ₹ 5,000/- (Rupees Five Thousand only). Non-resident members can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate and any other document that may be required to avail the tax treaty benefits. The aforesaid declarations and documents need to be uploaded by the members on <https://web.linkintime.co.in/formsreg/submission-of-form-15g-15h.html> by Friday, September 8, 2023 up to 5.00 P.M. (IST). Further, tax will be deducted at the rate prescribed in the lower tax withholding certificate issued under Section 197 of

the Income-tax Act, 1961, if such valid certificate is provided. For further details on various categories and prescribed rates, please refer to the Company's website [www.lodhagroup.in](http://www.lodhagroup.in)

### 4. Inspection of documents:

- (i) The Register of Directors and Key Managerial Personnel and their Shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which directors are interested maintained under Section 189 of the Act and the relevant documents referred to in the Notice will be available electronically for inspection by the members before and during the AGM.
- (ii) All documents referred to in the Notice will also be available electronically for inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an email to [investor.relations@lodhagroup.com](mailto:investor.relations@lodhagroup.com).

### 5. Update of email ID and Bank Details:

- (i) In terms of Rule 18 of the Companies (Management and Administration) Rules, 2014, the Company may give notice through electronic mode addressing to the person entitled to receive such e-mail as per the records of the Company or as provided by the depository, provided that the Company shall provide an advance opportunity at least once in a financial year, to the member to register his e-mail address and changes therein and such request may be made by only those members who have not got their email ID recorded or to update a fresh email ID and not from the members whose e-mail IDs are already registered. In view of the above, the Company hereby requests the members who have not updated their email IDs to update the same. Further, the members holding shares in electronic mode are requested to keep their email addresses updated with the Depository Participants. Members holding shares in the physical mode are also requested to update their email addresses by writing and quoting their folio numbers to the Link Intime India Private Limited, Registrar and Transfer Agent of the Company ("R&T Agent") by email to [mt.helpdesk@linkintime.co.in](mailto:mt.helpdesk@linkintime.co.in) or by letter addressed to Mr. Ashok Shetty, Link Intime India Private Limited, Unit. Macrotech Developers Limited, C 101, 247 Park, L.B.S. Marg Vikhroli (West), Mumbai 400083 Maharashtra or to the Company by email to [investor.relations@lodhagroup.com](mailto:investor.relations@lodhagroup.com) or by letter addressed to the Company Secretary, Lodha Excelus, L 2, N M Joshi Marg, Mahalaxmi, Mumbai 400 011.
- (ii) The Listing Regulations have mandated that for making dividend payments, companies shall use electronic clearing services (local, regional or national), direct credit, Real Time Gross Settlement (RTGS), National Electronic Funds Transfer (NEFT) etc. The Company and the RTA are required to seek relevant bank details of the members

from depositories/ members for making payment of dividend in electronic mode. It is also mandatory to print the bank details on the physical instrument if the payment is made in physical mode. In the event, the Company is unable to pay the dividend to any Member directly into their bank accounts through Electronic Clearing Service or any other means, due to non-registration of the Electronic Bank Mandate, the Company shall dispatch the dividend warrant/ Bankers' cheque/ demand draft to such Member, at the earliest possible.

- (iii) Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details, National Electronic Clearing Service (NECS) and Electronic Clearing Service (ECS) mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to their Depository Participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's record which will help the Company and the Company's R&T Agent to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes either to the Company or to the R&T Agent.

6. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
7. As per the provisions of Section 72 of the Act, Members may avail the facility of nomination in respect of shares held by them by submitting Form SH-13 to the Depository Participants (DPs) in case of shares held in electronic form and to Link Intime in case of shares held in physical form. If a member desires to cancel the earlier nomination and record a fresh nomination, he may submit the same in Form No. SH-14. Members who are either not desiring to register for Nomination or would want to opt-out, are requested to fill out and submit Form No. ISR-3. The said forms can be downloaded from the RTA's website at [web.linkintime.co.in/KYC-downloads.html](http://web.linkintime.co.in/KYC-downloads.html) or from Company's website at [www.lodhagroup.in](http://www.lodhagroup.in).

## 8. Important SEBI Circulars in the interest of investors/shareholders:

- (i) The SEBI has mandated submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in demat form are, therefore, requested to submit PAN details to the Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to R&T Agent.
- (ii) SEBI vide its notification dated June 8, 2018, amended the Listing Regulations and mandated that the transfer of securities would be carried out in dematerialised form only effective April 1, 2019. Accordingly, requests for effecting transfer of physical securities cannot be processed unless the securities are held in dematerialised form with any Depository Participant. Therefore, RTA and

the Company have not been accepting any request for the transfer of shares in physical form w.e.f. April 1, 2019.

- (iii) Further, SEBI vide its notification dated January 25, 2022, amended the Listing Regulations and mandated that (i) transmission; (ii) transposition; (iii) Issue of duplicate securities certificate; (iv) Claim from Unclaimed Suspense Account; (v) Renewal/ Exchange of securities certificate; (vi) Endorsement; (vii) Sub-division/ Splitting of securities certificate; and (viii) Consolidation of securities certificates/ folios of securities would be carried out in dematerialised form only. Accordingly, requests for effecting the abovementioned dealings of physical securities will be carried in accordance with SEBI Circular SEBI/HO/MIRSD/ MIRSD\_RTAMB/P/ CIR/2022/8 dated January 25, 2022.
- (iv) SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSDPoD-1/P/CIR/2023/37 dated March 16, 2023, in supersession of earlier Circular(s) issued on the subject, has prescribed common and simplified norms for processing investor's service request by RTAs and norms for furnishing PAN, KYC (contact details, bank details and specimen signature), and nomination details.

