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Independent Auditor's Report on Annual Standalone Financial Results of the Company Pursuant to the Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To the Resolution Professional of Lavasa Corporation Limited

Disclaimer of Opinion

1. We were engaged to audit the accompanying standalone annual financial results ('the Statement') of **Lavasa Corporation Limited** ('the Company') for the year ended **31 March 2019**, attached herewith, being submitted by the Company pursuant to the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), ('the Listing Regulations'), including relevant circulars issued by SEBI from time to time.

2. We do not express an opinion on the accompanying Statement of the Company. Because of the significance of the matters described in the Basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the Statement.

3. **Basis for Disclaimer of Opinion**

   a) As stated in Note 14 to the accompanying Statement, the Company is unable to prepare and present the consolidated financial statements/financial results at the ensuing annual general meeting which is not in compliance with the requirements of Section 129(3) the Companies Act, 2013 including Ind AS 110, Consolidated Financial Statements and Ind AS 28, Investments in Associates and Joint Ventures. As stated in the aforesaid note, such inability exists on account of non-availability of the required information from its subsidiaries, associate companies and joint venture companies. Accordingly, we are unable to ascertain the consequential impact, if any, of such non-compliance on the loss in the accompanying Statement of the Company for the year ended 31 March 2019.

   b) As stated in Note 15 to the accompanying Statement, the Company was admitted under the CIRP in accordance with the IBC on 30 August 2018. The final outcome of these CIRP proceedings is currently pending. Since the process for submission of claims as on the Insolvency commencement date is an on-going process, the verification and consequent reconciliations, if any, with the amounts as appearing in the books of account has not been done. Therefore, no accounting impact has been made, in respect of any such possible short or non-receipts of claims from operational and financial creditors in the books of accounts by the Company. Further, we have not received legal confirmations and analysis from the lawyers for the cases handled by them on behalf of the Company. Accordingly, we are unable to comment on the adjustments, if any, that would be required to the carrying amount of the related liabilities or disclosure of contingent liabilities and also unable to comment on the possible financial impact of the same on the accompanying Statement of the Company for the year ended 31 March 2019. Our review report dated 17 October 2019 on the standalone financial results for the half year ended 30 September 2018 was also disclaimed in respect of this matter.

c) As stated in Note 16 to the accompanying Statement, the Company has incurred net loss of ₹ 519,882.06 lakhs during the year ended 31 March 2019 and as of that date, its accumulated losses aggregating ₹ 577,289.58 lakhs have resulted in erosion of its net worth in its entirety. Further, as of that date, its current liabilities exceeded its current assets by ₹ 634,904.71 lakhs. Further, since, CIRP is currently in progress, it is required that the Company be managed by the Resolution Professional as going concern the accompanying Statement was prepared on going concern basis of accounting. However, there exists a material uncertainty about the ability of the Company to continue as a "Going Concern" since, the same is dependent upon the resolution plan to be approved by NCLT. In the absence of necessary evidence with respect of management's assessment of going concern, we were unable to comment on the ability of the Company to continue as a going concern. Our audit report dated 2 May 2018 on the standalone financial results for the year ended 31 March 2018 included a paragraph on Material Uncertainty Related to Going Concern and our review report dated 17 October 2019 on the standalone financial results for the half year ended 30 September 2018 was also disclaimed in respect of this matter.

d) As stated in Note 17(a) to the accompanying Statement, the Company has recognised revenue amounting to ₹ 449.72 lakhs on the basis of percentage of completion method during the year ended 31 March 2019. Out of this balance, ₹ 341.40 lakhs pertain to projects which are not yet completed as at year end ('ongoing projects'). Further, the Company has recognized revenue aggregating ₹ 42,933.91 lakhs in earlier years on the basis of percentage of completion method in respect of projects not yet completed as on 1 April 2018, (the transition date for Ind AS 115, Revenue from Contracts with Customers). Ind AS 115 requires entities to assess the existence and enforceability of a right to payment for performance completed to date in order to recognize revenue over time, which has not been established for the aforesaid ongoing projects and projects not completed on the transition date for Ind AS 115, on account of defaults in construction of the property within the stipulated timelines and other contractual terms. However, the management has continued to recognize revenue over time in respect of such projects for the reasons stated in the aforesaid note, which, in our opinion, is not in compliance with the recognition principles prescribed under Ind AS 115. Our review report dated 17 October 2019 on the standalone financial results for the half year ended 30 September 2018 was also disclaimed in respect of this matter.

Further, as stated in Note 17(b) of the accompanying Statement, the Company has recognised a provision for foreseeable losses amounting to ₹ 3,400.53 lakhs as at 31 March 2019 in accordance with the requirements of Ind AS 37, Provisions, Contingent Liabilities and Contingent Assets. The underlying estimates of cost for completion of the project have not been revised during the year ended 31 March 2019 in accordance with the requirements of Ind AS 115. In the absence of such updated assessment, we were unable to determine the extent of adjustments, if any, that were required to be made to the cost of construction of the project and the consequential impact on the carrying amounts of provisions for foreseeable losses on the accompanying Statement of the Company for the year ended 31 March 2019.

e) As stated in Note 18 to the accompanying Statement, the Company has non-current investments in its subsidiaries, joint ventures and associates, and its non-current loans and non-current trade receivables and other non-current financial assets include dues from such subsidiaries, joint ventures, associates and other group companies are aggregating ₹ 998.18 lakhs, ₹ 18,790.59 lakhs, ₹ 6,215.02 lakhs and ₹ 9,268.47 lakhs, respectively, which represents over 8.33% of the Company's total assets as at 31 March 2019. Further, the Company, during the current year, has recognised interest income on the inter-corporate deposits granted to these group companies amounting to ₹ 2,074.68 lakhs. The Company's management has not carried out an assessment for impairment / expected credit losses in respect of these balances in accordance with requirement of Ind AS 36, Impairment of Assets and Ind AS 109, Financial Instruments. The net worth of the aforesaid subsidiaries, joint ventures and associates as at 31 March 2019 was either fully or significantly eroded and most of the entities had incurred losses or did not have any operations during the year ended 31 March 2019. Further, we have not received balance confirmations for the related party transactions entered during the year as well as balances outstanding as at 31 March 2019 from these related parties. In the absence of such assessment for impairment of investments, provision for expected credit losses for other balances, balance confirmation and consequential income recognised during the year basis transactions entered with the related parties, we were unable to determine the extent of adjustments, if any, that are required to be made to the carrying amounts of these balances and the consequential impact of the same on the accompanying Statement of the Company for the year ended 31 March 2019. Our review report dated 17 October 2019 on the standalone financial results for the half year ended 30 September 2018 was also disclaimed in respect of this matter.

f) As stated in Note 19 to the accompanying Statement, the Company's property, plant and equipment, capital work-in-progress (CWIP), intangible assets, non-current investments, Income-tax asset, inventories, current trade receivables, cash and cash equivalents, current loans, other non-current financial assets, other current financial assets, other non-current assets and other current assets are stated at ₹ 65,515.52 lakhs, ₹ 119,679.58 lakhs, ₹ 4.47 lakhs, ₹ 5.10 lakhs, ₹ 1,590.79 lakhs, ₹ 188,237.60 lakhs, ₹ 3,020.62 lakhs, ₹ 722.79 lakhs, ₹ 17.41 lakhs, ₹ 225.91 lakhs, ₹ 4.04 lakhs, ₹ 1,287.73 lakhs and ₹ 7,412.96 lakhs respectively, which represent over 91.56 % of the Company's total assets as at 31 March 2019. The Company's management has not carried out the assessment for impairment / expect credit loss in accordance with requirement of Ind AS 36, Impairment of Assets and Ind AS 109, Financial Instruments. In the absence of such assessment for impairment of assets and expected credit losses, we were unable to determine the extent of adjustments that are required to be made to the carrying amounts of these balances and the consequential impact of the same on the accompanying Statement of the Company for the year ended 31 March 2019. Our audit report dated 2 May 2018 on the standalone financial results for the year ended 31 March 2018 was qualified in respect of this matter for capital work-in-progress (CWIP) and our review report dated 17 October 2019 on the standalone financial results for the half year ended 30 September 2018 was also disclaimed in respect of this matter.

g) As stated in Note 20 to the accompanying Statement, the Company had leased a building to its subsidiary, Dasve Convention Center Limited ('DCCL') vide agreement dated 30 September 2010. On the basis of legal opinion, the lease deed was cancelled by the Company during the current year, for various irregularities in the lease instrument such as non-payment of proper stamp duty and non-payments of lease rent. This cancellation has been challenged by DCCL at the Hon'ble NCLT. However, although the ownership of the building is being disputed, the Company has capitalized the building in its Statement at the net book value appearing in the books of account of its subsidiary, DCCL and the carrying value of the property has been fully impaired. Pending outcome of the legal application filed by the erstwhile Resolution Professional and in the absence of sufficient and appropriate audit evidence to corroborate the management's assessment, we are unable to express an opinion on the appropriateness of the accounting treatment including measurement of the said building in the books of account of the Company.

h) As stated in Note 21 to the accompanying Statement, which describes that the Company has not been able to comply with various regulations under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR"), various provisions of the Companies Act, 2013, various sections of the Real Estate (Regulation & Development) Act, 2016 ("RERA Act") and certain regulations of Maharashtra Real Estate Regulatory Authority (General) Regulations, 2017 ("RERA Regulations"), with respect to the projects registered under the RERA Act. Pending regularizing of aforesaid defaults under the respective laws and regulations, we are unable to ascertain the consequential impact on account of possible fines or penalties, if any, of such non-compliances on the loss in the accompanying Statement of the Company for the year ended 31 March 2019.