As per the said Circular, it is mandatory for the shareholders holding securities in physical form to, inter alia, furnish PAN, KYC, and nomination details. Physical folios wherein the PAN, KYC, and nomination details were not available on or after April 1, 2023, were to be frozen by the RTA and would be eligible for lodging grievance or any service request only after registering the required details. The said timeline of April 1, 2023 for freezing of folios has been extended to October 1, 2023.

## 9. Remote e-voting facilities, Scrutinizer and e-voting results:

- (i) Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of Listing Regulations and the MCA Circulars, the Company is providing facility of remote e-voting to its members in respect of the business to be transacted at the AGM and facility for those members participating in the AGM to cast vote through e-voting system during the AGM. For this purpose, the Company has engaged Link Intime India Private Limited for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as e-voting at the AGM will be provided by Link Intime India Private Limited.
- (ii) The voting rights of the members shall be in proportion to the number of equity shares held by them as on the cut-off date i.e., Friday, September 8, 2023.
- (iii) A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners

maintained by the depositories as on the cut-off date i.e., Friday, September 8, 2023 only shall be entitled to avail the facility of remote e-voting or e-voting at the AGM and to attend the AGM. A person who is not a member as on the cut-off date should treat this notice for information purpose only.

Any person, who acquires shares of the Company and becomes a Member of the Company after the Company e-mailed the Notice of the AGM and holds shares as on the cut-off date i.e., Friday, September 8, 2023 may obtain the User ID and password by sending a request at [enotices@linkintime.co.in](mailto:enotices@linkintime.co.in) and may follow the steps mentioned in Note no. 12.

- (iv) The remote e-voting period will commence on Tuesday, September 12, 2023 at 9:00 am (IST) and will end on Thursday, September 14, 2023 at 5:00 pm. (IST). During this remote e-voting period the members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e., Friday, September 8, 2023 may cast their vote by remote e-voting. The remote e-voting module shall be forthwith blocked by Link Intime for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently or vote again.
- (v) The Company has appointed Mr. Shравan Gupta, (CoP No. 9990), Practicing Company Secretary or failing him Mr. Ritul Parmar (CoP No. 14845), as the scrutiner (the 'Scrutinizer') for scrutining the remote e-voting process as well as e-voting at the AGM in a fair and transparent manner.
- (vi) During the AGM, the Chairman shall, after responding to the questions raised by the Members in advance or as a speaker at the AGM, formally propose to the Members participating through VC/OAVM facility to vote on the resolutions as set out in the Notice of the AGM and announce the start of the casting of vote through the e-Voting system. After the Members participating through VC/OAVM facility, eligible and interested to cast votes, have cast the votes, the e-Voting will be closed after 15 minutes with the formal announcement of closure of the AGM.
- (vii) The Scrutiniser shall after the conclusion of e-Voting at the AGM, first download the votes cast at the AGM and thereafter unblock the votes cast through remote e-Voting and shall make a consolidated scrutiner's report of the total votes cast in favour or against, invalid votes, if any, and whether the resolution has been carried or not, and such Report to the Chairman or any person authorised by him within 48 hours from the conclusion of the meeting, who shall then countersign and declare the result of the voting forthwith.
- (viii) The results declared along with the report of the Scrutinizer will be placed on the website of the Company [www.lodhagroup.in](http://www.lodhagroup.in) and on the website of Link Intime

Private Limited immediately after the declaration of result by the Chairman or a person authorized by him. The results will also be immediately forwarded to the stock exchanges.

## 10. Book closure and Record Date:

The record date for payment of dividend is Friday, September 8, 2023 and the Register of Members and the Share Transfer books of the Company will remain closed from Friday, September 8, 2023 to Friday, September 15, 2023 both days inclusive.

## 11. Reappointment of Mr. Rajinder Pal Singh (DIN – 02943155):

- (i) In terms of Section 152 of the Act, Mr. Rajinder Pal Singh, retires by rotation at the Meeting and being eligible, offers himself for re-appointment. The Nomination and Remuneration Committee of the Board and the Board of Directors of the Company has recommended his re-appointment.
- (ii) The additional information in respect of re-appointment of Mr. Rajinder Pal Singh as Director, liable to retire by rotation, pursuant to the provisions of Listing Regulations and the Secretarial Standard on General Meetings, are provided as Annexure to the Explanatory Statement.
- (iii) Mr. Rajinder Pal Singh is interested in the Ordinary Business as set out at Item No. 3 of the Notice with respect to his re- appointment. The relatives of Mr. Rajinder Pal Singh may also be deemed to be interested in the said Resolution to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the Directors / Key Managerial Personnel of the Company / their Relatives are, in any way, concerned or interested, financially or otherwise, for Item No. 3.

## 12. The detailed process and manner for remote e-voting are explained herein:

Remote e-Voting Instructions for shareholders:

As per the SEBI circular dated December 9, 2020, individual shareholders holding securities in demat mode can register directly with the depository or will have the option of accessing various ESP portals directly from their demat accounts.

Login method for Individual shareholders holding securities in demat mode is given below:

1. Individual Shareholders holding securities in demat mode with NSDL
  - (i). Existing IDeAS user can visit the e-Services website of NSDL viz... <https://eservices.nsdl.com> either on a personal computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After



successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name i.e. Link Intime and you will be re-directed to "InstaVote" website for casting your vote during the remote e-Voting period.

- (ii). If you are not registered for IDeAS e-Services, option to register is available at <https://eservices.nSDL.com> Select "Register Online for IDeAS Portal" or click at <https://eservices.nSDL.com/SecureWeb/IdEasDirectReg.jsp>
- (iii). Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nSDL.com/> either on a personal computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen-digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name i.e. Link Intime and you will be redirected to "InstaVote" website for casting your vote during the remote e-Voting period.
- (iv). Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience.



2. Individual Shareholders holding securities in demat mode with CDSL
  1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. The option will be made available to reach e-Voting page without any further authentication. The users to login Easi / Easiest are requested to visit CDSL website [www.cdslindia.com](http://www.cdslindia.com) and click on login icon & New System Myeasi Tab and then use your existing my easi username & password.
  2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by the company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider i.e. Link Intime for casting your vote during the

remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there are also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.

3. If the user is not registered for Easi/Easiest, the option to register is available at CDSL website [www.cdslindia.com](http://www.cdslindia.com) and click on login & New System Myeasi Tab and then click on registration option.
4. Alternatively, the user can directly access the e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on [www.cdslindia.com](http://www.cdslindia.com) home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, the user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
3. Individual Shareholders (holding securities in demat mode) login through their depository participants
 

You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on the company name or e-Voting service provider name i.e. LinkIntime and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.
4. Login method for Individual shareholders holding securities in physical form/ Non-Individual Shareholders holding securities in demat mode is given below:

Individual Shareholders of the company, holding shares in physical form / Non-Individual Shareholders holding securities in demat mode as on the cut-off date for e-voting may register for e-Voting facility of Link Intime as under:

1. Open the internet browser and launch the URL: <https://instavote.linkintime.co.in>
2. Click on "Sign Up" under 'SHARE HOLDER' tab and register with your following details: -
  - A. User ID:
 

Shareholders holding shares in physical form shall provide Event No + Folio Number registered with the Company. Shareholders holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID; Shareholders holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.

- B. PAN: Enter your 10-digit Permanent Account Number (PAN) (Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.
- C. DOB/DOI: Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)
- D. Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/Company.

\*Shareholders holding shares in physical form but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above

\*Shareholders holding shares in NSDL form, shall provide 'D' above

- Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%&\*), at least one numeral, at least one alphabet and at least one capital letter).
- Click "confirm" (Your password is now generated).
- Click on 'Login' under 'SHARE HOLDER' tab.
- Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on 'Submit'.

#### Cast your vote electronically:

1. After successful login, you will be able to see the notification for e-voting. Select 'View' icon.
2. E-voting page will appear.
3. Refer the Resolution description and cast your vote by selecting your desired option 'Favour / Against' (If you wish to view the entire Resolution details, click on the 'View Resolution' file link).
4. After selecting the desired option i.e. Favour / Against, click on 'Submit'. A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote.

#### Guidelines for Institutional shareholders:

Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of Link Intime India Private Limited at <https://instavote.linkintime.co.in> and register themselves as 'Custodian / Mutual Fund / Corporate Body'. They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the 'Custodian / Mutual Fund / Corporate Body' login for the Scrutinizer to verify the same.

#### Helpdesk for Individual Shareholders holding securities in physical mode/ Institutional shareholders:

Shareholders facing any technical issue in login may contact Link Intime INSTAVOTE helpdesk by sending a request at [enotices@linkintime.co.in](mailto:enotices@linkintime.co.in) or contact on: - Tel: 022 – 4918 6000.

#### Helpdesk for Individual Shareholders holding securities in demat mode:

Individual Shareholders holding securities in demat mode may contact the respective helpdesk for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at : 022 - 4886 7000 and 022 - 2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk. <a href="mailto:evoting@cdslindia.com">evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33

#### Individual Shareholders holding securities in Physical mode has forgotten the password:

If an Individual Shareholders holding securities in Physical mode has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on the e-Voting website of Link Intime: <https://instavote.linkintime.co.in>

- Click on 'Login' under 'SHARE HOLDER' tab and further Click 'forgot password?'
- Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".

In case shareholders is having valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above. The password should contain minimum 8 characters, at least one special character (@!#\$%&\*), at least one numeral, at least one alphabet and at least one capital letter.

User ID for Shareholders holding shares in Physical Form (i.e. Share Certificate): Your User ID is Event No + Folio Number registered with the Company

#### Individual Shareholders holding securities in demat mode with NSDL/ CDSL has forgotten the password:

Shareholders who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participants website.

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.

During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event".

### 13. Process and manner for attending the Annual General Meeting through InstaMeet:

1. Open the internet browser and launch the URL: <https://instameet.linkintime.co.in> & Click on "Login".

→ Select the "Company" and 'Event Date' and register with your following details: -

- A. Demat Account No. or Folio No: Enter your 16 digit Demat Account No. or Folio No
  - Shareholders/ members holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID
  - Shareholders/ members holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID
  - Shareholders/ members holding shares in physical form shall provide Folio Number registered with the Company
- B. PAN: Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.
- C. Mobile No.: Enter your mobile number.
- D. Email ID: Enter your email id, as recorded with your DP/ Company.

→ Click "Go to Meeting" (You are now registered for InstaMeet and your attendance is marked for the meeting).

Please read the instructions carefully and participate in the meeting. You may also call upon the InstaMeet Support Desk for any support on the dedicated number provided to you in the instruction/ InstaMeet website

### Instructions for Shareholders/ Members to Speak during the Annual General Meeting through InstaMeet:

1. Shareholders who would like to speak or ask questions during the meeting need to register themselves as speaker by sending their request from their registered e-mail address to the Company Secretary at [investor.relations@lodhagroup.com](mailto:investor.relations@lodhagroup.com) mentioning their name, DP ID and Client ID / folio number and mobile number. Only those Shareholders who

have registered themselves as speaker atleast 48 hours in advance before the start of the meeting i.e., by Wednesday, September 13, 2023 by 3.30 p.m. (IST) will be able to speak at the meeting.