Emphasis of Matter

4. We draw attention to Note 22 to the accompanying Statement which describe the uncertainty related to the outcome of appeal filed by the Company with National Green Tribunal against the Order of the Ministry of Environment and Forests dated 9 November 2011, according environment clearances which are subject to compliance of certain terms and conditions by the Company. Pending the final outcome, which is presently unascertainable, no adjustments have been made in the accompanying Statement as the management is of the view that they have sufficient grounds to believe that no additional costs will be incurred to comply with the conditions imposed. Our report is not modified in respect of this matter.

5. Responsibilities of Management for the Statement

The Company is undergoing Corporate Insolvency Resolution Process (CIRP) under the provisions of the Insolvency and Bankruptcy Code 2016 (IBC Code) vide order dated 30 August 2018 passed by Hon'ble National Company Law Tribunal (NCLT), Mumbai Bench. As per the CIRP, the bids for the consolidated Resolution Plan had been received from various parties and is now under process of revision to be compliant with laws of IBC Code. The powers of Board of Directors stand suspended as per section 17 of the IBC Code and such powers are being exercised by the Resolution Professional (RP) appointed by the NCLT by the said order under the provisions of the IBC Code. As per Section 20 of the IBC Code, the management and day to day operations of the Company are being managed by the Resolution Professional, Mr. Shailesh Verma as mentioned in Note 1 of the accompanying Statement.

The NCLT, Mumbai Bench has, vide order dated 26 February 2020, directed consolidation of 3 (three) entities out of 39 group/affiliate entities including the Company. Further, the NCLT vide the said Order has appointed Mr. Shailesh Verma as RP for the consolidated CIRP cases of the 3 (three) Lavasa group entities including the Company, which was published on 16 March 2020 and has been directed to take over the process of insolvency. Further, as per the order dated 26 February 2020, the CIRP is to be completed within 60 days from the date of the said order i.e. 26 February 2020. The National Company Law Appellate Tribunal ('NCLAT') considering the unprecedented situation arising out of Spread of COVID-19 virus and the period of lockdown, rolled out Suo Moto – Company Appeal (AT) (Insolvency) No.1 of 2020 order dated 30 March 2020 wherein the duration of the Consolidated CIRP during which the lockdown has been/is in effect shall be excluded to determine the time period of the CIRP. Therefore, the management and operations of the Company and other 2 (two) entities, namely Warasgaon Assets Maintenance Limited and Dasve Convention Center Limited are being managed by Resolution Professional Mr. Shailesh Verma.

The Company's management is responsible for the preparation and presentation of the Statement that gives a true and fair view of the net profit/loss and other comprehensive income and other financial information of the Company in accordance with the accounting principles generally accepted in India, including Ind AS prescribed under Section 133 of the Act, read with relevant rules issued thereunder and other accounting principles generally accepted in India, and in compliance with Regulation 52 of the Listing Regulations. 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 Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Statement

7. Our responsibility is to conduct an audit of the Statement in accordance with the Standards on Auditing specified under section 143(10) of the Companies Act, 2013 ('the Act') and to issue report thereon. However, because of the matters described in the Basis of Disclaimer of Opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the accompanying Statement. 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 accompanying Statement 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.

Other Matter

8. The accompanying Statement includes the financial results for the half year ended 31 March 2019, being the balancing figures between the figures in respect of the full financial year and the published unaudited figures for the half year ended 30 September 2018, which were subjected to limited review by us.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No:001076N/N500013

RAKESH RAMAWATAR AGARWAL
Digitally signed by RAKESH RAMAWATAR AGARWAL
Date: 2021.03.05 20:40:47 +05'30'

Rakesh R. Agarwal
Partner
Membership No:109632

UDIN:21109632AAAADB5211

Place: Baddi
Date: 05 March 2021

Lavasa Corporation Limited
CIN :- U55101MH2000PLC187834
Registered Office: Hincon House, Lal Bahadur Shastri Marg, Vikhroli West, Mumbai - 400 083 (Maharashtra)
Statement of Standalone Financial Results for the year ended 31 March 2019

PART I (₹ in lakhs, unless otherwise stated)

	Particulars	Six months ended 31 March 2019	Six months ended 31 March 2018	Year ended 31 March 2019	Year ended 31 March 2018
		(Refer note 3)	(Refer note 3)		Audited
1	**Income**				
	a) Revenue from operations	-	583.71	889.89	2,796.27
	b) Other income	2,121.88	3,496.90	5,590.18	13,072.18
	Total Income (a+b)	**2,121.88**	**4,080.61**	**6,480.07**	**15,868.45**
2	**Expenses**				
	a) Construction expenses	-	364.90	357.20	1,189.39
	b) Changes in inventories of finished goods and work-in-progress	8.22	931.88	604.68	21.61
	c) Employee benefits expense	227.05	404.71	554.36	838.81
	d) Finance costs	11,286.39	40,651.17	50,795.56	78,487.78
	e) Depreciation and amortisation expense	2,191.47	2,345.72	4,395.18	4,732.00
	f) Other expenses	1,197.40	4,271.91	2,203.57	5,940.64
	Total expenses (a+b+c+d+e+f)	**14,910.53**	**48,970.29**	**58,910.55**	**91,210.23**
3	**Loss before exceptional items and tax (1-2)**	**(12,788.65)**	**(44,889.68)**	**(52,430.48)**	**(75,341.78)**
4	Exceptional Items - Loss (Refer note 25)	469,601.88	-	467,451.58	-
5	**Loss before tax (3-4)**	**(482,390.53)**	**(44,889.68)**	**(519,882.06)**	**(75,341.78)**
6	**Tax expense/(credit)**				
	Current tax	-	-	-	-
	Deferred income tax	-	3,502.33	-	(7,133.87)
7	**Loss for the period / year (5-6)**	**(482,390.53)**	**(48,392.01)**	**(519,882.06)**	**(68,207.91)**
8	**Other Comprehensive Income**				
	a) Items not to be reclassified subsequently to profit or loss (net of tax)				
	- (Loss)/gain on fair value of defined benefit plans	12.80	(10.68)	15.43	(7.67)
	- Gain/(Loss) on fair value of quoted investments	(0.11)	0.60	(0.11)	0.60
	b) Items to be reclassified subsequently to profit or loss (net of tax)	-	-	-	-
	Other comprehensive income for the period / year, net of tax (a+b)	**12.69**	**(10.08)**	**15.32**	**(7.07)**
9	**Total comprehensive income / (loss) for the period / year (7+8)**	**(482,377.84)**	**(48,402.09)**	**(519,866.74)**	**(68,214.98)**
10	Paid-up equity share capital (Face value ₹ 10 per share)	79,594.44	79,594.44	79,594.44	79,594.44
11	Other equity (Excluding revaluation reserve)			(562,786.30)	(42,919.56)
12	Debenture redemption reserve			3,046.42	3,046.42
13	Basic and diluted earnings per share (of ₹ 10 each) (not annualised) (In ₹)	(60.61)	(6.08)	(65.32)	(8.57)
14	Paid up debt capital (Refer notes 5 and 6)			169,935.46	141,492.34
	a) Debt equity ratio (in times)			(1.38)	11.14
	b) Debt service coverage ratio (in times)			0.05	0.10
	c) Interest service coverage ratio (in times)			0.05	0.10
	d) Paid-up debt capital ratio (in times)			0.30	0.37
	e) Net worth			(483,191.86)	36,674.88
	See accompanying notes to the Statement				

Lavasa Corporation Limited
Mumbai

Lavasa Corporation Limited
CIN :- U55101MH2000PLC187834
PART II - Standalone Balance Sheet as at 31 March 2019

(₹ in lakhs, unless otherwise stated)