2. Shareholders will get confirmation on first cum first basis depending upon the provision made by the client.
3. Shareholders will receive "speaking serial number" once they mark attendance for the meeting.
4. Other shareholder may ask questions to the panellist, via active chat-board during the meeting.
5. Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device.

Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.

### Instructions for Shareholders/ Members to Vote during the Annual General Meeting through InstaMeet:

Once the electronic voting is activated by the scrutinizer during the meeting, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:

1. On the Shareholders VC page, click on the link for e-Voting "Cast your vote"
2. Enter your 16 digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET and click on 'Submit'.
3. After successful login, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting.
4. Cast your vote by selecting appropriate option i.e. "Favour/ Against" as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/ Against'.
5. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on "Save". A confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm", else to change your vote, click on "Back" and accordingly modify your vote.
6. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

### Note:

- Shareholders/ Members, who will be present in the Annual General Meeting through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting.

Shareholders/ Members who have voted through Remote e-Voting prior to the Annual General Meeting will be eligible to attend/ participate in the Annual General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

- Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.
- Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.
- Please note that Shareholders/ Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

In case shareholders/ members have any queries regarding login/ e-voting, they may send an email to [instameet@linkintime.co.in](mailto:instameet@linkintime.co.in) or contact on: - Tel: 022-49186175.

**Guidelines to attend the AGM proceedings of Link Intime: InstaMeet**

For a smooth experience of viewing the AGM proceedings of Macrotech Developers Limited through InstaMeet, shareholders/ members who are registered as speakers for the event are requested to download and install the Webex application in advance by following the instructions as under:

Step 1: Please download and install the Webex application by clicking on the link <https://www.webex.com/downloads.html/>

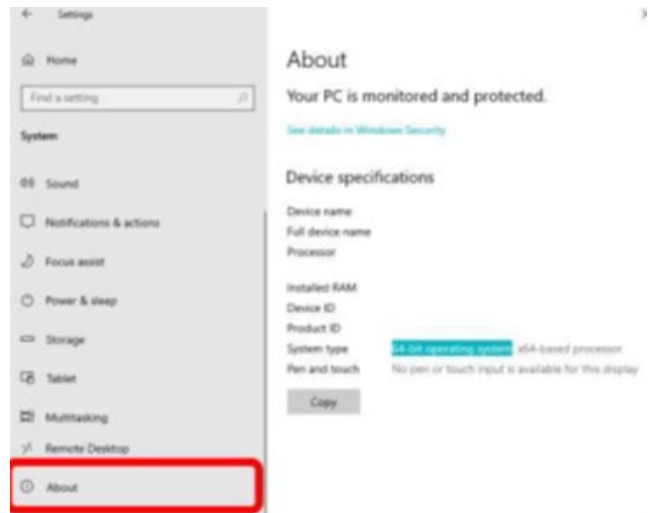
Step 2: Select download option as per device windows configuration i.e. (64 bit or 32 bit).



Download mobile app



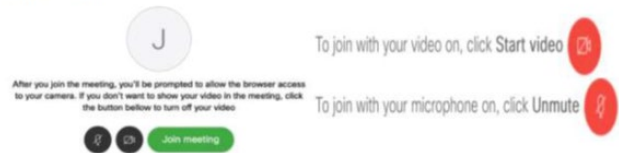
To check windows configuration i.e. (64 bit or 32 bit) Go to Desktop/PC Device "Setting", click on "About" to check the system type is 64 bit / 32 bit.



- Install the desktop app to get the full-featured Webex Meetings experience.
- You can still join from your web browser by clicking Join from your browser, If you can't install apps.

**Checkpoints:**

Your **microphone** and **webcam** are usually turned off. You will need to turn both of those on, by clicking on each icon. You will also select use computer for audio.



**How do I join the WebEx meetings?**

- Open the internet browser and launch the Meeting URL shared to you.
- Or
- Open Webex App and further enter Meeting URL.
- Enter your name and email address, click "Next" and further click "Join Webinar".
- Click Join Meeting.



## EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 READ WITH SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

### Item No. 4: Re-appointment of Ms Raunika Malhotra (DIN: 06964339) as a Whole-time Director for a period of 2 years.

Ms Raunika Malhotra (DIN 06964339) was appointed as Whole-time Director for a period of one year with effect from June 26, 2020, pursuant to resolutions passed by the members on September 25, 2020. She was re-appointed as Whole time director, liable to retire by rotation for a further period of two years with effect from June 26, 2021 pursuant to the resolution passed by the members at the 26<sup>th</sup> AGM held on September 03, 2021 and holds office upto June 26, 2023.

Based on recommendation of NRC, the Board of Directors at its meeting held on June 6, 2023 has approved re-appointment of Ms Raunika Malhotra as Whole-time Director, liable to retire by rotation for a further term of two years i.e. from June 26, 2023 to June 25, 2025, subject to approval of the members.

Ms Raunika Malhotra is neither disqualified from being appointed as a Director in terms of Section 164 (2) of the Act nor debarred from holding the office of director by virtue of any SEBI order or any other such authority and has given all the necessary declarations and confirmation including her consent for re-appointment as Whole-time Director of the Company. Ms Raunika Malhotra satisfies all the conditions set out in Part-I of Schedule V to the Act as also conditions set out under Section 196(3) of the Act for being eligible for her re- appointment.

It is proposed to seek members' approval for the re-appointment and remuneration payable to Ms Raunika Malhotra as Whole-time Director of the Company in terms of the applicable provisions of the Act and the rules made thereunder on the terms and conditions as detailed below:

A brief profile of Ms Raunika Malhotra in terms of Regulation 36(3) of the Listing Regulations is detailed in the Annexure to this notice.

Brief particulars of the terms of re-appointment of, and remuneration payable to Ms Raunika Malhotra are as under:

### Proposed Terms of appointment

#### 1. Tenure

For a period of 2 years from June 26, 2023 to June 25, 2025.

#### 2. Fixed salary

Upto ₹ 3.75 crore per annum.

#### 3. Sitting fees

No sitting fees shall be paid to her for attending Board or committee meetings.

#### 4. Perquisites and benefits

She shall be entitled to provident fund, superannuation fund, gratuity, leave encashment, personal accident insurance, benefits under the Company's pension scheme etc as per the Company policies as amended or modified from time to time. The perquisite value of the facilities / benefits shall be determined as per the Income Tax Act, 1961 and the Rules framed thereunder. In the absence of any such Rules, perquisites and allowances shall be evaluated at actual cost.

Employee Stock Options exercised and vested housing grants shall be in addition to the remuneration mentioned in para (2) above.

#### 5. Variable pay (Performance Linked Incentive)

She shall be entitled to variable pay based on individual performance including milestones achieved on ESG front and Company performance as per Company policies and as approved by the NRC and / or Board.

#### 6. Increments

Annual increase, if any, in salary shall be as per as per Company policies and shall be decided by the Board of Directors on the recommendation of the NRC.

#### 7. Minimum Remuneration

If in any financial year during the currency of her tenure, the Company has no profits or if its profits are inadequate, she shall be entitled to minimum remuneration by way of basic salary, perquisites, allowances within limits prescribed under Section II, Part II of Schedule V of the Act as amended from time to time.

#### 8. Notice period and severance pay

The office of the Whole-time director may be terminated by the Company or by her by giving 3 months prior notice in writing. No severance pay will be paid to her.

#### 9. Miscellaneous

- a. The perquisites and allowances shall be evaluated wherever applicable, as per the provisions of the Income tax Act 1961 or any rules thereunder or any statutory modifications or re-enactment thereof, in the absence of any such rules, perquisites and allowances shall be evaluated at actual cost.
- b. The Company's contribution to provident fund, superannuation or annuity fund, to the extent these singly or together are not taxable under the Income tax

law, gratuity payable and encashment of leave as per the rules of the Company and to the extent not taxable under the Income tax law, shall not be included for the purpose of computation of the overall ceiling of remuneration.

The above may be treated as a written memorandum setting out the terms of re-appointment of Ms Raunika Malhotra under Section 190 of the Act.

## Disclosure as required under Schedule V to the Act is given hereunder:

### I. General Information

1. Nature of industry	Real Estate
2. Date or expected date of Commercial Production	Not applicable as the Company has already commenced its business activities
3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not applicable

### II. Financial Performance (standalone)

₹ in crore	For the year ended		
	March 2023	March 2022	March 2021
Revenue from operations	8,734.60	8,365.91	5925.66
Profit before tax	194.29	1,598.37	156.00
Profit after tax	305.81	1,133.46	122.14
Share capital	481.79	481.51	395.88
Net worth	12,227.50	11,761.93	3,734.61

### III. Foreign investments or collaborations, if any

There is no direct foreign investment in the Company except to the extent shares held by Foreign Institutional Investors acquired during the initial public offering, open market and QIP. There is no foreign collaboration in the Company.

### IV. Information about the appointee

#### a. Background details

Background details have been provided in the Annexure of this Explanatory Statement to this Notice.

#### b. Past remuneration

The remuneration (including all benefits and perquisites) for the financial year 2022-23 was ₹ 3.25 crore.

#### c. Recognition or awards

NIL

#### d. Job profile and suitability

Ms. Raunika Malhotra is President – Marketing and Corporate Communications of the Lodha group. She has been with the Lodha group for 14 years, including two years as Deputy Regional Chief Executive Officer. Her primary responsibility is to oversee all marketing operations of the company and develop the marketing strategy including advertising strategy, brand management, market research, marketing communications and public relations. She strategizes and develops the short and long term brand strategy for the company and campaigns for projects across MMR, Pune and Bengaluru in line with the strategy of the company.

#### e. Remuneration proposed

As per Terms of Appointment given above

#### f. Comparative remuneration profile with respect to Industry, size of the Company, profile of the position and person

Taking into consideration the size of the Company and the individual profile of Ms Raunika Malhotra and the industry benchmarks, the remuneration proposed to be paid is commensurate with the remuneration packages paid to similar senior level positions in other companies in the industry.

#### g. Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any

Ms Raunika Malhotra has no pecuniary relationship directly or indirectly with the Company or its key managerial personnel other than her remuneration in the capacity of President Marketing and Corporate Communications and Whole-time director of the Company.

### V. Other Information

1. Reason for inadequate profit	The information pertaining to said clauses shall be disclosed at appropriate places in the financial year in which the loss or inadequacy of profits is incurred.
2. Step taken or proposed to be taken for improvement	
3. Expected increase in productivity and profits in measurable terms	

Additional information in respect of Ms Raunika Malhotra, pursuant to the Secretarial Standards is provided at Annexure to this Notice.