Particulars	As at 31 March 2019	As at 31 March 2018 (audited)
ASSETS		
Non-current assets		
Property, plant and equipment	65,515.52	69,904.36
Capital work-in- progress	119,679.58	119,680.12
Intangible assets	4.47	15.01
Investment in subsidiaries, associates and joint ventures	998.18	185,819.59
Financial assets		
Investments	9.89	17,968.62
Trade receivables	6,215.02	-
Loans	18,862.99	21,441.59
Other financial assets	9,873.43	361.92
Income - tax assets (net)	1,590.79	1,359.47
Other non-current assets	1,287.73	4,217.85
Total non-current assets	**224,037.60**	**420,768.53**
Current assets		
Inventories	188,237.60	188,842.28
Financial assets		
Trade receivables	3,020.62	13,566.81
Cash and cash equivalents	722.79	19.05
Loans	17.41	27.82
Other financial assets	4.04	4,180.94
Other current assets	7,412.96	10,281.19
Total current assets	**199,415.42**	**216,918.09**
TOTAL ASSETS	**423,453.02**	**637,686.62**
EQUITY AND LIABILITIES		
Equity		
Equity share capital	79,594.44	79,594.44
Other equity	(562,786.30)	(42,919.56)
Total equity	**(483,191.86)**	**36,674.88**
Liabilities		
Non-current liabilities		
Financial liabilities		
Borrowings	65,340.65	59,523.57
Other financial liabilities	6,943.15	85,491.08
Provisions	40.95	72.68
Deferred tax liabilities (net)	-	-
Total non-current liabilities	**72,324.75**	**145,087.33**
Current liabilities		
Financial liabilities		
Borrowings	37,988.77	33,765.95
Trade payables		
- Total outstanding dues of Micro Enterprises and Small Enterprises	70.07	-
- Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	20,562.20	21,519.80
Other financial liabilities	751,178.19	377,947.79
Other current liabilities	21,026.63	19,147.35
Provisions	3,494.27	3,543.52
Total current liabilities	**834,320.13**	**455,924.41**
TOTAL EQUITY AND LIABILITIES	**423,453.02**	**637,686.62**

See accompanying notes to the Statement

For Lavasa Corporation Limited

Shailesh Verma
Resolution Professional
Reg No: IBBI.IPA-002/IP-N00070/2017-18/10148

Suresh Pendharkar
Chief Executive Officer

Lavasa Corporation Limited
Mumbai

Place: Ghaziabad
Date : 05 March 2021

Notes:

1 Pursuant to the admission of the application filed by Raj Infrastructure Development (India) Private Limited before the National Company Law Tribunal, Mumbai bench ("NCLT") in terms of Section 9 of the Insolvency and Bankruptcy Code, 2016 ("IBC") against the Company, the Hon'ble NCLT had vide its order dated 30 August 2018 ordered for the commencement of the corporate insolvency resolution process ("CIRP") of the Company. Subsequently, vide its order dated 15 October 2018, the Hon'ble NCLT has appointed Mr. Shailesh Verma as the resolution professional of the LCL ("RP").

Thereafter, pursuant to an application filed by certain lenders of the Company, some of whom were members of the Committee of Creditors ("CoC") of the Company, before the NCLT, the Hon'ble NCLT had inter alia, vide its order dated 26 February 2020, while consolidating the CIRP of the Company with the then-separately-ongoing CIRP of Warasgaon Assets Maintenance Limited ("WAML") and Dasve Convention Centre Limited ("DCCL") (both of which are wholly-owned subsidiaries of the Company) ("Consolidated CIRP"), granted an initial time period of 60 days from the date of the said order for completion of the Consolidated CIRP ("Consolidation Order"). The Hon'ble National Company Law Appellate Tribunal ("NCLAT") in the matter of Suo Moto- Company Appeal (AT) (Insolvency) No. 01 of 2020 has, on 31 March 2020, taken cognizance of the unprecedented situation arising out of Spread of COVID-19 virus and has ordered that the period of lockdown ordered by the Central Government and the State Governments including the period as may be extended either in whole or part of the country, where the registered office of the Corporate Debtor may be located, shall be excluded for the purpose of counting of the period for resolution process under Section 12 of the Insolvency and Bankruptcy Code, 2016. Further, The Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 has been specifically amended to include Regulation 40C which provides that, at present, the duration of the Consolidated CIRP during which the lockdown has been/ is in effect has been excluded to determine the time period of the CIRP. Presently, in the state of Maharashtra the lockdown with certain concessions has been extended till 31 January 2021. Therefore, the period from 22 March 2020 till 31 January 2021 has been excluded, leaving 35 days out of the originally envisaged 60 days in the consolidation order for the completion of the Consolidated CIRP. These 35 days shall be added from the date on which the lockdown is lifted in the state of Maharashtra, where the registered office of the Corporate Debtor is situated, to complete the Consolidated CIRP. Accordingly, the last date for the Consolidated CIRP shall be 07 March 2021. Further, vide the Consolidation Order, the RP of the Company has been appointed as the Resolution Professional in relation to the Consolidated CIRP.

The said Consolidation Order also considered the resolution of the financial debts of Warasgaon Power Supply Limited ("WPSL") and Dasve Retail Limited ("DRL"), in view of the relevant financial creditors of such subsidiaries having consented to resolve their debt in the Consolidated CIRP, for which the consolidated Committee of Creditors was directed to take an informed decision regarding the resolution of the debt of both these subsidiaries. In furtherance thereof, in the meeting of the Consolidated CoC dated 3 March 2020, the Consolidated CoC considered and agreed to initiate and consolidate the corporate insolvency resolution process(es) in relation to WPSL and DRL and directed the RP to file relevant applications in this regard at the Hon'ble NCLT which is presently under progress.

As per the provisions of Section 20(1) of IBC the IRP/RP shall make every endeavor to protect and preserve the value of the property of the corporate debtor and manage the operations of the corporate debtor as a going concern. Accordingly, the RP has been managing the operations of the Company as a going concern. Under the current CIRP period, the RP has invited resolution plans from prospective Resolution Applicants. Once a plan is submitted, it will be placed before the Committee of Creditors and thereafter to the NCLT for approval. Considering the above facts and continuing operations of the Company, the financial results have been prepared on a going concern basis.

2 This Statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) (Amendment) Rules, 2016.

3 Figures for the six months period ended 31 March 2019 and 31 March 2018 are the balancing figures between financial statements for the years ended on that date and the published year to date figures upto the end the first six months of the respective financial years.

4 The Company is principally engaged in a single business segment viz. "Comprehensive Urban Development and Management". The Company has no other reportable segment. Further, the entire business of the Company is within India, hence there is no geographical segment.

5 Paid up debt capital represents outstanding due towards Non-convertible Debentures, Convertible Debentures and Liability component of Preference Shares.

6 The Company is under CIRP, hence the next date of repayment of debt capital shall be determined on the basis of settlement as determined by the Resolution Applicant post approval of the business plan by National Company Law Tribunal (NCLT) court, basis the amount verified by the Resolution Professional during the CIRP period (Also refer note 15).

7 Ratios has been calculated as follows:
Debt equity ratio = (Long-term borrowings + Short-term borrowings + Current maturities of long-term borrowings)/ Total equity (Net worth).
Debt service coverage ratio = Profit/(Loss) before interest, depreciation, amortisation, tax and exceptional items/ (Interest expense for the period + Principal repayments of long-term borrowings during the period).
Interest service coverage ratio = Profit/(Loss) before interest, depreciation, amortisation, tax and exceptional items/ Interest expense for the period.
Paid-up Debt Capital Ratio = Paid-up debt capital / Outstanding debt
Outstanding debt represents balances outstanding of Long-term borrowings + Short-term borrowings + Current maturities of long-term borrowings + Other current financial liabilities.

8 Credit Rating, Previous due date and next due date for payment of interest/repayment of principal of non-convertible debt securities:

(₹ in lakhs)

a)

ISIN	Series	Credit Rating	Issue Size	Amount Outstanding (incl interest)
INE172G07237	F	CARE D	1,500.00	6,889.36
INE172G07245	F	CARE D	10,200.00	19,228.93

b)

ISIN	Previous Due Date		Next Due Date	
	Principal	Interest	Principal	Interest
INE172G07237	Not due	Not due	Refer Note 6	Refer Note 6
INE172G07245	30 June 2018	30 June 2018	above	above

Lavasa Corporation Limited Mumbai

c) Asset cover available

ISIN	Value of Security (₹ in lakhs)	Outstanding amount (incl. interest) (₹ in lakhs)	Asset cover ratio (in times)
INE172G07237	6,102.00	6,889.36	0.89
INE172G07245	74,615.04	19,228.93	3.88

d) Outstanding redeemable preference shares

	Number of shares	Issue Size (₹ in lakhs)	Outstanding amount (incl. interest) (₹ in lakhs)
Redeemable preference shares	37,249,997	3,725.00	12,802.41

9 The Company is currently undergoing CIRP in terms of IBC pursuant to the order of NCLT passed on 30 August 2018 ("Insolvency commencement date"). As required in terms of the provisions of IBC and the regulations framed thereunder, the RP has verified claims filed by creditors of the Company as on the insolvency commencement date. All the debts of the Company shall be resolved within the contours of the IBC.

10 On account of adoption of Ind AS 115, unbilled revenue (contract assets) as at 31 March 2019 has been considered as non-financial assets and accordingly classified under other current assets which was considered as financial assets as at 31 March 2018.

11 During the current year, the Company has gone into CIRP w.e.f. 30 August 2018 and has defaulted in repayment of borrowings taken from various lenders which were backed by corporate guarantees given by the group companies. Considering the default, all these lenders have invoked the corporate guarantees given by the group companies. Thus, the Company has charged the balance unamortised portion of prepaid financial guarantee asset amounting to ₹ 4,217.75 lakhs in the books of account post invocation by the lenders.