Ms Raunika Malhotra and her relatives may be deemed to be interested in the resolution, to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the other Directors or Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

The Board of Directors recommends the resolution at Item No. 4 of this Notice for your approval.

**Item No. 5: Ratification of Cost Auditor's remuneration**

The Board has approved appointment of D. C. Dave & Co., Cost Accountants (Firm Registration No. 000611) to conduct the audit of the cost records of the Company for the financial year 2023-24, at a remuneration of ₹ 10,00,000 plus applicable taxes and re-imbursment of out of pocket expenses. In accordance with the provisions of Section 148 of the Act read with the Companies

(Audit and Auditors) Rules, 2014, as amended, remuneration payable to the Cost Auditor has to be ratified by the members of the Company. Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at item no. 5 of the notice.

None of the Directors or Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

The Board of Directors recommends the resolution at Item No. 5 of this Notice for your approval.

## ANNEXURE TO THE NOTICE

### Details of the Directors seeking appointment/re-appointment at the 28<sup>th</sup> Annual General Meeting

[Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meeting]

Particulars	Mr R. P. Singh	Ms Raunika Malhotra
<b>Date of Birth</b>	October 20, 1951	September 3, 1979
<b>Qualification</b>	Post graduate degree in mathematics from Advanced Centre for Pure Mathematics, Punjab University, Chandigarh.	Bachelor's degree in engineering (electronics and telecommunication branch) from the University of Pune and a post-graduate diploma in industrial engineering from the National Institute of Industrial Engineering, Mumbai.
<b>Experience</b>	Mr. Rajinder Pal Singh was an IAS officer (1976 batch) Andhra Pradesh Cadre. Past Chairman of National Highways Authority of India, Ex-Chairman and Managing Director of Punjab & Sind Bank and served as the secretary to the Department of Industrial Policy and Promotion, Government of India. He has worked both as commissioner of Hyderabad Municipal Corporation & Vice Chairman of Hyderabad Urban Development Authority. He has had long stints as Managing Director of A.P. Industrial Development Corporation and Commissioner of Taxation in A.P. He has nearly 47 years' experience in regulatory area of finance, industry urban development and infrastructure.	She is President – Marketing and Corporate Communications of the Lodha group. She has been with the Lodha group for 14 years, including two years as Deputy Regional Chief Executive Officer. She has more than 17 years of experience in leadership, corporate strategic planning, consumer insights and brand management. Prior to joining the Lodha group, she has worked with ECS Limited and Adayana Learning Solutions Private Limited in strategic consulting.
<b>Expertise in specific functional areas</b>	Regulatory areas of Finance, Industry, Urban Development and Infrastructure	Corporate branding, marketing and corporate communications
<b>Terms &amp; Conditions of appointment/re-appointment</b>	Not Applicable	Please refer to Item No. 4 of the explanatory statement of this AGM Notice.
<b>Remuneration last drawn &amp; sought to be paid</b>	<b>Remuneration drawn in FY23</b> - Mr Rajinder Pal Singh is a non-executive Director and does not draw any remuneration from the Company. He draws remuneration of ₹ 90 lakhs from one of the subsidiaries of the Company and will continue to draw the same remuneration in FY24.	<b>Remuneration drawn in FY23</b> ₹ 3.25 crore (including all benefits & perquisites ) <b>Remuneration sought to be paid:</b> Refer explanatory statement to Item No. 4 of this AGM notice
<b>Date of first appointment on the Board</b>	January 1, 2016	June 26, 2020
<b>Directorships held in other companies as on March 31, 2023</b>	Maruti Suzuki India Limited IRB Infrastructure Private Limited Nirlon Limited	Nil



Particulars	Mr R. P. Singh	Ms Raunika Malhotra
<b>Name of Listed entities from which the Director has resigned in the past three years.</b>	Indus Towers Limited (Date of cessation: November 19, 2020)	Nil
<b>Memberships/ Chairmanship of committees of other companies as on March 31, 2023</b>	<ul style="list-style-type: none"> <li>o Audit Committee; (Chairman; Nirlon Limited)</li> <li>o Nomination and Remuneration Committee; (Member; Nirlon Limited)</li> <li>o Risk Management Committee; (Chairman; Nirlon Limited)</li> <li>o Stakeholders' Relationship Committee; (Member; Nirlon Limited)</li> <li>o Audit committee (Member; Maruti Suzuki India Limited)</li> <li>o CSR Committee (Member; Maruti Suzuki India Limited)</li> <li>o NRC Committee (Member; IRB Infrastructure Private Limited)</li> </ul>	Nil
<b>Shareholding in the Company (Equity)</b>	Nil	1020
<b>Inter-se Relationship with other Directors/Manager/ other Key Managerial Personnel</b>	None	None
<b>Number of Board meetings attended during the financial year 2022-23</b>	Attended 8 meetings out of 8 meetings held during the year	Attended 6 meetings out of 8 meetings held during the year

# INDEPENDENT ASSURANCE STATEMENT



## Introduction

DNV represented by DNV Business Assurance India Private Limited ('DNV') has been appointed by the management of Macrotech Developers Limited's ('MDL' or 'the Company', Corporate Identification Number: L45200MH1995PLCO93041) to carry out an independent assurance engagement of its nonfinancial/sustainability performance (qualitative and quantitative data) disclosed in the Company's Integrated Report for financial year 2022-23 ('the Report') in its printed and online formats including the Business Responsibility and Sustainability Reporting ('BRSR') disclosures and references to the Company's website. The sustainability performance in this Report covers disclosures corresponding to the reporting period 1st April 2022 – 31st March 2023 and relates to material topics identified by MDL.