12 NCLT vide its Orders dated 17 December 2018 and 5 February 2019 has admitted applications filed by financial and / or operational creditors against WAML and DCCL, respectively and initiated the CIRP under the IBC. Pursuant to the initiation of the CIRP and in accordance with the provisions of IBC, the powers of the Board of Directors of these entities stand suspended and the management of these subsidiaries presently vests with the RP appointed under the provisions of IBC. Accordingly, from the effective date of the admission by NCLT, the management of the Company considers the recoverability as doubtful and hence have provided for the investment in these entities.

13 During the current year, there is an increase in Investment in subsidiaries and joint ventures amounting to ₹ 157,818.57 lakhs and ₹ 157.67 lakhs respectively (net of balance unamortised financial guarantee contract for subsidiaries and joint ventures amounting to ₹ 20,522.90 lakhs and Nil respectively) on account of invocation of corporate guarantees by the lenders of said subsidiaries and joint ventures to whom corporate guarantees were issued by the Company. From the effective date of the admission by NCLT, the management of the Company considers the recoverability as doubtful and hence have written off the investment amounting to ₹ 183,772.90 lakhs.

14 As per Section 129(3) of the Companies Act, 2013, the Company is required to present consolidated financial statement/results of the Company and all the subsidiaries (including joint venture and associate company) in the same form and manner as that of its own which shall also be laid before the annual general meeting of the Company along with the laying of its standalone financial statements/results. The financial statements/results of the subsidiaries, joint venture and associate company cannot be consolidated with the financial statement/results of the Company on account of non- availability of the requisite information for consolidation of financial statements/ results of the parent in accordance with Ind AS 110 Consolidated Financial Statements and Ind AS 28 Investments in Associates and Joint Ventures. Thus, the Company has not prepared consolidated financial statements/results and shall not be presenting the same in the ensuing annual general meeting of the Company.

15 Pursuant to the orders of Hon'ble NCLT, Mumbai, CIRP has been initiated in respect of the Company under the provisions of the IBC Code with effect from 30 August 2018 post an application was filed and admitted against the Company by M/s Raj Infrastructure Development (India) Private Ltd., an operational creditor of the Company. As a part of CIRP proceedings, all the operational and financial creditors of the Company were called upon to submit their claims and as per the provisions of the IBC Code, the RP has to receive and collate all the claims submitted by the operational and financial creditors of the Company. To the extent the process for submission of claims as on the Insolvency commencement date remains an on-going process, the verification and consequent reconciliations, if any, with the amounts as appearing in the books of account remain pending. Legal confirmations for the cases handled by various lawyers on behalf of the Company during the year were not received in spite of sending repeated requests to them to do so. This is due to the inability of the Company to pay past dues of such lawyers, to the extent such claims have been duly received, they have been admitted.

16 The Company has incurred net loss of ₹ 519,882.06 lakhs during the year ended 31 March 2019 and also suffered losses from operations during the preceding financial years and as of that date has accumulated losses aggregating ₹ 577,289.58 lakhs which has resulted in erosion of its net worth in its entirety. Further, as of that date, its current liabilities exceeded its current assets by ₹ 634,904.71 lakhs. The Company also has external borrowing from banks and financial institutions, principal and interest repayment of which has been delayed and has also defaulted in dues payable to debenture holders towards non-convertible debentures. The operations of the Company are dependent on the project undertaken by it and other entities in the group as a whole. During the current year, an application for CIRP was filed and admitted against the Company before NCLT on 30 August 2018. A Resolution Professional has been appointed under the provisions of IBC, who under the directions of the NCLT as well as Committee of Creditors ("CoC") manages the day to day affairs of the Company, as powers of the existing Board of Directors stands suspended. The Resolution Professional has received bids from resolution applicants. In view of the above, the Statement has been continued to be prepared on a "Going Concern" basis.

17 a) The Company has recognised contract revenue amounting to ₹ 449.72 lakhs on the basis of percentage of completion method during the year ended 31 March 2019. Out of this, ₹ 341.40 lakhs pertain to projects which are not yet completed as at year end i.e. ongoing projects. Further, the Company has recognized revenue aggregating ₹ 42,933.91 lakhs in earlier years on the basis of percentage of completion method in respect of projects not yet completed as on the transition date for Ind AS 115, Revenue from Contracts with Customers, i.e. 1 April 2018. The Company believes that the basis the contractual terms of the agreement and the legal opinion received, despite the delays in construction, the right to payment is established. Further, a moratorium under Section 14(1) of the Code is in effect which prohibits inter alia the continuation of pending suits or proceedings against the Company, including any judgement, decree or order in any court of law, tribunal or other authority.

b) The Company has recognized foreseeable losses amounting to ₹ 3,400.53 lakhs in respect of the projects where it believes that the estimated cost to complete the contract will exceed the amount of contract revenue and basis the same the Company has recorded the cost of construction and changes in inventory amounting to ₹ 357.20 lakhs and ₹ 604.68 lakhs respectively. The management has not revised the estimated cost of completion of the project during the past few years owing to scarcity of resources and overall stagnation of the project. The management believes that the amount of foreseeable losses has been computed appropriately and believes that impact on account of revision in estimated cost of completion of the project and the consequential impact on the cost of construction and changes in inventories will not be material.

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18 The Company's non-current investments as at 31 March 2019 include investments aggregating ₹ 998.18 lakhs in its subsidiaries, joint ventures and associates, other non-current loans and non-current trade receivables and other non-current financial assets as on that date include dues from such subsidiaries, joint ventures and associates and other group companies aggregating ₹ 18,790.59 lakhs, ₹ 6,215.02 lakhs and ₹ 9,268.47 lakhs respectively, being considered good and recoverable by management. The operations of these subsidiaries, joint ventures and associates are dependent on the projects undertaken by the respective companies as a group. The underlying projects in the Company are in the early stages of development and would achieve profitability on substantial completion and/ or have current market values of certain properties which are more than the carrying values. On the basis of the above, and given that the Company and two of its subsidiaries are currently under the CIRP, no adjustments are currently considered as being required to be made to the carrying value of these balances as at 31 March 2019. Confirmation for transactions during the year and year end balances of these parties were not received in some cases in spite of repeated requests by the management.

19 The Company's property, plant and equipment, capital work-in-progress (CWIP), intangible assets, non-current investments, Income-tax asset, inventories, current trade receivables, cash and cash equivalents, current loans, other non-current financial assets, other current financial assets, other non-current assets and other current assets amounting to ₹ 65,515.52 lakhs, ₹ 119,679.58 lakhs, ₹ 4.47 lakhs, ₹ 5.10 lakhs, ₹ 1,590.79 lakhs, ₹ 188,237.60 lakhs, ₹ 3,020.62 lakhs, ₹ 722.79 lakhs, ₹ 17.41 lakhs, ₹ 225.91 lakhs, ₹ 4.04 lakhs, ₹ 1,287.73 lakhs and ₹ 7,412.96 lakhs respectively, being considered good and recoverable by the management. The underlying projects in the Company are in the early stages of development and would achieve profitability on substantial completion and/ or have current market values of certain properties which are more than the carrying values. On the basis of the above, and given that the Company and two of its subsidiaries are currently under the CIRP, no adjustments are currently considered as being required to be made to the carrying value of these assets as at 31 March 2019.

20 Vide lease deed dated 23 September 2002 ("Deed of Lease"), Maharashtra Krishna Valley Development Corporation ("Lessor") had executed a lease deed in favour of the Company relating to land as described in the Deed of Lease where the Company constructed a convention center ("Property"). In terms of Clause 18 of the Deed of Lease Deed, the Company does not have the right to assign the leasehold rights to any person. However, the Company had executed a deed of sub-lease dated 30 September 2010 for sub-lease of the Property to Dasve Convention Center Limited ("Deed of Sub-lease"). This Deed of Sub-Lease was executed without the permission of the Lessor, it is an unregistered instrument, and adequate stamp duty has not been paid as required under the applicable laws. Thus, the resolution professional of the Company, upon taking over the management of the Company, issued a notice to Dasve Convention Center Limited (DCCL) pointing out the aforementioned legal infirmities of the Deed of Sub-lease and on account of the same, the Deed of Sub-lease being ipso facto void ab initio. Further, the RP also sent a show cause notice to DCCL to explain the non-payment of lease premium to the Company in terms of the Deed of Sub-Lease. On the basis of said cancellation, the Company had inventorised the building in its books of account and basis the future usage has capitalized (converted from stock-in-trade to Property, plant and equipment) the same in its financial results at the net book value of ₹ 5,635.56 lakhs i.e. the value appearing in the books of account of DCCL as at 31 March 2019 and consequentially, provided for impairment allowance of ₹ 5,364.44 lakhs. Further, the Company has fully impaired the book value of such Property, plant and equipment aggregating ₹ 5,635.56 lakhs. Mr. Mahesh Kumar Gupta as the erstwhile resolution professional of Dasve Convention Center Limited, had filed an application before the Hon'ble to NCLT (M.A. no. 1369 of 2019 in CP no. 574 of 2018) on 4 April 2019 against the RP of the Company, seeking possession of the Property. The said application was heard at length on 24 February 2020 and orders therein were reserved. The aforesaid matter is sub-judicious before the Hon'ble NCLT and consequential adjustments, if any, in the books of account will be made on receipt of the orders of the Court.

21 a) There are certain corporate compliances under the provisions of Companies Act, 2013, being Section 203 of the Act with respect to appointment of the Chief Financial Officer and Company Secretary, Section 138 relating to carrying out the internal audit, Section 204 relating to conduct of the Secretarial audit, Sections 177 and 178 regarding Audit Committee and Nomination and Remuneration Committee of the Act. The Company has been unable to file the annual returns with the Registrar of the Companies (in terms of Section 92 of the Act) owing to practical difficulties faced by the Company due to non-availability of the digital signatures of the directors whose powers have been suspended. The Company was further not able to conduct the annual general meeting in accordance with the timelines specified under the Act and the Company was unable to file the financial statements with the Registrar of the company (ROC) within the timelines specified under this Act on account of initiation of such CIRP thus the Company was not able to comply with the provision of Section 96, Section 121 and Section 137 of the Act. Further, certain SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 have remained pending as mentioned in Note 21 (c) below.

These compliances have remained pending in respect of the Company primarily on account of (a) the scarcity of funds faced by the Company due to the ongoing corporate insolvency resolution process; (b) resignation tendered by all directors of the Company to the Resolution Professional; and (c) the lack of replacements to act as directors of the Company inspite of the Resolution Professional having taken steps towards the same.

b) The Company has not complied with the provisions of Section 4, Section 4(2)(l)(D) and Section 13 of the Real Estate (Regulation & Development) Act, 2016 ("RERA Act") and the regulations of Maharashtra Real Estate Regulatory Authority (General) Regulations, 2017, wherein it is provided that the amounts from the separate account shall be withdrawn by the promoter after it is certified by an engineer, an architect and a chartered accountant in practice, and that the withdrawal is in proportion to the percentage of completion of the project; that the promoter shall get his accounts audited within six months after the end of every financial year by a chartered accountant in practice, and shall produce a statement of accounts duly certified and signed by such chartered accountant and it shall be verified during the audit that the amounts collected for a particular project have been utilised for the project and the withdrawal has been in compliance with the proportion to the percentage of completion of the project. The Company as at 31 March 2019, was unable to obtain such certificates for projects from auditor within six month from end of financial year and in respect of certificate by an engineer, an architect and a chartered accountant in practice because there was no progress on the projects after registration and transactions from the respective bank accounts took place.

The Company is currently in default in terms of various lease/ sale agreements on account of its failure to have given timely possession to the concerned homebuyers. In terms of the applicable provisions of the Code, such homebuyers, who have not received possession, are treated as financial creditors and their financial debt is required to be resolved within the contours of the Code. On account of the initiation of the corporate insolvency resolution process of the Company, a moratorium in terms of Section 14(1) of the Code is in effect, and accordingly no suit/ proceedings against the Company can be instituted or continued during such period, including proceedings in terms of the Real Estate (Regulation and Development) Act, 2016. The dues owed to the homebuyers shall be resolved as per, and the contractual obligations of the Company in terms of such lease/ sale agreements shall be subject to the provisions of a resolution plan, if any, approved in terms of Section 31 of the Code, or shall be subject to a liquidation process, as per the provisions of the Code.

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c) The Company is presently undergoing CIRP. The Company is further facing severe financial crisis and all directors and company secretary have resigned and accordingly, in the absence of majority of senior management and key managerial personnel, the Company has not been able to comply with the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR"). The Company has not been able to appoint a compliance officer as specified under regulation 6 of the SEBI LODR and the Company has not been able to constitute a Grievance Redressal Mechanism committee as specified under regulation 13 of the SEBI LODR. Further there have been certain delays in terms of payment of fees and other charges to be paid to the recognized stock exchange(s), disclosure of information having bearing on performance/operation of listed entity and/or price sensitive information, submission of financial results, timely compliance of the terms of non-convertible debt securities in accordance with Regulation 14, 51, 52 and 61 of the SEBI LODR respectively. The Company has been unable to comply with other regulations of the SEBI LODR which includes preparation of annual report in line with provisions of Regulation 53, maintaining sufficient asset cover as per Regulation 54, submission of certificates with the stock exchange in respect of the interest or principal becoming due as per Regulation 57, submission of documents and information to holders of non convertible debt securities as per Regulation 58. Further, the website of the Company does not contain the minimum details as required under Regulation 62 of the SEBI LODR. The management of the Company believes that such non-compliance of the provisions of the SEBI LODR on account of such practical difficulty will not have material impact on the financial results of the Company. The Resolution Professional has appointed a Chief Executive Officer and a third party secretarial advisor to the Company in order to assist in compliances with applicable laws, to the extent possible.

22 The Ministry of Environment & Forests (MoEF), Government of India, vide its order dated 9 November 2011, accorded Environment Clearance to 2,048 hectares (5,058 acres) of the project subject to compliance of certain terms and conditions. Accordingly, construction has resumed at project site from 9 November 2011. The Company has filed an appeal before the National Green Tribunal, New Delhi (NGT) challenging some of the conditions prescribed in the said Order which is presently pending before NGT. The application made by the Company has been referred to the State Expert Appraisal Committee by the State environmental impact assessment authority after completion of hearing on 05 and 06 February 2020. The application referred to State Expert Appraisal Committee could not be perused due to the nationwide lockdown announced on account of the COVID19 pandemic. The management believes that the matter will be decided in their favour without any financial loss.

23 In order to protect the assets of the Company as well as carrying out the CIRP in a smooth and efficient manner and to keep the Company as a going concern, the Resolution Professional sought assistance of the members of the Committee of Creditors to fund the CIRP costs. During the 4th meeting the CoC held on 14 December 2018, the CoC has approved a Corpus amounting to ₹ 1,590.43 lakhs intended to be utilized towards meeting the expenses for first six months towards running of the CIRP and operations of the Company by way of contribution in accordance with lenders respective voting shares. This corpus would carry cost of funds @12% p.a., applicable from the date of respective contributions made by the CoC members till repayment or the maximum period permissible under applicable law, whichever is earlier. The total amount disbursed under corpus fund amounted to ₹ 935.33 lakhs as at 31 March 2019.

24 Interest and principal in respect of non-convertible debenture holder (secured against land asset of the Company), listed on Bombay Stock Exchange ("BSE"), were overdue as at 31 March 2019. These debentures have been restructured post obtaining in principal approval from BSE and additional provisions towards interest and penalties have been recognised in the books of account of the Company. Further there have been defaults in repayment of interest as per the terms and conditions of the restructured debt pursuant to the initiation of CIRP proceedings. Consequently, the Management expects that such overdue interest will not have any implications on the financial result. Further, in view of the loss for the year, the Company has not created the Debenture Redemption Reserve for a cumulative amount of ₹ 8,774.58 lakhs (31 March 2018: ₹ 8,774.58 lakhs) in terms of Section 71(4) of the Companies Act, 2013 and Rule 18(7) of the Companies (Share Capital and Debentures) Rules, 2014. The Company shall create the Debenture Redemption Reserve out of profits, if any, in the future years. As required by provision of Section 73 of the Act, the Company is required to deposit 15 per cent of the amount maturing during the next financial in a scheduled bank which has not been deposited considering the present financial condition of the Company.

25 **Exceptional item represents the following:** **(₹ lakhs)**

A) Income

	Year ended 31 March 2019	Six months ended 31 March 2019
Interest on financial instrument measured at amortised cost	25,482.97	25,482.97
Provision for doubtful debts written back	11,000.00	11,000.00
Excess provision for earlier years, no longer required, written back	2,150.30	-
Total (A)	**38,633.27**	**36,482.97**
B) Expenses		
Provision for diminution in the value of investment of subsidiaries, associates and joint ventures	176,983.34	176,983.34
Interest cost on other financial instruments	93,214.77	93,214.77
Provision for inter corporate deposits	29,642.01	29,642.01
Provision for advance given to suppliers	2,686.09	2,686.09
Impairment of stock in trade converted into property, plant and equipment	5,364.44	5,364.44
Impairment loss on building	5,635.56	5,635.56
Amortization of guarantee commission	4,217.75	4,217.75
Provision for doubtful debts in respect of a subsidiary	2,163.80	2,163.80
Deemed equity investment written off	183,772.90	183,772.90
Provision for sales and service tax liability	2,404.19	2,404.19
Total B	**506,084.85**	**506,084.85**
Total (B - A) - Loss	**467,451.58**	**469,601.88**

26 In January 2020, the World Health Organization has declared the outbreak of a novel coronavirus (COVID-19) as a "Public Health Emergency of International Concern", which continues to spread throughout the world and has adversely impacted global commercial activity and contributed to significant declines and volatility in financial markets. The coronavirus outbreak and government responses are creating disruption in global supply chains and adversely impacting many industries. The outbreak could have a continued material adverse impact on economic and market conditions and trigger a period of global economic slowdown. The rapid development and fluidity of this situation precludes any prediction as to the ultimate material adverse impact of the coronavirus outbreak. The impact of COVID-19 on the business operations of the Company, including the duration, cannot be reasonably ascertained at this point in time, however, considering the fact that the Company's sales are minimal considering the ongoing CIRP, the management does not anticipate any material adverse impact on the business, results of operations, financial position and cash flows.