The sustainability disclosures have been prepared by the Company based on the Global Reporting Initiative's (GRI's) Sustainability Reporting Standards 2021 ('GRI Standards 2021'), National Guidelines on Responsible Business Conduct, 2018 ('NGRBC') of the Ministry of Corporate Affairs, Government of India and the Securities and Exchange Board of India's ('SEBI's') requirements with respect to BRSR vide Circular No. SEBI/HO/CFD/CMD-2/P/CIR/2021/562 dated 10th May 2021, and key requirements of the International Integrated Reporting Council's International <IR> Framework (January 2021, the '<IR> Framework').

The reporting boundaries for non-financial performance covers its business operations (operational and underconstruction assets) and its subsidiaries and is as brought out in the Report in the section '*About the Report*'.

We performed our assurance (Type 2, Moderate level) activities based on AccountAbility's AA1000 Assurance Standard v3, and DNV's assurance methodology VeriSustainTM1. In doing so, we evaluated the qualitative and quantitative disclosures presented in the Report considering the NGRBC Principles and GRI's Principles of Defining Report Content, together with the Company's protocols and formats for measuring, recording and reporting sustainability performance. Our assurance engagement was planned and carried out in May 2023 - June 2023.

The intended user of this assurance statement is the Management of MDL. We disclaim any liability or responsibility to a third party for decisions, whether investment or otherwise, based on this Assurance Statement. We planned and performed our work to obtain the evidence we considered necessary to provide a basis for our assurance opinion. The assurance engagement considers an uncertainty of  $\pm 5\%$  based on materiality threshold for estimation/measurement errors and omissions. We did not engage with any external stakeholders as part of this assurance engagement.

## Responsibilities of the Management of MDL and of the Assurance Provider

The Management of the Company has the sole responsibility for the preparation of the Report as well as the processes for collecting, analysing and reporting the information presented in the Report and is also responsible for ensuring the maintenance and integrity of its website and referenced disclosures on sustainability performance and management approach. In performing this assurance work, DNV's responsibility is to the Management of MDL; however, this statement represents our independent opinion and is intended to inform the outcome of the assurance to the stakeholders of the Company.

DNV's assurance engagements are based on the assumption that the data and information provided by the client to us as part of our review have been provided in good faith and free from material misstatements or errors. We were not involved in the preparation of any statements or data included in the Report except for this Assurance Statement.

We did not come across limitations to scope of the agreed assurance agreement during our assurance process. The reported data on economic performance, expenditure towards Corporate Social Responsibility (CSR) activities, and other financial data of MDL within the Report are based on audited financial statements which have been subjected to a separate independent statutory audit process and is not included in our scope of work. We were not involved in the review of financial information within the Report.

## Basis of our Opinion

We planned and performed our work to obtain the evidence considered necessary to provide a basis for our assurance opinion, and as part of the assurance engagement, a multi-disciplinary team of sustainability and assurance specialists conducted assessments and interactions with key internal stakeholders at the Company's Corporate Office at Mumbai and sample operations of the Company based on DNV's sampling plan. We adopted a risk-based approach, that is, we concentrated our verification efforts on the issues of high material relevance to MDL and its key stakeholders. We undertook the following activities:

- Reviewed the approach to stakeholder engagement and materiality determination process and its outcomes as brought out in the Report.
- Conducted interviews with selected senior managers responsible for management of sustainability issues disclosed in the Report, implementation of the Company's Policies as required by the BRSR, and carried out reviews

<sup>1</sup> The VeriSustain protocol is available on request from [www.dnv.com](http://www.dnv.com) and is based on our professional experience, international assurance best practices including the International Standard on Assurance Engagements 3000 (ISAE 3000) Revised (Assurance Engagements other than Audits or Reviews of Historical Financial Information) and GRI's Reporting Principles. GRI's Principles for defining Report Content and Quality.

of selected evidence to support topics and claims disclosed in the Report. We were free to choose interviewees and interviewed those with overall responsibility to deliver the Company's overall sustainability objectives.

- Reviewed MDL's approach towards addressing application of the NGRBC Principles and the GRI Principles for Defining Report Content and Quality Guiding Principles and Content Elements (GRI 1: Foundation 2021);
- Carried out site assessments of sample operational sites of the Company - (i) Corporate office at Lodha Excelus in Mumbai (ii) iThink A - Lodha Business Park in Thane (iii) World Towers in Mumbai (iv) Lodha Clariant in Thane (v) Lodha Luxuria in Thane, and (vi) Lodha The Park in Mumbai - to review the processes and systems for preparing site level sustainability data and implementation of sustainability strategy. DNV was free to choose sites for conducting assessments;
- Assessed the robustness of the data management systems, data accuracy, information flow and controls for the reported disclosures and specific performance data related to identified material topics, as well as the processes for data consolidation in context to the principle of Completeness as per DNV's VeriSustain;
- Examined and reviewed selected supporting evidence including documents, data and other information made available by the Company related to sustainability disclosures presented within the Report;
- Performed an independent assessment of the Company's reporting against the key reporting requirements of BRSR and the GRI Standards 2021.

## Opinion and Observations

On the basis of our assurance work undertaken, nothing has come to our attention to suggest that the Report together with referenced information does not properly describe the Report's adherence to the requirements of BRSR, that is, the General Disclosures, Management and Process Disclosures, and Principle-wise Performance Disclosures, nor its adherence to the Reporting Principles of the GRI Standards 2021, that is, the key requirements of GRI 2: General Disclosures 2021 and GRI 3: Management and representation of the material topics including chosen topic-specific disclosures from the GRI Standards 2021 to bring out its sustainability performance.