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27 This financial results has been prepared on the basis of the representations and information provided by the personnel of the Company and has not been approved by the Board of Directors of the Company. Prior to signing of the financial results, all the directors on the Board of the Company have resigned. Therefore, there are presently no persons serving as Directors of the Company and the Resolution Professional is furnishing the financial results solely for the purpose of compliance with applicable law:

(i) The Resolution Professional was not in control of the operations or the management of the Corporate Debtor during the period between 1 April 2018 till 23 October 2018, when the Resolution Professional took over the management of the Corporate Debtor from the Interim Resolution Professional upon receipt of the substitution order passed by Hon'ble NCLT on 15 October 2018;

(ii) The Resolution Professional has furnished and signed the financial results in good faith and accordingly, no suit, prosecution or other legal proceeding shall lie against the Resolution Professional in terms of Section 233 of the Code;

(iii) The Resolution Professional, while signing this financial results, has relied upon the assistance, representations and statements provided by Chief Executive Officer, in relation to this financial results;

(iv) No statement, fact, information (whether current or historical) or opinion contained herein should be construed as a representation or warranty, express or implied, of the Resolution Professional including, his authorized representatives, advisors, the Corporate Debtor or the members of CoC and its advisors; and

(iv) None of the Resolution Professional, the members of the CoC, their advisors or representatives shall be held liable for the authenticity, accuracy, correctness or completeness of any such statements, facts or opinion.

28 The figures for the corresponding previous periods have been regrouped / reclassified, wherever necessary, to make them comparable.

Shailesh Verma	**Suresh Pendharkar**
Resolution Professional	Chief Executive Officer
Reg No: IBBI.IPA-002/IP-N00070/2017-18/10148	
Place: Ghaziabad	Place: Mumbai
Date : 05 March 2021	Date : 05 March 2021

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ANNEXURE I

Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results – (Standalone)

Statement on Impact of Audit Qualifications (Disclaimer of Opinion) for the Financial Year ended 31 March 2019
[See 52 of the SEBI (LODR) (Amendment) Regulations, 2016]

(Amount in ₹ lakhs)

I.	**Sl. No.**	**Particulars**	**Audited Figures (as reported before adjusting for qualifications)**	**Adjusted Figures (audited figures after adjusting for qualifications)**
	1.	Turnover / Total income	6,480.07	Not ascertainable (Refer II (a) below)
	2.	Total Expenditure (including exceptional loss)	526,362.13	Not ascertainable (Refer II (a) below)
	3.	Net Loss after tax	(519,882.06)	Not ascertainable (Refer II (a) below)
	4.	Earnings/(Loss) Per Share (in ₹)	(65.32)	Not ascertainable (Refer II (a) below)
	5.	Total Assets	423,453.02	Not ascertainable (Refer II (a) below)
	6.	Total Liabilities	906,644.88	Not ascertainable (Refer II (a) below)
	7.	Net Worth	(483,191.86)	Not ascertainable (Refer II (a) below)
	8.	Any other financial item(s) (as felt appropriate by the management)	-	-

II.	**Audit Qualification**	
	a. Details of Audit Qualification (Disclaimer of Opinion):	**(i) Auditor's disclaimer of opinion on the standalone financial results** a) As stated in Note 14 to the accompanying Statement, the Company is unable to prepare and present the consolidated financial statements/financial results at the ensuing annual general meeting which is not in compliance with the requirements of Section 129(3) the Companies Act, 2013 including Ind AS 110, Consolidated Financial Statements and Ind AS 28, Investments in Associates and Joint Ventures. As stated in the aforesaid note, such inability exists on account of non-availability of the required information from its subsidiaries, associate companies and joint venture companies. Accordingly, we are unable to ascertain the consequential impact, if any, of such non-compliance on the loss in the accompanying Statement of the Company for the year ended 31 March 2019. b) As stated in Note 15 to the accompanying Statement, the Company was admitted under the CIRP in accordance with the IBC on 30 August 2018. The final outcome of these CIRP proceedings is currently pending. Since the process for submission of claims as on the Insolvency commencement date is an on-going process, the verification and consequent reconciliations, if any, with the amounts as appearing in the

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		books of account has not been done. Therefore, no accounting impact has been made, in respect of any such possible short or non-receipts of claims from operational and financial creditors in the books of accounts by the Company. Further, we have not received legal confirmations and analysis from the lawyers for the cases handled by them on behalf of the Company. Accordingly, we are unable to comment on the adjustments, if any, that would be required to the carrying amount of the related liabilities or disclosure of contingent liabilities and also unable to comment on the possible financial impact of the same on the accompanying Statement of the Company for the year ended 31 March 2019. Our review report dated 17 October 2019 on the standalone financial results for the half year ended 30 September 2018 was also disclaimed in respect of this matter. c) As stated in Note 16 to the accompanying Statement, the Company has incurred net loss of ₹ 519,882.06 lakhs during the year ended 31 March 2019 and as of that date, its accumulated losses aggregating ₹ 577,289.58 lakhs have resulted in erosion of its net worth in its entirety. Further, as of that date, its current liabilities exceeded its current assets by ₹ 634,904.71 lakhs. Further, since, CIRP is currently in progress, it is required that the Company be managed by the Resolution Professional as going concern the accompanying Statement was prepared on going concern basis of accounting. However, there exists a material uncertainty about the ability of the Company to continue as a "Going Concern" since, the same is dependent upon the resolution plan to be approved by NCLT. In the absence of necessary evidence with respect of management's assessment of going concern, we were unable to comment on the ability of the Company to continue as a going concern. Our audit report dated 2 May 2018 on the standalone financial results for the year ended 31 March 2018 included a paragraph on Material Uncertainty Related to Going Concern and our review report dated 17 October 2019 on the standalone financial results for the half year ended 30 September 2018 was also disclaimed in respect of this matter. d) As stated in Note 17(a) to the accompanying Statement, the Company has recognised revenue amounting to ₹ 449.72 lakhs on the basis of percentage of completion method during the year ended 31 March 2019. Out of this balance, ₹ 341.40 lakhs pertain to projects which are not yet completed as at year end ('ongoing projects'). Further, the Company has recognized revenue aggregating ₹ 42,933.91 lakhs in earlier years on the basis of percentage of completion method in respect of projects not yet completed as on 1 April 2018, (the transition date for Ind AS 115, Revenue from Contracts with Customers). Ind AS 115 requires entities to assess the existence and enforceability of a right to payment for performance completed to date in order to recognize revenue over time, which has not been established for the aforesaid ongoing projects and projects not completed on the transition date for Ind AS 115, on account of defaults in construction of the property within the

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		stipulated timelines and other contractual terms. However, the management has continued to recognize revenue over time in respect of such projects for the reasons stated in the aforesaid note, which, in our opinion, is not in compliance with the recognition principles prescribed under Ind AS 115. Our review report dated 17 October 2019 on the standalone financial results for the half year ended 30 September 2018 was also disclaimed in respect of this matter. Further, as stated in Note 17(b) of the accompanying Statement, the Company has recognised a provision for foreseeable losses amounting to ₹ 3,400.53 lakhs as at 31 March 2019 in accordance with the requirements of Ind AS 37, Provisions, Contingent Liabilities and Contingent Assets. The underlying estimates of cost for completion of the project have not been revised during the year ended 31 March 2019 in accordance with the requirements of Ind AS 115. In the absence of such updated assessment, we were unable to determine the extent of adjustments, if any, that were required to be made to the cost of construction of the project and the consequential impact on the carrying amounts of provisions for foreseeable losses on the accompanying Statement of the Company for the year ended 31 March 2019. e) As stated in Note 18 to the accompanying Statement, the Company has non-current investments in its subsidiaries, joint ventures and associates, and its non-current loans and non-current trade receivables and other non-current financial assets include dues from such subsidiaries, joint ventures, associates and other group companies are aggregating ₹ 998.18 lakhs, ₹ 18,790.59 lakhs, ₹ 6,215.02 lakhs and ₹ 9,268.47 lakhs, respectively, which represents over 8.33% of the Company's total assets as at 31 March 2019. Further, the Company, during the current year, has recognised interest income on the inter-corporate deposits granted to these group companies amounting to ₹ 2,074.68 lakhs. The Company's management has not carried out an assessment for impairment / expected credit losses in respect of these balances in accordance with requirement of Ind AS 36, Impairment of Assets and Ind AS 109, Financial Instruments. The net worth of the aforesaid subsidiaries, joint ventures and associates as at 31 March 2019 was either fully or significantly eroded and most of the entities had incurred losses or did not have any operations during the year ended 31 March 2019. Further, we have not received balance confirmations for the related party transactions entered during the year as well as balances outstanding as at 31 March 2019 from these related parties. In the absence of such assessment for impairment of investments, provision for expected credit losses for other balances, balance confirmation and consequential income recognised during the year basis transactions entered with the related parties, we were unable to determine the extent of adjustments, if any, that are required to be made to the carrying amounts of these balances and the consequential impact of the same on the accompanying Statement of the

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Company for the year ended 31 March 2019. Our review report dated 17 October 2019 on the standalone financial results for the half year ended 30 September 2018 was also disclaimed in respect of this matter.

f) As stated in Note 19 to the accompanying Statement, the Company's property, plant and equipment, capital work-in-progress (CWIP), intangible assets, non-current investments, Income-tax asset, inventories, current trade receivables, cash and cash equivalents, current loans, other non-current financial assets, other current financial assets, other non-current assets and other current assets are stated at ₹ 65,515.52 lakhs, ₹ 119,679.58 lakhs, ₹ 4.47 lakhs, ₹ 5.10 lakhs, ₹ 1,590.79 lakhs, ₹ 188,237.60 lakhs, ₹ 3,020.62 lakhs, ₹ 722.79 lakhs, ₹ 17.41 lakhs, ₹ 225.91 lakhs, ₹ 4.04 lakhs, ₹ 1,287.73 lakhs and ₹ 7,412.96 lakhs respectively, which represent over 91.56 % of the Company's total assets as at 31 March 2019. The Company's management has not carried out the assessment for impairment / expect credit loss in accordance with requirement of Ind AS 36, Impairment of Assets and Ind AS 109, Financial Instruments. In the absence of such assessment for impairment of assets and expected credit losses, we were unable to determine the extent of adjustments that are required to be made to the carrying amounts of these balances and the consequential impact of the same on the accompanying Statement of the Company for the year ended 31 March 2019. Our audit report dated 2 May 2018 on the standalone financial results for the year ended 31 March 2018 was qualified in respect of this matter for capital work-in-progress (CWIP) and our review report dated 17 October 2019 on the standalone financial results for the half year ended 30 September 2018 was also disclaimed in respect of this matter.

g) As stated in Note 20 to the accompanying Statement, the Company had leased a building to its subsidiary, Dasve Convention Center Limited ('DCCL') vide agreement dated 30 September 2010. On the basis of legal opinion, the lease deed was cancelled by the Company during the current year, for various irregularities in the lease instrument such as non-payment of proper stamp duty and non-payments of lease rent. This cancellation has been challenged by DCCL at the Hon'ble NCLT. However, although the ownership of the building is being disputed, the Company has capitalized the building in its Statement at the net book value appearing in the books of account of its subsidiary, DCCL and the carrying value of the property has been fully impaired. Pending outcome of the legal application filed by the erstwhile Resolution Professional and in the absence of sufficient and appropriate audit evidence to corroborate the management's assessment, we are unable to express an opinion on the appropriateness of the accounting treatment including measurement of the said building in the books of account of the Company.

h) As stated in Note 21 to the accompanying Statement, which describes that the Company has not been able to comply with

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		various regulations under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR"), various provisions of the Companies Act, 2013, various sections of the Real Estate (Regulation & Development) Act, 2016 ("RERA Act") and certain regulations of Maharashtra Real Estate Regulatory Authority (General) Regulations, 2017 ("RERA Regulations"), with respect to the projects registered under the RERA Act. Pending regularizing of aforesaid defaults under the respective laws and regulations, we are unable to ascertain the consequential impact on account of possible fines or penalties, if any, of such non-compliances on the loss in the accompanying Statement of the Company for the year ended 31 March 2019.
	b. **Type of Audit Qualification**	Disclaimer of Opinion
	c. **Frequency of qualification**:	All these matters [II (a) (i) – (a) to (h)] have been disclaimed for the first time during the year ended 31 March 2019. On matter enumerated in S.No. II (a) (i) (f) qualification was included in respect of capital work-in-progress (CWIP) for the first time during the year ended 31 March 2018.
	d. **For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views**:	Not Applicable
	e. **For Audit Qualification(s) where the impact is not quantified by the auditor:**	
	(i) **Management's estimation on the impact of audit qualification:**	a) Nil. As per Section 129(3) of the Companies Act, 2013 the Company is required to present consolidated financial statement of the Company and all the subsidiaries (including joint venture and associate company) in the same form and manner as that of its own which shall also be laid before the annual general meeting of the Company along with the laying of its standalone financial statements. The financial statements of the subsidiaries, joint venture and associate company cannot be consolidated with the financial statement of the Company on account of non- availability of the requisite information for consolidation of financial statements of the parent in accordance with Ind AS 110 Consolidated Financial Statements and Ind AS 28 Investments in Associates and Joint Ventures. Thus, the Company has not prepared consolidated financial statements and shall not be presenting the same in the ensuing annual general meeting of the Company. b) Nil. Pursuant to the orders of Hon'ble NCLT, Mumbai, CIRP has been initiated in respect of the Company under the provisions of the IBC Code with effect from 30 August 2018 post an application was filed and admitted against the Company by M/s Raj Infrastructure Development (India) Private Ltd., an operational creditor of the Company. As a part of CIRP proceedings, all the operational and financial creditors of the

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Company were called upon to submit their claims and as per the provisions of the IBC Code, the RP has to receive and collate all the claims submitted by the operational and financial creditors of the Company. To the extent the process for submission of claims as on the Insolvency commencement date remains an on-going process, the verification and consequent reconciliations, if any, with the amounts as appearing in the books of account remain pending. Legal confirmations for the cases handled by various lawyers on behalf of the Company during the year were not received in spite of sending repeated requests to them to do so. This is due to the inability of the Company to pay past dues of such lawyers, to the extent such claims have been duly received, they have been admitted.

c) Nil

The Company has incurred net loss of ₹ 519,882.06 lakhs during the year ended 31 March 2019 and also suffered losses from operations during the preceding financial years and as of that date has accumulated losses aggregating ₹ 577,289.58 lakhs which has resulted in erosion of its net worth in its entirety. Further, as of that date, its current liabilities exceeded its current assets by ₹ 634,904.71 lakhs. The Company also has external borrowing from banks and financial institutions, principal and interest repayment of which has been delayed and has also defaulted in dues payable to debenture holders towards non-convertible debentures. The operations of the Company are dependent on the project undertaken by it and other entities in the group as a whole. During the current year, an application for CIRP was filed and admitted against the Company before NCLT on 30 August 2018. A Resolution Professional has been appointed under the provisions of IBC, who under the directions of the NCLT as well as Committee of Creditors ("CoC") manages the day to day affairs of the Company, as powers of the existing Board of Directors stands suspended. The Resolution Professional has received bids from resolution applicants. In view of the above, the Statement has been continued to be prepared on a "Going Concern" basis.

d) Nil

The Company has recognised contract revenue amounting to ₹ 449.72 lakhs on the basis of percentage of completion method during the year ended 31 March 2019. Out of this, ₹ 341.40 lakhs pertain to projects which are not yet completed as at year end i.e. ongoing projects. Further, the Company has recognized revenue aggregating ₹ 42,933.91 lakhs in earlier years on the basis of percentage of completion method in respect of projects not yet completed as on the transition date for Ind AS 115, Revenue from Contracts with Customers, i.e. 1 April 2018. The Company believes that the basis the contractual terms of the agreement and the legal opinion received, despite the delays in construction, the right to payment is established. Further, a moratorium under Section 14(1) of the Code is in effect which prohibits inter alia the continuation of pending suits or proceedings against the

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Company, including any judgement, decree or order in any court of law, tribunal or other authority.