Without affecting our assurance opinion, we also provide the following observations.

### Principles of the AA1000 Accountability Principles Standard (2018)

#### Inclusivity

*The participation of stakeholders in developing and achieving an accountable and strategic response to Sustainability.*

The Report brings out how MDL engages with its significant stakeholders – that is, customers, employees, channel partners, investors and lenders, contractual support staff, media and local communities - in line with its Stakeholder Engagement Policy. The channels of communication with these stakeholders, as well as the topics and concerns which have been raised through these channels are brought out within the Report.

**Nothing has come to our attention to suggest that the Report does not meet the requirements related to the Principle of Inclusivity.**

#### Materiality

*The process of determining the issues that are most relevant to an organization and its stakeholders.*

The Report describes the materiality assessment carried out by MDL which covers reviews of sector-specific, current and emerging risks, internal consultations, global sustainability frameworks/ ratings, and stakeholder surveys. The identified material topics have been prioritized based on responses, concerns and expectations from internal and external stakeholders, and significance to the Company based on business goals and risks.

**Nothing has come to our attention to suggest that the Report does not meet the requirements related to the Principle of Materiality.**

#### Responsiveness

*The extent to which an organization responds to stakeholder issues.*

The Report articulates the responses to material topics through related strategies, descriptions on management approach along with key performance indicators as per GRI Standards 2021 and chosen GRI topic-specific Standards and processes established by the Company towards responding to stakeholder expectations and key interests of stakeholders through descriptions of the policies, management and performance indicators, and governance mechanisms as per the key requirements of BRSR.

**Nothing has come to our attention to suggest that the Report does not meet the requirements related to the Principle of Responsiveness.**

#### Impact

*The level to which an organisation monitors, measures and is accountable for how its actions affect its broader ecosystems.*

The Report describes the key performance metrics to disclose key impacts and management processes implemented by the Company towards monitoring, measuring and evaluating non-financial impacts related to its identified material topics, and the Company's mechanisms to mitigate significant impacts.

**Nothing has come to our attention to suggest that the Report does not meet the requirements related to the Principle of Impact.**

### Specific Evaluation of the Information on Sustainability Performance

We consider the methodology and the process for gathering information developed by MDL for its sustainability performance reporting to be appropriate, and the qualitative and quantitative data included in the Report was found to be identifiable and traceable; the personnel responsible were able to demonstrate the origin and interpretation of the data and its reliability. We observed that the Report presents a faithful description of the reported sustainability activities and goals achieved for the reporting period.

#### Reliability

*The accuracy and comparability of information presented in the report, as well as the quality of underlying data management systems.*

The Report brings out the Company's sustainability performance related to its identified material topics and principles of the NGRBC using selected GRI topic-specific Standards. The majority of the data and information verified through our assessments at sampled operational sites through interactions with the Company's management teams and data owners and aggregated at the Corporate Office were found to be fairly accurate and reliable. Some of the data inaccuracies identified during the verification process were found to be attributable to transcription, interpretation and aggregation errors and these errors have been identified, communicated and corrected.

**Nothing has come to our attention to suggest that the Report does not meet the requirements related to the Principle of Reliability.**

#### Additional principles as per DNV VeriSustain™

##### Completeness

*How much of all the information that has been identified as material to the organisation and its stakeholders is reported.*

The Report brings out the Company's economic, environmental, social and governance-related performance during 2022-23 covering the key reporting requirements of GRI Standards 2021 and BRSR disclosures covering Management and Process Disclosures and Principle-wise Performance Disclosures, as well as selected Project Number: PRJN-545755 Page 4 of 5 performance-based

GRI topic-specific Standards considering the chosen reporting boundary and period for the identified material topics.

**Nothing has come to our attention to suggest that the Report does not meet the requirements related to the Principle of Completeness with respect to scope, boundary and time.**

#### Neutrality

*The extent to which a report provides a balanced account of an organization's performance, delivered in a neutral tone.*

The Report presents MDL's sustainability performance during the reporting period in neutral tone so as to not unduly influence stakeholder opinions made on reported qualitative and quantitative information, along with descriptions of significant challenges and risks related to stakeholders and its business, and overall macroeconomic trends and business outlook.

**Nothing has come to our attention to suggest that the Report does not meet the requirements related to the Principle of Neutrality.**

#### Statement of Competence and Independence

DNV applies its own management standards and compliance policies for quality control, in accordance with ISO IEC 17021:2015 - Conformity Assessment Requirements for bodies providing audit and certification of management systems, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We have complied with the DNV Code of Conduct<sup>2</sup> during the assurance engagement and maintain independence where required by relevant ethical requirements including the AA1000AS v3 Code of Practice. This engagement work was carried out by an independent team of sustainability assurance professionals. We were not involved in the preparation of any statements or data included in the Report except for this Assurance Statement. DNV maintains complete impartiality toward stakeholders interviewed during the assurance process. We did not provide any services to MDL or its subsidiaries in the scope of assurance for the reporting period that could compromise the independence or impartiality of our work.

For DNV Business Assurance India Private Limited

#### Tushar Chaudhari

Lead Verifier

DNV Business Assurance India Private Limited, India.

#### Kakaraparathi Venkata Raman

Assurance Reviewer

DNV Business Assurance India Private Limited, India



30th June 2023, Mumbai, India

<sup>2</sup> The DNV Code of Conduct is available on request from [www.dnv.com](http://www.dnv.com)







**MACROTECH DEVELOPERS LIMITED**

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