The Company has recognized foreseeable losses amounting to ₹ 3,400.53 lakhs in respect of the projects where it believes that the estimated cost to complete the contract will exceed the amount of contract revenue and basis the same the Company has recorded the cost of construction and changes in inventory amounting to ₹ 357.20 lakhs and ₹ 604.68 lakhs respectively. The management has not revised the estimated cost of completion of the project during the past few years owing to scarcity of resources and overall stagnation of the project. The management believes that the amount of foreseeable losses has been computed appropriately and believes that impact on account of revision in estimated cost of completion of the project and the consequential impact on the cost of construction and changes in inventories will not be material.

e) Nil
The Company's non-current investments as at 31 March 2019 include investments aggregating ₹ 998.18 lakhs in its subsidiaries, joint ventures and associates, other non-current loans and non-current trade receivables and other non-current financial assets as on that date include dues from such subsidiaries, joint ventures and associates and other group companies aggregating ₹ 18,790.59 lakhs, ₹ 6,215.02 lakhs and ₹ 9,268.47 lakhs respectively, being considered good and recoverable by management. The operations of these subsidiaries, joint ventures and associates are dependent on the projects undertaken by the respective companies as a group. The underlying projects in the Company are in the early stages of development and would achieve profitability on substantial completion and/ or have current market values of certain properties which are more than the carrying values. On the basis of the above, and given that the Company and two of its subsidiaries are currently under the CIRP, no adjustments are currently considered as being required to be made to the carrying value of these balances as at 31 March 2019. Confirmation for transactions during the year and year end balances of these parties were not received in some cases in spite of repeated requests by the management.

f) Nil
The Company's property, plant and equipment, capital work-in-progress (CWIP), intangible assets, non-current investments, Income-tax asset, inventories, current trade receivables, cash and cash equivalents, current loans, other non-current financial assets, other current financial assets, other non-current assets and other current assets amounting to ₹ 65,515.52 lakhs, ₹ 119,679.58 lakhs, ₹ 4.47 lakhs, ₹ 5.10 lakhs, ₹ 1,590.79 lakhs, ₹ 188,237.60 lakhs, ₹ 3,020.62 lakhs, ₹ 722.79 lakhs, ₹ 17.41 lakhs, ₹ 225.91 lakhs, ₹ 4.04 lakhs, ₹ 1,287.73 lakhs and ₹ 7,412.96 lakhs respectively, being considered good and recoverable by the management. The underlying projects in the Company are in the early stages of development and would

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			achieve profitability on substantial completion and/ or have current market values of certain properties which are more than the carrying values. On the basis of the above, and given that the Company and two of its subsidiaries are currently under the CIRP, no adjustments are currently considered as being required to be made to the carrying value of these assets as at 31 March 2019. g) Nil Vide lease deed dated 23 September 2002 ("Deed of Lease"), Maharashtra Krishna Valley Development Corporation ("Lessor") had executed a lease deed in favour of the Company relating to land as described in the Deed of Lease where the Company constructed a convention center ("Property"). In terms of Clause 18 of the Deed of Lease Deed, the Company does not have the right to assign the leasehold rights to any person. However, the Company had executed a deed of sub-lease dated 30 September 2010 for sub-lease of the Property to Dasve Convention Center Limited ("Deed of Sub-lease"). This Deed of Sub-Lease was executed without the permission of the Lessor, it is an unregistered instrument, and adequate stamp duty has not been paid as required under the applicable laws. Thus, the resolution professional of the Company, upon taking over the management of the Company, issued a notice to Dasve Convention Center Limited pointing out the aforementioned legal infirmities of the Deed of Sub-lease and on account of the same, the Deed of Sub-lease being ipso facto void ab initio. Further, the RP also sent a show cause notice to Dasve Convention Center Limited to explain the non-payment of lease premium to the Company in terms of the Deed of Sub-Lease. On the basis of said cancellation, the Company had inventorised the building in its books of account and basis the future usage has capitalized (converted from stock-in-trade to Property, plant and equipment) the same in its Statement at the net book value of ₹ 5,635.56 lakhs i.e. the value appearing in the books of account of DCCL as at 31 March 2019 and consequentially, provided for impairment allowance of ₹ 5,364.44 lakhs. Further, the Company has fully impaired the book value of such Property, plant and equipment aggregating ₹ 5,635.56 lakhs. Mr. Mahesh Kumar Gupta as the erstwhile resolution professional of Dasve Convention Center Limited, had filed an application before the Hon'ble to NCLT (M.A. no. 1369 of 2019 in CP no. 574 of 2018) on 4 April 2019 against the RP of the Company, seeking possession of the Property. The said application was heard at length on 24 February 2020 and orders therein were reserved. The aforesaid matter is sub-judicious before the Hon'ble NCLT and consequential adjustments, if any, in the books of account will be made on receipt of the orders of the Court. h) Nil There are certain corporate compliances under the provisions of Companies Act, 2013, being Section 203 of the Act with respect to appointment of the Chief Financial Officer and Company Secretary, Section 138 relating to carrying out the

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internal audit, Section 204 relating to conduct of the Secretarial audit, Sections 177 and 178 regarding Audit Committee and Nomination and Remuneration Committee of the Act. The Company has been unable to file the annual returns with the Registrar of the Companies (in terms of Section 92 of the Act) owing to practical difficulties faced by the Company due to non-availability of the digital signatures of the directors whose powers have been suspended. The Company was further not able to conduct the annual general meeting in accordance with the timelines specified under the Act and the Company was unable to file the financial statements with the Registrar of the company (ROC) within the timelines specified under this Act on account of initiation of such CIRP thus the Company was not able to comply with the provision of Section 96, Section 121 and Section 137 of the Act. Further, certain SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 have remained pending as mentioned in Note 16(4)(c).

These compliances have remained pending in respect of the Company primarily on account of (a) the scarcity of funds faced by the Company due to the ongoing corporate insolvency resolution process; (b) resignation tendered by all directors of the Company to the Resolution Professional; and (c) the lack of replacements to act as directors of the Company inspite of the Resolution Professional having taken steps towards the same.

The Company has not complied with the provisions of Section 4, Section 4(2)(l)(D) and Section 13 of the Real Estate (Regulation & Development) Act, 2016 ("RERA Act") and the regulations of Maharashtra Real Estate Regulatory Authority (General) Regulations, 2017, wherein it is provided that the amounts from the separate account shall be withdrawn by the promoter after it is certified by an engineer, an architect and a chartered accountant in practice, and that the withdrawal is in proportion to the percentage of completion of the project; that the promoter shall get his accounts audited within six months after the end of every financial year by a chartered accountant in practice, and shall produce a statement of accounts duly certified and signed by such chartered accountant and it shall be verified during the audit that the amounts collected for a particular project have been utilised for the project and the withdrawal has been in compliance with the proportion to the percentage of completion of the project. The Company as at 31 March 2019, was unable to obtain such certificates for projects from auditor within six months from end of financial year and in respect of certificate by an engineer, an architect and a chartered accountant in practice because there was no progress on the projects after registration and transactions from the respective bank accounts took place.

The Company is currently in default in terms of various lease/ sale agreements on account of its failure to have given timely possession to the concerned homebuyers. In terms of the applicable provisions of the Code, such homebuyers, who

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			have not received possession, are treated as financial creditors and their financial debt is required to be resolved within the contours of the Code. On account of the initiation of the corporate insolvency resolution process of the Company, a moratorium in terms of Section 14(1) of the Code is in effect, and accordingly no suit/ proceedings against the Company can be instituted or continued during such period, including proceedings in terms of the Real Estate (Regulation and Development) Act, 2016. The dues owed to the homebuyers shall be resolved as per, and the contractual obligations of the Company in terms of such lease/ sale agreements shall be subject to the provisions of a resolution plan, if any, approved in terms of Section 31 of the Code, or shall be subject to a liquidation process, as per the provisions of the Code. The Company is presently undergoing CIRP. The Company is further facing severe financial crisis and all directors and company secretary have resigned and accordingly, in the absence of majority of senior management and key managerial personnel, the Company has not been able to comply with the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR"). The Company has not been able to appoint a compliance officer as specified under regulation 6 of the SEBI LODR and the Company has not been able to constitute a Grievance Redressal Mechanism committee as specified under regulation 13 of the SEBI LODR. Further there have been certain delays in terms of payment of fees and other charges to be paid to the recognized stock exchange(s), disclosure of information having bearing on performance/operation of listed entity and/or price sensitive information, submission of financial results, timely compliance of the terms of non-convertible debt securities in accordance with Regulation 14, 51, 52 and 61 of the SEBI LODR respectively. The Company has been unable to comply with other regulations of the SEBI LODR which includes preparation of annual report in line with provisions of Regulation 53, maintaining sufficient asset cover as per Regulation 54, submission of certificates with the stock exchange in respect of the interest or principal becoming due as per Regulation 57, submission of documents and information to holders of non-convertible debt securities as per Regulation 58. Further, the website of the Company does not contain the minimum details as required under Regulation 62 of the SEBI LODR. The management of the Company believes that such non-compliance of the provisions of the SEBI LODR on account of such practical difficulty will not have material impact on the financial results of the Company. The Resolution Professional has appointed a Chief Executive Officer and a third party secretarial advisor to the Company in order to assist in compliances with applicable laws, to the extent possible.
	(ii)	**If management is unable to**	Not Applicable

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		estimate the impact, reasons for the same:	
	(iii)	**Auditors' Comments on (i) or (ii) above:**	Refer Section II (a) above
III.	**Signatories:**		

For **Lavasa Corporation Limited**

Shailesh Verma
Resolution Professional
Reg No: IBBI.IPA-002/IP-N00070/2017-18/10148
Place: Ghaziabad
Date: 05 March 2021

Suresh Pendharkar
Chief Executive Officer
Place: Mumbai
Date: 05 March 2021

Lavasa Corporation Limited
Mumbai

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

RAKESH RAMAWATAR AGARWAL

Digitally signed by RAKESH RAMAWATAR AGARWAL
Date: 2021.03.05 20:41:16 +05'30'

Rakesh R. Agarwal
Partner
Membership No.: 109632
Place: Baddi
Date: 05 March 2021